

SUB-COMMITTEE B

1

UNREVISED

JOINT COMMITTEE
ON INDIAN CONSTITUTIONAL REFORM

MINUTES OF EVIDENCE

taken before Sub-Committee B
of the Joint Committee on

INDIAN CONSTITUTIONAL REFORM

Die Lunae, 17^o Julii, 1933

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SUB-COMMITTEE. B.

DIE LUNAE, 17^o JULII, 1933

Present:

The EARL of DERBY in the Chair.

Lord Rankeillour.
Lord Snell.
Mr. Cocks.

Mr. Foot.
Sir Joseph Nall.
Sir John Wardlaw-Milne.

DELEGATES.

Nawab Liaqat Hyat-Khan.
Sir Hubert Carr.
Mr. Ghuznavi.

Sir N. N. Sircar.
Sir Manubhai Mehta.

Mr. B. N. CHOPRA, Mr. R. P. BAGLA and Mr. K. L. MEHTA are called in and examined.

Earl of Derby.

B1. Gentlemen, you represent the Chamber of Commerce of the United Provinces, do you not?—(Mr. Chopra.) Yes.

B2. Mr. Bagla, you are the Honorary Secretary of the Chamber of Commerce of the United Provinces, and you are a Member of the Indian Legislative Assembly. That is so, is it?—(Mr. Bagla.) Yes.

B3. Mr. Mehta, you are proprietor of the Charat Engineering Company of Cawnpore?—(Mr. Mehta.) Yes.

B4. Mr. Chopra, you are the Assistant Secretary of the Chamber of Commerce

of the United Provinces, and you are Dean of the Faculty of Commerce, Agra University?—(Mr. Chopra.) Yes.

B5. You have submitted to us a Memorandum of your evidence. Is there anything you would like to say to us, in the first instance, to add to it, or with regard to it?—We have nothing to add to what we have said there, but if any statement requires further elucidation we will be ready to answer the questions.

B6. You will be ready to answer any questions on the evidence you have put in?—Yes. Memorandum 34 is as follows:—

MEMORANDUM 34 SUBMITTED BY THE UNITED PROVINCES CHAMBER OF COMMERCE, CAWNPORE.

The Chamber was established in 1914. Its present strength is 110 members. All important trades and industries of these provinces are represented in the Chamber. Its representative character was duly recognised under the Montagu-Chelmsford scheme of Reforms and the only seat allotted to Indian commerce on the United Provinces Legislative Council was assigned to this Chamber. In the "White Paper" also the Chamber has been named as the constituency for electing the representative of Indian Commerce on the Proposed U.P. Legislative Assembly.

The Chamber desires to confine its submission to the question of representation of Indian Commerce of the United

Provinces on the Central and Provincial legislatures. The points that it wants to make out in that connection are, briefly, as follows:—

(1) The representation on the Provincial Legislature conceded, under the proposals of His Majesty's Government, to the commercial interests of U.P. is inadequate and compares unfavourably with the representation allowed to similar interests in several of the other provinces. From the Statement appended to this Memorandum it will be seen that in the lower Chambers in the provinces 19 out of a total of 250 seats in Bengal, 7 out of 175 in Bombay, 4 out of 192 in Bihar and 11 out

17^o Julii, 1933.] Mr. B. N. CHOPRA, Mr. R. P. BAGLA
and Mr. K. L. MEHTA.

[Continued.]

of 108 in Assam have been allotted to Commerce, but in the United Provinces only 3 out of 228 seats have been so far allotted. In population the United Provinces are second only to Bengal and in commercial importance U.P. does not compare unfavourably with one of the Presidencies and with Bihar and Assam. Out of the three Commerce seats in the U.P. Legislative Assembly two are proposed to be allotted to European Commerce and only one in Indian Commerce. This will perpetuate the injustice that was done to Indian Commerce in the Montagu-Chelmsford Scheme of Reforms.

(2) In the Upper Chamber of the provincial legislature no direct representation of commerce has been provided for. Direct representation of commerce is even more necessary in the revising Upper Chambers than in the popular Lower Chambers.

(3) In the Lower Chamber of the Federal Legislature direct representation to Commerce, European and Indian, has been provided in case of the three Presidencies, one seat being allotted to Indian Commerce in each of the Presidencies. Indian Commerce in U.P., however, is to share one seat with the other provinces in Northern India, which presumably included the Punjab, North-West Frontier and Delhi. The Simon Commission in paragraph 141 (Vol. II) of their report commented upon the excessive representation of the Presidencies as compared with the representation given to other provinces in the existing Legislative Assembly. The Commission's criticism would apply with equal force to the proposal of His Majesty's Government regarding the representation of Commerce in the Federal House of Assembly. One non-provincial seat for Indian Commerce in the House of Assembly has been allotted to the Federation of Indian Chambers of Commerce and Industry. In all probability this seat also will generally be filled by a member hailing from one of the presidency towns.

In view of the above the Chamber respectfully submits that the proposals of His Majesty's Government in so far as they relate to the representation of In-

dian Commerce of the United Provinces may be amended in the following respects:—

(1) In the new U.P. Legislative Assembly at least two seats should be allotted to the United Provinces Chamber of Commerce which, according to the "White Paper," is to be the constituency for Indian Commerce.

(2) In the new U.P. Legislative Council (Upper House) one seat should be provided for Indian Commerce (through the U.P. Chamber of Commerce). This should be possible without increasing the proposed strength of the House as one of the nine seats to be filled by nominations can be allotted to India Commerce.

(3) In the matter of representation of Indian Commerce in the Federal House of Assembly the United Provinces should be treated on the same footing as the Presidencies and a separate seat should be allotted. As in the case of the Presidencies, the constituency for this purpose should be the same as represents Indian Commerce in the provincial legislature, i.e., the United Provinces Chamber of Commerce.

Lord Rankeillour.] I think as some of the delegates from India are here, and it is obvious that they must have first-hand knowledge on these points, I would prefer to reserve any possible questions I might have to ask until they have asked questions.

Sir Manubhai N. Mehta.

B7. Although it is not expressed in your Memorandum I find from other Memoranda that in the Statutory Commission Report there are certain adverse remarks as regards your Chamber of Commerce that you do not really represent the full commercial interests of Cawnpore, but that yours is rather a body of people taking slight interest in commerce. There are several adverse remarks against this body in the Simon Commission Report. Will you kindly tell me if the state of things has now improved?—I would request you to let me know where these remarks are made, because I do not happen to have come across them. Possibly you refer to a

17^o Julii, 1933.]Mr. B. N. CHOPRA, Mr. R. P. BAGLA
and Mr. K. L. MEHTA.

[Continued.]

certain despatch of the United Provincial Government, or is it to something else? I should like to know what those remarks are before I answer the question.

Sir *Joseph Nall.*] Is the reference in the Simon Report available?

Sir *N. N. Sircar.*] I think you will find that not in the Simon Commission Report, but in the United Provinces Government Report.

Sir *Manubhai N. Mehta.*

B8. Volume I, page 271, of the Minutes of Evidence. It was quoted in another Memorandum we had to-day. I will read it to you: "Only so recently as 1929 this body did not place any evidence before the Royal Commission on Labour. In striking contrast to this picture the Merchants' Chamber"—that is really a quotation from the other Memorandum, but I will quote from the Simon Commission Report, also the United Provinces Government Report. "The United Provinces Chamber of Commerce has at present one member and the Upper India Chamber two members. The former chamber claims equal representation. The claim is based on the view that the United Provinces Chamber is more representative of the Indian trade and commerce than the Upper India Chamber of Commerce. The original differentiation was based on the ground that the Upper India Chamber controlled far more capital than the United Provinces Chamber and occupied a position of much greater importance. There is little comparison in the capital controlled by the members of the two Chambers. The Upper India Chamber includes all the big commercial and industrial concerns in the Provinces. The United Provinces Chamber, on the other hand, is more representative of small Indian concerns such as piece-goods importers, oil and grain millers, etc." This is the passage I refer to: "It has much less stable membership than the other Chamber and the amount of arrears of subscription written off annually suggests that a considerable number of its members have little or no interests in its work. It has a larger membership than the Upper India Chamber, but it admits to its membership any individual interested in trade, commerce or industry, and quite a number of its members appear to be indirectly so interested. Its representative in the Legislative Council since 1921 has been a lawyer and not a commercial man in the strict sense. There is no

doubt that the Upper India Chamber is the better organised and the more influential body and that it represents far wider commercial and industrial interests than the United Provinces Chamber. There is nothing to show that the comparative position of the two Chambers has materially changed since 1919 and we are unable to recommend equal representation." These were the remarks I refer to. I wanted to know if these remarks are still applicable or could you show that there has been any improvement?—In the first place, we are not prepared to accept that this criticism of the United Provinces Government was in every respect justified. When the Simon Commission was taking evidence the chamber, rightly or wrongly, by a majority of votes in the Committee, at that time decided not to lead any evidence before that Commission. I do not mean to suggest that that was the reason why this criticism was made by the United Provinces Government, but, in any case, if we had a chance to reply to that criticism we would have met some of this criticism, and, in fact, I remember it was answered in a communication that was sent by the chamber to the United Provinces Government then. It is mentioned there that, according to our Memorandum of Association, any person who is interested in trade, commerce and industry can become a member. In this connection I would point out that, according to the rules of the Premier Chamber of Commerce in India, that is the Bengal Chamber of Commerce, anyone who is interested in trade, commerce or industry, art, science or literature, can become a member of that chamber. That is the qualifying clause. I do not mean to say that any considerable proportion of their members are not business men, but the criticism was with regard to the qualifying clause, which is as I have just mentioned. As regards quite a large number of members being only indirectly or remotely interested, I have got a list of the members which I believe has been circulated to the Committee just now. A look through that will show that there is not a single member who can be said to be not closely connected with commerce. Another criticism has been made against the representative of the chamber in the Legislative Council. He is one of the premier citizens of Cawnpore and he is no doubt a practising lawyer.

17^o Julii, 1933.] Mr. B. N. CHOPRA, Mr. R. P. BAGLA
and Mr. K. L. MEHTA.

[Continued.]

B9. He is not a commerce man; he is a lawyer?—He is a commerce man in the sense I have just pointed out. He is Chairman of the Board of Directors of a big Cotton Mill; he is a director of the British India Corporation, Limited, which is the biggest concern of its kind in the United Provinces or perhaps in India; he is a Director of the Punjab National Bank, Limited, Cawnpore Branch; he is Chairman and Member of the Board of Directors of many joint-stock companies. He presided over the Industrial Conference at Sitapur in 1916 and he has been representing the Chamber in the Legislative Council for several years. It is true he is not buying and selling, but if with the qualifications I have just mentioned he cannot be said to be closely connected with commerce and industry, then that criticism is correct. It is not necessary, I believe, in order to be a member of a Chamber of Commerce and a good representative that a man should be actually engaged in buying and selling.

B10. Is he a practising lawyer?—He is a practising lawyer, as I have already said.

Nawab Sir *Liaqat Hayat-Khan*.

B11. Will you kindly refer to paragraph 3 of your memorandum, the last four lines?—Yes.

B12. There you say: "One non-provincial seat for Indian Commerce in the House of Assembly has been allotted to the Federation of Indian Chambers of Commerce and Industry. In all probability this seat also will generally be filled by a member hailing from one of the presidency towns." What makes you think that?—Our Chamber also is a member of the Federation and I know the entire membership of the Federation. Our experience has been with regard to all elections to various public bodies, and with regard to the election of the Executive Committee of the Federation, that generally it is prominent men from Calcutta and Bombay and sometimes from Madras who occupy all the important places. That is only natural, because they are more advanced in every respect than people in Northern India. That is what makes us think that this seat also will in all probability go either to Bombay or to Calcutta and sometimes perhaps to Madras; but there is very little likelihood of any member from Northern India getting it.

B13. You also ask that you should be given at least one seat in the Federal Assembly from United Provinces alone, instead of sharing a seat with the Northern India Chamber of Commerce?—Yes.

B14. In that event would you agree to the Punjab having another seat also, a separate seat, representing the Chamber of Commerce there?—Certainly; we have no quarrel with the Punjab.

