

Proceedings
of the
Crop Planning Conference.

held at Simla
on the
8th and 9th June 1934.



PUBLISHED BY THE MANAGER OF PUBLICATIONS, DELHI.
PRINTED BY THE MANAGER, GOVERNMENT OF INDIA PRESS, SIMLA
1934

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CROP PLANNING CONFERENCE, JUNE, 1934.

AGENDA.

I.—RICE.

Consideration of the following questions :—

- (1) Keeping in view the world position, internal consumption, stocks carried over and decreased exports overseas, would it be correct to state that there is an over-production of rice (a) in rice producing provinces or other areas ; (b) in India as a whole.
- (2) If the answer to the first question is in the affirmative, what steps are desirable and practicable to deal with the problem—
 - A. By way of restriction of the area under rice.
 - (a) If restriction is recommended, what is the extent of the area to be reduced (if any) in the case of each rice producing province ?
 - (b) What are the alternative crops that are recommended in the case of each province or part of a province ? What are the difficulties in the way of the substitution ?
 - (c) In any such change-over, what would be the effects on the Government revenue, both in the shape of land assessment and water-rate, and what would be the effect on the land-owner and the cultivator ?
 - B. By way of development of markets (i) external and (ii) internal.
 In considering (i) discuss any existing restrictions and the possibility of their removal ; also the question of improvements in the quality or milling of the rice.
 Also consider in both cases the effect of railway and steamer freights.
- (3) In case of restriction of import of foreign rice into India.
 - (i) What would be the effect of such restriction on competition of foreign with Indian rice in outside markets ; and
 - (ii) What form is retaliation by the countries affected likely to take ?
- (4) Is the creation of some organisation necessary or desirable for the purpose of improving and developing the cultivation and marketing of rice ? If so, what should be its functions and composition and how should it be financed ? Should it be permanent ?

II.—WHEAT.

Consideration of the same questions as under rice.

III.—COTTON.

All that is contemplated is a general review of the position in order to have a complete picture of India's crops. No questions are set down as the subject is dealt with in detail by the Indian Central Cotton Committee.

IV.—JUTE.

It is suggested that a general review of the jute position would be sufficient as all the relevant issues have been set out in the Bengal Jute Inquiry Committee's Report which is now under consideration by the Bengal Government. The Secretary's note on jute summarises the position.

V.—OIL-SEEDS.

A. *Ground-nut and castor.*

(a) In view of the fall in exports of ground-nut and castor seed what measures are recommended by way of development of markets (i) external and (ii) internal.

In considering (i) discuss any existing restrictions and the possibility of their removal ; also the question of improvements in their quality and marketing.

Consider in both cases the effect of railway and steamer freights.

(b) In view of the increasing exports of ground-nut oil and castor oil, what steps should be taken to stimulate the oil crushing industry ?

B. *Linseed.*

In view of increasing exports, what steps, if any, should be taken to increase production and improve quality and marketing ?

Consider particularly the possibility of expansion in the Central Provinces, United Provinces and Bihar and Orissa.

C. *Rape and mustard, sesamum and cotton-seed.*

What measures are recommended by way of development of markets, external and internal ?

D. *Linseed, castor, ground-nut, rapeseed and sesamum oils.*

In view of the preference in the United Kingdom, are any steps recommended to stimulate the export trade in these oils ?

E. *Coconuts* are dealt with in a report by the Special Inquiry Officer which is under examination.

VI.—SUGARCANE.

Generally review the position. The matter is being dealt with in detail by the Sugar Committee.

VII.—TOBACCO.

Review the position (a) with regard to production of cigarette tobacco and (b) of improved varieties suitable for flue curing.

VIII.—FODDER CROPS.

IX.—FRUITS AND VEGETABLES (INCLUDING ROOTS).

X.—CEREALS OTHER THAN RICE AND WHEAT, SPECIALLY, BARLEY, JOWAR, BAJRA, MAIZE AND GRAM (INCLUDING PULSES).

Note by Vice-Chairman, Imperial Council of Agricultural Research, on the Proceedings of the Crop Planning Sub-Committee of the Advisory Board of the Imperial Council of Agricultural Research.

In the following note I have attempted to summarise the conclusions arrived at by the Sub-Committee of the Imperial Council of Agricultural Research that has been considering the subject of Crop Planning. The full proceedings are available to members that want them.

The items are dealt with according to the order in the Agenda paper.

I.—RICE.

(1) On behalf of Madras it was pointed out that there has been a change in the position of rice. Ten years ago it was thought that 40 per cent. of the population of Madras ate rice and on the assumption that an adult ate 1.25 lbs. per day it was supposed that there was a surplus in rice but that was not the position to-day. There had been a small increase in area but the population had increased by over 11 per cent. and many more people were now eating rice than was the case ten years ago. Consequently the assumed surpluses of ten years ago do not now exist. Madras consumed practically all the rice it produced and there were regular imports from Burma and there was therefore no case of over-production.

Bombay had to supplement its production of rice by imports from Burma and there was therefore no question of surplus. In Sind the production of rice was just equal to consumption.

Bengal's production was short of its needs by $1\frac{1}{2}$ lakhs of tons annually and that was supplemented from Burma.

The United Provinces were a deficit province in the matter of rice and had to supplement its production from the Central Provinces and Bengal. The question of rice was not important to the Punjab.

Bihar and Orissa, in spite of its large area under rice did not produce enough for its consumption and had to supplement its production from the Central Provinces and Bengal, the latter probably importing from Burma through Calcutta.

Central Provinces.—As regards the Central Provinces when the crop was a 11 annas crop, it was just sufficient for internal consumption. When the crop exceeded 11 annas it easily exported the surplus to the adjoining provinces.

In Assam the production and consumption were equal.

As regards Burma it had normally an exportable surplus of 3 million tons per annum but all the surplus passed at once into India proper, Ceylon, Malaya and the Far East. There was a very definite demand for Burma rice and there was no question of over-production.

It was agreed by the Sub-Committee that there was no over-production of rice either in India as a whole or in any part of it.

In view however of the fact that the countries of the east which were taking Indian rice, namely Ceylon, Malaya and Japan, were attempting to be self-sufficient in the matter of their rice production and that the last country had succeeded in becoming self-sufficient, and also of the competition that Indian rice was meeting with in foreign markets from Siam and

Indo-China in the East and Italy and Spain in the West it was urged that it would be wise to call a halt to a further expansion of the rice area in India. The following proposition was moved and carried by 7 votes against 5 :—

“ That in view of the present world conditions in the matter of rice production, no Provincial Government should ordinarily offer any stimulus to an increase in the present area under rice.”

The representatives from Bengal, Burma, the United Provinces, Sind and the Central Provinces constituted the minority.

(2) In view of the answer under (1) above no restriction is recommended and the questions under (2) A do not arise.

(2) B. As regards internal markets it was agreed that the development of internal markets was of great importance and that this development could best be pursued by means of the marketing scheme now under the separate consideration of the Imperial Council of Agricultural Research. As regards external markets the Sub-Committee made the following recommendations :—

- (i) that negotiations should be opened with Ceylon and British Malaya with a view to obtain preference for Indian rice,
- (ii) that as soon as financial circumstances permit the export duty on rice should be removed,
- (iii) that the specific duty imposed by the Ottawa Agreement on imports of rice from foreign countries to the United Kingdom should be extended on paddy to the extent of three farthings per lb. At present import of rice into the United Kingdom is subject to a specific duty of a penny per lb. while foreign paddy is taxed at 10 per cent. *ad valorem*. It was pointed out that Spain was increasing her exports of rice in the form of paddy to England in order to get the benefit of this differentiation, and
- (iv) that Burma and Bengal which produced rices suitable for English and Continental markets should continue their experiments in the matter of improving the quality of such rices.

As regards railway freights the Sub-Committee was informed by Mr. Calder of the Railway Board that a general reduction in the freights on agricultural commodities was not practicable but that where special rates were required to facilitate particular movements of special crops the question would always receive sympathetic consideration. The Railway Board would always consult agricultural officers and the new marketing staff in connection with such proposals.

(3) The Sub-Committee felt that it would not be wise to impose any restrictions on import of foreign rice into India by means of either an absolute prohibition or an unreasonably heavy tariff. It considered however that a reasonable and moderate rate of duty was unlikely to lead to retaliatory measures on the part of foreign governments affected and passed the following resolution :—

“ That an import duty at the rate of Rs. 1-4-0 per maund of rice and 15 annas per maund of paddy be imposed on imports of rice and paddy from foreign countries.”

(4) The Sub-Committee unanimously recommended that it was desirable to have a standing committee of the Imperial Council of Agricultural Research on rice. The functions of such a Committee which should be constituted under the Rules and Regulations of the Council, should be advisory and its constitution should be on the lines of the other standing committees of the Council. It should be financed from the funds of the Council.

The Director of Agriculture, Madras, under instructions from his Government asked that a quota should be fixed for rice which Burma was importing to Madras ports. The Sub-Committee was of the view that it was wrong in principle to suggest any restrictions on any inter-provincial trade within the Indian Empire. The proposal was not therefore approved.

II.—WHEAT.

(1) On behalf of the Punjab it was pointed out that in the last ten years the area under wheat had increased by 6 per cent. while the population had increased by 10 per cent. As regards the yield roughly half the area depended on rain and considering the not infrequent occurrence of bad monsoons, the production could not be termed excessive. The surpluses of normal years were easily disposed of by export to adjoining provinces and Calcutta. The real danger would arise when Sind increased its wheat area to the maximum limit of two million acres. The representative from Sind considered that with the normal growth in Indian population, the increasing consumption of wheat in preference to inferior grains and the risks to which food crops were exposed by vicissitudes of season, it would be unwise to limit the growing acreage under wheat in Sind. In any case, if the Sub-Committee decided that restriction was necessary, it should impose the restriction on an old province like the Punjab and not on Sind. For the United Provinces it was stated that with the increase in population the surplus of wheat in that province was nothing serious and was easily absorbed by the deficit provinces in India. In the Central Provinces the surplus was about 50,000 tons and there was no difficulty in exporting it to other parts of India. As regards Bihar and Orissa it was a deficit province in the matter of wheat and imported wheat for its own consumption from other areas of India. Bombay was hardly self-sufficient in the matter of wheat production and there was no question of over-production. The conclusion of the Sub-Committee was that there was no over-production at present. It was, however, pointed out by one of the members of the Sub-Committee that the internal requirements of India in the matter of wheat amounted to about $9\frac{1}{2}$ million tons annually, that no export market seemed possible for several years to come, and that in the current year but for unexpected seasonal damage the sown area of over 35 million acres of wheat in India should have produced a crop of about 11 million tons. He therefore proposed that something should be done to limit the production to the figure of $9\frac{1}{2}$ million tons. He suggested that the area under wheat in India as a whole should be reduced by 2 million acres and thought that on this area linseed and barley could be substituted for wheat with advantage. Finally he moved the following resolution :—

“ That keeping in view the world position in production and the trade in wheat it is undesirable that the area under wheat in India as a whole should exceed 33 million acres.”

This resolution was lost by 6 votes against 4. Then the following resolution was moved :—

“ In view of the world position in wheat and the possible danger of over-production this Sub-Committee recommends that no fresh stimulus should be given to the expansion of wheat cultivation in India and every effort should be made for the substitution of other crops for wheat.”

This resolution was agreed to unanimously.

(2) A. In view of the answer under (1) none of the three questions under A arise.

B. As regards external markets, in view of the fact that the carry over of wheat stocks outside India amount to more than a year's requirements of consuming countries, it was agreed that there was not much chance of India being in a position to export any wheat during the next few years. The following answer was returned unanimously :—

“ So long as world prices remained at the present level and the wheat import duty remained at the present level and the wheat import duty remains, there is no immediate prospect of developing external markets for Indian wheat.”

As regards internal markets and railway freights the same answer was returned as under rice.

(3) In view of the existence of the wheat import duty the questions under 3 do not arise.

(4) The Sub-Committee unanimously recommended the creation of a Standing Committee on wheat of the Advisory Board of the Imperial Council of Agricultural Research on the same terms as those suggested for the Committee on rice.

III.—COTTON.

The two questions to be considered in connection with cotton, *viz.*, the scope for an increase in the total area and the selection of varieties to be cultivated, were being dealt with carefully by a special Sub-Committee of the Indian Central Cotton Committee. It was not therefore necessary for this Sub-Committee to go into the matter.

IV.—JUTE.

All the questions in connection with Jute were, as explained in the printed note circulated to the Sub-Committee, under the consideration of the Bengal Government on the report of their Special Enquiry Committee and the Sub-Committee considered that no action at this stage was necessary.

V.—OIL-SEEDS.

A.—*Ground-nut and castor.*

(a) As regards ground-nut, the Sub-Committee came to the conclusion that there was no need for placing any restrictions on its cultivation, but that there might be room for cautious expansion. With reference to

external markets, in view of the growing competition in the United Kingdom market from foreign Soya Beans and other oil-seeds and from foreign fats and oils, the Sub-Committee passed the following resolution :—

“ That this Sub-Committee recommends that the Government of the United Kingdom be approached with a proposal to impose an import duty on all foreign fats, oils and oil-seeds which compete with oil-seeds produced in the Empire.”

As regards castor seed, the Sub-Committee considered that its position was satisfactory and that there was room for its development rather than for its restriction. The Indian Oil Crushing Industry Committee of the Imperial Council of Agricultural Research was dealing comprehensively with the questions of the improvements in the quality and marketing of all oil-seeds and these questions may safely be left to that body.

(b) It was pointed out that there had been great increases in the export of groundnut oil, especially to the United Kingdom, after the grant of the Ottawa Preferences and that the question of stimulating the industry might be left to the Indian Oil Crushing Industry Committee of the Imperial Council of Agricultural Research.

B.—*Linseed.*

The large increases in the exports of linseed to the United Kingdom since the grant of Ottawa Preferences were pointed out and the Sub-Committee emphasized the need for extending the cultivation of linseed in India, especially of the improved rust resistant varieties. It was also agreed that the favourable position in regard to linseed should be made widely known amongst cultivators and merchants.

C.—*Rape and mustard, sesamum and cotton-seed.*

So far as foreign exports were concerned the resolution referred to under A (a)—Groundnut—would cover the case of these oil-seeds. The question of developing internal markets should be left to the Indian Oil Crushing Industry Committee of the Council.

D.—*Linseed, castor, ground-nut, rapeseed and sesamum oils.*

Complaints had been made by merchants in Bombay that facilities for tank wagons on railways and tank accommodation on steamers and facilities for storage of these oils at the Indian sea ports were lacking. The Sub-Committee resolved that action should be taken to improve the position in these respects.

VI.—SUGARCANE.

The following resolution was adopted :—

“ From the point of view of general crop-planning the sugarcane area in India is not so large as to affect the general question. There is insufficient knowledge of the production and consumption of *gur* to enable the Sub-Committee to make any specific recommendation regarding the maximum sugarcane area.”

VII.—TOBACCO.

The Sub-Committee considered that there was ample scope for an expansion of area under tobacco provided it was of the right type. The bulk of tobacco produced in India was consumed in India itself; this was the heavy type of tobacco. What India required to develop was the light bright tobacco which was suitable for cigarettes. The Committee noted with satisfaction the progress made in this direction and considered that this crop could be adequately dealt with by the Tobacco Committee which was shortly to be formed by the Council.

VIII.—FODDER CROPS.

It was considered that there was great scope in India for an increase of fodder crops but that propaganda for this purpose would be ineffective unless an incentive was given to the ryot to grow fodder where it was not now grown. The Committee was of opinion that this could best be done by a stimulus to the indigenous dairy industry. The following resolution was passed :—

“ In order to develop and organise the Indian dairy industry this Sub-Committee recommends that a protective duty be levied upon all imports of dairy products which are or can be produced in this country.”

IX.—FRUITS AND VEGETABLES (INCLUDING ROOTS).

The Sub-Committee noted that at the present moment all the provinces were making special efforts to extend and improve these crops and considered that their efforts should be co-ordinated more than they were now.

X.—CEREALS OTHER THAN RICE AND WHEAT, SPECIALLY BARLEY, JOWAR, BAJRA, MAIZE AND GRAM (INCLUDING PULSES).

It was considered that statistics in respect of these crops were extremely insufficient and the Sub-Committee commended to the Government of India the possibility of including the crops mentioned under this subject in the all-India Forecasts.

General.

In view of the Sub-Committee's decision not to recommend any restrictions on the present areas under rice and wheat, the question of suggesting substitutes for these crops did not arise. The Sub-Committee however considered that in the interest of sound crop planning the question of alternative crops should be discussed. It was pointed out by one of the Local Governments' representatives that there was no possibility of taking any steps in this direction during the coming year. It was a matter not for one year or two but at the lowest for ten years. The following suggestions were made :—

- (i) *Madras.*—Madras could increase its area under cambodia cotton by 50,000 acres. It could put in another 50,000 acres under sugarcane in the next three or four years by which time Madras considered it would be self-supporting in the matter of sugarcane. In the last five years it had increased the area under plantains by 14 per cent. It could increase its area still further if the railways would agree to

grant concessional rates for fruits and facilities for their transport.

- (ii) *Bombay*.—Bombay considered that the area under sugarcane, mangoes, plantains and pine apples could be increased.
- (iii) *Bengal*.—Bengal had recently increased its sugarcane area but there was scope for some more increase. It could also increase its area under fodder crops as a ready market for milk and milk products existed in Calcutta. What was required was a stimulus to the Indian dairy industry.
- (iv) *United Provinces*.—In the United Provinces there was room for a high quality of barley suitable for malting. It could increase the area under linseed with proper rust resisting varieties and also under san hemp.
- (v) *Punjab*.—In the Punjab there was no information available about substitute crops except in respect of Soya Bean in the case of which prices were however very low. The Sub-Committee suggested that an experimental consignment of suitable soya beans of uniform variety should be sent to England.
- (vi) *Burma*.—As regards Burma it was pointed out that the only alternative crop possible is sugarcane and the maximum limit to which this could be increased was 100,000 acres even under favourable conditions.
- (vii) *Bihar and Orissa*.—Bihar and Orissa was hoping to show a further increase under sugarcane. Its autumn rice in unprotected areas in Bihar proper was precarious and it was quite prepared to replace it by more remunerative crops. If protection is afforded to the Indian dairy industry, the Province would gladly go in for fodder crops for which there is a great need. It could also increase its area under linseed with efficient marketing.
- (viii) The Central Provinces are already taking steps to increase the area under linseed but there were difficulties chiefly connected with the price in this connection. It could also increase the acreage under groundnut and sesamum.
- (ix) Assam thought that there was scope for the expansion of area under linseed and sugarcane.

The Sub-Committee was of the opinion that one great obstacle in the way of alternative crops was the absence of inducement to the ryot to grow them. It thought that some security should be afforded against competition from foreign countries and passed the following resolution :—

“ That in order to promote the more efficient production and marketing of Indian agricultural produce, this Sub-Committee recommends that the Government of India should consider the advisability of imposing protective duties on the imports of animal and agricultural produce which compete with home-grown produce.”

In order to improve agricultural statistics the Sub-Committee also made the following recommendations :—

- (i) that in the monthly railborne trade returns figures should be given by trade blocks instead of by provinces only ; also that the value of commodities should be given if practicable, and
 - (ii) that the railway freights for agricultural commodities from and to representative centres should be published in the weekly Indian Trade Journal. The Railway Board's representative thought that there would be no difficulty in accepting this recommendation.
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PROCEEDINGS.

Friday, the 8th June 1934.

The Crop Planning Conference met in the Members Room of the Legislative Assembly Chamber at 10 a.m., the Hon'ble Khan Bahadur Mian Sir Fazl-i-Husain in the Chair.

