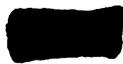


***THE INDIAN LEGISLATIVE COUNCIL***

**VOL. 56**

**Book No. 1**

**5 - 24 Sept. 1917**



**P L**

PROCEEDINGS  
OF  
***THE INDIAN LEGISLATIVE COUNCIL***

***ASSEMBLED FOR THE PURPOSE OF MAKING***

**LAWS AND REGULATIONS**  
**FROM APRIL 1917 TO MARCH 1918**

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**WITH INDEX**

**VOL. LVI**

**PUBLISHED BY AUTHORITY OF THE GOVERNOR GENERAL.**



**PRINTED BY THE SUPERINTENDENT OF GOVERNMENT PRINTING INDIA**

1918



GOVERNMENT OF INDIA.  
LEGISLATIVE DEPARTMENT.

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PROCEEDINGS OF THE INDIAN LEGISLATIVE COUNCIL ASSEMBLED UNDER  
THE PROVISIONS OF THE GOVERNMENT OF INDIA ACT, 1915,  
(5 & 6 Geo. V, Ch. 61).

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The Council met at the Council Chamber, Viceregal Lodge, Simla, on Wednesday, the 5th September, 1917.

PRESENT :

His Excellency BARON CHELMSFORD, P.C., G.M.S.I., G.M.I.E., G.O.M.G., Viceroy and Governor General, *presiding*, and 55 Members, of whom 48 were Additional Members.

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OATH OF OFFICE.

The following Additional Members made the prescribed oath or affirmation of allegiance to the Crown :—

**The Hon'ble Mr. Charles Ernest Low, C.I.E.**

„ „ **Mr. Malcolm N. Hogg.**

„ „ **Mr. Charles Augustus Kincaid, C.V.O.**

„ „ **Mr. James George Jennings.**

„ „ **Sir Gangadhar Madho Chitnavis, K.C.I.E.**

„ „ **Mr. Malcolm Edward Couchman.**

„ „ **Mr. Denys deSaumarez Bray, C.I.E.**

2 STATEMENTS LAID ON THE TABLE; QUESTIONS AND ANSWERS.

[*Sir C. Sankaran Nair; Khan Bahadur Mian Muhammad Shafi; His Excellency the Commander-in-Chief; Raja Sir Rampal Singh.*]

[5TH SEPTEMBER, 1917.]

**STATEMENTS LAID ON THE TABLE.**

**The Hon'ble Sir C. Sankaran Nair.**—"I lay on the table a statement\* showing the number of schools which have adopted and encouraged the boy scout movement in each province, which was promised in reply to a question asked by the Hon'ble Rao Bahadur B. N. Sarma on the 8th February, 1917."

**The Hon'ble Sir C. Sankaran Nair.**—"I also lay on the table statements showing the number of elected and nominated members of the different universities in India, which were promised in reply to a question asked by the Hon'ble Nawab Saiyed Nawab Ali Chaudhuri, Khan Bahadur, on the 20th March, 1917."

**QUESTIONS AND ANSWERS.**

**The Hon'ble Khan Bahadur Mian Muhammad Shafi** asked :—

Military decorations awarded to Indians.

1. "Will Government be pleased to state—

"(a) the total number of Victoria Crosses awarded to Indian members of the Indian Expeditionary Force since the commencement of the World War and how many of these have been awarded to persons belonging to the Punjab; and

"(b) the total number of other military decorations awarded to Indian members of these Forces, and of these how many have been received by persons belonging to the Punjab?"

**His Excellency the Commander-in-Chief** replied :—

"(a) Eight Victoria Crosses have been awarded to Indian members of the Indian Expeditionary Forces since the commencement of the war. Of this number, three have been awarded to men belonging to the Punjab.

"(b) The total number of other military decorations awarded to Indian officers and men of these Forces is approximately 1,870, of which 908 have been given to persons belonging to the Punjab."

**The Hon'ble Raja Sir Rampal Singh** asked :—

Examination by compartments.

2. "(a) Will Government be pleased to state whether the Hon'ble Member for Education received any proposal in March last from the Hon'ble Lala Sukhbir Singh of Muzaffarnagar on the subject of examination by compartments in schools and colleges, and if so, what action has been taken in the matter?

"(b) Is Government aware that the want of this system of examination imposes very hard study on a large number of students to the detriment of their health, and will Government be pleased to give the proposal a favourable consideration?"

**The Hon'ble Sir C. Sankaran Nair** replied :—

"(a) I received a communication in January last from the Hon'ble Lala Sukhbir Singh regarding University examinations by compartments.

"(b) Government have received no certain information that the present system imposes very hard study on students or is detrimental to their health."

[5TH SEPTEMBER, 1917.]

[*Mr. Jinnah; Sir William Vincent; Khan Zulfiqar Ali Khan; Mr. K. V. Rangaswamy Ayyangar.*]

**The Hon'ble Mr. M. A. Jinnah** asked:—

3. "In view of the recent announcement and also the proposed visit of Mr. Montagu, and having regard to the feelings which have been aroused in the country by the internment of Mrs. Besant and her co-workers, do the Government of India propose to consider the question of their release?" Release of Mrs. Besant and her co-workers.

**The Hon'ble Sir William Vincent** replied:—

"The Government of India are prepared to recommend the Government of Madras to remove the restrictions placed on Mrs. Besant and Messrs. Wadia and Arundale under the Defence of India rules, if the Government of India are satisfied that these persons will abstain from unconstitutional and violent methods of political agitation during the remainder of the war. In taking this course the Government of India are actuated by the confident hope that the recent announcement of His Majesty's Government and the approaching visit of Mr. Montagu to this country will have such a tranquilizing effect on the political situation as to ensure the calm and dispassionate consideration of the difficult problems which are to be investigated during his stay in this country.

"The Government of India are prepared, subject to the same conditions to take the same course in regard to other persons upon whom restrictions have been placed under these rules, merely by reason of their violent methods of political agitation."

**The Hon'ble Mr. Jinnah** asked:—

"May I ask a supplementary question? Will the Government be pleased to state whether they propose to take the cases of Muhammad Ali and Shaukat Ali into consideration?"

**The Hon'ble Sir William Vincent** replied:—

"The Government are already considering the cases of Muhammad Ali and Shaukat Ali and are making enquiries in regard to them."

**The Hon'ble Khan Zulfiqar Ali Khan** asked:—

4. "(a) Will Government be pleased to state if they contemplate the creation of Tribunals or Committees for examination of internment cases under the Defence of India Act?" Creation of Tribunals or Committees for the examination of internment cases.

"(b) If the answer is in the affirmative, will Government be pleased to refer the case of Mrs. Annie Besant to one of these Tribunals?"

**The Hon'ble Sir William Vincent** replied:—

"(a) The Government of India are consulting local Governments as to the necessity for appointing such Committees or Tribunals.

"(b) If it is decided to appoint them, and should such a course be necessary, the Madras Government will doubtless consider the expediency of referring the case mentioned to the local Tribunal."

**The Hon'ble Mr. K. V. Rangaswamy Ayyangar** asked:—

5. "Will Government be pleased to lay on the table a statement giving particulars relating to the number of superior gazetted appointments in the Secretariat of the Government of India held by non-civilians, their pay and status, and the number of such appointments held by Indians?" Superior gazetted appointments in the Government of India Secretariat.

**The Hon'ble Sir William Vincent** replied:—

"A statement\* giving the required information is laid on the table. It has been compiled on the assumption that by 'non-civilians' the Hon'ble Member meant officers other than those belonging to the I. C. S., and that the Army Department does not come within the scope of his question."

[*Mr. K. V. Rangaswamy Ayyangar; Sir George Barnes; Sir Robert Gillan; Sir William Meyer.*]

[5TH SEPTEMBER, 1917.]

**The Hon'ble Mr. K. V. Rangaswamy Ayyangar** asked :—

Tax on petrol.

6. “(a) Will Government be pleased to state whether the imposition by the Motor Spirit (Duties) Act, 1917, of an increased tax on petrol has had the effect of conserving any petrol for war purposes, and if so, what amount of petrol has been so conserved ?

“(b) If the imposition of the increased tax has not had the desired effect, will Government be pleased to discontinue such imposition ?”

**The Hon'ble Sir George Barnes** replied :—

“I am not able as yet to state the effect of the increased tax on petrol, for the tax has not been long enough in force to enable any reliable estimate to be made of its effect on consumption.

“With regard to my Hon'ble friend's suggestion that the tax, if it should prove ineffective, ought to be taken off, I would point out that if taxation intended to check consumption proves ineffective, the normal remedy would be not to remit the taxation but to increase it.”

**The Hon'ble Mr. K. V. Rangaswamy Ayyangar** asked :—

Railway fares.

7. “(a) Have railway fares in India been increased recently and was the object of such increase to reduce the number of railway passengers ?

“(b) If so, what has been the reduction if any in the percentage of passenger traffic since the fares were increased ?”

**The Hon'ble Sir Robert Gillan** replied :—

“The reply to (a) of the Hon'ble Member's question is in the affirmative.

“As regards (b) all the information so far received shows that the enhancement of fares has resulted in considerable reductions in the numbers of passengers travelling, ranging from 8 to 25 per cent.”

**The Hon'ble Mr. K. V. Rangaswamy Ayyangar** asked :—

Indian indentured labour.

8. “(a) Is it a fact that as stated in the issue of the “Pioneer,” dated 14th February 1917, replies from all Local Governments, except Madras, have been received regarding Indian indentured labour ?

“(b) If so, will Government consider the advisability of laying them on the table now or soon after they are in receipt of the Madras Government's reply ?”

**The Hon'ble Sir George Barnes** replied :—

“Replies from all the Local Governments and Administrations regarding labour emigration to the Colonies, including that from the Government of Madras, have now been received and I lay these replies on the table. The Government of India before the recent Conference in London addressed a despatch on the subject to the Secretary of State, and they propose to publish this despatch with the Secretary of State's reply as soon as the latter is received.”

**The Hon'ble Mr. K. V. Rangaswamy Ayyangar** asked :—

Commission on advances made by a Bank.

9. “(a) Has the attention of the Government of India been drawn to the controversy in the Madras newspapers about the propriety of the Presidency Bank's cashier charging a commission on advances made by the Bank ?

“(b) If so, is this practice of charging commission authorised ?

“(c) Has any step been taken to effect a discontinuance of the practice ?”

**The Hon'ble Sir William Meyer** replied :—

“The Government of India have seen certain articles in a Madras news-

[5TH SEPTEMBER, 1917.]

[*Mr. K. V. Rangaswamy Ayyangar ;  
Sir C. Sankaran Nair ; Captain  
Ajab Khan, Sardar Bahadur ; His  
Excellency the Commander-in-Chief ;  
Sir George Barnes ; Mr. Srinivasa  
Sastri.*]

commission on advances made by the Bank, but they are not aware of the actual facts. In any case the question is one which concerns the authorities of the Bank, and the Government of India do not propose to take any action."

**The Hon'ble Mr. K. V. Rangaswamy Ayyangar asked :—**

10. "(a) Is it a fact that Dr. Marsden has been appointed permanently to the office of Dyeing Expert with the Government of Madras?" Appointment of Dr. Marsden as dyeing expert.

"(b) If so, were the Government of India consulted before that step was taken?"

"(c) If the answer to (b) is in the affirmative, will Government be pleased to lay on the table the correspondence on the subject between the Government of India and the Madras Government?"

**The Hon'ble Sir C. Sankaran Nair replied :—**

"The answer to questions (a) and (b) is in the affirmative.

"(c) The correspondence\* asked for is laid on the table."

**The Hon'ble Captain Ajab Khan, Sardar Bahadur asked :—**

11. "When travelling on Form 'E' on certain duties, do Indian officers of the Indian Army get the same concessions, in drawing railway fare from Government, as is allowed in the case of all other individuals who are entitled to travel on Form 'E'?" Travelling allowances of Indian officers.

**His Excellency the Commander-in-Chief replied :—**

"The only Indian officers of the Indian Army who travel on Form 'E' are Indian Aides-de-Camp. They receive the same concessions in regard to rail fares as British Officers of the rank of Captain. All other Indian Officers are provided with Railway warrants when travelling on duty."

**The Hon'ble Captain Ajab Khan, Sardar Bahadur asked :—**

12. "Will Government be pleased to state what progress has, within the last five years, been made in the postal system for quicker and more frequent postal deliveries to villages distant from postal towns and branch post offices?" Improvement of the postal system.

**The Hon'ble Sir George Barnes replied :—**

"During the five years which ended on 31st March 1917, the number of post offices increased from 18,801 to 19,409, that is to say, 608 new post offices were opened during this period, and the number of postmen and village postmen employed increased from 25,745 to 27,013, an increase of 1,298. Since the 31st March last 159 new post offices have been opened and 101 more postmen and village postmen have been employed.

"The opening of every new post office results in a better delivery service not only in the village where it is situated but also in the surrounding country. So far as the financial position permits it is the policy of Government to open new post offices and to employ additional village postmen where the new revenue is expected to cover the additional expenditure within a reasonable period."

**The Hon'ble Mr. Srinivasa Sastri asked :—**

13. "Will Government be pleased to publish the opinions of Local Governments on the recommendations of the MacLagan Committee on Co-operation before taking final action thereon?" The MacLagan Committee on Co-operation.

QUESTIONS AND ANSWERS.

[5TH SEPTEMBER, 1917.]

Mr. R. A. Mant; Raja Sir Muhammad Ali Muhammad Khan; Sir William Meyer; Dr. Tej Bahadur Sapru; Sir William Vincent; Sir C. Sankaran Nair.]

**The Hon'ble Mr. R. A. Mant** replied :—

"The opinions\* of Local Governments on the subject are placed on the table."

**The Hon'ble Raja Sir Muhammad Ali Muhammad Khan** asked :—

The Bijnore District in the U. P. and the War Loan.

14. "(a) Has the attention of the Government of India been drawn to a circular letter, dated the 18th April 1917, issued by Mr. L. M. Stubbs, I.C.S., Magistrate and Collector of Bijnore District, in the United Provinces, to a number of gentlemen of the Vaishya caste, in which he accuses them, as a class, of cupidity, timidity and stupidity as also of ingratitude, because their contributions to the War Loan did not come up to his expectations ?

"(b) Did Mr. Stubbs vilify a class, and by implication the gentlemen addressed, with the cognisance of the Local Government? If not, what action has the Government taken against the official ?

"(c) Does not Government consider the contributions to the War Loan from the gentlemen who received this letter and other Vaishyas in the districts as forced contributions ?"

**The Hon'ble Sir William Meyer** replied :—

"The matter is one on which the Government of India have no information, and the question should more suitably be put in the Local Legislative Council."

**The Hon'ble Dr. Tej Bahadur Sapru** asked :—

Self-Government for India.

15. "Is it a fact that a circular was issued by the Government of India to Local Governments and Administrations in March last, or about that time, asking them to take any action, or adopt a particular attitude, towards the movement for self-government within the Empire or Home Rule? If so, will Government be pleased to lay such circular on the table?"

**The Hon'ble Sir William Vincent** replied :—

"A circular on the subject was issued: it was confidential, and the Government are not prepared to disclose its contents or lay it on the table."

**The Hon'ble Dr. Tej Bahadur Sapru** asked :—

Modification of the Indian Universities Act.

16. "Will Government be pleased to state, if they propose to take, at an early date, any steps to modify the Indian Universities Act so as to allow the Allahabad University to increase the number of its Fellows?"

**The Hon'ble Sir C. Sankaran Nair** replied :—

"The question of the modification of the Indian Universities Act is under the consideration of the Government. But they are unable to say whether steps at an early date will be taken to carry it out."

**The Hon'ble Dr. Tej Bahadur Sapru** asked :—

Trade Commissioner for India.

17. "(a) Will Government be pleased to state what will be the special duties of Mr. Chadwick, the Trade Commissioner for India who will reside in England and what will be his emoluments and the total cost of his office ?

"(b) Will Government be further pleased to state if the Industries Commission have submitted any *interim* report and if it is in pursuance of that report that the above appointment has been made ?