B15. Or would you take this seat, if only one seat was going for Northern India, including the Punjab and the Frontier Provinces; would you claim that should be reserved for United Provinces exclusive of the Punjab?—No, certainly not. Our point is that in point of importance United Provinces does not rank, at least, below Madras. Our point is that each of the three presidencies is given separate representation. United Provinces in point of population comes next to Bengal. In commercial importance we claim that United Provinces is not less important than Madras. Therefore, without saying anything with regard to the representation of other Provinces in India, we feel United Provinces is sufficiently important to be represented in the Federal Assembly so far as Cawnpore is concerned. As we say in our Memorandum, the Simon Commission felt constrained adversely to criticise the excessive representation of the presidencies and the excessive importance always given to the presidencies with regard to representation. Our point is exactly the same. We feel that United Provinces is sufficiently important to be separately represented in the Assembly. In answer to your other question, in the event of it not being possible to increase this representation, I would suggest, though that will not certainly satisfy us, that the seats should go alternately to United Provinces or to the Punjab, rather than that the whole of Northern India should form one constituency for that seat, because it would be very difficult, in that case, to get suitable representatives; but certainly we would press for a separate seat for United Provinces, and we would be very glad also if the Punjab got a separate seat because the Punjab is becoming, industrially and commercially, very important.

Sir *Hubert Carr*.

B16. I was chiefly puzzled in reading the Memorandum to find out which Chamber really must best represent

17^o Julii, 1933.] Mr. B. N. CHOPRA, Mr. R. P. BAGLA
and Mr. K. L. MEHTA.

[Continued.]

commerce in United Provinces. I do not think it is a question of competition with Upper India, is it?—No.

B17. They are separate. That is a European seat?—Exactly. There is absolutely no quarrel as it were between the Upper India Chamber of Commerce and the United Provinces Chamber. The Upper India Chamber is mostly a European body and the United Provinces Chamber of Commerce represents Indian commerce. As Lord Southborough reported, the Upper India Chamber represents mainly European Commercial interests, while the United Provinces Chamber of Commerce mainly represents Indian commercial interests.

B18. The Upper India Chamber is one-third Indian?—The position continues to be the same. They are given two seats. It was thought that they control bigger concerns. That is true. We do not question that. Most of the big European-managed mills (they are not entirely European-owned now) are bigger; but we claim that in comparison with the Upper India Chamber, we represent a larger number of interests and a greater diversity of interests. Here is a list of the various industries of the Province which are represented in the Chamber; sugar, oil, textiles (cotton, wool, silk), paper, glass, flour, engineering (machine manufacturing), electric supply, printing, agriculture, brushware, etc. Practically all the industries are represented. In trades, we represent cotton, piece goods and yarn, grains, sugar, paper, oils, hosiery, export and import (general); leather, shellac, automobile, metals, spices, wine, jute and machinery. An analysis of the membership of the Chamber shows these are the interests we represent.

Earl of Derby.] Perhaps you will answer the question.

Sir Hubert Carr.

B19. Coming back to my point, it is not from the Upper India Chamber that you want seats diverted to the United Provinces Chamber?—Not at all.

B20. But I understand the Merchants Chamber is wanting the seats diverted from the United Provinces Chamber to themselves?—Exactly.

B21. Can you help me to understand something of the justice of the claim? As I understand it, the Merchants' Chamber consider you unrepresentative. You have had a seat for some years now,

and I should like to get clear in my mind something of what your position remains to-day, if you could help us?—I should personally have very much liked to avoid saying anything with regard to the other Chamber that has recently come into existence, but in answer to this question I will have to go into that briefly. That Chamber, the Merchants' Chamber, was only formed in November, 1932—that is only a few months ago. It did not exist when the Simon Commission visited India, and it was not in existence when the Indian Franchise Committee got evidence.

Earl of Derby.] I think we need not have any further explanation.

Sir Hubert Carr.

B22. It is only to make sure that their Chamber stands where it stood?—As a result of the formation of the new Chamber, twelve members have ceased to be members, but 36 new members have been added. That is the position.

Sir Hubert Carr.] I did not want to find out the position of the other Chamber, but I wanted to know why we should have two claims coming before this Committee from the same place, and I was going to ask whether the people constituting the other Chamber had applied for membership in this Chamber, which would have simplified it, in my mind.

Earl of Derby.] We shall have to ask the Merchants' Chamber when they come why they have formed a new Chamber.

Mr. A. H. Ghuznavi.

B23. You are the Assistant Secretary of the Chamber of Commerce of United Provinces, Mr. Chopra?—Yes.

B24. You are also Dean of the Faculty of Commerce at Agra University, and have been officiating as Principal; teaching is your vocation?—Yes.

B25. We have just got a list of the members of your Association?—Yes.

B26. When did you get these five Muslim members elected?—They were elected recently—last year. I am afraid I could not give you the date.

B27. I put it to you that they were elected in June, before you left India. They were not members before June, 1933. Is that correct?—I am not quite sure about that. As I have said, they were elected recently. I could not give the date, but I can find out and let the Committee know later on from my records.

17^o Julii, 1933.] Mr. B. N. CHOPRA, Mr. R. P. BAGLA
and Mr. K. L. MEHTA.

[Continued.]

B28. I see about six names, but my information is that they have no Muslim members at all. They got these elected in June, before they left?—This is forbidden ground, but I have tried to explain the position. Some of the Muslim members, that we had, resigned and were among those who formed the new Chamber, and that is why we had no Muslim members at that time, but since then some new Muslim members have been elected.

B29. Your Chamber was established in 1914?—Yes.

B30. How many members did you have in 1914? I want only the number of Muslim members in 1914?—Out of 42 original members in 1914 six were Muhammadans.

B31. You could not give their names, could you?—I am reading from the official published report of the Chamber.

B32. The names are not printed?—Yes. Hafaz Mohd Halim, the premier hide merchant. As I said, he is one of the organisers of the new Chamber.

B33. I will not trouble you for any more. In 1928 your Chamber passed a resolution boycotting the Simon Commission. That you have said already?—I am not aware of the resolution being passed, but it is true that the Chamber did not give evidence before the Simon Commission.

B34. Do you want to deny that there was a resolution passed?—I do not want to deny it; I am refreshing my memory. A resolution was passed.

B35. You are the Assistant Secretary: you ought to know that?—Yes.

Mr. A. H. Ghuznavi.] What was the trouble in knowing what resolution was put in 1928?

Earl of Derby.

B36. Helped by your Secretary, can you give a direct answer to this question? Did your Council, or did they not, pass a resolution boycotting the Simon Commission?—Yes.

Earl of Derby.] They did pass a resolution.

Mr. A. H. Ghuznavi.

B37. Did your Chamber pass a resolution in 1930 urging its members to boycott British goods?—I do not think any resolution was passed. Such a resolution was brought forward by the person who is really responsible for the formation of the new Chamber, the Merchants' Chamber.

B38. The Witness knows all about the resolution. Let him say whether it was passed or not?—It was not passed as far as I remember. I remember such a resolution being brought before the Committee, but as far as I can remember that resolution was finally talked out. That is all I can remember about it. I will find out from the actual records and let the Committee know.

Sir Joseph Nall.

B39. Was the Witness a member at that time?—I have not brought the records over with me.

Mr. A. H. Ghuznavi.

B40. He has been Assistant Secretary ever since the Chamber was established?—No; I have been Assistant Secretary since 1918.

B41. I am talking about 1928?—I was Assistant Secretary then.

Earl of Derby.

B42. Surely you can remember an important thing like that—whether it was passed or whether it was not passed?—My own impression is that it was talked out, but I will find out.

Mr. A. H. Ghuznavi.

B43. Your Chamber addressed several letters to the Government of India deprecating this official policy. Is that correct?—What policy?

B44. The Government of India's policy about the reforms, the White Paper, and so on?—No.

B45. Did your Chamber ever address the Government of India on any policy at all?—Yes. When there was the first civil disobedience movement, the Chamber did address a letter to Government suggesting a policy of reconciliation—of conciliating public opinion, if that is what you mean.

B46. That is the only letter you say that was addressed to the Government of India?—Yes; nothing with regard to the White Paper, and the first civil disobedience movement was several years back.

B47. You have got about 110 members now, have you not?—The present strength is 131.

B48. When were these last 30 elected; was it in June?—Not 30. When we submitted this Memorandum the strength was 110, and after that some new members were elected, in May and June.

17^o Julii, 1933.] Mr. B. N. CHOPRA, Mr. R. P. BAGLA
and Mr. K. L. MEHTA.

[Continued.]

B49. You submitted this Memorandum in April or May?—We submitted it in April.

B50. You got these additional 30 members in May?—Yes—not 30, 21.

B51. Seven of your members are practising lawyers, are they not?—One is R. B. D. Vikramajit Singh, about whom I have already spoken.

B52. Seven of them are practising lawyers?—Only three.

B53. Not seven?—One of them is sole proprietor of several concerns and the other is a director of several concerns.

B54. Four are landlords?—Yes.

B55. Without business connection at all?—They are representing the agricultural industry because we think agriculture is also an industry and perhaps the most important.

B56. Do you say they represent agriculture in your Chamber? In what way—because they are the landholders?—Yes; they have large land interests.

B57. That is what you call commercial representation in the Chamber, because he is a landholder or he represents agriculture?—I should think that agriculture also can well be represented in a Chamber of Commerce.

B58. By the landlord being the holder of the lands, which have been tenanted to somebody else?—Not necessarily in this case.

B59. You had 106 members in 1926?—You have more information that I have at present, because I have not got the reports with me. I could send the information by letter if you liked.

B60. Your Chamber did not lead any evidence before the Industrial Commission?—It did.

B61. It did?—Yes.

B62. Did they lead any evidence before the Central Banking Committee?—No.

B63. Did they lead any evidence before the Simon Commission?—I have already said no.

B64. The Franchise Committee?—Yes.

B65. They lead evidence before that?—Yes; I was one of the witnesses before the Franchise Committee and I also appeared before the Fiscal Commission and several other committees.

B66. One of your members is a practising lawyer and has represented your Chamber in the local Council for the last 12 years?—I have already answered that.

B67. And has been Honorary Secretary for the last 14 years?—Now he is the President of the Chamber.

B68. But he was Honorary Secretary for 14 years?—Yes. In view of these questions, will you permit me to make a very important statement in this connection.

Earl of Derby.

B69. Certainly?—Certain questions were asked with regard to the Chamber's attitude towards the Government policy or towards the Simon Commission. I want to state definitely that the members who are responsible for bringing forward those resolutions and advocating that attitude were the very persons who, on account of differences of opinion, later on organized the other chamber.

Nawab Sir Liaquat Hayat-Khan.

B70. Which Chamber?—The Merchants' Chamber. Now that there is a question of representation in the Council they are advocating co-operation and they want to co-operate.

Earl of Derby.

B71. That we can have from them. I do not think we can have evidence from you as to the views of a rival body?—I wanted to remove the impression that this Chamber was responsible for non-co-operation.

Mr. F. S. Cocks.

B72. Can you tell me the total amount of capital you represent?—That is very difficult to say because most of our members are, as you know, Indian firms, and Indian firms would never let anyone know what capital they are really controlling; but if you look at the list and the description given there that I have already circulated to the Committee it will give an idea as to the amount of capital that the Chamber controls, but we can say that it is very large, and that statement will stand any test that the Committee may apply. I think the best way of getting at that will be to make an inquiry through the local government or through the local agents, because here it will be impossible for us to discuss this.

B73. You cannot give any rough estimate at all?—I think not less than about 20 crores—that is just a rough estimate. I am sure it may be more than that.

Lord Snell.

B74. May I take it that, whatever the past has been, you claim to-day to represent substantially the whole commercial

17^o Julii, 1933.] Mr. B. N. CHOPRA, Mr. R. P. BAGLA [Continued.
and Mr. K. L. MEHTA.

interest in the United Provinces?—Yes; we claim that we are the most representative body in the Province so far as Indian commerce is concerned. I will put it that way.

B75. But in previous times there was a minority on your body that held another view than yours?—I have not followed that question.

B76. Certain resolutions were proposed about which you have been asked?—Yes.

B77. Those were promoted by a minority on your Council, were they?—Yes.

B78. At the present time does the membership of your Council include any of the professions, such as doctors or people not directly engaged in commerce, other than lawyers?—Here is my list of the present Committee.

B79. I mean in your members?—The total number, yes.

B80. Scholarship, the professions, that is to say, are represented in it?—There are only three persons who are lawyers, but, as I have already said more than once, they have got other interests also. They are directors of important concerns.

B81. Can you try to answer the question. Are there, in addition to lawyers, doctors or schoolmasters?—No. There is one exception to that. There is one gentleman who for years represented a commercial firm. He himself is a teacher—as you say, a schoolmaster. He was nominated as a representative of a commercial firm; he was there for several years; he was found very useful. He was taken on the committee and later on became a member in his own right. With that exception, there are no others—only four.