In opening the proceedings of the Conference, the Chairman made the following remarks :

Gentlemen : Before we proceed with our work, I think I ought to welcome you to Simla. Representatives from Madras, Burma and Assam have had a very long, tedious and probably troublesome journey to get through, and those of you who have been at work during the last three days in the Advisory Committee have not had, I think, time to get any rest after your arduous journey. From what I have seen of the Agenda it seems that there is not much rest in store for you during the next two days. However, my apology for giving you all this trouble to come these long distances is the extreme importance of the work that is to be done by this Conference. We know too well the gravity of the situation. We also know that for some three years or more the situation has been very grave and the hopes that were at one time entertained of this wretched economic depression passing away have not been realised. Some people who are not as optimistic as others are inclined to the view that we must not treat this economic depression lightly and make ourselves believe that it is but a passing phase but that we had better deal with it seriously and see what, if anything, can be done. From time to time people have been urging the raising of the prices. If we can raise the prices, the whole trouble will be over. When news comes to India from other great countries of the heroic efforts that are being made to raise the prices, naturally we ourselves as well as the masses feel, "If other people are trying to raise the prices, why should we not do the same?" From time to time suggestions have been made of altering the exchange ratio and increasing the currency and I have no doubt the members of the Conference are fully aware of the fact that these possibilities have been most carefully considered, and it is only because it has not been found possible to proceed along those lines that no particular action has been taken. The third possibility that has been suggested is : Is there not something wrong in the crop planning of India ? Is the area under cultivation in India being put to its best possible use, producing the largest possible amount of wealth ? Is it not possible that there might be some commodities which are over-produced or some commodities which are not produced in sufficiently large quantities ? If so, there must be a re-adjustment. This is really the subject which this Conference has been called to discuss. The immediate cause of calling this Conference was certain discussions which took place when the Provincial Economic Conference met in Delhi. I believe some of you were present in that Conference. There the question of rural indebtedness was taken up and kindred subjects were also discussed. There a number of representatives from various provinces urged that possibly relief might be obtained if the

possibilities of suitable cropping were examined. These suggestions were taken up by us and the Council of Agricultural Research set itself the task of collecting all relevant material. I believe that material has been circulated to all the honourable members of the Crop Planning Conference under the heading "Statistics and Graphs". Of course, this is just a mass of statistics but I have no doubt that with your expert knowledge of these affairs you will be able to draw inferences from them and perhaps formulate schemes. Then there are a large number of notes written by Directors of Agriculture from different provinces and these afford the most valuable material for the consideration of this Conference. Then there are three or four notes on some important subjects like jute, sugarcane and cotton, subjects which are already being dealt with by special committees of an All-India nature or, at all events, of a nature on which all interests relating to that subject are represented. Therefore, it is not necessary for me to detain this Conference for any length of time. Here we have a mass of material which was presented to the Advisory Committee, which was requested to deal with an agenda and give advice on the various items covered by that agenda. I believe the proceedings of the first day and of the second day of the Conference have already been circulated to honourable members. The proceedings of the third day will probably be circulated by this afternoon, and we are indebted to the Vice-Chairman of the Council for the Note which he hurriedly prepared last night and which I believe has also been circulated. Some members may have had time with their early breakfast to have glanced at it: others may not have had time. I think the best course for the Conference to pursue would be to take up this agenda (pages 5-6 *ante*) and, in the light of that Note (pages 7-14 *ante*) and the proceedings of the first day of the Committee, to proceed to deal with this agenda. Unless there is a suggestion different from this, this is the course I intend to pursue.

The first item on the agenda is Rice—consideration of the questions set down. I believe Members have this agenda before them. I believe it would be best if opinions on the subject were expressed by Provinces rather than by individuals. I shall be glad to hear Madras on the subject.

Mr. H. M. Hood.—Sir, the first question is whether in the opinion of the Madras Government there is over-production of rice; and I think I can answer that question on behalf of Madras very briefly indeed. The Madras view is, very emphatically, that so far as the Madras Presidency is concerned, there is no over-production of rice. The area under rice is about 30 per cent. of the total cultivated area. That percentage has not increased materially. In fact I think it has slightly diminished in the course of the last ten years. The actual area under rice has slightly increased, the production has accordingly increased to a certain small extent over that period, but it has not increased anything like as much as has the population of the Presidency; and the Madras Government think there can be very little question that so far as this province is concerned, there is no such thing as the over-production of rice.

Chairman.—Perhaps there are a few points some members would like to be more definite about. It is stated, for instance, that an adult in Madras eats 1.25 lbs. per day of rice. Is that correct?

Mr. H. M. Hood.—That is the figure taken from the jail rations.

Diwan Bahadur T. Raghaviah.—Ordinarily the Madras prisoner does not get rice every day but he is allowed rice every day for certain special reasons. The scale allowed is 1.25 lbs. per day. He also gets some vegetables, dal, and gingili oil in addition.

Mr. H. M. Hood.—According to the experiments of the dietetic experts (Col. McCarrison for instance) they have put down the requirements of an adult at about a pound and a half of cereals a day, but that is in addition to vegetables, I believe, and other articles of diet. But in the case of the Madras ryot and the population at large, they do not get the extra vegetables and so forth to a material extent because they cannot afford to, and the actual production of cereals in the Presidency including imports provides, I think, only for about 1.3 lbs. of cereals per adult head of the population. That is a very clear indication that we do not produce more than is required, though it is possible one might produce more than people could afford.

Rai Bahadur B. B. Mukharji.—So far as Bengal is concerned, it has already been seen that we fall short of the requirements of consumption by near about one and one-fourth million tons. Bengal, as you are all aware, is very well-suited for rice production. We have got a climate suited for it, and a rainfall quite suited for it, the cultivators are good experts in the production of rice, and yet we sow about 48 per cent. of the total cultivated area with rice, and we are already short of the total amount that we need for our home consumption, and we do import from Burma and other places, mainly from Burma. So there is unquestionably no over-production; on the other hand, we are already not quite self-contained, and we would very much like to be self-contained, and there is hardly any room for reduction in the area.

Chairman.—Who produces rice cheaper—Burma or Bengal?

Rai Bahadur B. B. Mukharji.—I am quite sure that our rice is much finer, much sweeter and at the same time more nutritious; as a matter of fact Burma rice is only taken by our people as a matter of dire necessity. If we can get our own rice, our people would not like to take Burma rice.

The Hon'ble Sir Miles Irving.—The Punjab is not seriously interested in rice. It is there grown as a luxury article. The finer forms are grown in a few favourable localities. Commercially, we cannot say that we are seriously interested in the production of rice.

Dr. W. Burns.—In Bombay Presidency proper excluding Sind, out of about 29 million acres, there is something in the neighbourhood of 1,900,000 acres under rice, and we produce about 840,000 tons of rice. But in addition, there are imported into Bombay about 255,000 tons of rice by coasting vessels which come into Bombay. That figure includes not only Bombay Presidency but also Sind. But even assuming that only half of that comes into the Bombay Presidency, it is obvious that our own requirements are not nearly made up by that which is produced in the Presidency itself.

Mr. W. J. Jenkins.—As far as Sind is concerned, the position at present is that we are more or less supplying our own internal requirements. The present acreage under rice in Sind is roughly a million acres. Half of this area is grown on the Lloyd Barrage Canals, mainly the Rice Canal;

and half on the old inundation canals in Upper and Lower Sind. The development of the area under the Lloyd Barrage will not make any appreciable difference to the acreage under rice in Sind. The total increase of rice area with the full development of the Barrage lands will not be much more than a lakh acres. Small amounts of rice are exported from Sind. These exports went mainly to the Persian Gulf, and Red Sea ports but they are now being supplanted by direct exports from Calcutta and Rangoon. The rice question is not of great importance to Sind and, as I have already stated, the position is that we are more or less self-supporting with regard to this crop.

Chairman.—What is the area which will be brought under rice when the further expansion of the scheme takes place ?

Mr. W. J. Jenkins.—In the present year, there are about five lakh acres under rice on the Lloyd Barrage Canals and with the final development of the Barrage areas, it is estimated that there will be just about six lakh acres under rice. This is out of a total area of rice in Sind of about one million acres.

Mr. D. L. Drake Brockman.—All the information we have goes to show that our needs are in excess of our production by something like 400,000 tons per annum. We import roughly that quantity, mainly from Burma.

Mr. A. McKerral.—Burma is the only province that has got over-production of paddy and rice. She produces about seven to eight million tons of which about a half is used by internal consumption and about a half is exported. Of the amount exported, about one million or a slightly over one million tons are at the present moment going to India. As everybody knows, this trade has been in existence for many years, Burma acting as a granary for India in her years of drought and deficiency. The trade I think is very advantageous to India, as it is to Burma, and so far as I can see there is not much prospect of the amount of rice produced in Burma exceeding Indian requirements. The population of India during the last decennium, increased by slightly over 33 millions whereas the acreage under food-grains for the whole of British India fell from 205 millions in 1921-22 to 203 millions in 1930-31.

If the acreage of cultivation under foodstuffs had gone up in proportion to the population it would have been 237 million acres, that is an increase of 22 million acres. Unless the decline in the acreage has been accompanied by an increase of production there is no reason to suppose that the present figures of cultivation would meet the demands of India, and India must take rice from Burma for an indefinite period. The only question which we might perhaps consider is whether in Burma itself there is a tendency of putting too much land under rice. So far as I know the Government has no big project of irrigation and of course the other accretions which come from jungle and disafforested areas are almost impossible to estimate. During the last decennium, one million acres were added to the acreage of rice in Burma. I should not have believed it if I had been told then and I very much doubt if at the end of another 10 years another million acres will have been added to the rice area in Burma.

Chairman.—May I ask whether Burma finds the present price of rice satisfactory ?

Mr. A. McKerral.—No, Sir. We do not find the present price satisfactory. The price has fallen during the last few years by 60 per cent., which has seriously affected both the landlord and the Government.

Chairman.—We would like to know what Burma considers as the extreme limit of fall of price, at which stage Burma would consider it necessary to take up the question of substitution which really means how much is the next possible crop less paying as compared with rice.

Mr. A. McKerral.—Our difficulty in Burma is that the great bulk of rice is grown in lower Burma under rain-fed conditions, that is to say under rainfall which usually exceeds 100 inches and may come up to 250 inches. So far as I know there is no other crop that can be grown on those areas except rice, except along the banks of streams where you may get small areas which would grow sugarcane and possibly jute and maize. But we cannot consider the crops possible in these areas as a serious commercial substitute for rice. On our canal areas of course we can do more. Some of them are suitable for sugarcane and I gave the figure to the Advisory Committee of 100,000 acres as the maximum which we can reach if we substitute sugarcane for rice. We have one sugar factory in operation, another is being built and a third is under contemplation. As for other crops I am afraid I cannot think of any because the price of most of these crops has fallen in almost the same ratio as the price of rice.

Chairman.—What is the difference in the cost of production of Burma rice as compared with that of Bengal rice ?

Mr. A. McKerral.—I cannot say on the spur of the moment.

Mr. M. Vaidyanathan.—We had some information from the Burma Government. The cultivation costs about Rs. 20 per acre of irrigated rice in Burma and in Madras it ranges between Rs. 35 and Rs. 90.

Chairman.—So Burma has natural advantages which render the production of rice much cheaper than elsewhere.

Mr. A. McKerral.—The point is that the population of Burma being too small to consume the total production a surplus of slightly over 3 million tons is available for export. This the Burma producer must sell at the best price he can get. The cost of cultivation in Burma must be higher than in the rain-fed areas of India because the wages of labour are higher in Burma. They are nearly double what they are in Bengal.

Chairman.—Are you quite sure that this idea of substituting sugarcane for rice is in the interest of the crop planning or is it the desire for being self-sufficient ?

Mr. A. McKerral.—It is mainly in the interest of the cultivators that sugarcane is grown. If the cultivator can get Rs. 10 to Rs. 12 per ton of sugarcane, he makes about Rs. 100 per acre whereas if he grows rice he will get according to the Burma measure 30 baskets for which he will get only Rs. 15.

Chairman.—Is sugarcane more profitable than rice ?

Mr. A. McKerral.—Yes.

Chairman.—Will it not then replace certain amount of sugar which Bihar and Orissa is producing when these three factories are set in full working order ?

Mr. A. McKerral.—Certainly. At present we import from Java. About five years ago we were importing 40,000 tons but now it has fallen considerably.

Mr. D. R. Sethi.—We have on an average about 13 million acres under rice. We produce just a little less than five million tons of clean rice every year and inspite of this we are a deficit province and have to import about 80,000 tons from Bengal, so that in Bihar and Orissa there is no over-production of rice.

Mr. C. R. Pawsey.—As far as Assam is concerned there is no over-production and this is chiefly because of the large tea garden population all of whom are rice eaters. In Upper Assam there is always a deficiency and in parts adjoining Bengal there are occasional floods when we have to import rice from outside. In addition our land revenue assessment is based on the rice producing capacity of the land and during the currency of the settlement I do not think it would be possible to insist on any limitation of the area to be sown.

Mr. J. H. Ritchie.—In the Central Provinces the area under cultivation is roughly $5\frac{1}{2}$ million acres and except in very good years that is just sufficient to feed the population ; while in years of good crops there is a certain amount of export to contiguous parts of the country. We have a steady market in Central India, in United Provinces, in certain parts of Bihar and Orissa and in the Nizam's Dominions. From the statistics I can say that Central Provinces is just self-supporting.

The Hon'ble Sir Frank Noyce.—Perhaps it would facilitate our work if the Imperial Council of Agricultural Research could give us some figures of the relative fall in the value of the agricultural products with which we are dealing now.

Mr. M. Vaidyanathan.—I have given the statistics in the book entitled " Statistics and graphs " at page 10. I have tabulated the principal crops, and compared their present prices with the average for three years ending 1929-30. From the table it will be found that tobacco seems to be most fortunate and most of the food-grains have fallen in price between 40 and 60 per cent. This table gives the relative fall in prices of the several agricultural products.

The Hon'ble Sir Frank Noyce.—It seems to be clear that rice has fallen almost more than anything else.

Mr. M. Vaidyanathan.—It seems to be so.

Dr. D. B. Meek.—1873 Index No. ; that is the base.

Average of ten years ending 1929.	In February 1934.
Rice, 133	62.2
Jute, 112	41.5
Raw cotton, 138	67
Wheat, 169	81
Oilseed, linseed, 157	79
Rapeseed, 134	67
Sesame, 143	55
Poppy, 134	77
Gram, 175	85
Sugar, 283	134
Tea, 162	164

Col. A. Oliver.—Have you got the figures for butter ?

Dr. D. B. Meek.—Butter does not come into the index as far as I remember, but we could get the price of imported butter for those ten years. I could get you the price of ghee.

Chairman.—I think we had better stick to rice for the present. Now, at page 7 of the Note the Committee arrived at the conclusion that there was no over-production of rice either in India as a whole or in any part of it. That is now open to discussion.

Rao Bahadur C. Tadulinga Mudaliar.—May I suggest, Sir, that as there is no definite data with regard to the quantity of rice consumed by the people a census of the rice-eating population of the various provinces be arranged to be taken so that we may have definite figures on the subject for future guidance.

Chairman.—There is going to be a Provincial Committee, and that will come under provincial marketing, and it will be included in that.

Rao Bahadur C. Tadulinga Mudaliar.—Then that will be all right.

Chairman.—Now, is the conference prepared to endorse this conclusion ?

Rao Bahadur Narasimha Raju.—Just now it was stated that Burma over-produces rice, but now it is recorded here that—'it was agreed by the said Committee that there was no over-production of rice either in India as a whole or in any part of it.' I doubt the accuracy of the last portion. When Burma admits that there is over-production as far as that province is concerned, I don't think the fact has been correctly stated in the statement by adding the words at the end 'or any part of it'. From the statement supplied to us, it is clear that Burma produces over 7 million tons of rice. It was said just now that she consumes half of it. In some other place it was stated there is an exportable surplus of $3\frac{1}{2}$ or $3\frac{1}{4}$ million tons of rice in Burma. Therefore, if you are to judge the production of provinces by their consumption, and when there is a surplus in a province, it will be better to call that province an over-producing province. If we proceed like that, we will be in a better

position to judge the situation. Now, when there is over-production in Burma to the extent of $3\frac{1}{2}$ million tons, and the quantity which the rest of India imports from Burma is only one million tons, there is yet a surplus of $2\frac{1}{4}$ or $2\frac{1}{2}$ million tons of rice in Burma. The question then arises whether this surplus will be absorbed in the Empire or outside the Empire. If it can be absorbed within the Empire, then from the figures supplied to us by the Statistical Department we find that the quantity of rice consumed by Ceylon, British Malaya and other parts of the Empire comes to 2 million tons or something like that. Therefore, as far as Burma is concerned, even making a liberal allowance for import of Burma rice into the British Empire, there will still be a surplus, and in Burma's neighbourhood we have got the Indo-China and Malay States which are producing large quantities of surplus rice. According to the figures supplied to us, it is stated that the surplus in Siam is in the neighbourhood of 3,864 million pounds, which when converted into tons, comes to about 1 million 7 hundred thousands tons. In Indo-China the surplus is 2,760 million pounds, and this when converted into tons comes to about one million one hundred thousands tons. Therefore, there is a surplus of nearly three million tons of rice in Siam and Indo-China. The question that has now to be tackled is, what is to become of this surplus rice in Indo-China, Siam and Burma,—and the total surplus comes to nearly 6 million tons. Even according to the figures furnished, the total quantity of rice that was imported into other countries in the year 1930 or 1931 is 2,195 thousand tons. Therefore, if we take all the figures together we find there is yet a surplus of 4 million tons or more in the rice exporting countries of Burma, Indo-China and Siam. The matter needs very careful consideration by this conference as to how to dispose of the extra two million and odd tons of rice from Burma. It will not be wise, I think, to record that Burma has no surplus of rice production.

Chairman.—I don't suppose it was intended that over-production means production in excess of local consumption. I suppose over-production meant that at the end of the year there was something left over.

Mr. A. McKerral.—When I spoke of over-production in Burma, I used the word in the sense in which the representatives of other provinces of India have used it, namely they have no excess after the wants of their people have been met. Over-production in Burma does not mean that she is left with a large stock on her hands.

Chairman.—But is the world producing too much rice or more rice than is needed?

Mr. B. C. Burt.—From the figures supplied by the International Institute, we consider that from 1933 onwards the world is over-producing rice; that is to say, the rice production of the big rice consuming and rice importing countries like Malaya, Ceylon, China, is increasing. Every number of the International Statistical Bulletin for the last 3 months has referred to the contraction of the Far Eastern Market, which means that Burma, Siam and French Indo-China, the three great rice exporting countries of the world, are finding it increasingly difficult to market their surplus. The last number of the Bulletin refers to the fact that Burma is in a better position than Indo-China and Siam, because they have been able to send much more rice to India because of the smaller Indian crop, that Siam also has sent more than hitherto and that French Indo-China is in the worst

position. There is a definite indication that since the harvest of 1933 the world position has definitely deteriorated.

Mr. C. G. Wodehouse.—So far as the surplus in the main producing countries like Indo-China, Burma and Siam is concerned, I think I am correct in saying there has never been a large carry-over until the new crop. The figures, according to my information, would not exceed half a million tons at the end of any one year which is a very trifling quantity compared to the amounts actually at the disposal of those three countries. The suggestion that there is over-production of rice seems to have arisen from the fact that there has been some decline in the overseas trade of rice from India. Admittedly there has been some decline. The reasons for that can be briefly stated in two main heads. In the first place, as we shall come to later in our agenda, there have been various restrictive measures taken by foreign countries some of which are detailed in the note circulated, and there are others which might be mentioned. That to some extent accounts for the decline in the exportable quantities marketed in foreign countries. There is again the other main head, and that is there appears to be very definite evidence that the quantities of rice required by India proper are tending to increase. This may be caused, I think possibly very largely caused, by increase in population. There may have been seasonal factors, such as shortages of crops in some areas, and possibly the low price may have accentuated the consumption. But my point is that as regards the Burma surplus that we are now discussing the amount that is available for the overseas market is limited by the extent of the amount that other provinces in India require to draw on the reserves that are available in Burma. The exports, I call them exports, the amounts taken by provinces in India from Burma, are showing a tendency to increase. The available figure of the surplus in Burma is estimated this year to amount to 3,200,000 tons. It may be of interest to give the figures of actual exports up to the end of May this year. Of that available surplus, 850,000 tons has already been marketed overseas to foreign countries. India has taken 1,100,000 tons already up-to-date. So that, out of that 3,200,000 tons, 1,950,000 tons has already been disposed of, which leaves 1,250,000 tons available for disposal between now and the arrival of the new crop at the end of December. I suggest that those figures prove quite conclusively that there is every possible chance that there may be even a shortage if India is going to continue to require such large quantities, and it would appear to be highly inadvisable, both in the interests of Burma and in the interests of India herself, that the available supplies of Burma should be in any way restricted or decreased.

