

23rd March 1935

THE  
**LEGISLATIVE ASSEMBLY DEBATES**

(Official Report)

---

Volume III, 1935

*(9th March to 28th March, 1935)*

---

**FIRST SESSION**

OF THE

**FIFTH LEGISLATIVE ASSEMBLY,  
1935**



NEW DELHI  
GOVERNMENT OF INDIA PRESS  
1935

# Legislative Assembly.

*President :*

**THE HONOURABLE SIR ABDUR RAHIM, K.C.S.I., KT.**

*Deputy President :*

**MR. AKHIL CHANDRA DATTA, M.L.A.**

*Panel of Chairmen :*

**SIR MUHAMMAD YAKUB, KT., M.L.A.**

**MR. S. SATYAMURTI, M.L.A.**

**LIEUT.-COLONEL SIR HENRY GIDNEY, KT., M.L.A.**

**SARDAR SANT SINGH, 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 Petitions :*

**MR. AKHIL CHANDRA DATTA, M.L.A., Chairman.**

**MR. S. SATYAMURTI, M.L.A.**

**DR. ZIAUDDIN AHMAD, C.I.E., M.L.A.**

**RAJA SIR VASUDEVA RAJAH, KT., C.I.E., M.L.A.**

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

# CONTENTS.

VOLUME III.—9th March to 28th March, 1935.

	PAGES.		PAGES.
<b>SATURDAY, 9TH MARCH, 1935—</b>		<b>TUESDAY, 12TH MARCH, 1935—</b>	
Questions and Answers . . . . .	1959—81	Questions and Answers . . . . .	2159—96
Unstarred Questions and Answers . . . . .	1991—2023	Short Notice Questions and Answers . . . . .	2196—98
Motion for Adjournment <i>re</i> Arrests in Calcutta of prominent workers connected with the All-India Trade Union Congress—Ruled out of order . . . . .	2024—29	The General Budget—List of Demands— <i>concl'd.</i>	
Statement of Business . . . . .	2029—30	Demand No. 39—Army Department—	
The General Budget—List of Demands— <i>cont'd.</i>		Indianisation and over-expenditure . . . . .	2198—2244
Demand No. 23—Indian Posts and Telegraphs Department (including Working Expenses)—		Demand No. 79—Baluchistan—	
Grievances of the Inferior Services . . . . .	2031—57	Repressive policy in Baluchistan . . . . .	2244—48
Position of the Bengal Mussalmans in the Office of the Postmaster General, Bengal and Assam Circle . . . . .	2057—63	Demand No. 16—Customs . . . . .	2248
Demand No. 18—Salt—Damage done to the poor Zamindars of the Khushab and Pind Dadan Khan Tahsils in the District of Shahpur and Jhelum in the Punjab on account of the Salt Range and the Khewra Salt Mines . . . . .	2064—75	Demand No. 17—Taxes on Income . . . . .	2248
<b>MONDAY, 11TH MARCH, 1935—</b>		Demand No. 18—Salt . . . . .	2249
Members Sworn . . . . .	2077	Demand No. 19—Opium . . . . .	2249
Questions and Answers . . . . .	2077—2113	Demand No. 19A.—Excise . . . . .	2249
Short Notice Questions and Answers . . . . .	2113—15	Demand No. 20—Stamp . . . . .	2249
The General Budget—List of Demands— <i>cont'd.</i>		Demand No. 21—Forest . . . . .	2249
Demand No. 28—Executive Council— <i>cont'd.</i>		Demand No. 22—Irrigation (including Working Expenses), Navigation, Embankment and Drainage Works . . . . .	2250
Grievances of working classes . . . . .	2115—32	Demand No. 23—Indian Posts and Telegraphs Department (including Working Expenses) . . . . .	2250
Necessity of adapting the administration to meet modern economic needs . . . . .	2132—57	Demand No. 25—Interest on Debt and Reduction or Avoidance of Debt . . . . .	2250
		Demand No. 26—Interest on Miscellaneous Obligations . . . . .	2250
		Demand No. 27—Staff, Household and Allowances of the Governor General . . . . .	2250
		Demand No. 28—Executive Council . . . . .	2251
		Demand No. 29—Council of State . . . . .	2251
		Demand No. 30—Legislative Assembly and Legislative Assembly Department . . . . .	2251

	PAGES.		PAGES.
<b>SATURDAY, 23RD MARCH, 1935—</b>		<b>TUESDAY, 26TH MARCH, 1935—<i>contd.</i></b>	
Statements laid on the Table . . . . .	2531—37	Election of Members to the Court of the University of Delhi . . . . .	2762
Election of Members to the Central Advisory Council for Railways . . . . .	2538	Government's Right to make any modification in the business of the House . . . . .	2762
Election of Members to the Standing Committee for Roads . . . . .	2538—39	Demands for Supplementary Grants in respect of Railways . . . . .	2763—90
Election of Members to the Imperial Council of Agricultural Research and its Governing Body . . . . .	2539	Demands for Supplementary Grants . . . . .	2790—2825
Bill passed by the Council of State . . . . .	2539	<b>WEDNESDAY, 27TH MARCH, 1935—</b>	
The Indian Finance Bill—Discussion on the motion to consider not concluded . . . . .	2540—65, 2567—96	Questions and Answers . . . . .	2827—55
Statement of Business . . . . .	2565—67	Short Notice Question and Answer . . . . .	2855—57
<b>MONDAY, 25TH MARCH, 1935</b>		Motion for Adjournment <i>re</i> Reservation of the Highlands of Kenya for Europeans—Withdrawn . . . . .	2857—59
Questions and Answers . . . . .	2597—2639	Election of a Member to the Council of the Indian Institute of Science, Bangalore . . . . .	2859, 2898—2913
Unstarred Questions and Answers . . . . .	2639—58	Demands for Supplementary Grants . . . . .	2859—98
Short Notice Question and Answer . . . . .	2659—61	<b>THURSDAY, 28TH MARCH, 1935—</b>	
Statement of Business . . . . .	2662—65	Questions and Answers . . . . .	2919—57
Election of the Public Accounts Committee . . . . .	2665	Statement <i>re</i> Tribunal for Indo-Burma Financial Settlement . . . . .	2958—60
Statement laid on the Table . . . . .	2665—70	Motions for Adjournment <i>re</i> —	
The Indian Finance Bill—Motion to consider adopted . . . . .	2671—2714	Working of the new Constitution by Indians despite disclaimers—Ruled out of order . . . . .	2960—64
<b>TUESDAY, 26TH MARCH, 1935—</b>		Confidential report made on Members of the Legislative Assembly—Ruled out of order . . . . .	2965—68
Questions and Answers . . . . .	2715—58	Demands for Supplementary Grants . . . . .	2968—3025
Motion for Adjournment <i>re</i> Financial adjustments between India and Burma—Adopted . . . . .	2758—61, 2802—25		
Election of the Standing Finance Committee for 1935-36 . . . . .	2761		



# LEGISLATIVE ASSEMBLY.

Saturday, 23rd March, 1935.

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

## STATEMENTS LAID ON THE TABLE.

Information promised in reply to starred question No. 147 asked by Mr. Sham Lal on the 12th February, 1935.

### DELABORATED CONDITION OF AN OLD MOGUL BUILDING AT BURIA IN THE AMBALA DISTRICT.

(a) and (b). Enquiries have been made, and it has been reported that the building does not possess sufficient architectural interest or historical importance to justify its being dealt with under Act VII of 1904.

Information promised in reply to unstarred question No. 37 asked by Pandit Nilakantha Das on the 13th February, 1935.

### LOCOMOTIVES PURCHASED FROM DIFFERENT COUNTRIES.

Statement showing particulars of Locomotives purchased by Railways during 1932-33 to 1934-35.

Railways.	No. of loco-motives.	Types.	Price per locomotive delivered in India.	Country of manufacture.	Remarks.
Bombay, Baroda and Central India.	1	ZB	Rs. 1932-33. 53,000	England.	Built at Ajmer.
	15	YB	64,060	India	
Burma	3	YC	69,893	England.	Built at Ajmer.
Eastern Bengal	3	CS	16,067	England.	
Madras and Southern Mahratta.	3	YK	42,520	Czechoslovakia.	
North-Western	2	ZB	53,000	England.	
Bombay, Baroda and Central India.	15	YF	1933-34. 61,851	India	
Madras and Southern Mahratta.	6	YK	10,000	Old engines taken over from Mysore Railway.	Built at Ajmer.
Bombay, Baroda and Central India.	15	YF	1934-35. 56,000	India	Built at Ajmer. * Estimated cost.
North-Western	2	Diesel Electric.	3,31,000	England.	Built at Ajmer. * Estimated cost.
	3	ZF	46,550	Germany.	
South Indian	3	XD	1,17,000	England.	

*Information promised in reply to part (a) of starred question No. 634 asked by Mr. C. N. Muthuranga Mudaliar on the 27th February, 1935.*

### EXCISE DUTY ON MATCHES AND MATCH FACTORIES IN INDIA.

*Number of Match Factories.*

	On 31st March, 1934.		On 31st January, 1935.	
	Regu'ar factories.	Cottage factories.	Regular factories.	Cottage factories.
(a) (i) India	47	140-145	44	76
(ii) Madras	9	114	4	68

*Information promised in reply to starred question No. 678 asked by Mr. Fakir Chand on the 5th March, 1935.*

### BUILDING OF Pucca BOUNDARY WALLS ROUND CERTAIN BUNGALOWS IN THE JULLUNDUR CANTONMENT.

(a) The reply to the first part is in the affirmative. The reason is that the existing cactus hedges were not properly maintained, with the result that they looked unsightly and were a breeding place for snakes.

(b) Some bungalows still have cactus hedges but the bungalow-owners have promised to replace these by pucca walls.

(c) The answer is in the negative. In fact, section 194(f) of the Cantonments Act, 1924, empowers Cantonment Authorities to issue notices where considered necessary to owners of buildings to erect boundary walls of such material as may be specified therein.

(d) Nearly all Government buildings have pucca wire fencing or pucca walls around them and the rest will be provided with such fencing or walls shortly.

*Information promised in reply to unstarred question No. 136 asked by Mr. M. Asaf Ali on the 5th March, 1935.*

### RESTRICTIONS ON INDIAN KING'S COMMISSIONED OFFICERS SERVING IN BALUCHISTAN FOR COMBINED LEAVE IN INDIA.

(a) Early in 1934 the General Officer Commanding-in-Chief, Western Command, issued instructions to the effect that the grant of three months leave to King's Commissioned Indian officers should ordinarily be sufficient, but that each case should be treated on its merits and that there was no reason to prohibit the grant of the full eight months' leave if in the circumstances it appeared desirable that this amount should be granted.

The actual amount of leave to be granted to any officer, British or Indian, is left to the discretion of the District Commander and is dependent on the circumstances of the case and the exigencies of the service. Since 1933 the Commander, Baluchistan District, has granted leave to five K. C. I. Os., two ex-India for eight months, and three in India, one for six months, one for four months and one for three months. In the last case the officer had only just over two years' service.

(b) Regulations for the Army in India restrict combined leave in India to eight months. Leave ex-India is restricted to 12 months in the first instance, extensible up to a maximum of two years' absence from duty.

(c) The leave rules in question were framed for British officers serving at great distances from their homes. An officer of the British Army serving in England is restricted to only two months' leave in the year.

Information promised in reply to part (b) of unstarred question No. 143 asked by Mr. Anugrah Narayan Sinha on the 5th March, 1935.

SECRETARIES, JOINT SECRETARIES, ETC., IN THE GOVERNMENT OF INDIA  
DEPARTMENTS.

Statements showing the number of Secretaries, Joint Secretaries, Deputy Secretaries, Under Secretaries and Assistant Secretaries employed in the Governments of India Secretariat on the 1st January 1921, 1925, 1930 and 1935.

Designation,	Year.	NUMBER OF OFFICERS.		Remarks.
		Total No.	No. of Indians.	
Secretaries . . .	1921	14*	Nil.	* Includes one Financial Adviser, Military Finance, one President and two members of the Railway Board, who have the status of a Secretary.
	1925	14†	2‡	† Includes one Financial Adviser, Military Finance, one Chief Commissioner, one Financial Commissioner, and two members of the Railway Board, who have the status of a Secretary. ‡ Includes one Financial Adviser, Military Finance, who has the status of a Secretary.
	1930	17§	3	§ Includes one Financial Adviser, Military Finance, one Chief Commissioner, one Financial Commissioner and three members of the Railway Board and one Vice-Chairman of the Imperial Council of Agricultural Research Department, who have the status of a Secretary.    Includes one member of the Railway Board and one Vice-Chairman of the Imperial Council of Agricultural Research Department, who have the status of a Secretary.
	1935	15¶	4**	¶ Includes one Financial Adviser, Military Finance, one Chief Commissioner, one Financial Commissioner, and one member of the Railway Board and one Vice-Chairman of the Imperial Council of Agricultural Research Department who have the status of a Secretary. ** Includes one Financial Commissioner, Railway Board, and one Vice-Chairman of the Imperial Council of Agricultural Research Department who have the status of a Secretary.

Designation.	Year.	NUMBER OF OFFICERS.		Remarks.
		Total No.	No. of Indians.	
Joint Secretaries	1921	4*	1†	* Includes two Additional Financial Advisers, Military Finance, who have the status of a Joint Secretary.
	1925	2	Nd.	
	1930	5	1	† Additional Financial Adviser, Military Finance, who has the status of a Joint Secretary.
	1935	7	2	
Deputy Secretaries	1921	19‡	2	‡ Includes four Deputy Financial Advisers, Military Finance, one Secretary and one Chief Engineer, Railway Board, who have the status of a Deputy Secretary.
	1925	20§	3¶	§ Includes five Deputy Financial Advisers, Military Finance, four Directors and one Secretary, Railway Board, who have the status of a Deputy Secretary. ¶ Includes one Deputy Financial Adviser, Military Finance, who has the status of a Deputy Secretary.
	1930	20¶	5**	¶ Includes four Deputy Financial Advisers, Military Finance, five Directors and one Secretary, Railway Board, and one Secretary, Imperial Council of Agricultural Research Department, who have the status of a Deputy Secretary. ** Includes one Director, Railway Board, and one Secretary, Imperial Council of Agricultural Research Department, who have the status of a Deputy Secretary.
	1935	22††	9‡‡	†† Includes four Deputy Financial Advisers, Military Finance, five Directors and one Secretary, Railway Board, who have the status of a Deputy Secretary. ‡‡ Includes one Deputy Financial Adviser, Military Finance, and three Directors, Railway Board, who have the status of a Deputy Secretary.
Under Secretaries	1921	7§§	Nd.	§§ Includes one Joint Secretary, Railway Board, who has the status of an Under Secretary.
	1925	12¶¶	6¶¶	¶¶ Includes seven Deputy Directors, Railway Board, who have the status of an Under Secretary. ¶¶ Includes two Deputy Directors, Railway Board, who have the status of an Under Secretary.

Designation.	Year.	NUMBER OF OFFICERS.		Remarks.
		Total No.	No. of Indians.	
Under Secretaries —contd.	1930	12*	9†	* Includes one Deputy Secretary and five Deputy Directors, Railway Board, who have the status of an Under Secretary. † Includes one Deputy Secretary and three Deputy Directors, Railway Board, who have the status of an Under Secretary.
	1935	11‡	6§	‡ Includes five Deputy Directors, Railway Board, who have the status of an Under Secretary. § Includes four Deputy Directors, Railway Board, who have the status of an Under Secretary.
	1921		3	Includes seven Assistant Financial Advisers, Military Finance, who have the status of an Assistant Secretary.
	1925	21¶	13**	¶ Includes five Assistant Financial Advisers, Military Finance, and two Assistant Directors, Railway Board, who have the status of an Assistant Secretary. ** Includes four Assistant Financial Advisers, Military Finance, and two Assistant Directors, Railway Board, who have the status of an Assistant Secretary.
Assistant Secretaries.	1930	27††	20‡‡	†† Includes six Assistant Financial Advisers, Military Finance, and one Assistant Director, Railway Board, who have the status of an Assistant Secretary. ‡‡ Includes four Assistant Financial Advisers, Military Finance, and one Assistant Director, Railway Board, who have the status of an Assistant Secretary.
	1935	21§§	16	§§ Includes five Assistant Financial Advisers, Military Finance, and one Secretary, Imperial Council of Agricultural Research Department, who have the status of an Assistant Secretary.     Includes three Assistant Financial Advisers, Military Finance, and one Secretary, Imperial Council of Agricultural Research Department, who have the status of an Assistant Secretary.

*Information promised in reply to starred question No. 767 asked by Mr. Anugrah Narayan Sinha on the 9th March, 1935.*

**CLOSING OF THE GATES AT LEVEL CROSSINGS NEAR THE PATNA JUNCTION RAILWAY STATION.**

(a) Inconvenience to road traffic at the level crossings at the Patna Railway Station is unavoidable at times. In the majority of cases the detentions to road traffic are caused by in-coming and out-going trains as yard shunting causes the least detention. Orders are in force to open the gates every ten minutes as far as is possible. The running time for down trains from Dinapore to Patna Junction is 10 and 12 minutes respectively for Mail and Express trains, and from 21 to 25 minutes for Goods trains. Instructions have been issued that signals for down trains are not to be lowered earlier than 10 minutes before the train is due. As regards up Mail, Express and Passenger trains, the staff have been instructed not to lower signals until five minutes before trains are to start. For running through up Goods trains, the same rule applies as for down trains.

(b) See answer to (a).

(c) Yes.

(d) and (e). The Government of Bihar and Orissa informed the Agent, East Indian Railway, in October 1928 that they did not require either a bridge or a subway over the level crossing west of the Patna Junction station, which is by far the more important of the two. In these circumstances the railway have no reason for undertaking the work themselves.

*Information promised in reply to starred question No. 808 asked by Mr. Sri Prakass on the 11th March, 1935.*

**IMPORT OF WHEAT INTO INDIA.**

(c) Out of 2,068 tons of foreign wheat imported into Calcutta during the period April, 1934 to January, 1935, only 359 tons were re-exported as wheat flour. As regards Bombay, out of 1,068 tons of wheat passed free of duty nothing has been yet shipped as wheat flour.

*Information promised in reply to parts (c), (d) and (f) of starred question No. 899 asked by Mr. Amarendra Nath Chattopadhyaya on the 11th March, 1935.*

**ALLEGATIONS AGAINST THE MILITARY IN MIDNAPORE.**

(c) The complaint against Murari Mohan Samal for an offence under section 182, Indian Penal Code, was replaced by one for an offence under section 193, Indian Penal Code, because the punishment which could be imposed under the former section if the evidence warranted conviction was considered inadequate.

(d) He was discharged on an entirely technical legal point that the officer who enquired into his petition and complained could not lawfully have acted under section 202, Criminal Procedure Code, and, therefore, could not have lawfully administered the oath. No compensation was granted.

(f) The Commissioner of the Burdwan Division in a darbar speech at Midnapore on the 22nd July, 1934, referred to the fact that Murari Mohan Samal was being prosecuted after a judicial enquiry and finding that the charges he had made were entirely false. No action against the Commissioner was called for.

Information promised in reply to starred question No. 886 asked by Sir Muhammad Yakub on the 18th March 1935.

**SUGAR FACTORIES LIABLE TO EXCISE DUTY IN THE ROHILKUND DIVISION.**

(a)

District.	Khandasari sugar works.
1. Moradabad . . . . .	4
2. Bareilly . . . . .	86
3. Pilibhit . . . . .	31
4. Shahjahanpur . . . . .	45
5. Bijnor . . . . .	11
6. Budam . . . . .	Nil.
	147

(b) The factories are assessed in conformity with the law in this regard.

District.	Mode of assessment.
1. Moradabad . . . . .	After inspection of books and registers, when made available.
2. Bareilly . . . . .	80 per cent. of the assessments were made after inspection; in the rest attempts were made to arrive at the actual number of men by inspection of wages bills and the maximum production per day.
3. Pilibhit . . . . .	Assessment made after the accounts, registers and <i>bahi khata</i> s had been inspected and after enquiries regarding engine power, number and size of centrifugals, number of men employed, working hours, daily average outturn and number of <i>passas</i> had been made.
4. Shahjahanpur . . . . .	After inspection and examination of attendance registers and other available sources of information.
5. Bijnor . . . . .	Ten factories were summarily assessed as they failed to produce books. Assessment was based on reports received through the tahsil staff but factories were subsequently inspected.

(c) None of the factories assessed under the Sugar (Excise Duty) Act had previously been classed as factories under the Indian Factories Act, except 24 in the Bareilly district. A careful scrutiny of the books of the factories led to the inevitable conclusion that they had employed 20 or more men.

(d) None.

(e) 85 are working and 82 have been closed.

Mr. President (The Honourable Sir Abdur Rahim): Order, order. Owing to the adjournment of the House yesterday, the consideration of the Finance Bill and the Supplementary Grants has had to be put off. The Chair, therefore, proposes—and the Chair takes it that the House will agree—that no questions should be taken up today, with the result that there will be one more hour devoted to the consideration of the Finance Bill.

[Mr. President.]