"(c) If such report has been submitted, will Government be pleased to publish it for general information ?"

[5TH SEPTEMBER, 1917.]

[*Sir George Barnes; Dr. Tej Bahadur Sapru; Sir William Vincent.*]

**The Hon'ble Sir George Barnes** replied :—

“(a) The attention of the Hon'ble Member is invited to the Press Communiqué issued on the 14th of June 1917, in which it was stated that the principal function of the Trade Commissioner will be the assistance of Indian export trade. He will advise the commercial public in their search for fresh markets for Indian products and manufactures and establishing new commercial connections within the empire. He will also help Indian industrialists in their enquiries regarding machinery and processes of manufacture. He will work in close co-operation with the Commercial Intelligence Branch of the Board of Trade, and with the Director General of Commercial Intelligence in India, and will be a source of ready information to commercial men in the United Kingdom on Indian commercial and industrial matters. His office will be located in the City of London so that he may be in direct and immediate touch with merchants and others interested in Indian products and manufactures. As at present arranged Mr. Chadwick will draw two thirds of the salary which he would draw if he were on duty in India, converted into sterling at the rate of 1s. 6d. to the rupee. I am afraid I cannot yet state what the total cost of his office will be, as details regarding staff and miscellaneous expenditure still remain to be settled.

“(b) The Indian Industrial Commission has not submitted any *interim* report as yet. The answer to this part of the question is, therefore, in the negative. The report of the Indian Industrial Commission will be published as soon as it is received by Government, but as the sittings of the Commission will continue till February, the report cannot be expected earlier than March or April next.”

**The Hon'ble Dr. Tej Bahadur Sapru** asked :—

18. “(a) Will Government be pleased to state the grounds on which it has been considered expedient to bring out a Barrister-at-Law from England to hold the office of Advocate General of Bengal? Post of  
Advocate  
General  
of Bengal.

“(b) Will Government be pleased to state if the gentleman who has been appointed to that office has any actual experience of Indian law and litigation, and whether he at any time regularly practised before the Judicial Committee of the Privy Council?

“(c) Will Government be further pleased to state why the Hon'ble Mr. B. C. Mitter, the present officiating Advocate General of Bengal, or any other leader of the Calcutta Bar, has not been appointed permanently to the vacancy caused by the appointment of the Hon'ble Sir Satyendra Prasanna Sinha to the office of a member of the Executive Council in Bengal?”

**The Hon'ble Sir William Vincent** replied :—

“The appointment of Advocate General, Bengal, is made by His Majesty under the provisions of section 114 of the Government of India Act, 1915, and the Government of India are not qualified to discuss the grounds on which a selection is made, nor have they any record of the Courts in which Mr. Gibbons has practised.”

**The Hon'ble Dr. Tej Bahadur Sapru** asked :—

“I beg to ask a supplementary question. Was His Excellency the Governor of Bengal consulted about this matter and, if so, what was his opinion?”

**The Hon'ble Sir William Vincent** replied :—

“I must ask for notice of the question. I have no information available here.”

[*Dr. Tej Bahadur Sapru ; Sir C. Sankaran Nair ; Sir William Vincent ; Maharaja Sir Manindra Chandra Nandi.*] [5TH SEPTEMBER, 1917.]

**The Hon'ble Dr. Tej Bahadur Sapru asked :—**

Appointment  
of Mr. W. G.  
Wood as  
Principal of  
Roorkee  
College.

19. "(a) Is it a fact that Mr. W. G. Wood was appointed to his present office of Principal of the Roorkee Engineering College, after retirement from his regular service in the Public Works Department ?

"(b) Had he any experience of teaching students and had he been at any time in his life in charge of any college in India ?

"(c) Was the Director of Public Instruction in the United Provinces consulted by the Local Government before Mr. Wood was appointed to his present office ?

"(d) Have Government received any representation from Mr. E. F. Tipple, Professor in the Roorkee Engineering College, protesting against his supersession by the appointment of Mr. W. G. Wood to the office of Principal ? Will Government be pleased to state why Mr. Tipple was superseded ?"

**The Hon'ble Sir C. Sankaran Nair replied :—**

"(a) Yes.

"(b) It appears from the answer given in the Legislative Council of the United Provinces of Agra and Oudh on the 11th November 1916, in reply to a rather similar question put by the Hon'ble Mr. Chintamani, that Mr. Wood has had no previous experience as an educationist.

"(c) No.

"(d) The answer to the first sentence is in the affirmative. The answer to the second sentence is that the Local Government considers it eminently desirable that, in present circumstances, the Thomason Civil Engineering College should be under the control of a practical Engineer."

**The Hon'ble Dr. Tej Bahadur Sapru asked :—**

"I beg to ask a supplementary question. What was the opinion of the Director of Public Instruction in the United Provinces ?"

**The Hon'ble Sir C. Sankaran Nair replied :—**

"I have no idea ; I must ask for notice of that question."

**The Hon'ble Dr. Tej Bahadur Sapru asked :—**

Constitu-  
tional

20. "(a) Have the Government of India addressed any despatch to the Secretary of State regarding proposed constitutional reforms in India ? If so, have they received any reply from the Secretary of State ?

"(b) If the answer to (a) is in the affirmative, will Government be pleased to publish their own despatch with the minutes, if any, by individual members of the Executive Council, the despatches, if any, of Local Governments, and the despatch of the Secretary of State ?"

**The Hon'ble Sir William Vincent replied :—**

"The attention of the Hon'ble Member is drawn to the answer to a question on the same subject asked by him in this Council on the 7th February last. Government have nothing to add to that reply."

**The Hon'ble Maharaja Sir Manindra Chandra Nandi asked :—**

The Public  
Services  
Commis-  
sion.

21. "(a) Have the opinions of all Local Administrations been received on the Report of the Indian Public Services Commission ? If so, will Government be pleased to lay them on the table ?

"(b) Have Government asked for and received the opinions of any public bodies on the Report ? If so, will they be pleased to lay these opinions on the table ?

[5TH SEPTEMBER, 1917.]

[*Sir William Vincent; Maharaja Sir Manindra Chandra Nandi; Sir George Barnes.*]

“(c) Do Government propose to suspend any action being taken on the recommendations of the Commission till the more important public bodies in the country, particularly all the Provincial Legislative Councils, have been consulted in the matter?”

**The Hon'ble Sir William Vincent** replied:—

“The reply to parts (a) and (b) of the question is in the negative.

“As regards part (c) I would refer the Hon'ble Member to the statement made by Sir Reginald Craddock in dealing with the resolution moved by the Hon'ble Pandit Madan Mohan Malaviya on the 20th March last on the question of the recommendations of the Public Services Commission. I would further draw the Hon'ble Member's attention to the answer given to a question asked by the Hon'ble Mr. Kamini Kumar Chanda on March 7th on the same subject.

“I think that it may be assumed that if important public bodies in the country desire to express themselves regarding the recommendations of the Commission, they and the Members of the Provincial Legislative Councils will have ample opportunity of representing their views to their Local Government or Administration.”

**The Hon'ble Maharaja Sir Manindra Chandra Nandi**  
asked:—

22. “Will Government be pleased to state the monthly import of cotton-goods into India since the cotton duties were raised to  $7\frac{1}{2}$  per cent by the Indian Tariff (Amendment) Act, 1917?” Import of cotton-goods

**The Hon'ble Sir George Barnes** replied:—

“I place on the table a statement\* showing the total yardage of grey, bleached and coloured piece-goods imported into India and the total value of all cotton-goods, excluding twist and yarn, imported into India for the months of March, April, May, June and July of the current year. Figures for August are not yet available.”

**The Hon'ble Maharaja Sir Manindra Chandra Nandi**  
asked:—

23. “Will Government be pleased to state the number of cotton mills now working all over India and what percentage of the requirements of this country are met by their outturn?” Cotton Mills

**The Hon'ble Sir George Barnes** replied:—

“The figures showing the number of cotton mills in India for 1916 are not complete, but in 1915 there were 244 such mills. This is exclusive of mills which do not come under the Indian Factories Act, and also of mills in Native States and foreign territory. The latter numbered 25 for the year 1913-14 which is the latest year for which figures are available.

“The percentage of the requirements of this country which is met by the outturn of Indian Mills may be estimated as follows:—The total production of grey, bleached and coloured piece-goods in Indian Mills in the twelve months ending March 1917, less exports of piece-goods of Indian manufacture, amounted to 1,331,726,000 yards; the total import of grey, bleached and coloured piece-goods from foreign countries, less re-exports, during the same period amounted to 1,800,652,000 yards; so that it may be said roughly that the outturn of the Indian Mills represents about 42 per cent of the total requirements of piece-goods in this country.”

\*Not included in these Proceedings.

[Maharaja Sir Manindra Chandra Nandi;  
Sir George Barnes; Sir William  
Meyer.]

[5TH SEPTEMBER, 1917.]

**The Hon'ble Maharaja Sir Manindra Chandra Nandi**  
asked :—

**24.** " (a) Has it been brought to the notice of Government that the prices of cotton-goods have recently risen nearly hundred per cent in several parts of India and that such extraordinary rise has caused great hardship among the agricultural, and poorer middle classes ?

" (b) Are Government in a position to state whether the main reasons for this extraordinary rise in the prices of cotton-goods are the shortage of tonnage and artificial inflation of prices by powerful organisations ?

" (c) Are Government prepared—

(i) to offer any special facilities for the greater importation of cotton-goods, and

(ii) to regulate the price of cotton-goods in the same manner that food prices are now controlled in England and those of wheat and jute are regulated in India ? "

**The Hon'ble Sir George Barnes** replied :—

" (a) The rise in the wholesale prices of cotton-goods in Calcutta at the end of March 1917 as compared with the period immediately before the outbreak of the war amounted to 86 per cent.

" (b) The causes of the rise are complex, and to a certain extent problematical, but the main causes no doubt are, firstly, shortage of tonnage, and secondly, the rise in the price of cotton, to which may be added the fact that last year stocks in the country were below normal and the demand was brisk owing to a favourable monsoon.

" (c) The allotment of freight space on British vessels is controlled entirely by the Shipping Controller in the United Kingdom. The Government of India are not prepared to ask His Majesty's Government to allow special tonnage facilities for the importation of cotton-goods. Nor are they prepared to regulate the price of cotton-goods in this country. I may add that the Hon'ble Member is incorrect in supposing that the prices to Indian consumers of wheat and jute are regulated in this country."

**The Hon'ble Maharaja Sir Manindra Chandra Nandi** asked :—

Exchange  
compensation  
allowance.

**25.** "Will Government be pleased to lay on the table a short account of the exchange difficulty and the exchange compensation allowance granted to public officers since the days of Lord Dufferin ? "

**The Hon'ble Sir William Meyer** replied :—

"The Hon'ble Member will find the information for which he asks in paragraph 52 of the Report of the Royal Commission on the Public Services in India. I may add that exchange compensation allowance was introduced in the vice-royalty of Lord Lansdowne and not in that of Lord Dufferin."

**The Hon'ble Maharaja Sir Manindra Chandra Nandi** asked :—

One Rupee  
and two-and-a-half  
Rupee  
notes.

**26.** "Is it in contemplation to issue one Rupee and two-and-a-half Rupee notes in India, and, if so, will the Government be pleased to state the reasons why their issue is considered necessary ? "

**The Hon'ble Sir William Meyer** replied :—

"The Government of India have decided to issue Re. 1 and Rs. 2½ notes at important centres in India commencing experimentally with the Presidency towns, and in Mesopotamia. The reasons for this decision will be explained

[5TH SEPTEMBER, 1917.]

[*Sir William Meyer ; Maharaja Sir Manindra Chandra Nandi ; Sir C. Sankaran Nair.*]

by me when I introduce, at a later stage of to-day's proceedings, a Bill to amend the Indian Paper Currency Act, 1910, and the Indian Paper Currency (Temporary Amendment) Act, 1917."

**The Hon'ble Maharaja Sir Manindra Chandra Nandi**

asked :—

27. "(a) Will Government be pleased to state the total mortality in the <sup>Malaria</sup> different provinces of India due to malaria since 1910 ?

"(b) What have been the steps so far taken by the Government in the different Provinces to combat this scourge, and what amounts have been spent by each of them annually for this purpose during the last ten years ?"

**The Hon'ble Sir C. Sankaran Nair** replied :—

"(a) It is impossible to give the figures asked for, as malaria cannot be distinguished in the vital statistics from other forms of fever.

"(b) As regards the first part, the Hon'ble Member is referred to the reply given by the Hon'ble Sir Harcourt Butler to Mr. Ghuznavi on the 16th September 1914. As regards the second, Local Governments will be asked to furnish figures of the amounts spent on anti-malaria measures."

**The Hon'ble Maharaja Sir Manindra Chandra Nandi**

asked :—

28. "Will Government be pleased to state the amounts of money spent on <sup>Money spent on educa-</sup> education per capita of population in India annually and to state the corre- <sup>tion.</sup> sponding figures for England, France, Germany, United States, Russia, Italy and Japan ?"

**The Hon'ble Sir C. Sankaran Nair** replied :—

"The total amount of money from all sources expended upon education in British India amounted in 1915-16 to Rs. 0.456 per head of the population. It is impossible to give corresponding figures for the other countries named because figures for elementary education only are generally available and it is uncertain whether the method of calculation is the same as that adopted in India. The expenditure per head of the population on primary education in the countries specified has been reported to be as follows :—

	Rs.
India, 1911	.079
England and Wales, 1911-12	10.000
France, 1911	3.364
German Empire, 1911	7.910
Japan, 1911	1.667
United States, 1913	16.57

The total direct expenditure in British India upon primary schools in 1915-16 was Rs. 0.115."

**The Hon'ble Maharaja Sir Manindra Chandra Nandi**

asked :—

29. "How much of the money spent on elementary education in India is <sup>Money spent on elementary education.</sup> devoted to recurring expenditure and how much to non-recurring, and how much of the recurring expenditure goes towards the maintenance of inspecting staffs in each Province ?"

[*Sir C. Sankaran Nair; The President.*]

[5TH SEPTEMBER, 1917.]

**The Hon'ble Sir C. Sankaran Nair** replied :—

“The Hon'ble Member is referred to the answer given in reply to a question bearing on the same subject put by him on the 20th March last, and to the statement then laid down on the table. That reply and table give all the information available in this Department relating to the question.”

### HIS EXCELLENCY THE PRESIDENT'S SPEECH.

**His Excellency the President** :—“First let me welcome you to another Session. You will already have heard from the Secretary in the Legislative Department that I am attempting this year to make the Simla Session more interesting, to admit resolutions, and to get forward with legislation. But all this, as I think Hon'ble Members will on reflection understand, can only be done under certain conditions. The administrative work of the departments has to be carried on and the situation of the Council Chamber is the reverse of convenient for the majority of Members. When you adjourn, you are far from your places of habitation, and any reasonable period of adjournment would practically be absorbed in passing to and fro. Hon'ble Members and Secretaries also have to get through their daily work, I propose therefore each day to sit approximately until 2 p. m. and then to adjourn until the next date of Session. In this way we shall get through, I hope, the greater part of our work and shall not put Members to an excessive amount of inconvenience. The large number of resolutions received will however make it difficult for us to achieve this unless, Members co-operate in expediting business. I have gone into the matter with the Secretary in the Legislative Department, who is, as you all know, exceedingly solicitous for the comfort and convenience of Hon'ble Members, and I hope that the arrangements he has made will meet with favour in your eyes. In any case, if Hon'ble Members are dissatisfied they have only to mention the matter to Mr. Muddiman and I shall be very happy to consider any representation which they may wish to make.

“Before I proceed to discuss larger questions, I should like to allude to the loss which the Council is shortly to sustain through the appointment of Mr. Bhupendranath Basu to the Council of the Secretary of State. Mr. Basu has been a conspicuous figure in this Council and has won for himself the esteem and regard of us all. The many Committees to which he was appointed, the attention which was always paid to his speeches, the cordial reception which has been accorded to his appointment, all testify to the high position which he had won for himself. Speaking for myself, my pleasure in suggesting his name to the Secretary of State was tempered by the sense of the loss which we should sustain through his appointment. On the other hand, I was most anxious that there should be on the Secretary of State's Council one who was in intimate touch with the latest political developments, and I am sure we can all agree that in Mr. Basu the Secretary of State has obtained an adviser who will be of eminent service.