B82. I was only trying to find out what the interest of the Association was. In your claim for greater representation do you also have in mind that if that is granted to you, other sections will also ask for increased representation?—If other sections ask we have no quarrel with that. We felt that both in the Provincial Council and in the Federal Council we have been given inadequate representation.

B83. You are aware, are you not, that the Labour interests feel that they are under-represented with the three special members that are granted to them, and they might make a special claim?—Labour gets as much representation as

commerce in my Province, both Indian and European.

B84. May I take it, whatever your previous attitude to the Simon Commission or anything else may have been, you at the present time do substantially represent the commercial interests?—Yes, the Indian interests.

Lord Rankeillour.

B85. Can you tell me what the qualification is for membership of your body?—The qualifying clause is anyone who is interested in trade, commerce or industry can become a member. That is rather unhappy, but I have said that was probably taken from the Memorandum of Association of the Bengal Chamber of Commerce, but, as a rule, only men actually engaged in business are elected as members. The names come up before the Managing Committee, and by a two-thirds majority, if they are elected, they become members. Otherwise, the application stands rejected.

B86. The method of election is by a Managing Committee?—By the Executive Committee.

B87. And any candidate must get a two-thirds majority to be elected?—Two-thirds of that Committee.

Mr. Isaac Foot.

B88. Is there not in the Year Book, as is customary in this country, a paragraph saying what are the terms of membership? Have you not a paragraph saying who can become members?—Yes. I will read it out. “Any firm, individual, company, corporation or association engaged or interested in trade, commerce or industry shall be eligible for membership of the Chamber. Applications for membership shall be made on the form prescribed by the Chamber. The Chamber in general meeting or the Executive Committee of the Chamber, hereinafter referred to as the Committee, shall have the power to elect members of the Chamber, provided that no member shall be deemed to be duly elected unless a majority of at least two-thirds of the members of the Committee, or of the Chamber present at the meeting of the Committee or at the general meeting, as the case may be, vote for his election.”

Lord Rankeillour.

B89. Do I understand two-thirds of those present at the meeting of the Management Committee must vote for

17^o Julii, 1933.]Mr. B. N. CHOPRA, Mr. R. P. BAGLA
and Mr. K. L. MEHTA.

[Continued.]

him. Is that right?—Yes, two-thirds of those present.

B90. Are the proceedings by ballot?—Yes.

B91. I understand there are three Chambers of Commerce in the United Provinces?—Yes.

B92. The Upper India Chamber has two seats, and you have one, and you ask for a second?—Yes.

B93. You ask for two?—Yes.

B94. Supposing the body who are coming to see us presently ask for two as well, would you object to that?—Our objection is that that body has only very recently come into existence, and the question of representation of that body should not at all arise. That is our submission. I may also add that they have not yet been recognised as far as I am aware by the Government of India, or by the Local Government, for any purpose.

B95. As to the total numbers you say there should be four, but, if they ask for equality with you, that would make six?—That is for the Committee to decide. We only feel that Indian commerce should have at least as much representation as European commerce. It is for the Committee to decide what shall be the total strength. In that connection I may say that while, in the United Provinces, Commerce, including European and Indian commerce, is to get only three seats in a total Council of 228, Bengal is to get 19 out of 250, and in Bombay seven out of 175; in Bihar four out of 152; and in Assam 11 in a Council of 103 seats are to go to commerce. We find that the United Provinces commerce in this respect has been rather ignored, or unfairly treated.

B96. I suppose the allotment of the seats to commerce would be based on the proportion industry bears to agriculture or other occupations in the Province, would it not, and the United Province, I suppose, is on the whole an agricultural Province—more so than Bengal or Bombay?—I do not know. Take Bihar. I do not quite see that the commercial and industrial interests in United Provinces are less important compared with other interests than similar interests in Bihar where four seats out of 152 are to be allotted to commerce.

B97. Do you say having regard to the amount of industry in your Province (not to the total population) you are under-represented as compared to most of the

other Provinces?—Yes, that is what we feel. We feel that commerce has been given less representation in the United Provinces as compared with other Provinces.

B98. What basis can you go upon? The number of industrial workers or what?—No, we go on the number of industrial concerns.

B99. They may be of very different sizes, may they not?—We have some general idea. I have not got an industrial census of the various Provinces, but the general idea is that commercially and industrially United Provinces is at any rate more important than Bihar, and certainly not less important than Madras, or Assam, where 11 seats are to go to commerce.

Mr. A. H. Ghuznavi.] Assam has some very big industries.

Lord Rankeillour.] You have no statistics of industrial concerns or industrial workers to base it on?

Sir Hubert Carr.] May I put a question arising out of your question?

Lord Rankeillour.] Please.

Sir Hubert Carr.

B100. You were comparing representation of Indian and European commerce. Is it not a fact that the Upper India Chamber of Commerce have quite a large percentage of Indian members as well as European?—Yes, but the number is comparatively small, and they are most of them members of this Chamber as well. They are members of the Indian Chamber as well.

B101. They get their representation there?—Yes. May I say in this connection that the United Provinces Government in their evidence before the Franchise Committee recommended five seats for commerce, three for Europeans and two for Indians.

Sir John Wardlaw-Milne.

B102. In your Memorandum at the beginning you say you have 110 members. These are all Indian members, I suppose?—Yes.

B103. A little lower down you say: "In population the United Provinces are second only to Bengal and in commercial importance U.P. does not compare unfavourably with one of the Presidencies"; I take it from what you say that is Madras?—Yes.

B104. "and with Bihar and Assam"?—Yes.

17^o Julii, 1933.] Mr. B. N. CHOPRA, Mr. R. P. BAGLA [Continued.
and Mr. K. L. MEHTA.

B105. Do you claim that commerce and industry in the United Provinces compares in any way in importance with commerce and industry, including things like tea in Assam? Is that your claim?—We know that the tea industry or plantation generally is a very big industry, but it is one single interest after all, while in United Provinces we have a larger number of separate industries.

B106. But taking the total of these industries you have said quite clearly, and we can quite understand that, that you cannot give any figures of the capital engaged?—Yes.

B107. But, leaving that aside, taking the case of the amount of labour that is engaged in commerce and industry, as represented in your Chamber in the United Provinces, with the amount of labour employed in Assam, is there any comparison at all?—Labour is separately represented. We are dealing with the representation of the employers.

B108. As you cannot give us any figures of capital I am trying to get at on what grounds you claim that commerce and industry in the United Provinces is of anything like the same importance?—As in Bihar or Assam.

B109. You yourself mentioned Assam. That is why I have taken that?—In Assam we find it is 11 out of 103, that is 10 per cent. of the entire strength of the Council is allotted to commerce. In the United Provinces it is three out of 228. It is the disproportion which strikes us. We have not gone into any great detail.

B110. That is not my point. In your Memorandum you say: "In population the United Provinces are second only to Bengal" (that is not the point) "and in commercial importance U.P. does not compare unfavourably with one of the Presidencies and with Bihar and Assam"?—Yes.

B111. Is it the case that there is any comparison in commercial importance between the United Provinces and Assam?—I think the United Provinces are commercially and industrially, taken together, much more important than Assam, because we have a tremendous amount of internal trade which Assam has not, because that also is represented here, and we have so many different industries. For instance, sugar is almost entirely concentrated in the United Provinces, because almost half the total

production is in the United Provinces, and sugar is at present a most important industry.

B112. In the second paragraph you say: "Direct representation of Commerce is even more necessary in the revising Upper Chambers than in the popular Lower Chambers." Why is that?—Because we take it that the Upper Chambers are to be revising bodies, and you want them to be stabilising bodies, and you want men with stakes who would be rather conservative in outlook, and, for that reason, we think representatives of commerce, who would generally be people with heavy stakes, would be even more necessary in the Upper Chamber than in the popular Chamber where they would be entirely lost perhaps.

B113. In paragraph 3 you say: "The Simon Commission in paragraph 141 (Vol. II) of their report commented upon the excessive representation of the Presidencies as compared with the representation given to other provinces in the existing Legislative Assembly." Does that refer to Commerce?—No, generally.

B114. Nothing to do with commerce?—No, but finally they have said that representation should be as far as possible on a population basis.

Sir Joseph Nall.

B115. I would like to ask the witness whether it is the fact that, if he gets what he wants, the other bodies will be aggrieved, and, if the other bodies get what they want, he will be aggrieved? Is there any possibility of their being satisfied with any scheme?—As far as we are concerned I have already said that we would not resent the representation of the Upper India Chamber being more than that of ours, or equal to that, but, so far as the new Chamber is concerned, our submission is that that is entirely a new body, and has yet to get its position recognised by the Government. It is too early yet for them to have representation.

B116. Can you say how many of your members are members of one or both of the other Chambers?—I think about a dozen firms.

B117. Not more than a dozen?—About a dozen firms are members both of the new Chamber and my Chamber.

B118. Has any attempt been made to secure agreement on this subject?—Not as far as I am aware.

17^o *Julii*, 1933.] Mr. B. N. CHOPRA, Mr. R. P. BAGLA and Mr. K. L. MEHTA. [Continued.]

B119. You would not care to agree?—I think, considering the circumstances under which the new Chamber has arisen it is rather unlikely, because it has arisen because of certain personal differences.

B120. In the White Paper the United Provinces have an Upper House as well as a Lower House for the Provincial Legislature?—Yes.

B121. And provision is made for the Governor to nominate a certain number?—Yes.

B122. Do you think if the Governor included in his nomination a certain number of people who represented commercial interests that would be more satisfactory than your and the other Chambers electing an equal number?—Is that in reference to the Upper Chamber only, or with reference to the Lower Chamber as well?

B123. That would be instead of the Lower Chamber, the point being that if commercial interest is to be properly represented in a Provincial Legislature, would you, in your view, get a proper and more reliable representation of commercial interest, if the Governor nominated certain persons to the Upper House rather than left you to elect people to a Lower House?—We have more faith in election. The other alternative would be acceptable so far as the Upper Chamber is concerned, but not with regard to the Lower Chamber. There is no nominated element at all in the Lower Chamber, and there should not be.

B124. You told me you had more faith in election, but you entirely disagree with the arrangements so far made for election?—Not entirely. We feel that we have not been given adequate representation.

Sir John Wardlaw-Milne.

B125. This Memorandum all refers to the question of the representation of the Chamber?—Yes.

B126. Your Chamber is not in any way a member of the Associated Chambers of Commerce?—No, the Associated Chambers of Commerce—

B127. I am not suggesting that they should be. I only wanted to be clear whether they were or not?—They do not take any Indian members at all. That is a purely European body.

B128. That being the case you cannot be taken as agreeing to the evidence they have given to the Committee?—No.

B129. Is the Committee to take it that, except on this question of representation,

you are in favour of these White Paper proposals?—Yes; that is why there is no criticism in this evidence on that part.

B130. You are in favour of them whole heartedly, and have no points to raise?—Exactly.

Sir Hubert Carr.

B131. The units of the Associated Chambers of Commerce have Indian members, have they not? The component members of the Associated Chambers of Commerce have Indian members?—No. There are two bodies. One is the Associated Chambers of Commerce of India and Ceylon.

B132. You said the Upper India Chamber of Commerce had a certain number of Indian members?—Yes.

B133. And the Upper India Chamber of Commerce is a member of the Associated Chambers of Commerce, is it not?—In that sense, yes. But there are very few like this. The Upper India Chamber of Commerce is an exception.

Earl of Derby.

B134. In your first paragraph you say: "In the 'White Paper' also the Chamber has been named as the constituency for electing the representative of Indian Commerce on the proposed U.P. Legislative Assembly." Whereabouts in the White Paper do we find that?—That is on page 96.

Mr. A. H. Ghuznavi.

B135. What paragraph?—Paragraph 2 (b) "Franchise for Special Constituencies," Appendix V.

Earl of Derby.

B136. That is on page 107 of the White Paper, paragraph 2 (b) "Persons being ordinary full members of the Upper India Chamber of Commerce or of the United Provinces Chamber of Commerce with a place of business within the United Provinces, or being entitled to exercise the rights and privileges of such membership on behalf of and in the name of any firm, company, or other corporation are qualified as electors for the constituencies comprising their respective Chambers." That does not say that you are designated as the constituency for Indian commerce?—The point is that when they have allotted seats on the Council they have given three for commerce, and here they

17^o Julii, 1933.] Mr. B. N. CHOPRA, Mr. R. P. BAGLA
and Mr. K. L. MEHTA.