There is a motion for adjournment in the name of Maulvi Syed Murtaza Sahib Bahadur, by which he wants to discuss the situation arising out of the demolition of a portion of the Babarthareya mosque near the railway bridge leading to the Delhi Gate by the municipal servants and the police, but the Honourable Member refused to move this motion on the 21st. Therefore, that motion lapses. There is another motion for adjournment, notice of which has been given by Pandit Nilakantha Das, in connection with the grave situation arising out of the recent decision of the Colonial Secretary on the representation of the Government of India regarding the interests of Indians in Zanzibar. But he is not here.

**Mr. D. K. Lahiri Chaudhury** (Bengal: Landholders): He did not know that there would be no questions. He is somewhere in this building, and I am just sending word to him.

**Mr. President** (The Honourable Sir Abdur Rahim): He knew, at any rate his Party knew, that the motion for adjournment would be coming on . . . . .

**Mr. D. K. Lahiri Chaudhury**: But that it would come at 12. I am just sending word to him.

**Mr. President** (The Honourable Sir Abdur Rahim): In the meantime, the Chair has some announcements to make, and that will give a chance to the Honourable Member to come in.

---

#### ELECTION OF MEMBERS TO THE CENTRAL ADVISORY COUNCIL FOR RAILWAYS.

**Mr. President** (The Honourable Sir Abdur Rahim): I have to inform the Assembly that the following non-official Members have been elected to the Central Advisory Council for Railways, namely:

- (1) Mr. Nabi Baksh Illahi Baksh Bhutto,
- (2) Mr. B. B. Varma,
- (3) Mr. K. Nagewara Rao,
- (4) Mr. H. M. Abdullah,
- (5) Mr. Muhammad Nauman, and
- (6) Mr. Suryya Kumar Som.

---

#### ELECTION OF MEMBERS TO THE STANDING COMMITTEE FOR ROADS.

**Mr. President** (The Honourable Sir Abdur Rahim): I have also to inform the Assembly that the following Members have been elected to the Standing Committee for Roads for the financial year 1935-36, namely:

- (1) Mr. Umar Aly Shah,
- (2) Mr. G. Morgan,



- (3) Mr. Sham Lal,  
 (4) Mr. Deep Narayan Singh,  
 (5) Captain Rao Bahadur Chaudhri Lal Chand, and  
 (6) Mr. Fakir Chand.
- 

### ELECTION OF MEMBERS TO THE IMPERIAL COUNCIL OF AGRICULTURAL RESEARCH AND ITS GOVERNING BODY.

**Mr. President** (The Honourable Sir Abdur Rahim): I have to inform the Assembly that upto 12 Noon on Friday, the 15th March, 1935, the time fixed for receiving nominations for the Imperial Council of Agricultural Research and its Governing Body, four nominations were received, out of which two candidates have since withdrawn. As the number of candidates is now equal to the number of vacancies I declare Maulvi Muhammad Shafi Daudi and Pandit Sri Krishna Dutta Paliwal to be duly elected.

---

### BILL PASSED BY THE COUNCIL OF STATE.

**Secretary of the Assembly**: Sir, in accordance with the provisions of rule 25 of the Indian Legislative Rules, I lay on the table a Bill further to amend the Aligarh Muslim University Act, 1920, for a certain purpose, which was passed by the Council of State on the 21st March, 1935.

---

**Mr. Bhulabhai J. Desai** (Bombay Northern Division: Non-Muhammadan Rural): As regards the motion for adjournment that stands in the name of Pandit Nilakantha Das, by reason of undoubtedly an understanding on which we were not in law entitled to act, but, in fact, inasmuch as it was understood yesterday that there was some prospect of these things not being moved today to accommodate a continuation of the debate, will you formally allow me to move it at this stage so that it can continue at 4 o'clock.

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair does not think that it can be allowed.

**Mr. Bhulabhai J. Desai**: I think the Leader of the House will bear me out that it is because of that informal understanding that I find the Honourable gentleman, in whose name the motion stands, just for the moment, does not happen to be in the House.

**The Honourable Sir Wripendra Sircar** (Leader of the House): As my name has been mentioned, I must state that I entirely disagree, because I had visits from Members of the same Party, and it was at their instance that questions have not been taken. They have agreed to close the debate and support closure at 4 p.m. The Leader of the Opposition as well as the representative of that Party were informed that no questions would be taken provided the President agreed to it, and we all knew perfectly well that no questions would be put, and I would object to anybody else moving this motion.

**Mr. President** (The Honourable Sir Abdur Rahman): The Chair is not in a position to accept the suggestion of the Leader of the Opposition. As a matter of fact, the Secretary of the Party, Mr. Satyamurti, knew very well that the Chair was prepared to waive questions today.

The consideration of the Finance Bill will now be resumed.

### THE INDIAN FINANCE BILL—contd.

**Dr. Bhagavan Das** (Cities of the United Provinces: Non-Muhammadan Urban): Sir, I have been hesitating greatly to take up the time of the House, for various reasons. One of these is that my notions are rather antiquated. Another is that I am perhaps too anxious to see greater prospects of peace, for the new generation, before I pass on to other worlds. It is probable, therefore, that what I say may sound foolish to both sides of the House. But I feel I must not shirk the duty of placing before the House some ideas which have come into my mind. The Christian Scriptures, somewhere, I believe, advise us to suffer fools gladly. I will, therefore, beg the House to suffer me gladly while I say my say.

I will first say something about the principles and the spirit which, it seems to me, should guide and inspire the Administration, for the carrying on of which the Budget and the Finance Bill are placed before us. Then I will make a few concrete proposals for changes in the Bill and the Budget, in accordance with those principles.

Two happenings during the present Session are particularly worthy of note. One is that the most thoughtful occupants of the Government Benches have candidly admitted, as has never been done before, that they are the helpless agents of a *vicious system*, that the existing constitution is blameworthy. The other is that the occupants of the Opposition Benches have poured out their hearts, as also has never been done before—hearts burning with the bitter experience of the manifold sufferings of the people, who are the victims of that *vicious system*, their perennial starvation, their pauperisation, their demoralisation, their intoxication with drugs and drinks, their occasional shootings down; hearts full also with memories of their own sufferings, inside and outside jail.

To the cursory view, these two happenings may seem cause for despair. Yet, it seems to me, they give ground for hope. The recounting of the consequences of the *vicious system*, face to face, by its victims to its agents, is much. The public confession, by its agents, that the *system* is *vicious*, is much more. It gives ground for hope that the agents may be willing to listen to suggestions as to how they and the victims can *co-operate*, to gradually but surely and steadily, change the *vicious* into a *virtuous* system.

My suggestions are these:

First and foremost, let each side of the House resolve sincerely that it will see itself, not only with its own eyes, but with those of the other also; will see, not only its own merits, but also its demerits, that may be pointed out by the other, in the spirit of the true and just friends; and that our discussions here shall not be in the nature of attack and defence, but of serious and earnest consultation for the promotion of the well-being of all sections of the people.

Secondly, let us recognise that there are no so-called "practical" difficulties in the way of improving the situation. The only difficulties are spiritual and psychical. If we really want to do it, we can do it. The very clever statesmen of the very civilised countries of the west find no "practical" difficulties in bringing about world-wars and world-bankruptcies, and in going on organising their nations for a yet more awful slaughter and the destruction of civilisation. The 'practical' difficulties in organising and planning for peace are surely far smaller. Only the will is wanted.

Thirdly, let us all clearly recognise that of the two functions of the State, functions undisputedly recognised by all the best modern as well as ancient political thought on the subject, the ministrant function, subdivided into those of *Education* and *Employment*, is far more important than the constituent function, namely, maintenance of *law and order*, that is maintenance of external and internal *peace*. Most astonishingly, the Joint Parliamentary Committee Report ignores ministrant function altogether and has not even mentioned it. As prevention of disease by promotion of health is better than cure after developing disease, so right education and employment of the people are better than penal legislation and repression. Inner impulsion to good is much more effective than outer compulsion against evil. Moral and hygienic culture is far better than penal codes and many jails and many hospitals. It does all the work of the latter, in a much happier way, and does much more besides. The Viceroy said here, the other day, that education was at the root of national prosperity. Of course, right education was meant; for wrong education is the root of national calamity.

The duties of a righteous Administration, towards the people are none other than those of the elders of a family to its younger generation, namely, to protect from disease and injury, to educate, and to put in the way of earning a decent living. All other activities and functions of the State are subservient to these. The ancient words are *duṣhta-nigraha* or *raṣṭhana*, and *śikṣā-anugraha*, sub-divided into *śikṣhana* and *bharaṇa*. Persian, equivalents would be *insād-i-badī* and *imād-i-nehī*. All the current portfolios of the Government of India are easily classifiable under these three.

Because the *promotive* function is of greater consequence than the *preventive*, therefore, the ancient law-giver of this land, bases civilisation primarily on the *Educator*, and only secondarily on the *Soldier*, and he makes the *Soldier* and the *Executive* subordinate to the godly man of learning who is the *Educator* and the *Legislator*; for otherwise, the *Soldier* who should be the *Defender*, always degenerates into the *Offender*, the *Oppressor*, and the *Slaughterer*.

Fourthly, in accordance, then, with the best modern thought and tendency in State-administration, as well as with the ancient tradition of the land, let us all resolve to do the most we can, for the right *education* and the right *employment* of the new generation. The Educational and the Economic Councilors and advisers of the Government should form a Committee, together with some elected elders of the people, and, in full and sympathetic consultation, draw up comprehensive schemes for such *Education* and *Employment*. Japan and Russia and Italy can probably give us many useful hints in these matters, for their agricultural and other conditions are somewhat similar to ours; and the two first-named countries

[Dr. Bhagavan Das.]

though poles apart in politico-economic principles, have yet both developed admirable systems of education and have abolished unemployment, by all report.

Fifthly, I would suggest that if the Official side of this House sincerely desires the co-operation of this side, it should always bear in mind that what have been called "the doings and happenings" of the last fifteen or sixteen years, began with the Amritsar Massacre and the horrors of Martial Law in the Punjab, and the disregard by the Government of the request of the Congress for a very small redress of those very great wrong; and that to further strengthen the Executive, that is, the Military, the Police, the Magistracy, instead of strengthening the Educative and the Economic Departments and the Legislature, is to try to cure poison by yet more and cruder poison, instead of by antidotes. Promote the beneficent activities of the administration; then the repressive activities will be minimised automatically, will be needed less often; crime will diminish in the public; crime and corruption in the public servants also of all departments, as testified by the official Reports of the Police, Jail and Railway Commissions and the record and Reports of the Judicial Administration, and the presidential addresses at official Police Conferences, will also diminish; and vast amounts of public monies which are now wasted on extra Police and C. I. D. and Secret Service expenses of many sordid kinds, and help to cause deficits in Provincial Budgets, as complained by the Provincial Governors themselves, would be saved for far better uses.

Sixthly, I would pray the Official Members to consider that Economic Planning is not wholly impossible or futile, though the Finance Member lightly dismissed it as such, the other day. One of Britain's favourite politicians of today, Sir John Simon, after a few hours talk with Signor Mussolini last year, returned to Britain, and went about publicly declaring that the day of muddling along anyhow had gone by, and the day of planning had come. At least so the dailies reported. And, indeed, as my good brother, Pandit Govind Ballabh Pant, pointed out, the British Government has been doing quietly a lot of work latterly in respect of planned vocational education and planned economy, even though, it may be on lines different from those of Communist Russia, and somewhat similar to those of Fascist Italy. In respect of Agriculture, though Britain is a manufacturing country, it is reported to have established nine agricultural universities, twelve colleges, two veterinary colleges, and numerous farm institutions, to have arranged for short but complete courses of agricultural instruction in other educational institutions, and to be trying hard to develop its agriculture and food-production. This is all very sound common sense, even though perhaps the immediate incentive may be fear of another war and the cutting off of food-supplies. Here, in India, agriculture, the staple industry, is becoming less and less productive.

The Home Member did not give the needed answer to my question on the subject; but, if I am not mistaken, the total number of persons in public service of all sorts is, by the census, something like ten millions at present. These have their dependents. The various departments of the administration have their collateral non-official professions and occupations, also, thus the law courts have their lawyers; the Public Works Department their contractors. And so forth. It may perhaps not be incorrect, therefore, to infer, that 30 to 40 millions are dependent on the Government in

direct or indirect ways. It may well be said that the Government is planning for these. In New Delhi, quarters for public servants of all grades, from the Governor General to the *chaprasis*, seem to be provided. All this is not unlike Socialistic Planning. It needs only to be extended to the remaining 280 or 240 millions of so-called British India.

The Government do regularly secure the figures for the area cultivated annually, the crops produced, also the other raw materials, as well as the finished products, the quantities imported and exported. They also know the numbers of the human bodies that have to be fed and clothed. We have only to expand our hearts and our arithmetical calculations a little, only to feel as public *servants*, and not as public *masters*, only to develop some public spirit and self-denial, in order to make *equitable—not equal* arrangements for all the 270 millions, as we are doing now for 80 or 40.

When there is abundance of food and clothing, and not too many eaters and wearers, budgeting and counting and planning are not needed. When things are otherwise, careful planning and dividing are necessary. All the advanced countries of the West are steadily advancing towards such systematic planning, in lesser or greater imitation of Russia; though they are also advancing, most unfortunately, towards Armageddon, hypnotised by the catchword 'nationalism' and driven along by a veritable madness of lust and hate and greed and pride. Our Central and Provincial Budgets total, in round figures, about 250 crores of income, and as much of expenditure, and they provide for the maintenance, on very different scales of living, it may be of only 30 to 40 millions, as said before. Let the figures for the total annual yield of consumable goods be also taken into account and the budgets so framed by the professional experts in the service, that what is called 'a minimum living wage', *i.e.*, the necessaries of life in adequate measure, shall be left to the agricultural and other labourers, who compose the vast bulk of the remaining 280 or 240 millions. It is surely very cruel that those who, by very hard labour, provide others with necessaries, comforts, luxuries, should themselves be left without even necessaries. If the Government see that the population is growing beyond their power to keep in food and clothing, even after the best possible utilisation of the cultivable and other areas, it will become their duty to proclaim the fact, and the duty of all to help in maintaining a due proportion between the number of mouths to be fed and the available food-supply. All this is easily possible if only the Government *identify* the interests of the public servant with the interests of the public, instead of making them *antagonistic*.

India raised a loan to give away a hundred and fifty crores to Britain for the horrible and senseless butchery of the Great War. She has borrowed about 800 crores and spent them much more usefully on Railways. The suggestion of Pandit Govind Ballabh Pant that a hundred crores should be borrowed and spent on carefully thoughtout, beneficent, nation-building works, the yield of which would make repayment of the loan easy, is not so very visionary as the Finance Member tried to make it appear. Not attempt to ridicule, but earnest consultation, over these serious matters of grave import, is needed.

[Dr. Bhagavan Das.]

Let us realise that the unemployment of some 80 millions in the West, and the far greater, though uncounted, unemployment in India, now causing suicides among the educated, and large mortality among the masses, is the result of the continued misemployment of another 80 millions, in the shape of standing armies and reserves, in the brutalising work of preparing to butcher each other and also massacre civilian populations. If the vast sums of money, aggregating perhaps 2,000 millions of pounds spent annually on these 60 million unemployed and misemployed, were spent on right education and right employment, in beneficent, nation-building, life-supporting, and life-refining works, and the utilisation of the vast unutilised areas of the continents, the earth, which is now becoming a hell of evil passions, would come near to becoming a heaven of friendliness and peace. But the great and wise statesmen go on saying that there are no "practical" difficulties in the way of promoting hell, and many in the way of making any approach to heaven. The wish is father to the thought; the whole of the new literature of psycho-analysis and psychiatry is only commentary on this ancient proverb. It seems, indeed, that as the Government here is the helpless agent of the vicious system evolved by Britain, so have the Government of Britain and all the great Governments of the civilised world, with all their very clever statesmen and army-men and science-men, become the mere puppets of a small international clique of financiers and armament-makers, which has driven away the God of Love and Mercy, and enthroned in His place the horrible Mammon of Capitalist Greed, and made the Moloch of Militarist Hate, his obedient servant. Let us struggle with all our might against the hypnotising glamour of all such vicious systems, and break the paralysing spell. Otherwise the ruin of India and Britain both, and indeed of all civilised countries, through a worse war, is certain. How India's fate affects the fate of all other countries, I will explain in a moment.

Let us, then, sincerely wish rightly, and let us grasp the fundamental principles firmly; the right thought of the details will follow of itself, and all so-called 'practical' difficulties will disappear.

Every sensible head of a family successfully plans out, periodically, the feeding and clothing, the educating, and the protecting from disease and danger, of his whole family. Why cannot the Legislature and the Executive, in consultation, do the same work for the great family of the Indian People? But they must talk heart-to-heart, and not fence at arm's length, if they are to do so.

The question of Indianisation is often pressed. We, of the Congress, so far as I am aware, do not lay so much stress on it. We want humanisation, good-man-isation. The colour of the skin is of no importance. The nature of the heart is of very great importance. Mother India has children of all shades, of all colours, from Scandinavian white to African dark, from Chinese yellow to American red. And she has kept them all together, for thousands of years, in the Joint Family of a Social Organisation which has now, unhappily, become very corrupt. We need, therefore, not a change of the outer colour in our public servants, but a change of heart, of spirit, from selfishness to equity, from utter irresponsibility to first responsiveness, and then responsibility, to the elected elders of the people; a change from public-master-ship to genuine public-servant-ship. With that assured, any person, of any colour, with the

needed intellectual and ethical qualifications, would be welcome. We want the British, but as friends and co-workers and fellow-servants, not as masters.

India has not suffered from racialism, or nationalism or communalism, in the modern sense in the past. She has begun to do so only recently. All sorts of religions and races and so-called minorities, she has fostered in all the centuries. Otherwise these minorities would not be existing here today. Christians came and settled on the south-western coast in the very first century after Christ; Arabs did so, before and after the birth of Islam; Parsis did so; Jews did so. Many tribes from beyond the Himalayas came into the north, including Scythians, Huns, Greeks, Tibetans, Afghans, Mughals; all were assimilated, and more or less loosely fitted into the Social Organisation, and given places and means of living. And now the Europeans have come. They too were welcomed at first. That the Indian people have not been able to absorb them, but have become slaves to them, is due to special well-known causes. If the Indian people have begun to suffer now from the evil passions of racialism, nationalism, and communalism, it is only because of the very evil conditions created by the *vicious system*. Their own indigenous system, now greatly corrupted, is a very *virtuous* system of principles for the Organisation of the whole Human Race, of all the four main *varnas*, which word means *colours* as well as *vocations*, with opportunity provided to every individual for appropriate education and employment.

In the present conditions of executive irresponsibility to the Legislature, a brown bureaucracy is indeed more harmful than a white one. The psychological reasons are well-known. It is very painful to me to have to hurt the feelings of any Government servant. I myself was in salaried public service, 40 years ago. But plain yet well-intentioned speaking is sometimes necessary, like bitter yet healthful medicine. Convict warders in jails are known to be more cruel to convicts, and not more sympathetic, than the free warders. The worst work of the vicious system is best done by such. It is part of the very short-sighted policy, of divide and rule, of that vicious system. Therefore, the only Indianisation that we want is that the *European* public servants here should *Indianise* their hearts; and much more do we want that the *Indian* public servants should keep their hearts *Indianised*, and not make them Anglicised. We see that the condition of the Indian People in much of *Indian India* today, is worse than in *British India*.

Of the same nature as this matter of racialism and nationalism is that of communalism. This spirit of communalism is the direct and recent product of the spirit of deceitful diplomacy and secret machination which animates the vicious system of which the Government here is the helpless, yet, unfortunately, all too willing, tool. The popular conviction is clear and decided, that if the Government really and sincerely wished that these communal rivalries and riots should not be, they would not be.

I do not wish to put the Official Members into a condition of internal conflict, by asking them. But I will beg the elected Members to say, firstly, if there are any among them who think that the popular conviction is not as I have described it, and secondly, if there are any among them who themselves do not hold that conviction.

I would earnestly request the Home Member to send for a sufficient number of copies, from the United Provinces Government, of the Congress

[Dr. Bhagavan Das.]

Committee's Report on the Cawnpore Riots of 1931, which has been proscribed, suppressed, and confiscated by the United Provinces Government, and distribute them among the Official Members, for perusal and serious consideration. I would particularly request him to read the Report himself. He will find cause there to think that the popular conviction is not groundless. I have personal knowledge of two of the worst riots of recent times, those of Benares and Cawnpore, in February and March, 1931. They were engineered for a whole year before they occurred. Things have come to such a pass now, that a riot can be started at will by interested persons, almost as an electric light can be switched on. In that Report, the Congress Committee have suggested, as the first and most effective remedy, that, wherever such a riot occurs, the Government should suspend the District Magistrate and the Superintendent of Police first, and call on them for explanation afterwards. I believe that the elected Members of this Assembly will be ready to guarantee that if the Government announces its acceptance of this suggestion, such riots will never occur again.

My very worthy friend, Sir Henry Gidney, the other day, spoke to the effect that the communal rivalries and riots made the British Army and the British Military occupation necessary and desirable. The writers of the Joint Parliamentary Committee Report refer to them also. I would ask him and them if these communal rivalries and riots of India are worse and more disastrous than the political rivalries and riots, called World-wars of Europe, including Britain? Do not these political and racial rivalries and riots of Europe require, far more, that some disinterested and benevolent power, like Japan, or now Russia, should hold the balance evenly between them all?