“Sir Prabhaskar Pattani had only lately joined us, but equally I feel that in him the Secretary of State will find one whose long intimacy with Native States will enable him to advise with authority from the point of view of those States. His period of office also on the Council of the Governor of Bombay will have given him an insight into administration which cannot fail to be of value. I do not think that anyone who has come in contact with him can have failed to be impressed by his sagacity and earnestness of purpose.

“In recording then our sense of loss by the departure of these two eminent colleagues, we can, I think, congratulate ourselves that their services are not lost to India, but are merely translated to another and most honourable sphere

[5TH SEPTEMBER, 1917.]

[*The President.*]

of usefulness in the cause of their native land. I must remind you in this connection that the Secretary of State has now three Indian Members on his Council. The presence of these Members in London will, I think, secure the full representation of the current political views in India when momentous questions of policy have to be decided.

“ I now come to larger questions. It is just a year ago since this Council came together as a new Council and I presided over you as Viceroy for the first time. It was then early days for me to put before you my hopes and fears, my aims and aspirations. Moreover, I laid down for myself as a principle of conduct that I would make no promises of which I could not see the prospect of early fulfilment. It is one of the accusations which is sometimes brought against the Government that lavish promises are made; that days and weeks and months and years pass, and that the promises are not honoured. I shall not argue the point whether this can or cannot be described as a true bill. But for myself I shall ask you to judge my administration on work accomplished and not on promises made. And now let me put before Hon'ble Members in as clear, succinct and unvarnished a manner as possible what has been done during the sixteen months of my administration and what we hope to do. Dismiss from your minds any preconceived ideas as to motives. It is an old legal maxim that the law does not enquire into motives, but judges of a man's intentions by his acts. This is the principle on which I would ask you to arrive at your conclusions. You, Gentlemen, are here to co-operate with Government in its policy and administration. It is before you then in the first place that I lay an account of what my Government has done and is hoping to do.

“ I think I may outline our policy generally as follows:—We put before ourselves three main tasks—

*First.*—To secure that the services of the Indian Army should not go unrecognised or unrequited, and that rewards to them should hold the foremost place.

*Secondly.*—That we should endeavour to remove any grievances, either sentimental or material, which we found to exist.

*Thirdly.*—That we should define the goal of British rule in India and map out the roads leading to that goal.

Let me take these tasks in order and examine what progress has been accomplished.

“ First, then, with regard to the Army. I venture to think that Hon'ble Members and India generally will approve our determination to mark in as signal a manner as possible the services of those gallant soldiers who are upholding India's honour on the battle-fields of three continents. The pay of Indian officers, sub-assistant surgeons and non-commissioned officers has been substantially increased. The rates of *batta* allowed on field service have been raised. Ordinary pensions have been improved, while wound and injury pensions have been enhanced and made admissible under more generous conditions. The soldierly qualities of the *personnel* of our Mule Transport Corps, who have rendered such excellent service on every front, have been recognised and rewarded by the grant to them of combatant status, thus placing them on the same footing as other Indian soldiers. In addition to the above, the grant of free rations, which, in the case of Indian ranks, was formerly restricted to those serving in the field, has now been extended to all combatants serving in India. The value of this concession is equivalent to an increase of over 30 per cent to the sepoy's pay, and is thus in effect, a handsome addition to the latter. This concession should prove of great benefit to the health and physical development of the soldier, and, to judge from the stimulating effect which it has on recruiting and the favourable reports which have reached us, it has met with very general approval.

“ Recent gazettes have shown that the individual gallantry and good services of Indian officers and men have been liberally and promptly rewarded, and we

[*The President.*]

[5TH SEPTEMBER, 1917.]

have now under consideration a scheme for the bestowal of land grants, or equivalent alternative rewards, on Indian soldiers who have rendered specially meritorious service, and we hope that it will be brought into operation before long. We have accepted the Commander-in-Chief's recommendations for the improvement of the lines of Indian troops, including the quarters of Indian officers, and these reforms should, when carried into effect, add greatly to the comfort of all ranks. We also have before us proposals for the replacement of the regimental hospitals of Indian troops by well-equipped and adequately-staffed station hospitals. These proposals, besides increasing the efficiency of the Indian Medical Service, will secure for the patients a higher standard of comfort and attention than is possible under present conditions.

“Hon'ble Members will recollect that Captain Ajab Khan at our last Session put forward several suggestions, for the Commander-in-Chief's consideration, in regard to various minor details affecting the contentment and well-being of the Indian soldier. I am informed that many of these suggestions have been adopted, while others are receiving sympathetic attention.

“As a memorial to the services of the Indian Army in the present war, we contemplate the institution of a school for the education of the sons of Indian officers. There is no body of men which have rendered more faithful and loyal service, and we hope that this school may not only enable the next generation to prove themselves worthy sons of their gallant fathers, but to start their careers with educational advantages which will enable those who show special ability and character to rise high in the service of their King-Emperor.

“Last, but not least, I may mention that we have forwarded to the Secretary of State a despatch embodying our proposals for opening to Indians British Commissions in His Majesty's Army, and we have been informed by him that His Majesty's Government accept our proposals, of which they had received the main outlines by telegram, in principle. As a mark of his approbation of their services during the war, His Majesty the King-Emperor has been pleased to appoint nine Indian officers to British Commissions with effect from the 25th August. I would remind Hon'ble Members that the question of Commissions is one that dates back to what I may describe as prehistoric times. It has been the subject of discussion by Government after Government, and Lord Curzon hoped that, by the institution of the Imperial Cadet Corps, he had taken the first step towards solving the difficulty. Years slipped by however, and nothing was done until we took up the matter again. I do not disguise from you that the problem bristles with difficulties. Nevertheless, we have grappled with them with a sincere desire to arrive at some practical solution, and the appointment of the nine officers referred to may be regarded as an earnest of the favourable attitude of His Majesty's Government towards our proposals. We now trust that our efforts to dispose of a problem, of which the solution is long overdue, will be met by goodwill on all sides. We ask for loyal co-operation on the part of those who see danger and difficulty in our policy, as also on the part of those who may be impatient of mere beginnings.

“Let me now turn from the Army to the second task which we set ourselves. There have been outstanding for many years matters which have been regarded as grievances by Indians. We felt, as a Government, that it was our duty to endeavour to remedy those grievances, and that no policy of reform would be complete which did not include an honest endeavour to do away with them. I will proceed to narrate what progress has been made in this direction.

“The position of India within the Empire has obviously the first claim on our attention. You will perhaps remember what Lord Hardinge said in his speech of 22nd September 1915 to this Council—

“From this statement of the actual constitution of the Imperial Conference you will see that the ultimate decision upon the representation of India at the next meeting of the Conference rests with the Conference itself. It is of course premature to consider the manner in which the representation of India, if admitted, should be effected, but *prima facie* it would appear reasonable that India should be represented by the Secretary of State and one or two

[5TH SEPTEMBER, 1917.]

[*The President.*]

representatives nominated by the Secretary of State in consultation with the Viceroy, such nominees being ordinarily selected from officials resident or serving in India."

"The next step was taken when His Majesty's Government decided at the beginning of this year to convene a special War Conference in London, and the Secretary of State, in consultation with the Government of India, nominated His Highness the Maharaja of Bikaner, the Hon'ble Sir James Meston, and Sir Satyendra Sinha as his colleagues in the representation of India—a notable advance on the representation which Lord Hardinge foreshadowed. In alluding to this subject I said at our last Session—

"I am sorry to think that the enormous importance of the decision taken by His Majesty's Government stands in danger of being minimised and discounted by hasty and not very well-informed criticism. As the French proverb has it, 'it is the first step which counts,' and India has been admitted to-day for the first time to a place of honour at the Council table of the Empire. It marks a point in the history of India which, though it may not be seen in its true perspective to-day will, I have no hesitation in saying, be the beginning of a new chapter in India's history under the Imperial flag."

"I think I can claim to-day that events have proved me to be right.

"An Imperial Cabinet, it is now announced, is to meet once a year. India is to be represented in this Cabinet and one representative from India is to attend the Cabinet in the same way that one representative attends from each self-governing Dominion.

"The status of India in the Empire is thus fully recognised and an advance has been made such indeed as might have been hoped for, but was scarcely to be expected a year ago.

"Again, as regards the position of India in the Empire. The Dominion representatives have accepted the principle of reciprocity of treatment, and have commended to the favourable consideration of their Governments—three general principles.

*First*, that the facilities for settlement accorded to Indians should not be less advantageous than those allowed to subjects of other Oriental nations.

*Secondly*, that facilities should be accorded to educated Indians visiting the Colonies for travel and study as apart from settlement.

*Thirdly*, that Indians who have already been permitted to settle should receive sympathetic treatment.

"We in this country may regret that these principles do not go further, but I think Hon'ble Members will admit that a great advance has been made in this most important question. And let me bring to your notice in this connection a notable utterance in the Canadian Parliament. On 18th May last Sir Robert Borden said—

"I found it of very great advantage in discussing matters of common concern to India and ourselves that we had the representatives of India at the Conference. I invited the members of the Conference to meet informally at the hotel at which I was staying, and we had a free, full, and frank discussion of the whole situation in so far as the Dominions are concerned. India has had matters of difference, matters sometimes of controversy, with South Africa, perhaps also with Australia and New Zealand, and on some occasions with Canada. Sir Satyendra Sinha stated the case from the Indian standpoint with great ability and fairness, conspicuous moderation, and very deep feeling. His address to us was not the less impressive because it was so fair and so moderate. On our part, we spoke with equal freedom, equal frankness, and, I hope, with equal moderation. The net result was the resolution at which we arrived, and which I have read. Its basis is the idea that the self-respect of India shall be maintained by an agreement that whatever measures we enforce in regard to the emigration or the visits of Indians to Canada shall also prevail with regard to the emigration or visits of Canadians to India.

[*The President.*]

[5TH SEPTEMBER, 1917.]

" I do not think that any one in this House can dispute the fairness of that proposal. Upon certain other matters which we discussed I need not dwell to-day. I see nothing but good in the presence of India at that Conference, and I believe that there will be no objection in this House or in this country to having that great dependency of the Empire represented at future meetings. India has been splendidly loyal in this war and has contributed of her manhood and of her treasure for the purpose of enabling us to win it. We must take that all into account. Her civilisation is different from ours; it is more ancient, in some respects it may be said to be on a higher plane. There is more of idealism in their civilisation; more perhaps of materialism in ours. I am not disposed to discuss the question as to whether one or the other civilisation is superior; but I do say that the Indian civilisation is entitled to our respect, and that we must do our part in making the inhabitants of that great dependency of the Empire feel that they are not treated with contumely or injustice by the people of any of the Dominions. I believe that purpose will be carried out; I believe it will be materially assisted by the Conference which we had with the Indian representatives."

" I think we may congratulate ourselves on Sir Robert Borden's sympathetic speech and see in it a happy augury for the future.

" Again, in the abolition of Indentured Immigration we may claim to have satisfactorily dealt with another grievance. I think Hon'ble Members in the past scarcely realised the difficulties with which the Government of India had to contend in relation to this matter. Pledges had been given with regard to the maintenance of the system until a substitute had been found, which, though understood in India to mean abolition within a very short period, were understood in a very different sense in the Colonies. I had to be jealous of India's good faith in this matter, but I am glad to say that the action which we took in prohibiting emigration under the Defence of India Act, thus leading to abolition, is now fully accepted and understood by the Colonies and the Colonial Office, and for this removal of any misunderstanding we have to thank our delegates to the Imperial Conference, Sir James Meston and Sir Satyendra Sinha, who by their explanation of India's attitude at a meeting held at the Colonial Office were able to remove any suspicion of bad faith which might have attached to our action.

" I need not dwell at length on the well-worn theme of the cotton duties. This matter has been a source of grievance upon which British and Indians have alike expatiated for the past twenty odd years. That grievance has now in large measure been removed, and while of course we know that the action taken is to be subject to reconsideration when the fiscal arrangements of the different parts of the Empire come to be reviewed at the end of the war, I venture to prophesy, as I did in the case of Indentured Emigration, that such things, when once abolished, cannot be revived, and I need hardly say that the Government of India would offer the most strenuous opposition were such a course proposed. I think you may take it, that, in any fiscal changes which may be introduced after the war, the interests of India will be fully considered.

" There still remain two subjects of grievance, *viz.*, Indian Volunteering and the administration of the Arms Act. In my speech on the Indian Defence Force Bill I said that " Volunteering, as we have known it under the Volunteers Act, 1869, is dead. It is useless to spend money on a military force which is bound to be ineffective under the conditions and nature of its existence." But under the Indian Defence Force Act we offered an opportunity for Indians to enlist and men have been enrolled and University Companies have been established at Calcutta, Bombay and Allahabad. These corps, though not nearly as strong in numbers as we could have wished, will afford us some useful guidance as to the future. I can only regret that the experiment has not been more successful.

" And here, though the subject is not strictly germane to the matter in hand, I should like to congratulate Bengal on the battalion of regular soldiers which

[5TH SEPTEMBER, 1917.]

[The President.]

it has raised and those—Dr. Mullick in particular—who have been instrumental in raising it. I hear the very highest praise given to the keenness and zeal of the men, and I look forward to their proving their prowess against the foe.

“The question of the administration of the Arms Act is one which requires considerable and detailed examination. We have had it under examination now for some time and we are still awaiting the views of Local Governments on our proposals, but this much I can say that we as the Government of India will not accept any solution of this question which continues to base exemption on racial distinctions.

“I now turn to the third task, *viz.*, Constitutional Reforms. At the very first Executive Council which I held as Viceroy and Governor-General, I propounded two questions to my Council—

- (1) What is the goal of British Rule in India?
- (2) What are the steps on the road to that goal?

“We came to the conclusion, which, I trust most Hon'ble Members will agree, was inevitable—that the endowment of British India as an integral part of the British Empire with self-government was the goal of British Rule, and His Majesty's Government have now put forward in precise terms their policy in respect of this matter, a policy which I may say that we as the Government of India regard in substance as practically indistinguishable from that which we put forward. With regard to the second question, after a careful and detailed examination of the ground, we arrived at the decision that there were three roads along which an advance should be made towards the goal. The first road was in the domain of local self-government, the village, the rural board, and the town or municipal council. The domain of urban and rural self-government is the great training ground from which political progress and a sense of responsibility have taken their start, and we felt that the time had come to quicken the advance, to accelerate the rate of progress, and thus to stimulate the sense of responsibility in the average citizen, and to enlarge his experience.

“The second road, in our opinion, lay in the domain of the more responsible employment of Indians under Government. We felt that it was essential to progress towards the goal that Indians should be admitted in steadily increasing proportion to the higher grades of the various services and departments and to more responsible posts in the administration generally. It is, I think, obvious that this is a most important line of advance. If we are to get real progress, it is vital that India should have an increasing number of men versed not only in the details of everyday administration, but in the whole art of government.

“I doubt whether there is likely to be anyone who will cavil at the general conclusions at which we arrived as to these two roads of advance; but agreement must not blind us to their importance. There is no better source of instruction than the liberty to make mistakes. The first and foremost principle which was enunciated in Lord Ripon's Self-government Resolution of May 1882, and was subsequently emphasised by Lord Morley and Lord Crewe in their despatches of 27th November 1908 and 11th July 1913, respectively, was that “the object of local self-government is to train the people in the management of their own local affairs, and that political education of this sort must take precedence of mere considerations of departmental efficiency.” We are in complete accord with that principle, hence our advocacy of an advance along the first road.

“Equally we realise the paramount importance of training in administration, which would be derived from an advance along the second road. There is nothing like administrative experience to sober the judgment and bring about an appreciation of the practical difficulties which exist in the realm of administration, and it is from this source that we may look forward in the future to an element of experienced and tried material for the legislative assemblies.