[Continued.]

define what will be the constituency for those seats, and they say "persons being ordinary full members," and all that.

B137. I quite see that, but you say that in the White Paper you are designated as a constituency for Indian commerce. As a matter of fact, the White Paper only reproduces the existing electorate. Is not that so?—We took it to mean that. We thought that was the intention because in the Indian Franchise Committee they also took that view.

Earl of Derby.] You may have thought so, but that is not so in the White Paper.

Mr. F. S. Cocks.] May I call attention to the footnote where it says they shall be regarded as provisional?

Earl of Derby.

B138. Yes, entirely provisional?—We understand it is provisional.

B139. Through a misunderstanding you have made a claim which I do not think can be entirely substantiated?—That may be so. We thought it meant that.

Nawab Sir Aliqat Hayat-Khan.

B140. You have just stated in reply to a question by Sir John Wardlaw

(The Witnesses are directed to withdraw.)

Mr. S. M. BASHIR and Mr. K. M. PURKAYASTHA are called in and examined.

Earl of Derby.

B142. Mr. Bashir, you are Vice-Chairman of the Merchants' Chamber, Cawnpore, Municipal Commissioner and late Vice-Chairman of the Municipal Board of Cawnpore, and you are an Honorary Magistrate of Cawnpore?—(Mr. Bashir.) That is so.

B143. Mr. Purkayastha?—(Mr. Purkayastha.) I am Secretary to the Mer-

Milne that you are in favour of the White Paper scheme as it stands. May I take it that is the opinion of your Chamber, or your own personal opinion?—The Chamber as a Chamber has not considered the White Paper in its entirety, but that is the general feeling of the members of the Chamber, because there was a proposal to discuss it, but it did not come to anything, and the views that were generally gathered from the members were that, subject to certain criticisms with regard to the financial and commercial safeguards, which were also criticised by the President in his last address to the Chamber, they are for working the Constitution as outlined in the White Paper. That is what I thought was meant by being in favour of the Government proposals; not that they are accepted in their entirety by any person or member of the Chamber, but the general opinion is that we should work the Constitution for what it is worth rather than not co-operate with it.

B141. Work the Constitution as outlined in the White Paper?—Work the Constitution as outlined in the White Paper, subject to such improvements as could be suggested by the Joint Select Committee, or after further consultation with Indian interests.

chants' Chamber of the United Provinces, Cawnpore.

B144. You have given us a Memorandum and a second Memorandum on behalf of the Merchants' Chamber of the United Provinces?—(Mr. Bashir.) Yes.

B145. Is there anything you would wish to add to what you have put in?—Not at this stage. Memoranda 37 and 38 are as follows:

MEMORANDUM 37 FROM THE MERCHANTS' CHAMBER OF UNITED PROVINCES, CAWNPORE.

On behalf of the Council of Merchants' Chamber of United Provinces, Cawnpore, I beg to refer to the provisions made in the White Paper (His Majesty's Government proposals for Indian Constitutional reforms) dated March 15, 1933, regarding the representation of commerce and industry of India in general and the United Provinces in particular in the Federal House of Assembly and the local

Legislative Assembly. The tables set out on pages 76 and 79 of the White Paper read with the respective sections regarding United Provinces in Appendices IV and V thereof indicate that while there is no provision for representation of commercial and industrial interests of these Provinces as such in the federal lower house, the number of seats allotted for these interests in the

17^o Julii, 1933.]

[Continued.]

provincial lower houses remains at three, two for European Commerce and one for Indian Commerce, the same as allotted in the electoral scheme adopted under the Government of India Act, 1919.

2. The Council of the Merchants' Chamber of United Provinces consider such a position of representation in the legislative bodies under the reformed constitution as wholly inadequate and unfair, particularly to the great and growing Indian commercial and industrial interests of these Provinces.

3. Turning first to the number of seats allotted to commerce and industry in the local Legislative Assembly, the Council of the Chamber would point out that there are strong grounds why the size of representations should be increased. The Council have noted the observation of the Lothian Committee recorded in paragraph 322 of their report that the extent of the commercial and industrial repre-

sentation in the local Councils should be maintained in their present dimensions irrespective of any augmentation of the size of these Councils as a whole under the next revision of the constitution. In the first place, His Majesty's Government in their Award of August 17 of last year was not guided entirely by this recommendation of the Franchise Committee. In Bengal, for instance, the number of these special seats was increased from 15 to 19 and in Assam from 6 to 11. Moreover, the size of the provincial lower Councils has not increased in uniform proportion, and the recommendation of the Lothian Committee that *status quo* was to be maintained was in all probability based on the presumption of uniform increase of size of the Legislatures. Actually, however, this presumption has not proved correct, as can be seen from the following figures:—

Province.	Present Allotment to Commerce and Industry.	Seats in Present Council.	Proposed Allotment of Commerce and Industry.	Total Seats Proposed.
Madras	6	132	6	215
Bombay	8	114	7	175
	(including Sind).		(excluding Sind).	
Bengal	15	140	19	250
United Provinces ...	3	123	3	228
Punjab	2	94	1	175
Behar and Orissa ...	4	103	5	152
Central Provinces ...	2	73	2	112
Assam	6	53	11	108
Sind	—	—	2	—

It will be observed that in four Provinces out of eight, the size of the lower house has increased more markedly than in others. They are Assam, United Provinces, Punjab and Bengal. In Assam and Bengal the commerce and industry groups seats have been increased from 6 to 11 and from 15 to 19 respectively. The case of Punjab is exceptional and it seems that in order to adjust the numerical strength of the three major communities in a desired proportion, the commerce and industry has now been allotted only one seat. The United Provinces thus remain the only Provinces in which the size of the lower house of the provincial legislature is proposed to be augmented by as much as 85 per cent. and yet the number of commerce group seats has been left exactly as it was under a much smaller Council. The great importance of Indian Commercial Interests of these Provinces has been shown in Appendix A.

4. My Council would submit that while emphatically disowning any desire for reduction in the number of seats allotted to the European Commerce, it is necessary to point out for the consideration of the Parliamentary Committee that Indian commercial interests not represented by the Upper India Chamber of Commerce are now of equal, if not of greater importance. The representation allowed to the Upper India Chamber of Commerce was primarily intended for the benefit of the European commercial and industrial interests in the United Provinces. During the last fourteen years there has been very considerable expansion of commerce and industry in the United Provinces, mostly under Indian control and management, as will appear from the figures given in Appendix A. It is under the circumstances only just that the Indian Commerce and Industry should have at least equal representation with the European

17^o Julii, 1933.]

[Continued.]

Commerce and thus should have at least two seats allotted to it in the provincial assembly along with the two seats allotted to the European commerce and industry.

5. If, however, an increase in the commercial representation in the local Council is not considered feasible, then the Council of the Merchants' Chamber would most emphatically ask for a fresh delimitation of the seat for Indian Commerce and Industry. It is necessary to stress here the fact that the electoral scheme outlined in Appendix V of the White Paper so far as commerce seats are concerned, is purely provisional. Of equal importance is the clear recommendation of Lothian Committee (made in paragraph 324 of their Report) that in the event the bodies or institutions are found no longer representative of the interests assigned to them, the continuance of their franchise should be re-considered. The Council of the Merchants' Chamber would candidly aver that the case for such disfranchisement exists in these provinces as far as the United Provinces Chamber of Commerce is concerned and accordingly the Council of the Merchants' Chamber would submit that owing to its greater representative character it is entitled to get preference over the other Indian Provincial Chamber of Commerce as representative of Indian Commercial interests of United Provinces. In this connection the Council of this Chamber in support of its claim will give the following extract from the report of the U.P. Government on the working of the system of Government of United Provinces during 1921 to 1928 presented to the Simon Commission—the comparison being between the Upper India Chamber of Commerce and the United Provinces Chamber of Commerce.

“The United Provinces Chamber of Commerce has at present one member and the Upper India Chamber two members. The former chamber claims equal representation. The claim is based on the view that the United Provinces Chamber is more representative of the Indian trade and Commerce than the Upper India Chamber of Commerce. The original differentiation was based on the ground that the Upper India Chamber controlled far more capital than the United Provinces Chamber and occupied a position of much greater importance. There is little comparison in the capital controlled by

the members of the two Chambers. The Upper India Chamber includes all the big commercial and industrial concerns in the Provinces. The United Provinces Chamber, on the other hand, is more representative of small Indian concerns such as piece-goods importers, oil and grain millers, etc. It has much less stable membership than the other Chamber and the amount of arrears of subscription written off annually suggests that a considerable number of its members have little or no interest in its work. It has a larger membership than the Upper India Chamber, but it admits to its membership any individual interested in trade, commerce or industry, and quite a number of its members appear to be indirectly so interested. Its representative in the Legislative Council since 1921 has been a lawyer and not a commercial man in the strict sense. There is no doubt that the Upper India Chamber is the better organised and the more influential body and that it represents far wider commercial and industrial interests than the United Provinces Chamber. There is nothing to show that the comparative position of the two Chambers has materially changed since 1919 and we are unable to recommend equal representation.”

As a result of considerable dissatisfaction which had been felt for some years past with the manner in which the United Provinces Chamber of Commerce was functioning and the predominance of the legal element in it, and as efforts to improve that body were unsuccessful the leader of Indian mercantile community in these provinces thought it desirable to establish an Indian Chamber of Commerce which will truly and effectually represent the great and growing Indian Commercial interests of the United Provinces. Accordingly the Merchants' Chamber of United Provinces was incorporated in November, 1932, and in the brief period of its existence as many as 109 members from all over the province have joined the Chamber, and these include representatives of sugar, hide, grain and piece-goods trade as also cotton, woollen and jute mills, sugar factories, tanneries, oil mills, glass and ice factories, etc., etc. The capital represented comes to about twenty crores and is nearly ten

17^o *Julii*, 1933.]

[Continued.]

times the capital represented by other Indian Chamber of Commerce.

6. No less clamant is the need for representation of the Indian Commerce of these provinces in the Central Legislature. Unfortunately this claim seems to have been systematically ignored throughout the discussion on the constitutional revision. The Lothian Committee, while it recommended specific representation in the federal assembly of the individual Indian Chambers of Commerce of Bombay, Bengal and Madras, omitted to recommend any seat to Indian commerce of these provinces. In the White Paper proposals, although the representation of European Commerce in Bombay and Bengal have been strengthened beyond the Lothian recommendations, the case of the commercial representation of this province has remained unheeded. The Council of the Merchants' Chamber cannot regret too keenly this undeserved neglect of the commercial interests of these provinces, and they would therefore urge strongly that at least one seat in the Federal Assembly should be reserved

for purely Indian commercial interests of these provinces. The interests to be represented are vast, and the Council of the Merchants' Chamber of United Provinces would go so far as to state that the commerce and industry represented by this Chamber in every way equal to that represented by Indian Chambers of Commerce in Bengal and Madras which were recommended by the Lothian Committee for recognition as electorates of the Central Legislature.

Accordingly the Merchants' Chamber of United Provinces would respectfully submit that the Joint Parliamentary Committee will be pleased to recommend that:—

(a) separate representation should be allowed to Indian Commerce and Industry of United Provinces on the same footing as that of the three Presidencies in the Federal Legislature.

(b) increased representation be allowed to Indian Commerce and Industry in the United Provinces Legislative Assembly.

(SECOND) MEMORANDUM 36. MERCHANTS' CHAMBER OF UNITED PROVINCES, CAWNPORE.

I.—*Introductory.*

In course of a representation submitted early in May the Council of the Merchants' Chamber already stated at length their case for enlarged representation of Indian Commerce in the Lower House of the Provincial Legislature and in the Federal Assembly under a revised Constitution of India and of the specific representation of this organisation in both of these legislative spheres. It is now proposed to follow up the observations made in the original representation by this memorandum strengthening further the arguments adduced in the original representation and bringing forward such additional facts and considerations as were not embodied therein. It is the submission of the Council of this Chamber that this memorandum may be regarded as an essential part of their case placed before the Select Committee.

2. Apart from the question of representation of Indian Commerce in the Lower House of the reformed U.P. Legislature and the Federal Assembly, the Council now beg leave also to bring within the scope of this memorandum the case for institutional representation in the Upper Chamber of the U.P. Legis-

lature. There are, besides, one or two questions of provincial finance to which also the Council of this Chamber desire to invite the attention of the Parliamentary Committee and to lead evidence before them thereabout. The Council have no hesitation in thinking, however, that this widening of the scope suggested will be readily admitted by the Committee. It will be observed that the Council of the Chamber have made no endeavour to cover a large constitutional ground, as they might have. This decision, however, must not be construed as an indication of the Chamber's lack of interest in larger issues. On the other hand, should the Select Committee desire to hear Chamber's views on larger issues, its representatives will be only too glad to tender evidence on them, only if suitable opportunity is provided to them.