The compilers of the Joint Parliamentary Committee Report say that Britain has given unity to India and that this is perhaps her greatest gift. Among the many grievous and injurious errors which they have committed, this is one of the worst. When Britain has not been able to preserve its own unity, in a couple of islands, totalling a smaller area and a smaller population than that of one of our provinces, e.g., the United Provinces; when Ireland has torn itself away from that unity, when Scotland and Wales also show signs of separativeness, now and again; how is it possible for Britain to give any real unity to India? For the moment, she has given deep and widespread psychical and communal *disunity* to India, and stopped the process of fusion which was slowly proceeding, by her vicious system, though I believe that, under Providence, it will all ultimately work out to good, by compelling both Hindus and Muslims to reform their now much deformed religions and seek a higher synthesis. In the meanwhile the diligently cultivated spirit of 'divide and rule' has recoiled on Britain in the shape of her own internal dissensions and rupture. The unity that Britain has given to India is the compulsory and superficial unity of a centralised government,—the unity of a jail. Such political unity is very artificial and very fragile. Especially are blood-cemented empires short-lived. None seems to have lived for more than two or three hundred years in past history. The British Empire was born in 1877. Within less than half a century, Ireland broke away, though wiser counsels have enabled Britain to keep it from flying apart altogether. The Colonies are, in fact, no longer parts of an Empire but



of a Federation, a Commonwealth, as is right and proper. Such Federations, voluntary, co-operative, beneficent to all members, have every chance of long life. *Alliance* for existence, on honourable and equal terms of *inter-dependence*, is far more helpful to all concerned, than domination over anyone by any other and constant *struggle* for existence. Real and long-lasting unity is spiritual and cultural unity, such as has held all the peoples of all the parts of India together, for many thousands of years now, and gradually transformed new creeds like Christianity and Islam also into Gnosticism and *Tasawwuf*, and assimilated them to the Genius of the People, until the forces of disruption began recently their sorry work, like some new disease.

Let us all, Hindu, Muslim, and Christian Members of this Assembly—for the religious practice and the community of each shows much degeneration—ponder carefully the reaction of these disruption forces, set going here in India, in Britain itself.

The wise sayings of the scriptures, and of the People, which embody external truths ascertained by the experience of the ages, tell us that "as we sow, even thus must we reap", "Sins come home to roost", "With what measure we mete unto others, with that same shall it be meted unto us":

*"Miyane-e do tan atash angehkan"*

*"Na danist k-andar miyan sokhtan."*

"Who riseth fire between two brothers, falleth into it himself", for the simple psychological reason that he who cultivates diligently an evil emotion and behaviour towards strangers, becomes gradually so soaked with them, that he cannot help manifesting them towards his own family, bye and bye. Let us all then sincerely recognise that "honesty is the best policy", and "truth prevails in the end".

Hindus, dividing themselves into thousands of exclusive castes, Muslims splitting themselves into scores of sects, are paying the penalty by being enslaved. The British, a younger branch of the Aryan Race, presumably intended by Providence to uplift them, have misconceived their mission and enslaved them. But "though it needs must be that offences come, woe also unto him through whom they come." Britain has begun paying her own penalty, by her internal and external tribulations. She would be saved great danger if she would sincerely help to put India on the way to substantial self-government, and *Interdependence* with Britain on equal and honourable terms. That is what Independence really means. For, in the strict sense, *complete independence* is a *complete myth*. No nation, the most powerful, is completely independent of its neighbours. The ancient language of this land has no word for *in-dependence*; it has many for *self-dependence* and *self-government*.

The Budget and the Finance Bill can be so framed and so worked as to initiate this beneficent work, which would, without a doubt, prove a double blessing to India and to Britain both.

There is a prophecy, recorded in the *Mahabharata*, that whoever performs the *Raja-Saga* ceremony of coronation as Emperor (not as king), shall suffer dire misfortune. Yudhishtira did not heed the prophecy, performed the ceremony in this very place, now known as Delhi, then known as *Indraprastha*, and suffered dire misfortune, which ended in a terrible

[Dr. Bhagavan Das.]

war and the disruption of the empire after the passing of *Yudhishtira*. The prophecy is not mystical or mysterious. It is plain common sense and human psychology.

Imperialism, formerly militarist, now capitalist, causes such widespread misery and such bitter jealousy and hatred, that it must necessarily cause such internecine wars.

India has been the Apple of Discord between the European nations for some centuries now. British writers have written that the key to the world-politics of the last two centuries or so is primarily India, and secondarily Egypt. It has been said that the recent World-War was fought to prevent the Berlin-Baghdad Railway from extending to Baluchistan and Burma. "World-dominion or downfall" was the slogan of Germany. If India is helped to substantial self-government by Britain, she will cease to be an apple of discord, and will become the grateful friend and firm ally of Britain, an inseparable member of a British-Indian Commonwealth, and a very Fountain of Peace for all the world. If this is not done by Britain, another and worse world-war is bound to come, and before long. European friends have told me that they, or their grown-up sons, may be whirled away, any day, into the jaws of this advancing Horror. Germany's decision to rearm seems to have caused worry everywhere presumably in the army-circles here also.

I would earnestly entrust both sides of this House to take each other into confidence, and consult frankly and sincerely over the best way to avoid this Horror, which threatens to engulf civilisation and mankind altogether. It is not only an awful shame that confidential circulars should pass between higher and lower public servants, and that there should be no confidence at all between the official elders and the People's elected elders, but it is also a terrible danger. Lord Hardinge has said publicly that India was bled white and denuded of all her troops, in the first months of the Great War, with the exception of a few regiments—if I remember rightly, he said only 1,600 fresh recruits from Britain—who were kept constantly on the move, by rail, to give the people the impression that there were great numbers of soldiers still in the land. If another world-war breaks out in Europe, the underworlds could scarcely be prevented from getting loose in India, with so much resentment against racial humiliation and serfdom and starvation smouldering always. Mahatma Gandhi's counsels would remain confined to only his Congress followers. When a whole people goes mad, fear is not sufficient to check them. We see communal riots continuing for days and even weeks, next-door to military cantonments in peace-time. But mutual affection and sympathy and trust, if they are diligently established, would surely prevent the people from going mad at all.

I would, therefore, pray those who hold the reins of power here, as agents, to tell all this to the principals of the *vicious system* in Britain. I would also tell them, in all humility, that it is because they themselves commit the great sin of disaffection for, and disloyalty towards, the people from whom they draw their sustenance and to whom they, therefore, owe inalienable allegiance—it is because of this that there is so much unrest in the land. I would also plead with them, that if they would even cursorily observe human psychology, they would see that what they call

sedition and disaffection in their penal laws, cannot be changed into loyalty and affection by bludgeoning and jailing and shooting, but by affection and sympathy. Love cannot be created by frightfulness. Terrorism breeds terrorism. Each side counts from the last wrong, and so the feud and the vendetta goes on for ever. As the Buddhist Scriptures say: "Hatred is not cured by hatred, but by love". If the Government secures the needed permission from its principals in Britain, and develops sincere affection for the people, and makes itself first genuinely responsive, and then responsible, to the people elected elders, the people will surely return that affection a hundredfold, and the God within us all will bless it.

Sir, I beseech all sections of this House to realise that considerations of expediency and policy and diplomacy really coincide now with considerations of spirituality and mortality, of humanitarianism and justice, that, indeed, "honesty is the best policy".

Sir, I will now pass on, from these general considerations, to a few concrete suggestions, as to what changes should be made in the Budget and the Finance Bill, and how the Budget should be worked, in order to start the beneficent work of changing the vicious into a virtuous system.

Sir, we have all solemnly sworn to perform our duty faithfully as legislators. Clearly our one and only duty is to enact good and wise laws, in sincere mutual consultation, laws which will not harm the just interests of any one, inside or outside India, and will promote the welfare of all sections of the public, here in the first place, and of the public servant, in the second. I do believe, that every one here will agree, that the public servant, in any and every form of State—from the king or president to the *chaukidar*—is the means, and the welfare of the public is the end. Such is the clear ancient tradition of this land, and also the indubitable decision of modern political science of all schools of thought. Our head cannot but agree in this, even though our heart may try to dictate another answer. I, therefore, say, let us abolish, or at least reduce to the farthest possible, the duty on salt. The life of the poor in this country is hard enough. Let us not incur the heinous sin of making it harder. We have deprived them of bread largely. Let us not take away their salt also. What deprivation of salt means, can be told by some of my brothers on this side of the House, who have longer and severer experience of prison than I have.

I would also suggest, that the revenue from opium be given up, and only a very limited cultivation of the drug allowed for strictly medical purposes. The ancient law-giver pronounces terrible curse upon the ruler who derives any revenue from *sia-steeped* traffic, as a parent might by deliberately debauching his own progeny, his *praja*.

The Salt duty is expected to yield 878 lakhs and the opium, 61 lakhs. How to make up the deficit?

It seems cruel, and I am exceedingly reluctant, to suggest that the tax on incomes between one thousand and two thousand a year, should not be reduced, as the Bill proposes to do. But when I have to choose between reducing such incomes by a few rupees, on the one hand, and reducing incomes between ten rupees and fifty rupees a year, by a few annas, on the other hand—conscience compels me to choose the former.

[Dr. Bhagavan Das.]

The Home Member did not find it convenient to supply me with the information. But I have found since, that the Banking Enquiry Committee, appointed by the Government, reported in 1931, that "the total gross value of the annual agricultural produce would work out to about 1,200 crores, and the average income per head of the agricultural population, . . . at about Rs. 42 per year", or some *seven pice* per day. I believe no Member of this House has any doubt that 40 to 50 millions out of this agricultural population are living on *two to three pice* per head per day, and sometimes, in the slack season, cannot get even that. Let us think what it means to deprive such persons of a *few annas* per year, as compared with depriving those who are getting three to five rupees a day, of a few rupees per year, especially when the prices or necessities have fallen and living has become cheaper in towns.

For these same reasons, I would suggest that the other proposed reductions in the rates of income-tax or surcharges be not made, and the salary cuts be not restored. Instead, I would suggest that the rates of the surcharges on incomes above a lakh, and of the cuts in salaries above twenty thousand a year be raised in a rising gradation.

Every at all public-spirited businessman, and every sincere public servant who realises that he should *serve* the public, and should promote their happiness and contentment first and his own comfort next—every such person will, I hope, support these suggestions of mine.

The Home Member declined to give the information to the House, but I have subsequently learnt, from a very prominent businessman, that the highest total amount of income-tax and surcharge paid in 1934, by a single person was *34 lakhs*. The total income, on which this tax was paid, would be over 60 lakhs. The tax in such cases may well be raised by 50 per cent. The assessee would still have quite enough left, *i.e.*, about ten lakhs a year, to live as luxuriously as his heart might desire. The only joy that would be denied to him would be the unhealthy and hollow joy of larger arithmetical figures on the credit side of his account-books. I would add the suggestion that the Income-tax Department should be instructed not to be too inquisitorial and arrogant and harsh; for, indeed it is becoming as unpopular almost as the police.

As regards the one crore provided for village uplift, I would most earnestly suggest that the advice of Mahatma Gandhi may be requested by the Government as to how it should be spent. It would be a genuine gesture of friendliness, would convince the people that the Government really desires both-sided co-operation and not only one-sided obedience, would solve much wounded feeling, and would also ensure the really useful expenditure of the money.

As regards the abolition of the export duty on skins, I am not a businessman, but my feeling is that it will hurt the small leather industries of the country greatly, and I would propose, therefore, that the duty be not abolished.

As regards the expenditure on the Army, disproportionately immense as it is, in view of the poverty of the country, it seems, to a layman like me, to be utterly futile withal, in case of another world-war, as proved by the experience of the last. My good brother, Asaf Ali, eloquently pointed

out, the other day, the ever greater dangers which a more and more ambitious capitalist imperialism, trying to expand its territories and protectorates and spheres of influence ever more and more, inevitably incurs. Dr. Deshmukh and Dr. Khare have mentioned other and exceedingly relevant considerations, as regards frontier defence and internal peace. To justify the expenditure on the Army, on the ground of defence of India against foreign aggression, is, under present conditions, a very great fallacy, when the whole of the current régime, utterly irresponsible to the elected Legislature, and persistently separating itself from the people, in subtle as well as overt ways, cannot be regarded as other than one gigantic and continuous foreign aggression.

To cure this fallacy, and make the army expenditure really useful, it is indispensable that mutual trust should be created and established between the official elders of the Executive and the elected elders of the Legislature; that the former should begin to make themselves responsive and responsible to the latter; should militarise the police; should arrange for extensive militia-training of the younger generation; should assiduously teach and train the military, the police, the militia, the civic guards, to feel and behave as chivalrous defenders, and never as offenders; and finally, should take all possible measures to promote among them all, feelings of comradeship and of co-operation in the common cause of the good of both India and Britain. The most important of such measures would be those which would minimise racial and creedal notions and feelings of inferiority and superiority and separatism between Briton and Indian and Anglo-Indian, between Hindu, Muslim, Christian, Sikh and Parsi.

If this is done, the foundation will be truly laid for that Indo-British or British-Indian Commonwealth of self-governing yet inter-dependent peoples, which would be a far greater and stabler, far more human and humane, far more glorious and godly, achievement, than the so-called British Empire. Such a Federation of the many British and Indian Peoples would be, in turn, the foundation of the true League of Nations, each nation scientifically organising for internal peace, each one maintaining only a comparatively small military police for internal law and order, none needing to organise for external war, all saving the vast resources and energies now worse than wasted on Unemployment and Mis-employment, and utilising them for the ever greater refining of the life of all the nations as a whole.

All this may sound like foolish dreaming. I humbly submit that the way the world-politicians and world-economicians are going is *far more foolish*, as proved patently by the World-war and the World-Bankruptcy, that it is a Gigantic Ratio Progress, which, if not stopped, will end this time in complete ruin of civilisation. These politicians and economists are themselves feeling, and even loudly saying, this. Yet they are allowing themselves to be driven along, as by doom.

I would entreat the helpless agents of the vicious system to make themselves, less helpless and at least to warn their principals strongly of the imminent danger.

I will conclude, Sir, with the most foolish of all my suggestions.

Let the Ecclesiastical Department be made a genuine *Ecclesia, i.e.,* Assembly, of—not narrow-minded secretaries of small vision,—but of true priests, presbyters, elders, benevolent, patriarchal, philanthropic, with

[Dr. Bhagavan Das.]

large hearts and liberal minds, persons who sincerely believe in the Fatherhood of God, the Motherhood of God's Nature, and the Solidarity of Man, the child of God and Nature, of Spirit and Matter; persons who have no racial or communal feelings, who believe in the Universal Religion which runs through all particular religions and constitutes their common heart and their essential unity; men who are true men of God. Such persons should be carefully selected and drawn from all the creeds, for every one of the great living religions has the same ideal of them and gives them the very same designation. The Christian creed calls them "divines", men of *Divns, Dons, God*; the Jewish calls them 'rabbis', men of Rab, God; the *Vaidika Dharma* calls them 'Brahmanas', men of Brahma, God; and Islam calls them 'Maulavis', men of Maula, the very same God again.

*" An Es Maula ra bi-danad maulavi-st."*

If such men are selected to constitute the Ecclesiastical Department: if they diligently teach the truths of Universal Religion and Morality and Duty to the Army, the police, the magistracy, and the other branches of the executive and indeed all services, and the general public too; and if they specially co-operate with the educational and scientific departments, then the whole of the Administration and of public life will soon become inspired by high and noble and philanthropic motives, in place of the present low and ignoble motives and small and sordid diplomacies; and then, indeed, happier times will dawn for Britain and India both.

Two possible criticisms I will briefly deal with, before I close.

It may perhaps be said that I have, after all, dealt in generalities, and not made any really specific, concrete, and detailed suggestions. It may also be said that I have indulged in idealism and not taken account of realities.

To the first criticism, I would reply, that if I had, at my disposal, even a small portion of the office-staff, and of the time for such work, and of the energy of much younger age, which the Finance Member has at his disposal, I would gladly undertake to recast in detail the whole of his Budget in accordance with the generalities which I have mentioned.

But it is not the duty of the elected Eldermen of the People to do such detail-work. In self-governing countries they have to decide, here to merely suggest, the general principles and policies. The detail work is for the salaried whole-time public servants to do.

To the second criticism I would reply: Yes, I have talked idealism, but I am not unaware of realities. I know the head, but I know the feet also. I know that in the waking and walking condition, we must keep the feet on the earth; but I also know that we must, at the same time, keep the head and the eyes in the air. So only shall we be able to keep the feet on the clean firm pathway. If we put our head down on the same level as the feet, in the waking and working state, we shall surely become like unclean animals, and will crawl into mud and mire and holes. Let us, therefore, make our ideals high, and let us define them clearly, and let us keep them before our eyes, always; and let us ever strive manfully to approach them the nearest we can. Otherwise we shall degrade

and confuse ourselves more and more, and fall into more and more coarse, sordid and evil passions, temptations, and actions, which will lead to Arrnageddar.

I will conclude with the great old sentences. Pride goeth before destruction, and a hard heart before a fall. The colossus of brass hath feet of clay. God will not be mocked. As we sow, thus must we reap. As we do unto others, so shall it be done unto us; therefore, let us do unto others, as we would that they should do unto us; therefore, let us all earnestly strive to achieve righteousness and mutual affection and trust; for then, most surely, all things else shall be added unto us.

**Seth Haji Abdoola Haroon** (Sind: Muhammadan Rural): Sir, at the outset, I wish to offer a few observations on the budget itself. I do not know whether I should congratulate the Finance Member on the budget he has presented to us, or I should say some unpleasant things about it, because, I feel, Sir, that the estimates which he has presented in this book either give entirely wrong figures or wrong estimates have purposely been given to avoid a reduction in taxation, or the Finance Member himself or his Department are unable to work out correct figures. I cannot believe for a moment that the figures presented to us this year are correct, because last year exactly on the same day when the budget was presented to us, namely, on the 28th February, Sir George Schuster said something else, but what does the Finance Member say today? This is what he says:

"When my predecessor presented his budget last February, it was anticipated that after a provision of Rs. 3 crores had been made for debt reduction, the year 1933-34 would close with a surplus of 1,29 lakhs, and the actual figure would become 2,72 lakhs."

Sir, when the budget was presented to us, the Honourable the Finance Member estimated that the excess revenue would be about 1,29 lakhs, but within probably a month it was pointed out that the revenue increased to 2,72 lakhs. If this is the way in which figures are presented to us, I do not think we can place much reliance on the figures that are supplied to Honourable Members of this House. Of course, my friend, the Finance Member, has given us some explanation for the increase in revenue, but I shall be very thankful if he will kindly tell us how much increase of revenue there has been on salt and how much increase in income-tax in Bihar and Orissa, but I think the big item of increase has been from customs. Sir, if within a month we are unable to produce correct figures, how can we believe that all the figures presented to us are correct?

I shall give the House only one instance relating to sugar in which I am personally interested. The Honourable the Finance Member has estimated the income from sugar to be 1,75 lakhs, while last year his predecessor estimated it at about 2,05 lakhs, and not double the figure, and, therefore, I think that our estimate today is more correct than the estimate of the Honourable the Finance Member, namely, 1,75 lakhs. Sir, this is the opinion of not only myself, but it is the considered opinion of many important commercial bodies interested in the sugar industry, and, in support of what I say, I might, with your permission, Sir, read two telegrams which I have received from the Sugar Manufacturers' Associations

[Seth Haji Abdoola Haroon.]

of Cawnpore and Calcutta. The Sugar Producers' Association of Cawnpore say this:

"Sugarcane crop in the United Provinces and Bihar this season suffered due to adverse conditions. Unless action taken adverse conditions will be accentuated. Consider Provincial Government's handicap for lack of funds suggest you strongly press Government of India to allocate at least 40 lakhs out of 75 lakhs being additional allotment for remission of debt or out of at least three crores additional revenue from foreign sugar in excess of Finance Member's estimated revenue."

Now, Sir, this is a telegram from the Indian Sugar Producers' Association of Cawnpore, of which many British and Indian manufacturers of sugar are members. Besides that, I have received another telegram from the Sugar Producers' Association of Calcutta, which also supports what the Cawnpore Association has said. How can any one say that these people, who are in the actual trade, who are actually manufacturing sugar, cannot estimate correctly? But, as I have said, it is the Government policy to under-estimate their receipts, so that they may not reduce taxes, and, when they find themselves at the end of the year with more revenue, they sit on the throne like the Great Moghal and distribute the amount as they please without considering public opinion or the opinion of this Assembly. I do not think that it is fair either to this House or to the public. Let me tell you how they distribute the surplus.