“We come now to our third road, which lay in the domain of the Legislative Councils. As Hon'ble Members will readily appreciate, there is no subject on

[*The President.*]

[5TH SEPTEMBER, 1917.]

which so much difference of opinion exists and with regard to which greater need is required for careful investigation and sober decision. I may say frankly that we as the Government of India recognise fully that an advance must be made on this road simultaneously with the advances on the other two, and His Majesty's Government, in connection with the goal which they have outlined in their announcement, have decided that substantial steps in the direction of the goal they define should be taken as soon as possible. Some criticism has been directed against the Government of India on the score that we have not disclosed the policy outlined in our despatch. I must remind Hon'ble Members that the decision on such a question rests, not with the Government of India, but with the authorities at home. Moreover, on the larger question of a declaration of policy, in view of its unique importance, I have steadfastly refused, in the face of much adverse criticism, to anticipate by any statement of my own the decision of His Majesty's Government, who alone could make a final and authoritative statement, and I was careful to warn Hon'ble Members in my opening speech to them last February of the likelihood of delay, owing to the grave pre-occupations of the Cabinet at home. Well, this however is, I hope, now immaterial, for His Majesty's Government have announced their policy and have authorised the Secretary of State, with His Majesty's approval, to accept my invitation to visit India and to examine the issues on the spot. I had invited Mr. Chamberlain to visit India some time back. He was on the point of accepting when his resignation took place. Immediately on Mr. Montagu's assumption of office, I expressed the hope that he would see his way to accept the invitation which I had extended to his predecessor, and I am delighted that the Cabinet have decided that he should accept. Some apprehension has been expressed lest the Government of India is about to be superseded temporarily by the Secretary of State. There need be no anxiety on that score. As I have told you, Mr. Montagu is coming on my invitation to consult informally with myself, the Government of India and others. He will make no public pronouncements of policy, and business between the Government of India and the Home Government will be conducted through the regular channels and the Council of India. There is no question of supersession, but the outstanding advantage of Mr. Montagu's visit is that he will now have the opportunity of making at first-hand an examination of the questions in issue, and for my part I shall leave nothing undone to enable him to receive all the suggestions of representative bodies and others which he may desire. In these circumstances and in view of Mr. Montagu's assurance that there will be ample opportunity for public discussion of the proposals which will be submitted in due course to Parliament, I would suggest to Hon'ble Members that the intervening time before his arrival might be spent in the quiet examination of the arguments to be placed before Mr. Montagu. For myself I am anxious that, when Mr. Montagu arrives, we—and in that pronoun I include all those representative bodies and others mentioned in the announcement—should have ready to place before him all the material which will enable him to form a reasoned judgment.

“I hope Hon'ble Members will not regard my advice as suspect, but I would press it on their attention. Is it too much to ask that, when Mr. Montagu arrives in India, he should find a calm atmosphere, suggested policies carefully thought out and supported by sober arguments and concrete facts, and a spirit of sobriety dominating everyone worthy of the issues to be examined?”

“I had intended to deal in my speech with Mrs. Besant's intonment, but the answer to the question on the subject which you have just heard makes this unnecessary. I would only add that Lord Pentland's Government took action against her with the greatest reluctance, and after Lord Pentland had personally attempted to dissuade Mrs. Besant from the course which she was pursuing.

“There the subject must rest for the present and I revert to a survey of the practical activities of Government. I have described in former speeches our policy with regard to Industrial Development. In dealing later with the activities of the Munitions Board, I shall show what great hopes we entertain in this direction, and when on the termination of the war we have in our hands

[5TH SEPTEMBER, 1917.]

[*The President.*]

the report of the Industrial Commission, which we shall be able to compare with the experience we have derived from the working of the Munitions Board, I am confident we shall be in a position to make a great move forward.

“ I had hoped to find an opportunity to deal at some length to-day with our plans in regard to Agricultural Education, but important as the subject is, it must give a place to more important matters. For the present I will confine myself to mentioning the fact that a Conference was held in Simla last June under the presidency of the Hon'ble Sir Claude Hill whose absence from Council I may say we all regret; that conclusions were reached as to the means by which a real and permanent improvement in agricultural methods could be effected through the medium of education at schools and colleges; and that the recommendations of the Conference will be shortly referred to Local Governments.

“ My summary of our activities would be incomplete if I did not allude to the subject of education. We are all agreed that a definite advance must be made in the sphere of education—especially of primary education. There is no direction in which an advance is more urgently needed, and it is especially essential in relation to real political progress; but for that very reason, as I think Hon'ble Members will readily see, it is not possible to indicate the actual line of advance. But I can assure you that we are fully alive to the urgency of the problem, and it is only the fact that there are other problems—intimately connected with this—awaiting solution, which prevents me from indicating our policy in this most important question.

“ So far Hon'ble Members in listening to my speech might imagine that there was no such thing as a war in existence, and that my Government's time had been solely occupied with internal problems and had devoted no time or thought to the problem what India could do to help in the great struggle. I will now explain what we have done and what we are trying to do. In my opening speech to you at Delhi I said our motto must be “ effort and yet greater effort.” During the past six months that motto has been ever before us, and I can confidently say that we have done our best to act up to it. There are three directions in which we can help—materials, men, and money.

“ As regards materials, we set up some six months ago a Munitions Board under Sir Thomas Holland, who reports progress to me every week. I am able therefore to give you of my own knowledge some account of the activities of the Board, and, if it proves somewhat long, you must excuse it on the ground of the real importance of people generally knowing the scope of our activities.

“ Although certain scientific and technical services had been organised before the war, and individual experts had been employed by Local Governments for the purpose of facilitating the development of our natural resources as well as industrial enterprises, the Government of India have for some time been conscious of the fact that these efforts were more sporadic than systematic. They were nevertheless not without value as experiments necessary to establish the data required to formulate a more comprehensive policy. The marked success which has followed the organisation of research and demonstration work in scientific agriculture, and the assistance which has been given to the mineral industries by the Geological Survey are striking examples that encourage a bolder policy on similar lines for the benefit of other, and especially the manufacturing, industries.

“ With the object of gathering together the results of recent attempts to assist industrial development, and for the purpose of formulating schemes for a more systematic policy, my predecessor appointed a Commission which has commenced its survey and expects to complete its investigations during this next cold weather.

“ Meanwhile, special conditions arising directly from the war—the shortage of ocean transport facilities, the cutting off of supplies of many manufactured articles, and the necessity of economising man-power in the United Kingdom—

[*The President.*]

[5TH SEPTEMBER, 1917.]

have induced my Government to anticipate the findings of the Industrial Commission by organising at once, so far as is possible under present circumstances, the resources of the country, with a view of making India more self-contained and less dependent on the outer world for supplies of manufactured goods.

“The Munitions Board was founded five months ago, with this main object in view, and its organisation has grown so rapidly along the lines originally planned that its activities now exceed in bulk those of most Government departments. Of the two main objects kept in view when this organisation was planned, the supply of essential stores for the armies in the field has necessarily been given precedence to the ultimate object of developing established, and of inaugurating new, industries in India. The primary object of the Munitions Board was immediately essential, while the accessory object was regarded as more distantly important. But experience has demonstrated the inventive fertility of necessity; and success beyond expectation has already followed attempts to manufacture in the country articles that formerly could be obtained only from abroad.

“In carrying out its primary object, the Munitions Board has gathered together the hitherto isolated fragments of other purchasing departments, and has welded them into a single organised machine for the purpose of regulating contracts and amalgamating demands, thereby buying on a larger scale, and preventing the competitive buying between various Government agencies which previously caused those disturbances of local markets that were neither good for Government nor for the commercial community.

“The early activities of the Board were necessarily confined to a re-grouping of the centrally controlled official machinery. In co-operation with the Local Governments, however, outposts have now been instituted in every province, and the frame-work having thus been established, the development and consolidation of the whole body should proceed on sound lines. It has been necessary hitherto largely to employ existing official agencies; but with the foundations now laid, it is hoped to be possible to obtain the co-operation of representatives of the non-official community in so far as this is consistent with their own competing commercial interests. A few members of the commercial community have already offered their full-time services, and others have undertaken part-time duties as members of local priority committees. With the consolidation of the organisation it is hoped that further representatives of the unofficial community will be able to take part in this new institution.

“In revising the indents made by Government officials on the Stores Department of the India Office, and in controlling the applications made by private importers for permission to import articles on the English list of prohibited exports, it has been found practicable to curtail numerous demands that were formerly made in ignorance of Indian resources, and thus to bring the would-be importer into touch with the local manufacturer. The centralisation of information in this way has revealed the fact that numerous isolated demands, each made on a scale too small to tempt local enterprise, often form in the aggregate markets of a size sufficient to justify the organisation of new industries. To detect the existence of these and to assist private enterprise, a special branch of the Board is devoted to the collection and distribution of industrial intelligence. In extension of work of this nature, arrangements are being made for the distribution to colleges of research problems having a direct industrial value, the distribution of the problems being controlled so as to prevent unnecessary overlapping and duplication of work.

“It would take too long to recite all the activities of the Board, but I will give you one example to show the way in which our present war necessity is being turned to account for industrial development of a kind likely to become permanent. The simultaneous export of raw hides and raw tanning materials has often suggested to economists the desirability of developing the tanning industry in India. Hitherto, enterprises in this direction have been attended with but limited success. In order, however, to meet the War Office demand for leather, tanners in India have now been given orders on a scale that has

[5TH SEPTEMBER, 1917.]

[*The President.*]

encouraged them to reform their methods, and, by having to work regularly to a rigid standard of high quality, striking improvement in their work has already taken place. In order more fully to turn to account the various natural tan stuffs of India, the Munitions Board, with the generous consent of a group of Central Indian States, has taken over the tannery at Maihar to test new tan stuffs, new combinations of known materials, new processes, and the manufacture of concentrated tan extracts. The experimental work at this tannery is controlled by a Committee composed of members of the tanning industries and expert leather chemists. Those results which, on an experimental scale, appear to be successful, are being tested on a commercial scale at the Allahabad tannery, recently purchased for the purpose. The results, as they become established, will be published for the benefit of tanners in other parts of India, any of whom will be welcome to inspect the processes in actual operation at Allahabad. In co-operation with the Forest Department, the Munitions Board has organised the collection of those materials that are shown by the experimental work to be promising tan stuffs, and has arranged with the Railway Companies for their distribution at uniform and low rates of freight. A certain number of students are already being entertained as apprentices, and it is hoped later on to develop this side of the work by the formation at Allahabad of an institute in which the scientific aspects of tanning will be taught in conjunction with practical work on a commercial scale in the tannery itself.

“It is in directions like this that the work of the Munitions Board will grow until, at the end of the war its machinery should be ready to be utilised with practical effect in carrying out the recommendations of the Industrial Commission.

“Such in brief summary is the work of the Munitions Board, vital as regards our present necessities and pregnant with promise for the future, but I should be ungrateful if I were to pass on without recording my grateful recognition of the services of Sir Thomas Holland. His drive, the unusual width of his scientific knowledge, his business capacity and industry have converted what might otherwise have been a futile experiment into a practical working success. I sincerely trust that his services may long be spared to India, and that, after this war is over, he may be willing to inaugurate, what I believe has always been the dream of his heart, the industrial regeneration of India.

“I have outlined the activities of the Munitions Board. I will pass on to some details of our material output in other directions. The shortage of river craft, which hampered operations in Mesopotamia in the earlier phases of the war, has been overcome and a numerous and well-equipped fleet now plies on the Tigris between Basrah and Baghdad. The War Office has done much in the way of providing its *personnel* and equipment; but of the actual vessels now in commission, no less than 57 per cent have been supplied by India. Besides requisitioning existing river craft, we have been able to build or re-construct a number of steamers, launches and barges in India, and with improved arrangement for the towing of these vessels, the proportion of losses in transit to Basrah has now greatly diminished.

“It is an open secret that the last few months have witnessed great activity in the way of railway construction in Mesopotamia. The whole of the rails, sleepers, bridging material, engines, rolling-stock, and *personnel* required for the construction and working of these lines have been provided by India. We have also provided technical *personnel* and railway material in large quantities for Egypt and East Africa.

“Besides meeting the heavy demands of oversea railways, we have drawn largely upon India's limited resources in the matter of electrical plant and *personnel*, in order to equip the power stations which have been established at various places in Mesopotamia and provide the generating plant required for the electric lights and fans of general hospitals in the field.

“The Telegraph Department is another branch of our civil administration which has been called upon to meet the demands of the army in Mesopotamia.

[ *The President.* ]

[5TH SEPTEMBER, 1917.]

and East Africa. Some 9,000 miles of line, with all the posts, stores, tools, instruments, officers and *personnel* required for their construction, maintenance, and working have been provided by it since the beginning of the war, and the workshops of the department have, in addition, carried out a great deal of miscellaneous work for the army.

“ Our Farms Department has provided the experts, *personnel*, cattle and plant required for the military dairies which have been established in Mesopotamia, as well as the *personnel*, implements and seeds required for vegetable cultivation on a considerable scale. These measures, which illustrate how varied and numerous are the requirements of a modern army in the field, should, when fully developed, have a beneficial effect on the health of the troops which has already improved in a marked degree. General Maude reported, only a few days ago, that the general opinion of officers and men is that “ they have never seen troops so well fed.” The great decrease of scurvy, which is now almost a negligible cause of inefficiency, and the absence of other diseases due to malnutrition, afford eloquent testimony to the success achieved. I hesitate to be dogmatic in such a matter, but the evidence which comes to me from many sources justifies me, I think, in saying that our troops are now well cared for and liberally supplied, and the knowledge of this will, I feel sure, cause the liveliest satisfaction throughout India.

“ Coming now to men; last October the Hon'ble Sir Michael O'Dwyer furnished me at my request with a memorandum on military and civil co-operation. It was full of valuable suggestions, and His Excellency the Commander-in-Chief at once on his arrival took the matter into consideration; and after the question had been carefully examined by Army Headquarters, we determined to establish a Man-Power Board, whose duty it would be to collect and co-ordinate all the facts with regard to the supply of man-power in India. In close touch with this body, similar bodies have been set up in all the provinces with the object of keeping the central body informed as to local conditions.

“ These measures, you will be glad to hear, have proved highly successful, for whereas before the war the annual intake of recruits for the Indian Army could be reckoned in thousands, it has now to be reckoned in tens of thousands, and to judge from the number of men now offering themselves for enlistment, there is every prospect of the present rate of recruitment being maintained. The extent to which our recruiting activities have increased will be appreciated when I tell you that, previous to the war, our average enlistment for the army did not exceed 15,000 per annum.

“ The briskness of recruiting has enabled us to maintain a steady flow of reinforcements to the various fronts, and facilitated the raising of a number of new units. With the increase of combatant units, there has, of course, been a corresponding expansion of departmental services, such as engineer, medical, transport, ordnance, and supply *personnel*, to say nothing of organised labour which is now represented by some 20 labour corps in Mesopotamia and another 25 in France. Besides the above, upwards of 60,000 artisans, labourers and specialists of various kinds have been enlisted for service in Mesopotamia and East Africa, and some 20,000 menials and followers have been recruited and despatched overseas.

“ To meet the demands created by wastage in the field, the raising of new units and the ever-increasing numbers of soldiers and followers under training in depôts, we have had to provide for a corresponding increase in officers. This has been, and is still, one of our greatest difficulties; but the Indian Army Reserve of Officers which consisted of 40 members at the beginning of the war now numbers over 3,000, and I take this opportunity to express my high appreciation of their services. Besides the demand for more combatants, there has been a great demand for additional medical officers. This has been met, partly by the withdrawal of some 350 officers from civil employment and, I am glad to say, by the utilisation of the services of Indian

[5TH SEPTEMBER, 1917.]

[*The President.*]

practitioners, of whom no less than 500 have accepted temporary Commissions in the Indian Medical Service. These satisfactory results have been largely due to the energetic efforts of Surgeon-General Sir Pardey Lukis, assisted by the Inspectors-General of Civil Hospitals serving under Local Governments. The Civil Medical Department has also rendered valuable assistance to the Army in the manufacture and supply of stores, drugs, vaccines, sera, and quinine for oversea expeditions, most of which, but for the assistance so promptly and efficiently rendered, would have been imported from Europe or America.