Mr. H. M. Hood.—May I ask whether Mr. Burt has any information of the stocks of rice held in the various countries.

Mr. B. C. Burt.—No Sir. There are no figures of stocks of rice as far as I know, except stocks in warehouses at ports. That is the great difficulty in calculating what the exportable surpluses are. Mr. Wodehouse can perhaps tell us what the Rangoon stocks are, but I think he will support me when I say that there is no information about up-country stocks. I know that the international Institute has said that there is practically no information about up-country stock in Indo-China or Siam, and of course there are practically no statistics at all for China.

Mr. C. G. Wodehouse.—We are in a position to estimate very closely stocks carried forward at the end of any one year, if that is the point you are referring to.

Mr. H. M. Hood.—The point is that if there is over-production that the world stocks ought to increase.

Mr. B. C. Burt.—Those, Sir, will be largely invisible stocks in the hands of the cultivator, of which we get no figures.

Chairman.—So far as the point under consideration is concerned, that is simply that objection was taken to the statement of the sub-committee that there is no over-production of rice in any part of India. This is a drafting matter and would Secretary kindly note that the phraseology of this conclusion is to be modified to indicate that over-production does not mean excess over local consumption but means that there is no stock left in the province of origin, the whole being disposed of. What we have been discussing in part is really the proposition decided by the committee by a majority which reads as follows :—

“ That in view of the present world conditions in the matter of rice production, no Provincial Government should ordinarily offer any stimulus to an increase in the present area under rice.”

That is really the proposition ; now, which province would like to father this proposal ?

The Hon'ble Sir Frank Noyce.—I notice that five provinces object to this proposition. I should like to know, since they disagree, what stimulus they have been offering or propose to offer ?

Chairman.—Let us first hear from those provinces which would like actively to promote this proposition.

Mr. H. M. Hood.—As far as Madras is concerned, Sir, provided that a fairly liberal interpretation is put on the word “ ordinarily ”, we would not oppose this resolution.

Chairman.—I am at present on the look out for some one who would father it, not for such half-hearted support.

Mr. H. M. Hood.—I understand that the original position was that the resolution was moved by Dr. Burns but the word “ ordinarily ” was put in on Mr. Raghaviah's instance. Perhaps Dr. Burns will support it.

Dr. W. Burns.—I would like actively to support this proposition, because there is no thought of restriction. It is not a question of reduction ; it is only a matter of sounding a note of caution and saying ‘ do not go ahead too fast ’. The position has been very clearly explained. We cannot take into consideration the position without considering the world situation, and it is the world situation which controls the price of rice. Mr. Burt read to the Crop Planning Committee, the advisory sub-committee, a passage out of the International Review of Agriculture which is so pertinent that I take the liberty of reading it, it is quite short :—

“ Demand in the Far East remained rather slow in February. The apparently good production in China, the prospects of a good crop in British Malaya and in the Netherlands East

Indies and the large crops in the Japanese territories make the market prospects in this direction very poor.

“ In the three major exporting countries together there has been a slight increase in production in 1933-34. Their joint export surplus, taking into account old crop carry over, is also somewhat above that of the previous season. While the market position in Far Eastern countries appears to have deteriorated, the small crop in India has greatly alleviated the situation of the exporting countries. While the exports from Rangoon to foreign destinations up to 24th February diminished from 424 million pounds last year to 276 million this year, those from Rangoon to India upto the same date, with the addition of the exports from smaller ports upto 17th February, rose from 410 million to 550 million pounds. Total exports from Siam upto the end of January were 18 per cent. larger than in the same month last year, due also to much larger takings by India. The position of Burma, thanks to the large Indian deficiency is thus relatively satisfactory, that of Siam, though so far also greatly assisted by the strong demand from India, and that of French Indo-China, with its increased production, less assured, much depending on the size of the as yet rather undefined crop in China.”

The point is that there is a very definite danger of a surplus and we cannot in view of that definitely encourage extension of rice production in India or in Burma. Therefore I most heartily support the motion, for which I voted in the sub-committee, and would commend it to this full Conference.

Rai Bahadur B. B. Mukharji.—The fact that this resolution took such a long time to find a sponsor goes to show that the persons who put it forward were not quite convinced of its necessity. The last speaker has just told us about the international position, but I would make it clear that we are nationalists first and internationalists later. I want to support the proposition that it ought to be the look-out of India first and the provinces later that they must be self-contained. When this proposition seeks to put a restriction simply because the world production is greater. I from Bengal have got to see how far it affects me. If I find that my people, who are worthily or notoriously rice eaters, have not got the rice that we can produce, when we see that we can produce the finest rice in the world and when we can see that the province is supplied with all the gifts of Providence necessary for such production. I do not see why we should be put into this uncomfortable position of eating—though I am very thankful to Burma—Burma rice which we consider to be inferior, and why should restriction be put on us to produce rice for our own consumption, rice which we consider to be best suited to us and which we can produce? I can understand that if the world position deleteriously affects the price, we should be cautious. At the same time I cannot quite see why I should be left in Bengal in this uncertain position and why I should not take steps to support my own people with a produce for which the province is suited. I submit as a corrective to this resolution that, subject to a province being satisfied that its production can satisfy its own people, it ought not to go beyond. That is, I must first see that my people do get the rice of the

country and then I would have an eye on the total output of the world. If we are perpetually restrained from producing that which is necessary for our own consumption, I am afraid it will be a very unhealthy and undesirable position into which we will be put.

Chairman.—You would be satisfied if the Burma variety of rice improved ?

Rai Bahadur B. B. Mukharji.—Quite true. My position is this I do not really see why Bengal should not be self-contained. I am not speaking anything against all India ; but I do think that it is a sound economic proposition—a proposition which has been demonstrated to be sound by the late war—that a country should be self-contained in the matter of essential foodstuff. I do not want to declare war against any other province. I do think that in my self-interest the production of my essential food crop should not be so restrained that in time of distress or in time of want I should have to look to somewhere else or let my people go with empty stomachs, specially when I have been favourably endowed by providence with suitable land, with suitable capacity, with suitable varieties—probably you are aware, Sir, that one of the experts had stated that we evolved about 400 types of paddy.

Chairman.—Apparently during the last few years the cost of production in Burma is lower than in Bengal.

Rai Bahadur B. B. Mukharji.—But, Sir, it is inferior stuff. With all respect for Burma I submit it is inferior stuff. If you ask a Bengalee to have a guest and then give him Burma rice, he will never return to the house any more.

The Hon'ble Sir Frank Noyce.—May I interrupt Mr. Mukharji ? I should like to ask him how he expects Burma to take Bengal jute to the value of Rs. 1,17 lakhs per annum unless they export some rice to pay for the jute. Would it be entirely to the advantage of the Bengal cultivator if Burma ceased to import Bengal jute ?

Rai Bahadur B. B. Mukharji.—I would in fairness to Burma say that if they can have a substitute for the thing we produce they are perfectly welcome to use it. We produce a thing which they cannot produce. Not out of charity but out of good-will we tell them “ Take this, it will serve your purpose ”. I do submit that Burma rice does not stand in the same footing. Burma rice if it is to continue to feed us will only mean that we are restrained from producing excellent rice—if I may say without impertinence to Burma—in order to consume the coarse rice of Burma. We produce jute. Our cultivators go down in waist deep of water to produce a thing which they need. If you do not want it I do not want to force it on you. The position between our jute and their rice, with great respect, is very different. I would be quite willing to agree to such a proposition provided we are free to take any steps to be reasonably self-contained. We would then be perfectly willing to accept it.

Mr. A. McKerral.—In the note which I submitted to the Advisory Committee I tried to indicate the physical conditions which existed in Burma and in Bengal in order to show that some provinces can produce crops which other provinces cannot produce. We might say the same thing about Bengal jute as is generally said about Burma paddy. We might ask why we should not grow our own jute and so be self-

contained. The truth is we cannot grow jute, because we have not Bengal's climate and Bengal's soil. Therefore we exchange our paddy for Bengal's jute to the tune of about Rs. 2 crores and to me that seems a very fair arrangement. We must not forget that in addition to the financial and economic factors involved there are physical factors beyond which we cannot get.

Mr. P. B. Richards.—Before speaking from the point of view of the rice situation in the United Provinces, I wish to draw your attention to the fact that in the Vice-Chairman's note on the proceedings of the Sub-Committee the representative for Burma has not been included among the minority who voted against the resolution that no Provincial Government should ordinarily offer any stimulus to an increase in the present area under rice. Burma, Bengal, the United Provinces, Sind and the Central Provinces voted against this resolution. Now, Sir, these are the main rice producing areas. They cover, I imagine, something like 90 per cent. of the total rice raised throughout the Indian Empire, if Burma is included.

Sir T. Vijayaraghavacharya.—It is a clerical error.

Mr. P. B. Richards.—Then, Sir, if the Provinces which are really interested in the growing of rice do not desire these restrictions why should the Provinces which are not greatly interested in rice growing wish to enforce them. So far as the United Provinces are concerned the reason why this resolution should not be passed is two-fold. One is that our average acreage in the United Provinces for the last 10 years has been approximately 7 million acres. This year it was just under 6 millions. If we are not to encourage our cultivators to go back to their normal 7 million acres under rice, what are we to do? We should have to grow on one million acres some other food crop, if we could find one which pays us as well; and there seems to be no practical advantage in attempting to change one food crop for another even, if it were practicable to do so on rice land. The other reason, Sir, why this resolution as it stands is undesirable is that it precludes the utilisation of new canal schemes, which have been designed, in part at any rate, for the turnover from less paying crops to rice among others. The capital has been sunk, the canals are functioning and development is going forward. For the change-over from unirrigated to irrigated conditions, the cultivators must be trained in the proper use of water and in the change of rotation which is necessary. Consequently very active encouragement is required if these canals are to perform the function for which the Government have constructed them. If, therefore, at this stage it is laid down as a general principle which Government might feel itself in duty bound to follow, that no stimulus should be given to an increase in the rice area, then all its calculations in regard to its schemes—not new proposals but schemes already in running order—would have to be revised. This would seem to inflict considerable hardship upon just such Provinces as happen to be caught at this critical moment.

The Hon'ble Sir Frank Noyce.—In dealing with a Resolution of this kind, we should clearly define the terms. What is meant by stimulus. Does stimulus mean propaganda? We cannot imagine anybody here in the present world conditions advocating special propaganda.

Dr. W. Burns.—Stimulus does mean propaganda. It also means such a policy as putting new canal under rice. It also means putting disafforested areas under rice. Those three points were in our minds.

Diwan Bahadur T. Raghaviah.—With reference to Mr. Richards' remarks, this point was prominently before us and that is why I raised it and that is why the word "ordinarily" was used. In Madras costly irrigation schemes have come into existence and they have not reached their ultimate capacity. It was not our intention that anything should be done to prevent that ultimate capacity being reached in those cases. The idea in our minds was that no fresh large project for putting land under rice should be undertaken.

Rao Bahadur C. Tadulinga Mudaliar.—With due deference to the Sub-Committee who passed this resolution I strongly oppose it. Rice is the only crop which gives the highest revenue to Government at present. There are several schemes in Madras such as the Cauvery-Mettur, the Bhavani and the Tungabhadra. I am sure there will be a large acreage brought under cultivation. Out of 45 millions of the population, 50 per cent. are rice-eating population. And Madras is able to supply the rice requirements to only 16 to 18 million people. Madras is not producing enough quantity of rice for her own purposes. Therefore we should not be in a position to support this Resolution because Madras should after some time at least when her conditions improve be in a position to be self-supporting.

Chairman.—That you had better decide among yourselves. Different members representing Madras cannot express different views.

This has been a very interesting discussion bringing out very very pointedly the difficulties of crop planning in India. We have here more or less a number of autonomous provinces, each province feeling that it owes a duty to itself first and to India afterwards. That is the position taken up by Bengal. (*Rai Bahadur B. B. Mukharji*: Yes.) The position is not unreasonable. At the same time when we are expected to arrange crop planning for India, it must be realised that in securing the best possible result for India as a whole it will be extremely difficult in some cases not to so adjust things that thereby the interests of the province are not kept in view to the extent that they would be if Indian interests were not to be supreme. Is this crop planning with reference to each province or is it to be with reference to the whole of India? It is very natural for all rice producing provinces to feel that as long as their own demands are not met there should be no restrictions placed in the way of their going on producing rice; there should be no restriction placed on their producing such rice as they need. That is perfectly reasonable. At the same time we have to take into consideration the object which we have come here for. It is to reconcile the interests of provinces as far as possible, to see that India gets, as I said, the best value out of its produce. I do not know what the solution of this difficulty is and I should not be surprised if we do not achieve greater success than the World Economic Conference which met in London last year. Still there are lessons to be learnt. We will know the limitations on the power and authority of Government and also the readiness to sacrifice our own interests or provincial interests for the interests of the country as a whole. Now in face of the opposition from rice producing provinces to this proposal, is it possible for us to agree to a formula like the one which was enunciated by Bengal and a representative from Madras to the effect that rice producing provinces which are deficit provinces in the sense that their local demands are not

met by their production should be free to produce more till their demands are met? Has Burma any objection to that formula?

Mr. A. McKerral.—I can see no great danger to Burma from the adoption of such a formula because it is unlikely, as appears from the figures which I gave, that the Indian provinces will be able to support themselves for a very long time to come.

Dr. W. Burns.—I submit that the formula just now proposed is not a very great help because it seems to be a concession to the narrow provincial point of view which we must combat. It has been suggested by the representative of the United Provinces that the rice producing provinces voted against this while provinces which were not so interested in rice voted for it. Although the area in Bombay is a third of that in the United Provinces and a fourth of that in Madras, it does not follow that Bombay is not interested. In the last Legislative Council the member for Thana asked a question as to what was going to be done about the drop in the price of rice due, he said, to Burmese and other competition. That shows that the question is vital there still. I am not authorised to commit my Government in any way to any policy without examining it. I am judging this simply as a responsible representative and as a member of the Agricultural Department and as one who is in touch with provincial, Indian and international matters. It seems to me that the Resolution is so innocuous that I cannot see any objection to passing it in its present form.

Mr. H. M. Hood.—The present policy of the Madras Government since the slump in prices is caution in instituting irrigation schemes designed or likely to increase the rice producing area of the Presidency and examination of schemes designed to irrigate other crops. The Resolution as it stands goes much beyond that and compels the rice producing Governments not to increase the produce of rice at all. If the present area is not to be increased at all, then the Madras delegation could not agree to this Resolution at all. We could agree to such a formula as "provided that it should not go beyond the power of consumption in the province". That is, I think, the intention of your suggestion.

Dewan Bahadur T. Raghaviah.—As one who was responsible partly for the Resolution I may say that we looked to the interests of India as a whole. In regard to Madras we were aware that Madras has spent a good deal of money on irrigation schemes for the production of rice and that is why we said "ordinarily" to save cases in which it was necessary to go on expanding cultivation. The idea was that no new large area should be brought under rice cultivation even in Madras. There may be special cases where on account of special factors it may be necessary to introduce rice into small new areas. Except in those cases the idea was that the cultivation of rice on new areas should not be encouraged and I do not really see that there can be any objection to accepting the proposition in that sense.

Chairman.—Will the proposal be acceptable to the Conference in this revised form?

"That the present world conditions in the matter of rice production be borne in mind by provincial Governments which may be contemplating an increase in the present area under rice."

Mr. B. S. Kamat.—Even with regard to this revised formula what about the commitments which the Local Governments have already

made in irrigation projects? As my friend Mr. Jenkins pointed out, I think the Sind canal system contemplates that although the present area under rice may be 5 lakhs, in 1941 it is expected to rise to 6 lakhs. The whole scheme has been based on that commitment and I don't know how the Local Governments will bear the world conditions in mind if they are to be true to their commitments. We are agreed about the general principle that there should be no over-production within India in any province and in framing a formula we may say that there is no case in the opinion of this Conference for restriction of the present area. If we confine ourselves to that statement I think we go so far as we ought to go. We are now in the hands of Local Governments and we cannot advise them as to what they should do in future in respect of their commitments.

Rai Bahadur B. B. Mukharji.—As regards Bengal we have already accepted your suggestion and we do not think it will hamper us in any way. But I emphatically deny that I have been provincial at the cost of India. I have been provincial in the interests of India. The reason why I object is this that the proposition that was being called narrow provincialism was really one which meant a broad-hearted nationalism for India. I accept this proposition whole-heartedly.

Chairman.—Has Dr. Burns anything to say?

Dr. W. Burns.—I am afraid I have said all that I have to say at the moment. We are asked to refrain from positive action in propaganda or in putting new areas under rice. I do not see myself that this resolution as worded in the cyclostyled paper before you in any way interferes with present commitments, and I must say that this is the best thing that we can do. It is very mild; it does not restrict the area; it is an advice that there should be no definite pushing of future rice cultivation; and therefore, with all deference to you, I would be inclined to stick to the proposal as it has been drafted by the Sub-Committee.

Chairman.—That is on behalf of Bombay?

Dr. W. Burns.—Yes.

Mr. A. D. Gorwala.—Bombay excluding Sind. We do not agree with the view that Dr. Burns has taken.

Chairman.—Will those who support Bombay *minus* Sind indicate by show of hands? There are two alternatives. We may pass a resolution or pass nothing. If the Conference prefers to pass nothing it is open to it to do so, or if it prefers to pass that mild form of resolution that was read out it is open to it to do so. Will those who support the formula read out indicate by provinces? (Madras, Bengal, the Punjab, Central Provinces, Sind, Bihar and Orissa and United Provinces indicated assent; also Bombay in default of something more positive.)

Chairman.—Now we proceed to page 8 of the Note, that in view of the answer under (1) above no restriction is recommended and the questions under (2)A do not arise. Then we come to internal markets. As regards internal markets it was agreed that the development of internal markets was of great importance and that this development could best be pursued by means of the marketing scheme now under the separate consideration of the Imperial Council of Agricultural Research. As regards external markets the Sub-Committee made the following recommendations: (i) that negotiations should be opened with Ceylon and British

Malaya with a view to obtain preference for Indian rice. Let me take this item No. (i).

The Hon'ble Sir Joseph Blore.—The only observation that I would like to make in regard to this is that this question of preference for our rice in Ceylon has more than once engaged our attention. We are up against a difficulty there because Ceylon is quite prepared to consider preference to Indian rice but what she wants is some very special treatment for Ceylon cocoanut produce so far as this country is concerned. We are thus in a dilemma. However, I can assure the Conference that we shall bear this recommendation, if it is carried by the Conference, very carefully in mind in our future negotiations with Ceylon.

This item was unanimously agreed to by the Conference.

Chairman.—We now come to item No. (ii)—that as soon as financial circumstances permit the export duty on rice should be removed. That is a sort of demand which is very easy to make but not easy to meet. But is that one of the proposals on which the Sub-Committee was agreed ?

Dr. W. Burns.—There was one dissentient. That was myself. It seems to me that this is a duty which has been on for a long time—I have been told for over 70 years. A similar duty is imposed by the other two exporting countries Siam and Indo-China also and it does not seem to me that it is necessary at the moment to do away with what is a source of revenue to the Central Government. If we do away with the duty the foreign competitors may do the same and we shall be in the same position as before only with loss of revenue to the Central Government and nothing gained.