I do not want to go into each and every item, and I do not want to create differences by saying something about some items, but I may say this about my own province, Sind. Everybody knows that, not only the Government of India, but the British Government have already decided that Sind should be separated. The Bill is before the House of Commons, and I hope that as soon as it has gone through the Parliament, Sind will be immediately separated. Let me tell the Government that Sind has already borrowed from the Government of India some crores of rupees, and, according to my information, today, including interest, it comes to Rs. 2.26 crores. Government have sent an expert engineer in roads to Sind to enquire about the condition of the roads there, and his report is already in the hands of the Government. Government know that without the roads, the barrage cannot pay its debt back. I am glad that the Government have already sanctioned an amount of Rs. 40 lakhs from the surplus for the Road Fund. But my previous experience has been that Sind has not been treated well, and I do not know how much of this amount will go to the Bombay Government and how much the Bombay Government will give to Sind. In the interests of the Government of India, they must put a separate amount for the Sind roads and give that amount direct to Sind. If Sind is separated, the barrage will be under the special powers of the Governor. I do not know what sort of Government of India there will be, but I might inform the House that the P. W. D. of the barrage are spending huge sums as current expenditure. I suggest to Government that as soon as Sind is separated, they should keep a close eye on Sind, so that it may pay back its debt with interest to the Government of India and the Government of India may get it without any trouble. Unless they keep a very close eye on the local officials and do not allow them to spend money as they liked, I do not think we would be able to pay the amount back. At present the interest charged to Sind and to the whole of the Bombay Presidency is exorbitant. The Government should charge the interest which they pay on their loans at the present moment. We got the money



from the Government during the years 1921 to 1924 or 1925 and, at that time, the interest rates were very high. Those loans have already been paid off and the Government are borrowing at cheap rates now, and I appeal to them to charge just and fair rates to Sind account also.

Let me now come to the sugar industry. The Government of India do not consider it wise to put more import duty on sugar in order to give sufficient protection to the sugar industry. In the Sugar Industry (Protection) Act, itself, the Assembly has given full authority to the Government whenever the import prices come down, to raise the import duty according to the recommendations of the Tariff Board. It is a pity that they do not agree with the opinion of the Sugar Mill Industry Association of Calcutta or the sugar producing associations of Cawnpore. I do not want to go into the aspect very much at present, but I have every right to say that when the Government come forward to impose an excise duty on sugar, bringing them an income of Rs. 160 or 170 lakhs a year, the industry is entitled to ask that the sugarcane cultivation may be improved and that the benefit of the duty should go to the improvement of sugarcane cultivation. The Government have given protection for 15 years, that is, till 1946, and how can this protection be removed unless the Government increase the output of sugarcane and the sucrose in the sugarcane and spend money on sugarcane research? Sir, all these associations have demanded that, if you don't want to give more protection, if you don't want to discontinue the excise duty, then please give some amount to the sugar manufacturing provinces to improve the cultivation of sugarcane in those provinces where from you are getting this huge amount as excise duty. At present it is very essential that the amount must be given to the provinces, so that they can supply the seed to the cultivators, they can make a little propaganda among the cultivators, that they will use this manure and give this kind of irrigation, and so on. If this is not done, I very much fear that this protection to the sugar industry will be lost. I find the policy of my Honourable friend, the Finance Member, is also against the protection of Indian industry, but side by side I will request him that they will do it in such a way that all this protection can be taken up within the next few years.

Then, Sir, I have great complaint against the customs authorities. You know well about the large imports of foreign goods, silk, piece goods, sugar, wines and all sorts of things at present in the Indian States, and you also know that smuggling is going on on a very large scale from these ports to British India, and, therefore, we people, trading in British India, Karachi or Bombay . . . .

**The Honourable Sir James Grigg (Finance Member):** Are you talking of the Kathiawar ports?

**Seth Haji Abdoola Haroon:** Yes.

**The Honourable Sir James Grigg:** Can you produce some specific instances of smuggling?

**Seth Haji Abdoola Haroon:** Sir, I am a simple man, working in my office, living in my house, and I have only three or four servants. Government have got hundreds of servants, and if they are unable to find 't out . . . .

**The Honourable Sir James Grigg:** If you don't know, then why do you assert that it is taking place?

**Seth Haji Abdoola Haroon:** Then, I can give you one instance. I am glad you raised this subject.

**The Honourable Sir James Grigg:** I want conclusive evidence.

**Seth Haji Abdoola Haroon:** I will give you one instance, sugar. Please go into the figures and find out how much sugar is imported in the Kathiawar ports. What is the population of the Kathiawar ports and what is the consumption of sugar there in comparison with the whole of India, and what is the amount *per capita*? I do not think that Kathiawar is so rich that it can consume 10 or 20 times more than British India, I mean per head. Please take a little trouble and find out how much sugar is imported in the Kathiawar ports and how much it costs at the Viramgam Cordon and how much duty is recovered from that cordon. I am sorry I have not brought my papers with me. Otherwise, I could show that in this year alone some 82,00,000 tons were imported in Kathiawar. Of course, you have to show figures as to how much sugar passed from the Cordon at Viramgam, how much duty you have recovered and how much was consumed in Kathiawar.

**Mr. A. H. Lloyd** (Government of India: Nominated Official): Does the Honourable Member recollect that a large quantity of sugar which comes quite lawfully over the Viramgam line is not assessed to duty, because it comes from the Bhavnagar port?

**Seth Haji Abdoola Haroon:** Bhavnagar is without duty and you are allowing the goods to come into British India.

**The Honourable Sir James Grigg:** That is one of the conditions of the treaty . . . . .

**Seth Haji Abdoola Haroon:** Then it is no longer good to be in Bombay or Karachi.

**Mr. M. A. Jinnah** (Bombay City: Muhammadan Urban): Bhavnagar is the best place.

**Mr. A. H. Lloyd:** Bhavnagar State itself collects duty at the full British Indian rate, but we don't get it.

**Seth Haji Abdoola Haroon:** I know they are collecting.

**Mr. M. A. Jinnah:** How much rebate is given?

**The Honourable Sir James Grigg:** They say "None".

**Seth Haji Abdoola Haroon:** Of course you have got some treaty with the States. I have no objection to that.

**Some Honourable Members:** We have strong objection to that.

**Seth Haji Abdoola Haroon:** My point is this—whether you are prepared to protect your own people living in British India and whether the time has come or not for revising your treaties? That is a big question, and a layman like myself cannot give a proper opinion on that. I must say that we have a right to ask for protection for the merchants in British India.

Then, you have reduced the duty on silver, because you know that smuggling is going on all round.

**The Honourable Sir James Grigg:** Would you like me to reduce the sugar duty?

**Seth Haji Abdoola Haroon:** Of course, you are not putting me a straight question, but unless and until the Government of India reduce their expenditure and they raise high tariff walls, this smuggling will go on. Until you reduce the duty, this smuggling will go on, and you cannot reduce the duty until you reduce the expenditure. I am told that you have accepted the point that smuggling could be stopped only when you reduced the duty. It is generally talked here in this House that military expenditure should be curtailed and the Government of India's expenditure should be reduced. But the reply from the Treasury Benches always is that it is impossible; they will say—"we have reduced it already so much, and we are unable to reduce it any more, and this is impossible now". Well, that may be right and correct. Of course, big people have big ideas, but we the merchants have quite different ideas in our own way. Sir, I am suggesting here—I do not know whether my friends here on this side will agree with me or not, but it is a very simple matter—one or two things. If you properly consider what should be your right policy in the North-West Frontier, you can reduce your expenditure by about fifteen crores of rupees immediately. (Hear, hear.) Sir, this policy of the Government of India has been going on since the last seventy, if not eighty or ninety years. I do not know about the Indian history, but, since the last eighty years, we have been squandering Indian money on the Frontier. At present, Sir, we are spending two crores of rupees on the Watch and Ward in the North-West Frontier Province and about forty lakhs of rupees in the Baluchistan Frontier for Watch and Ward, and we are wasting two crores of rupees over strategic lines, which are a loss to the Railway Department; and, besides that, we have constructed many roads in the tribal territory.

**An Honourable Member:** And they do not like it.

**Seth Haji Abdoola Haroon:** We have to repair all those roads on which we have to spend lots of money. We have to keep our army on the Frontier—I do not know how much army—but, in my opinion, if you have a change in this policy, and if you consider the point that at present there is already an established Government in the North-West Frontier Province, and if you make some sort of arrangements or agreements with that Government, then I think you can reduce large sums of money from your expenditure and you can also relieve the sorely-pressed taxpayers of India. Sir, I do not want to go into political theories concerning our strategic or our military expenditure, but, as a simple man, I can say that our frontiers, India's frontiers, are not beyond the Indus river. And, of course, the Government know that. The Government have, during this period, since the last eighty years, been trying this policy, but up to now I find

[Seth Haji Abdoola Haroon.]

they have not succeeded, although they always say: "we want peace and prosperity in the North-West Frontier Province and Baluchistan". Sir, these countries are waterless, there are no rains there, they have no sort of industry nor cultivation, and I do not know why we are pouring away crosses of rupees there. The real object is better known to the Government, but, as a business man, I have suggested one point as to how to reduce your expenditure—whether the House agrees with that or not is not my business. Sir, at present, the whole range of taxes in India are on such a high level that everybody, I think, agrees, not only on this side of the House, but even the Government Members as well, that we can raise no more taxes in India . . . .

**Mr. M. A. Jinnah:** Excepting the taxation from sugar. (Laughter.)

**Seth Haji Abdoola Haroon:** I have no objection to that. (Laughter.) But, mind you, the time has very nearly come when the whole structure will break down.

**An Honourable Member:** On account of sugar!

**Seth Haji Abdoola Haroon:** Sugar is not the only thing, my friend. Sir, today we find that the general condition is such that no Provincial Government can make its both ends meet. All of them are borrowing money from the Central Government, and they are going on with their budget in that way. Now, how long will this go on? How long will this continue?

**An Honourable Member:** Till eternity.

**Seth Haji Abdoola Haroon:** The position, Sir, of the cultivators is such that, according to my information, in Bengal, large areas of land have already been auctioned and sold by the zamindars because they are unable to pay their dues, on suits brought against them for arrears.

**Mr. Akhail Chandra Datta** (Chittagong and Rajshahi Divisions: Non-Muhammadian Rural): Many, many.

**Maulvi Muhammad Shafi Daudi** (Tirhut Division: Muhammadian) In Bihar also.

**Seth Haji Abdoola Haroon:** Sir, I know something of Sind and the Punjab. My Honourable friend, the Finance Member, said in his speech or somewhere else that gold is one of the commodities of India which are exported and the balance of trade is thus maintained all right.

**Mr. Bhulabhai J. Desai** (Bombay Northern Division: Non-Muhammadian Rural): That cannot last long.

**Seth Haji Abdoola Haroon:** I know that the zamindars have sold their gold to pay the revenue.

**An Honourable Member:** Not the zamundars alone; others also.

**Seth Haji Abdoola Haroon:** Now, the prices of their own produce are not going up yet, and I do not know when they will go up, but this drain of gold will continue, and in the meantime, you do not reduce your expenditure either in the Central Government or in the provinces. Sir, I think the time is not very far when the whole economic structure will break down; and, while, of course, in my opinion, no revolution can be brought about by any political party, yet, I should not wonder if this economic depression does bring about a revolution in this country.

Sir, after saying so much against the present budget, I am now coming to some concrete suggestions which I shall offer to the Government. (Hear, hear.) First of all, Sir, there is the fact that they have abolished entirely the export duty on raw hides and skins, and there is some sort of murmur in the country that this will give some blow to the industry. (Voices: "No, no.") But, Sir, I cannot agree with that. I have received several telegrams from different parts of the country showing that, on account of this duty, many people have been suffering very much, and I now come to the duty itself. If you will see the figures, Sir, you will find that this duty is merely useless and does not bring any sort of money to the British Government. Sir, in 1931-32, Government collected Rs. 20,28,000; in 1932-33, they collected Rs. 14,07,000; in 1934-35, they collected Rs. 18,82,000; and, in 1935-36, they will get only Rs. 8 lakhs, and, in that way, if the duty is decreased, what is the use of keeping it any longer? So I must congratulate the Government that, after so many years of fight, they have at last agreed to its abolition. I am sorry, my friend, Mr. E. L. Price, has passed away, but, if he was here today, he would have been the first man to send a telegram of congratulations to the Government for this purpose.

There is one thing more on which I wish to congratulate the Government, and it is this. The Government have agreed to put an import duty on rice in India. I think that there are still some friends of mine on this side who are not agreeable to the amount, and they want a little more duty. I hope that matter will be settled amicably. Then, again, Sir, Government have brought forward a Bill to levy a duty on wheat import. They have reduced the duty from Rs. 2 to Rs. 1-8. I do not know what is the policy behind this. Perhaps they expect that, because of the reduction of the duty by eight annas, it might be possible to import wheat in this country. Anyhow, I have not been able to understand it, and, therefore, I have decided that when this Bill will come before the House, I will thresh out all the points.

Now, Sir, I come to the expenditure of the Government. I cannot understand how they spend the money. As an example, I want to mention the income-tax. I find that the income from this source is being reduced every year by some thousands of rupees, whereas the expenditure is being increased every year by some lakhs. I would draw the attention of the Honourable Member to page 17 of the Explanatory Memorandum from which it will be seen that our income in 1931-32 was Rs. 17,48,00,000 and the expenditure was 78 lakhs, whereas, in 1935-36, the income will be Rs. 16,45,00,000 and the expenditure is put down at Rs. 91 lakhs. I hope Government will consider this point and see that the expenditure does not go by so much. There is a general talk about the economic

[Seth Haji Abdoola Haroon.]

condition of this country, and I think everybody is agreed that, on account of the indebtedness of the agriculturist, things are getting from bad to worse. Everybody wants that this problem should be solved. I do not know what the Government of India are doing in this matter, but I do not know how this problem is going to be solved. For the last 150 years, on account of the stabilization of the Government, the ryots have been borrowing from the money-lenders, with the result that the amount had been piling up every year, and, according to facts and figures, the land is now going to the money-lenders from the real cultivators in all the provinces. According to the Banking Inquiry Committee report, the ryot is indebted to the money-lenders to the tune of nine hundred crores. This amount is registered in the Registration Office, but they have also taken some amount by hand notes and other methods. The rate of interest that is charged on this amount varies from 10 to 275 per cent, and the Banking Inquiry Committee have come to the conclusion that at least, on the average, interest at the rate of 25 per cent is charged by the money-lenders from the cultivators. If this estimate is correct, how can this indebtedness be reduced or taken away from the ryots who are paying about 225 crores of rupees in the shape of interest to the money-lenders. Even the Government of India, the Provincial Governments and the local bodies all combined cannot recover so much amount. So, if the Government want peace and prosperity in this country they must consider this matter seriously. They should give their earnest attention to this matter and relieve the agriculturists from this indebtedness. If the Government cannot find their way to help them, I do not know what will happen. Sir, I have said what I wanted to say, but I again appeal to Government in conclusion, to consider this point very seriously as to how you should reduce your expenditure and also how to reduce the taxes. If you do not do this soon, I think the consequences may be very serious.

**Dr. P. N. Banerjea** (Calcutta Suburbs: Non-Muhammadan Urban): Sir, this House knows and the whole country feels that an enormous addition to the tax burden on the people of India has been made during the last 20 years. But very few of us have taken the trouble to find out what is the exact amount of the additional taxation that has been levied. During the European War and the five years that followed it, a great deal of taxation was imposed, and, in the quinquennium 1924-1928, only as small proportion of this additional taxation was remitted. Confining ourselves to the period of the economic depression, we find that in 1930 additional taxation to the extent of over five crores of rupees was levied. In March, 1931, additional taxation to the extent of about 15 crores of rupees was levied, and, in November of the same year, a further additional taxation of nearly 25 crores of rupees was imposed. Again, in 1934, additional taxation to the extent of about five crores of rupees was imposed. This makes a total, roughly speaking, of about 50 crores of rupees. If we deduct from this sum about ten crores of rupees which may be treated as the amount of tax which failed to be realised according to the expectation of the Finance Member, even then we find that a net total of about 40 crores of rupees a year was added to the tax burden of the country in five years. Now, Sir, is this not a huge amount? Is not the burden such as may be regarded as too heavy for the country to bear?

Then, Sir, what was the object of levying this additional taxation? The only object was to strengthen the resources of the Central Government in order that this Government might carry on the ordinary day-to-day duties of administration. If this additional taxation had been levied for the purpose of improving the condition of the people of the country, there would have been many amongst us who could have agreed to its imposition. But nothing of the sort was attempted. No schemes of development were in contemplation, and even those schemes which had been mooted were not given any sort of support. Sir George Schuster on various occasions referred to the provinces. He showed his concern for the development of the subjects which are under the control of the Provincial Governments, but no practical effect was given to this desire. Only two provinces have, during the last few years, been given some measure of help. The North-West Frontier Province has been given a subvention of one crore a year and Bengal was given half the proceeds of the jute tax last year. None of the other provinces of India have been given any financial assistance. But it is admitted on all hands that the provinces are in charge of the departments of administration with which the welfare of the country is most intimately connected. The Honourable the Finance Member himself said the other day that the beneficent activities of Government are in the provinces. But he added that self-preservation was needed. This is a new term which has been coined by the Finance Member for the purpose of the budget. So far we have been hearing of defence, law and order, but now the Finance Member has hit upon a new term—"self-preservation". I beg to submit that self-preservation does not consist only in defence and in the maintenance of internal order, but it also consists in protection from the pangs of hunger and in protection from disease and ill-health. If self-preservation is understood in that sense, we find that Provincial Governments are, to a very large extent, in charge of this work of self-preservation. I hope and trust that the Finance Member will in future take note of this fact.

Now, the provinces, as I have already said, have been given very little assistance by the Central Government and their resources are all of a very inexpansive character, with the result that in many of the provinces considerable debt has had to be incurred and many of the nation-building activities have had to be curtailed. In Bengal, even with the financial help that has been given and promised for this year, the budget will not be balanced, because we find that there is a large gap still to be filled, although the Bengal Government have made earnest efforts to meet the situation. I hold in my hand a paper which shows that the Bengal Government have retrenched to the extent of 47½ lakhs. I do not agree with all the items of retrenchment on this list, because we find that some of the nation-building activities have been curtailed. But, on the whole, it cannot be denied that the Bengal Government have made earnest efforts to meet the situation. Five taxation Bills are now on the legislative anvil and will soon be passed. In these circumstances, I hope the Government of India will see their way to give to Bengal a larger share than one-half of the proceeds of the jute tax the whole of which really belongs to that province. At the same time, I would urge the Government of India to make over substantial proportions of their resources to the other provinces and place those provinces on a sound financial footing, so that they may carry out their important duties properly and adequately.

[Dr. P. N. Banerjee.]

Coming to the measures of taxation, what do we find? We find that these measures of taxation met with a great deal of opposition from the public even in the Assembly which was then not at all representative of the more advanced sections of the community. In 1931, even that unrepresentative Assembly refused to pass the Finance Bill as recommended by the Governor General and the Governor General had to use his special powers in order to pass the Finance Act on his own authority. This shows the unpopularity of the measures of taxation which have been passed during the last five years. Now, the question is, was there no other alternative before the Government? Of course, there was retrenchment as an alternative, and this alternative was resorted to to some extent. But, I am sorry to have to say that retrenchment was not carried out in the proper way and to an adequate extent. Sir George Schuster, in paying a tribute to the Retrenchment Committees which had been appointed, said that they had worked "like slaves" and "like devils". I have no desire to deprive these committees of the credit that is really due to them, but I wish these committees had, instead of working like slaves and devils, worked as freemen, and worked, if not like angels, at least like men with courage, imagination and foresight. If that had been done, greater economies could have been secured, not only to tide over the present crisis, but for all time to come so that the money which might have been saved could have been utilised for beneficent purposes.

Sir, coming to the question of incidence of taxation, we find that the additional taxes were levied on all classes of people. Customs duties, excise duties, the salt duty, income-tax rates and postal rates were raised. But if we carefully scrutinise all the items which were subjected to taxation, we find that the additional burden which was imposed on the poor was far greater than the additional burden which was imposed on the richer and more well-to-do classes. Now, this was a grave social injustice that was done to the poorer communities. Already the poorer people in this country had been bearing a heavier portion of the tax burden than the richer and more well-to-do classes, and to have imposed a greater and additional burden on them was an act of the greatest injustice. Sir, it is now regarded as one of the duties of all advanced States to bring about a greater equality and equitableness in the incomes of the people by means of the system of taxation. But, unfortunately, here in India, the steps which have been taken have worked in the opposite direction. This is a wrong which should be righted at the earliest possible moment; and, at the time when additional taxation is going to be remitted, I urge that the claims of the poor should receive the first and foremost consideration.

**The Honourable Sir James Giff:** What are your specific suggestions?

**Dr. P. N. Banerjee:** I will come to my specific suggestions. I have given notice of several amendments to the Finance Bill and many of my friends have also given notices of amendments, and when the time comes, we will discuss those specific measures in detail. But, at the present moment, I may say for the information of the Finance Member that the tax burden on the poor should be relieved first of all and the claims of the poor should have priority over the claims of the other classes of the community. Sir, without going in details I may say that the salt duty should be reduced to a substantial extent, the



postage rates should be reduced, the income-tax on the middle class people should be reduced, the taxable minimum should be raised to Rs. 2,000 and some of the excise duties and customs duties which press so heavily on the poor people should be removed or at least substantially reduced. These are the most . . . . .

**The Honourable Sir James Grigg:** Would you mind specifying the excise duties on the poor which should be removed or reduced?

**Dr. P. N. Banerjee:** The excise duties on matches and on kerosene should be removed or at least substantially reduced immediately.

**Captain Rao Bahadur Chaudhri Lal Chand (Nominated Non-Official):** What about bounties to capitalists and industries?

**Dr. P. N. Banerjee:** You mean protection. Well as regards protection, I do think that the country ought to undergo some measure of sacrifice in order that the industries of the country may grow and prosper. But we should consider also the burden on the consumer, particularly the poorer sections of the people. Bearing these two facts in mind I hope the Finance Member will so adjust the tax system that the poorer classes are relieved of a substantial portion of the burden which lies on their shoulders at the present moment.