“ But I must not pass from this subject without alluding to the continued loyal and effective services rendered by the Ruling Princes and Chiefs.

“ Their Imperial Service Troops, to which must now be added the Imperial Service Camel Transport Corps from Bhawalpur and Khairpur, are serving beside our own in almost every theatre of our operations, while money and contributions in kind are constantly being offered for the acceptance of Government. The Nizam's munificent gift of £100,000 towards the anti-submarine campaign shows how truly His Highness has appreciated the important factors in the struggle and the conditions which have brought the peril by sea to the very gates of India. His Highness the Maharaja of Patiala has presented a flotilla of motor launches for Mesopotamia at a cost of over one lakh of rupees, and His Highness the Maharaja of Kapurthala has given motor ambulance launches for the same destination. Aeroplanes have been purchased for Government by the Feudatory Chiefs of Bihar and Orissa, while contributions towards the cost of the war have been made by the Maharajas of Indore and Bharatpur, the Maharana of Danta, the Raja of Dewas, and many other Princes. It was with very keen pleasure that I was able to announce that, in recognition of the great place which the Indian Princes hold in the Empire, His Highness the Maharaja of Bikaner had been selected to be one of the representatives of India at the Imperial War Conference recently held in London. Those of us who know His Highness will agree that no better choice could have been made, and what we have heard from England amply confirms our opinion. Since his return to India, His Highness has again been called upon to assist Government in its deliberations, and as Members of the Central Recruiting Board, both he and His Highness the Maharaja Scindia have been engaged with my officers in solving the difficult problem of obtaining adequate numbers of recruits for all branches of the Indian Army. His Highness the Maharaja of Patiala as representative of the Chiefs of the Punjab, whose people have hitherto led India in the matter of recruitment, has also helped the board with his presence and advice. While sharing with us these Imperial interests, the Princes and Chiefs have also their own State questions and problems, and for the discussion of some of these I have invited Their Highnesses to another Conference at Delhi early in November next. I look forward to that opportunity of thanking them in person for the loyal, consistent, and generous support which they have ungrudgingly given to the Government of India in these times of stress and anxiety.

“ I may mention a question of great importance affecting particularly the interests of the maritime States in Kathiawar, which has recently been under the consideration of the Government of India. Hon'ble Members are, no doubt, aware that some years ago, it was found necessary in order to protect the revenues of British India to institute a preventive customs line at Viramgam. Complaints have been received from time to time of the detrimental effect of this line on the trade of the country and of the hardships caused to the travelling public. Negotiations were therefore undertaken with the Baroda Durbar and the Kathiawar States with a view to their adopting measures which would safeguard Imperial interests. These negotiations, I am glad to say, have now been successfully completed, and I hope that it may now be possible to take immediate steps for the abolition of the customs line. I would point out that this question has been outstanding for some twenty years and it is a great satisfaction to me to see it finally settled.

“ I will now conclude with a brief survey of Finance and of Foreign politics.

“ At the close of the Delhi session I emphasised the fact that it was the duty

[*The President.*]

[5TH SEPTEMBER, 1917.]

now express my satisfaction at the result achieved, the total receipts (including the Post Office section of the Loan and the Cash Certificates, but excluding Treasury Bills received in England) amounting to over £32 million. I hope that a substantial amount will still be added to this figure, as the Post Office section of the Loan does not close till the 15th October, while the Cash Certificates will remain on sale throughout the year. Apart from sums subscribed in British India, very handsome subscriptions have been received from many Ruling Chiefs and States, the largest contributions from Princes or Durbars being, Gwalior Rs. 88 lakhs; Hyderabad Rs. 75 lakhs (besides Rs. 38 lakhs otherwise subscribed in this State); Mysore Rs. 35 lakhs (in addition to Rs. 37 lakhs otherwise subscribed in the State and in the Civil and Military Station of Bangalore); Bhawalpur Rs. 40 lakhs; Baroda Rs. 31½ lakhs, and Patiala Rs. 25 lakhs, while nearly Rs. 2 crores in the aggregate have been received from Chiefs and States other than those mentioned above. Not the least satisfactory feature of the Loan has been the response to the Post Office section of it: the amount received through this channel already exceeds £6 million (of which the Post Office Cash Certificates account for £1 million), or a sum larger than has been raised in India by the Government in any one year before the war. I am grateful to the efforts of the various workers who have contributed to this result, and I trust that, so far as the Post Office section is concerned, they will not relax their efforts.

“As you are aware, the proceeds of the loan will be remitted to the Home Government in London as part of India's £100 million contribution to the war; but a few words are necessary as to the manner in which the Loan receipts in India have been utilised. As I said in March last, every million that comes from India helps to ease the exchange difficulty, and the assistance which we have obtained has been of great value to us, particularly in view of the large increase in the war expenditure which it has been necessary to meet in India and Mesopotamia on behalf of the Home Government. This will greatly exceed the amount allowed for in the Budget estimates, which were based on the best data then available, and we now expect that the excess will practically swallow up the whole of the amounts so far received on account of the Indian War Loan over and above the £10 million assumed in the estimates for budget purposes. But for these additional receipts, therefore, the difficulties in arranging for the finance of the special expenditure which it has been necessary to meet, as well as for the finance of trade, would have been even greater than those we have now to face.

“Moreover, the heavy military disbursements which we are making by no means exhaust our share of the financial burden which the war imposes. As indeed has been shown by the various urgent and insistent appeals for financial assistance which we have received, India is the financial pivot of the British Empire in the East. Thus apart from the expenditure in India and Mesopotamia to which I have just referred, she is also undertaking the finance of large quantities of wheat, jute manufactures, hides and numerous other essential commodities which she is supplying to Great Britain, to the Dominions and to the Allied Governments. She is also providing funds on a considerable scale to East Africa and Persia, and has had on various occasions to assist Ceylon, Mauritius and Egypt by remittances of specie and otherwise. Of course, we receive repayment for these services, but as it is not made in India, they necessarily constitute a continuing tax on our present resources here. While we are anxious to continue to meet these obligations to the limit of our capacity, the strain is necessarily a very heavy one; and in spite of the substantial receipts from the War Loan, it has been necessary to reduce the weekly allotment of Council Bills from 120 lakhs to 90 lakhs with effect from the 1st August. I very greatly regret the difficulties to trade which this further restriction of facilities must necessarily entail. We are, however, doing what we can to alleviate the position by the measures which we have adopted for controlling the import of gold and silver. We have, I am glad to say, been able already to acquire a substantial quantity of gold under the Ordinance. This has helped to strengthen the reserve against our Currency Note issue and, in so far as it is in the form of

[5TH SEPTEMBER, 1917.]

[*The President.*]

sovereigns, will also be available for direct issue as currency if necessary. Where the gold is in the form of bullion, arrangements have been made with the Australian Government under which it can, if necessary, be coined into sovereigns for us in Australia. This arrangement is, however, obviously not economical, and I have great pleasure in announcing that the Home Treasury have agreed as a provisional measure, subject to reconsideration after the war, to our undertaking the coinage of sovereigns at Bombay, a branch of the Royal Mint being constituted there for the purpose. These arrangements will be given effect to as soon as possible, but the settlement of details will necessarily take a little time.

“ Speaking last February of the North-West Frontier, I told you that the only discordant elements for the time being were the Mahsuds and the Mohmands; that the punishment of the Mahsuds must stand over till we had the leisure to deal conclusively with them, and that the Mohmands were paying for their misdeeds by a close blockade. Since then the Mahsuds by flagrant acts of hostility, by attacks on our posts and convoys, and by incessant raiding, made it impossible for us to hold our hand longer, and an expeditionary force under the command of Major-General Beynon was in consequence recently pushed into the heart of the Mahsud country. The result of these operations was entirely satisfactory and the Mahsuds speedily tendered their complete submissions, accepting in full the terms dictated by my Government, even to the extent of surrendering the Government rifles which had fallen into their hands in the course of their previous engagements with our troops and Militia—a very real proof of their contribution. I trust a settlement so effected may relieve us from anxiety in this quarter for some time to come. In this connection it would be an ungrateful and ungracious omission on my part were I to fail to express our deep obligations to His Majesty the Amir, whose friendly influence served not only to discourage the Mahsuds, but also to steady the whole situation. Indeed, one of the very few happy results of this deplorable world-wide war has been that the ties of friendship between the Afghan Government and ourselves have been drawn closer, and our relations with His Majesty the Amir are marked by greater frankness, greater confidence and greater co-operation than ever before.

“ The Mohmands, too, chastened by the rigour of our blockade, have come to their knees and accepted the terms dictated by my Government.

“ Now although these two elements of discord have been so satisfactorily laid to rest, it would be obviously the height of folly to regard the frontier as no longer a potential source of danger or to relax our vigilance. So long as the disturbing influence of the war continues, so long as enemy agents can find their way into tribal territory, so long as fanatical preachers can play on the feelings of inflammable tribes, the situation must require careful handling and special measures of precaution.

“ It is for this reason that I have been constrained to rule out, during the present session of this Council, a number of questions touching the administration of the North-West Frontier. The connection between the peoples of the settled districts and their wild neighbours across the border is so intimate, the reaction of feeling between them is so acute, that often special measures are necessary to nip incipient trouble in the bud and for the maintenance of peace on our borders. The discussion of such measures in this Council would obviously be out of place at the present time and could only serve to hamper the frontier administration; apart from the fact that to call for reports from our frontier officers on the various points raised, would be to burden already over-worked officers at a time of anxiety with considerable avoidable labour. But I wish to assure you that the administration of the North-West Frontier is carried on under my own supervision and that I am satisfied that no special measures have been adopted which are not justified by the peculiar circumstances of the province.

“ Well, gentlemen, that concludes my review of the policy and the activities of my Government in some of the many aspects in which our energies have been employed. The recital has necessarily been long, but I feel assured that

[*The President.*]

[5TH SEPTEMBER, 1917.]

all the questions dealt with have interest for some of you, while certain of the subjects I have touched upon are of vital importance to every Member of this Council, whether he sits as a Government official or whether he comes here as representing that great unofficial India now stirring into fuller political consciousness.

“Perhaps I need hardly tell you that my task in addressing you today has been easier, and more congenial to me personally, than on any previous occasion. My Government, through no fault of their own, but by the force of circumstances, have till recently occupied a position of much difficulty. Criticisms and misunderstandings have beset us, yet we were not in a position to speak. Now I am able to lift the veil and I feel that Hon'ble Members here, and those whom they represent outside, will realise from my narration that our administration has not been sterile, nor our policy illiberal.

“To-day I can point to something accomplished, something done. The announcement now promulgated is a landmark in the constitutional history of India. It is not an edict which fixes and crystallises the Indian polity in a mould of cramped design. It is an announcement resonant with hope. It invites you forward at once along a stage of political progress and points you to a goal ahead.

“At this great epoch in your national evolution I earnestly appeal for co-operation. Let us look upon the bitternesses of the past merely as the growing pains of a great people straining towards fuller development. Believe me, the years of guardianship and tutelage have not been so barren as some would have us think. The pace of India's political growth as measured by the development of her political machinery may have seemed slow, but who would deny that meanwhile her intellectual, economic, and national faculties have gone on from strength to strength?

“For while the tired waves, vainly breaking,

“Seem here no painful inch to gain,

“Far back through creeks and inlets making,

“Comes silent, flooding in, the main.”

“So much for the past, but what of the future? Do you for one moment think that in their relations with India the British people and the British Government will be guided otherwise than by those standards of justice and good faith which alone have kept India attached to the Empire and on which you have learnt to rely? From the King-Emperor down to his humblest subject, the British people are proud of the bonds which link them to India, and never more so than at this moment when the sons of India are fighting the battles of the Empire with such courage and devotion.

“Can anybody doubt that the persistence of these ties of affection is a matter of vital importance to the future well-being of India, and that it will be an evil day when those who are working together in this country are no longer inspired by their common share in a great and glorious page of history? But forgive me if I warn you—and this warning has no special application to any community, but includes British and Indian alike, the public leaders, and particularly the press representing every interest, and every class—forgive me if I warn you that sentiment is a delicate plant which withers beneath the rude breath of uncharitableness. It is only by constant and watchful regard for the feelings of others that a sweet and healthy sentiment for the Empire can be brought to blossom and bear fruit on Indian soil. Let it not afterwards be laid at the door of this generation that in these spacious times of Imperial regeneration we allowed the sense of imperial attachment, through any fault of our own, to lose its vitality.

“Of the Indian leaders I have a special request to make. It is that at the present juncture and throughout the difficult stages of transition which

[5TH SEPTEMBER, 1917.]

[*The President ; Sir William Vincent.*]

lie ahead of us they will believe in our good-will and in our sincerity of purpose. After all, whatever our differing points of view, we all have at heart the same thing—the welfare of India.

“The task we have to approach is no easy one. There are conflicting interests to adjust, grave difficulties to overcome. Who knows them better than yourselves? Heroic remedies endanger the body politic no less than the human organism. I doubt if there is among us here any man who could propound a scheme of reform in which he felt full confidence and satisfaction as possessing exactly what the best interests of India require with due regard to the circumstances of her development and her present position. The questions at issue must be approached in a spirit of reason and in an atmosphere of mutual confidence and co-operation. Let us then sit down together as friends, mindful of old historic associations, harbouring no mistrust, and let us examine these great problems solely from the standpoint of what is judicious, what is practicable, and, above all, what is right.

“It is indeed meet and proper that we should seek to put our house in order, but beyond our gates, stern and insistent, there still stands the great imperative of the war, Hon'ble Members will, I trust, realise from my words today that I have not in the past, nor shall I in the future, minimise the importance of the great question of reform. But we must not allow ourselves to forget for one moment that, far from India's shores, a question far more vital to the future of India is being desparately fought out; that the Empire is still calling upon her sons for their help, and that it is our first and paramount duty to throw our all into the scale. It is perhaps only natural from our remoteness from the scene of conflict that the call should sometimes seem faint and far-away, but I know that it has only to be sounded in clear notes for India's response to be as great and as ungrudging as of yore.”

### CINEMATOGRAPH BILL.

**The Hon'ble Sir William Vincent** :—“My Lord, I move for leave to introduce a Bill to make provision for regulating exhibitions by means of Cinematographs. I do not propose to deal with the necessity for this legislation at any great length for the increase of cinematograph exhibitions all over the world is a matter with which the Council is familiar; in fact the cinematograph is in many countries and will be soon in this country almost ubiquitous. Most other civilized countries have found it necessary to revise and supplement the existing law for the control of spectacular entertainments with special reference to this form of exhibition, and the position in India certainly calls for the introduction of similar legislation here.

“There are really two points to be considered. Firstly, the safety of the audience, and, secondly, the prevention of objectionable films being exhibited. As to the second of these questions, it is obviously necessary to guard against the exhibition of indecent and improper films or those which wound religious or racial feeling; indeed the Council probably knows that we have had experience in this country of films which are open to objection from one or other of these aspects. There is further the question of children to be considered. My Lord, it has been estimated that in the United Kingdom the daily average attendance at these cinematograph shows is about 3½ million, and a very large proportion of the spectators are children. For this reason strong representations have been made from time to time to His Majesty's Government to counteract the possible evil influence of these exhibitions upon children the more so as the recent increase in juvenile crime has been directly attributed to their influence and the London County Council has already taken action to prevent the exhibition of films which may possibly have injurious results to children. The danger of these results in this country is not very apparent at present, but as at some of these

[*Sir William Vincent.*]

[5TH SEPTEMBER, 1917.]

exhibitions the charge for admission is only one anna it is quite obvious that the risk of children in this country being affected similarly must tend to increase. We have then again to consider the question of the safety of the audiences in the matter of accommodation, ventilation, overcrowding, prevention of fires and the provision of suitable means of exit, the danger of fire being a matter of particular importance, having regard to the inflammable nature of the apparatus that is used in these exhibitions. These are the considerations which have prompted us to follow in respect of these exhibitions, though somewhat tardily, the example of Great Britain where a Cinematograph Act has been in force since 1909. I may say further that the adequacy of our law in India was challenged in Parliament so long ago as 1914. Since that time the Government of India has been in correspondence with the Secretary of State and local Governments on the subject. I think if it had not been for the preoccupation of the war the Bill which I shall shortly move for leave to introduce would have been brought before the Council before.

