

The Servant of India

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Topics of the Week.

The Commons Debate.

THERE was hardly anything in the Commons debate last week which added to our knowledge of the Government's intentions regarding Indian reform. The policy embodied in the White Paper was confirmed as a matter of course. All Radical Opposition has been completely wiped out as a result of the General Election. The Conservative Opposition, led though it was by Mr. Churchill whose resources of biting criticism and retort are almost endless, fell rather flat because it could not seize upon any particular decision of the Government and hold it up to ridicule. It could not do so for the simple reason that the Government has arrived at no decision except that the R. T. C.'s work should be continued. In fact the speech made by Sir Samuel Hoare in expounding the Government policy appeared so completely satisfactory to Mr. Churchill that he even offered to withdraw his amendment, which amounted to a censure motion, provided an assurance was forthcoming that that speech represented Government policy. The Premier refused to give the assurance, but he might as well have given it, for anyhow Indians know full well that his speech *does* represent the present policy of Government. There is nothing in that speech really with which one can have any serious quarrel except that it was vague and indefinite. But if no appreciable progress in settling the principles of the constitution has resulted from the second session of the R. T. C., the Government alone cannot justly be held responsible for the general hold-up that was experienced. Indian delegates have contributed their own quota to this depressing result.

Virtual Martial Law.

THE Ordinance promulgated by the Viceroy last week and designed to deal with the terrorists in

Bengal has received strong universal condemnation except of course from the Europeans who played, as we showed in our last issue, such a prominent part in giving it its present shape. The hostile feeling aroused by the Ordinance throughout the country is natural, for it confers on the executive powers which even such an unquestioned enemy of terrorism in any form as the *Statesman* of Calcutta is constrained to describe as being of "the most extensive kind." Indeed, it would be no exaggeration to say that the Ordinance empowers the Bengal Government to introduce virtual martial law in any part of the province, though for the present the Ordinance is made applicable only to the Chittagong district. Martial law usually follows the complete break-down of the civil power; but this Ordinance empowers the civil authority to call the military to its aid at any time it likes.

The power given to the Government to impose a collective fine on the inhabitants of any area is another objectionable feature of this fresh attempt to throttle the terrorist cult in Bengal. The tribunals contemplated under the Ordinance can hold their proceedings in camera and take only summary evidence and there is to be no appeal against their decisions. Under the new scheme of countering terrorist activities, not merely murder but even an attempt to murder would be met with by capital sentence! Nobody can after the Ordinance comes into force, as in the Chittagong district, be sure of continuing undisturbed in the possession of his property, both moveable and immovable, which can be commandeered at the sweet will of the authorities. Not even the most reputed loyalist can look upon himself as being immune from the attentions of the police who can lock up anybody "behaving suspiciously" for twenty-four hours. This period is to be devoted to "obtaining and verifying his statements." Supposing both the processes are not completed within that period, what then? Will the arrested person be continued in police custody until the recording and verification of his statements are finished or will have to go through the farce of release and re-arrest every twenty-four hours?

No wonder that the Ordinance has come in for strong condemnation at the hands of a man like Sir Chimanlal Setaivad who is never given to the use of strong language but who thinks that the Ordinance makes it appear as if Bengal was being treated as "in a state of war." With public feeling thus exacerbated by the enforcement of this draconian piece of Viceroy-made law, the chance of the Premier's declaration of policy receiving dispassionate consideration in India is considerably lessened. Past experience ought to tell the Government that such stern action, though it may have a temporary terrifying effect, more often than not defeats its purpose. The only right course to disarm the terrorists is boldly to enable the country to complete its march towards self-government within the shortest possible time.

Agrarian Situation in U. P.

A PERUSAL of the correspondence that recently took place between the U. P. Government and the Congress authorities in that province on the agrarian situation there leaves the impression that despite indications to the contrary, there is no reason why a no-tax campaign should not even at this late stage be avoided. The negotiations that were going on between the Government and the Congress authorities were broken off by Government on the ground that the Congress Committee had asked peasants to withhold payment of land revenue. There is however no doubt that this action was in a way forced on the Congress authorities by the Government itself proceeding to collect their land revenue dues in the usual way as if no negotiations were proceeding between the two parties. The action of Government cannot be defended on the ground of its following the normal course, in view of the abnormal economic conditions of this year. The Congress might have been legitimately charged with rashness in precipitating a crisis if it had advised ryots to refuse payment of land revenue, even though the Government machinery for its recovery had not been set in motion. If the Government expect the Congress to stay its hand till the result of its negotiations with itself is known, they are themselves also under a corresponding obligation to suspend drastic action intended to realise their dues from the agriculturists. It is unfortunate that they failed to show proper realisation of this obligation at a critical time—a failure which is bound to have serious consequences on the peace of the province and for that matter of the whole country. Though the indications are unpromising, it is to be earnestly hoped that the suggestion made by Mr. Vallabhbhai Patel in his letter to Mr. Emerson may even yet be acted upon. His suggestion is that "by mutual agreement the postponement of collection of rents and the suspension of the resolution of the Provincial Congress Committee (advising non-payment) may be simultaneously arranged". Let us hope no false considerations of prestige will be allowed to stand in the way of the Government giving effect to the suggestion and thus saving the country from the effects of a no-tax campaign which, as was seen last year, are so disastrous to the peace and prosperity of the country. It need not be pointed out that they will be even more so in our present economic condition.

* * *

A Happy Sign.

THE Prime Minister's announcement of the Government's intention to impose a communal settlement of its own in the event of the failure of the different communities to agree amongst themselves has brought the country face to face with the realities as nothing else so far had. An indication of this is to be found in the committee recently appointed by the Punjab Legislative Council to find a way out of the communal impasse, so far as the Punjab is concerned. The proposed committee is to consist of the three Ministers and the Indian member of the Executive Council or, communally speaking, two Muslims, one Hindu and one Sikh. It is to submit a report only if it is unanimously agreed on any solution. That such a move should have been made in a province which has recently acquired notoriety as being the worst sufferer from communal poison and that representatives of the three main communities should so soon after the announcement have joined together to work for a satisfactory solution of the communal difficulty is really a happy sign of the times. Seeing what a formidable stumbling block the absence of a communal settlement principally in the Punjab has proved in the way of India coming into her own, it is to be sincerely

hoped that the Committee will soon be able to produce a solution satisfactory to all concerned. As remarked by Dr. Moonje, Mr. MacDonald's announcement affords full scope to the different communities for the use of their constructive ability and the unanimous appointment of this Committee by the Punjab Legislative Council will be generally regarded as an indication of the desire universally prevailing in the province that, come what may, a solution of the communal difficulty must no more be allowed to stand between India and Swaraj.

* * *

Fundamental Rights for Rampur Subjects.