Sir, what is the utility of this general discussion of the Finance Bill? To my mind the utility is to give the Finance Member an opportunity to re-adjust the Finance Bill in such a way that it may meet the wishes of the elected portion at least of this House. Otherwise a general discussion has no value. I have already said that many of us have sent notices of amendments; but I would advise the Finance Member to send in his own notice of amendments in order that he may take the wind out of the sails of the popular Members of this House and in order that he may get credit for the tax burden on the poor being relieved.

Sir, so far as regards taxation. Before concluding, I wish to say a few words as to the need for economic development. The Honourable the Finance Member said the other day that economists were never able to agree. But do doctors always agree? Do lawyers always agree? Does the Honourable the Leader of the House always see eye to eye with the Honourable the Leader of the Opposition? These two great lawyers would often differ even on legal questions. It will not do, therefore, to say that economists do not agree and so they are not to be listened to and what is the position of the Finance Member? A Finance Member is worth nothing if he is not himself an economist. I hope the Finance Member will try to widen his angle of vision and look at things, not through the eyes of a mere mathematician but, from the point of view of an economist as well as an administrator of experience. Sir, our Finance Member seems to fight shy of the phrase "economic planning", but I do not know why. Even in this country economic planning has been attempted in the past. Those who are acquainted with the ancient history of the country know that in ancient days the State used to play a very important part in the industrial development of the country. Those who are familiar with that great work of Kautilya known as the *Arthashastra* know

[Dr. P. N. Banerjee.]

that the State played a very important role in furthering the industrial activities of the nation. In later times, the great Akbar took a very great interest in the industrial development of the country. Even in British India, the earlier administrators took a great pride in their work. What they did was not always for the benefit of the people but in some cases it was. The great irrigation works of this country were the result of planning and these irrigation works stand to the credit of the British Government in India. Why should our Finance Member then be afraid of the term and why should he fight shy of it altogether? It is a great pity that our administrators, in recent years, have ceased to take any interest in their work and have ceased to feel any pride in their work. They are afraid that whatever they do would fail to meet the wishes of the people and would not be liked by them. But that is their own fault. If they take the proper course of action and if they take the steps in consultation with the people there is no reason why their work will not be appreciated by the people. Sir, there is vast scope for the State in this country to bring about improvements and developments in various departments of human activity. Although our Finance Member is a Cobdenite, I may tell him that the days of Cobdenism are over. Cobdenism was good for Britain a hundred years ago but even Britain has abandoned Cobdenism today, and there is no escape from the fact that various nations of the world today are taking greater and greater interest in the economic welfare of the people. The idea of the Police-State has now given place to the idea of the Culture-State, and thinkers every where now take a more enlightened view of the functions of the State. The functions of the State now comprise all activities which tend to lead to the moral, material and physical well-being of the nation, and, from that point of view, the activities of the State will have to be regulated in India in future.

Sir, one word more and I have done. When he was challenged by the Honourable the Finance Member the other day, the Honourable Mr. Govind Ballabh Pant said that the great economists of the world were all in favour of planning. It would have been more correct if he had said that they were in favour of the State taking a share in the industrial and economic development of their respective countries. But when he himself was challenged by Mr. Pant our Finance Member mentioned the name of only one economist, namely, Mr. Lionel Robbins, who was in favour of a policy of *laissez faire*. Now, if the policy of *laissez faire* has been abandoned by all countries, it should not be introduced into India. As a matter of fact, India itself had at one time adopted that policy and found it wanting. The question is, what is to be done now? A cautious policy of economic development will have to be undertaken by the State, and there is considerable scope in this direction at the present moment. Taking my own province, I find there is a great scope for river-training in Bengal. The waters of the Brahmaputra may also be utilised for hydro electric purposes by the joint efforts of the two provinces of Assam and Bengal. There is, further, a great necessity for the development of large industries, medium-size industries as well as small industries, and all these will go to add to the wealth of India. The great need of the hour today is to do away with the stagnation which prevails in the country at present, and for this purpose the State must do its best, because without the help of the State it

will not be possible to remove this stagnation. Therefore, I would appeal to the Government to extend their helping hand to the people so that the country may advance steadily towards plenty and prosperity. I do not think it would be necessary to spend 100 crores every year for that purpose, as has been suggested by my Honourable friend Mr. Pant. I admit that there is a good deal of risk involved in undertaking such big ventures, and this risk may arise from various circumstances, first from the inability of the country to bear the burden of taxation and debt and then from the inefficiency of the people who will carry out the task. Besides, if the Government has no heart in the matter, these ventures are sure to come to grief. Therefore, I would advise a cautious policy of economic development in India which is sure to lead to success and which will not only add to the wealth of the people as a whole but will also minimise—at least to some extent lessen—the poverty of the masses of the population.

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 Abdur Rahim) in the Chair.

### STATEMENT OF BUSINESS.

The Honourable Sir Nripendra Sircar (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 25th instant. The statement has been prepared on the assumption that the House will have passed the motion for the consideration of the Finance Bill at today's sitting. If that hope is not realised, the position will be altered to the extent that the House will continue, until it has finished, the discussion of the motion that the Bill be taken into consideration, and, after it has been concluded, will proceed to the business now set out.

1. The first business will be the introduction of the Bill to amend the Cantonments Act.

2. The next business will be motions to take into consideration and pass the Indian Tariff (Amendment) Bill, which places an import duty on wheat and rice.

3. Thereafter, it will be necessary to take the Supplementary Demands before going on to the detailed consideration of the Finance Bill. The remaining items of the Government programme will be placed on the paper below the Finance Bill in the following order:

- (1) The Salt Additional Import Duty (Extending) Bill, which is down for consideration and passing;
- (2) The Indian Mines (Amendment) Bill, as reported by Select Committee, which is also down for consideration and passing;
- (3) The Code of Civil Procedure (Third Amendment) Bill, for which the motion will be for a reference to Select Committee;

[Sir Nripendra Sircar.]

- (4) The Cinematograph (Amendment) Bill and the Aligarh Muslim University (Amendment) Bill, both of which have been passed by the Council of State and in respect of which the motions will be for consideration and passing;
- (5) The Hedjas Pilgrim Guides Bill, for which the motion will be to refer to Select Committee;
- (6) Motions by Sir Cowasji Jehangir agreeing to the Resolution of the Council of State to appoint a Joint Committee on the Bill to amend the law relating to marriage and divorce among Parsis and appointing members to serve on the Committee.

You, Sir, have so far directed that the House shall sit for the transaction of Government business on Monday, the 25th, Tuesday, the 26th, Wednesday, the 27th, and Thursday, the 28th March. Friday, the 29th, has been allotted for non-official Bills, and, in view of the volume of work remaining for disposal, I must ask you, Sir, to direct that the House shall also sit on Saturday, the 30th, for the disposal of Government business.

Honourable Members will observe that, of the items in the above list, the Supplementary Demands must, if there is not to be a breach of the provisions of the Legislative Rules, be passed before the end of the week; while, if the Tariff Amendment Bill is not passed by both Houses before the end of the week, the existing duty on wheat will cease to be leviable from the 1st of April and the proposed duties on rice and wheat will not become leviable from that date. Further, if the Finance Bill is not passed by both Houses before the 1st of April, a situation will arise for which there is no parallel since the present Constitution came into operation; for the provisions of the Finance Act, 1934, in respect of salt, income-tax and postal rates will cease to be in force from the 1st of April. This being the position, I feel justified in asking the co-operation of all sections of the House in the disposal of the business before us, and your directions, Sir, if necessary, for extension of the hours of sitting.

**Mr. B. Das** (Orissa Division: Non-Muhammadian): Sir, I wish that the House should not sit on Saturday, the 30th, because the annual Conference of the Federation of Indian Chambers of Commerce is meeting on the 30th. We have convened that Conference for that date, so that Members of the Assembly may attend that meeting, and every year the meeting has been held in Delhi so that Members of the Assembly may attend the Conference. I do hope that you will take that into consideration and direct that the House shall not sit on the 30th.

**Mr. Bhulabhai J. Desai** (Bombay Northern Division: Non-Muhammadian Rural): I do suggest this, at all events, in response to what the Leader of the House has said, that the hours of sitting, if you so please, may be extended, so as to enable the House to deal with the Finance Bill itself before the end of the week.

**Mr. President** (The Honourable Sir Abdur Rahim): Before the end of the week, that is, today?

**Mr. Bhulabhai J. Desai**: I mean the 30th.

Mr. President (The Honourable Sir Abdur Rahim): The Chair accepts the suggestion of the Leader of the House that the House should sit on Saturday, the 30th. As regards the hours of work, the Chair does not wish to say anything at present.

### THE INDIAN FINANCE BILL—contd.

Mr. A. H. Ghuznavi (Dacca cum Mymensingh: Muhammadan Rural): Mr. President, when the Honourable the Finance Member introduced his budget, at the conclusion of his speech he said:

"But do not let us forget that imaginative financiers usually end up in jail."

The Honourable Sir James Grigg: In jail.

Mr. A. H. Ghuznavi: Goal is jail also.

An Honourable Member: Not of yours.

Mr. A. H. Ghuznavi: I quite agree. But I think that my Honourable friend will agree that we do require the assistance of financiers with imagination. A little more imagination would have told my Honourable friend that the outflow of gold from India does not stand in the same category as the export of any other commodity of which India has a surplus, that a substantial gold reserve, whether with the public or with the Government, is necessary in the best interests of the country, that a broader foundation of gold is necessary to provide for the increasing credit due to the growing industrialisation of India, and that it may be necessary to repurchase the gold which is being exported now at a higher price when we may not be able to afford it. Sir, I am not a financier, imaginative or otherwise; nor do I claim to be one of the five economists holding six opinions, but, as an ordinary man of the world, I find that every nation values gold and that there is a scramble for it all over the world, that the people in this country, especially the womenfolk, are very reluctant to sell gold and that sheer necessity is compelling them to convert this family reserve into money with a view to meet the crisis caused by the disparity between their fixed expenditure and the falling income. Sir, let us examine the position of the export of gold from this country. Nearly Rs. 225 crores worth of gold have been exported from this country since September, 1931, when the United Kingdom went off the gold standard and the rupee was linked to sterling at a fixed ratio.

As I said, every nation values gold. I prove that by showing the anxiety of the United Kingdom and other western countries to preserve their gold reserves, the withdrawal by the foreign investors of their investment in London, which is being replenished by gold exported from India. The idea of making profits by the sale of gold is not shared by any country which controls its own currency policy. The growing industrialisation of India will require a broader foundation of gold. Sir, the wearer knows where the shoe pinches. We are in touch with the countryside and know that it is not surplus gold which is being sold with a view to make profit, but sheer necessity is compelling people to convert their family reserve into money. Ever since 1931, this Honourable House and you, Sir, when you were sitting on the Benches of the Opposition

[Mr. A. H. Ghurnavi.]

said, on many an occasion that Government should put an embargo on the export of gold from this country. Before this new Assembly, my Honourable friend, Dr. Ziauddin, expressed on one occasion that the Government was suffering from the fourth kind of intoxication and that was that they had the votes in their pocket and they never took any notice of the protest that was made regarding the export of gold from this country.

Now, Sir, let us take the policy of Government regarding the sale of silver without investing the proceeds in the acquisition of gold reserves to strengthen the international position of the rupee. Very little exercise of the imagination is necessary to discover that the obvious has happened and the result has been shortage of money or deflation, that this deflation has intensified the evils of the fall in prices, hitting hard our exporters and agriculturists, that there has been a dangerous depreciation of the paper currency reserve, that various countries are increasing their stores of bullion and stimulating, by various means, the export of bullion by other countries and that an appreciation in the price of silver which would follow, if the Government's sale of silver is discontinued, will go a long way to increase the purchasing power of the Indian masses. Sir, let us examine the Government policy of the sale of silver. The policy appears to be that purchases are made when price appreciates and it is sold when price comes down. To prevent export, during the post-war period, crores of rupees were frittered away by sale of reverse council bills, silver reserve was augmented by purchase from the United States of America at exorbitant prices, Government selling off silver at low prices and utilising the proceeds for current purposes and not for the acquisition of gold reserves as recommended by the Young Commission and the result is the deflation, fall in the prices of agricultural products and decrease in the purchasing power of the masses. Today, the question of questions is how to raise the price of the agricultural products, that is to say, how to raise the purchasing power and the standard of living of the masses. It is as much to the interest of the Government as of the people that the situation should improve in this respect as early as possible. In this House, year in and year out, Honourable Members have made speeches on the floor of the House asking Government to take necessary steps to find out the ways and means how to improve the condition of the masses and how to raise the prices of agricultural products. Nothing has been done so far. Nothing has been attempted. (Interruption.) Something may be done in future and here we are exporting gold from this country. Every day you find the export of gold is greater and greater than before and the sale of silver without taking into consideration the effect of the two transactions. This House would, I am sure, do its best to try and force the Government to put an embargo on the export of gold.

The Honourable Sir James Grigg: You will not succeed.

Mr. A. H. Ghurnavi: I know that this House will not succeed.

Some Honourable Members: Why not?

Mr. A. H. Ghurnavi: You could never have made that statement if you had been responsible to this House. Otherwise, you would have been turned out of your seat by the vote of the House.

**An Honourable Member:** Don't sit there. Cross the floor.

**Mr. A. H. Ghuznavi:** Sir, every country is preserving gold throughout the world excepting India.

**The Honourable Sir James Grigg:** Would the Honourable Member like to know that Great Britain exported 170 crores of rupees worth of gold last year?

**Mr. A. H. Ghuznavi:** Because you were indebted to the United States of America . . . .

**An Honourable Member:** That is Indian gold.

**Mr. A. H. Ghuznavi:** You had to pay your debts. You did not send it to other countries.

**The Honourable Sir James Grigg:** To France, Belgium and South America as well. (Interruptions.)

**Mr. President (The Honourable Sir Abdur Rahim):** The Honourable Member had better continue his speech.

**Mr. A. H. Ghuznavi:** England has exported gold to Belgium and France . . . .

**The Honourable Sir James Grigg:** And America.

**Mr. A. H. Ghuznavi:** . . . . because you are also indebted to France. (Loud Laughter.) There must have been some understanding wherewith you export only to France, Belgium and America, and to no other countries. You had to repay foreign investors also. You cannot say that because England has been exporting gold to America and France and Belgium, India should also export gold to your country. (Laughter.) I am almost certain that in another year, if you continue this export of gold, not an ounce of gold will remain in this country; and such gold is not at present being exported for making a profit, but you are forcing the people to sell it, because they cannot make their two ends meet. Sir, in this connection, before I proceed, let me tell this House that since 1932, I have been advocating on the floor of this House an embargo on the export of gold. This is not the first time I have been saying this. (Hear, hear.) Sir, in this connection I also advocate the discontinuance of the import duty on silver, and here I congratulate my friend, the Honourable the Finance Member. (Hear, hear.) A substantial reduction in the silver duty is a step in the right direction, and I hope and trust that ultimately it may lead to its abolition. Sir, there was no silver duty in the beginning. It was imposed, if I remember rightly, in 1929 for the first time. Am I correct?

(Mr. K. Sanjiva Row nodded assent.)

That was the beginning of this silver duty, and, from the last speech made by the Honourable the late Finance Member, Sir George Schuster . . . . (Laughter.)

**An Honourable Member:** He is alive very much.

**Mr. A. H. Ghurnavi:** I am very sorry. (Loud Laughter.)

**An Honourable Member:** Hurry up.

**Mr. A. H. Ghurnavi:** Well, this is a "Bill". I can talk as much as I like. Sir, while presenting his budget in February, 1934, Sir George Schuster said this about silver, and I am only reading one passage:

"It appears, therefore, that we might reduce the duty by one-third, namely, by two and a half annas per ounce, without thereby necessarily affecting the Bombay price at all, for it would still be somewhat below the London parity."

The result of this duty was that there was no import of silver at all and there was no duty at all which they could realize, and what he says is this:

"We think it fair to anticipate a small import of silver as a result of this reduction bringing up the receipts from one lakh to five lakhs of rupees. This means an increase of four lakhs on our estimates."

That is to say, when there was the duty of seven and a half annas per ounce, the import duty they could realize was only one lakh, and after the reduction to five annas, the then Finance Member expected a realisation of five lakhs—an increase of four lakhs. Now, the present Finance Member, by reducing the duty from five to two annas will surely expect a larger income thereby; and of course there will be no income if this is reduced but there will be a very great import of silver if the duty is taken off entirely. Sir, I now come to the additional duty on salt. (Hear, hear.) Sir, I welcome the Finance Member's expression of sympathy.

**Mr. S. Satyamurti** (Madras City: Non-Muhammadian Urban): You have begun in earnest.

**Mr. A. H. Ghurnavi:** I will prove my case. Mr. Satyamurti, I know, does not like this—therefore, I will take much of my time explaining why this particular additional duty should be knocked off at once and I will prove it to this House to the hilt. Sir, I wanted to do this when that Salt Bill came before this House, but I might not be here, and I am taking this opportunity to explain my position about that duty before I leave for Calcutta.

**Mr. F. E. James** (Madras: European): Why not pair off?

**Mr. A. H. Ghurnavi:** I am an elected Member, I am not going to be paired; it is a Nominated Member who has to pair. Sir, this is a duty against which the Government of Bengal and the Government of Bihar protested, year in and year out, and the Government of India, without consulting the Governments, either of Bengal or of Bihar, introduced this Bill in 1931 (*Cries of "Shame, shame"*), in spite of opposition by these two Governments. Sir, this duty on salt was introduced into this House on the 17th March, 1931. Honourable Members are aware that there was in February or March, 1931, some negotiation between Mr. Gandhi and Lord Irwin for a settlement. It is known to us, who were then Members of this House, that Mr. Gandhi also wanted . . . .

**An Honourable Member:** Mahatma Gandhi, please.



**Mr. A. H. Ghuznavi:** I beg your pardon—Mahatma Gandhi wanted also the removal of the salt tax. Although I, as a Member of this Assembly, was not aware of the details of the negotiations, yet, being here at that time, many things came at least into my ears. The difficulty was how to get out of that trouble so that there may be no duty on salt. Poor Bengal was the victim of that settlement.

**Mr. B. Das** (Orissa Division: Non-Muhammadan): Did you not read the report of the Tariff Board on salt and the recommendations they made?

**Mr. A. H. Ghuznavi:** I am coming to that Tariff Board report which I hold in my hand. Don't you think that I have not studied that <sup>3 P.M.</sup> report. The Tariff Board said nothing of the kind and what is the value of the report of the Tariff Board of 1929 in 1931? You could not give effect to that report for two or three years. Talking of Tariff Board's report and inquiry it is all farce and sheer waste of time and money. The Tariff Board recommend something but you do not accept their recommendations and you make your own recommendations. It is not the first time that I have said this; I have been saying this for the last two or three years that the value of the Tariff Board reports is nil. This report was made in 1929, and the circumstances changed so much in 1931 that it should not have been taken any notice of. Sir, if I may say so, it should please Mahatma Gandhi that India will be self-supporting so far as the salt industry is concerned. Now, Sir, let us see the position of the additional salt duty. My Honourable friend, Mr. Satyamurti

**An Honourable Member:** Mahatma Satyamurti!

**Mr. A. H. Ghuznavi:** . . . said the other day that the import duty on salt is a tax on a necessary article of diet.

**Mr. S. Satyamurti:** On a point of personal explanation. I said all duty on salt, and not import duty.

**Mr. A. H. Ghuznavi:** You said all duty on salt, and I say that this is an additional duty which Bengal and Bihar have to bear as an additional tax on an article of diet. It is meant to help whom? Not the Indian salt industry, and that I shall conclusively prove.

**Mr. N. M. Joshi** (Nominated Non-Official): That is the object.

**Mr. A. H. Ghuznavi:** It may have been in your mind, but it has not been achieved, and I shall show it presently. This additional duty is to be levied to put the money into the pockets of four gentlemen in Aden. It has penalised the Bengal consumers in the interests of these four gentlemen who are making tons of money. (The Honourable Member showed the picture of these persons.) These are the four gentlemen for whose benefit this additional duty has been imposed, and why? Because three of them come from Bombay and one from Italy. So, by preserving the Italian industry we are preserving the national industry of India! This is Indian salt industry. So, Sir, this protection is being given to these four gentlemen and not to the Indian salt industry. As I said, three of these

[Mr. A. H. Ghuznavi.]

gentlemen come from Bombay and Bombay has been dominating the Government of India all these years at the sacrifice of the interests of the rest of the provinces. If these three gentlemen were not of Bombay, I am certain that this additional duty would not have been imposed. Now, what did the Tariff Board report say? They mentioned these four wonderful gentlemen who have vested interests in Italy. Two of them are Mussalmans, one is a Parsi and one is an Italian. The whole protection is given not to the Indian salt industry but to these four gentlemen. And it will take two hours to give you the whole list of the amount of money which they have made at the sacrifice of the Indian salt industry. I will show you how. I will leave all other points and will deal only with this point conclusively today. Now, Sir, the position is this. The Government introduced this Bill on the report of the Tariff Board which was published in July, 1929. It is a long report as usual and they could not come to any conclusion after taking evidence. As usual, their conclusion is not always very clear. They submitted their report, as I said, in 1929 and the Government of India sat over it for two years. They woke up in 1931. Now, the Governments of Bengal and Bihar and Orissa strongly opposed the proposal made by the Tariff Board, which consisted of Sir Padamji Ginwala, Dr. John Mathai and another. Writing in 1931, the Government of Bengal described their proposals as "tantamount to the imposition of a huge fine on the consumers of this side of India". They considered that the Board had exaggerated out of all proportion the importance of the western and northern Indian salt producing agencies. It appeared to them that the Board had magnified these insignificant concerns with an admittedly doubtful future into a key industry of national importance, and they propose to give them a heavy protection at the expense of the Bengal consumer. Even if that was so and if it was necessary to help the western and northern India salt producing agencies to impose this duty, then we could have agreed to it. But this duty does not give protection to these western and northern India salt producing agencies. It is giving protection only to these four gentlemen.