“It follows from what I have said that the legislation which we now propose has really two main purposes, to insure the safety of the audiences and to prevent the exhibition of objectionable films. I will endeavour to explain the existing law on each of these two points very shortly.

“The existing laws which enable local authorities to enforce protection against overcrowding fire and other dangers in places of assembly are scattered over a number of provincial enactments, the most comprehensive being found in the rule-making powers under the various Police Acts of the presidency towns and Rangoon. There are one or two provincial Police Acts and provincial Municipal Acts which also contain rule-making powers giving the authorities some powers of control. The provisions are however diverse and unsuitable to deal with the numerous travelling exhibitions which go about the country at present; nor do they cover the whole of India. We propose now to enact that no cinematograph exhibition shall be given in future except in licensed buildings and in conformity with the terms of the license, and that no license shall be granted unless the licensing authority is satisfied that adequate precautions are taken for the safety of the persons attending the exhibition. It is also proposed to give power to the Governor-General to make such general rules as may be necessary to give effect to these provisions of the law.

“Turning to the second object of legislation, we propose to take power to constitute authorities at certain centres to examine all films that may be imported into or manufactured in this country and to certify them as fit for exhibition or not, as the case may be. The existing law on the subject, to which I have already referred, was for the most part framed long before the cinematograph was dreamt of and is altogether inadequate to deal with films which for one reason or another may be objectionable. It is true there are certain general provisions of the law—I may refer to sections 292 and 293 of the Penal Code and section 1.4 of the Criminal Procedure Code—which enable the authorities to exercise a certain amount of control in respect of this matter. We have also rules under the Presidency and Rangoon Police Acts but the whole of these provisions are unsatisfactory and ineffective for various reasons. In some cases they are punitive and not preventive and in others the authority which decides whether an exhibition is objectionable is a single local official whose judgment may differ very widely from that of a similar authority in another town. In the United Kingdom the difficulty is countered by public opinion. There is an unofficial Board of Censorship, to which it is said 50 per cent of the managers of cinematographs submit their films. There are also Vigilance Committees and the National Board of Censorship. In India, however, public opinion is not at present, at any rate, strong enough to undertake this duty in many places. We also feel that it is not satisfactory that the control over these matters should be entirely in the hands of local officials, and it is partly because we are averse to purely official control that we have refrained from amending the Dramatic Performances Act of 1876, so as to cover the cinematograph. The Act does give some powers of censorship, but it contains no provisions for the

CINEMATOGRAPH BILL ; POST OFFICE CASH CERTIFICATES 29  
BILL.

[5TH SEPTEMBER, 1917.]

[*Sir William Vincent ; Sir William Meyer.*]

safety of audiences, and if we had attempted to amend it to meet modern requirements it would really have been necessary to recast it altogether.

“The intention of the present Bill is to constitute central boards of censorship with powers to examine and certify all films and to provide for licenses to exhibit only such films as have been certified as suitable for exhibition by the licensing authority. We propose tentatively to insert in the rules a stipulation that not less than one-half of the Board shall be non-officials. The Boards will be set up at important centres, at first mostly at seaports, but subsequently will be constituted at other places if necessary ; but the object which will be kept in view throughout is a central and independent censorship in a few important places.

“I have now explained the broad lines and objects of the Bill and I need not go into details except to explain the object of one clause, clause 10. We think it is not unlikely that the system which we now propose for the cinematograph may ultimately be found more suitable for other forms of dramatic exhibitions and more suited to modern requirements than the somewhat antiquated Dramatic Performances Act of 1876. We have accordingly inserted this clause which will enable the Government of India to extend all or any of the provisions of the Bill with such modifications and adaptations as may be necessary to other classes of dramatic or spectacular performances. It is not the intention of Government to take any steps to utilise this power until the Act has been in operation for some time and we are in a position to ascertain how it works. The object of the clause is merely to provide a simple means of bringing our legislation on the subject of dramatic performances up to date, if, as we hope, the scheme which we now propose proves to be a success.

“In conclusion I may say that we do not intend to do anything more than introduce this Bill during the present session, and if the motion which I shall now make is accepted, the Bill will be published and circulated to all Local Governments for information, and it will again be examined in this Council, I hope, in the cold weather session in the light of the criticisms that are received. With these remarks, my Lord, I now beg to move for leave to introduce the Bill.”

The motion was put and agreed to.

**The Hon'ble Sir William Vincent.**—“My Lord, I beg to introduce the Bill and to move that the Bill, together with the Statement of Objects and Reasons relating thereto, be published in the *Gazette of India* in English.”

The motion was put and agreed to.

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**POST OFFICE CASH CERTIFICATES BILL.**

**The Hon'ble Sir William Meyer** :—“My Lord, I beg to move for leave to introduce a Bill to restrict the transfer of Post Office 5-year Cash Certificates and to provide for the payment of certificates standing in the name of deceased persons.”

The motion was put and agreed to.

**The Hon'ble Sir William Meyer** :—“A few words only are necessary by way of explanation in regard to the Bill I have obtained leave to introduce. As I stated in paragraph 89 of my speech introducing the last Financial Statement, in view of the special privileges attached to these certificates, and in order to keep them in the hands of the class for whom they are meant and prevent them from being bought by speculators or large capitalists, Government will not allow transfers of the certificates except under the special permission of

[*Sir William Meyer.*]

[5TH SEPTEMBER, 1917.]

a Postmaster General. The condition of non-transferability therefore attached to the certificates from the first and each certificate has printed on it a statement to the effect that it is not transferable except with the permission of the Postmaster General. The position, however, is that in the absence of specific legislation the above condition would not be operative against the general right of transfer of all actionable claims conferred by section 130 of the Transfer of Property Act, and we have thought it desirable, in order that this restriction may not be a mere *brutum fulmen*, to validate it by legislation. I may mention that the same condition applies in the case of the very similar War Savings Certificates in England where a restriction on transferability is provided for in regulations made by the Treasury under the Statute which authorised the borrowing. I should also perhaps add that from the point of view of the holder this restriction on transfer does not impose any real disability inasmuch as he can obtain repayment of his certificate on demand at any time within its 5 years of currency at the post office at which it was issued. On the other hand, the restriction greatly increases his security as it enables us, in the event of the loss of the certificate, to give him a duplicate without risk to ourselves and without insisting on troublesome formalities. This would not have been the case if the certificates were readily transferable, and it was partly for this reason that we decided, when devising the certificates, not to adopt a bearer type of security which is necessarily not a very suitable form for the small private investor because of the risk of loss by theft, fire, etc.

“I may add that the sanction of the Postmaster General will be given to transfers for which satisfactory reason can be shown. But it will be withheld whenever attempts are made to take advantage of the ignorance of holders, *e.g.* (I quote an actual case) where a man was offered Rs. 3 for a Rs. 10 certificate.

“The restriction, as will be seen from the bill, merely applies to transfer *inter vivos*, and does not include transfers by operation of law, for example, in the case of insolvency. We have taken the opportunity to place the procedure for the payment of certificates forming part of the estates of deceased persons on the same footing as that prescribed by the Government Savings Banks Act for the payment of the amounts at the credit of deceased savings bank depositors.

“I now move that the Bill, together with the Statement of Objects and Reasons relating thereto, be published in the *Gazette of India* in English.”

The motion was put and aged to.

## INDIAN PAPER CURRENCY (AMENDMENT) BILL.

**The Hon'ble Sir William Meyer** :—“ My Lord, I beg to move for leave to introduce a Bill to amend the Indian Paper Currency Act, 1910, and the Indian Paper Currency (Temporary Amendment) Act, 1917, which was passed at the end of last session.”

The motion was put and agreed to.

**The Hon'ble Sir William Meyer** :—“ My Lord, the Bill, which I have obtained leave to introduce, deals with three different matters—

(1) The continuance of the Indian Paper Currency Amendment Ordinance, 1917, which was promulgated in April last.

(2) The extension of the provisions of the existing Paper Currency Act in order to permit of gold being held as part of the Paper Currency Reserve, when held by us or on our behalf in any of the British Dominions, or in transit between a British Dominion and India in either direction.

(3) The issue of Re. 1 and Rs. 2½ notes.

[5TH SEPTEMBER, 1917.]

[*Sir William Meyer.*]

“ As I shall explain shortly, the third measure differs from other paper currency legislation which it has fallen to me to lay before the Council since the war began, inasmuch as we do not propose the provisions relating to Re. 1 and Rs. 2½ notes as a purely temporary or emergency measure, but intend to place them permanently on the Statute Book. Before dealing with this question, I will, however, first refer to the two emergency measures embodied in the bill.

“ The legislation with regard to these will as usual have operation only during the continuance of the present war and for a period of six months thereafter. It may be noticed that clause 1 (2) of the Bill only specifies clauses 6 and 7 as having this limited duration. The same limit will, however, also apply to the provisions of clause 2 as the Indian Paper Currency (Temporary Amendment) Act, 1917, which it is there proposed to amend, it itself a temporary measure.

“ With regard to the first matter with which the Bill deals I may explain that we are not here taking any fresh power to make investments against our note issue, but are merely regularising the existing situation, as the Ordinance which was issued in April last ceases to be in force six months after its promulgation and it is desired to continue the powers which it confers. The present position with regard to the increased investment powers which we have taken during the war and the causes which have made them necessary are, I think, well known to Honourable Members and were summarised in my speech in this Council on 20th March last introducing the Bill which subsequently became law as Act XI of 1917. As I then said, the kernel of the situation is that the present conditions of Indian trade oblige us to satisfy large Council drawings by the Secretary of State at a time when we are also incurring heavy expenditure on behalf of His Majesty's Government, we are unable to meet these Council drawings from our Treasury balances, while it is impossible, by reason of the necessity for conserving the stock of gold in London for war and exchange purposes, to allow gold to be put into our Currency Reserve there as a substitute for rupees paid out in India, and though we are now getting some gold out here, this is not nearly enough to meet the situation. Section 3 of Act, XI of 1917, which we now propose to amend, prescribes a limit of Rs. 30 crores up to which currency notes may be issued against Treasury Bills held by the Secretary of State as part of the Paper Currency Reserve. These powers are supplementary to our regular powers of investment of Rs. 20 crores, of which 10 crores may be held in sterling securities. The Ordinance which it is now proposed to continue increased these supplementary powers by a further 12 crores, thus bringing the total permissible limit of our Paper Currency investment up to 62 crores, against our present note circulation of over 100 crores.

“ To turn to our next proposal, the circumstances in which we desire to extend the power to hold gold as part of our Currency Reserve are briefly as follows. As is generally known, one of our great difficulties for several months past has been the heavy absorption of metallic currency in this country. We have met this to some extent by the purchase and coinage of large quantities of silver, but as those who have followed the recent course of prices will readily realize, the extent to which further purchases can be made at the present time is necessarily limited, and we have therefore been simultaneously endeavouring to strengthen our reserves by additions in the form of gold. By an Ordinance, which we propose to continue in the form of a Bill which I shall shortly move for leave to introduce, we have taken power to acquire gold imported into India, and have already obtained a considerable amount of gold in this manner. As Your Excellency has mentioned to-day the British Treasury has agreed to the opening of a branch of the Royal Mint in India for the coinage of sovereigns, but it will take a little time before arrangements are complete for the minting of sovereigns in India. In the meantime it may be convenient for us that banks or firms shipping to India gold (other than sovereigns) in

[*Sir William Meyer.*]

[5TH SEPTEMBER, 1917.]

order to place themselves in funds here to pay for exports from this country, should divert their gold to Australia where it can be coined into sovereigns for us at one of the Australian mints, and then forwarded to India. It will obviously facilitate such transactions and also the acquisition of gold generally if we are in a position to buy it in anticipation of its arrival. The object of the present measure is to enable us to treat gold so acquired as part of our Paper Currency Reserve as soon as it is tendered to the Australian Government on our behalf and before it actually arrives in India we shall then be able to pay for it without delay by the issue of currency notes. But at present we can, under the Indian Paper Currency Act, 1910, only hold in our Paper Currency Reserve gold coin and bullion which is either in India or in England or is in transit from India to England, or *vice versa*; and though we might in the first instance pay for the gold I have been speaking of from our treasury balances in India, such a course may not be feasible in present conditions especially during the busy season when we shall certainly have to face renewed pressure on our treasury funds. Clauses 6 and 7 of the Bill will therefore empower us to hold gold not only in Australia, but in any British Dominion or Colony, should occasion arise, as part of our Paper Currency Reserve, and will similarly enable us to retain as part of that Reserve any gold which we may ship to Australia or conceivably to any other part of the Empire in order to have it minted before arrangements have been completed for the coinage of such gold in India.

“The remaining clauses of the Bill legalise the issue of one rupee and two and a half rupee notes. I mentioned when I was introducing the Financial Statement last March how much we had been assisted by the expansion of our note circulation since the outbreak of the war. This expansion has since continued at an even more rapid rate. Figures for active circulation during the last month or two are not yet available, but during the last three years our gross circulation has increased by more than 50 per cent, namely, from Rs. 66 crores to over Rs. 100 crores. This expansion is largely due to the fact that the popularisation of our note issue has been part of our deliberate policy during this period, the most important factor, doubtless, having been the increased facilities for encashment which we have provided. Our smallest denomination of note, however, is at present the Rs. 5 note, and though this is of a considerably lower value than the smallest note in vogue in England, namely, that for 10 shillings, we think that the time has now come when we should take a step further forward and issue notes of the denominations of Re. 1 and Rs. 2½.

“I do not suppose that notes of these small denominations will be a prompt panacea for our currency difficulties, as is suggested in some quarters, but they should at any rate afford a real convenience, and it may reasonably be hoped that they will to some extent take the place of the silver rupee, not only in commercial centres and the larger towns, but also eventually outside these limits. Even our five rupee notes are too high a currency medium for the numberless petty transactions which take place daily all over the country; and the new notes will, we hope, supply the cultivator, the petty trader and the mill hand with denominations more suited to their requirements. It may be hoped, also, that the new notes will be in demand not only for payments of small amounts but also for rather larger transactions where our silver rupees are at present employed not merely because they are coin, but also because of the difficulties that must inevitably exist outside the larger centres in changing notes of the higher denominations. At the same time we must, as we have been warned in various quarters, proceed cautiously at the outset lest our new notes should meet with suspicion and not with liking. Accordingly our intention is, as I explained to the Committee of the Bengal Chamber of Commerce the other day, to commence with the Presidency towns, keeping the notes in the first instance at the head office of the Presidency Banks who will be instructed not to force them in any way on payees but to give payees the option of taking payments in this form, and I repeat the hope I then expressed that business firms

[5TH SEPTEMBER, 1917.]

[*Sir William Meyer; Rao Bahadur B. N. Sarma.*]

will co-operate materially with Government in giving the notes a good send-off by demanding them from the Presidency Banks. If the notes are found to be in demand we shall subsequently take similar steps at the larger branches of the Presidency Banks, and finally, if the results at these centres come up to our expectations, we shall extend the supply to district treasuries.

“ We propose also to send supplies of the new notes to Mesopotamia where the population has for some time been accustomed to the use of minute paper money and where our existing notes have already obtained a widespread popularity.

“ I may further mention that the bill expressly provides that the one-rupee and 2½-rupee notes shall be universal notes, that is to say, they will be legal tender throughout British India and will be encashable at any currency office.

“ We shall also extend to them the extra legal facilities for encashment at district treasuries which are at present enjoyed by our existing notes. We have also under consideration, with a view to assisting the popularity of the new notes, the possibility of allowing their encashment, up to a limited amount by any individual, at post offices within the area of their original issue. The production of the notes has been put in hand, and it is at present expected that the first consignments will be ready for issue in India by about the beginning of November. I trust that, when they are issued, they will not merely be successful in themselves, but will also serve a useful educative purpose with regard to the conveniences of a note issue generally, and that they will consequently conduce to a further expansion of our note circulation as a whole.