WE had occasion recently to criticise the Nawab of Rampur for his none too happy an intrusion in British Indian politics and are therefore all the more pleased that he has recently done something upon which we can heartily congratulate him. He has granted his subjects what are known as fundamental rights. His declaration guarantees to his subjects the reign of law which is non-existent at present in most of the Indian States. His subjects can hereafter enjoy complete security of life and property and are promised the civil rights of freedom of press, meeting and association, which will not be interfered with except in accordance with well-defined legal processes. All citizens of the State, no matter to what community they belong, will be absolutely equal before the law and will be allowed complete freedom of conscience in the matter of their religious profession or practice. Similarly, all citizens, irrespective of their community, will be looked upon as eligible for any office in the State and will be free to follow any trade or calling. Public wells, public roads and places of public resort will be equally accessible to all citizens,—a provision which will be particularly welcome to the depressed classes. The Nawab's categorical assurance that nothing officially done which goes against any of these fundamental rights of his subjects will have any legal effect ought to reassure them that the grant of these rights is not a mere make-believe on his part; but that he intends that the people of his State should really be secured in the full enjoyment thereof. It is really praiseworthy on the part of the ruler of Rampur to make this spontaneous grant of fundamental rights to his subjects, who, we hope, will not be slow to show their appreciation of his statesmanlike act by tolerating not the slightest invasion on any of these newly acquired valuable rights.

* * *

Settlement of the Railway Dispute.

THE method of settlement by consultation and negotiation has after all succeeded in resolving the crisis that at one time threatened to develop between the Railway Board and the Railwaymen's Federation. It will be remembered that the latter objected to the Railway Board intending to discharge as many as about 10,000 railway employees without being given an opportunity of placing its case before the Board and even before the Court of Inquiry which was conducting an inquiry into the points at issue had pronounced its judgment. The matter recently formed the subject of discussion between the Railway Board and the President of the Federation as a result of which a formula has happily been found which is regarded as satisfactory by both sides. This is indeed good news. According to this, while the Federation does not give up its opposition to the Railway Board discharging railway employees during the pendency of its inquiry by the Court, it yet agrees to acquiesce in the discharge of some 1200 employees out of the 1600 marked out for such treatment on the ground of their services being unnecessary in view of the

termination due to the present abnormal conditions of the works on which they were engaged. Some of these men the Board has promised to absorb elsewhere, which speaks well as much for the persuasive power of the President as for the spirit of accommodation shown by the Railway Board. The Board has further promised to hold over any action in the direction of reduction of establish-

ment consequent upon reduction in the volume of business till the end of next month and then too to launch upon it only after consultation with the President of the Federation, the number affected by such action being 3400. Everybody will feel relieved that a cloud which was full of such dangerous possibilities of dislocation of the means of locomotion in this country has now lifted.

PERMANENT RESERVATION OF PARAMOUNTCY.

NOW that a verbatim report of the proceedings of the Federal Structure Committee of 17th November, when the subject of External Relations and Political Relations was discussed, is available, we should know what attitude the Congress assumes towards Paramountcy over the Indian States. When we wrote on this subject in the issue of 19th November under the heading "Mahatma and Paramountcy" even a cabled summary of the speeches made by Mahatma Gandhi and Mr. A. Rangaswami Iyengar had not arrived in this country. Our comments were then based not on what the Mahatma had said at the R. T. C., but what he had said in the interviews given by him to public men in England like Mr. Brailsford. On the strength of what the Mahatma had confided to him, Mr. Brailsford wrote in the *Manchester Guardian*, the *New Republic* and other papers that the Mahatma was going to insist at the Conference that Political Relations ought to be a transferred subject, i.e. that the rights of Paramountcy over the Indian States which are at present exercised by an irresponsible Government of India ought to be exercised hereafter by a responsible Government of India. Mr. Brailsford's writings on this head were quoted, apparently with approval and certainly without protest, in *Young India*, and Mahatma Gandhi's intentions must therefore be presumed to have been correctly represented by Mr. Brailsford. Still our mind was not free from misgivings as to what the Mahatma would say at the R. T. C., and therefore we ventured to express a doubt in our issue of 19th November as to whether he would ask for a transfer of Political Relations along with External Relations to the control of the federal legislature.

Mahatma Gandhi's speech at the Conference is now reported in full. What then is the fact? Does he ask that Political Relations be a transferred subject? To this question our answer is Yes and No. In form he, no doubt, asks for the transfer, but he does it in such a way as to show as if he is not fully aware of all the factors in the situation and as if his heart is not in the demand. The exact words used by him shall first be given. He said:—

"The very reasons I have given you today for demanding complete control over the Army are also reasons for pleading for, for demanding control over our external relations. Not being well versed in what is really meant by external affairs, and having to plead my ignorance of what is stated in these reports of the R. T. C. on the subject, I asked my friends Mr. Aiyengar and Sir Tej Bahadur Sapru to give me a first

lesson in what is meant by external affairs and foreign relations. I have got their reply before me. They state that the words mean relations with neighbouring powers, relations with Indian States, relations with other powers in international affairs, relations with the Dominions. If these are external affairs, I think we are quite capable of shouldering the burden and discharging our obligations in connexion with external affairs. We can undoubtedly negotiate terms of peace with our own kith and kin, with our own neighbours, with our own countrymen, with the Indian Princes. We can cultivate the friendliest relations with our neighbours the Afghans, and across the seas with the Japanese, and certainly we can negotiate with the Dominions. If the Dominions will not have our countrymen to live there in perfect self-respect, we can negotiate with the Dominions."

Two things stand out in this speech: first, that

Mahatma Gandhi lumps foreign and political relations together and treats of them as if both stood on the same footing; and second, that he does not show himself mindful of the fact that His Majesty's Government had already taken an adverse decision on this matter. A claim has been put forward by the Princes, and accepted by the British Government that, Relations with Indian States are in a different category from Relations with Foreign Powers; that while it is legally permissible for the British Government to transfer the latter to a responsible Ministry in India without waiting on the consent of the Powers concerned, it is not permissible in legal theory to transfer the former without obtaining the previous consent of the States. It is said that the States are in treaty relations with the Crown; and that these relations cannot be handed over to any authority not subject to the Crown's control. If this contention is valid, it is obvious that it cannot be enough merely to say, as Gandhiji says, that the Indian legislature is fit to take over charge of political relations. For it is not a question so much of the legislature being fit to be put in charge of the subject as the Princes being agreeable to it. In the case of foreign relations (which the Mahatma seems to think include political relations but which are technically separate from them) the only relevant consideration is that of political expediency. But, it is contended, even if on the ground of expediency the British Government were willing to transfer political relations to the Indian legislature, it is legally debarred from doing so, except with the consent of the States.

The reservation of Relations with the States as a Crown subject therefore becomes necessary for different reasons, and these reasons being altogether beyond the control even of the British Government, the reservation is of a permanent nature. This must not be lost sight of even for a moment. In speaking of reservations and safeguards it is usual to employ the qualifying adjective "temporary" or "transitory." The safeguards are certainly transitory in the case of the Army and Foreign Relations, however long in fact they may remain in operation. For at any rate they are intended to disappear one day. The safeguards in the case of Political Relations are not transitory in that sense. They are designed to remain in force for ever and ever. Sir Akbar Hydari was quite candid on this point as on all others. He said, while putting forward India's claim to the attainment of dominion status in fulness of time :

"I look forward to the day when all reserved subjects will be transferred, though I believe we all agree that the time has not yet come. The only exception to EVENTUAL TRANSFER that I envisage is paramountcy in the sense in which I have defined it elsewhere and *that* I consider should ALWAYS remain the prerogative of the Crown, to be exercised, it is true, on lines more consistent than has always been the case in the past—if possible in accordance with some regular form of procedure to be evolved hereafter—but still IRREVOCABLY and IN PERPETUITY the prerogative of the Crown through his representative the Viceroy."