Mr. N. M. Joshi: But Aden is sought to be separated from India.

Mr. A. H. Ghuznavi: When we are talking now, Aden is still part of India, and, by the time Aden is separated, you and I might have died. It is in the hands of God.

Mr. President (The Honourable Sir Abdur Rahim): Honourable Members ought not to carry on conversation in this way.

Mr. A. H. Ghuznavi: Sir, the Government of India did not accept what the Governments of Bengal and Bihar wrote to them.

Mr. B. Das: Why do you talk of Bihar and Orissa? You had better confine yourself to Bengal. We in Bihar and Orissa have challenged the note of the Government of Bihar and we have condemned their action.

An Honourable Member: Let the Honourable Member talk only of Orissa. He cannot talk for Bihar.

**Mr. A. H. Ghurnavi:** Thereafter, a Resolution was passed in the Bengal Legislative Council on the 24th March, 1931. This question of the additional import duty on salt was debated and the Council passed the following Resolution:

"This Council considers the proposal of the Government of India, to impose a further duty of 4 annas per maund on all imported salt and to give a rebate to Aden merchants, unjust and inequitable and calculated to throw an unfair burden on the people of Bengal and so enter an emphatic protest against the proposal and requests the Government of Bengal immediately to urge the Government of India to abandon it."

But, Sir, the Government of India would not listen to any appeals from the Government of Bengal. The Bill was passed as a temporary measure. What do we find in the report of the Central Board of Revenue and my Honourable friend, Mr. Lloyd, is also here. The Central Board of Revenue, in their report to the Legislative Assembly Salt Committee—the report is a long one, I will read only a few lines—say that Aden is securing a monopoly of the trade to the exclusion of salt made in India proper and the report further points out that this would be entirely opposed to the essential object of the Tariff Board's proposal. They also pointed out that the drop in the sea freights which had taken place in 1931-32 affected the whole basis of the Tariff Board's report of fair selling price. That is also exactly what I was making out. My point was that the Tariff Board report was made in 1929 and so their report was a back number in 1931 when we proceeded to legislate on the recommendations which they made in 1929. That is amply proved by the statements that the Central Board of Revenue presented to the Salt Committee of the Legislative Assembly.

**Mr. B. Das:** Have you read the Pitt Enquiry Committee report published after the report of the Tariff Board?

**Mr. A. H. Ghurnavi:** I will come to that later on. In January, 1933, the Government of Bengal again addressed the Government of India on the matter and pressed most strongly that the additional duty should be withdrawn. Now, Sir, let us see what the Central Board of Revenue say on that matter. The Board was definitely of opinion that Aden was strong enough to stand alone. These merchants have been in Aden for years and that the industry was not an infant industry so far as the Aden salt industry was concerned, and that Aden salt has been successfully competing with foreign salt, year in and year out, and that there was no necessity of giving additional protection to these four gentlemen to profiteer and put the whole money into their pocket at the expense of the consumers in Bengal and Bihar. The Central Board of Revenue further says that:

"They are definitely of opinion that Aden was strong enough to stand alone, that Aden already possessed an established position in the Bengal market and that admittedly Aden salt did not require any assistance and they were definitely of opinion that no case had been made out for protection in regard to Karachi and Okha sources on national or economic grounds."

What has, however, been the result? During 1931-32 and 1932-33, so far as Bengal Government was aware, no supplies of salt have entered the Bengal market from northern India sources, not an ounce of salt has gone to the Bengal market from northern India or from the centre of the salt industry in India and still you are penalising Bengal to pay and enable these four Aden manufacturers to put this extra money into their pocket. What is more? The latest report mentions the breakdown of the attempts

[Mr. A. H. Ghuznavi.]

to produce Khewra crushed salt suitable for the Bengal market and this makes it abundantly clear that the prospect of supplying any part of Bengal market, with rail-borne salt from northern India, is more remote than ever and the object with which this additional import duty was originally imposed and the achievement of which has, until a year ago, always been cited as a justification of this duty could no longer be regarded as a practical proposition.

**Mr. D. K. Lahiri Chaudhury** (Bengal: Landholders): Is the Honourable Member aware of the telegram sent by the President of the Muslim Chamber of Commerce? Will he place their view before this House?

**Mr. A. H. Ghuznavi**: I am also a Member of the Muslim Chamber of Commerce. The Honourable Member need not remind me of that.

**Mr. D. K. Lahiri Chaudhury**: Has the Honourable Member read the presidential address of that Chamber?

**Mr. A. H. Ghuznavi**: Certainly that Chamber will support salt additional import duty. But I am here to support the consumers and not the Muslim Chamber of Commerce. (Hear, hear.) I have, unfortunately, lost the thread of what I was saying because of this interruption. I was saying that the latest report of the attempt to produce Khewra crushed salt for Bengal market made it abundantly clear that the prospect of supplying any part of Bengal market with real rail-borne salt—mind you, it must be rail-borne salt and, here, I must mention that my Honourable friend representing the railways will never allow rail-borne salt to come to Bengal, because the railway freight is so high—is remote and the object with which this additional duty was originally imposed and the achievement of which has until a year ago always been cited as the justification of this duty could no longer be regarded as a practical proposition.

Now, I come to my Honourable friend, Mr. B. Das. Further, it was clear from Pitt's report that there was no reasonable prospect of establishing the manufacture of salt on a commercial basis in Bengal. That is his latest report and Pitt is an authority on salt.

**Mr. D. K. Lahiri Chaudhury**: There is also another version of the thing in the same report.

**An Honourable Member**: What is the date of that report?

**Mr. A. H. Ghuznavi**: I don't like to be interrupted now, but I will give you the information later on.

Still an effort is being made by the Government of Bengal to test its feasibility but that is no reason why they should, day in and day out, continue to impose this duty and make the Bengal consumer suffer at the expense of the four Aden merchants. Sir, here is a letter which has been addressed to the Finance Member by the consumers of Bengal. It is a long letter and I will not take the time of this House by reading the letter in full. But it says this:

"As far as Aden goes, we think we need say no more than that they are recognised to be the pioneers of the salt trade in India and need no protection."

Then, it goes on to say that not an ounce of salt from Northern India has reached Bengal up to now. They say:

"We feel it our duty to point out that these vested interests in Aden are not entitled to any such claim. We make this statement because of the fact that it has already been stated in the Assembly that the tax was experimental and temporary for one year only."

This is what the consumers in Bengal say and these maps which I have got in my possession will show that Bengal is supplied from nowhere else excepting Aden, and Aden does not want to supply the rest of India.

**Mr. President (The Honourable Sir Abdur Rahim):** The Chair would remind the Honourable Member that he is repeating himself too much.

**Mr. A. H. Ghumanvi:** Now, Sir, from salt I will go on to wheat and rice. Sir, the levy of an import duty of 12 annas per maund on broken rice of foreign origin to my mind is a half-hearted and long deferred measure of protection. The duty which it is intended to impose is only on broken rice. It is certainly not easy to distinguish broken rice from unbroken rice. To accord real protection the duty should be extended to all rice and paddy. Personally I should have preferred a duty of Rs. 1-4-0 per maund as recommended by the Crop Planning Conference. As regards wheat, if the import duty helps my Punjab friends and the Punjab peasants and the United Provinces and Sind, I have no objection, but I shall presently show that it does not help either the Punjab, the United Provinces or Sind. When this import duty was imposed on wheat it was purely as a temporary measure with no idea of giving protection either to the Punjab, the United Provinces or Sind. In that particular year wheat was growing in enormous quantities in the Punjab and Government discovered that if something in the nature of a temporary protection was not given, the wheat growers would go bankrupt because most of the wheat was about to be destroyed as there was no purchaser. That was the reason why Government came forward in this House with a temporary measure to give relief to the Punjab in that particular year. They gave an assurance that in the following year the wheat duty would be withdrawn.

**Captain Rao Bahadur Chandri Lal Chand:** No assurance was given here.

**Mr. A. H. Ghumanvi:** I do not remember whether my Honourable friend was a Member of this House when the Wheat Bill was introduced. If he were here, he must remember that a protest was made by Bengal, Bihar and Assam, when it was said that it was only a temporary measure and would be withdrawn in the following year and there would be no necessity for the continuation of this duty. However, I have no quarrel about its being temporary or otherwise. If it helps the Punjab I have no objection, but I desire to show that it has not helped and it will not help them. Sir, this duty on wheat for the protection of the Punjab does not assist the suffering of Bengal because we cannot and do not get Punjab wheat in Bengal on account of the high railway freight. Punjab wheat is not available and cannot be available in Bengal. Therefore, you cannot put the duty as much as you like; the

[Mr. A. H. Ghuznavi.]

consumers will be restricted to your province and you do not get a market in Bengal for your wheat. All that you are doing by imposing this duty is making the Bengal people buy wheat at a higher price. But surely they are not buying your wheat and, from statistics, I will be able to show that the Punjab wheat has not gone to Bengal and Bengal is still buying and will continue to buy foreign wheat at a higher price.

**The Honourable Sir Joseph Shore** (Member for Commerce and Railways): Sir, it is entirely untrue that Bengal is continuing to buy foreign wheat to the exclusion of wheat from Northern India.

**Mr. A. H. Ghuznavi:** At any rate, there cannot be any question that Bengal would have bought more from the Punjab but for high railway freight. In any case, if it is thought that it helps the Punjab I have no objection. Bengal is suffering and will suffer for the benefit of other provinces. If it helps the other provinces . . . .

**Seth Govind Das** (Central Provinces Hindi Divisions: Non-Muhammadan): But Bengal is part of India?

**Mr. A. H. Ghuznavi:** Surely you do not expect one particular province to suffer for the benefit of the others?

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member must address the Chair. He has repeatedly been asked to do so.

**Mr. A. H. Ghuznavi:** Sir, many Honourable Members have observed, in the course of this debate, that the expenditure of the Central Government should be kept down. Sir, I repeat the same thing, at any rate I would suggest that it should not be increased in a hurry. One has to bear in mind the fact that the limit of the taxable capacity of the people has been reached. A reduction of taxation is the principal means by which relief can be afforded to the masses, and particularly to the rural population. Therefore, Sir, if you want to balance the budget, please do not forget the fact that you have reached the taxable limit and that you cannot reasonably impose any further taxation on the people.

I now turn, Sir, to another matter of vital importance to the masses, and that has reference to rural post offices which, to my mind, should be restored and extended (Hear, hear), and I would draw the attention of my Honourable friend, Sir Frank Noyce, particularly to this matter. I congratulate him on the progressive efficiency of the postal department, which has certainly progressed very considerably during his tenure of office so far as I have been able to find, but, Sir, I must say that the rate of one anna for half a tola has been a nuisance to the people.

**Some Honourable Members:** Yes, we agree.

**Mr. A. H. Ghuznavi:** On nine out of ten letters that I receive, I have to pay a penalty of two pice . . . .

**The Honourable Sir Frank Noyce** (Member for Industries and Labour): My friend is extremely unfortunate in his correspondents.

**Mr. A. H. Ghuznavi:** And, I am sure, my friends are paying the same, and I have a very heavy correspondence too.

**An Honourable Member:** From Egypt?

**Mr. A. H. Ghuznavi:** Sir, the introduction of the rate of one anna per tola and half anna post cards will be very much welcomed and appreciated by the masses.

There is another thing which strikes me about the working of the post offices in India. The post offices in India perform different duties at different hours, and that is certainly another source of annoyance to the public. For instance, a post office will accept money orders say up to 3 o'clock, a registration letter say till 4 o'clock, and if an extra fee or late fee is paid, the registration letter is received till 5 o'clock. How is one to remember all these complicated hours of posting and the time fixed for receiving money orders, telegrams, registered letters and so on? There are different hours for different transactions, and this is certainly a great nuisance. In the United Kingdom the post offices remain open for certain hours during which they transact all kinds of business. For instance, in England the post offices are open from 8 A.M. to 8 P.M., and, between these hours, one can send his letters, telegrams, money orders, insurance . . . . .

**The Honourable Sir Frank Noyce:** Sir, I think I may confidently say that post offices in England are not open for all classes of business from 8 in the morning till 8 in the evening.

**Mr. A. H. Ghuznavi:** Sir, I am certain that they are open . . . .

**Some Honourable Members:** No, no. Only some are open.

**Mr. A. H. Ghuznavi:** Will you allow me to complete my sentence? Before I complete my sentence, you start saying "No, no". What I want to say is that in certain localities in the United Kingdom certain hours are fixed . . . . .

**The Honourable Sir Frank Noyce:** Very few.

**Mr. A. H. Ghuznavi:** Still it is a fact that certain hours are fixed in certain localities, though they may be few. For instance, in the locality where I was residing, the post office used to remain open from 8 in the morning till 8 in the evening, and, I thought, that was the usual time observed by all post offices in the United Kingdom, but I may be wrong. One thing, however, is certain, and that is, that the working hours which are observed in the United Kingdom ought to be observed in India also, and the poor devils must be given at least a full and complete holiday; because, Sir, as we all know, even on a Sunday the poor clerks are made to work and they have to attend to at least one delivery. What is the use of having one delivery like that? Close the post offices at any rate entirely for one full day and give the poor clerks complete rest so that they may work during the next six days with much greater vigour and efficiency. What is the use of having one delivery at 12 o'clock? Let

[Mr. A. H. Ghumanvi.]

us gradually get ourselves accustomed to receiving no letters on Sundays. Therefore, I am merely throwing out a suggestion for the consideration of the Honourable Member. It will be exceedingly useful if one day's complete holiday were given to the poor staff.

Then, I would suggest that one anna postage should carry one tola and half anna should carry a postcard, that the post offices should be kept open, as in the United Kingdom, with certain fixed hours when all kinds of postal business should be transacted, a complete holiday should be given to the staff, instead of asking one or two clerks to attend on Sundays to deal with the delivery of letters. There is no clearance on Sundays in the United Kingdom . . . . .

(There were a few interruptions at this stage.)

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member must address the Chair and should not carry on a conversation like that.

**Mr. A. H. Ghumanvi:** I must apologise to you, Sir.

Then, Sir, another suggestion of mine is that the postal authorities should encourage commercial advertisements in the post and telegraph offices on a large scale as we see in other countries. For instance, in England, the postage books contain advertisements, and in certain offices I found that most of the stationery like blotting paper, ink, inkpots, pen holders and so on, is supplied free by the advertisers. In the same way, if we encourage dealers in stationery to advertise in post and telegraph offices, they might give the departments stationery free which will mean a considerable saving to Government.

Then, Sir, there has been an increase, I notice, in trunk calls between Delhi and Calcutta. Those who are in business will bear me out that high prices never give a good return. The man who sells cheap gets a better return than a man who sells dear. If you think you will get more money by increasing the rates you are mistaken. I think I have been using the trunk telephone more than anybody else, but I have had to discontinue it because the rate is double of what it was last year.

Then, coming to my Honourable friend, the Finance Member, I find that he has been in certain difficulties because his predecessor had given certain pledges to this House and he had to honour those pledges. This has resulted in withholding the relief which could have come to the poor and the deserving, as well as to trade and business, by raising the limit of exemption as regards income-tax and by removing the surcharge on income-tax. The pledge was that he must restore the salary cut, and in restoring the salary cut, he has not been able to give that relief which he should have done, that is to say, at any rate, raise the taxable limit from Rs. 1,000 to Rs. 2,000, and also the entire removal of the surcharge on income-tax. Income-tax is a bad tax . . . . .

**Mr. H. M. Joshi:** Is a good tax.



**Another Honourable Member:** A very good tax.

**Mr. A. H. Ghuznavi:** And, last year, when the State Protection Bill was introduced, this House was told about the benefits derived by the States people,—how they live there happily and peacefully, and one of the benefits was that no State levies income-tax. It is only the British India that levies income-tax.

**Mr. A. H. Lloyd:** At least thirty States levy income-tax.

**Mr. A. H. Ghuznavi:** However, that is what I gathered last year that they were not having any income-tax in the States. The present Bill taxes people with an income of Rs. 1,000. Just realise what this means. Rs. 1,000 a year, that is, about Rs. 80 a month. *Panwalas, bidiwalas*, and all sorts of *walas* have been caught in the net.

**An Honourable Member:** Do you represent them?

**Mr. A. H. Ghuznavi:** And this restoration of the salary cut has placed an additional difficulty on the Bengal Government in balancing their budget.

Next, I come to the removal of the export duty on skins. Except my Honourable friends from Madras nobody else in this House wanted that the duty on skins should be retained last year.

**Mr. B. Das:** I wanted it to be retained.

**Mr. A. H. Ghuznavi:** Let us see what is the result of withdrawing that duty on skins. The Honourable the Finance Member said:

"During the eight months ending the 30th November, 1934, the export trade in our skins declined in volume, as compared with the corresponding period of the previous year from 13,123 tons to 8,938 tons, and in value from 2.24 lakhs of rupees to 1.19 lakhs."

I think a friend from Madras, a Muslim friend, has this in his brain for the last nine years at any rate, that the ratio should be changed from 1-6d to 1-4d and a heavy duty imposed on skins and hides. Of course, Members coming from Madras will always welcome a duty on skins. Telegrams have been pouring in from Calcutta and other centres:

"Informed opposition organised against abolition of export pu skin. This burden of duty falls on actual owner of animals who are poor Indian. Please exert your influence in abolishing this export duty. The Skin and Hide Trader Association Calcutta."

"Strongly urge you support Government motion for abolition skins export duty same having proved extremely detrimental to India by affecting thousands of people belonging Muhammadan and depressed classes. Principle of export duties generally recognised to be unsound. Unless duty removed Indian skins export trade bound further to decline by reason severe competition from other markets. Shipments during 1934 fell by 30 per cent from 1933 figures without any corresponding increase in consumption of Madras tanning industry. Calcutta Hides and Skins Shippers Association."

"Abolition of export duty on skins highly essential otherwise we poor producers will suffer badly and business will be ruined. Producers of Bihar hides and skins."

[Mr. A. H. Ghuznavi.]

So far as Bengal is concerned, the increased yield from the jute duty has brought great relief. But Bengal will not rest content until she gets back the whole. It is only just and equitable that it should get the whole without delay. The price has gone down so low that it comes out from the peasants and it is not borne by the shippers or buyers of jute. Another argument is that it is a commodity which is a monopoly of Bengal and surely all its benefit should remain in that province, particularly when it comes out from the pocket of the cultivators. The economic welfare of the people, as a whole, is one of the foremost duties of the State to promote but it is not by that alone that the Government will be judged. The human element, after all, constitutes the best part of the national wealth of any country and men do not live by bread alone, so also nations. The Government will be judged by the human effects of the economic processes of the national policies which they encourage and foster, that is to say, the Government is to be judged by the effects of their economic and other policies on the human element which constitutes the best part of the national wealth. In India we do not believe in a very high standard of material well-being, but, at the same time, it cannot be gainsaid that a certain minimum standard of material well-being is necessary to happiness, and the general standard in India is far below that level of standard. The exercise of a little imagination on the part of our Finance Members will convince them, as it had convinced Sir George Schuster, that statistics proving the wealth of a country as a whole do not necessarily demonstrate the well-being of the masses of the population. Thus there is the Government's policy economic as well as political, which should be so framed as to meet the needs of the nation. Not only should the proper distribution of wealth be assured but everything should be done to raise our sense of national respect. A peaceful and contented national mind is also needed for making people more efficient. The constant sense of degradation and tribulation affects their efficiency. They cannot but feel that they are not the architects of their own fortune in a land which is theirs by birth. We, Muslims and Hindus, who had ruled over India and governed this ancient land with success, feel deeply humiliated when we are told that we are not competent to officer our armies. Had not all the provinces armies of their own, which at times had to be led against even the great Moghul? Had not the great Emperor Akbar to send his famous generals to conquer Bengal? Who then served as soldiers in the Bengal army? Who composed the Bengal army under the Nawabs in the early days of the European settlements in Bengal? Who fought in the South for and against the British and the French? Who fought under the great Sivaji? Where are those people now? If today the army is a close preserve for a few classes and if today India is not in a position to produce individual officers to run her army, it must have been due to the deliberate policy of Government which reserved the Indian army as the training ground for British officers and a few classes distinguished as martial classes. Again, we must have a mercantile marine. Our claim in this respect will not be satisfied by the training of a few people on the training ship "Dufferin". We desire our coastal maritime trade secured to us and reserved to Indian-owned vessels. All restrictions in this respect must be done away with and our self-respect restored with full scope for our manhood and full opportunities for our national development. Sir, in

connection of this coastal trade, I would like, with your permission, to read one or two lines from the Legislative Assembly Debates of the 25th February of this year and quote Mr. B. Das: Referring to Mr. Hossack's motion, Mr. Das said:

"My Honourable friend also talked of the Inland Steam Navigation Company. This is not the first—probably this is the hundredth time—when this House has been told how Inland Steam Navigation Companies started by Indians, were driven to the wall by the rate war which the Inland Steam Companies, controlled by Europeans in Bengal, launched on them. My Honourable friend, Mr. Ghuznavi, if he rises after me, will be able to give those distressing tales and even today we know what is happening on the Bombay side."