“ I now move that the Bill, together with the Statement of Objects and Reasons relating thereto be published in the *Gazette of India* in English.”

**The Hon'ble Rao Bahadur B. N. Sarma** :—“ My Lord, it is with considerable diffidence that I venture to make a few remarks at this stage, in connection with the Bill. I am perfectly well aware that it is a subject outside the range of my ordinary activities and, if I make any remarks, it is more with the object of getting new light thrown upon the matter, than in any spirit of hostile criticism. The outstanding feature of the situation seems to be this :—just before the outbreak of the war the total currency circulation is computed to have been between 240 and 250 crores of rupees and after the war we have increased it by 40 crores in the shape of notes and 36 crores in the shape of silver; that is 76 crores or about 33 per cent. In ordinary circumstances this would be an extreme step and would be bound to act in a very prejudicial manner upon prices and upon the trade of the country. But we are dealing with a situation which is critical and I hope therefore that it will be shown to us that it would have been impossible to meet the demands of the Government in the matter of purchases in India in any other manner than by inflating the currency which is likely to have a prejudicial effect upon the future. It is ordinarily understood that the total currency depends largely upon the volume and velocity of the trade. The foreign trade of the country has fallen considerably during the last few years. In 1912-13 it was 407 crores, in 1913-14 it was 431 crores, whereas after the war, in 1914-15 it fell to 318 crores and in 1915-16 to 328 crores. I am not aware of the figures for 1916-17, but there could not have been any improvement in ordinary circumstances, therefore, having regard to the total diminution in the foreign trade of the country, the existing currency was amply sufficient to meet the requirements of the country and any further increase would act prejudicially upon the trade prospects of the country, and even, taking a possible extension in the internal current trade of the country and in silver hoarding the increase was unnecessarily large; the absorption in 1915-16 was only 10 crores in notes and 9 crores in silver, that is, 19 crores, whereas we have increased it by 40 crores in notes and 36 crores in silver. The ordinary requirements of trade therefore could not have been the cause of this enormous increase in the currency of the country. The only way that I can look upon it is, I may be wrong—of course, but it is this, inasmuch as the British Government has not been able to send gold as would ordinarily have been done, the Government of India have had

[*Rao Bahadur B. N. Sarna.*]

[5TH SEPTEMBER, 1917.]

to find funds for large purchases; a mechanism had to be contrived; new money found by the addition of 40 crores of notes to the currency. If 40 crores was added, the recommendation of the Royal Commission had to be given the go-by; and the Government have increased their money by issuing notes in this country, resources against British treasury bills. In so far as India has assisted the government at home in any substantial degree we must put up with the inconvenience; as the Hon'ble Sir William Meyer has told us that is the price which India has to pay. But the question that I would respectfully ask is this:—Having regard to the enormous expenditure that has been incurred by Great Britain in this war, does the investment of 30 to 40 crores in treasury bills make such a considerable difference to her, whereas it does make a considerable difference to India? In the case of England it would be a mere flea bite, but in the case of India it has resulted in the extension of the currency by 33 per cent. If this policy is indulged in we should like to know where we are and where we are likely to be after the war. That is one of the questions on which I have not heard a satisfactory answer and I hope the Hon'ble Sir William Meyer will be able to guide me correctly. Then there is another point. The Royal Commission's Report shows that if in the slack season the treasury contains 12 crores and in the busy season 18 crores no fresh coinage need be undertaken; I have not been able to find that the treasury balances at any particular periods fell short of the required minimum; but excluding the consideration of these large purchases on behalf of Government, for ordinary purposes there seems to be no case for any large coinage of silver.

“There is one other point, my Lord, to which I desire to invite the attention of the Council. The Council which was in session in February and March gave the Government power up to thirty crores of rupees to be invested in Treasury Bills. We should now like to know naturally what was the emergency between March when the session came to a close and the 18th of April, which compelled the Government to take further powers to the extent of 12 crores of rupees, having regard chiefly to the fact that the war loan was proving a success and large sums of money were coming in to the Treasury. The matter might have rested there but for the fact that the Government now propose to circulate one rupee and 2½ rupee notes in the country at an early date. I for one, as a matter of currency reform, might have welcomed this measure in peace time, because if the theories that are propounded by the currency reformers are correct, the expansion of the token currency should be of great use especially in the absence of any real banking system in this country and of the practice of issuing cheques to any appreciable extent. But there is considerable danger in taking in hand the proposal for the circulation of small notes during the time of war, because it would tempt Government further and it might also weaken the position of the Government in the estimation of the general public. The public might lose their confidence,—I hope they won't and there is no necessity for it,—but still this rapid expansion of the note circulation and giving rupee notes of small value to the public might induce them to believe that there is something wrong. I think, therefore, that it is not absolutely necessary to undertake this experiment during the time of the war.

“One difficulty which I foresee, is that we have been taken further away from the golden currency which was recommended to the Government by previous Commissions. The solution of that question was left in abeyance during the pendency of the war and has not been ultimately decided upon by the Government one way or the other, but I think that if the Government should circulate rupee notes, they would be practically adopting the recommendations of the Chamberlain Commission with regard to gold currency. But I am very glad that we are in a position to congratulate the Government upon their success in inducing the British Treasury to allow us to mint gold coins in this country. I hope that will take us a long way towards solving some of our problems until the currency position of India is put on a firm gold currency and gold standard basis.”

[5TH SEPTEMBER, 1917.]

[*Pandit Madan Mohan Malaviya; Sir William Meyer; Rao Bahadur B. N. Sarma.*]

**The Hon'ble Pandit Madan Mohan Malaviya:**—"My Lord, I have no doubt that the Government have fully considered the advisability of introducing notes of the value of one rupee and of 2½ rupees before introducing this Bill, and in that view it would probably not be proper for us, non-experts as we are in these matters, to offer much criticism on the proposal at this stage. But I feel it my duty, my Lord, to emphasise the need for caution to which the Hon'ble the Finance Member has referred. If we were passing through ordinary times, the experiment of introducing notes of the value of one rupee and 2½ rupees might have been tried like any other experiment, but we are passing through critical times, and I do not wish that there should arise at this juncture a feeling in the minds of the general public regarding these small notes which would be the reverse of what the Government would like. The ignorance of the great mass of the people, we know, is very great. Notes of the value of five rupees have been in use, and I venture to submit that it would have been much better if the Government had met the requirements of the situation by multiplying the number of 5 and 10 rupee notes rather than introduced this experiment at the present time. But as the Government have decided upon that course, all I would say is that the experiment should be carried on with the utmost caution in order that the general public should be educated up to regarding these notes as legal and useful tenders and that there should not be any apprehension in their minds regarding the value of these notes. With these remarks I support the motion before the Council."

**The Hon'ble Sir William Meyer:**—"I am in emphatic agreement with my Hon'ble friend the Pandit in regard to his suggested caution in introducing the new notes. I think I made it quite clear in my speech that we should at the outset proceed with caution and confine the issue of the notes in the first instance to the head offices of the Presidency Banks. If they prove successful there, we shall gradually extend the supply to important branches of the Presidency Banks, and finally to the District Treasuries."

"The Hon'ble Mr. Sarma, I think I may say, made some rambling remarks. The Hon'ble Member is a great student of statistics, but often brings them out in a form that surprises one. He told us for instance just now that the note circulation had gone up to 240 crores before the war."

**The Hon'ble Rao Bahadur B. N. Sarma:**—"I said the note and rupee circulation."

**The Hon'ble Sir William Meyer:**—"Note and rupee circulation. That, as my Hon'ble friend is aware, is a very different thing. I accept his explanation and need only add that the rupee circulation can only be very vaguely estimated. The note circulation was 66 crores before the war and is now about a hundred crores. But the Hon'ble Mr. Sarma shivered at the idea of inflation. I may remind him that one of the accepted doctrines of economists is that artificial inflation of paper currency only exists when the note circulation is not fully covered. Now we have covered every rupee of our note circulation—about 40 crores in metal and about 60 crores (I use round numbers for the sake of simplicity) in securities. The latter include short term Treasury Bills of the Home Government which we can realise practically at any time that we want to. As I explained to this Council on previous occasions, we regard this as the next best thing to gold. We cannot get gold for reasons which I have already explained more than once and I won't detain the Council by explaining them again."

"Then the Hon'ble Mr. Sarma says is the investment of all this money in Home Treasury Bills such a great thing to the wealthy British Government; might they not give it back to India? He has entirely misapprehended the situation. It is because we cannot in the face of the present war ask the British Government to send us out many crores in gold or ear-mark many crores in gold in London that we make this arrangement as regards Treasury

[*Sir William Meyer; Sir George Barnes.*]

[5TH SEPTEMBER, 1917.]

“ Finally he asked why in April last, not so very long after the Council had dissolved, we issued an Ordinance. He would have liked us to have been prophetic and brought the necessity for this legislation before the Council. I will only say that we have to live very much from hand to mouth in these matters. If I had anticipated before the Council dissolved that we should have to invest more money I should certainly have brought in a Bill on the subject. It was an unexpected drain of rupees, and at the same time large Council drawings by the Secretary of State, which obliged us to take this course by Ordinance. The Hon'ble Member asks why could we not have taken the money from the War Loan which has accumulated in the Banks. For the very simple reason that we have promised, and I think the commercial members approve the promise, that we would not embarrass trade any more than we could help. We knew we were temporarily embarrassing trade in the interests of patriotism by this War Loan. We said we won't embarrass it further by suddenly drawing off the loan and that is why—much to the disquietude of the Hon'ble Mr. Sarma but I believe with the general approval of the rest of the members of this Council—we left the money in the Presidency Banks.”

The motion was put and agreed to.

## INDIAN TRANSFER OF SHIPS RESTRICTION BILL.

**The Hon'ble Sir George Barnes :—**“ My Lord, I move for leave to introduce a Bill to restrict the transfer of ships registered in British India. This Bill is another of the series of war measures which have been brought before this Council. Like the other war measures, its object is to bring the legislation of this country into harmony with that of the United Kingdom. In 1915 an Act was passed in the United Kingdom to restrict the transfer of British ships to persons not qualified to own British ships. The persons so qualified under the British Merchant Shipping Act of 1894 are, speaking generally, British subjects and Companies registered within the British Empire. The United Kingdom Act of 1915 applied to British ships registered in the United Kingdom and at foreign ports of registry and in any British Possession other than those mentioned in the Schedule to the Act. The exceptions named in the Schedule are British India, the Commonwealth of Australia, the Dominion of New Zealand, the Union of South Africa and Newfoundland. Thus the British Act of 1915 does not apply to British ships registered in India. In August 1916 the British Act of 1915 was extended so as to apply to mortgages of ships as well as to actual transfers of ships, and among the persons not qualified to own a British ship or to hold a mortgage on a British ship was included a company which was in effect foreign controlled although registered within the British Empire. Now, my Lord, the object of this Bill is to extend the British Acts of 1915 and 1916 to British ships registered in India. The substantive part of the Bill is contained in the 3rd clause which provides that no interest in a British ship registered in British India under the Merchant Shipping Act, 1894, shall without the previous consent in writing of the Governor-General in Council be transferred to a foreign-controlled company or to persons other than persons qualified to be owners of British ships.

“ The only other clauses to which I need draw any attention are, I think, clause 4 which is a penalty clause, clause 5, which gives power to require particulars in certain circumstances, and clause 6 which deals with forfeiture. The second clause is entirely occupied with definition, a lengthy definition of the words

[5TH SEPTEMBER, 1917.]

[*Sir George Barnes ; Pandit M. M. Malaviya ; Mr. G. R. Lowndes.*]

'British subject' and 'foreign-controlled company,' and the first clause deals with the duration of the proposed Act and provides that it shall remain in force during the continuance of the present war and for three years thereafter.

"I beg to move for leave to introduce the Bill."

The motion was put and agreed to.

**The Hon'ble Sir George Barnes** :—"I beg, my Lord, to introduce the Bill and to move that the Bill, together with the Statement of Objects and Reasons relating thereto, be published in the *Gazette of India* in English."

**The Hon'ble Pandit M. M. Malaviya** :—"My Lord, I would like to say a word about the definitions which have been put in this Bill so that when the Bill goes before the Select Committee the matter may be borne in mind. I am sure the Hon'ble Member will agree that a definition in a Bill by a reference to other enactments creates a difficulty in understanding it. For instance in section 2 'British subject' is defined as a person who is a natural born British subject within the meaning of the British Nationality and Status of Aliens Act, 1914. All the members of this Council have not an opportunity of looking up Acts 4 and 5 Geo. V to compare what the provision there is, and they cannot therefore comprehend what the definition means. So also in the same section in clause (d), "persons qualified to be owners of British ships" has the same meaning as in section 1 of the Merchant Shipping Act, 1894. There again 57 and 58 Vict. are not so easy to refer to. So also in the third section.

"I would request the Hon'ble Member and the Secretary to the Legislative Department to note this fact and consider whether it would not always be better considering that we are enacting a statute here, to reproduce the language of those sections in our Bills so that anybody who looks at the Bill may be able to understand what it means. I do not know, my Lord, I have not had time to look up these enactments, I do not know whether 'British subject' as defined here will include His Majesty's Indian subjects or not. I should like to be instructed on that point. I merely ask the question in order to have the matter cleared up."

**The Hon'ble Mr. G. R. Lowndes** :—"My Lord, the Hon'ble Pandit has raised a point as to what is called legislation by reference to another Act, which is often inconvenient but sometimes is almost a necessity. To take the first of the cases he has referred to, the definition of 'British subject' in the British Nationality and Status of Aliens Act, 1914, it is at least possible that very shortly after this Bill of ours is passed, the British Act, which is an Act for the whole Empire, will be amended. In fact we have considerable hopes that it may be. If so, it will be very convenient to be able to follow this amended definition rather than to have immediately to amend the definition in our Act in order to bring it into line with the amended British Act. As a matter of fact this is probably one of the most convenient instances of legislation by reference because supposing we expand the definition section in the Bill, which is already very long, by putting in the definition from that Act, I am afraid even the Hon'ble Pandit would be tired of it before he got to the end."

**The Hon'ble Pandit M. M. Malaviya** :—"May I know if 'British subject' as defined there includes an Indian subject of His Majesty?"

**Hon'ble Mr. Lowndes** :—"Certainly."

The motion was put and agreed to.

[*Sir William Vincent.*]

[5TH SEPTEMBER, 1917.]

**USURIOUS LOANS BILL.**

**The Hon'ble Sir William Vincent :—**“ My Lord, I move for leave to introduce a Bill to give additional powers to Courts to deal in certain cases with usurious loans of money or grain.

“ My Lord, the Bill which I now move for leave to introduce relates to a subject which is of very general interest, namely, the question of empowering our Civil Courts to afford relief in cases of unconscionable bargains between money-lenders and their debtors. The subject has been frequently before the Government of India and I think it will be useful if I explain very shortly some of the legislation in regard to it. Prior to 1855 under the Regulating Act, an English Statute of George III and various regulations of the Provincial Codes of Madras, Bombay and Bengal the maximum rate of interest leviable in this country on loans was 12 per cent. There were also similar enactments limiting the rate of interest on loans in Great Britain. In 1855 (a year after the Usury Laws were repealed in the United Kingdom) the Usury Laws Repeal Act was passed in this country and all statutory restrictions on the rate of interest on loans were thereby repealed.