The Hon'ble Sir James Grigg.—I think the question of removing the export duty on rice at the moment is rather an academic one because the best part of a crore is obtained from it, and personally I do not see the Government of India being in a position to surrender a crore of rupees of revenue in the very near future.

Rai Bahadur B. B. Mukharji.—But that does not stand in the way of suggesting to the Government of India that we do think that doing away with the export duty would expand our market and help to create good will in the interests of India and that it should be adopted at the earliest possible moment.

The Hon'ble Sir Miles Irving.—The Punjab Government does not want to commit itself.

Mr. H. M. Hood.—The Madras Government are very anxious that the duty should be removed. During the course of the Economic Conference held a couple of months ago I think Sir George Schuster raised the point that they could not afford to take the duty off and that they were badly in need of revenue, but that it was a very long standing tax. That was the point made then.

Chairman.—Dr. Burns' point was that it is a duty from which Indian exporters suffer along with exporters of other countries, and our leading the way to its removal may well be followed by others.

Mr. H. M. Hood.—If other countries have an export duty on rice and put obstacles in the way of their people exporting rice, that does not seem to be any reason why India should also have an export duty on rice.

Chairman.—The obstacles will just be the same as they are at present if they follow us in this good lead.

Mr. H. M. Hood.—That is true, but I think Sir George Seluster said that the position with regard to rice was precisely the same as that with regard to wheat, and there does not seem to be any export duty on wheat. Madras is anxious that this export duty should be removed.

Chairman.—There seems to be some difference of opinion as to the advisability of this particular proposal. If it is academic is it worth while proceeding to divide on it? If it is a matter of principle with some, expression of opinion of each Government ought to be enough.

Madras, Bengal, Central Provinces, Burma, were for removal. Bombay was not for removal. Punjab and United Provinces did not wish to make any recommendation. Sind had no instructions in the matter and did not propose to say anything. Assam had nothing to say on the subject. Bihar and Orissa was not interested in the subject.

Item No. (iii) of the Note : that the specific duty imposed by the Ottawa Agreement on imports of rice from foreign countries to the United Kingdom should be extended on paddy to the extent of three farthings per lb. Government will do their best to have this point carefully examined and see what can be done.

Item No. (iv), Part I of the Note : that Burma and Bengal which produced rices suitable for English and Continental markets should continue their experiments in the matter of improving the quality of such rices. We had a reference some time ago as to what can be done to improve Indian rice to enable it to compete with Italian and Spanish rice. The inquiry was circulated to all provinces and Bengal and Burma were the only two which held out hopes of doing something in that line. If the situation has changed since then and any other province hopes to enter the field of competition I should like to know. (No discussion) I trust these two will do their best to see whether any portion of the European market can be secured for Indian rice of superior quality.

Rai Bahadur B. B. Mukharji.—We undertake to do our best.

Chairman.—I understand from the Vice-Chairman of the Agricultural Research Council that a handsome grant has been given to Bengal for this purpose.

Rao Bahadur Ncrasimha Raju.—I see that Madras is omitted from this list.

Sir T. Vijayaraghavacharya.—Madras is not interested in this matter.

Rao Bahadur D. Ananda Rao.—I asked for information as to the variety required and the quantity required. I understand that the quantity required is a little over a million tons.

Chairman.—I dare say the Council of Agricultural Research will be very glad to get any further information that may be required.

Railway freights. I understand that the Railway Board are anxious that they should accommodate the needs of those who want revision of freights on agricultural commodities. They are anxious to consult agricultural officers in this connection. I suppose the Conference notes this with satisfaction.

Paragraph 3 of Part I of the Note. It would not be wise to impose any restrictions on the import of foreign rice into India. Later on

the conclusion arrived at is that an import duty at the rate of Re. 1-4-0 per maund and of 15 annas a maund on paddy might be imposed on foreign countries.

Sir T. Vijayaraghavacharya.—We want a moderate amount of duty that will not produce retaliation.

Dr. W. Burns.—I find it exceedingly difficult to express any opinion on this subject. I have not consulted my Government and I am expressing here my own opinion. We are trying to raise prices at the present moment and I do not see any reason why we should not adopt the same procedure as in the case of wheat.

Mr. C. G. Wodehouse.—I would suggest that instead of the word 'foreign' we might say 'non-Empire' countries.

Chairman.—If this duty is to be like the wheat duty, then that is applied to wheat coming from any country other than India. It was really meant to fight Australian wheat.

Sir T. Vijayaraghavacharya.—Both mean the same thing. It is well understood.

Mr. A. D. Gorwalla.—May we have figures of the imports of rice from Siam.

Mr. M. Vaidyanathan.—The imports from Siam and Indo-China from January—March 1934 amounted to 58,000 tons as compared with 8,500 tons during corresponding period last year.

The Hon'ble Sir James Grigg.—Is there not some absurdity in imposing an export duty and an import duty on the same commodity?

Sir T. Vijayaraghavacharya.—This reform has been long put off on the ground of logic. The thing is now being really felt by the Madras Government. We felt that practical considerations must prevail over logic.

Mr. C. G. Wodehouse.—I can give later figures than those quoted by my friend. The actual imports from Siam into India in the last six months, that is to say, from December to May amounted to 150 thousand tons.

Mr. M. Vaidyanathan.—There has been some discrepancy in the figures furnished by the Burma Chamber of Commerce and those supplied by the Director of Commercial Intelligence.

Chairman.—Apparently this is a very important matter indeed. It is an administrative matter mixed up with financial considerations but I am sure that in view of the opinion of the committee, Government will take this into very serious consideration. In fact the subject was agitated by a number of members in the Legislative Assembly and the Council of State and has been under examination already.

The Hon'ble Sir Joseph Bore.—I would like to endorse what the Chairman said and we will certainly look into this matter very carefully but I would like to emphasize the danger of duties such as this leading to retaliation in regard to our agricultural produce. That is a very serious question indeed and the possibility of retaliation has always acted as a deterrent to our taking action. We have been accused of delaying action in this matter. We have delayed action for a very specific reason, because there is a danger of retaliation. A duty of 33 and one-third per cent.

is by no means a light one. It is sufficiently heavy to call for retaliatory action from countries which are affected. At the same time I think we can give an assurance, not that the matter will merely be looked into but that it is actually receiving consideration at the present moment and is under reference to the Governments which are concerned.

Chairman.—This brings us to paragraph 4 of Part I of the Note—the unanimous recommendation of the Sub-Committee that it was desirable to have a standing committee of the Imperial Council of Agricultural Research, that the functions of such a committee which should be constituted under the rules and regulations of the Council should be advisory, that its constitution should be on the lines of the other standing committees of the Council, that it should be financed from the funds of the Council, and so forth. Are there any observations by members of the Conference? I take this is agreed to.

The next point is that Madras desire that the import of rice from Burma should be subjected to a quota but other members of the Committee did not agree with them. Does anybody wish to make any observations?

Rao Bahadur C. Tadulinga Mudaliar.—Some years ago Burma was importing about 750,000 tons of rice into Madras but of late I understand that they are importing over a million tons. If that goes on for a number of years and if they are going to increase their imports to two and three millions, what is going to be the fate of the rice-growers of Madras?

Chairman.—But you are increasing your population?

Rao Bahadur C. Tadulinga Mudaliar.—But we are not increasing our population with such rapidity (Laughter). Therefore, we may, at least for the information of this Conference, suggest that Burma limit its imports into Madras to 750,000 tons and not beyond that.

Chairman.—Do you make that suggestion in the interests of the rice-growers of Madras?

Rao Bahadur C. Tadulinga Mudaliar.—It is only a suggestion—it is left to the Conference.

Chairman.—The Conference would like to know whether this suggestion is intended to be put into operation if Burma agrees to it, or in spite of Burma's not agreeing to it, and, if so, in what way you would advise the Conference or Government to act?

Rao Bahadur C. Tadulinga Mudaliar.—The Director of Agriculture will be able to explain the position.

Chairman.—What have you to say with reference to your desire that Burma should be limited to 750,000 tons of rice being sent to Madras and no more?

Rao Bahadur D. Ananda Rao.—I would not fix any limit like that. I would say “any reasonable amount”.

Chairman.—And the “reasonableness” being left to Burma?

Mr. H. M. Hood.—The “reasonableness” will I think have to be fixed by some agreement with Burma. What I was instructed to put forward was that there should be some limit to the amount of rice which Burma might import into Madras.

Chairman.—Madras is free to export any of its commodities to any Indian province it likes ; and therefore if any province moves the Government of India to restrict the rice of Madras, that will have to be done by agreement with Madras or by the Government of India taking powers to enforce its decision on Madras.

Mr. H. M. Hood.—The intention was of course this. A great deal of rice is coming into Madras from Burma, and if it could be restricted, there would be some chance of getting the price of Madras rice raised. That is the object of the whole thing. Of course, I can see that there are serious difficulties.

Chairman.—You do not think that on the whole the Sub-Committee was right ?

Mr. H. M. Hood.—I do not wish to press this matter further now, Sir,—I should prefer to leave it to the Government of Madras to make further representations to the Government of India if they wish to do so.

Chairman.—Is there any other point relating to rice which members would like to take up ?

Mr. A. D. Gorwala.—I would urge that it be noted that where the alteration in railway rates affects the movements of rice of another province, both the provinces or all the provinces concerned should be consulted ; for instance, if two provinces are competing in the same article, then, if you alter the rates from one place to a port, it is going to affect the marketing of the other province. Consequently the other Railway province should also be heard and its objections noted before the Railway Board comes to any decision. That is all I want.

Mr. N. D. Calder.—Yes.

Chairman.—Coming on to wheat (Part II of the Note) is there any province which is prepared to sponsor the proposal on page 9 that, keeping in view the world position as regards the production of and trade in wheat, it is undesirable that the area under wheat in India as a whole should exceed 33 million acres ?

Mr. P. B. Richards.—Speaking in my private capacity and not in any way committing my Government, I wish to draw attention to the possibilities which might have arisen in the past season. The United Provinces, normally, has a wheat crop of about 7 million acres. In the current season its wheat area was some one million one hundred thousand acres above the normal. Somewhat similar, but not to quite the same percentage of increase, was the case with other wheat producing Provinces. It is a fact that our wheat production this year is expected to be about the normal, but that is a accident. Had it not been for frost and heavy rust attack and dry hot winds, there would have been a bumper crop in the United Provinces. There would have been a bumper crop in other areas also, and, instead of, so far as India itself is concerned, a crop which she could reasonably expect to consume, there might well have been a crop very much in excess of Indian requirements. The figure of 33 million acres was based upon average yields and estimated average consumption. I would not press for any motion by this Conference upon the proposal which was turned down by a majority in the Sub-Committee, but I do think it desirable that Provincial Governments and Provincial Departments of Agriculture should, so far as it is in their power, endeavour to limit their wheat production within the total figure proposed in the resolution.

Chairman.—Have you any figure in mind as to estimated consumption? So far as the estimated area under crop is concerned, your estimate is subject to verification? So far as the estimated consumption is concerned, is there any basis for the estimate?

Mr. P. B. Richards.—Since the cessation of rail and river-borne trade returns, it is only possible to guess, but it appears that in a normal year the United Provinces is able to export something like two hundred and forty thousand tons to deficit Provinces which have been able to consume it without difficulty and without any local depression in prices.

Chairman.—Is not the estimated consumption on the basis of some price the lowering of which price may lead to increased consumption?

Mr. P. B. Richards.—That is a matter upon which I am not competent to pass any opinion; that is a matter for economists.

Chairman.—In other words, is it contended that all who want to eat wheat at the prevailing price get it and are able to buy it?

Mr. P. B. Richards.—All who want to eat wheat at the prevailing prices get it to the extent that they are able to buy it, but not all to the extent of their bodies' satisfaction. If it were cheaper, there would probably be greater consumption; but the attitude which was adopted in the Sub-Committee was that we must consider economic prices as well as the well-being of humanity.

Chairman.—In case that proposal is adopted, how many millions of acres would United Provinces take off from two millions?

Mr. P. B. Richards.—We have been in excess by 1,100,000 but as to how it would be possible to induce the cultivator, I cannot say.

Chairman.—Your basis of reduction provincially would be the percentage on the area under wheat?

Mr. P. B. Richards.—It seems that the United Provinces is responsible for about half the increase in acreage of the past year. I would be prepared to recommend to Government to take every possible step to reduce the acreage to normal.

Mr. W. J. Jenkins.—“The supporters of the resolution advocating restriction of the wheat area in India have endeavoured to establish a relationship between the total acreage of wheat in India and the internal consumption. They have pointed out that, owing to the import duty, there is at present no export for surplus wheat produced in India as the price in India is so much above world parity. They recommend restriction in view of the possibility of larger crops in future and the consequent effect on prices. But there are two sides to this picture and it is quite possible that we might have one or more bad years in the future when the wheat produced in India would not be sufficient for internal consumption. In addition, it is quite possible that a revival of the wheat export trade may occur in future. Accordingly, I consider it an extremely dangerous thing to lay down any kind of restriction on the area under wheat in India as it is one of the most important food products of the country”.

The Hon'ble Sir Miles Irving.—I think the point should be made clear as to what we mean by our standard of consumption. Does it mean what people would like to eat or what they have the money to pay for. In point of fact if you take a ton of wheat as food for a family of four people it

would work out that the present wheat crop would feed only 44 million people out of a population of 350 millions in India. It has also been proved that the dietary of non-wheat eating countries is not so good as that of the Punjab and it would benefit people as a whole if the eating of wheat were extended. In fact Punjab would like to have a campaign to "eat more wheat". We are prepared to supply wheat at a reasonable price. The whole question before us in the Punjab and probably all over India is the question of price. Whether the supply has affected the prices very much I rather seriously doubt but the prospects of a bumper crop undoubtedly have some effect on the market, but depression does not seem to bear a strict proportion to the fluctuations which arise from other causes and to my mind this factor does not seem to have been calculated. There are also interesting figures in the Punjab which show that in the Punjab alone the cultivation of wheat has decreased proportionately to the total crop of cereals. Twenty years ago on a five years average the cereals were 75 per cent. of the total crop, we have now 70 per cent. Wheat used to be 3.16 of the total crop but it is now 3.06 and at the same time if you take the graphs of wheat production and population, the population has outstripped in the Punjab the consumption of wheat. Therefore, I think it is very unsafe to say that we have come to the end in India of what is a reasonable amount of wheat we ought to grow. The problem lies in other directions in finding out how the purchasing power of the people could be improved.

Mr. B. C. Burt.—I submit that the position of wheat is a special one in this way that for several years the Government of India has maintained a deliberately artificial price for wheat by means of an import duty which has definitely prevented the country from exporting any surplus because of the high internal price. The import duty cannot be effective in maintaining the internal price if you get an unmanageable surplus. Those who support the proposal have placed the maximum consumption under present condition at 9½ million tons and that is an optimistic figure, arrived at from the average during the last three years. In 1929-30 we had a record crop of 10½ million acres and early in 1930, the Commerce Department and the Research Council made independent calculations of the internal consumption of wheat from a consideration of the import and export figures and the crop figures. This was possible because we were able to deal with a series of years at the start and end of which stocks were clearly at a minimum because there was a change over from an exporting to an importing position. That calculation gave a figure between 8.5 million tons and 8.8 million tons per annum. Both departments were agreed on that figure. That was over a prosperity period. Following the large crop of 1929-30 and of course Russia's eruption into the world wheat market, there was a tremendous fall in prices. There is no question at all that we have been able to absorb during the years that have followed 1930 something very close to 9½ million tons. There is no indication that the 10½ million crop was not absorbed gradually as the fall in prices passed away when the import duty came on; the crops which have followed have been between 9 and 9½ million tons. The estimated consumption of 9½ million tons per annum is confirmed by the consumption calculated by the Statistician to the Research Council from population changes and assuming a straight line trend giving an annual increment of about 90,000 tons per annum. But there is this further difficulty. In 1930-31 wheat prices had fallen sharply but labourers wages were still high. Wages are now beginning to fall and the stimulus to increased consumption of wheat which is one of the superior food grains must gradually disappear.

There is now an organised attempt to bring down the rates of urban labour and agricultural labour has fallen. Far from assuming that our consumption of wheat of $9\frac{1}{2}$ million tons will increase by 90,000 tons a year there is every risk that it might slip back. Therefore it was quite a generous figure that we took. Now it is estimated by our statistician, from the same calculations, that present stocks of wheat in India amount to some 600,000 tons. This may not seem much for a country like India producing and consuming $9\frac{1}{2}$ million tons of wheat annually but my own feeling is that in March last stocks were as large as the wheat trade in India considered healthy. If we look at the course of prices, we see that wheat prices fell sharply as soon as there was a prospect of a really big crop, i.e., as soon as the Government figure for the wheat area was known. Trade estimates are from 2 to 3 weeks ahead of the Government forecast for the simple reason that they get immediate reports from which they make up their own forecast as to what the position will be. It was not until the effect of frost and cold and the unseasonal cloud during the last month of the crop became obvious that prices began to recover. That seems to me a clear indication that the wheat trade in India considered that we had reached the danger point and that with a record area of 35 million acres were likely to have an unmanageable surplus. This acreage on reasonably average yields would have given a crop of 11 million tons and with export closed in addition of over a million tons surplus to a carry over of 600,000 tons would have been a serious problem. Therefore I think it would be wise to limit our wheat production to 33 million acres in itself a generous figure because the bumper crop of 1929-30 was $10\frac{1}{2}$ million tons on an acreage of 31.6 million acres so that there is a very big margin in hand. While I have every sympathy with those who would increase the consumption of all cereals by all classes of population, we must not forget that if wheat prices fall the man who would go hungry is the cultivator because in all the major wheat producing provinces a certain amount of wheat has got to be sold to pay rent, irrigation dues and the like. If prices fall the quantity which he has to sell increases and it is not the urban labourer who is likely to go short but the cultivator. I do think that when Government is taking special action to maintain internal wheat prices, it would be a great mistake on the part of wheat growers not to take full advantage of it by limiting the production of wheat to what is required for internal consumption. If we are going to depend entirely on an increase in consumption surely we ought to remove the wheat import duty and let prices slip down to world level and let all consumers benefit. Already protests against the import duty have been made in the Assembly against the wheat import duty on behalf of the wheat importing provinces. I do not think the wheat producing provinces can expect to have it both ways and I do think that some serious plan on the lines suggested by Mr. Richards is urgently called for.

Rai Bahadur B. B. Mukharji.—One point I wish to urge is that so far as Bengal is concerned the consumption of wheat has increased. As a matter of fact we are confronted with the solution of one of the most important national provincial problems as to how to arrange for the national diatetic. There is an organised movement carried on by the Students' Welfare Committee that wheat should be one of the main items on the diatetic. As a matter of fact our social habits are also changing. If I were addressing a conference wholly of Bengalis I would remind them of the adage and the question which used to be put whenever a person used

to go out for invitation whether 'chira' came at the beginning or at the end, that is whether it was (chira) rice throughout or at the end. I am sure no one would care to go to a dinner if there was rice right through and even the cultivators are now taking a lead. There is a definite movement in Bengal for adding wheat as an item in the dietetic of the people. I think it would be very unfair if there be any embargo so as to make the price higher than what the ordinary consumer would be able to get at. And though as a wheat producing province we stand low and we would not object to what is good for India, I do submit that wheat is gradually gaining in importance as an item of diet, and if it comes in I would rather welcome it.

Chairman.—If there is nobody in support of the proposition on page 9, barring the Director of Agriculture of the United Provinces in his personal capacity, we may take it that it is dropped. We will now proceed to the second one.

Mr. A. D. Gorwala.—Mr. Jenkins informs me that he did not agree to the whole of this. He agreed that efforts should be made to substitute other crops for wheat but he did not agree that no fresh stimulus should be given to the expansion of wheat cultivation. As a matter of fact it is difficult to understand what fresh stimulus means.