3. In pursuance of the extended scope of the memorandum explained above the Council will allow their observations to fall under *four* heads, one dealing with Provincial Assembly, one with Provincial Council, one with Federal Assembly, and the last containing considered suggestions regarding some aspects of the U.P. Provincial Finance.

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[17^o Julii, 1933.]

[Continued.]

II.—Provincial Assembly.

4. The Council in their original representation stressed the point that the four Provincial Assemblies the membership of which is proposed to be increased by a proportion much higher than that in the case of the rest, the U.P. Provincial Assembly is the only one in which the number of seats for commerce and allied interests have not been raised. The inadequacy of commercial representation in Provincial Assembly can also be studied from another point of view, viz., the number of industrial labourers employed in the large industrial establishments of each province. The position can be indicated statistically thus (data from the "Large Industrial Establishments," 1932, a Government of India publication):—

Name of Provinces.	Labour employed in large industrial establishments.	Number of Commerce seats proposed to be allotted.
Madras	138,000	6
U. P.	90,000	3
Bihar and Orissa	68,000	4
Assam	45,000	11
C. P.	70,000	2

It will be observed that Assam, with only half the number of industrial labourers, has been given as many as 366 per cent. the number of seats for representation of commerce and allied interests in comparison with the similar representation in U.P. A comparison with other provincial figures set out above also brings home the hardship of U.P.'s case of commercial representation under the proposals that so far hold the field. The Council are no doubt aware that industry, the size and importance of which alone is measured by the number of works-people, is only one of the interests which are embraced in the commerce group of constituencies. But both the planting and mining establishments have been included in the figures of labour population used in this table. As regards the general commercial interests, it need hardly be stressed that U.P. is not far behind Madras despite the fact that the latter is a province with one of the major ports situated within it. At all events, the superiority of U.P. over Assam and Bihar and Orissa is most decided in this respect. And the proposition will be little disputed that if Bihar and Orissa has 4 seats given for representation of her commercial interests, U.P. should have at least 8 seats given to her for such representation. The statistics on this point

are not easy to obtain. Yet the following figures of what are returned as "unclassified" assesseees in the income-tax returns and which include chiefly limited liability companies paying "corporation tax" afford a clear indication as to the extent of the commercial activity of provinces other than Bengal and Bombay.

Name of Provinces.	Number of "unclassified" assesseees in 1931-32.	Total income of Companies taxed in 1931-32.
Madras	855	1.56 Crores.
U.P.	1,614	1.72 "
Punjab	381	0.39 "
Bihar and Orissa	632	0.14 "
C.P.	155	0.71 "
Assam	76	0.59 "

5. In their original representation, the Council also cited full statistical data to prove that the expansion of commerce and industry has been marked enough in U.P. during the years covered by the present reforms. The measure of progress can be further illustrated with reference to the following figures of income-tax and super-tax collection in the various provinces in 1923-24 and 1931-32.

Name of the Provinces.	1923-24.	1931-32.
Madras	1.70 Crores.	1.59 Crores.
Bombay... ..	5.34 "	4.24 "
Bengal	6.03 "	4.59 "
U.P.	0.89 "	1.09 "
Punjab	0.76 "	0.75 "
Bihar and Orissa	0.47 "	0.63 "
C.P.	0.57 "	0.42 "
Assam	0.14 "	0.20 "

It is remarkable that during the seven years while the collection of income-tax and super-tax has marked a fall almost in every province, U.P. tells a different tale; and this fact which bears striking evidence of the business expansion of U.P. during the years of reforms is itself a ground why the number of seats for commerce and industry for U.P. should be raised from what was allotted 14 years ago.

6. The Government of U.P. have themselves recognised the need for increasing the number of commerce seats in the Legislature. It is also important to recall here the circumstances under which not more than *three* seats came to be allotted for commerce and industry even under the reforms of 1919. The Southborough Committee in 1918 were supplied with a note by U.P. Government which in fact was the genesis of the number of seats at

17^o Julii, 1933.]

[Continued.]

present allotted to commerce and industry. The Local Government put the number of these seats at three on the basis that the total number of seats in the Council would be 100 (*vide* Southborough Report, p. 198). Unfortunately the total number was eventually raised to 123 or by about 25 per cent., but the number of commerce and industry seats was left at the figure originally proposed by the Local Government.

7. In the recent years when the opportunity presented itself, the Local Government, however, did not fail to urge an increase of commerce seats in the Legislature. In their memorandum submitted to the Central Franchise Committee, the U.P. Government observed that "in order to provide for the possibility of the changes in the composition of the Chambers and also for the increase in the size of the Legislative Council, they would prescribe the seats representative of commerce as five in number and would give to the Governor power to nominate from time to time the bodies which should be allowed to elect the members" (*vide* Franchise Committee Report, Vol. II, p. 300). The recommendation of the Provincial Franchise Committee, which was made independently of the note of the U.P. Government to the Central Franchise Committee, urged that the number of commerce seats should be raised from three to four in the reformed Assembly (*vide* Franchise Committee Report, Vol. II, p. 402). It will be seen, therefore, that the official recommendation has systematically been in favour of raising the number of seats for commerce and industry.

8. There is still one more special consideration of a general character which points to the need for strengthening the commercial element in the U.P. Legislature. The economic life of the province is in need of urgent transformation along a commercial and industrial direction. The essential weakness in U.P.'s economic position is revealed from the following figures of income tax collected in various provinces in the year 1931-32.

Name of Provinces.	Tax collected (in Crores of rupees).	Tax paid per capita (in rupees and annas).
Madras	1.52	0 5.4
Bombay	3.53	1 15.3
Bengal	3.40	0 10.8
United Provinces	0.98	0 3.2
Punjab	0.71	0 4.9
Bihar and Orissa	0.54	0 2.7
Central Provinces	0.48	0 5.1

The Council are aware that the income-tax figures are not a measure of the agricultural wealth of the Province. But these figures studied along with the figures of the average deposit per head per each co-operative society in various provinces go only to confirm the impression that U.P. has a large economic leeway to make up. Later in the memorandum the Council will point out that compared to the other provinces her industrial interest is large enough; but judged in terms of her own needs for the proper economic sustenance of a very large population, productive enterprise of the province in the non-agricultural sphere has hitherto been inconsequential. It is necessary, therefore, that public opinion be educated in favour of expansion of business enterprise, new plans be laid for this and new atmosphere created therefor. And in no way can such efforts be more fruitful of success than by the presence of a sufficient number of representatives of commerce and industry in the highest councils of the province. With a solitary Indian member representing commercial interests in the Provincial Council, his would be a cry in the wilderness of uninformed public opinion. It would be pertinent in this connection to point out that during the twelve years of the working of the reformed constitution not a single Indian business man could be returned to the U.P. Legislative Council from any of the general constituencies.

9. The Council have hitherto argued for an extension of representation of the commercial interests. They fully trust it will be possible for the Select Committee to respond to such a request, either by increasing the total size of the House or by relieving two seats from the general constituencies. In the interest of maintaining communal proportion, the Council will have no objection under the latter event to accepting one seat for a Moslem candidate and one for a non-Moslem. A revision of the composition of the Lower House of the U.P. Legislature seems also to have been urged from other quarters, and the Council feel that the composition of the House as announced in His Majesty's Government's award of August last year will have to be modified, at least for some minor adjustments. In the event, however, of such an adjustment in favour of the extended representation of commercial interests in the U.P. Legislative Assembly not being considered feasible, the one seat for Indian commerce should be given to this Chamber

17^o Julii, 1933.]

[Continued.]

by abolishing the present constituency for Indian commerce.

10. Reluctant as the Council would ordinarily have been, they are constrained for their present purpose to institute a comparison between the Indian Chamber which now returns one member to U.P. Legislative Council and this organisation. The opinion of the Local Government as regards the domination of non-business element in an institution designed to represent business interests has already been quoted in the original statement. It now remains for the Council to point out that out of the total membership of that Chamber, about 50 per cent. are represented by those who had actually tendered resignation, but whose names are being still maintained in the membership list, by the practising lawyers, by those whose firms have been closed, by those who are members of teaching or other professions and by those who even, though severally enrolled, are actually related to one firm only. Even though there are some merchants and still fewer industrialists on the roll, the tradition of work is such as the body can hardly be said to function at all. The organisation returning the Indian commerce representative to U.P. Council since 1921 did not think it worth while to officially lead evidence before the Industrial Commission in 1917 (*vide* Commission Report—Minutes of Evidence, Vol. I, p. 271). Only so recently as 1929 this body did not place any evidence before the Royal Commission on Labour. In striking contrast to this picture the Merchants' Chamber is a live organisation of active business men representing a capital of about 20 crores of rupees (20,00,00,000). On the industrial side, it has on the roll members who are employers of not less than 25,000 labourers in the province. The varied character of the industries and trades represented by the Merchants' Chamber will appear from the classified list of the members attached to the original representation and the supplementary list annexed to this memorandum.

III.—Provincial Legislative Council.

11. The Council will now turn to an examination of the composition of the Legislative Council in U.P.

Part II of Appendix III of the White Paper indicates in broad outlines the composition of the proposed U.P. Legislative Council. It appears that in striking contrast to the composition of

the parallel machinery of Bengal and Bihar and Orissa, there is no provision for the election of members to the Upper House of this province by the Legislative Assembly (Lower House). The Council consider this as a rather unfortunate omission. It must not be understood, however, that the Council favour as a matter of general principle a system of indirect election to the preference of direct election. No such preference is at all intended to be conveyed. But in the constitution of the Upper House of the Legislature which is designed to serve as the representative organ of special interests, a system of indirect election, such as by the Lower House, would have probably been in accordance both with the political thought and practice in other countries. The view that the Council of this Chamber take is that if, as proposed, out of the 60 members of the U.P. Legislative Council as many as 51 are to be returned by a system of direct election from general constituencies, the real object of an Upper House will not be fulfilled. The Honourable Ministers in their note on the Second Chamber accompanying the letter* of the Government of U.P. remarked: "We think that the Second Chamber should consist of members mainly elected by recognised Landholders' Association and similar bodies." With this plea of institutional representation the Council of the Merchants' Chamber are in entire concurrence. Even if institutional representation may not be made the "main" plank, it should nevertheless find some scope in the scheme of the composition of the Upper House. For such a scheme not only ensures the representation of those special interests which may not be represented by a system of general election, but would also secure to the debates of the Upper Chamber opinion that is at once well organised and well informed. It is felt that the effect of these suggestions may be given by reducing the number of seats to be filled by election from general constituencies, three from Moslem constituencies and six from general constituencies. It need hardly be added that of the nine seats thus suggested to be set apart for institutional representation, not less than two seats should be reserved for representation of this Chamber.

* Letter No. 4949 C. dated the 23rd August, 1930, from Chief Secretary to Government, U. P., to the Government of India, Reforms Office.

17^o Julii, 1933.]

[Continued.]

IV.—Federal Assembly.

12. The Council had already in their first representation pointed out how the case of Indian commerce for representation in the Central Legislature was ignored by the Franchise Committee and how His Majesty's Government in their proposals of March last, even though strengthening the representation of commerce of Bengal and Bombay in the Central Legislature, failed to make good what was in effect a total omission of representation of Indian commercial interests of U.P. The unfairness of such an omission cannot be sufficiently emphasised. Figures have been adduced earlier in this memorandum to indicate how the number of companies assessed to income tax in U.P. is higher than in Madras and is, in fact, the highest of all provinces barring Bengal and Bombay. The province is *par excellence* the seat of the sugar industry. In regard to it U.P. has the same predominant share as Bengal of jute or Bombay of cotton industry. It is estimated that 75 per cent. of the sugar product of India is now contributed by

this province, and, taking India's consumption of sugar at 1.2 million tons, U.P. will in the course of another year develop an industry turning out food products estimated at over 15 crores of rupees in value. In regard to cotton textile industry, U.P.'s place is only second to that of Bombay, as would be seen from the following statistics of cloth and yarn products in 1931-32.