“ Further, Section 2 of that Act definitely provided that in suits in which interest was recoverable, it should be decreed at the rate agreed to between the parties, or in the absence of any such agreement at a reasonable rate. This enactment is in force up to the present day and, as far as I know, it is the only provision in the general law relating to interest on loans. My Lord, even if it is admitted that the usury laws were ineffective, it has also often been doubted whether their repeal effected any improvement in the situation. It has indeed been said by a writer of some repute that the 45 years between the repeal of the usury laws in England and the passing of the Moneylenders Act of 1900 may well be regarded as the golden age for unscrupulous moneylenders in the United Kingdom. And the same author tells us that in most of the countries, including England, where the usury laws were repealed, it has since been found necessary to afford borrowers some protection against unscrupulous moneylenders. It is not surprising therefore to find that this question was again agitated in India and in 1891 Lord Lansdowne's Government thought it necessary to direct the Commission appointed to enquire into the question of the Dekkan Agriculturists Relief Act, also to make special enquiry as to the expediency of amending the general law relating to contracts between creditors and debtors. That Commission recommended—

- (1) an amendment of the Contract Act so as to make a contract voidable when the creditor had taken undue advantage of the simplicity or necessity of his debtor;
- (2) an amendment of the Evidence Act throwing, when the parties were not on an equality, the burden of proving the good faith of the transaction on the person who had an advantage; and
- (3) an amendment of the Usury Laws Repeal Act, so as to give the courts power to re-open unconscionable contracts.

Government did not accept these recommendations in their entirety, but after prolonged enquiries, in 1899, they introduced and passed the Indian Contract Amendment Act. This provided that a contract, consent to which was obtained by undue influence, was voidable at the option of the person whose consent was so obtained. The new law also defined what undue influence was, providing that when the relations between two parties to a contract were such that one party was in a position to dominate the will of the other and used that advantage unfairly, then the contract might be said to be induced by undue influence. My Lord, this legislation

[5TH SEPTEMBER, 1917.]

[Sir William Vincent.]

relieved the situation somewhat, but it was not really effective, and practical experience has shown that it does not afford sufficient protection to debtors. In 1906, this was brought to the notice of Government by Mr. Justice Mitter of the Calcutta High Court in a minute, in which four Judges concurred, on this question of usury. He pointed out that the experience of 50 years had shown that even in Great Britain interference by law was needed to give relief against exorbitant interest and he referred to the report of the Committee appointed in the United Kingdom to investigate the subject and also the Money-lenders Act of 1900 in proof of this assertion. He described the mischief caused in India by the repeal of the usury laws, particularly in suits between money-lenders and ryots and he showed, if I may say so, conclusively, that the amendment of the Contract Act to which I have just referred was absolutely inadequate to meet the requirements of the situation. He urged, therefore, that civil courts should be empowered to grant relief in cases of extortionate demands by reducing the interest to a reasonable rate and by re-opening and adjusting accounts on the basis of these rates. The Government of India, however, even then decided that the time was not ripe for legislation. In 1913 the question was again agitated in the United Provinces Legislative Council by the Hon'ble Khwaja Ghulam-us-Saqlain who described in vivid language the mischief which resulted to the body politic from it. He quoted numerous flagrant instances in which extortionate interest had been decreed and represented that the result of the law had been the ruin of hundreds of families in the United Provinces within the last two or three years. About the same time the Government of India were moved by the Administrator General of Bengal to reconsider the question of legislating on this subject, and Local Governments and various authorities were thereupon consulted. I think I may say that the result of these enquiries revealed a very serious state of affairs. I will only quote one or two opinions received by the Government of India. The Madras Government said that there was an overwhelming preponderance of opinion in favour of the view that our courts are at present compelled to give effect to unconscionable transactions and to enforce the payment of inequitable and extortionate demands. The Government of Bengal and the Calcutta High Court said that usury was a crying evil which called for immediate remedy, and I think I may say that these remarks really represent the considered opinions of most of the Governments consulted. Such a state of affairs is, in the opinion of the Government of India, not only morally indefensible but a source of grave political danger in that it seriously shakes public confidence in our administration and in our courts of justice. In this connection I may say that I read recently a review of a work by a German who was commenting on our administration. He stated that the failure of Government to deal with this question was one of the main blots on our administration and that it could not fail to have very serious political effects. My Lord, *fas est et ab hoste doceri* and I think there is great force in this argument. Theoretical arguments based on the sanctity of solemn contracts appeal very little in such cases, to a debtor. He argues that the judges have powers to do justice or if they have not that Government should vest them with the necessary powers.

“ My Lord, if the opinions which I have cited have not convinced the Council, I should like to quote a few specific instances of the kind of decrees our courts are constantly forced to give. I will take some from the speech of the Hon'ble Khwaja Ghulam-us-Saqlain to which I referred. Here is one, a suit of 1906. I will not cite the name of the creditor, though he deserves little sympathy, but the principal advanced was Rs. 800, and for this advance the creditor obtained a decree for no less than Rs. 2,06,365 or very nearly 258 times the principal advanced. Here is another case decided in the Court of the Subordinate Judge of Shahjahanpur in 1910. The principal advanced was Rs. 1,000 and the amount claimed and decreed was Rs. 17,000. Here is another one from Budaon in which Rs. 2,500 was advanced and the creditor obtained a decree for Rs. 39,000.

[Sir William Vincent.]

[5TH SEPTEMBER, 1917.]

“ In a letter which is on record, Sir Amir Ali, now on the Judicial Committee, refers to a case from my own province, Bihar and Orissa, in which a claim for Rs. 32,000 was successfully made on the basis of a loan of Rs. 4,000 made eight years before the suit. I have recently examined some cases from the High Court of Bihar and Orissa which also show the ineffectiveness of our present law. Here is one. In 1900 a bond was given for Rs. 1,400. In 1912 a decree was obtained for Rs. 35,421 after the decree holder had been good enough to give up an additional claim to Rs. 11,000. Here is another case. A suit in which Rs. 1,375 was borrowed and Rs. 1,700 was repaid within three years of the loan. Nevertheless the plaintiff was able to get in the Subordinate Judge's Court a decree for Rs. 15,000 on the basis of his bond. I am glad to say this last suit was dismissed in the High Court on a technical plea of misjoinder of parties.

“ My Lord, the evil is not confined to the agricultural classes. The enquiries made reveal that it is equally prevalent amongst others, including land owners of all classes and the domiciled Anglo-Indian community in particular.

“ Similarly many young European officers in the service suffer severely from such demands, and the case quoted by the Administrator General is a very good illustration. The facts in that case were that on the 30th January 1907, Rs. 1,500 was advanced by a moneylender of Lahore to a Subaltern. The debtor repaid Rs. 1,460 of this sum in the same year, but on the other hand it is fair to say that the creditor paid certain insurance premia for some years on account of the debtor amounting to Rs. 812. The total amount advanced was thus Rs. 2,312. In return for this the creditor recovered altogether Rs. 4,700, and nevertheless in 1913 put in a claim to the Administrator General against the estate of the deceased officer for Rs. 24,177 in addition. I may remark that his claim for interest during one month of 1912 amounted to Rs. 1,419 or very nearly the full amount of the principal originally advanced.

“ My Lord, I could multiply *ad infinitum* these instances of unconscionable bargains, to which the Courts are compelled to give effect under the present law, but I think that the cases I have cited are quite sufficient to show that some remedy is necessary if our Courts are not to be made instruments of oppression.

“ My Lord, I have been told by some persons that even if the Courts may give wrong decisions in a few cases, they have at present all the powers that they need, and that all that is required is the effective administration of the law. This is disproved by practical experience and the fact is that unless the unfortunate debtor can prove definitely “undue influence,” *i.e.*, that his case comes under section 16 of the Contract Act, or that interest is claimed by way of penalty, under section 74, he has no remedy; or at least this is the interpretation placed upon the law by many of our best Judges and I think the tendency in this direction has been the more marked since the decision of the Judicial Committee in the case of *Sundar Koer vs. Rai Sham Krishen*, I. L. R. 34, Cal. 150. My Lord, in this connection I may say that I took the opportunity of consulting my Hon'ble colleague, Sir Sankaran Nair, on this question. He had, as the Council knows, a very distinguished career both at the bar and on the bench of the Madras High Court and speaks with great authority. He expressed his opinion (and I have his permission to quote it) that the law at present is inadequate to meet the requirements of the case, and that the legislation which is now proposed is urgently needed in the interests of justice.

“ If anything further is needed to controvert this suggestion that the law as at present is sufficient, I venture to say that the cases which I have cited before the Council themselves are a sufficient answer. If the Courts find it incumbent on the evidence to give decrees of this kind, can it be argued with any show of reason that the law as it stands meets the requirements of the situation?

[5TH SEPTEMBER, 1917.]

[Sir William Vincent.]

“ Proceeding to the question of remedies for this state of affairs I may say three methods of dealing with this question have been suggested by various authorities :—

- (1) an amendment of the law limiting the rates of interest;
- (2) a law embodying the principles of (what is known as) ‘damdupat’; and
- (3) a Bill giving the Courts in certain instances equitable powers to reopen contracts between moneylenders and their debtors and to ascertain what return was equitably repayable for loans made.

“ For reasons into the details of which it is unnecessary to enter at any rate at present, the Government of India have decided that the first two remedies proposed were neither suitable nor likely to be in any way effective, and that the best chance of success lay in giving the Courts the equitable powers described in the third proposal. In taking this course the Government have followed the principle adopted in the United Kingdom in the Moneylenders Act of 1900. I do not think that it is necessary or expedient that I should waste time in discussing the details of the Bill at present. It will be circulated for opinion and ample opportunities will be given to all those who are interested in the subject to examine and criticise it. The details will also subsequently be carefully considered in Select Committee: all that I think it is necessary to do at present is to explain the general principle, which is a very simple one, namely that in proceedings for the recovery of a loan, or for the enforcement of an agreement or security, the Court, if satisfied by evidence that the return claimed is excessive, and that the transaction is substantially unfair, may reopen the contract and award the plaintiff a decree for that sum only which is equitably due, having regard to the circumstances of the case. I want the Council to note the fact that action under the law is not obligatory but discretionary, and that the Court can only take such action when it is satisfied that the transaction is substantially unfair, and that the return is excessive.

“ I draw special attention to these provisions of the law, as they illustrate a point of great importance, namely, that it is not in any way the intention of Government to interfere with the ordinary business of the honest moneylender. The Government fully recognise that moneylenders are not only necessary but very useful members of society. In fact it may be said that without them the whole business of the country would be paralyzed. My Lord, moneylenders who are satisfied with a fair and reasonable return for their money have nothing to fear from this Bill and will not come within the purview of its provisions at all. It is only the extortioner who takes advantage of the needs of the borrower to force him to an unequitable bargain who will be penalised, and I do not think any one in this Council will maintain that such persons are entitled to any sympathy.

“ It may be argued that the Bill places too much power in the hands of our Courts and that it will be impossible for them to administer it effectively and justly. But I think that the answer to this objection is contained in the letter of the Calcutta High Court, which I take leave to quote. Their Lordships say :—

“ To use the language of the Parliamentary Select Committee the Courts should have power to go behind any contract with a moneylender, to enquire into all the circumstances of the original loan and of the subsequent transactions, and to make such order as may be considered reasonable. This will give the Courts full discretion to deal with each case according to its circumstance. It has been observed that this will lead to a variety of judgments. This is a difficulty which arises even where the Courts have no discretion. There must be some inconvenience attending every proposal, and the advantage of giving the Courts a free hand to deal with each case on the lines of natural justice

[*Sir William Vincent ; Dr. Tej Bahadur Sapru.*]

[5TH SEPTEMBER, 1917.]

greatly outweighs, in the opinion of the Chief Justice and the Judges, any objection to such a course.

“Speaking for myself, I may say also that those who take the view indicated above, in my opinion underestimate the capacity of our civil Courts the great majority of which are presided over by Indians of high educational and legal attainments and proved ability and integrity. I do not however for a moment seek to minimise the difficulties of finding a satisfactory solution of the problem, or to make out that the Bill which I propose to introduce will prove a panacea for the evil it is designed to remedy. But I do say, however, that it will at least in many cases prevent our Courts from being made instruments of oppression, and I believe that in the great majority of cases it will enable them to do justice between man and man.

“My Lord, there are many difficult questions in connection with this Bill which will be discussed at a later stage but I do not wish to detain the Council any longer to-day and in conclusion wish only to say that I honestly believe that this Bill is one which will prove of real benefit in the administration of justice and that it will contribute to the prevention of oppression. I believe myself that it will remove a very serious blot on our present administration and I earnestly hope that it will commend itself to this Council.

“My Lord, I now move for leave to introduce the Bill which is entitled “A Bill to give additional powers to Courts to deal in certain cases with usurious loans of money or grain.”

“It is not intended to do anything more than circulate the Bill at present, and when we receive the opinions of the various authorities consulted, I think that the Council will be in a better position to criticise it than at this stage.”

**The Hon'ble Dr. Tej Bahadur Sapru :—**“My Lord, I welcome the Bill which has just been introduced in this Council as a piece of beneficent social legislation. Coming as I do from the United Provinces which has been frequently mentioned in the speech of the Hon'ble Mover, I can also add from my own personal experience a few examples just to show that this measure is urgently needed. My Lord, not many years ago in the Allahabad High Court I had a case in which it was found that as a matter of fact a sum of only Rs. 106 had been advanced while the bond mentioned that a sum of Rs. 916 had been advanced, and within a period of about twenty years the interest had swelled up to Rs. 2,93,000. It is difficult for me to calculate the rate of interest; but the lower court had granted the creditor a decree for only Rs. 1,100, and I was glad that the High Court set aside that decree altogether. Immediately after that there arose a case in which an Anglo-Indian member of the subordinate staff of the United Provinces Secretariat was the defendant. In that case a sum of about Rs. 1,500 or Rs. 2,000, I am not sure which, had been advanced by the creditor, who brought a suit within seven years for a sum of Rs. 35,000; and the poor man had to compromise for a sum of about Rs. 5,000.

“My Lord, I could quote a number of instances like these from my own province but I refrain from doing so as a number of them were carefully collected by my late friend Khwaja Ghulam-us-Saqlain and they have been referred to by the Hon'ble the Home Member in the course of his speech. My Lord, as regards the question of remedy, there are various remedies which have been suggested from time to time, I do not think that it is desirable, either legally or economically, to adopt an artificial rate of interest as it may not meet the ends of justice in every possible case. I think the best example that this Council can follow is the English Moneylenders Act. I don't think there is any, the least, danger in investing courts with the discretionary powers proposed to be given. If the lower courts will go wrong there are the courts of appeal to set them right. There is only one thing more which I wish to say and, that is,

[5TH SEPTEMBER, 1917.]

[*Dr. Tej Bahadur Sapru ; His Excellency the President ; Sir C. Sankaran Nair.*]

that I feel that the Bill as drafted by the Hon'ble the Home Member does not go as far as I should like it to go. In fact, I should like to go the whole length of the English Moneylenders Act, I should like all moneylenders to be registered as in England, and I should also like a provision in the Bill that if an unregistered moneylender brings in a suit, the suit shall be dismissed; this is a crying evil and in dealing with this matter I am glad to be able to bear out every single remark that has fallen from the Hon'ble the Home Member. I am an enthusiastic advocate of the Bill and I do not think that the doctrine of freedom of contract can be left to run its course uninterruptedly in a matter like this; I think the stronger the measure is the better it will be for the protection of the masses and for the land owning classes. With these few words, my Lord, I strongly support the motion."

**His Excellency the President** :—" I understand that a good many Hon'ble Members would like to address the Council on this subject, and I therefore propose to adjourn the Council, but before the adjournment, the Hon'ble Sir Sankaran Nair has to present the Report of the Select Committee on the Bill to establish and incorporate a University at Patna. Unless the Hon'ble Member presents that Report today the Bill will not be able to be discussed on the 12th September. I will call upon the Hon'ble Sir Sankaran Nair."

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### PATNA UNIVERSITY BILL.

**The Hon'ble Sir C. Sankaran Nair** :—" My Lord, I beg to present the Report of the Select Committee on the Bill to establish and incorporate a University at Patna.

"The Bill has been published for information and will be taken into consideration on the 12th instant."

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The Council adjourned to 11 A. M. on Wednesday, 12th September, 1917.

SIMLA ;  
 The 13th September, 1917. }

A. P. MUDDIMAN,  
 Secretary to the Government of India,  
 Legislative Department.