The Hon'ble Sir Miles Irving.—I do not think this formula will be acceptable. This difficulty about wheat is very largely a matter of inter-provincial competition and the prospect of the Sukkur Barrage throwing in two million acres is a very serious matter. The Sind representative suggests that if anyone is going to restrict its wheat, the Punjab had better begin. I don't think competition on those lines between the provinces is going to lead to any fruitful results. We do not see any possible way of changing the course of cultivation in our canals more than has been done already. As I have pointed out the production of wheat in the Punjab is going down very rapidly on unirrigated lands. The trouble before us is what we are going to do with the extra 2 million acres that Sind is going to produce. I do not suppose any Government could really agree to the Resolution as it stands.

Mr. A. D. Gorwala.—The point at issue is the difficulty of finding a substitute for wheat. The fall in prices has not been restricted to any particular commodity. The general level of prices has dropped. It is a fundamental principle of economics that movements in general prices are primarily caused by monetary influences, and the mere substitution of one crop for another is not likely to have any effect on the situation. The farmer should find his just remuneration in the regularity of prices enabling him to reckon on a legitimate return equivalent to that accorded to other producers. Unfortunately the formulation and execution of such a policy is outside the power of the farming classes. In this matter, their fortune lies in the hands of statesmen and bankers who control the purchasing power of money. If, however, it is felt that the quantity of wheat should be restricted why should not the Punjab take action? The Punjab is the nursery of good agriculture and it will be much easier for the experienced and clever Punjabi cultivator to switch over from one crop to another than for the Sindhi agriculturist, who is yet learning his work.

I cannot dictate to a farmer what he should grow. If I insist, then in case of failure, the responsibility is mine. Oilseeds is a new crop difficult to grow and much more easily affected by frost than wheat. The responsibility of insisting that the zamindars in Sind shall grow other crops rather than wheat—to the growing of which they have been accustomed for ages—is, in view of the prevailing prices and the uncertainty of the future, not one which any Government ought to undertake. Moreover, the carrying out of any such restriction programme is not practicable. With reference to the Resolution we will agree to the second portion that every effort should be made to substitute other crops for wheat. But as regards the stoppage of fresh stimulus to the expansion of wheat cultivation, if fresh stimulus means that the acreage under wheat is not to be increased, then we must respectfully object. Our Agricultural Department is, of course, placing facts before the zamindars showing the usefulness of various alternative crops. We are prepared to do all we can to encourage more profitable cultivation, but we cannot accept the policy of restricting wheat. We might perhaps be prepared to agree that in the future no new schemes shall be undertaken which are likely to lead to an increase in the wheat area, it being clearly understood that new schemes do not mean full development of existing projects.

Dewan Bahadur T. Raghaviah.—The idea was the same as in the case of rice that no fresh irrigation project or fresh canal should be constructed which will have the effect of increasing the area under wheat. About the existing areas they could increase to their maximum capacity.

The Hon'ble Sir Miles Irving.—Punjab must oppose that. It has one or two projects that may possibly be taken up and they would inevitably result in a certain area being placed under cultivation, and the Punjab Government could not agree to an embargo of this description.

Mr. J. H. Ritchie.—Central Provinces is not concerned with this. We are not likely to start any irrigation projects. There is no irrigation project at all in the Central Provinces. The area fluctuates from year to year according to the soil at sowing time.

Mr. P. B. Richards.—In principle I support this ; but in the course of the discussion in the Sub-Committee, the question arose whether small minor projects were included such as the September flooding of comparatively small areas in which rainfall was in defect. One would like to see such small projects excluded. Over precarious tracts, it is under consideration whether surplus canal water cannot be utilised to make good defects in rainfall in order to prepare them for wheat or other rabi crops. I would like the resolution to be a little less rigid if it is likely to exclude investigation or actual operation upon such comparatively minor areas.

Sir T. Vijayaraghavacharya.—What is the limit of the minor area ?

Mr. P. B. Richards.—It may be only a matter of 5 or 10 thousands acres but as the resolution stands it precludes this.

Mr. B. C. Burt.—That is not a stimulus to fresh wheat cultivation at all. It is merely protecting the existing acreage.

Mr. P. B. Richards.—As long as that is understood I have no objection.

Dr. W. Burns.—We are on the horns of a dilemma. On the one hand the situation has been explained by Mr. Burt. On the other hand, we have the commitments of the Punjab and the Sind Governments which appear to indicate that there will be an expansion of wheat. I would like to quote again, if I may be tolerated, the following very apposite quotation from an article by George Pavlovsky published by the International Institute of Agriculture in their Monthly Bulletin of Agricultural Economics and Sociology :

“ The prices of these products on markets so effectively isolated from foreign competition came thus to depend entirely on the relations between the home supplies and the internal demand, and the price level could be kept higher than in countries not so well protected. ” As an outstanding example of such price autonomy, one can point to the prices in wheat in Germany, France or Italy. In all these countries, and especially in Germany, the rates of general duties on wheat exceed more or less considerably the current prices of imported wheat in London and Liverpool, and other restrictions are also in force. In all these cases the wheat prices on the national market depend essentially on home supplies, and, unless there is over-production at home, they can be maintained at a level which makes wheat-growing remunerative. Yet, it cannot be said that the policy of autonomous price formation has generally succeeded in solving the agricultural price problem on the markets in which it has been applied. Indeed, though the level of prices has been maintained on a higher basis than in other countries, its gradual decline could not be prevented, and farmers continue to suffer from falling prices. This general tendency of the prices of farm products to decline is the natural effect of the all-round diminution in the purchasing capacity of the masses of consumers caused by the general economic depression which is itself largely due to the disintegration of the world market into isolated national economies ”.

Sir, it seems to me that from the facts that have been placed before us, we may look forward to a further fall in prices.

Chairman.—I think we had better continue this discussion tomorrow.

The Conference then adjourned till 10 O'clock on Saturday, the 9th June 1934.

PROCEEDINGS.

Saturday, the 9th June 1934.

The Crop Planning Conference met in the Members Room of the Legislative Assembly Chamber at 10 a.m., the Honourable Khan Bahadur Mian Sir Fazli-Husain in the Chair.

Chairman.—When we adjourned yesterday the discussion was going on about wheat and the particular proposition, namely, no fresh stimulus should be given to the expansion of wheat cultivation in India, was under discussion. Objection was taken by the Punjab and Sind to that proposition and, if I am not mistaken, Bengal sympathised with that objection. It was at that stage that we adjourned. Discussion will now proceed from that stage.

The Hon'ble Sir Miles Irving.—May I somewhat amplify the position as regards this case. The position of the provincial representatives in this conference is somewhat difficult, as we are not in the position merely of giving advice but have to guard against our Government being bound to what we say, and therefore as the Punjab Government may see some possibility of schemes for producing wheat in the future, it is impossible to agree with the proposition that no fresh stimulus should be given to the expansion of wheat cultivation in India. But we want to put our cards on the table about this very important question of Sind and, if you like, also the proposed additions to irrigated areas in the Punjab. Supposing the wheat supply is now stabilised and it is proposed to market in the near future a very large supply from Sind, it will obviously be a disturbing factor. The Punjab proposes also to construct other works as, for instance, the Bakra Dam canal, which might not add to the area of wheat but which would certainly help the production of it. The Bakra Dam will substitute for one crop in three years of 5 maunds per acre a crop every year bearing 12 maunds.

Chairman.—In that case we might reasonably reduce the area. As Barani, it would produce nothing but wheat, while, as irrigated, it might produce cotton as well. You are now talking of what will happen at least 10 years hence.

The Hon'ble Sir Miles Irving.—I am rather guarding myself because I could not get up and say anything which would commit the Punjab Government in any way. But I am naturally thinking of Sind which affects the Punjab very closely and also the other provinces in India to a certain extent.

Chairman.—But the resolution is about 'fresh stimulus' and the interpretation put on it by the mover of the resolution was that in Sind the stimulus was given three or four years ago.

The Hon'ble Sir Miles Irving.—If that is the position, then, of course, the Punjab Government would say that we are helpless. We can only say that in order to meet the fallen price of wheat we should have to consider more remissions.

Chairman.—Nobody, of course, could say that. At that time wheat export by India was operating.

The Hon'ble Sir Miles Irving.—I am not blaming anybody.

Chairman.—Punjab would have required a rich neighbour to exploit rather than a poor neighbour.

The Hon'ble Sir Miles Irving.—I am only explaining the situation. As a matter of fact, our view is that as there is already enough land under wheat, it is time for Sind to think of something else.

Chairman.—That is exactly the question. Both the Sind speakers invited the Punjab to advise them if they could suggest any better crop than wheat which was equally good and as easy to grow.

The Hon'ble Sir Miles Irving.—Our suggestion to Sind is oilseeds. They have the market at their door.

Chairman.—That is going to be discussed later on.

The Hon'ble Sir Miles Irving.—On the question of stimulus, if Sind is putting these fresh acres under wheat, all we can say is that we cannot bind ourselves as regards our future measures of retaliation. We understand Sind's case sympathetically but we also feel that Sind now holds the position. By its action now, in the next few years it will enormously affect the wheat crop and the finances of the country, and therefore our hope is that Sind may find its way—even this Conference may find its way to advise Sind to take up some other crop than wheat.

Mr. A. D. Gorwala.—May I ask the Honourable Member from the Punjab what measures he proposes we should take to compel farmers to grow a particular kind of crop? Can he do it in the Punjab?

The Hon'ble Sir Miles Irving.—Now that you are giving out Government lands on conditions under the Colonisation Act, in the same way as the Punjab.

Chairman.—Colonisation in Sind is quite different from colonisation in the Punjab. In the Punjab, by far the largest area belongs to Government and Government gives away areas or sells or leases. In Sind, by far the largest area belongs to individual proprietors.

The Hon'ble Sir Miles Irving.—The position is very much the same as ours. There are probably no coercive methods; these are methods of advice. I think it will be to the interest of the zemindar to cultivate oilseeds. Also, there are the methods of water rates and land revenue rates which may to a certain extent give the stimulus.

Mr. B. S. Kamat.—On the question of stimulus, I think this Conference ought to be satisfied if after the word "stimulus" we add some such words as: "but no fresh stimulus such as by way of major irrigation projects should be given to the expansion of wheat". The object of making this explicit is to prevent Local Governments from going ahead with large irrigation projects. Personally I think it is not worth while for this Conference now to disturb the commitments which Local Governments already have accepted. Whether it is the Government of Sind or Punjab, it is exceedingly unfair to try to disturb those commitments and it would not be wise to do so. So, the whole object would be gained if after the word "stimulus" we add, "no fresh stimulus such as by way of major irrigation projects".

Rai Bahadur B. B. Mukharji.—There will be a little objection from the Bengal Government to that, Sir. About 97 per cent. of our land only bears one crop. We are being charged by various public bodies that the Bengal Government is not looking after irrigation. You may remember the great controversy which took place a few years ago in the Press in which Sir J. Wilcox took part. They definitely charged the Government of Bengal with neglecting irrigation in Bengal. I may inform this Conference that there is now before the Government of Bengal an Irrigation Bill by which it is sought to raise money from the public or from the land benefited and construct irrigation works.

The Hon'ble Sir Frank Noyce.—You are not going to grow wheat under this ?

Rai Bahadur B. B. Mukharji.—Not definitely. If you mean irrigation works specifically for wheat, I am prepared to accept it. But if you say, “stimulus by way of all irrigation works”, then I do not agree. If it is intended that no stimulus should be given by constructing irrigation works specifically for the cultivation of wheat, I am prepared to accept it ; otherwise, it is very difficult for my Government to accept it.

Chairman.—May we have a statement from somebody as to what the prices of wheat are in the chief wheat producing countries of the world ? Prices in Indian Currency would be preferable ; otherwise in English.

(The statement was promised later on.)

Mr. W. J. Jenkins.—Sir, with regard to what Sir Miles Irving just said, I should like to make it quite clear that we in Sind are definitely attempting to grow substitute crops for wheat. I have the authority of my Government to say that they are prepared to co-operate with any scheme which would involve the substitution of other crops for wheat provided that these other crops are more paying. That is the most important proviso.

Chairman.—Or equally paying.

Mr. W. J. Jenkins.—We in Sind have very heavy obligations to meet, and we cannot assent to any proposal which is going to handicap us in meeting those obligations. I must respectfully point out that it is rather inconsistent for the Punjab representative to oppose this resolution on the ground that large irrigation projects in the Punjab may come to fruition in a few years and at the same time to ask us in Sind to restrict our area under wheat. It seems to me that these are two points of view which cannot easily be reconciled. With regard to substitution, we heard from Sir Miles Irving yesterday that the area under wheat in the Punjab is decreasing. [*The Hon'ble Sir Miles Irving.*—Proportionately.] It seems reasonable to suggest that it will be much more easy to substitute a crop which is decreasing than to substitute one which is increasing by leaps and bounds. We have heavy obligations to meet ; we cannot agree to anything which is going to handicap us in meeting those obligations.

Mr. A. D. Gorwala.—May we know something about the retaliatory measures which the Punjab proposes to adopt ?

The Hon'ble Sir Miles Irving.—Perhaps that was not a happy word. I meant the construction of further irrigation schemes.

The Hon'ble Sir Frank Noyce.—As regards irrigation projects, we are arguing an academic question. We are now dealing with an immediately

urgent problem. If you undertake fresh irrigation schemes, they are not likely to be completed for 5 or 10 years and the position then may have completely altered.

Mr. M. Vaidyanathan.—Sir, The Canadian wheat in Winnipeg sells at Rs. 2-1-9 per maund ; in New York the price is Rs. 2-2-6 per maund ; in Australia it is Rs. 2-2-0 per maund. In Liverpool the present quotation is about Rs. 2-8-0. For Argentine, the figure is not handy.

Chairman.—So far as the Punjab and Sind are concerned, their prices are below the price of wheat in any of these places. Therefore, the statement that the prices of wheat in India are being fictitiously kept up is not quite correct in the usual acceptance of that phrase. The only effect of the Wheat Duty Act is to protect Indian wheat from the onslaught of Australian wheat. But Australia does not sell wheat in Australia any cheaper than Punjab and Sind do in the Punjab and Sind. Australia has the advantage of cheap sea freight : Indian has the disadvantage of expensive railway freight. So, I do not think there is much in that. We are producing wheat more or less at the same selling price in the country as other countries. But our situation and the vastness of the country do not permit of our being able to export. Now, what about this resolution ? “ Fresh stimulus should not be given to the expansion of wheat cultivation ”. In a way, it is more or less an axiomatic truth. In other ways, it is binding Government from starting upon any venture as a part of which expansion of wheat area may be involved. It may be considered as restrictive. Is it not possible for us to arrive at a formula which would serve the purpose ? What is our power over the provinces ? To give good advice. But till we have armed ourselves with the requisite legislative power, we could not force our advice on provinces. Can anybody suggest a formula which might serve the purpose ?

Rao Bahadur Naresimha Raju.—In the case of rice, the Conference adopted an advisory resolution for the provinces. I think the whole problem will be at an end if we adopt a similar phraseology in the form of an advisory resolution regarding wheat as well.

Chairman.—Will you kindly listen to this as a possible formula to serve as a basis of discussion ? “ That the present world conditions in the matter of wheat production and that the Wheat Import Duty Act is an annual measure (not permanent) are two facts which should be borne in mind by Provincial Governments which contemplate schemes involving expansion of the wheat area ” that is, not schemes which are intended to increase it but which involve the expansion of wheat. As a matter of fact these are the only two factors which compel us to give this advice, first the world condition, and the second that the Central Government has to keep this Import Duty Act going, which I think justify our more or less prominently bringing to the notice of Provincial Governments this advice. Do you think any Provincial Government could reasonably object to it ?

The Hon'ble Sir Miles Irving.—I think no Government can object to being given advice.

Rao Bahadur Naresimha Raju.—And increased production of wheat as well.

Chairman.—That would not be fair. That would prevent the activities of the Agricultural Department.

Sir T. Vijayaraghavacharya.—That would be against scientific advance.

Chairman.—I take it that the Conference would prefer to substitute this for what we were discussing under this head. The Conference agreed.

To this Resolution the statement of prices which has been given by our expert had better be appended ; and I trust he will be able to give us Argentine prices too.

We are at page 10 of this Note. The next point is external markets and the Note says that there is no immediate prospect of capturing them. That I think is an accurate description of the situation. As to internal markets the matter has to be left as in the case of rice to the Marketing Board. As regards railway freights, the same observations as in the case of rice. Paragraph 4 of Part II of the Note. The Sub-Committee unanimously recommend the creation of a Standing Committee on wheat of the Advisory Board of the Imperial Council of Agricultural Research on the same terms as those suggested for the Committee on rice. Any observations on this, gentlemen ?

Mr. W. J. Jenkins.—I should just like to ask if it could be recorded that in view of the importance of wheat trade to Karachi a commercial representative from Karachi should be included on this committee.

Sir T. Vijayaraghavacharya.—It is a matter for the Advisory Board to consider.

Chairman.—I take it that the Conference endorses paragraph 4 of Part II at page 10 of the Note. This concludes the Note on wheat. But before we go on to the next item, I shall be glad if any member has to offer any observations on wheat in general. (No member had any observations to make.)

Then we proceed to cotton, Part III of the Note. The Note says that the questions to be considered are two, namely, increase in the total area and the selection of varieties, and we are told that a Sub-Committee of the Indian Central Cotton Committee is engaged in pursuing these two matters. So far as discussion on cotton at this stage is concerned, perhaps the Conference will be satisfied with this remark ; but I believe the Conference expects our expert in agriculture to tell us later on when the question of substitution comes what is the extent of area that he considers can be suitably brought under cotton during the next few years without impairing the prospects of a good price for cotton or at all events of the price that has been prevailing during the last two or three years. That is so far as the area is concerned. No doubt the cotton committee is pursuing the question of selection of varieties, but perhaps Mr. Burt will tell us what stage these enquiries have reached.

Mr. B. C. Burt.—Well, Sir, the Central Cotton Committee set up a Sub-Committee to discuss this question in consequence of the temporary boycott of Indian cotton by Japan and decided that it must go on and see whether it is possible to make India less dependent on one single large buyer. The Committee has met and has made two specific recommendations so far—both of very considerable importance. One is that every effort should be made to extend the medium staple type of cotton known as Verum in the Central Provinces. That is a cotton produced as a result of one of the Central Cotton Committee's own research schemes. It has

already proved successful both to the cultivator and to the Indian mills, and what is required is a greater effort to extend this cotton in all suitable areas in that province. That is a recommendation with which the Central Provinces Agricultural Department are in complete agreement and everything possible is being done.

The second important recommendation which the Sub-Committee made was in regard to Sind. It was to the effect that a special long staple cotton area should be developed in Sind. Sind has always been spoken of as a potential long staple cotton area and the Indian mills very badly need a greater supply of staple cotton which Sind could profitably provide. The Committee recommended that some such area as would produce about 3,00,000 acres annually of cotton (which would produce under Sind conditions about 1,50,000 bales) should be reserved for long staple cotton growing. I think I am correct in saying that the total area to be brought under cotton on the Barrage is about 7,50,000—not quite so much as that. That recommendation is at present under the consideration of the Sind Agricultural Department and Mr. Jenkins can tell us that there has been a very considerable progress already in that direction. Those are the two recommendations which the Committee has made up to the present and they are further considering the matter. (*Honourable Sir Frank Noyce* : Who will buy the cotton ? The Indian mills mostly ?) The cotton will be suitable both for the Indian mills and for export to the United Kingdom.

Mr. W. J. Jenkins.—Before we leave this question, I should like to know whether it will be competent to suggest to this Conference a recommendation to the Government of India that an amendment of the Cotton Ginning and Pressing Factories Act should be made which will enable the licensing of ginning and pressing factories to be introduced in such provinces as consider that desirable in the interest of the extension and marketing of better cotton. We in Sind are making a big effort to grow cotton which is at present being imported into India from abroad and we feel—and I think every province which has the matter at heart will feel—that such a measure will go a long way to help us. When the Cotton Ginning and Pressing Factories Act was passed this enabling clause was omitted. I think conditions have changed since then and the opposition which was evident at that time would not be so strong now. There are a large number of ginning factories in Sind and still more are being put up. (*Chairman* : Are they of more than 2 years' standing ?) About three-fourths of them are old factories. The position is changed in Sind. The Sind Cotton Committee is to meet on the 14th of this month to decide whether the time has not arrived to stop the construction of new ginning factories on the Barrage areas.