It is not to be supposed that because the view is expressed in the most absolute terms imaginable, it is an extreme statement of the States' case peculiar to Sir Akbar Hydari. The view is in fact shared by all the States' representatives, though others may prefer to put it in less harsh fashion. But it follows that if legal theory necessitates reservation of Political Relations, the reservation should be, as Sir Akbar Hydari maintains, permanent.

British Indians never accepted this theory. Sir Tej Bahadur Sapru as *the* author of the Indian States chapter in the Nehru Report kicked furiously against it. But somehow he has now changed his mind: he accepts it *in toto*. While he is anxious to hedge round other reservations with a number of saving clauses and make them transitory and even terminable after a fixed period, he is quite willing to make Political Relations a Crown subject for all time. Encouraged by this attitude, the British Government has even taken a decision on the point, and all those Conference delegates who agree to the provision must also be taken to agree to a permanent reservation of this subject to the Crown. What is Mahatma Gandhi's attitude? If he dissents, surely it is not enough for him to ask for the transfer of foreign relations including in it the subject of political relations, particularly when the two are governed by totally different considerations. It is certainly incumbent upon him, if he is at all in earnest, to ask specifically for the transfer of political relations and to say that he rejects the theory upon which the reservation of

political relations is made to appear, not merely as temporarily expedient but permanently necessary. When he does not do this, his demand for the transfer of paramountcy is apt to appear as being put forward merely for form's sake.

Something more has happened to confirm our doubts. Mr. A. Rangaswami Aiyengar, who in England acted as the Mahatma's Political Secretary and who on this particular occasion intervened in the debate for the purpose of "elucidating his position with reference to what the Congress has asked for, namely, control over external affairs in a responsible Cabinet," agreed to the reservation of Political Relations as a Crown subject, the reservation to last just as long as the Princes would have it so.

"With regard to matters of paramountcy," he said, "in which the Indian States have insisted that they shall continue to be controlled by the Crown, I am prepared, speaking for myself—not on behalf of anybody else—that that method shall continue so long as the Princes desire, and so long as their coming into the Federation is made conditional upon it I am willing to leave it to their choice, but I hope that they will soon see that the best method of dealing with these questions is that they should come unreservedly into the Federation."

It is perfectly true that Mr. Aiyengar, though generally expressing the Congress view, was at this point expressing his personal view; but his coming down definitely on the side of reservation, joined to the indefiniteness of Mahatma Gandhi's own position is at any rate serious enough a matter to raise grave doubts in one's mind as to whether the Mahatma (saving his reverence) means what he may be held to have said at the R. T. C. The doubts become all the graver when one remembers the Mahatma's general obsequiousness towards the Princes. Is it very likely that one who disclaims any right to ask for election of the States' representatives or for the guarantees of civil liberties for the States' people would seriously claim that the federal legislature ought to have control over relations with the States?

THE SUCCESSION DUTY BILL.

IT would be a serious mistake to suppose that the crushing defeat of the Bombay Government over the first reading of the Succession Duty Bill could be attributed only to the solid opposition of the Bombay Legislative Council to the very principle of the Bill. The defeat was due, in my opinion, to the combination of varied and even conflicting forces for the creation of which the Government themselves were largely responsible. If I have understood correctly the feeling of the Council, I am inclined to the view that their defeat was more in the nature of a vigorous protest against their scant courtesy and indifference towards the non-official members of the Council than of an indication of the latter's opposition to the principle of the Bill. In saying this I should not be understood to mean that there was no opposition in any quarter to the principle of the Bill. I admit that the Council contains a fairly

large capitalistic and aristocratic element which would always oppose any form of taxation based upon the principle of ability to pay and calculated to touch the pockets of the rich. But even in this class there were people like Mr. Jehangir Petit who, in spite of the mandate of his constituency, the Bombay Millowners' Association, to vote against the principle of the Bill, showed sufficient moral courage in giving this personal support to the Bill and refraining from voting either way. It may also be that the consideration of the succession duty as an emergency measure and its opportuneness might have weighed with some when they voted against the Bill. But such an opposition is not, it must be recognised, the same thing as opposition to the very principle of the Bill. It cannot also be denied that there were members of the Council—and their number was by no means negligible—who could have, *other things being normal*, given sympathetic consideration to, and even voted in favour of, the first reading of the Bill with a view to get it circulated for eliciting public opinion thereon. But Government by their supreme indifference and tactlessness made the other things quite abnormal, which helped in swelling enormously the ranks of the Opposition and gave Government a defeat such as they had not sustained during the last several years.

What are "the other things" which turned the tables so violently against Government? Broadly put, they are: (1) Government's premature decisions on economy and retrenchment before the publication of the Report of the Retrenchment Committee; (2) Government's failure to invite the Legislative Council to an expression of opinion on the Report of the Retrenchment Committee and announce their own opinion thereon; (3) Government's failure to take the Council into their confidence in deciding upon the new taxation measures; and (4) Government's financial mal-administration. I shall take these points *seriatim* and deal with them as briefly as possible.

In the last Budget session, Government announced the appointment of a Retrenchment Committee when they found that their new taxation measures had no chance of being voted upon unless they made some gesture in the direction of convincing the Council that they were anxious to make every possible retrenchment. The Retrenchment Committee made an interim report in July containing recommendations which, if carried out, would in its opinion help to reduce the deficit to some extent. Instead of announcing their decision on this report, Government simply announced a uniform cut of ten per cent. in salaries above a certain minimum and thus rejected the Committee's recommendation to have a graded cut. While the Retrenchment Committee was engaged in making recommendations so as to effect a reduction of a permanent character in expenditure, Government announced a ten per cent. cut in establishments. This second step only confirmed the suspicion created in the public mind when the first step of a ten per cent. cut in salaries was announced, that Government had chalked

out a course of their own in effecting retrenchment and economy, quite independently of the Retrenchment Committee which, it became clear, was only a sop to the Council and had no influence on the Government's policy. This suspicion was further deepened when they came before the Council on the 30th November with the final report of the Retrenchment Committee in one hand and in the other the Succession Duty Bill whose first reading they asked the Council to pass without any consideration of the recommendations of that Committee. It may be that the delay caused in presenting the report of the Committee may not be laid at the door of Government; but this is hardly a ground to expect, as Government apparently did, that the Council should surrender its right of discussing the Committee's report and expressing its views thereon. Further, the Council had a right to know the views of Government on the report of the Retrenchment Committee and the extent to which they were prepared to go in giving effect to its recommendations. No legislature which has not lost its self-respect and surrendered its right of healthy criticism, can possibly allow itself to become the handmaid of the executive and be satisfied with registering the latter's decrees. The whole sequence of events that happened since February conclusively shows that Government had made up their mind to pursue their own course without much regard to the findings of the Retrenchment Committee and the views of the Council.