I have some experience of Indian coastal shipping. Just after the war, one crore of capital was raised in Bengal to start a new company called the Eastern Peninsula Navigation Company, Limited. Fifty lakhs was paid up with which we bought four sea-going vessels. When we started business, the rate-cutting by the British shipping was so intense—and we had no sympathy from Government or any support (*Cries of "Shame, shame"*), that that company was ruined and the whole of the assets of the steamship company had to be sold to a British Company (*Cries of "Shame, shame, shame, shame"*) at an insignificant price, and all the money of the shareholders was lost. Even if an Indian company started today, what is the guarantee, unless this House gives protection, that it will not meet with the same fate as was met with by the Eastern Peninsula Navigation Company? With the British shipping interests now controlling the coastal shipping in these areas . . . . .

**Mr. F. M. Joshi:** Why? Including our Government!

**Mr. A. H. Ghuznavi . . . .** what is the guarantee supposing tomorrow some big steamship company starts in India, that that company will not meet with the same fate as was met with by the Eastern Peninsula Navigation Company with its crore of rupees of capital? Therefore, I say, something has to be done to meet this unfair competition: and, I am sure, that if we had our Honourable friend, the present Commerce Member, he would have taken up the matter in right earnest; anyway, he saved the Scindia from meeting with the same fate as that of the Eastern Peninsula Navigation had to meet with. At any rate he saved the Scindia; but as far as I know of the Scindia and from all the recent information I have, I may say that it is for all practical purposes one of the branches of the British India Steam Navigation Company. I do not think it has any independent existence—it cannot have under the existing circumstances, unless you can prevent the mischievous practice of the British shipping companies' rate-cutting, private rebates, confidential rebates, and the freight-cutting which they will no doubt continue in order to kill any new shipping companies that are started. ("Shame, shame.") Therefore, legislation of this kind is necessary to save the coastal trade for our Indian shipping—I have no objection to the British shipping companies competing with us, but they must not do rate-cutting; that must stop, and it must be on a fair basis. (Hear, hear.) I would have no rate-cutting as between the Indian and British shipping companies; we are not, of course, concerned with foreign companies at all. Well, there we will give you preference, but, so long as we can start

[Mr. A. H. Ghuznavi.]

our own companies, surely they must have the first preference, even as against yours, so far as the coastal shipping is concerned (Loud and Prolonged Applause); and until we can have our Indian maritime coastal shipping in our own hands—not to talk of our share in overseas trade and all that—there can be no peace. Sir, I have got statistics, which I have been collecting, which show the huge trade that is in the hands of this coastal shipping. It is tremendous—you have no idea of what it is,—you can have no idea of the huge profits that these British shipping companies are making from out of our coastal trade.

Sir, the volume of unemployment existing in this country does not reflect any credit on the Government. The removal of that is the problem of problems and all over the world, and not only in India, it is essential that there should be co-operation between the Government and the people in all matters of national welfare, and our Government here should take the people into their confidence. If that is done, and if they will pursue a well thought-out programme with earnestness—I do not want these haphazard measures of giving protection to Mr. A. or to Mr. B., whether he deserves it or not—thus, the Tariff Board may have recommended something twenty or fifteen years or five years ago, and you may now want to give protection to this industry or that,—when it is a back number—that is not the way to give protection. Well thought-out programmes are necessary, and they must be carried out with earnestness and determination and with a will to find the solution. (Hear, hear.) Sir, the restoration of prosperity will not be so difficult then as they sometimes make it out to be. There must be a realization of the fact that the principles of economics are not immutable like the principles of mathematics for all times and places. Sir, we have to devise a plan which will be effective under our conditions. This is the very least that the Britishers here can see done. Otherwise, Sir, the spectacular show of a crore of rupees for village uplift is a mere eye-wash. (Hear, hear.) It is too small to give any decisive results. It does full credit to your heart.

**An Honourable Member:** They have no hearts.

**Mr. A. H. Ghuznavi:** But not to your judgments. Be it remembered, every nation deserves the Government it can pay for, and that we cannot pay for this top-heavy administration. (Loud Applause.) Further, Sir, let it be remembered that righteousness exalteth a nation and any departure from it will be ruinous. Sir, I have concluded. (Loud and Prolonged Cheers.)

**Several Honourable Members:** The question be now put.

**Other Honourable Members:** No, no, no, no.

**Mr. President (The Honourable Sir Abdur Rahim):** The Chair accepts the closure motion, having regard to the fact that an arrangement was arrived at between the Parties. The question is that the question be now put.

The Assembly divided:

AYES—45.

Abdul Aziz, Khan Bahadur Mian.  
 Ahmad Nawaz Khan, Major Nawab.  
 Ayyar, Rao Bahadur A. A.  
 Venkatarama.  
 Bajpai, Mr. G. S.  
 Fewoor, Mr. G. V.  
 Bhagchand Soni, Rai Bahadur Seth.  
 Bhoze, The Honourable Sir Joseph.  
 Buss, Mr. L. C.  
 Chatarji, Mr. J. M.  
 Craik, The Honourable Sir Henry.  
 Dalal, Dr. R. D.  
 DeGouza, Dr. F. X.  
 Drake, Mr. D. H. Q.  
 Gajapatiraj, Maharaj Kumar Vijaya  
 Anand.  
 Graham, Sir Lancelot.  
 Grigg, The Honourable Sir James.  
 Hockenull, Mr. F. W.  
 Hudson, Sir Leslie.  
 James, Mr. F. E.  
 Jawabar Singh, Sardar Bahadur  
 Sardar Sir.  
 Kirpalani, Mr. Hiranand Khushiram.  
 Lal Chand, Captain Rao Bahadur  
 Chaudhri.

Lindsay, Sir Darcy.  
 Lloyd, Mr. A. H.  
 Metcalfe, Mr. H. A. F.  
 Milligan, Mr. J. A.  
 Monteath, Mr. J.  
 Morgan, Mr. G.  
 Mukerje, Mr. N. R.  
 Mukherjee, Rai Bahadur Sir Satya  
 Charan.  
 Nayar, Mr. C. Govindan.  
 Noyce, The Honourable Sir Frank.  
 Owen, Mr. L.  
 Rajah, Rao Bahadur M. C.  
 Rau, Mr. P. R.  
 Row, Mr. K. Sanjiva.  
 Sarma, Mr. R. S.  
 Scott, Mr. J. Ramsay.  
 Scott, Mr. W. L.  
 Sher Muhammad Khan, Captain  
 Sardar.  
 Singh, Mr. Pradyumna Prashad.  
 Sircar, The Honourable Sir  
 Nripendra.  
 Sloan, Mr. T.  
 Swithinbank, Mr. B. W.  
 Tottenham, Mr. G. R. F.

NOES—60.

Aaron, Mr. Samuel.  
 Abdul Matin Chaudhury, Mr.  
 Anev, Mr. M. S.  
 Asaf Ali, Mr. M.  
 Ayyangar, Mr. M. Ananthasayanam.  
 Badi-uz-Zaman, Maulvi.  
 Bajoria, Babu Baijnath.  
 Banerjee, Dr. P. N.  
 Baqui, Mr. M. A.  
 Bhagavan Das, Dr.  
 Chattopadhyaya, Mr. Amarendra  
 Nath.  
 Chettiar, Mr. T. S. Avinashilingam.  
 Chetty, Mr. Sani Venkatasoleam.  
 Das, Mr. B.  
 Das, Mr. Basanta Kumar.  
 Das, Pandit Nilakantha.  
 Datta, Mr. Akhil Chandra.  
 Desai, Mr. Bhulabhai J.  
 Deshmukh, Dr. G. V.  
 Ebrahim Haroon Jaffer, Mr. Ahmed.  
 Essak Bait, Mr. H. A. Sathar H.  
 Fakir Chand, Mr.  
 Fuzul Huq, Mr. A. K.  
 Gadgil, Mr. N. V.  
 Gauba, Mr. K. L.  
 Ghisouddin, Mr. M.  
 Ghulam Bhik Nairang, Syed.  
 Ghuznavi, Mr. A. H.  
 Giri, Mr. V. V.  
 Govind Das, Seth.  
 Gupta, Mr. Ghanashyam Singh.  
 Hidayatallah, Sir Ghulam Hussain.  
 Hosmani, Mr. S. K.  
 Issar Saran, Munshi.  
 Jodha, Mr. K. M.

The motion was negatived.

Jinnah, Mr. M. A.  
 Jogendra Singh, Sirdar.  
 Khan Sahib, Dr.  
 Khare, Dr. N. B.  
 Lahiri Chaudhury, Mr. D. K.  
 Lalchand Navalrai, Mr.  
 Maitra, Pandit Lakshmi Kanta.  
 Mangal Singh, Sardar.  
 Mudalier, Mr. C. N. Muthuranga.  
 Nagawara Rao, Mr. K.  
 Paliwal, Pandit Sri Krishna Dutta.  
 Pant, Pandit Govind Dallabh.  
 Parma Nand, Bhai.  
 Raghuraj Narayan Singh, Choudhri.  
 Rajan Baksh Shah, Khan Bahadur  
 Mahdum Sved.  
 Rajan, Dr. T. S. S.  
 Raju, Mr. P. S. Kumaraswami.  
 Ranga, Prof. N. G.  
 Saksena, Mr. Mohan Lal.  
 Sant Singh, Sardar.  
 Satyamurti, Mr. S.  
 Shafi Daudi, Maulvi Muhammad.  
 Sham Lal, Mr.  
 Seodass Daga, Seth.  
 Siddique Ali Khan, Khan Sahib  
 Nawab.  
 Singh, Mr. Deep Narayan.  
 Singh, Mr. Ram Narayan.  
 Sinha, Mr. Anugrah Narayan.  
 Sinha, Mr. Satya Narayan.  
 Som, Mr. Suryya Kumar.  
 Sri Prakasa, Mr.  
 Umar Aly Shah, Mr.  
 Varma, Mr. B. B.  
 Viswanji, Mr. Mathuradas.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) vacated the Chair which was then occupied by Mr. Deputy President (Mr. Akhil Chandra Datta).]

**Dr. T. S. S. Rajan** (Tanjore cum Trichinopoly: Non-Muhammadian Rural): Mr. Deputy President, before I address the House on the question of the Finance Bill, I am one of those who have been watching the proceedings of this House for the past one month and a half and my impression has always been that, if there had been one of my brothers on the Treasury Benches, things would have taken quite a different turn. Sir, for one thing, unlike in other countries, we have no Medical Member in the Viceroy's Council or on the Treasury Benches. I do believe that a certain amount of knowledge of medicine will do good even for such a successful Financier as the Honourable the Finance Member, because a financier and an economist are both talking in terms of money, in terms of business and they do not take a correct perspective of human lives and human values. It is my belief that for any economic plan of working or for good finance. . . .

**Mr. Lalchand Navarai** (Sind: Non-Muhammadian Rural): Sir, I rise to a point of order. I think we should not be expected to address empty Benches on the other side. Neither the Honourable the Finance Member nor the Member representing the Central Board of Revenue is on the Government Benches, and I, therefore, think it is not right that the debate should proceed in the absence of these Government Members. That is the point of order that I raise.

**The Honourable Sir Nripendra Sircar** (Leader of the House): What is the point of order? Does the Honourable Member ask for a mandamus to bring the Finance Member to the House? So far as the representative of this particular Department is concerned, he is here. What is the point of order that my Honourable friend is raising? If he tells me that, I can meet it.

**Mr. Lalchand Navarai**: My point of order is this. The House is discussing the Finance Bill, and I am asking, is it fair that the Finance Member should not be here to listen to the criticism made by Honourable Members on this side? Is it fair that the Finance Member should slight the House by absenting himself like this?

**The Honourable Sir Nripendra Sircar**: Will my Honourable friend now tell me what is the point of order? His point is, is it fair that the Finance Member should not be here. Is that a point of order?

**Mr. Lalchand Navarai**: My point of order is quite plain, and I am sorry if my Honourable friend has not followed it. In a Finance Bill, it is the Finance Member who has to hear all our criticisms and he has to give a reply and he has also to see that the demands of the people are attended to. If the Finance Member is not present in the House, that means that there is no one on the Government Benches to hear what we on this side say and the Leader of the House would not be considered to be in charge of every portfolio. Therefore, I would submit that this being a discussion on the Finance Bill, the House cannot proceed with the discussion without the Finance Member being in his place. I would

go further and say that the House is not a complete House without the Finance Member being present at the discussion on the Finance Bill. I, therefore, want the decision of the Chair as to whether, when the Finance Member is not in the House, there would be any use in discussing.

**Mr. A. K. Fazlul Haq** (Bakargunj *cum* Faridpur: Muhammadan Rural): Let the House be adjourned till Monday.

**Mr. Deputy President** (Mr. Akhil Chandra Datta): Will the Honourable Member show the Chair any rule or Standing Order, which makes it obligatory on the Finance Member to be here? It is certainly desirable that he should be here, but if he is not here, is there any rule which empowers the Chair to compel him to be present?

**Mr. Lalchand Navalrai**: I submit that common sense requires that when there is a discussion on the Finance Bill, the Finance Member ought to be present in the House. No rule or Standing Order is required. I appeal to your inherent powers.

**The Honourable Sir Nripendra Sircar**: May I make a submission. I submit that it would be intolerable if the Finance Member cannot get away for 20 minutes, after he has been here from 11 A.M. this morning till 4-25 P.M. We know and we have been told that this is a discussion on the Finance Bill, and that the Finance Member should be present here. But, Sir, under the Finance Bill, the House may discuss all sorts of subjects. You may discuss repressive laws, you may discuss scarcity of water, and there is no rule or Standing Order that the Finance Member should always be present in the House. Surely there are enough people here to take notes of what Honourable Members are saying with regard to particular subjects. We know that we shall be dispersing for the day at five o'clock or a quarter past five, and those who take notes will amplify all the subjects to the Finance Member and he will be put in possession of all the facts. The Finance Member did not mean any discourtesy to the House by being absent temporarily. I submit to the Chair that there is no rule that he must be here from the time the Assembly meets for the day until it adjourns.

**Mr. Deputy President** (Mr. Akhil Chandra Datta): As pointed out by the Honourable the Leader of the House, the Honourable the Finance Member was here from 11 A.M. to 4-25 P.M. The Chair, therefore, rules that there is no point of order. Let the Honourable Member, Dr. Rajan continue his speech.

**Mr. Mohan Lal Saksena** (Lucknow Division: Non-Muhammadan Rural): I want to rise to a point of order.

**Mr. Deputy President** (Mr. Akhil Chandra Datta): There cannot be any discussion on this point of order which has been decided by the Chair. If the Honourable Member wants to raise any fresh point of order, he can do so.

**Mr. M. S. Anoy** (Berar Representative): Sir, have you not given your ruling just now that the Honourable Member, Mr. Rajan, should continue his speech, and I, therefore, think there cannot be any further discussion on the point of order. You have decided there is no point of order, and there can, therefore, be no further discussion on that.

**Mr. Mohan Lal Saxena:** My submission is that there is no rule. . . .

**Mr. Deputy President (Mr. Akhil Chandra Datta):** The Honourable Member cannot discuss the ruling of the Chair. Let the Honourable Dr. Rajan proceed with his speech.

**Mr. Mohan Lal Saxena:** I wish to submit. . . .

**Mr. Deputy President (Mr. Akhil Chandra Datta):** Order, order. There can be no further discussion on this point.

**Mr. Lalchand Navalrai:** I am rising to a fresh point of order.

**Mr. Deputy President (Mr. Akhil Chandra Datta):** Is it a fresh point of order, or the same thing over again?

**Mr. Lalchand Navalrai:** It is another point of order in the sense that I only submit and ask if the decision that the Chair gave was the final decision. Of course, I did not hear what the Chair said excepting that the Honourable Member, Dr. Rajan, was asked to proceed with his speech. What I mean to submit is that I want the Chair at least to give me that ruling with some reason.

**Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban):** Sir, I maintain that the remarks made by the Honourable Member cast a reflection on the Chair. Sir, as long as there was a joke, I did not object, but I now protest against the reflection made on the Chair and the Honourable Member must be asked to withdraw his remarks.

**Mr. Deputy President (Mr. Akhil Chandra Datta):** The Chair does not propose to take any notice of those remarks and it would ask Dr. Rajan to proceed with his speech. There must not be any further discussion on the point of order which has been decided by the Chair.

**Dr. T. S. S. Rajan:** Sir, I was just saying that the whole basis of economics would become a right one if the economic unit is changed from rupees, annas and pies or pounds, shillings and pence, to human life, and if economics are based upon standards of human life and the value of human life in terms of economics, we would soon arrive at a correct budget with regard to national income as well as national expenditure. Take, for these economic principles, the fundamental unit, the human life. You cannot have a machine working, you cannot have income, you cannot have expenditure, if you do not take into consideration human lives, and, by human life, I mean human life value which means that every one who is alive today and who has got to turn out work in terms of national economy forms a national unit of life both in his own life as well as in his economic value. If a human being starts with longer period of life and makes his body unit a national asset in terms of economics, he would soon find that every human life, whatever may be its value today, would infinitely be enhanced if the life value is increased, even though it is increased by a day. True economics would certainly try to solve the real crux of the problem, and what is the crux of the problem as it stands in India today? It is this, that human life in this country has an average of less than 50 per cent. of what it prevails out in European countries.



The average life of an Indian here in this country is roughly about 23 years, while that in Europe is over 47. If the value of human life is put down at the rate of half-an-anna or seven pice, as was said this morning, you can just imagine that if our national life is increased by ever so much as five or ten years as the life average of this country, if measures are taken to so arrange as to make it possible for a man to live longer in this country, then you would concede that the economic value of the income is enormously increased. It is only on the basis of human life that I want every economic principle to be planned. And, if you concede that, what does it come to? When you talk of machinery, when you talk of taxation, when you talk of income, our financiers are likely to ignore the life element in it. That is why, when I started my remarks, I said that it was better that there was a medical man who understood the real value of life in the counsels of this country. And that is why I regret it was not so. If the Honourable the Finance Member were asked to think in terms of life values in this country, he would certainly concede my argument that, whatever money is spent, it must be spent firstly and primarily on the prolongation of life in this country. The prolongation of life really means economic gain to the nation; it really means economic strength to the country; it really means a profit to the race and the nation at large. It is this value that I should like to place before him for consideration. For this object we have got one crore of rupees to be spent; and the Honourable the Finance Member has not given us any clear idea as to how that one crore is going to be spent. The other day a question was asked from this side of the House whether he has visited any village or whether he has seen an Indian village. I learnt from the newspapers this morning that the Honourable the Finance Member got himself trained in the village life of India by paying a visit to a village a few days ago under the auspices of one of the Honourable Members of this House. I suppose he has seen some of our worst villages, and perhaps, side by side, with some good villages. Now, if in the village he saw squalor and dirt and hungry men and poor men dying, and he went and saw the other good village as has been reported in the press, what is his economic gain by the two contrasts that he has seen? Will not his one crore of rupees be economically utilised in relieving that village of squalor, dirt, short span of life and hunger-stricken people? If you can spend one rupee in that village and make them live for one day more, will it not be an economic gain to this country? If that position is conceded, you next see that every endeavour which Government have to make must be with this one purpose that the life of the race ought to be extended, and in that direction alone is economic recovery possible in this country. But, if, on the contrary, as has been happening in the last so many years, if the average life of the race sinks from 40 or 50 down to 22 or 23, you can have any amount of economic planning and you may give any number of crores, you may even give one crore of rupees, but if that crore is not spent to raise the national economic value in terms of human life, it is simply an absolute waste of expenditure. It is on this issue alone that the whole plan has got to be thought out. I will put it to the Honourable the Finance Member to think about planning which would so utilise the amount of one crore,—which unfortunately is not even recurring,—as to increase the national life average, which would be a thoroughly good investment. And he will find that his economic asset will increase ten times if not more. Therefore, there should be a planned-out scientific and hygienic improvement of our slums, a freedom from epidemic diseases which are really the

[Dr. T. S. S. Rajan.]

result of dirt and squalor which can be prevented. It cannot be said that the Government, as constituted in India today, is incapable of doing it. Europe has done it, all civilised countries have done it; and, as a result of their doing it, you find that the average life has gone up in Europe to what it was 200 years ago. I put it to Government that if, with all the finances that you have at your disposal, you fail in your fundamental duty as economists or as nation-builders and in spite of spending so many crores every year you do not spend one rupee to prolong the average life of this race, you are doomed and you cannot stand up before either man or God with your hand on your heart and say that you have done your duty by the people of this country.