	Yarn in million pounds.	Cloth in million yards.
Madras	87	68
Bengal	37	79
U. P.	89	144

Other provinces need not enter the picture, as their share in the cotton textile industry is inconsequential. There is, moreover, a whole host of other industries in the province, e.g., leather, wool, glass, flour and oil industries. But the real commercial importance of U.P. lies, apart from her sugar and cotton industries, chiefly in the internal movements of her rich crops. The following table will serve to bring home the point:—

Estimated yield of principal crops in various provinces in 1931-32. (in million tons).

	Wheat.	Linseed.	Rape and Mustard.	Seasamum.
Bombay ... ..	.6	.01	.02	.08
Madras	—	—	—	.1
Bengal ... ..	.03	.2	.1	.03
U. P.	2.6	.2	.4	.1
Punjab	3.2	—	.2	.03
B. and O. ... ..	.5	.09	.1	.03

All these grains and seeds are export crops, the movements of which from producing centres to the ports give rise to an extensive trade. The United Provinces being the granary of grains and seeds has the largest share in their internal trade movements. But owing to an absence of any internal trade statistics, the extent of U.P.'s contribution to the foreign and internal trade cannot be accurately measured. But that their size is large follows from the figures of crop tonnage set forth above. A non-agricultural export trade in which U.P. has the most important contribution is that in raw hides and skins.

mended seats on the Federal Assembly. From a detailed examination of this point the Council of the Chamber deliberately refrain. While it is far from Council's mind to suggest that they grudge their sister organisation the electoral privilege, the Council only claim that such a privilege be extended to this Chamber as well.

13. Having described at length the space which U.P. fills in the commercial canvass of India, it remains for the Council to emphasise that the interest represented by this organisation is no less large than those Indian Chambers of Commerce of Bengal and Madras for whom the Franchise Committee recom-

V.—Provincial Finance.

14. The Council would next turn to invite the Committee's attention to a matter of provincial finance and would in this connection refer in the first place to paragraph 139 of the White Paper of May last. This paragraph read with paragraph 57 of the Introduction to the Proposals raises a point of vital interest to the financial aspect of the future constitutional advance of this province, viz., the extent to which the receipts from income tax should be distributed among the provinces and the basis on which such

17^o Julii, 1933.]

[Continued.]

distribution should proceed. The former is an aspect of the case which affects all the Indian provinces equally and as such does not call for any special attention from any one particular province. But the basis of distribution of the available resources of income tax in the future federation of India is a matter which should evoke the maximum interest of all those who have the good of the province in their heart.

15. The fact need hardly be stressed that United Provinces is one of those two Indian provinces whose income *per capita* is the lowest under the present financial arrangement. A glance at the following table of expenditure of Provincial Governments per head of population based on the budget estimates for the year 1929-30 will bring home the observation:—

Madras ...	Rs. 4.1	U. P. ...	Rs. 2.7
Bombay ...	Rs. 8.2	Punjab ...	Rs. 5.5
Bengal ...	Rs. 2.5	C. P. ...	Rs. 3.7
		Assam ...	Rs. 3.9

This financial plight of the province is all the more remarkable in view of the fact that during the working of the present reforms, U.P. is one of the provinces in which spending power was increased in the most marked manner owing to the complete remission of the provincial contribution in the year 1927-28, the province gaining no less than by 2.40 crore of rupees on this score. It is scarcely arguable, on the other hand, that the financial poverty of the province is attributable to the deliberate policy of keeping taxation at a low level. In point of land revenue, the mainstay of the provincial resources, U.P. is decidedly the heaviest taxed province. The land revenue of this province per acre is the highest according to the acreage figure of 1927 and the actual revenue of 1929-30. The following figures are in this respect instructive:—

	<i>(Figures in rupees)</i>	
	Based on total land accord- ing to Survey.	Based on cul- tivated land including current fallow.
Madras ...	.57	1.2
Bombay ...	.61	1.1
Bengal ...	.65	1.2
U.P. ...	.88	1.6
Punjab ...	.43	.9
B. & O. ...	.32	.5

The Council of the Merchants' Chamber do not consider it necessary for them to emphasise the point further. The need will be well recognised that if the new constitutional machinery that is now

being envisaged were to work with anything like a success in this province, its financial resources must be particularly strengthened. The serious set-back which the financial prospect of this province has undergone in the last three years of protracted discussion on constitutional revision make the Council look upon the position with the greatest anxiety.

16. The position briefly stated is this: In the Layton Report prospects were held out that apart from a dole from income-tax receipts the provinces would benefit by sharing the proceeds of such national excise as on tobacco, matches and salt. Unfortunately the prospect of a plethoric Provincial Fund has since receded into the horizon and the only source of augmented provincial revenue is for all practical purposes now confined to the share of income-tax receipts made available to the province. The point of supreme interest—and it is here that the Council of Merchants' Chamber must lay the greatest stress—is that while according to the Layton recommendation the Provincial Fund was to be distributed among the provinces according to population, the point is now still undecided as to how the provincial share of the income tax is to be doled out among the provincial claimants. The ground for the gravest apprehension arises from this, that the Federal Finance Committee definitely recommended that the bulk of the income-tax revenue (six-sevenths of the personal tax) should be distributed not according to population but on the basis of collection. The difference in the effect of the Layton and Percy Committee recommendations in the matter of new revenue for the provinces may be read from the following Table:—

	<i>(Figures in crores of rupees)</i>	
	Layton Award.	Percy Award.
Madras ...	6.24	11.83
Bombay ...	4.76	3.43
Bengal ...	7.70	4.05
U.P. ...	6.09	1.23
Punjab ...	3.51	.91
B. & O. ...	4.24	1.07

17. The table is sufficiently instructive and the Council do not consider it necessary to comment on it at length. The United Provinces is the second most populous province in India. With the material and moral well-being of over 48 million population committed to her, her administrative responsibility is proportionate to the heaviness of her charge, and it is clear as daylight that if any new resources can be made available to

17^o Julii, 1933.] Mr S. M. BASHIR and Mr. K. M. PURKAYASTHA. [Continued.]

the Provincial Governments, they should be made to share them proportionately to their respective population. Any other basis of distribution would be a grievous wrong to this province and would result in the transfer of new revenue to quarters where they are less urgently required. Without any intention of exaggerating their statement, the Council of Merchants' Chamber may well observe that with it is very largely bound the success of an autonomous government of this province as is being worked out for the near future.

18. One more proposal remains to be put forward. According to paragraph 138 of the constitutional proposals in the White Paper of March last, the terminal tax receipts even though intended to benefit the provincial revenue were suggested to be pooled on an all-India basis. In other words, while provinces are expected to benefit from the levy of such a tax, no province can resort to such a taxation on its own initiative, or can claim for itself the exclusive benefit of a tax on its outward or inward traffic, rail or river-borne. The Council of the Merchants' Chamber find themselves in opposition to such a proposal. U.P. is one of those provinces in which a terminal toll and tax are already in force in 48 municipalities out of 85. A terminal tax system may thus be considered to be fairly developed in this province. Should the Provincial Legislature be induced to replace these resources of municipal authorities by a direct local tax, it would be easy in this province to have a full-fledged system of terminal tax on a provincial basis. It is not necessary here to enter into a detailed examination of this question. It is enough to recognise that such financial developments are at once possible and plausible. In view of such developments, the Council would suggest that terminal tax should be recognised as a source of revenue exploitable at the option of each province on a par with other sources mentioned in paragraph 136 of the White Paper proposals. In the assignment of a part of the Jute export duty to the producing units the principle has been recognised that when the produce of a province is exported out of the province of its origin, such export is amenable to taxation for the benefit of the province. A land-locked province like U.P. should have the identical right to tax the demand for her goods. It is no doubt recognised

that a terminal tax indiscreetly levied re-acts adversely on the taxing province itself, but where suitable commodities are available for such treatment, the field should be left open to the desiring province to operate in.

B146. I think I am right in saying that at the end of paragraph 5 of your first Memorandum you give as the reason for the formation of your body, which is a comparatively recent one, that "As a result of considerable dissatisfaction which had been felt for some years past with the manner in which the United Provinces Chamber of Commerce was functioning and the predominance of the legal element in it, and as efforts to improve that body were unsuccessful the leader of Indian mercantile community"—is that one particular leader?—It should be "the leaders."

B147. Were they members of the other Chamber? Did you leave the other Chamber of Commerce so as to form this?—There were a few who came out of the other Chamber, but there were others who came in the new Chamber afterwards.

B148. Was there any particular thing that made you take the decisive step of forming a new Chamber?—There were so many factors connected with that.

B149. Would you state what they were?—To be brief, that body was really not functioning as a commercial body at all. It was dominated by people who were not businessmen in the real sense. The tradition of the work of that body had all along been such that could not be praised at all. For example, it never took any interest in matters of commercial importance. It merely acted as a sort of post office, if I may put it that way, to distribute the communiqués from the Government. They never issued anything of commercial importance. Matters which were very important were not dealt with by that body at all. For example, that body did not appear before the Royal Commission on Labour, the Central Banking Committee, the Franchise Committee, or the Tariff Board regarding sugar protection. It was really an inert body in the strict sense. It was not working at all, and the business community naturally felt that it was high time that with the growing development of the Province, the commercial community should be organised in such a way that

17^o Julii, 1933.] Mr S. M. BASHIR and Mr. K. M. PURKAYASTHA.

[Continued.]

it could, really speaking, safeguard the interests of the commercial community.

Nawab Sir Liaquat Hayat-Khan.

B150. You are asking for special representation on the Legislatures?—Yes.

B151. Assuming that you get it, do you think the other body which calls itself the Chamber of Commerce of the United Provinces would have a legitimate grievance at being omitted, or not given special representation, or do you think the representation given to you would adequately represent that Chamber, too?—I think that if a body which I have described in so many words just now can keep on enjoying the privilege of being an electorate for safeguarding commercial interests, the very principle of safeguarding commercial interests falls through.

B152. My question was slightly different from what you have understood it to be?—I am sorry.

B153. Supposing you were given the special representation which you are asking for, do you think the other body which calls itself the United Provinces Chamber of Commerce will be satisfied that your representative does represent commerce in the United Provinces adequately in the Legislature, or do you think they will have a just grievance that their Chamber has not been given a chance, whereas you have been given a chance and are not adequately representing the Province?—I do not think they ought to have a grievance. It is a question of the representation of the commercial community as a whole.

B154. You think any representation given to you would satisfy the commercial community in the United Provinces?—Yes.

Mr. A. H. Ghuznavi.

B155. Mr. Bashir, from your Memorandum No. 2 I find that you are Senior Vice-President of the Merchants' Chamber of the United Provinces?—Yes.

B156. You are a barrister-at-law?—I am a barrister, but I am not practising at all. I am not even enrolled in the High Courts. I am an active business man. I took law only with the intention that it would help me in my business.

B157. What is your business?—My main business is hide and skin export. I am interested in sugar, cotton-ginning, a boot factory and in tanneries.

B158. You gave in answer to the Lord Chairman the reason why it was necessary for you to establish this new Chamber?—Yes.

B159. Will you elaborate it a little more—what other reasons were in your mind when you formed this Chamber than what you have said already? Was it not a fact that they had not any Muslim members of that Chamber when you contemplated the organisation of this Chamber?—Up till then they had not any Muslim members. The membership of that Chamber has not been stable at all. People have been coming in and going out. To quote just one instance, for example, they had about 106 members in 1926. If their present list is seen now it will be found that there are only 103 members of that 106 of that Chamber. People have been added and are falling out, but I cannot say that the commercial interests in which the Muslims are interested have been duly represented in that Chamber at all. (Mr. Purkayastha): A very large number of business men kept away from that Chamber of Commerce, but after this organisation started a very large number of them came into it. The Muslim business interest of the United Provinces is a very large interest. The hide and skin trade is practically in the hands of the Muslim business men, but it is a striking fact that these Muslim gentlemen and firms did not at all join the older organisation, and they have come and joined us only after we have started. Still more striking is the fact that the hide and skin organisation, which is a fairly old organisation, have thought fit to affiliate themselves to our organisation.

Sir Joseph Nall.

B160. Might we know, as this community question has been raised, do the 109 names in the original Memorandum 37 include members of both communities?—Both.

B161. Can you say approximately how many of each?—(Mr. Bashir): For example, on page iii of that Appendix there are about six which are all Muslims. Then on page iv there is another.

Mr. A. H. Ghuznavi.] There are nine in the first place.

Sir John Wardlaw-Milne.

B162. What proportion of your members are Hindus and what proportion are Muhammadans—very generally?—

17^o Julii, 1933.]

Mr S. M. BASHIR and Mr. K. M. PURKAYASTHA.

[Continued.]