His Excellency the Governor, whose restoration to health and return to Bombay have caused sincere joy and gratification in every quarter, made a moving appeal for co-operation to the members of the Council; and everyone can readily endorse it. The record of the Council during the last eleven years bears ample testimony to the spirit of co-operation with which its members have been inspired. On this occasion too the same spirit could have been brought into full play, had not the Government acted in the manner in which they actually did. Co-operation can only be mutual, and not one-sided. I have already dealt with the way in which Government treated the report of the Retrenchment Committee and the Council in the matter of retrenchment and economy. In the field of fresh taxation measures, their record is equally deplorable and arbitrary and does not breathe the spirit of co-operation. The Council generally considers new taxation measures only to the extent of meeting such deficit as cannot be met by retrenchment and economy. Government have failed to satisfy the Council that the maximum limits of retrenchment and economy had been reached and that the succession duty, if levied, would cover the whole of the uncovered deficit. The Finance Member said towards the close of the debate that the succession duty might not yield more than fifteen lakhs a year. Which means that other sources of new taxation would have to be tapped if the deficit was to be covered in full. In my opinion, the Government can meet such an abnormal situation only by taking the Council into their confidence. Nothing would have been lost if they had called a meeting of the party leaders and conferred

with them freely as regards the new taxation measures to be placed before the Council. Such a course would have been positively helpful and proved the *bona fides* of Government in seeking the co-operation of the Council. This course is particularly essential when an irremovable executive has to meet a legislature with an elected majority. It does not deprive the executive of its right to initiate taxation measures; it only smoothens its path. But where there is a spirit of indifference towards the legislature, such a course would not ordinarily commend itself to Government. Under these circumstances the legislature could give only one reply, which it did on the fateful 1st of December.

The last point which, I believe, weighed with the Council in throwing out the Succession Duty Bill, was the absence of any assurance from Government in respect of their financial mal-administration. The latest report of the Auditor-General on the Bombay Government's financial chaos is a terrible indictment which cannot easily be forgotten. The Council would have stultified itself if it had voted any more money to Government so long as the latter had not given any assurance that effective steps had been taken to tighten their control over their officers in regard to the spending of money. No such assurance calculated to satisfy the Council has yet been given. Further, the Council is entitled to know how the proceeds of the new taxation were going to be spent. If the nation-building departments are to continue to starve more and more and other departments are to go no merrily at the present level of extravagance, the Council can legitimately and with sufficient justification withhold additional supplies from the Government. It is not, I think, yet too late to mend matters. If only the Government can persuade themselves to place all the cards on the table, go the farthest length in the direction of retrenchment and satisfy the Council accordingly, take the Council into confidence as regards the new taxation proposals and assure the public that steps are being taken to put effective control on expenditure and that nation-building departments will not be starved, then I believe that the Council will not fail to respond to the Government's appeal for co-operation.

R. R. BAKHALE.

Our European Letter.

THE MANCHURIAN CRISIS.

(FROM OUR OWN CORRESPONDENT.)

GENEVA, NOV. 21.

THE deliberations of the League Council at Paris have not led to any definite settlement of the Manchurian dispute so far. The latest proposal of Japan is to invite a Mixed Commission under the auspices of the League to the scene of trouble. But even this proposal is subject to the condition that China should agree to respect the treaty rights of Japan. The position of the Chinese seems to be all but helpless. China cannot by force of arms assert her rights against a deliberate aggressor whose military

strength and tactics may compare favourably with those of any advanced Western power. So long as her territory is under occupation, direct negotiations with the enemy are naturally repugnant to her. Her only hope of redress is in League intervention—a hope which is bordering on despair.

The nature and extent of the so-called treaty rights of Japan in Manchuria are being closely scrutinised by the Council. The disputants are reported to have given all information regarding this matter. If Japan's anxiety is merely to provide adequate security to her nationals in Manchuria, the Council's task seems to be quite simple. It will have to isolate the clauses which specially relate to security of nationals from the rest of the treaties and ensure the observance of them by China. Japan's demands are, however, more extensive. She is insistent on the observance of every syllable of her alleged treaties. She will not allow the Hague Court to judge of their validity.

Helpless and weak as they are, the Chinese are not in a mood to capitulate and accept terms which are not only disadvantageous but also dishonourable. They cannot understand the dallying attitude of the Council, when the Covenant and the Kellog Pact clearly point to a certain direction. Japan has committed a glaring act of aggression. Whatever her grievances may be, she can seek redress through arbitration and conciliation—never through war. China is willing to submit to the decisions of an impartial tribunal in regard to the treaties which she is alleged to have violated. All that she asks for is "cease fire" and evacuation of Japanese troops from her soil. She invoked Article 11 of the Covenant for achieving this purpose. Unfortunately for her, that Article lays down that no resolution of the Council could be binding on the member states without the unanimous consent of the members of the Council including the disputants. The draft resolution of the Council, dated October 24, has no legal force, although its moral authority is said to be very great. Reports aver that in the event of inaction by the Council, she will invoke Article 15 of the Covenant, under which a resolution of the Council may be binding even without the consent of the contending parties. There is a general feeling of admiration in League circles at China's persistent attempts to make the best use of the League machinery. But her chances of success are in a large measure circumvented by the refractory attitude of Japan.

If the Sino-Japanese dispute is purely a juridical question, the solution is not far to seek. The difficulty is that it teems with political and economic complications. Rightly or wrongly, Japan has invested 2,000,000,000 yen in the South Manchurian Railway and has the right to station 15,000 soldiers there. Her million nationals are distributed all over the territory and cannot, therefore, be segregated and made to inhabit a definite zone of Japanese protection. It is notorious that the central Government of China lacks means of preserving law and order in Manchuria where banditry and crime have found a congenial home. The Chinese boycott is ruining Japan's trade. Already the Japanese cotton factories have run out of

raw materials and 30,000 workers are said to have swelled the unemployed ranks. The Japanese contend—not without some show of justification—that trade discrimination and hatred are subtle forms of warfare and that so long as the Chinese would indulge in such malpractices, they have every right to retaliate in self-defence.

The Chinese claims are equally logical and insistent. They deny the ratification of the Treaty of 1905 and point out that it is glaringly inconsistent with the Nine Power Pact of 1922. For instance, the cardinal principle of that pact is one of "open door" to China and any excessive privileges which Japan may seek to acquire in Manchuria are calculated to place the other signatories to that pact in a disadvantageous position. This is perhaps one of the reasons for the unwillingness on the part of the Great Powers to openly support Japan and preserve the traditional hegemony of the strong over the weak.

There is, however, no denying the fact that a considerable section of the British and French Press is giving every possible support to the Japanese case. The League's inability or unwillingness to hastily implement the coercive sanctions laid down in Article 16 of the Covenant has intensified the obstinacy of the Japanese Government and minimised its own prestige. But it should not be forgotten that any false step, which the Council may adopt in a hurry, spells danger not only to its reputation but also to its existence. The evolution of an efficient world order is always slow and if it is to be sure, principles, at any rate in the initial stages, should not be pressed to their logical extremes. It is true that Japan has flouted her solemn undertakings in regard to the Covenant, the Kellogg Pact and the Nine Power Pact. But it is equally true that Japan will not brook any intervention by the League except on her own terms. If the Council seeks to enforce its authority on Japan, it must be prepared to face the catastrophe of Japan's withdrawal of her membership of the League. When all avenues of negotiation are closed—and then only—the Council will be justified in dictating terms to Japan. That time has not yet come. Deliberations are going on at Paris and the representatives of the contending parties have been subjected to such minute interrogation that their claims must be well-known to the statesmen concerned. The next stage is the gradual rounding off of the sharp points of difference and narrowing down their scope to the minimum possible proportions. Very probably, the Council cannot be in a mood to take any dramatic steps before a Mixed Commission visits the scene of trouble and presents its observations and recommendations in the form of a report.