The Hon'ble Sir Frank Noyce.—Your view would be that the licensing of ginning presses is an essential factor in improving the marketing of cotton.

Mr. W. J. Jenkins.—Yes.

Sir T. Vijayaraghavacharya.—The Central Cotton Committee has already made that recommendation. The recommendation is now under examination in the Commerce Department, the Department of Education, Health and Lands and the Imperial Council of Agricultural Research.

Chairman.—That is satisfactory. In my province there are ginning factories like Rest Houses at a distance of every 10 miles but many of them are not working !

Chairman.—Next we come to Jute. Part IV of the Note. Do you like to say anything, Mr. McLean ?

Mr. K. McLean.—I have nothing to say. The Report is under consideration of the Bengal Government.

Chairman.—The other provinces are not interested in it. We might leave it at that. Next we come to oil seeds. Part V of the Note. These have been dealt with under four heads,—A. groundnut and castor ; B. linseed ; C. rape, mustard sesamum and cotton seed, and then again D. linseed, castor, groundnut rapeseed and sesamum oils. As regards A. groundnut the recommendation (a) at page 11 says “ That this Sub-Committee recommends that the Government of the United Kingdom be approached with a proposal to impose an import duty on all foreign fats, oils and oilseeds which compete with oilseeds produced in the Empire ”. Does not anybody propose to make any observations on that ? ‘ No need for placing any restriction on its cultivation, but that there might be room for cautious expansion ’. May I ask what is the quantity of groundnut exported ? In what quantity do our experts think groundnut can be further exported without reducing the price of the groundnut already exported ?

Mr. M. Vaidyanathan.—The actual quantities of exports of groundnuts from India were—

			Tons.	
1929-30	..	..	714,000	
1930-31	..	..	601,000	
1931-32	..	..	672,000	
1932-33	..	..	433,000	
1933-34	..	..	546,000	There is increase this year over last year's.

Chairman.—What have we been doing with the balance ? Have we been producing enormously ?

Mr. M. Vaidyanathan.—The estimated yield in tons in groundnut has increased from 2.7 million tons in 1929-30 to 3.2 million tons during the current year.

Chairman.—The Committee reports that there is no need for restriction, but there is room for cautious expansion. Will Mr. Burt kindly explain ?

Mr. B. C. Burt.—The internal market for groundnuts in India is extremely important. The internal market for the oil is expanding, and groundnut oil is the one oil which is being used by all the new hydrogenation plants which are producing Vanaspathi Ghee to replace imports of fats and other kinds of vegetable ghee. After going into the trend of exports and the increasing demand for internal consumption we came to the conclusion that there was room for cautious expansion, especially in those provinces where the groundnut area is not very large, and where it is very desirable as a rotation crop.

Chairman.—What would you place the increase in output at ?

Mr. B. C. Burt.—I don't think we can commit ourselves to figures yet.

Chairman.—If you are going to give advice to provinces to go ahead and increase the area under groundnut, you cannot say that you are not prepared to commit yourself to figures. How do you expect the provinces to commit themselves in giving advice to the cultivators ?

Mr. B. C. Burt.—The position is this. The two provinces which are really dependent on the export market are Madras and Bombay. The Central Provinces, for example, the third greatest groundnut growing province, consumes the whole of its groundnuts within its own borders for crushing oil, and it finds no difficulty in marketing its oil. Incidentally I might mention that there is an expanding export of groundnut oil.

Chairman.—I do want the conclusions of the conference to be definite enough to enable the provinces to act on them.

Dr. W. Burns.—I may state, Sir, that to give advice in such detail it would require a very much longer period of consideration than we have been able to give to this question, and also a great deal more consultation between the provinces themselves. I agree that it is highly desirable at the present moment that we should merely indicate the general directions in which the expansion could take place. The expansion actually in the two provinces mainly concerned, namely Madras and Bombay has been encouraging. In Bombay in the year 1900 there were only 50,000 acres, whereas now there is about a million and two hundred thousand acres under cultivation. That figure has remained fairly steady since about 1929. When groundnut does not pay, cotton tends to take its place, and when cotton does not pay, groundnut tends to take its place. But undoubtedly there are in many places lands which can be put under groundnut cultivation if the prices remained steady. The price has gone down, but it has not gone down to such an extent as to discourage people altogether from going in for groundnut cultivation. I understood from the papers that this year there had been a reduction in the area in Madras. That apparently is a mistake, because the figures have shown to us that there was no such reduction. The press in fact went the length of saying that there had been 50 per cent. reduction in some areas, but as far as I could see, speculation in this groundnut business affects the markets very greatly, because I have before me a letter from a banker which says that he is having a lot of worry just now owing to violent fluctuations in the price of groundnut. Therefore, if we have the prices jumping about so violently, growers of groundnut can't say where they are. This is a factor which we have to take into consideration. Apparently there is no falling off in Madras supply. There is very little falling off if any in the Bombay supply, but we are not in a position to recommend restrictions, nor are we in a position to recommend exactly how the expansion should proceed.

The Hon'ble Sir Frank Noyce.—Could we not ask the Agricultural Research Department to work out something more definite in consultation with the provinces ?

Sir T. Vijayaraghavacharya.—As a matter of fact, all these subjects are taken up.

The Hon'ble Sir James Grigg.—I was very struck by a remark which fell from one of the speakers who said that the ryot is quite prepared to

grow cotton when groundnut does not pay, and to grow groundnut when cotton does not pay. That seems to indicate that the ryot knows his business quite well; if only he can get the information quickly enough, he will be able to take the necessary action in time. The key to the situation is to give information to the ryot quickly enough.

Sir T. Vijayaraghavacharya.—We are setting up a Bureau of Information.

Chairman.—That is why I am afraid of a recommendation like this going out saying that there is room for cautious expansion. The person who is to derive the benefit may say—'Well, I am only adding a hundred acres,—that is quite cautious'; but if many hundred people do that, then the word 'cautious' loses all its value.

Mr. H. M. Hood.—With regard to groundnut in Madras, I think I am right in saying that there has been no material reduction in the area under cultivation. We have been told several times that the quality of groundnuts in Madras is inferior, when I inquired of the merchants, they said that they did not think that the quality had deteriorated, but still something might be done to improve the quality of the groundnut. The decortication of groundnut leaves something, to be desired, and something might be done to see that there is no falling off in the quality of the decorticated seed.

Sir T. Vijayaraghavacharya.—We are setting up an Oil Seeds Committee which will deal with all these subjects, and we intend consulting the Madras Government about the constitution of this Committee.

Mr. H. M. Hood.—But the important question to be remembered is the question of depression in prices. I do not know whether anything can be done with regard to European markets, whether any action by the Government of India is likely to have any effect in regard to the restriction that has been placed on the import of groundnuts into, I think, France and Germany.

Chairman.—What is the percentage of produce that is actually exported to France and Germany?

Mr. M. Vaidyanathan.—Out of a total export of 433,000 tons in 1932-33 roughly 50 per cent. to France and 11 to Germany.

Chairman.—I was asking what is the percentage of produce that is actually exported, and I find about 20 per cent. of the total yield is exported. About 80 per cent. is consumed in the country.

Mr. A. M. Livingstone.—There is an excellent Report on the groundnut position published by the Imperial Economic Committee in London. That shows that the consumption of groundnuts has decreased very largely in recent years largely owing to the utilisation of other substitutes for vegetable products, and particularly the use of whale oil, which is very largely used for making margarine. It has the power of absorbing and retaining a fairly large percentage of water, and so margarine manufacturers have been using whale oil instead of vegetable oil. The decrease in consumption of groundnuts, according to the Report, apparently came to an end in 1932, and actually the consumption of groundnuts in Europe in 1933 showed some increase. The Imperial Economic Committee come to the conclusion that there are other favourable factors apart from this.

increase in consumption in 1933. They point out that the policy of several European countries is intended to raise the prices of their animal fats, such as butter and so on, and that if the price of butter is in any way put up they anticipate that the price of margarine will rise at the same time, which should assist in increasing the consumption of groundnuts and probably improving the price. They draw attention also to the possibility of groundnuts being used in some other ways. But they are very cautious in their conclusions, and therefore the Sub-Committee thought that they should be equally cautious when making any recommendation to the provinces. Apart from this world position the provinces should have regard to what they think is going to be the consumption within their own borders in the way perhaps of having more mills and increasing the output of the mills. They should take these factors together when deciding how far expansion of the groundnut area should go.

Chairman.—What was the total area under groundnut last year ?

Mr. M. Vaidyanathan.—8.1 million acres as compared to about 6 million acres before the depression.

Chairman.—On the facts within your knowledge, if you were owner of 8 million acres and another 2 millions were available how much of those two millions would you bring under groundnuts ?

Mr. A. M. Livingstone.—I would wait and see if prices will rise.

Mr. B. C. Burt.—May I refer to one remark which Mr. Hood made ? When we were discussing the question in Sub-Committee the original proposal was that except in Madras and Bombay there was room for cautious expansion and on further consideration Madras and Bombay representatives considered that they should not stand aside because in Madras it was considered that the area would automatically react to the price and a similar effect would be likely in Bombay whereas there was legitimate room for expansion in other provinces. That is why the recommendation is in its present form. I would like to support the suggestion as to the need for more time before we can make any further recommendation.

Chairman.—For the present we cannot really advise people to bring more area under groundnut ?

Mr. B. C. Burt.—We cannot place a figure on it. We might put it in a negative way that in the Central Provinces which has been specially mentioned, where they are already increasing their groundnut area there is no reason for them to hold their hand.

Mr. J. H. Ritchie.—Our policy in Berar is to recommend groundnut as one of the rotation crops for cotton. As a result of the Botanical scheme financed by the Indian Central Cotton Committee we have found that cotton with groundnut and jowar in rotation gives an yield of nearly double the quantity of cotton. We have therefore been advocating this rotation to the cultivators and the area has gone up during the last ten years from 10,000 acres to 185,000 acres. I should like to see the groundnut crop reaching an acreage of 2 millions in Berar. I asked the Sub-Committee what effect this would have on the general situation, and we came to the conclusion that for the sake of cotton it is best that we should go ahead. But the area under groundnut will fluctuate very considerably with the price not only of cotton but of groundnut itself. This

year I think the groundnut cultivators made more out of groundnut than out of cotton with the result that there is likely to be a very big expansion. So far we have been in the position of being able to absorb and consume all the groundnut we produce. More groundnut comes into the province than goes out. I should like to have the approval of this Conference to the policy of extending groundnut in Berar.

Chairman.—We proceed to castor seed. The Sub-Committee considered that the position was satisfactory and that there was room for its development rather than for its restriction. Here again is it possible for us to say what is the extent of expansion that we visualise, or is it that we do not visualise the extent of expansion ?

Mr. B. C. Burt.—Castor seed is a crop which is bound to proceed slowly. It is only in a comparatively small part of India that it is grown as a main crop. The critical factor in expansion is the demand for high grade lubricants and what the Sub-Committee had in mind was that the position in regard to the demand for castor oil for high grade lubricants should be very carefully watched. This is almost an Indian monopoly. But there is keen competition of course from petroleum lubricants and it was considered important that the supply should be maintained and that development should be very carefully watched.

Chairman.—We are not in a position to tell the authorities that they can add so much.

Mr. B. C. Burt.—No, Sir. The Committee required more time to come to a conclusion.

Sir T. Vijayaraghavacharya.—There is the Oil Committee.

Rao Bahadur Narasimha Raju.—I wish to know how the prices of castor seeds have fluctuated during the last five years.

Mr. M. Vaidyanathan.—Before the depression it was Rs. 6, and now it is Rs. 4-1 0.

Dr. W. Burns.—I trust that the Oilseeds Committee which is to go into this question will seriously consider the future of castor oil as lubricant. We were told the other day in the Sub-Committee by Mr. Tait that it has the great advantage of not mixing with petrol and that this was the only oil for certain aero engines of the rotary type. If it is linked up with aviation there ought to be a big future for it, and that particular point should be looked into by the Oilseeds Committee.

Chairman.—We pass on to (b) of Part VA. It was pointed out that there had been great increase in the export of groundnut oil, especially to the United Kingdom after the grant of Ottawa preferences and that the question of stimulating the industry might be left to the Indian Oil Crushing Industry Committee. That does not give us any lead for the present.

Mr. B. C. Burt.—In a further part of this report we deal specifically with the subject and there are some recommendations as to the means by which increased export should be possible. Here we are only dealing with it as part of the groundnut problem.

Sir T. Vijayaraghavacharya.—It comes under General.

Chairman.—Therefore under the head A of Part V, *Groundnut and Castor*, the definite and affirmative conclusion is that the Central Provinces is proceeding with a certain expansion of groundnut and that it may do so. That is all.

Mr. B. C. Burt.—There are other provinces which grow groundnut on a small scale.

Chairman.—I did not say that they did not. I said that the affirmative conclusion is only this—in the matter of expansion.

Mr. B. C. Burt.—To the extent that we are not yet ready to put forward figures.

Chairman.—Part V. B. *Linseed*. The large increases in the exports of Linseed to the United Kingdom since the grant of Ottawa preferences were pointed out and the Sub-Committee emphasised the need for extending the cultivation of linseed in India, especially of the improved varieties. It was also agreed that the favourable position in regard to linseed should be made widely known amongst cultivators and merchants. May we have some facts about linseed? What is the area under cultivation and what is the output?

Mr. B. C. Burt.—I have here the area for the production of linseed for a series of years. In 1933-34 the area was $3\frac{1}{4}$ million acres and the estimated yield was 377,000 tons. In the previous year the area was practically the same with a production of 406,000 tons. The export in 1933-34 was 379,000 tons, and in the previous year it was 72,000 tons.

Chairman.—How much room, in your judgment, there is for more exports?

Mr. B. C. Burt.—There is a regular market for export for 400,000 tons and there is internal consumption of 200,000 tons in round figures. So that we can do with 600,000 tons of linseed which on past records would mean an addition to the area of about 2,000,000 acres.

Chairman.—Is that the conclusion with which the Sub-Committee have agreed?

Mr. B. C. Burt.—Yes.

Chairman.—Which are the provinces in their order of importance that actually produced linseed last year?

Mr. B. C. Burt.—The Central Provinces is the most important province. Other provinces are the United Provinces, Bihar and Orissa and Bengal. Hyderabad State is also important.

Chairman.—Then it really comes to this that the Central Provinces, United Provinces, Bihar and Orissa and Bengal can go ahead in adding to their areas by about 50 per cent., leaving a little bit for other provinces. I think that is a fair statement to make.

Dr. D. B. Meek.—In this connection I would like to mention one point. I do not wish to discourage the view that there is a possibility of good trade in linseed, but it must be remembered that the only competing country is Argentine and for the last two years they have been having very poor crops. Therefore, this large expansion in our export might

have been influenced to a considerable degree by the poor crop in Argentine. That factor should be borne in mind while giving advice for the expansion of linseed.

Mr. B. C. Burt.—Perhaps we ought to give the basis on which we arrived at 400,000 tons export. The United Kingdom for many years past has averaged an import of over 300,000 tons of linseed. Last year it was shown that our preference was sufficient to enable us to practically exclude other linseed from the United Kingdom market. We have a 10 per cent. preference. There is also a fairly steady market on the continent and in America for Indian linseed for pale linseed oils. Then there is the internal consumption of at least 200,000 tons.

Chairman.—Now, we come to Part V (C) *Rape and mustard, sesamum and cotton seed.* On page 11 the Sub-Committee says: "So far as foreign exports were concerned the resolution referred to under A (a)—*Groundnut*—would cover the case of these oil seeds. The question of developing internal markets should be left to the Indian Oil Crushing Industry Committee of the Council." So, there is nothing definite at present about it and we had better leave them alone.

Part V (D) *Linseed, castor groundnut, rapeseed and sesamum oils.*—The Sub-Committee says: "Complaints had been made by merchants in Bombay that facilities for tank wagons on railways and tank accommodation on steamers and facilities for storage of these oils at the Indian seaport were lacking."

Mr. Tait.—When this question was brought up before the Sub-Committee, I said that it would be gone into. So far as the complaints regarding the tank wagons are concerned, I brought this matter to the notice of the Railway Board and it is now under their investigation. At the same time, it would be of assistance if Mr. Burt could let us have some indication as to what the extra amount of these oils would be for which tank wagons are required. If he could do so, it would help the matter materially.

Mr. B. C. Burt.—I can give those data later on and also the figures supplied by two merchants as to what they expect to do if these facilities are provided. The point which the Sub-Committee had in mind was that we should take advantage of the Ottawa Preference and export more groundnut oil to various Empire countries and the two merchants in Bombay have given us their observations as to what they expect to be able to do if they get these facilities. I will send them to Mr. Tait later.

Rao Bahadur C. Tadulinga Mudaliar.—May I know why the Safflower oil which is very largely edible in the Tinnevely and the Deccan districts is not included in the list.

Sir T. Vijayaraghavacharya.—From an All-India point of view, it is a very small crop.

Chairman.—We now come to Part VI. *Sugarcane.* Is any member of the Conference who was not a member of the Sub-Committee desirous of obtaining any information under this head?

Mr. P. B. Richards.—The danger of over-production of sugarcane was discussed in the Sub-Committee, and from the point of view of the largest producing Province, one is naturally interested that there should not be

such an expansion of the sugarcane area in Provinces which previously have not been sugar producers, as to endanger the market. Judging from the white sugar imports, it would appear that saturation point is rapidly being reached. The difficulty which was instanced in the Sub-Committee about making any specific recommendation was that we had no measure of the amount of gur which could be consumed at economic prices. That must be admitted. It is, however, to be hoped that the Sugar Committee will give their very careful consideration to the matter and endeavour to estimate as closely as possible the economic off-take both in gur and in sugar, and, as a result of that, possibly at some later date will be able to make recommendations to Provinces that they should be extremely cautious in stimulating the production of sugarcane lest the quantity produced should be more than India can consume.

Chairman.—We are producing only the quantity which we will ourselves be able to consume.

Mr. P. B. Richards.—That is the case at present, but I understand that the quantity of white sugar imported into India.....

Chairman.—They may not make any more sugar than they required.

Mr. P. B. Richards.—But if cane is grown in excess of the requirements, then the bottom must drop out of the general cane or gur market.

Chairman.—If the unit be a province and if a province does not produce more sugar than it requires, then will you say that it should not produce even that much ?

Mr. P. B. Richards.—The sugar-producing provinces of India are and apparently always have been the United Provinces and Bihar and Orissa. We depend largely on our sugarcane. It is but natural that we should view the problem first from the point of view of our own cultivators, and be perturbed when other Provinces express their intention of becoming self-sufficing. Should there be over-production, it will equally hit the new producing provinces and reduce the value of the sugarcane crop everywhere.

Chairman.—That is perfectly true. But the position you take up brings us very acutely to view the great principle underlying it, namely, that each province should be ear-marked as especially fit for production of certain crops which it should grow and develop and that other provinces as far as possible should not trespass upon it if it can be helped.

Mr. P. B. Richards.—The policy of self-sufficiency seems to me to run counter to the fundamental idea for which this Conference was called which was for crop planning on an All-India basis, and personally I greatly deplore the attitude that has been taken up. I do not press for any restrictions. I would only request that the position should be carefully watched in view of the future information as it becomes available.

Chairman.—I quite agree with you that these two principles are more or less incompatible.