About 20 to 25 per cent. in the Chamber are Muhammadans.

B163. The rest are Hindus?—Yes.

Mr. A. H. Ghuznavi.

B164. Will you give us an idea of the various interests that are represented by your Chamber?—We have given an idea in the list already.

Earl of Derby.] There is a list here which I think is very clear.

Mr. A. H. Ghuznavi.

B165. Thank you. You have given a list which is Appendix B of your Memorandum, showing the names of the firms and the industries they represent?—Yes.

B166. From that list it appears that you have got 114 members. Is not that so?—Yes.

B167. And it represents both the Hindu and the Muslim merchants?—Yes.

B168. In the Second Memorandum, Annexure A, you have given a supplementary list of your members?—Yes.

B169. Two important industries in the United Provinces are represented by the two registered associations, namely, the Glass and Bangles Industrial Association and the Hide Merchants' Association?—Yes.

B170. Both these are registered bodies who have become your members?—Yes. That is one of our especial features, because we do not go in just for increasing the number of individual members. If associations can affiliate with the Chamber, consisting of a good many members themselves, it carries a great weight. For instance, the Bangle Industrial Association has about 60 members. Similarly, the Hide Merchants' Association is a very important association and has about 60 or 70 members. The Kapra (Cloth) Committee has about 800 members and if these bodies can affiliate with the Chamber it gives very great strength without greatly increasing the number of members.

B171. These bodies which are separate associations are also members of your Chamber?—Yes.

B172. But they have never been members of the other Chamber?—No, Sir.

B173. Mr. Chopra, who has just given his evidence, said that the Government of the United Provinces and the Government of India have not recognised your Association; is that true?—No, it is not. It has recognised us in the same way as any other Chamber of Commerce has been

recognised. We have two letters from the local government and a letter from the Central Government.

B174. Will you please read those two letters?—This is letter No. 421 dated Allahabad, the 15th May, 1933, from the Secretary to Government of the United Provinces, Industries Department, to the Secretary of the Merchants' Chamber of United Provinces, Cawnpore. "Sir, With reference to your letter dated December 22nd, 1932, to the Chief Secretary to this Government, I am directed to say that your request that the Chamber may be supplied with such publications and communications as are usually sent to other chambers of commerce in this province has been noted for compliance. A copy of the annual report of the Department of Industries will be supplied to your Chamber free of charge in future." This is another letter from the Government of India: Simla, the 25th May, 1933, No. 56-C (i)/33, the Officiating Secretary to the Government of India to the Secretary of the Merchants' Chamber of United Provinces, Cawnpore: "Sir, I am directed to refer to your letter dated the 30th December, 1932, and to say that your Chamber has been included in the list of commercial bodies which are supplied with important press communiques and other matters of commercial interest."

B175. From the Government of India?—Yes.

B176. Mr. Bashir, in your Memorandum you seek representation of your Chamber in the Central Legislature?—Yes.

B177. But you know that the various commercial interests have been represented by all-India organisations? Why do you seek separate representation for your Chamber?—We have shown in our Memorandum the importance of the United Provinces as a Province as compared with the other Provinces, and I feel that the United Provinces cannot be unfavourably compared with other Provinces so far as commercial importance is concerned. There are various interests in the Province and there may be conflict at times between some of them and the others. It is proved in the Memorandum that the United Provinces is not to be left out in that way. To quote one ordinary instance, the export duty on hides: that question was brought up in the Assembly, and the United Provinces was not represented, but Madras had been, with the result that the duty was

17^o Julii, 1933.] (Mr S. M. BASHIR and Mr. K. M. PURKAYASTHA.

[Continued.

not taken off which, of course, hit very badly the exporters of that trade in the United Provinces, whereas the interests of the Madras tanners were that the duty should be retained. (Mr. *Purkayastha*.) The position is that, in spite of the representation of the All-India organisation, in Madras, Bengal, and Bombay, special representation has been allowed to the three individual Chambers of Commerce. If this could be done, our claim is that a similar privilege should be extended to the United Provinces also. Secondly, there are cases of incipient conflict of interest, and a striking instance is the hide duty, when in 1926 the Government brought in a Bill for the abolition of Hide Export Duty. By the casting vote of the President the duty was allowed to remain, and the result of the continuation of the duty has been disastrous. Only just recently we have addressed the Government on the subject.

B178. Would you give us what your attitude would be towards the United Provinces Chamber if an additional seat were found for you?—(Mr. *Bashir*.) I have already submitted that we are the really truly representative body of commercial interests there, and if a body does not truly represent the commercial interests the principle falls through.

B179. Give us some of the distinctive features of your Chamber?—I have given one, that the associations are affiliated to our Chambers. All the Members of this Chamber are in active business. They are not indirectly interested in business, or people who are not in business at all.

B180. You mean to say they are not directors or ex-directors of certain companies, as has been the case with the other Chamber? All your members are in active business?—Yes.

Mr. *F. S. Cocks*.

B181. Do you say you represent purely Indian commercial interests?—Yes.

B182. Have you any membership under European control?—There is one member, the Delta Hide Company.

B183. Only one?—Yes.

B184. The capital represented by your Chamber is about 20 crores?—Yes.

B185. You say it is nearly ten times the capital represented by any other Chamber?—Yes.

B186. If you heard that another Chamber also claimed that they represented 20 crores, would you say that was slightly

optimistic?—Yes, I would say that, and there are ways of putting things in a different way.

Sir *John Wardlaw-Milne*.

B187. How do you get at an estimate of 20 crores?—It is really just an estimate. It is very difficult to find out.

B188. Would it be too strong to say it was guesswork?—I would not say it was mere guesswork.

B189. Do most of these firms represented upon your Chamber publish accounts? Are there companies?—There are many like that.

B190. In which you can get at the amount of the capital?—Yes.

B191. Is that usual in Indian trading concerns?—It is not usual, but there are some about which we have got that information and there are some in which we have been particularly careful in putting down figures and adding them up.

Mr. *A. H. Ghuznavi*.] The witness meant they had many limited liability companies as their members.

Sir *John Wardlaw-Milne*.] I understood.

Lord *Snell*.

B192. If I understand aright, your claim to justify the starting of your Association was that the other Association did not cover the whole of the commercial interests of the United Provinces?—It is not really that they did not cover the whole, but if they did cover certain of the industries or the trades it was really through very minor people who were not really, speaking generally, very big people in the trade.

B193. I thought I heard you say that there was only a small proportion of Muslim members in the other Chamber?—No, Sir; there are none at all.

B194. I put it the other way. Therefore you felt there was a real reason for your starting this new organisation?—No it was not because Muslim members were not there that we felt that we really ought to start this Chamber. It was the dissatisfaction on all other matters that really made us start this Chamber.

B195. But also because it was not, as I suggest, fully representative?—No, it was not fully representative.

B196. What I now want to ask you is: Is it true that your Association represents what we may call smaller business concerns than the other?—No, Sir.

17^o Julii, 1933.]Mr S. M. BASHIR and Mr. K. M.
PURKAYASTHA.

[Continued.]

B197. It is not?—We have small concerns. We have very big ones indeed.

Mr. A. H. Ghuznavi.] I would refer you to Memorandum No. 36.

Lord Snell.] What proportion of the small commercial people belong either to your or to any other Chamber of Commerce?

Sir John Wardlaw-Milne.] Do you mean out of the total number of traders in the Province?

Lord Snell.

B198. Yes—a very small number, presumably?—Yes, a very small number.

B199. The Chambers of Commerce tend to be made up of people who have substantial business interests? — (Mr. Purkayastha.) We have on our roll the solitary jute mill of the United Provinces, and a fairly large number of big sugar industries. Most of them are with us, and besides there are a number of small firms of dealers—people who are interested in the movement of agricultural crops from the producing centre to the coast; people who are importers of piece goods, commission agents of mills: we have on our roll the entire or a very large part of the commercial life of the United Provinces, of which Cawnpore is the Provincial focus.

B200. How much of a commercial man must a member of your Society be; how big a capital must he have? Could small commercial men employing five, 10, or 20 persons be members?—(Mr. Bashir.) That is not what we have been trying to do.

Earl of Derby.

B201. Do you make any distinction in your membership between the size of the businesses that want to join you, or do you accept them as a business, regardless of size, if you think that business is representative of the particular industry?—We try to be careful that we do not have just ordinary people or ordinary business men or very small business men just dealing in that trade. For example, we had before three or four hide merchants. Now that the whole of the Hide Merchants' Association has become a member we will not enrol anybody individually at all because the whole of that trade would be represented by that Association. Similarly, the Kapra Committee, the Cloth Committee: once they come in we would not enrol individual members at all because the whole of that trade would be represented by that Association.

B202. If my friend Mr. Ghuznavi were in that trade in a very small way would he be eligible to join your Chamber?—Probably there would be no bar, but we would not take him if he was a small man.

Mr. A. H. Ghuznavi.

B203. You have no rules restricting taking in small men? — (Mr. Purkayastha.) No; but we are not keen on swamping our membership.

Lord Rankeillour.

B204. Have you any definite qualification in your rules which a man must have, of any kind?—(Mr. Bashir.) I have with me my Articles of Association: "All persons, associations, firms or corporations (incorporated in India) directly engaged, interested in or possessing expert knowledge of trade, commerce, manufacture, industry, transport, banking, finance, or insurance, and having a place of business in the United Provinces of Agra and Oudh, who shall be duly nominated and elected and shall pay their subscription as hereinafter provided, shall be deemed as ordinary members."

B205. Did you say something that led me to think that there was some unfair discrimination in the election, or the failure to get elected, of persons in the other body of the United Provinces? I thought you suggested there might be some unfair discrimination in the election of persons to the other Chamber?—There was no unfair discrimination, but they took in people who were probably indirectly interested in trade.

B206. You do not think they rejected people who ought to have been elected? You do not suggest that?—No.

B207. Would you be satisfied if you had one seat and the other body had one seat, or do you think that would not suit you?—If I have to make a definite answer I will certainly say no.

B208. Have you got the White Paper, page 107, Section IV, Appendix V 2 (b): "Franchise for Special Constituencies" in the United Provinces?—Yes.

B209. We know it is provisional, but it suggests there that there should not be a constituency of any Chamber of Commerce but that persons belonging to either of two Chambers of Commerce should be entitled to vote. For all we know, they might vote for all the three seats. Would you be satisfied if your Chamber were added to those two, that

17^o Julii, 1933.] Mr S. M. BASHIR and Mr. K. M. PURKAYASTHA.

[Continued.]

is to say, all members of your Chamber, the United Provinces Chamber, and the Upper India Chamber, were all made electors to vote for the three members? Would that satisfy you—or possibly four members, with one register of electors for all the Chambers?—The other Chamber which the commercial community thinks is not really a representative body comes in there still.

Lord Rankeillour.] Would you disqualify the members of that body from being entitled to vote on one register of commercial people, because that seems to be what is contemplated there?

Sir Hubert Carr.] The Upper India Chamber of Commerce is largely European, and you will remember the Franchise Committee went into the question of perhaps joint electorates for Indian and British commerce, and they decided that the present time was not ripe for it and that European commerce should have a separate constituency from Indian commerce.

Lord Rankeillour.

B210. So I thought, but this does not seem to bear it out. It seems to be merely one register?—(Mr. Purkayastha.) No. That is the present position.

Sir Joseph Nall.] The last line of subsection (b) of paragraph 2 of Appendix V on page 107 of the White Paper, says: "are qualified as electors for the constituencies," in the plural, "comprising their respective Chambers."

Lord Rankeillour.

B211. We will leave the Upper India Chamber out. You would not like to be on one register with members of the United Provinces Chambers?—(Mr. Bashir.) No.

Mr. Isaac Foot.

B212. Would a lawyer who was interested in commerce not be entitled to be a member of your Association?—No, because he will not be in active business.

B213. Do I understand that in India you may not have a lawyer who is a director of a company or a firm?—That is not active business.

Sir Joseph Nall.] You mean that is not active practice. He is not practising as a lawyer if he is in business.

Mr. Isaac Foot.

B214. No, I do not think he means that. You are a lawyer interested in commerce?—Yes, but I am not even enrolled in the High Courts for practice.

B215. Take a lawyer who may be giving some part of his time to the practice of his profession, but who devotes a large part of his time to the conduct of a business, or is a director of a firm: would not he be eligible for membership in your Chamber?—If his profession really is practice he would not be eligible for membership in our Chamber.

B216. You have some members of your Merchants' Chamber who are also members of the other Chamber of Commerce, have you not?—The United Provinces, do you mean?