The terms of enquiry of this Commission have already given rise to some anxiety. Japan is eager to extend them to the conditions prevailing in China itself—a step which is bound to provoke a volley of protest from the Chinese. As the political independence and territorial integrity of China are recognised and protected by the League, the Council can under no pretext countenance the Japanese desire. But there are Powers, besides Japan, which are interested in

using this opportunity for ensuring the welfare and safety of their nationals in China. The pompous declaration, made by the Chinese Government some time ago, that extra-territoriality must disappear after the 1st of January 1932 is causing them considerable anxiety and doubts, and it partially accounts for the amazing degree of foreign support to Japan in her present dispute.

The only reasonable course open to the League in these circumstances is to pass a resolution, analogous to its September resolution and await the report of the Mixed Commission. Such a solution is by no means juridically perfect or ethically sound. But there is no other mode of saving the League from an utter collapse. In less than a decade, the League has come to stay and has certainly justified its existence. It is sheer folly to overthrow it all on a sudden; for we may not start again in our life-time, nor is there the assurance that we will build better. Some more years must inevitably elapse before the coercive sanctions of Article 16 of the Covenant assume real significance in practice. So long as America will keep out of the League and insist on her rights of neutrality and the freedom of the seas, so long as Russia can afford to set at naught international action by the "capitalistic Powers," so long as Great Britain will obstruct any attempt to revive the Geneva Protocol, there is no use criticising the League for the wide divergence between its professions and practices. In regard to the Manchurian dispute, the League cannot count upon American support for launching an economic blockade or a military campaign against Japan. Obsessed with grave economic problems of their own, the other Powers have no desire to enter into a conflict which will only add to their financial burdens. There is, however, one ray of hope. The European Powers realise that continued ill feelings between China and Japan will seriously injure their trade in the Far East and motives of self-interest may yet drive them to prevent the recrudescence of warfare in Manchuria. One consequence will be—and that is what matters most—the strengthening of the League and of all that stability and progress which the League stands for.

Reviews.

BRITISH ELECTRICAL INDUSTRY.

THE ELECTRICAL INDUSTRY OF GREAT BRITAIN: ORGANIZATION, EFFICIENCY IN PRODUCTION AND WORLD COMPETITIVE POSITION. (Beama Publication Department, London.) 1929. 29cm. 233p. £ 2/2.

THIS exhaustive monograph published by the Economic and Statistical Department of the British Electrical and Allied Manufacturers' Association is a worthy example of the type of economic investigation which manufacturers in these days of "rationalisation" have begun to undertake. The purpose and significance of the monograph are clearly explained at the outset, the main purpose being the substitution of a reasoned and statistically developed argument in place of guesswork based on purely empirical knowledge. It is needless to say that the monograph covers

the whole field thoroughly and that exposition and argument is everywhere supported by the most elaborate statistical tables. The history, the present position and the future possibilities of the growth of the industry in Great Britain are fully explained, special insistence being placed on a comparison with the other leading countries of the world.

The first chapter of the monograph describes in a general way the various parts of the structure of the industry and their inter-relation. The next three chapters deal with the present position of the industry. The second chapter which deals with electrical manufacture shows that the British industry, in spite of some peculiar disadvantages under which it labours, is quite as efficient as the industry in any other country and that it had during recent years of depression progressively met the difficulties by rationalisation and by the process of amalgamation and federation. The third chapter describes the world competitive position with regard to export trade. The British position in the world export trade which was very strong before the War was considerably undermined during the war years. Since the year 1920, however, the recovery has been very rapid. It is pointed out that outside Europe, the Dominions and India, the progress of electrification has not been rapid. The chief competitors of Great Britain in the post-War period have been U. S. A. and Germany. In the case of Germany considerable stress is laid on the danger to British industry arising out of the reparations payments in kind. How the reparations deliveries have placed a premium on German exports is explained in detail with the help of concrete illustrations. As for U. S. A. it is shown that financial prostration in various parts of the world by that country has been one of the main reasons of its increased exports. The existence of an extensive home market is also a considerable asset to U. S. A. manufacturers. The general conclusion is, however, reached that the export position of Great Britain is not bad and that the future is promising if steps in the right direction are taken.

Chapter IV deals with organization and growth of the home market. In this the growth of electrical supply and the industrial demand in Great Britain is contrasted with other countries specially U. S. A. and Germany. It is pointed out how the different course of industrial history makes for the possibility of a quicker or slower modernisation of equipment in various industries. We would specially invite the attention of our readers to sec. IV of this chapter. In this section are presented the results of an important investigation regarding the comparative economic development (from the point of view, of course, of the electrical industry) of ten important industrial countries. Four factors are enumerated, in the order of their relative importance, as giving jointly the proper index of the industrial significance of a country. India, unfortunately, is not one of the countries included in these comparative tables and we are doubtful whether it would be possible to collect independently similar material regarding this country. In the last section of this chapter an attempt is made to estimate the potentialities of the development of the home market in Great Britain.

The last three chapters discuss the future of the industry. The work of the Electricity Commission and the Weir Committee is described and the programme of the Central Electricity Board is outlined. It is instructive for us in India to note how even in a highly advanced country like England a careful national planning and control of the development of such fundamental economic activities is being progressively undertaken. How much more is such a work necessary in a country like ours? Special attention may also be drawn to the discussion of the question of the stimulation

of consumption in small industries and agriculture and the tables showing the costs of production in water power and steam power stations. On p. 187 are summed up the essentials of a national power policy. It should be remarked that great emphasis is herein laid on Power Finance in helping the export trade. It is laid down as an important essential that the Trade Facilities Act should be employed very fully for export work and that it should be accompanied by provision of special facilities for economic development in new markets, especially within the Empire. On p. 183 is given an interesting analysis of the capital issues of foreign electrical companies in London during the years 1925-29 and it is pointed out that only a small proportion of these issues have benefitted British manufacturers. It is urged that the attitude of the capital market must change and instead of having an eye purely on yield and security some selective principle in the flotation of new capital issues in London must be adopted. Indeed, Power Finance seems to be the main point of emphasis throughout the whole discussion of future policies and Appendix A is wholly devoted to an examination of the financial penetration in Canada of U. S. A. and its effects on British exports to that country. It is extremely important for publicists in an undeveloped country like India to note the full implications, made clear in a publication like this, of seeking the assistance of foreign capital.

The monograph is, as we have said in the beginning, an admirable example of this type of investigation and is indispensable to anybody who desires to study the position of the electrical industry in any part of the world. When will the Indian industrialists, we wonder, become alive to the necessity of economic research?

D. R. GADGIL.

FILIPINO PROBLEM IN U. S. A.

FILIPINO IMMIGRATION TO CONTINENTAL UNITED STATES AND TO HAWAII. By BRUNO LASKER. (The University of Chicago Press.) 1930. 24cm. 445p. \$ 4-00.