Then, Sir, I come to the next question which has been occupying the attention of the medical world. The necessity for a scheme to prolong the average life of this race is unquestioned. If any man has got to work with a financier to improve the economic condition of this country, the foremost duty lies in collaboration between the scientific man, the man of medicine, the man of hygiene and the financier to evolve a correct scheme and to find out ways and means of prolonging the life of our people which is really an economic asset to this country. The medical man has got to be assessed his right place. You can imagine that if there were a Ministry of Health in the present Government such a lack of consideration for such an important subject as I have raised would not have happened. If before framing his expenditure for this one crore that he has allotted for the improvement of the villages, the Finance Member had taken medical men into consultation he would have found how beneficially and economically this one crore of rupees can be spent and how the national wealth would be improved that way. But even as it is I am afraid the Indian medical man today has to work under very great handicaps. The Indian Medical Service, in spite of all this agitation in the press and the platform, has become a monopoly service in this country. After having about 200 medical men as the army reserve that is given to the civil service for the benefit of the military, Government are asked to provide for more places. In the course of the discussion, the other day, it was stated in the Upper House that the ratio of two Europeans to one Indian could not be altered in view of the fact that civil service men required European medical men to attend on them. Well, Sir, it looks a most ridiculous proposition for any Government to advance that, because a certain number of civil service men want a particular kind of medical men to attend on them, it is the duty of the country to provide for such men. Sir, in this matter it is a question of knowledge, it is a question of science, not of black, white or brown. If a qualified doctor is capable of dealing with disease and with the general health of the people, I cannot for one moment see what human argument could be adduced against a man being dark, and, therefore, he cannot be allowed to treat a white man or woman. I can also state as a medical man, who has lived and lived successfully in life, that I have yet to find a man who would tell me that, because I am a black or brown man, I should not treat him. There are brown doctors in white countries, and these doctors have got a practice amongst white people which is the envy of several well known white doctors. If Englishmen cannot serve in India unless they are provided with white doctors, it passes my comprehension why the Indian exchequer and the Indian Legislative Assembly

should go out of their way to vote enormous sums of money for providing white doctors to civil servants in this country.

Then, again, with regard to the question that there should be two Europeans to one Indian in the I. M. S., how is this ratio worked out? And, what is the basis? While you say that there should be two Indians to one European in the regular army, here the ratio is reversed; here you inflict your European officer on the civil side, not only you want a European officer for yourself, but you inflict him on the civil side too, which is a most illogical proposition. Now, take it the other way. Why do you force your men on the dark sepoy? He is quite content to be under an Indian Medical officer, and I don't see how the ratio of 2 to 1 holds good there.

The third point, and the most atrocious thing is that, after having satisfied the military authorities, the military department comes and asks the civil department: "Look here, we want to keep some men as reserves". For what?—for any unknown contingency like a war. A war may or may not take place, but the civil side has to accommodate about 300 I. M. S. men and pay them from the general exchequer, and these people not only block the intelligence and promotions of Indians, but their claim and their right to be there. Not only that. What have the Government done? They have posted all the reserve men on the top service which develops intelligence, which requires energy, which requires thought,—ingredients which go to make the profession successful, all those things which go to make the wellbeing of the race, with the result that Indians have to stew at the bottom. Indians with far better qualifications and experience than those possessed by the I. M. S. officers are kept down. For instance, there is a Medical Research Department in this country, and a few appointments were recently made. I understand there were 12 or 14 Indian applicants holding some of the highest qualifications, qualifications which no man can ever question. Some one trotted out a pious wish and said that four of the appointments to be made should be from I. M. S. men. Why should there be I. M. S. men even for research work, I ask. Has the I. M. S. man got the necessary qualification even for research work? I really fail to understand the reasoning. I. M. S. does not mean any special qualification. I. M. S. simply mean a special brand of service, it means nothing more. You have got superior men in the I. M. S. and you have got inferior men in that service, but everybody is ranked as I. M. S., and, the moment a man is an I. M. S., he is considered good enough for anything. I really cannot understand why for the Medical Research Department there should be a restriction that four men ought to be selected from among the I. M. S. men. The other day, a Board met to make selections for some of these appointments, and there were Indian applicants with excellent qualifications, much better than those possessed by the I. M. S., and simply because four I. M. S. men had to be selected, most of our best brains were turned out. This is what happened . . . .

**Sir Gowasji Jehangir:** Four seats out of how many?

**Dr. T. S. S. Rajan:** I believe there were six posts vacant, and, out of these, four were reserved for I. M. S. men, but there were six or eight applicants who were infinitely better men than the I. M. S., but merely because they were not I. M. S., they were given the go by, and novices, who had not done any responsible work, were taken, simply because

[Dr. T. S. S. Rajan.]

they were in the I. M. S., and we were asked to swallow these I. M. S. men. That is exactly why I bitterly complain against the system by which you ask us to reserve a certain number of posts for a certain class of people, not on account of their merits, but simply because they belong to the I. M. S. cadre, and for no other reason. Therefore, I say it is entirely unjustifiable, it is entirely unjust that you should try and thrust most of your I. M. S. on the civil population depriving the civil population of power, civil population of energy, civil population of intellect, civil population of brains which should naturally go to serve the civil population of this country,—you deny all that. And, what is more, all the topmost appointments, beginning from the Director General of the Indian Medical Service down to the district head are reserved for the I. M. S. men, and, therefore, what happens is that the junior man on the civil side, however well qualified he may be, can never get to the top post. Today I can show a large number of Indians holding some of the highest medical qualifications like F.R.C.S. that are serving under the I. M. S. who have not got even a fourth of the qualifications possessed by Indians, and such a sad spectacle cannot be seen in any other part of the globe. (Shame, shame.) This is the sort of treatment you give to the medical services of this country, and naturally all the medical intelligence goes waste for want of sufficient opportunities for Indians. Where is the energy, where is the inspiration to come from, where is the willingness or eagerness for the poor Indian to come from? These I. M. S. men are put on the top and they act like a string round our neck only to throttle it. That is my complaint against the I. M. S. For God's sake, give the Indian medical men the opportunities that they seek. If we on this side of the House ask questions on the subject, we are told that we are dabbling with the military people, that the military people are far above the ordinary people who can give us only congenital idiots—I do not quarrel with the view that you hold, but I simply tell you this that, if there are any pig headed people in the world, the military people are perhaps the most assinine, for this reason that their calvarium is unduly thick and new ideas do not easily get into the military man's brains, and, therefore, we can find no argument to persuade him. They simply say that the civilian population wants a certain number, and, therefore, the military man must go to the civil side. Is there any part of the world, is there any country in the world in which the civil side is asked to take a certain quota of military men? That exists nowhere in the world except in India. It is stated that, during the time of the East India Company, barbers came in the guise of surgeons and began to treat English people, but today what is the position? We have got intelligence enough, we have got qualifications enough, we have got education enough, we have got Indians with qualifications who have beaten Englishmen in their universities, and we have got men possessing qualifications and distinction far above those possessed by Englishmen who are recruited for the I. M. S., both in England and in India. Therefore, why not give us a chance? All I say is, you can take away your military men, but why thrust them on the civil side? Leave the civil side at least free. Why thrust your military men on our Ministers in Local Governments? The Ministers are quite helpless; because you send down eight I. M. S. men, and the poor Minister has no other go but to take these men and put them over the heads of the fellows who were doing very valuable service for ages in the Local Government. This is the

condition to which you have reduced the medical services of this country. And, after having made provision for 200 of your I. M. S. men on the civil side, you have the 108 residuary men to be accommodated in the civil service, and these people are never called in for military duty, they must remain there till they die. This is the position of the medical services in this country, this is the position of the I. M. S. men, and these 108 residuary men are not called for service and yet they must be provided for on the civil side. Men recruited the other day on Rs. 850 are sent out to the front while these sinecures with Rs. 5,000 a month downwards to Rs. 2,500 stick to their seats. You are dumping these 108 residuary officers on the Local Governments. Can you, in the name of logic, in the name of humanity, justify this permanent imposition of 108 men on the top of one of the most intelligent branches of science? Do you advance science by this way, do you progress the medical profession by this attempt? And, in the other House, it was said that these I. M. S. men shall stay, that the ratio shall be there, and the Local Governments are asked in a convenient language—the reply given in the other House was: “What can we do? The Local Governments ask for I. M. S. officers”. This is a proposition most outrageous to the intelligence of any Indian, because no son of India can ever say that he has not got qualified medical men in his province and he must ask the Imperial Government for the dole of I. M. S. men from the Central Government. It is a most monstrous statement that has ever been made on the floor of any House. And we are asked to believe today that all Local Governments come on bended knees to the Imperial Government and beg for doles of intelligent I. M. S. men, so that their dark province, ignoble province may be elevated from misery and starvation! That is a proposition which no sane man can ever agree to, and still it was made the other day in the other House by the Member in charge of the portfolio.

Sir, this sort of agitation has been going on for years together. The other day, when I asked a series of questions on the I. M. S., it was said that the Englishmen were not coming in and their ratio was not yet filled up, that Indians were in larger numbers, and, therefore, their recruitment must stop. Just imagine a profession like the medical profession, and they say: “We do not get our men”. We are many here, the qualifications of our men, mind you, are A. 1. and no man can question our qualifications, our English qualifications are better than anybody else could ever criticise or think of. We have the talents, and they apply for service. And, still, for the last so many years, you have not recruited more than about 15. You have recruited 95 unwilling European men to serve in this country, men whose qualifications can never be compared with the qualifications that we have got today. When you have got men in this country with an amount of knowledge and skill which cannot be surpassed, I put it to you, what is this economy that you are practising today? You know very well that Indian talent can be had much cheaper if you want. I can prove it to you that you are having them on the most outrageous terms, you are having coolly labour in the I. M. S. service, because, have you ever heard of temporary service in any other branch in India today? Is there a temporary service in the I. C. S., is there a temporary service in the Finance Department, or in any other Department under the Government of India? You have not got a temporary service anywhere else. And not that you have not got men, because there is an army of unemployed who, for a tenth of the wages that you are giving to your men, would always live

[Dr. T. S. S. Rajan.]

and wait at your doors for years to get jobs for a tenth of the wages, because unemployment is so keen in this country. You could have cheap clerks, temporary clerks and not bother with pensions and time scale promotion and all that. You can have temporary clerks for 20 years or 30 years and at the end kick them out without any gratuity or pension. And that is what you are doing in the I. M. S. today. Because, since the War, 1,500 temporary men were taken, and out of them there are 68 men in service permanently—45 were taken on years ago and are still hanging on. They pay the temporary men in this way. Their contract is supposed to be only for one year, and, at the end of it, they ask the men: "Are you willing to continue, my dear fellows, for another year?" What can the poor men do? They have been in the army at Quetta and in the frontier, they would have seen nothing but barren rocks and no patient except the military in camp. They could not have any private practice, and they could not go home and face starvation. Having brought them out from their house and engaged them on cheap labour on about Rs. 300 a month, you take them to the base camp out at Peshawar or at Quetta and keep them for a year, and, at the end of it, you ask them if they would continue for another year, and the poor devils have to say: "We shall continue, Sir." They continue for one year more, they continue the third year, they continue the fourth year, and, at the end of five years, you again renew. There are men who have done nine years of service at the end of which they have not been taken in permanent service, because their service is all temporary. In the case of I. M. S. officers (European), if they want to go away after five years of service, you give them gratuity, passage money and all sorts of things. But here is an Indian taken on half the wages, he works for the army just as any I. M. S. Officer does . . . .

**Mr. G. E. F. Tottenham** (Army Secretary): May I explain that these temporary service men receive exactly the same pay as the regular officers? They do not receive half the pay. And Indian as well as British officers of the I. M. S. are eligible for gratuity after six years.

**Dr. T. S. S. Rajan**: I remember the Honourable Member telling me the other day that they are not entitled to any gratuity.

**Mr. G. E. F. Tottenham**: Temporary officers are not entitled to gratuity, but the regular Indian officers are entitled to gratuity.

**Dr. T. S. S. Rajan**: I am simply comparing the temporary men with the regular men.

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

Regular men at the end of five years get their gratuity, passage home, etc., and they can go home and settle down to a decent practice. But what happens to our temporary men? You say you have taken them on good pay. What about the allowance which you give them? Do you give them the same allowance as you give to other people? Your allowance is a good slice which nobody can ignore. You may give a pay of Rs. 350, but there is an allowance of Rs. 150 or so which you do not give to our temporary men. And what about the gratuity which you give after five years to the regular

men, and after a similar service of five years in the case of these temporary men you ask them to go out and you do not give them anything . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member had better address the Chair.

**Dr. T. S. S. Rajan:** It was in reply to a question, Sir. Therefore, I tell you, this sort of recruitment,—simply because you could have men, therefore you cut down their pay and treat them as mere coolies—does not befit any Government. Make them permanent, for God's sake after the blessed ratio and give us something decent. Talents we have, brains we have, we can treat not only our own countrymen, but even Englishmen as well as we do our own. And we have done that. And when we have done that, I ask you, why import unwilling people, because your English people are not very anxious to come, they do not come in in the large numbers that you want? The mere fact that they do not come must be ample reason for any sensible man to come out and say: "If you fellows, 5,000 miles away, do not come, here is good material, and I will have it." What prevents you from getting this available useful material in this country which, under no canon of justice, you could refuse. Therefore, I am asking, in all fairness to the temporary service men, do not recruit temporary men, or at least take them into permanent service. You ask them to serve for five years and nine years, and, after that period, no pension, no gratuity is given to them and they have got to go back without anything. I ask you to stop this. Take them into permanent service. If you cannot make them permanent, do not recruit them. On the contrary, what are you doing? You are still commissioning a number of people, as it is, private practitioners to serve in the army for any future eventuality, not on full payment, but on some small honorarium per year, and you put them in the army list for emergency purposes. This sort of thing is most disgraceful. The medical profession is a profession which is entitled to the grateful recognition of any civilised country. We are first trained for a number of years, and we have qualifications of every sort which nobody can question, and we come to serve our own country. We do not want to treat you, at least allow us to treat our own men, women, and children, and our own army and our own soldiers. Why not alter the ratio at least to that extent? Is that asking too much of anybody? I put that question to you. If you concede that economic unity and economic principles depend exactly on human life values and that human life values depend upon the efforts of scientific men for anything that could be done in that way, you would realise the full value of medical men in the scale of life. If the medical science is at all to be developed, it can never be developed in the way in which you are handling the medical service in this country. For instance, I can tell you a most shameful fact, shameful to confess—that in the I. M. S. a man, who is absolutely unqualified for a particular job, is put in that job. Just imagine a man, who is a lecturer on Lunacy, being made a professor of anatomy the next day; a man, who has never done pathology all his life before and who is going to retire, is made a professor of pathology when he becomes a Colonel. It simply means that the I. M. S. must be kept up to the detriment of any other medical service. This virtual class monopoly for a particular class is the most outrageous institution that can blacken the face of any civilised country, and today this injustice is perpetrated on this country year after year, and when the challenge is thrown from the House, there comes the barefaced reply that the ratio must be maintained. Sir, I ask, whether this ratio is for the sake of the men or

[Dr. T. S. S. Rajan.]

the men for the sake of the ratio. Therefore, do not put the cart before the horse. In the name of all that is good and all that is honest, and in the name of common sense, I ask you to utilise this tremendous talent that is lying dormant and getting wasted. I give you the instance of scientific research. Here you can see the great harm which the I. M. S. bloc is doing to the whole medical service of this country.

Then, Sir, what I want to do more than anything else is that these residuary posts must be straightaway abolished. They have no place and they have no justification to live there. Secondly, all these posts which have been imposed upon the Local Governments must be released and the Local Governments must have full freedom to employ their own agency for medical services without any direction or dictation from the Central Government. Therefore, the real transfer of the Medical Department from the Centre to the provinces must take place. Today it is a make-believe. Certainly we have got some power to post a few Assistant Surgeons here and there, but the direction and control of the medical and sanitary services does not lie in the hands of the provinces, for the simple reason that the I. M. S. insist upon thrusting some of their men on the Local Government, even against their will.

Then, Sir, I come to the preventive work. Here, as I told you, any efforts towards prolonging life is a great economic asset. Today millions are dying of malaria in this country. Today Ceylon is in the grip of malaria which has taken a toll of millions. Malaria may overtake India any day, because we are not differently constituted from Ceylon, and what malaria is doing in Ceylon today, it may do in India tomorrow, and what do we find? The other day, I was told that Government are holding tons of quinine, because they could not get the price for quinine. My dear Sir, the Government were *shopwallahs* and *bozwallahs* during the days of the East India Company. I never knew that His Majesty's Government today, as represented by the Governor General and his Council, have come here to sell quinine and that for a profit. Quinine manufactured in this country rightly belongs to the people who are suffering from malaria and if the Government hold large stocks of quinine and want to sell them at a profit, while millions of poor people are dying of malaria, I tell you it is the most culpable sin that you can commit against man and God. Therefore, release that quinine for the poor people free of all charges. A little charity on the part of the Finance Member will enable the Government to release this quinine for the sake of the suffering people who are dying of malaria in hundreds, and remember that, if you lose millions of lives, your economic asset will go to the wall. Therefore, it is necessary that the life average of our people must be prolonged, and, therefore, I ask you in all humanity and in the name of charity to release that quinine for God's sake; tell the post offices to distribute that quinine free to these poor people. Issue a circular to all the villages that quinine which is Government property will be given free to all people. Will the Government do it in the name of the King's Silver Jubilee for which the Government are making elaborate preparations in this country? I know an answer will not be forthcoming. Still I place my suggestion before the Government for what it is worth.

Then, there is this question of the life killing disease prevailing in this country. Government are taking particular care with regard to the army in regard to the spread of venereal diseases. The venereal disease is perhaps



most prevalent in the armies, particularly in the British army, and today, as the result of a studied campaign against the spread of venereal diseases, the army is brought up in security against the onslaught of venereal diseases. Every care is taken and preventive effort is made there, but what is it that is being done about the civilian population? A stray doctor for venereology in one of the biggest hospitals is all that is being done. People have not been made safe from the terrific havoc which the venereal disease commits on the population of this country today. Where are those public clinics where modern nations train their nationals for the prevention of diseases? We do not find them anywhere here. In Geneva, there is a make-believe, called the League of Nations, quite an impotent body, trying to preach ideals far beyond the capacity of the nations that form the constituent parts of the League and in that League they are doing propaganda against the spread of venereal diseases. What have the Indian Government done with regard to that propaganda? What I would like to say is that Government should keep their eyes open. Let them realise that it is the individual man that goes to constitute the Indian nation. He is a real economic asset to the country and you find his life average is only 22 years as against the 30 and 40 that you find in Europe and this economic asset is infinitely better than all the subterfuges that you resort to in your budget. You want to tax salt, you want to tax incomes, pay high salaries. That is all very good, but it is all waste, because you are moving in a vicious circle. So long as the people of this country have got such a small span of human life, there is no use of any economic theory or principle. What you want to do is to promote medical research for the benefit of the poor. That will alone give you the income on your capital outlay, and I venture to say that even the Finance Member will not regret the money that is spent on it. It will give him a ten fold and a fifteen fold return and he will find that the real asset is the longevity of the people.

Sir, the only point that I want to refer to before I conclude is this. Let it be said to our shame and ignominy as a race and as an insult to our intelligence that today brothels are still being almost protected in almost all the big cities. I know there are some laws, but, in spite of that, brothels are thriving in almost every big city. They are a moral cancer to the public life of any country, more so to a country which is so poor and weak as India and which has such a low average of life. Brothels ought to be done away with and the State today is indirectly responsible for the existence of brothels in this country. A campaign has been directed and recommended by the League of Nations. That is a thing which must be taken up at once in the interests of the economic life of this country.

Sir, I need not add anything more to the long rigmarole of grievances that I have enumerated. Suffice it to say that the life average is the only average that would be of any value in any economic campaign, and I put it to the House that we must try to do our best in this campaign by using the medical talents which are lying waste and which are India's for the asking. Will Government do it, or will they respond to such suggestions as we are making on the floor of this House? But I can only put before you as reasonable, as faithful, as true a picture as I could portray, with the facts that I have in my possession and which I have tried to place before this House. Sir, if this plan of economic activity—that life is the fundamental unit of economics—is adopted, you will find it will give us a solution for almost all the ills which this country is suffering from today.

[Dr. T. S. S. Rajan.]

—apart from the foreign domination and their economic supremacy to which all our interests are subservient. The medical profession, Sir, would have been quite a different profession in this country, were it not for our political subservience to the British. It is our political subservience to the British that carries that stigma of inferiority, and the medical service suffers from that political inferiority complex—not on account of its intellectual inferiority, as has been proved so often, that you find medical men like myself, Dr. Khan Sahib and Dr. Deshmukh, wasting our time discussing all these things here . . . .

**An Honourable Member:** And Dr. Dalal.

**Dr. T. S. S. Rajan:** . . . . because we feel that whatever intelligence we have and whatever services we can give, we should place those at the disposal of this Assembly in order that our political institutions may be strongly represented, and we have that objective far more in view than merely claiming our just share in the medical services. We are here not as medical men merely, but as the elected representatives of a large population, and, while we are here, while we are contributing to the destruction of a foreign structure that is eating our very vitals, consistently with that work, we do, as members of our Party, want to place before this House the knowledge that we possess with regard to medical science and the medical profession and the handicaps from which this noble service is suffering in this country. (Loud and Prolonged Applause.)

The Assembly then adjourned till Eleven of the Clock on Monday, the 25th March, 1965.