Rai Bahadur B. B. Mukharji.—So far as Mr. Richards' observations go, I feel that we cannot really accept the statement that one province and one province alone should grow a particular crop. You are aware that in Bengal we have been rather hard hit by the absence of a money crop and,

jute having gone down, we are experimenting very seriously as to what its substitute should be. So far our experiments of sugarcane have been found to be satisfactory. Secondly, you are aware that the main crop of Bengal is *aman* paddy. It has been calculated that it does not take more than 92 days for a paddy cultivator to grow this crop and therefore the problem with which we are faced now is to find work for our widely extended cultivators who are not getting sufficient employment for the rest of the year and the sugarcane industry is a thing which we are aiming at. As regards the point that we have met here only for All-India planning, I am afraid I must protest with great respect against merely considering that. Provincial autonomy does not mean that we should be left to be guided in all our internal matters, even in the matter of the consumption of our foodstuffs and the growing of foodstuffs in the interests of somebody else. If I am quite fit to grow a crop at least to the extent of my home consumption, I must be permitted to grow that crop. I am perfectly prepared to go with my friend in all his helio-centric activities but I am afraid if I am rigidly restrained in details the fundamental basis on which the federation of autonomous provinces can develop will go.

Dr. W. Burns.—The position of Bombay with regard to the extension of the sugarcane is that up till the imposition of the import duty on sugar which has stimulated the production of sugar in India, the Deccan canals were largely dependent on sugarcane being produced and that question has been before the Bombay Government and has also been the subject of consideration by other bodies for a long time. Mr. Kamat here was on a committee which specially considered the position of the Deccan canals. Since the imposition of a tariff which has made it possible to develop sugar production in India, five more factories have sprung up in that area and there are now six where there was only one before and it is vital that there should be no restriction in the development of areas where factories may be set up. The supply of sugarcane to these factories is likely to increase. The increase, however, is not such as is likely to affect the general position because our area as compared with that of the United Provinces and Bihar and Orissa is comparatively small. At the moment the area under sugarcane is 67,000 acres, so that even if that were very largely increased, I do not think it would affect the general position in India. I merely wish to emphasize the position of Bombay with reference to its own sugar mills and the necessity of not restricting the supply of sugarcane.

Mr. D. R. Sethi.—I should like to state the position of Bihar. I endorse the remarks of Mr. Richards and I should only like to sound a note of warning to neighbouring provinces which are wanting to go ahead with sugarcane cultivation. It is for them to consider whether they can produce sugarcane as cheaply after the period of protection as we in Bihar and the United Provinces can do.

Rai Bahadur B. B. Mukharji.—You are aware, Sir, our country was formerly known as “Gour” because Bengal was the supplier of large quantities of gur to the rest of India, and there is obviously no reason why we should not go back to our “gur” status.

Mr. C. R. Pawsey.—As far as Assam is concerned, we have very large areas fit for sugarcane and applications for large areas for such

purposes are I believe going to be made and we should not like to be restrained.

Chairman.—There is no attempt under these few inoffensive lines to restrain anybody. We shall pass on to Part VII—*Tobacco*.

The Hon'ble Sir Frank Noyce.—I wonder why the tobacco area is not responding more largely to prices. Tobacco is the one crop the price of which has fallen less than in the case of any other crop. One would have thought that in those circumstances it would have been substituted for other crops to a much larger extent than it has been.

Mr. B. C. Burt.—Largely, I think, because of the amount of capital involved in tobacco cultivation, compared with other crops and to lack of incentive to a larger turn-over. It is rather a specialised form of cultivation and without much propaganda by the Agricultural Department I do not think there would be any great incentive to increase. Such a large proportion of our present production of tobacco is consumed mainly in the country that the future lies mainly with the home market. This is a matter which the Sub-Committee is going to consider.

Chairman.—The Sub-Committee considered there was ample scope for expansion of the area under tobacco of the light type. The bulk of the tobacco produced in India is consumed in India itself and it is heavy. What India requires, it is said, is to develop the light type of tobacco which is suitable for cigarettes. Does that imply that the Committee would like India to consume cigarettes instead of the old conservative hookah ?

Mr. B. C. Burt.—What the Committee had in mind was that there were large imports of cigarettes and also large amounts of foreign tobacco for manufacturing into cigarettes. We can profitably grow that for ourselves and we can also profitably export cigarette tobacco.

Chairman.—This is what I want figures of : What is the quantity that you want to displace—and I presume that that is the quantity which is here described as affording ample scope ?

Mr. B. C. Burt.—I think the import of tobacco of the cigarette type comes to six million pounds per annum.

The Hon'ble Sir Frank Noyce.—How many acres would be required to grow that in India ? Can you give the average ?

Mr. B. C. Burt.—I do not think we can give that safely as the present averages relate to heavy tobacco. The Committee will investigate it.

Chairman.—There is some light type produced ?

Mr. B. C. Burt.—Yes, that is mentioned in the printed note on tobacco. There has been a very marked increase in flue-curing barns which are essential to the light type. In the Guntur district in Madras it was eight hundred, all during the last few years, in the Saharanpur district of the United Provinces it was sixty, and something like fifteen in North Bihar.

Chairman.—One would like to have some information, however general it may be.

Mr. B. C. Burt.—The immediate scope is the replacement of six million pounds of imported leaf and each province can calculate from its own yield

of the area. It would not be safe to give any figures at this stage because all these returns are on a quite different basis, of the leaf imported.

Rao Bahadur Narasimha Raju.—I calculate for the heavy type of tobacco about a thousand pounds per acre—from the experience of ryots in the Guntur district, and, if six million pounds were imported, I would say “a lakh of acres”.

Chairman.—Which are the light type tobacco-producing provinces ?

Rao Bahadur Narasimha Raju.—The Guntur district, for instance.

Dr. W. Burns.—Bombay has possibilities of becoming such.

Mr. K. McLean.—We are just starting light tobacco—most of the type now grown is heavy.

Mr. B. C. Burt.—There is also an important opening for exports. The United Kingdom imports about three hundred million pounds of the cigarette type from foreign sources of which we might easily get a reasonable share.

The Hon'ble Sir Frank Noyce.—The consumption of tobacco in India is also increasing—and of cigarettes ?

Mr. B. C. Burt.—Yes.

Chairman.—It can only be at the expense of the heavy type, because we all hope that the habit in India as a whole will not continue.

Dewan Bahadur T. Raghaviah.—There is scope for expansion of the tobacco cultivation ; so the new type of cultivation need not replace the existing heavy tobacco.

Chairman.—After all, it appears that so far as crop-planning is concerned, ten thousand acres or fifty thousand acres one way or the other are important but they won't make any very large difference. It is a very small crop.

Part VIII—*Fodder Crops. Dairy products.* What are they ?

Col. A. Olver.—All kinds of dairy products. Mainly liquid milk, butter and ghee, condensed milk, and infant foods of which large quantities are imported, but also condensed milk is sold to a considerable extent in canteens : not only is it used in the army but also by the civilian population. Villagers in Madras use considerable quantities.

Mr. A. McKerral.—Condensed milk is also very popular in Burma, which consumes very large quantities—about thirty lakhs.

Mr. H. M. Hood.—It would hardly do to put an import duty on the large quantities of milk and milk products that are being introduced into this country until the milk supply in the country is very much increased and improved. There is nothing to take its place in South India and it will take many years before the milk supply increases.

A member.—There is already a duty of 30 per cent. *ad valorem* ?

A member.—That is a duty for revenue purposes, not a protective duty.

The Hon'ble Sir Frank Noyce.—Surely it has a protective effect also ?

Col. A. Olver.—The duty at present is 25 per cent. of the tariff value, *viz.*, annas fourteen a pound of butter. This duty is, however, roughly

counterbalanced by the exchange position in New Zealand and Australia *vis-a-vis* this country. Moreover butter imported from Australia has an additional advantage in that a very substantial bonus, averaging 3.3d. per lb. during 1926—1933, is paid on every lb. of butter exported.

The Hon'ble Sir Frank Noyce.—That cannot last.

Col. A. Olver.—That is the position at the moment. We do not require a heavy duty at all. This country can produce butter fat to compete in the world market given proper organisation of the dairy industry. At the moment the market in the big coastal cities like Calcutta, Madras and Bombay is seriously affected by the exchange position, but the total value of the milk and dairy produce that comes into this country is less than a crore of rupees. The total value of the dairy produce consumed in the country, however amounts to 5 to 6 crores, so that the effect on the feeding of the people of a protective duty would be nil. On the other hand there is unlimited milk all over the country which could be marketed if the industry were properly organised. It is very largely a question of transportation to the markets through collecting centres and a proper marketing organization. There are a few instances of dairying organisations carrying on a profitable business within a certain limited area in the vicinity of mofussil towns, but the trouble is that the whole of this milk has to be produced within 10 or 15 miles radius. In a modern factory at Anand a private company is now producing large quantities of dairy produce on the latest principles and is able to sell tinned butter all over the country at 12 annas a pound.

The Hon'ble Sir Frank Noyce.—As against a price of 14 annas imported ?

Col. A. Olver.—Australian and New Zealand butter is now imported into Bombay at 10 annas a pound, *c. i. f.* not including duty.

Dr. D. B. Meek.—The average wholesale price last year was 14 annas a pound exclusive of duties, that is the tariff valuation.

Col. A. Olver.—There is also German butter coming in, but it is adulterated. This butter is being sold in Bombay to-day at 9 annas a pound but it is an adulterated product and the effect of that on the feeding of the people must be bad. There is one point I should like to mention here. We have definite evidence that if indigenous Indian cows are well fed and managed, it is not difficult to increase their milk production by 64 per cent. and that the cost per pound will fall steadily with the increase in yield. I will give one concrete example and that is the dairy at Muktesar. There, in a little over a year, the average milk yield has been raised from 8.7 to 14.6 lbs. per diem and the cost of production has fallen by 46 per cent. That is the kind of thing that can be done in this country with proper organisation. My view is that dairying should be developed in India not by trying to start big dairies entirely as a separate industry but by developing dairying in villages as a by-industry in conjunction with agriculture. We were given a good example of what could be done yesterday when we were told that the yield of cotton could be doubled by growing alternate crops of ground nut and I do not see why this could not be done in the case of dairy produce if fodder crops, particularly leguminous fodder crops were grown in conjunction with such crops as cotton and ground-nut, the cotton-seed and ground-

nut cake being fed to dairy cattle as concentrates. It then becomes a matter of organisation of collecting centres in order to bring the milk to the satisfactory markets.

Mr. H. M. Hood.—The whole of your argument is that a duty is unnecessary. May I ask whether that is actually your contention?

Col. A. Olver.—No. My argument is this, that an import duty would mainly affect the big coastal cities such as Calcutta, Bombay and Madras which are the cream of the market. Elsewhere the industry could hold its own. What is required there is to reduce the heavy transportation charges to the cities and to prevent adulteration. If you want people to put money into dairying enterprise, they require security. They require security that the industry will be protected from what now amounts to dumping and from adulterated products. I have information that the present price of butter fat in New Zealand is not an economic price. Col. Matson who has made a special study of this subject for many years and who is now engaged in commercial dairying in New Zealand is my authority. The fact is that at present no one will be anxious to put money into up-to-date dairying unless there is some assurance of stability.

Chairman.—It is perfectly true, but at the same time it appears that the resolution as framed is not agreed to by all the members.

Some members : No.

Mr. A. McKerral.—The total All-India import of milk and milk products is of the value of 1.17 crores and of this Burma takes .47 crores or very nearly half. The Burmese people being Buddhists by religion do not, generally speaking, drink cow's milk nor consume the products of milk, but strange to say they have no objection to certain milk products and consume large quantities of imported condensed milk and milk products like Glaxo. The duty, if imposed, would, therefore be sure to meet with considerable opposition in Burma.

Chairman.—Does it matter to them where the condensed milk comes from. Would they refuse to take it if it did not come from Canada? That will only mean that the Burmese on account of religious sentiment will not be able to benefit from this change.

Mr. A. McKerral.—That is so.

Dr. W. Burns.—Would Col. Olver tell us whether it would help the Indian produce if duties were imposed in advance of legislation to safeguard quality?

Chairman.—That is exactly what I was going to say. The Resolution as passed if read a little carefully appears to be open to some criticism, while a great deal can be said for it. It says that this sub-committee recommends that a protective duty be levied upon all imports of dairy products which are or can be produced in this country. It does not say what the extent of that duty is. Government cannot possibly take action on this unless there was a regular impartial inquiry into the matter. At present Col. Olver has certain information which has no doubt been derived from a certain set of people. Other people may have information from the other side. What the Conference can reasonably expect Government to do is to make an inquiry into the matter through the usual agency of the Tariff Board. First we will have to see whether there is a case for

protection or not. Is it worth while doing, and if so what does it actually mean? Does it mean a light duty or a heavy duty, and if so, for how long? Therefore if you simply ask us to impose a protective duty, it will not be really business like. What it really amounts to is that it is a case for examination and no more. If the Government gets the results of an impartial inquiry by the Tariff Board, then they will be in a position to arrive at a decision. If this view meets with the approval of the Conference, then the recommendation can be modified easily to accord with that view. What does Madras think?

Mr. H. M. Hood.—I entirely agree with you.

Rai Bahadur B. B. Mukherji.—Yes.

Chairman.—Then shall we take it that this Resolution is passed?

Mr. A. D. Gorwala.—Is it not necessary that there should be an infant industry to protect before we adopt such protective measures as are intended in this Resolution? At present certain articles are not produced and yet the imposition of import duties on them is suggested.

The Hon'ble Sir Frank Noyce.—We propose that an enquiry should be made into the extent to which there is an industry.

Chairman.—Our industries are at present in the shape of butter producing industries. We can modify the Resolution in this way:—

“ This Conference recommends that the question of protective duty on all imports of dairy products be examined by the Tariff Board ”.

Part IX.—Fruits and vegetables (including roots).

Chairman.—The sub-committee has recommended:—

“ that at the present moment all the provinces are making special efforts to extend and improve these crops and consider that their efforts should be co-ordinated more than they are now ”.

Sir T. Vijayaraghavacharya.—The point is that the Provinces want the Imperial Council of Agricultural Research to exercise a little more control. We are giving grants to provinces for fruit research and they want us to bring all of them into line.

Dr. W. Burns.—In this case, there is no question of over-production. From the statistics it appears that in Bombay only half an ounce of fruit vegetables are consumed per day per man, whereas in New York it is one pound per day. As far as the consumption of fruit and vegetables is concerned, taken all together, there is an enormous market. It is only a question of proper marketing facilities. In the matter of export of fruit overseas all the provinces in India are likely to compete with one another. In that direction we require co-ordination and before any efforts are made to capture external markets, I consider that the whole business should be done through one agency in India, otherwise we shall land ourselves in hopeless muddle.

Rao Bahadur Narasimha Raju.—May I know what is meant by co-ordination in marketing fruits. Bombay and Karachi do stand in an advantageous position being nearer to European ports. But the

eastern parts of India, the Madras coasts, are far away from European ports and on that account, they suffer in comparison with the western parts of India. What do you mean by co-ordination ?

Dr. W. Burns.—I shall explain. There is for example in Liverpool a possible market for bananas. Madras is producing bananas and it is now tempted to send them to northern India. If proper steps could be taken to send those bananas to European markets it will be good. Presumably her own market is over-flooded with bananas. What I suggest is that things like these should be exploited only by one agency acting for the whole of India, working, I presume, through the High Commissioner, rather than that individual provinces should make individual efforts.

Sir T. Vijayaraghavacharya.—The High Commissioner himself has written to me that there is unhealthy competition among Indian dealers as regards mangoes in the European market.

Rao Bahadur Narasimha Raju.—That is principally with regard to Bombay mangoes. I am making my own efforts to find a market for my mangoes. But I find it impossible to send mangoes from Madras. The railway freight is very heavy and there is unhealthy competition from mango growers in other parts of India. Even on the west coast, there is competition between Ratnagiri and some other place. If Dr. Burns wants co-ordination, let Bombay province first do some co-ordination within its own province. I believe there is no other province which competes with Bombay in sending mangoes to the Continent.

Dr. W. Burns.—The United Provinces Mango Growers Association is keen on sending mangoes to Europe.

Mr. H. M. Hood.—The question of bananas has been referred to. We grow enormous plantations of bananas in the south of the Madras Presidency, but the difficulty is to find a market for them. One of the chief difficulties is the difficulty of transport, and we have been trying to get concession rates and more suitable rolling stock and so on in carrying these plantains. Of course if we develop our own west coast port, we could put the bananas on board for export much more cheaply.

Chairman.—What is the extent of fruit farming in the different provinces ?

Mr. M. Vaidyanathan.—We have got statistics for fruits and vegetables combined in the Agricultural Statistics. They are 5 million acres during 1932-33 ; Burma comes first with 1.2 million acres, Madras .7, United Provinces .6, Bengal .8, Assam .4, Bombay .3, Punjab .3, Central Provinces .1 and the total is about 5 million acres for the whole of India.

Dewan Bahadur T. Raghaviah.—The idea of the sub-committee in making this recommendation was that there was want of a central organisation in regard to marketing of fruits and vegetables in India and outside and that there should be some agency set up by the Imperial Council of Agricultural Research or by Government which would act as a sort of clearing house and which would eliminate unhealthy competition and bring about co-ordination between the various provinces.

Chairman.—That will properly come under marketing and we will proceed to the next item.

Part X.—*Cereals other than rice and wheat, specially barley, jowar, bajra, maize and gram (including pulses).*

Mr. B. C. Burt.—At present barley, jowar, bajra and gram and a little maize are exported.

Sardar Sampuran Singh.—When I was last in London, I made enquiries as to what other articles of agricultural commodities except wheat and cotton could be conveniently exported to Europe. I took with me samples of the various pulses that are imported into England from Mesopotamia and East Africa and on comparison I find that the qualities of pulses that we produce here are far superior to those imported from Mesopotamia and East Africa. It is all a question of co-ordination of marketing. If proper enquiries are made, we could export a large quantity of these pulses to European market.

Dr. D. B. Meek.—I have no objection to this recommendation of the sub-committee. We will examine it and see what could be done.

The Conference agreed with the recommendation of the sub-committee.

The Conference then went on to page 12 of the Note, "General".

Chairman.—We have decided what is in existence in the present scheme of crop planning and we have said that it should continue or at all events we have not advised curtailing the cropping as it exists at present. The question now is what are the crops that we feel should be pushed, if any, and to what extent and by whom. The Conference should arrive at definite conclusions on this and the question of alternative crops should be discussed.

Madras.

Rao Bahadur Narasimha Raju.—I understand at present 50,000 tons of white sugar is being imported, and the acreage of 50,000 acres is expected to supply that imported sugar. I do not think the idea is possible.

Rao Bahadur D. Ananda Rao.—The area at present is 1,21,000 acres and I estimate another 50,000 acres will make us self-supporting in regard to sugar as well as gur.

Mr. H. M. Hood.—The Madras Government has considered the recommendation made by this sub-committee but 50,000 acres here and 50,000 acres there is not going to make a big difference in the position of the paddy market when we have about 11½ million acres under paddy.

Chairman.—Every little thing helps the agriculturist.

(No comments on Madras).

Bombay.

Dr. W. Burns.—I should explain that these crops here were suggested in connection with the question of substitution in rice areas.

Mr. A. D. Gorwala.—Sind accepts that position.

Burma.

The Hon'ble Sir Frank Noyce.—Can you grow linseed ?

Mr. A. McKerral.—We tried it before in 1919 but under the existing conditions at that time it was not successful. Conditions may be more favourable now and I mean to try it again next cold weather.

Bihar and Orissa.

Chairman.—In view of the statements of Madras, Bengal, Burma and Assam, do you still intend to increase your sugarcane area ?

Mr. D. R. Sethi.—It is not a question of our intending to increase our sugarcane area. We have 30 factories in our province and the experience in the past year was that there was not enough sugarcane, at least in North Bihar, to feed these factories. Our forecast figures are never really very accurate, and if the factories want sugarcane the cultivators will automatically increase the area.

With your permission I should like to make a few modifications in this paragraph as it reads now. It should read as follows :—

“ Bihar and Orissa was hoping to show a further increase under sugarcane during the next few years. Its autumn rice in unprotected areas in Bihar proper was precarious and it was possible to replace some of this by more remunerative crops. If protection is afforded to the Indian dairy industry, the province had possibilities of growing fodder crops for which there is a great need.”