THIS admirably comprehensive piece of work is the result of a growing feeling among the Americans to exclude Filipinos from the United States. We are told that United States is facing a new problem of Filipino mass immigration. These people are the "subjects" of the United States and every change in their status reacts upon the Philippines. Filipino migration to the United States began in large numbers several years after the end of the war. There are about 60,000 Filipinos in the United States today. The main reason for the demand of restrictive legislative measures against the Filipino, according to the author, is that he is unaware of "our taste and customs and transgresses the sense of native-born people of what is fit and proper in his social conduct. He is suspected of immoral attitude and of criminal tendencies." There is not much economic competition between Filipinos and white Americans as it is limited almost entirely to wage-earning occupations of the lowest paid kinds. American Negroes are more hard hit by the unrestricted Filipino immigration than the white Americans. But the danger, says the author, lies in the fact that if Filipinos were to come in large numbers and were to settle in the country, they would in the course of time become more fluent in the use of the English language and would drift into other occupations and thus create serious competition with the white Americans. Regarding the stigma of immorality against Filipinos in the United States, the author is of opinion that in their attitude towards members of the other sex, they do not differ

much from any other group of young men finding itself in a foreign country far from the control of family life. We are further told that the Filipino delinquency rate is not large in so far as it can be measured by Court convictions. But there are problems which the Filipinos themselves have to encounter in the U. S. A. The Philippines are an American possession and while the U. S. A. attempt to regulate the Filipino immigration they are restricting the movement of their own "nationals." The Filipinos have to encounter race prejudice; they fall victims to the exploitation of labour agents, contractors, foremen and gamblers. The permanent settlement of the Filipinos in America is feared; and these fears react against them. The campaign of exclusion has helped to spread and intensify antagonism toward Filipinos. It has made it difficult for them to secure jobs. But the agitation against them in the U. S. A. has given them new opportunities of getting a hearing for the political aspirations of their country. According to the author, the demand for the immediate and complete stoppage of Filipino immigration is on the ground that it is in the interest of both Filipinos and America but is not justified by facts.

The learned author has compiled valuable material and placed it before his countrymen to enable them consider and answer for themselves the question: Can the movement of the Filipinos to the mainland of the United States be stopped in the immediate future without injury to American foreign relations in the Far East, without precipitating an unwise and dangerous change in our political relations with the Philippine Islands, without upsetting the labour situation in Hawaii, and without prejudice to the legitimate ambitions of the Filipino people themselves?

The author in this remarkable survey of the Filipino problem in the U. S. A. has himself tried to answer this difficult question. The impression the book leaves upon one's mind is that the United States have a problem, but they themselves are responsible for creating it and that in their attempt to find a way out of it they are avoiding the only solution.

S. A. WAIZ.

SOCIAL REFORMERS OR REVOLUTIONARIES?

CHRISTIAN SOCIAL REFORMERS OF THE NINETEENTH CENTURY. By VARIOUS AUTHORS. Ed. BY HUGH MARTIN. (S. C. M. London.) 20cm. 242p. 7/6.

THE Student Christian Movement is bringing out books of sterling worth—of such worth, indeed, uniformly, that one should need no further incentive to get hold of their publications than that they are bringing them out. If they are not having more books of the classical sort to their credit, it is because anyone can safely venture to produce classical things without risk of being shelved aside; to stick systematically to a course of books that cannot catch the eye of the sensational element in the reading public, but which is by far calculated to benefit them best by sustained sobriety, sturdy commonsense and sane idealism, calls for the healthiest qualities in the corporate character of the book-producer. The books coming from the S. C. M. are by no means self-sufficient; but they are a healthy and helpful guide to wider and deeper knowledge—and the present volume ranks among this class. The longest sketch in this book does not exceed thirty-five pages—some of them are even so short and scrappy as to be a matter of ten hasty pages. No one would be satisfied with such

provoking brevity when dealing with personalities like William Wilberforce and Charles Dickens. These are more character sketches than life sketches. But their value in themselves is assured, and the appetite for "more" must be the main objective in reading them.

Who has not read of the brave Prisoners' Friend John Howard and of Wilberforce and Florence Nightingale, not to mention Dickens and William Morris? The Rev. William Temple's Introduction: "The Christian Social Movement in the XIX Century," is a fine specimen of that concise, moderate and at the same time incisive method of mental survey of which the Archbishop of York is such a master. The book includes contributions from such men as A. Fenner-Brockway, Prof. Coupland and other writers, and the pictures presented of familiar and arresting personalities are illuminating and suggestive.

One could, however, wish that the publishers had been a little less non-spectacular in their title, and chosen something more indicative of the characters dealt with in its pages than the mild, and rather unappealing one of "Social Reformers". We notice that they have inserted a quiet and as they say, "unnecessary" explanation that the inclusion of John Howard among Nineteenth Century Reformers was due to the fact that he belonged, in spirit, if not in date to the nineteenth century. But another and a more glaring incongruity in the book is the fact that the title is quite unsuited to any of the persons discussed in it: Wilberforce and Dickens, Howard and James Keir Hardie, Florence Nightingale and William Morris: they were not Social Reformers: they were Revolutionaries, pure and simple.

A. MADHAVA MENON.

SHORT NOTICE.

THE WORK OF THE INTERNATIONAL LABOUR ORGANIZATION. (National Industrial Conference Board, New York.) 20cm. 197p. \$2.50.

THE National Industrial Conference Board, New York, has done a great service in studying the progress of the work of the International Labour Organisation of the League of Nations and giving a connected account of its work, aspirations and accomplishment during the last ten years of its existence. The review of its work is quite welcome in view of the importance of the Organisation as an instrument for international cooperation in matters affecting labour and industry.

The first chapter deals with the structure of the Organisation. Labour problems in industry and commerce especially in regard to the employment of women and young persons and the question of social insurance are dealt with in the second chapter. The third and the fourth chapters relate to maritime and migration problems and labour in agriculture. The book throws light on many problems which enter into the field of international regulation of labour conditions. It contains a comprehensive analysis of the draft conventions and recommendations adopted by the International Labour Conference and of the action taken by the various member nations. It presents clearly the various obstacles that make the adoption of an internationally uniform labour standard difficult. The book is a very admirable review of the work of the International Labour Organisation.

K. S. V.

Miscellaneous.

LABOUR UNDER FEDERAL GOVERNMENT.

MR. JOSHI'S SPEECH IN FEDERAL STRUCTURE COMMITTEE.

Mr. N. M. Joshi M. L. A., made the following speech on the subject of the place of labour legislation in the federal scheme in the Federal Structure Sub-Committee of the R. T. C. on 17th November :—

I thank you, Lord Chancellor, for giving me this opportunity of placing before this Committee the subject of Labour. I propose to raise two questions, My Lord. The first question is that the Federal Legislature should be empowered to deal with labour questions, and the second question with which I propose to deal is that the Federal Government and the Federal Legislature should also be empowered to deal with the question of the ratification of International Labour Conventions. These subjects were not dealt with—at least adequately—by the last Session of the Federal Structure Committee.

CHAIRMAN: I am very sorry, Mr. Joshi, but I was thinking of something else for the moment. Would you just repeat these two questions quite briefly, because I am most anxious to follow you?

MR. JOSHI: I propose first to deal with the question of the Federal Legislature being empowered to deal with labour questions, and secondly the question that the Federal Government and the Federal Legislature should also be empowered to deal with questions arising out of the ratification of International Labour Conventions. These questions were not adequately dealt with last year and in the early part of this year when the first Round Table Conference met. The principles of the question were indirectly, in my judgment, discussed when we discussed the question of Customs; and the principle of the second question was partly discussed yesterday by Sir Tej Sapru when he argued the question of External Relations as regards economic matters.

My Lord Chancellor, in the report of the Federal Structure Committee presented at the last Session labour questions such as factories, the settlement of labour disputes, and welfare, as given on page 287, have been made Provincial subjects subject to Central legislation; but the Committee also has suggested that the Provincial Legislatures should have concurrent powers of legislation, the previous sanction of the Governor-General not being required in the case of Provincial legislation. This is in the list of Provincial subjects—List C item 26. This is what has been proposed by the Federal Structure Committee.

In my judgment, Lord Chancellor, the best arrangement will be that both the Federal Legislature and the Provincial Legislatures should have power to deal with labour questions. They should have power to legislate on labour matters and also to administer this legislation. In the case of Provincial legislation it will of course be administered by Provincial Legislatures and Provincial Governments. In the case of Federal legislation it may be, according to the nature of the legislation, administered by the Provinces and other constituent units of the Federation, or it may be administered by the Federal Government itself.

The defects of the arrangement proposed by the Federal Structure Committee are two. In the first place they do not enable the Federal Legislature to pass legislation on labour questions. I shall deal

with this a little later on. The second defect is that if you leave labour legislation to the Centre and leave the administration to the Provinces, there is a likelihood of difficulties arising, especially as regards the financial matters. The Central Legislature may pass legislation and expect the Provincial Governments and Provincial Legislatures to spend money. Naturally there will be difficulties when one legislature passes legislation and expects the other legislature to spend the money.

There may be other difficulties also, because we have among the Federal subjects such subjects as railways, port trusts and shipping. The administration of labour laws as regards these will also be a difficulty. I shall deal with those difficulties a little later on. But I feel that if you leave the administration to Provinces and the legislation to the Centre, there is bound to be a difficulty, especially a difficulty as regards finances. The financial difficulty, in my judgment, to some extent would be overcome by giving power to the Federal Government and the Federal Legislature to spend money on the legislation which they would pass, even though the administration may be Provincial. According to the present Government of India Act the Government of India is not able to spend money on those subjects which are Provincial, although the legislation is Central. This has created some difficulty even under the present constitution, and the difficulty may be increased unless we empower the Federal Government to spend money on labour questions. Especially on those questions on which the Federal or the Central Legislature legislates there will be difficulties.

At this stage, Lord Chancellor, I do not propose to disturb the whole arrangement proposed by the Federal Structure Committee. They may keep the administration Provincial, but they will have to give power to the Central or the Federal Government to spend money on those matters on which they would legislate. This would to a great extent obviate the difficulties that may be caused by the Central Legislature and the Federal Legislature legislating and asking the Provinces and the States to administer the legislation.

Lord Chancellor, I shall now deal with the second defect of the present arrangement, namely, that labour questions should be within the purview of the Federal Legislature. My reasons for proposing that labour legislation should be Federal in the sense that the Provincial Legislature would have also power, while the Federal Legislature would also have similar power to legislate, are these. When I say that labour should be made a Federal subject. I do not mean that the power of the States and of the Provinces to legislate and to administer labour matters should be taken away. The powers should be concurrent. The reason, Lord Chancellor, is that labour legislation by its very nature must be Federal. When we make customs and tariffs Federal, the principle is the same.

If you allow the different constituent units of the Federation to impose tariffs or customs amongst themselves and against each other, you give protection to industries in one part of the Federation against those in another; but the same kind of protection is indirectly given to industries in one part of the Federation by allowing that part to have no legislation on labour matters. I do not suggest that labour legislation necessarily means an increased cost of production, but also I do not deny that in some cases labour legislation will mean increased cost of production; and, if the cost of production in one part of the Federation is increased on account of labour legislation, then to that extent the industries in that part of the Federation where there is no la-

bour legislation will get protection against the other part.

This is a principle which can be easily understood, and we accepted this principle when we made Customs and Tariffs a Federal subject. We also accepted this principle when we discussed the question of Federal Finance, inasmuch as we accepted the principle that one part of the Federation should not create trade barriers against the other parts of the Federation. We have therefore accepted this principle. It was on account of the same principle that the necessity was felt for the creation of the International Labour Organisation. The principle is the same, namely, that labour legislation in one part of the country, or even in one part of the world, cannot progress beyond a certain limit unless the other parts are also willing to make progress.

The difficulties are created even to-day, and we are quite sure that if labour legislation remains on different standards in the Indian States as well as in British India, there is a danger and a likelihood of industries passing from one part of the country to the other.

Moreover, Lord Chancellor, we have made Ports, Shipping and Railways Federal subjects. Now, there are a large number of workers engaged in ports, engaged in shipping and engaged on the railways. You cannot have labour legislation which may be passed by the Central Legislature but administered provincially, which is not Federal; if labour legislation as applied to these workers is not Federal, there are bound to be difficulties. You may have a railway line which passes through British India and also through the territory of Indian States. If the hours of work on that railway are controlled in British India but not in the States, as soon as a driver enters the territory of an Indian State, he will not be subject to any labour legislation, and that is bound to create a difficulty. In the same way, if workers working in the Port of Bombay are protected by legislation, and if workers working in the Port of Bhavnagar are not protected, then the Port charges in Bombay are likely to be higher than similar charges in Bhavnagar, and the port traffic is likely to pass through Bhavnagar. The same principle applies to seamen.

I therefore feel that the right solution, when we have such subjects as railways, shipping and ports Federal, is that the Federal Government should be empowered to deal with labour legislation.

The Whitley Commission considered this question, and came to the conclusion that the right way of dealing with this question is to make the subject a Federal one, although the Commission felt some difficulty in making a positive recommendation on account of the fact that the Commission was appointed to deal with conditions arising in British India alone. This is what they say at page 474 of their Report:

"So long as there exists side by side areas in which legislation is comparatively backward, there will be a handicap to progress in the rest of India. There are, therefore, good grounds for making labour legislation both a federal and a provincial subject."

The Commission point out that there are other difficulties existing in Punjab and in Rajputana, where there are States which have got no legislation and there are British territories which have got legislation on this subject. Lord Chancellor, if you do not make labour legislation Federal the protection given by the International Labour Organisation to Labour in India will also be to some extent reduced. At present India ratifies certain conventions of the International Labour Organisation, and to that extent workers in India get protection from these conven-

tions, but if we have a Federal constitution where the Federal Government will not have power to ratify conventions the protection will be less, because the constitution of the International Labour Organisation states this at Section 405 of the Peace Treaty, sub-section (9):

"In the case of a federal State, the power of which to enter into conventions on Labour matters is subject to limitations, it shall be in the discretion of that Government to treat a draft convention to which such limitations apply as a recommendation only, and the provisions of this Article with respect to recommendations shall apply in such case."