The last two sentences should be combined into one and should read thus :—

“ There was also scope for the expansion of the acreage under linseed with efficient marketing.”

I do not think there is any scope for the expansion of gram and other pulses in our province.

Central Provinces.

The Hon'ble Sir Frank Noyce.—What about increasing the acreage under cotton ?

Mr. J. H. Ritchie.—We produce as much cotton as we can and I do not think there is scope for much further expansion. Til (sesamum) seed we are also willing to expand in certain Districts and I am looking into the economics of its production.

Chairman.—The net result is that in cotton the definite recommendation is only for Madras to go on with 50,000 acres of Cambodia and in Sindh we should see their programme of expansion of cotton, rice and wheat. Besides Madras and Sind cotton does not seem to be a favourite. Sugarcane comes in for 300,000 to 400,000 acres in different provinces. Fruit is pursuing a good career of progress but there is no definite recommendation. Barley is to be taken up by the United Provinces and linseed is one definite crop which to the extent of 2 million acres could be pushed.

Mr. P. B. Richards.—The United Provinces also hopes to extend its production of sun-hemp.

Chairman.—Besides this there is an increase in tobacco of 30,000 acres.

There is no recommendation before us about fodder crops, but I am quite prepared to take up any recommendation that is made now.

Col. A. Olver.—I think that not only in connection with the dairy industry but also in connection with the improvement of live stock all round there is a very big scope for fodder crops.

Dr. W. Burns.—This question is not contingent on the development of the milk industry. It seems to me that it is very necessary at the present moment in order to develop the ordinary milk supply, which at the present moment is deficient both in quality and quantity.

Chairman.—What is the definite recommendation ?

Col. A. Olver.—That a considerable increase in the production of fodder crops should be made for the development of the dairy industry and of live stock.

Dr. W. Burns.—There is a definite opportunity in this.

Rai Bahadur B. B. Mukharji.—Would it be impossible for the Central Government or the Agricultural Research Council to supply up-to-date information to the provinces about machinery, methods of canning, and so forth ? People in Bengal are struggling with very limited knowledge and it would be extremely helpful if we could have some sort of propaganda in this matter. I found that in one place in Bengal milk was being sold at 32 seers per rupee, whereas in Calcutta you could not get more than 3 seers per rupee. There is a big difference between the price at the centre and the price outside.

Chairman.—You do not really suggest that at the place where milk was selling at 32 seers per rupee, it was not being used for producing ghee ?

Rai Bahadur B. B. Mukharji.—No, Sir. But there is the difficulty of transport. The Jumna and the Brahmaputra intervene and it is very difficult to get these things transported.

Col. A. Olver.—May I say that it is in that connection that we want a Dairy Institute ? It is largely a question of processing and transport. We do not know at present the best methods of marketing but there is any amount of milk available.

Chairman.—That is not a question which this Conference can help in deciding.

Sir T. Vijayaraghavacharya.—It has been decided already.

Col. A. Olver.—The total area under cultivation of fodder crops at present is 5 per cent. of the total cultivated area. That is an extremely low proportion. In England it is 35 per cent. and there is ample rich grazing in addition. There is great scope for expansion of fodder crops in India.

Chairman.—I should be glad to hear the views of provinces. Are they prepared to treble the area under fodder crops ?

Mr. H. M. Hood.—It is not possible for the Government of Madras to make any such definite undertaking. They have no power to dictate what crops should be grown.

Chairman.—It is a provincial subject.

Mr. H. M. Hood.—Yes. But they have no authority to order that any particular crop should be grown.

Chairman.—If you go to the Legislature and take the power ?

Mr. H. M. Hood.—There is very little prospect of any such legislation being passed. We are taking active steps by giving concessions to develop the area under fodder crops. The Madras Government are definitely attempting to foster the growth of fodder crops.

Rai Bahadur B. B. Mukharji.—It is possible to bring a much larger area under fodder crops cultivation in Bengal as a second crop. Action is being taken in that direction. It is one of the main duties of the Agricultural Department to carry on experiments and propaganda for growing fodder crops.

The Hon'ble Sir Miles Irving.—The Punjab Government would not be prepared to agree to any legislation by which the cultivator would be compelled to grow this crop or any other. I do not think it has been suggested in this Conference. The question of fodder crops involves the other question of superfluous and useless cattle. It may tend to increase the number of cattle which ought not to exist at all, or exist uneconomically.

Col. A. Olver.—In order to provide the number of bullocks which are required to cultivate the land, breeders at present have to produce an unduly large number of cattle. Many of these are inefficient and have no value whatever. If they were better fed, we would get better bullocks and a smaller number could do the work. That is the direction in which breeders will have to progress. It is of no use producing an inefficient animal because it can be cheaply reared if it is unable to do the work required.

The Hon'ble Sir Miles Irving.—I do not think there is any prospect of any increase in the fodder crops in the Punjab. We reduced the water rates some time ago. It had not the least effect on the growth of fodder. We had to increase them recently. We do not expect there will be any great reduction in the growth. We do not contemplate any great change in fodder crops.

Mr. J. H. Ritchie.—There is no prospect of any increase in fodder crops in the Central Provinces. Jowar is used as the main fodder in the cotton area, bhusa in the wheat tract and rice straw in the rice tract. Our Government farms produce berseem for our own cattle, but that practice has not been taken up by any one else and I see no prospect of any expansion.

Dr. W. Burns.—There are in Bombay $2\frac{1}{2}$ million acres under fodder which is largely jowar and other crops that are grown and cut green. I think there are also great possibilities in pumping from rivers.

Mr. D. L. Drake-Brockman.—When we increase our area under linseed and sunayi it may be assumed that an increase in fodder grown specifically as such will have to be made. At the moment I see no need for any radical change.

Mr. A. McKerral.—In Burma, in the rice tracts cattle are fed with straw and in Upper Burma with jowar. In addition to these we have sesamum oil cake the produce of about $1\frac{1}{2}$ million acres. On the irrigated areas fodder crops are not grown.

Mr. D. R. Sethi.—Sir, in Bihar, which is permanently settled, I do not think the Government can do very much to increase the area under fodder crops. We have about 33,000 acres under fodder at present, against a

total cattle population of about 29,000,000. They are fed on rice straw, wheat bhusa and gram, and I do not see that the cattle can be improved unless there is a definite incentive to the cultivator to grow fodder. It is very essential to have a market for Dairy products in order to improve the live-stock of the Province. A definite incentive should be given to the cultivator to grow fodder.

Chairman.—Do you suggest any incentive ?

Mr. D. B. Sethi.—It has been decided that the question of giving protection to dairy products should be referred to the Tariff Board. Protection, if given, will be a definite incentive.

Mr. C. R. Pawsey.—At present there is no area at all under fodder, but the Agricultural Department will do what they can to improve the position. They are trying experimental farms to improve the standard of live stock.

Mr. A. D. Gorwala.—The development of fodder crops in the Barrage areas of Sind may be expected to take place naturally as former waste lands and grazing areas are taken up for cultivation. It will be impracticable to impose any condition on purchasers or lessees of land that a certain percentage of the area shall necessarily be grown with fodder crops. Attempts are being made to extend the cultivation of berseem (Egyptian clover) both as a fodder crop and as an agent in the reclamation of *kalar* lands.

Chairman.—It is really in canal areas where the least quantity of fodder is grown, unless special provision is made by the Colonisation authority.

Mr. A. D. Gorwala.—Our rates are much lower than for any other crop, but we cannot hope to introduce any legislation to say that it shall necessarily be cultivated.

The Hon'ble Sir Frank Noyce.—Can Mr. Burt tell us what the Royal Commission on Agriculture recommended on this subject ?

Mr. B. C. Burt.—I remember the Royal Commission saying that there was very little progress possible in cattle improvement or dairying unless the feeding of cattle is improved and that an increase in the growing of fodder crops must take place.

The Hon'ble Sir Frank Noyce.—The Royal Commission on Agriculture recommended in regard to this as follows : (The Honourable Member read from paragraph 187 of the Report). I do not think there has been any change in the position since. I should be very sorry if this Conference were to lend any support to the theory that a very great expansion of cultivation of fodder crops in this country is not desirable not only for the proper maintenance of live stock but also for the expansion of the dairy industry.

Chairman.—I think the Conference is agreed on that point that it is desirable. The question is how to bring about that desirable condition. It has been recognised by the provinces, but they have stated that they are powerless unless they are given legislative powers.

The Hon'ble Sir Frank Noyce.—I would not agree with that. There are a great many things that the Agricultural Department can do to encourage any particular crop. I do not believe our Agricultural Departments are so powerless as all that.

Mr. P. B. Richards.—We have in the United Provinces 1,360,000 acres under fodder crops against the normal area of 927,000 acres in 1905. That is an increase of roughly 40 per cent.

Chairman.—In the meantime the total crop area must also have gone up.

Mr. P. B. Richards.—The crop area has increased to 35,044,000 from 34,803,000 acres in 1905, that is to say, it has remained practically stationary. We have heard that it is desirable that alternative crops approximately of equal value should be substituted for wheat. This Conference has made no recommendations, and I do not know if it intends to advise Local Governments upon the ways and means by which the Government can assist in such substitution. Sir Miles Irving has touched briefly upon the possibility of such inducement: This might be of the nature of lower irrigation rates, revenue operations by way of generous takavi advances, generous remissions in the case of failures where new crops are being established, etc. If any lead can be given by this Conference in the manner in which the substitution of crops can be encouraged by Governments, I think it would be of great help to the Agricultural Departments.

Mr. H. M. Hood.—The matter has been carefully considered by the Madras Government before we came here in regard to the substitution of other crops for paddy and the compulsory restriction of cultivation.

Chairman.—There has been no question of restriction and the question of substitution has also been reduced to one of simply carrying out the programmes of such Local Governments as have any programmes of change over. The only other thing is the question of linseed. There is no other definite recommendation for introducing any other crop.

Mr. H. M. Hood.—Governments can do something towards inducing ryots to grow a particular crop, but they can not do it by compulsion. The methods referred to by Mr. Richards are open to the Governments, but I think the influence of those methods is not quite so great as he suggests. It is possible to give land revenue remissions, but Land Revenue is not by any means a very big factor in deciding what crops a ryot will grow. Government can refuse to give remission if a crop which is not favoured is grown but this may operate harshly. The method of persuasion and propaganda through the Agricultural or Revenue Department is open to us and it is the policy that is being steadily pursued at present in Madras.

Col. A. Olver.—The most effective propaganda is to organise good markets for animal products and live stock.

Chairman.—I take it that the result of such information as has been elicited from representatives of Local Governments is that there is a desire all round to help a larger area coming under fodder crops, but success achieved hitherto has not been very great, that none of the Local Governments is contemplating taking powers to further this object; they all intend utilising such influence as they happen to possess to promote this object.

The Hon'ble Sir Miles Irving.—The policy of our Agricultural Department has been generally speaking not to advise any course of action but to lay before the cultivator facts to enable him to decide.

Chairman.—There is no more effective influence than to show by example.

The Hon'ble Sir Miles Irving.—We try to avoid giving definite advice saying "Grow this".

Dr. W. Burns.—I protest that that is a most hopeless way of doing propaganda.

Chairman.—Propaganda, you must recognise, must vary with reference to the character of the people on whom it is being exercised. Sir Miles Irving can show that in matters relating to agriculture his province has not done so very badly as to justify that the method of propaganda is not very effective.

We come to page 13, where there is a general omnibus sort of resolution that in order to promote a more efficient production and marketing of Indian agricultural produce this Sub-Committee recommends that the Government of India should consider the advisability of imposing protective duties on the imports of agricultural produce which compete with home grown produce.

The Hon'ble Sir Frank Noyce.—The Government of India would want a great deal more information before they are prepared to take action on this Resolution. If you look at page 27 of the Statistical Table, you will find that there are only four agricultural imports, rice, which we have dealt with separately, coconut oil and linseed oil which are already subject to a high duty and cotton which is also subject to duty. A great proportion of the linseed oil is made from linseed which is exported from this country and which comes back to it again from the United Kingdom. There is also tobacco which has not been mentioned on which there is already a duty. I am not quite clear why other agricultural imports such as tobacco have not been mentioned, but tobacco is also subject to a high duty, and I think it is very desirable that the Sub-Committee should explain for the benefit of Government what imports of agricultural produce they had in mind. We have separately dealt with the question of the dairy industry, and it seems to me that the whole field has already been covered, and that this Resolution is superfluous.

Mr. P. B. Richards.—When this Resolution was finally passed the two words "animal fats" were added before agricultural produce. This was included lest animal fats should compete against home grown products. The Chairman has called this an omnibus resolution. It is certainly an omnibus for the poor, the smaller agricultural industries and products. All the big things, more or less, have been provided for in separate resolutions, but there is a large number of smaller industries which may now or in the future require protection; and therefore the resolution was framed in this manner. I will give a case in point from the United Provinces which applies throughout North India. We grow a large and increasing quantity of temperate fruits in the hills, of which the apple is the most important. These apples are sent all over India, Bombay and Calcutta being among the larger markets. It frequently happens that our growers in Kumaon Hills send apples of excellent quality to Bombay or Calcutta and find that they can not get the price of the box and the railway freight because of the dumping of apples from California. This is only a small case but there may be many more. We have merely asked in this Resolution that Government should take a favourable view of placing an import duty on such agricultural produce as competes in this way to the

disadvantage of local growers. It is not expected that a protective duty would be imposed on any article until those concerned have put their case before the Tariff Board, and all that is requested is a recommendation from this Committee to the Government of India that when such cases arise they will be given favourable consideration.

Chairman.—Then I can assure you it is superfluous, because as soon as an application comes to the Tariff Board, it is bound to be considered.

Mr. A. M. Livingstone.—With reference to Mr. Richards' last remark, when we dealt with fruits and vegetables there was no reference there to any question of import duties. So far as the United Kingdom is concerned, in regard to fruits and vegetables, the Import Duties Advisory Committee put on some heavy duties with the object of encouraging the production of fruit and vegetables in England, which are at present being imported from the Continent, with a considerable amount of success, and the Dutch and French systems of market gardening have since extended considerably, but when the duties were put, on the Import Duties Advisory Committee was very specific in saying that unless the Home producers took steps to improve the marketing of their produce, these duties would be removed, and that incentive has caused the producers to go in for better marketing both of fruits and vegetables. It has been very helpful indeed, and I think the intention of the Sub-Committee was that similar action by the Tariff Board in India would also be helpful. It is true that in this country there are no Farmers' Unions to make proper representations to the Board, and I think Mr. Richards and the supporters of this resolution felt that in the absence of any such body in India a general resolution to this effect might perhaps be helpful without going into specific details.

Chairman.—As pointed out by my Hon'ble colleague, Government like any other businesslike body, would be glad to deal with any particular case. The general principle of this resolution is admitted by the Government as the very existence of the Tariff Board implies. But the point has been raised by Mr. Livingstone that there are no Farmers' Unions in this country but he is going to be the head of the Marketing Board, and I should think the Marketing Board of a province would be the most appropriate body to move in the matter of drawing attention of the Government to facts which justify an inquiry. I do not know whether members of the Conference are keen that a resolution in such general terms should be adopted. The discussion has taken place and that will serve the purpose. Is that a fairly accurate interpretation of the wishes of the Conference ?

Mr. H. M. Hood.—The resolution seems rather unnecessary.

Chairman.—That is what in a more parliamentary language I tried to say.

Well, now, we will proceed to the next one,—to improve agricultural statistics.

Dr. D. B. Meek.—A few years ago we addressed various Local Governments and commercial bodies regarding the possibility of re-starting the statistics relating to sea and rail-borne trade. The proposal was then accepted by the Provincial Governments and by representatives of commercial bodies. Now, I am in full sympathy with giving more information to provinces, but it will cost some money for the collection and

compilation of these figures in a much more detailed form. If this resolution comes to the Government of India, it will be examined, but it will be examined mainly from the point of finance, and I understand that some of the Local Governments will be willing to assist us financially. One of the Local Governments has actually kept up the system of rail-borne and trade statistics right from the year 1922 up to date. I should like to know how far the Local Governments and commercial representatives would be willing to assist us in meeting the additional expenditure. Central Provinces I understand has kept the statistics up-to-date from 1922 onwards.

Mr. H. M. Hood.—I cannot say whether our Government will or will not be willing to find the money.

Dr. D. B. Meek.—If the resolution comes to me, I will consult the Local Governments and indicate what the cost will be.

Chairman.—Gentlemen, we have spent two mornings here, and we have got through a very well considered Note by our experts from all over India. It is a matter of very great satisfaction to me to see that in each province the Agricultural Department has been functioning with great zeal and enthusiasm and effect. People were under the impression that cropping and all these things in the provinces have been going on anyhow, there was no logic behind them, that there was no sense behind them perhaps and at all events there were no economics behind them. A reference to the proceedings of the Advisory Committee of experts and to all this extensive material that has been collected by the Council of Agricultural Research and our experts at the headquarters will show that for many years in the past provinces have been doing their very best to see that every acre of land is being used by the ryots and cultivators to as good a purpose as local conditions permitted. After an exhaustive inquiry spreading over three days, our experts came to the conclusion that as regards the cropping of the largest staple products, rice and wheat, they were not in a position to say that there was too much of cultivation. Therefore, the proceedings of this Conference and its conclusions will convince the public and the cultivator that as a matter of fact we are not in a position to say that the cultivation of these two large staple crops of the country should be restricted. We are at the same time in a position, after examination of all the material, to say that further expansion of these two crops can only be undertaken by provinces in the light of the facts which have been elicited during these investigations, because we all know that circumstances and economic conditions change very rapidly and the changes of weather and rainfall and storms play a part which has a very important bearing on the development of cultivator's character and his faith in Providence. Only the other day we heard what had happened in America when a storm came. We thought that all their wheat was exhausted and perhaps India would once more be a wheat exporting country. So we can never know that the existing conditions are going to continue for any length of time ; but it is a matter of very great satisfaction to know that you have not been going very wrong. It is a still greater satisfaction to know that in the main you have been doing very well.

Then coming to substitute crops, I think we have definitely scored a point in feeling satisfied that about 2 million more acres could be brought profitably under linseed. About the other substitute crops they are not very much, but still our investigations, our deliberations have been a

source of very great satisfaction to me and to my colleagues, and I trust they have been of equal satisfaction to representatives of provinces, because one does not like to feel that one has been bungling matters or mismanaging them although one would always like to improve matters if possible. There are some matters which have not yet been finally investigated. Provision has been made for investigations to be pursued in relation to those matters, and as soon as those investigations have been completed the results of those investigations will be circulated to all the provinces. These Conferences no doubt involve a great deal of trouble to provinces to send their representatives to them. But I feel after these two days' deliberations that we have been justified in giving this trouble to the provinces, in our own interests and I trust as well as in their interests. Therefore I will not apologise to you for giving you the trouble to come, for I feel that the gain on both sides has been such as to justify my giving the trouble and your being good enough to take the trouble to come. (Cheers.)

Rao Bahadur C. Tadulinga Mudaliar.—May I be permitted to express on behalf of this Conference our sincere feelings of thankfulness to the Vice-Chairman of the Imperial Council of Agricultural Research and his Statistician Professor Vaidyanathan for the trouble they have taken in placing before us these very interesting statistics and graphs. I have no doubt that they have been prepared by them at a certain amount of personal sacrifice, and I hope all the members of this Conference will agree with me in thanking them for the same.

Chairman.—Certainly.

Rao Bahadur C. Tadulinga Mudaliar.—May I also have the proud privilege this afternoon to express our feelings of gratitude to you, Sir, for the hearty welcome you have extended to us at the beginning of this Conference and the kind hospitality you have shown us during our stay at this hill station? Also I may be permitted to propose a very sincere and hearty vote of thanks to you for so smoothly guiding the deliberations of this Conference and bringing it to a very successful end. (Cheers.)

The Conference then dispersed.