The difference between a recommendation and a convention is that in case of a convention when a Government accepts it the whole convention, both in letter and in spirit, is applicable to that territory, but in the case of a recommendation the action is optional; it is left to the option of the Government whatever action the Government think wise to take they may take; they are not bound to take any particular action in the case of a recommendation. In the case of a convention they must take action in accordance with the letter of the convention. So in the case of a Federal constitution where there is no power in the Federal Government to ratify conventions and pass legislation to implement those conventions, the protection to the workers from the International Labour Organisation becomes less.

Now, this difficulty created by labour legislation not being made federal has been felt in other Federal countries. Take, for instance, Canada and the United States of America. In Canada labour legislation is a provincial subject, but there were many occasions, and especially now under the present conditions of trade depression, on which the Governments have begun to feel difficulty.

In the first place, in the matter of trade disputes they passed a Canadian Act which applied to all Canada, because they felt that such an Act was absolutely necessary, that there was the necessity of having one Act. Unfortunately, on account of the constitutional difficulties, that Act, although it remained on the Statute Book for many years and was put into practice for many years, has now been declared invalid.

Moreover, the Canadian Government also thought it necessary to have one legislation for health insurance. They could not pass one legislation for the whole of Canada, so they had to allow the provincial governments to pass laws on health insurance. The provincial governments could not finance the Health Insurance Act. Therefore, the Federal Government contributes money to the provincial governments which pass legislation on Health Insurance; with the result that, although taxation is paid by all the provinces in Canada, out of that taxation contributions are paid only to those States which pass legislation on health insurance. Therefore, those Provinces which do not pass legislation on health insurance pay taxes to the Federal Government but do not get the benefit of them.

At present, on account of the unemployment there, the Federal Government of Canada is considering ways and means of getting over the difficulty of dealing with unemployment, because unemployment cannot be dealt with provincially; it must be dealt with by the National Government, and they have no power to do it at present.

Similarly, in the United States they find it difficult to pass certain labour legislation, with the result that there is a danger felt by those States in the United States which have got such legislation that their industries will pass to other States. For instance, the Western States—what is called "New

England"—which have got better legislation are complaining, and asking their States to repeal the legislation in order that those States should be able to compete with the industries in the Southern States, because industry is passing from New England to the Southern States of the United States.

Therefore both Canada and the United States have experienced this difficulty.

Canada has also experienced difficulties in the matter of the ratification of Conventions. I stated in my speech in the Plenary Session last year that while India, which is industrially more backward than Canada, has ratified eleven conventions of the Independent Labour Office (because India had a unitary form of Government) Canada and Australia have ratified only four Conventions, and the only Conventions which they have ratified concern maritime workers; they could not ratify Conventions dealing with other workers at all.

Lord Chancellor, it is for these reasons that I feel that labour legislation must be made Federal.

There is one other thing I wish to say. On this point the States really need have no fear of British India being ranged against Indian India, because if you pass any piece of labour legislation there will be no separate interests of British India against the States. The Legislature, if it is divided, will be divided according to the interest—the employers and those who sympathise with the employers, and labour and those who sympathise with labour. Therefore there is no danger of British India being ranged against the Indian States at all. Moreover, I have absolutely no doubt that in the case of labour legislation being made Federal, even the employers will agree with me that the legislation must be made a federal subject.

My Lord Chancellor, there is one question which arises as regards labour being made a federal subject, and that is that on the whole there are many people who say that Provincial Councils will be more democratic than the Federal Legislature. I feel that a Provincial Council will be more democratic than the Federal Legislature, and may be more willing to pass legislation favouring labour.

But at the same time we have to remember that we are not preventing Provincial Legislatures from passing labour legislation; we are giving them the power; but the experience of the world has shown that, although Provincial Legislatures may have the willingness and the desire to pass the legislation, they will not be able to get over the difficulty caused by labour legislation not being passed simultaneously.

It is on account of these reasons, Lord Chancellor, that I propose that the Federal Legislature should be empowered to pass legislation on labour matters, and should be enabled to spend money on labour subjects.

Now, Lord Chancellor, I shall turn to the other subject, namely, the ratification of International Conventions. The present position is that India as a whole is a member of the League of Nations. But it is only British India that takes part in the Conferences of the International Labour Organisation. Although India as a whole is a member of the League of Nations, it is British India alone that ratifies the Conventions. My Lord Chancellor, this procedure is an irregular one. British India alone cannot ratify Conventions. If Conventions of the International Labour Organisation are to be ratified, they must be ratified by the whole of India. But although this procedure is an irregular one, the irregularity is tolerated because it is neither the interest of the International Labour

Organisation nor the interest of the workers in India to create a difficulty and prevent ratifications, a result which will happen if we insist upon the whole of India ratifying Conventions. But this difficulty will be removed when we have a Federal Government and a Federal Legislature. We shall have a Government and a Legislature that will deal with the whole of India. The present difficulty caused by the Government of India not having power to deal with labour matters as regards the Indian States will be removed when we have a Federal Legislature and a Federal Government that will be able to deal with labour matters. Therefore, the present anomaly of British India alone ratifying the Conventions need not be continued.

Under the present constitution proposed by the Federal Structure Committee there is no mention made as to which is the authority which is to ratify the Conventions of the International Labour Organisation; but I take it that, as external matters are left to the Crown to be dealt with, the ratification of the International Conventions will be a Crown subject, Lord Chancellor, this creates a difficulty. The Crown will have the power of ratifying the Conventions passed at the International Labour Conference, but we are not leaving it to the Crown to legislate on labour matters. The Crown cannot ratify Conventions and not be able to implement these Conventions because the Crown will have no power to legislate on labour matters. Therefore, the proper authority for ratifying Conventions is the Federal Government and the Federal Legislature, which should be empowered to pass legislation on labour matters. Lord Chancellor, if India, on account of the present constitution as proposed, is unable to ratify the Conventions of the International Labour Conference—which will happen if we leave the ratification in the hands of the Crown, which will have no power to legislate on labour matters—India will very much lose its prestige in the International World. At present, especially in the International Labour Organisation, India has got some prestige as leading the Asiatic countries in the matter of labour legislation; but if India is unable to ratify a Convention, India will lose that prestige; and, not only that, but on account of India being unable to ratify Conventions of the International Labour Organisation, both Japan and China will not ratify Conventions of the International Labour Organisation.

Moreover, if we are unable to take an effective part in the International Labour Organisation, our political status to a great extent will suffer internationally, which is a result that none of my countrymen would like to produce. I, therefore, feel, Lord Chancellor, that the ratification of the International Conventions should be a subject within the power of the Federal Government and of the Federal Legislature.

Lord Chancellor, I have now done, but before I close I wish to state what my exact proposal is. My proposal is, in the first place, that the Provincial Legislatures should be empowered to legislate as well as to administer legislation on labour questions. At the same time, the Federal Legislature should also have power to legislate on Federal matters, and the administration of the legislation should be left to the States and to the Provinces with one reservation, namely, that the Federal Government should have power to spend money on matters which are dealt with by the Federal Legislature.

My second proposal is that the ratification of International Conventions should be a matter within the authority of the Federal Government and the Federal Legislature.