B217. Yes?—They have all resigned from that Chamber and their resignations have not been accepted. That is how they are on the roll there. It is the other way. There are about 12 people who have resigned from their Chamber and they are our members, but they have not accepted their resignations because it would have brought down their roll.

B218. As soon as their resignations have been accepted you will have an absolutely distinct membership of your Association?—Yes.

B219. There will be no one on your Association who is a member of the other Association?—That is so.

B220. Is there anything more than commerce behind this? Has there been some personal quarrel or disturbance that has given rise to these differences between you?—No.

B221. Is there a difference between two big men or are there two big men who are fighting over this business?—No.

B222. It is purely commercial matters?—It is purely commercial.

Sir John Wardlaw-Milne.

B223. I want to ask you in connection with your remarks in paragraph 4 of your first Memorandum where you say: "During the last 14 years there has been very considerable expansion of commerce and industry in the United Provinces, mostly under Indian control," and you refer us to Appendix A to show the number of industries working there. I notice there you say in Appendix A there are 12 cotton mills under Indian control and 11 under European control; and 114 ginning and pressing factories under Indian control and 12 under European control. Taking these two items, are ginning and pressing factories compara-

17^o Julii, 1933.] Mr S. M. BASHIR and Mr. K. M. PURKAYASTHA.

[Continued.]

tively small capital concerns as compared with the cotton mills?—Yes; they are much smaller.

B224. You estimated the representation in your Chamber in capital to be something like 20 crores. Have you made any estimate of the amount of European interests in commerce on the same basis?—No.

B225. You have no idea whether that would be five crores or 50?—No.

B226. You have not any idea at all?—No.

B227. In another part of your Memorandum you refer to the necessity for representation of commercial interests, but, speaking generally, would you say that the Indian commercial interests in the United Provinces compares in size, or in any way, with the Indian commercial interests, say, in Bengal or Bombay, or any other of the great Presidencies of India (I am speaking purely for the moment of Indian commercial interests), the amount of capital engaged, the amount of labour employed; taking all these things together, would you agree, not in detriment to the United Provinces, but from the conditions of the United Provinces, the United Provinces has a comparatively small interest as compared with Bengal and Bombay?—(Mr. Purkayastha.) We would not say that, Comparing Bombay, the Indian interest in the United Provinces compares very favourably with that in Bengal and Bombay.

B228. Would you agree the interests were comparatively small in the United Provinces taking Indian and European interests together?—Yes, taking the Indian and European interests together; for this reason, that in Bengal there are certain very large industries, things like jute mills, and in Bombay there is the cotton mill industry. Even then we would be before Madras.

B229. I would ask you to refer to the foot of paragraph 6 of your first Memorandum. There you go so far as to state "that the commerce and industry represented by this Chamber is in every way equal to that represented by Indian Chambers of Commerce in Bengal and Madras"—you are merely referring there to a comparison of Indian interests?—(Mr. Bashir.) Exactly. These are the bodies recommended by the Franchise Committee for a seat to the Central Legislature, and these are the bodies we have in view, the South India Chamber

of Commerce and the Bengal Chamber of Commerce.

B230. Your first Memorandum deals purely with representation, but your second Memorandum goes a little further, and you say in paragraph 2 of the introduction: "Should the Select Committee desire to hear Chamber's views on larger issues, its representatives will be only too glad to tender evidence." I am not prepared to say that the Select Committee desire to hear evidence, but you have not thought it necessary to put forward any very direct evidence on any matters except those mentioned here, and, leaving aside such questions as Provincial finance, may I take it you are in general agreement with the White Paper proposals of the Government?—No, Sir, we would not say that, but our only idea was that we took it for granted that the Committee would not like to hear us on the all-India issues, but if we were asked on the spot we would formulate our views and lay them before you.

B231. Your Chamber has not considered the general proposals of the Government?—No, and we have no instructions to lay them before the Committee just now.

B232. And you have very wisely emphasised the importance of sound finance in the Provinces?—Yes.

B233. I see in paragraph 16 you refer to the serious setback which the Province has undergone. But you will realise that if there is an extended franchise such as you desire for commerce it may mean an extended franchise generally—larger Councils—and that means more money, more expenditure?—Yes.

B234. It is hardly in favour of more economical lines in finance, is it?—Our point was that the new Government would be more expensive, and that is why we had better include financial resources for the Province.

B235. You think the advantage of the advice of your members would go far to counteract any extra expenditure incurred by a larger Legislature. I will not press you on that. In paragraph 18 of your Second Memorandum you refer to the Council of your Chamber being in opposition to the treatment of the terminal tax. I take it it is not too strong to say that you are in favour of a continuation of these taxes?—Out of the 89 municipalities they are in force in 45.

17^o Julii, 1933.]Mr S. M. BASHIR and Mr. K. M.
PURKAYASTHA.

[Continued.]

B236. Do I understand your Chamber as a Chamber of Commerce are in favour of terminal taxes, or do you oppose them?—If they can be avoided certainly, because they tend to act as a sort of barrier to the free movement of trade. That has been a feature of local finance in this Province for a fairly long time.

B237. This paragraph 18 rather reads on the whole as though you favoured these taxes. I was asking whether as a Chamber you were in favour of such taxes or not?—If such taxes are there they should go to benefit the Provinces.

B238. But you do not wish us to understand that you are in favour of them?—No, but if such taxes are there they should go to benefit the Provinces.

B239. I quite understand that, but that is rather a separate point. My point is that it is not to be taken that you are in favour of terminal taxes at all?—No.

B240. I had never heard of any other Chamber that was in favour of them, and that is why I asked the question. On Annexure A. on the Second Memorandum you enclose a further list of members. These are members who have been elected or appointed since the first Memorandum was printed?—That is so.

B241. Has this sudden election of members been rather a feature of recent months in the Upper India and United Provinces Chambers of Commerce?—Yes, in the United Provinces Chamber of Commerce?

B242. There has been a rather sudden election?—Yes, within a month and a-half they have enrolled 20 members.

Sir Joseph Nall.

B243. The other Chamber?—The other Chamber. I have here a cutting from the "Leader" of the 27th May, 1933, giving the Minutes of the Executive Committee of the United Provinces Chamber of Commerce in which at the end they say: "Ten new members belonging to very important trades were also enlisted members to-day." They advertised the same thing in the first meeting which was held about a month before, so 20 out of their 118 were enrolled within such a short time. It has been such a distinct feature of their Chamber, but not ours.

Sir John Wardlaw-Milne.

B244. May I suggest that Annexure A of your Second Memorandum rather

shows you have followed that?—We have not been in existence for very long. As far as our Chamber is concerned our membership goes on increasing.

Sir John Wardlaw-Milne.] Theirs is an unnatural growth, yours is a natural one.

Sir Joseph Nall.

B245. On the question of the terminal taxes you are an inland Province, are you not?—(Mr. Purkayastha.) Yes.

B246. You have no port?—No; it is entirely land locked.

B247. Are you at all apprehensive that any other Provinces, given the right to impose terminal taxes, might prejudice your trade?—It is very difficult to anticipate developments.

B248. Do you desire each Provincial Government to be able to do what it likes with terminal taxes, or do you want the All-India Government to have the supervision over it?—That raises an administrative side of the question which we have not considered, but I would add that if the products of a particular province were to be taxed then the benefit of taxation should go to the Province itself.

B249. That is quite clear, but have you any views as to whether the Bombay Presidency, say, should be at liberty to impose terminal taxes on goods passing through the Province to and from your Province?—Probably the Government of India should have the supervision. That is the view the Government of India themselves express, and we find ourselves more or less in accordance with them.

B250. On the question of representation you have indicated that your Chamber was formed solely for commercial considerations to look after commerce?—Yes.

B251. I understand your representation regarding membership of Legislative bodies is entirely concerned with getting efficient representation of the commercial interests in the Government of the Province?—(Mr. Bashir.) It is not the sole object of forming the Chamber.

B252. No; your representations now to this Committee for a place in the sun (it is suggested), or regarding places in the Houses of Assembly, Legislative Council, and so on, are

17^o Julii, 1933.] Mr S. M. BASHIR and Mr. K. M. PURKAYASTHA. [Continued.]

based on a desire to get adequate representation for the views of the commercial interests?—Yes.

B253. Do you think you will get that better by electing people, or would you get it done better if the Governor nominated important commercial people to one or other House?—(Mr. *Purkayastha*.) The difficulty about nomination is that the gentleman nominated is not answerable to the constituents.

B254. Do you think one who is not answerable to a constituency is less likely to deal properly with the business than one who is elected?—The chances certainly are that way.

B255. Do I understand you prefer, in spite of all the risks and differences such as you have been dealing with in your Memorandum, that these representatives of commerce should be elected by somebody?—Yes. (Mr. *Bashir*.) Yes.

(The Witnesses are directed to withdraw.)

Rai BAHADUR P. MUKERJEE is called in and examined.

Earl of Derby.

B261. Mr. Mukerjee, you were Chairman of the Punjab Chamber of Commerce from 1927 to 1931?—Yes, my Lord.

B262. You have been a member of the

B256. Rather than that they should be nominated?—(Mr. *Purkayastha*.) Yes.

Mr. *Cocks*.

B257. What do you think of the suggestion that Indian and European business organisations should elect their representatives by a joint electorate, or would you prefer that they should be separate?—(Mr. *Bashir*.) At present as things are, I think, if it is separate it will be better.

B258. You prefer that it should be separate?—Yes.

Sir *John Wardlaw-Milne*.

B259. If they were joint electorates would a European representative ever be elected?—(Mr. *Purkayastha*.) Why not? (Mr. *Bashir*.) I should think so.

B260. You were asked if you favoured a joint electorate to both Houses?—(Mr. *Purkayastha*.) What we stand for is institutional representation.

Punjab Legislative Council since 1930?—Yes, since 1930.

B263. You have handed in a précis of evidence that you wish this Committee to consider. Is there anything you would wish to add to that précis?—No, my Lord. Memorandum 35 is as follows:

MEMORANDUM 35. EVIDENCE ON BEHALF OF THE PUNJAB CHAMBER OF COMMERCE, DELHI, AND THE NORTHERN INDIA CHAMBER OF COMMERCE, LAHORE.

NOTE.—Both the Punjab Chamber of Commerce, Delhi, and the Northern India Chamber of Commerce, Lahore, are members of the Associated Chambers of Commerce of India. The witnesses on behalf of the Associated Chambers will give evidence before the Joint Select Committee on various subjects, such as commercial and financial safeguards, federal finance, etc. Therefore, the evidence which the representative of the two Chambers desires to give will be confined to the question of representation of Commercial interests of Delhi and the Punjab in the Central Legislature, owing to the peculiar position in which the Chambers are placed in this respect.

The Punjab Chamber of Commerce was established in 1905 with headquarters in Delhi, when Delhi was included in the Province of the Punjab. It has got branches in Amritsar and Lahore. The present membership of the Chamber is about 70 and the constitution of the Chamber provides that both the membership of the Chamber and its Manag-

ing Committee must have equal numbers of Europeans and Indians. It includes all the leading commercial, industrial and financial interests of Delhi and the Punjab.

The Northern India Chamber of Commerce with its headquarters in Lahore was founded in 1923. Its present membership is about 56 in approximately

17^o Julii, 1933.]

[Continued.]

equal numbers of Europeans and Indians, embracing the leading commercial, industrial and financial interests in the Punjab.

In 1909 with the inauguration of the Morley-Minto reforms the Punjab Chamber of Commerce was accorded the privilege of electing a Member to the Punjab Legislative Council, when the number of elected seats was only 11, and the total strength of the Council 29. In 1920, under the Montagu-Chelmsford reforms, out of a total membership of 97 in the Punjab Legislative Council, the Punjab Chamber of Commerce was allotted a seat jointly with the Punjab Trades Association. Thus the privilege of independent representation enjoyed by the Punjab Chamber for over 10 years was practically halved for, and the Chamber at once protested.

On representations made to the Government, the Punjab Chamber was given to understand that this diminished representation of commercial interests was due to an oversight and hopes were held out that the Chamber's "claim for increased representation on the Local Legislative Council would be fully considered." The words under quotation were the words of a distinguished Viceroy and the following extracts from the letter, dated the 9th April, 1923, from the Chief Commissioner, Delhi, to the Punjab Government, will further explain the position:—

"The arguments for direct and separate representation on the Punjab Legislative Council by the

Punjab Chamber of Commerce are put so fully and cogently by the Chamber that I have nothing to add beyond lending the claim my strongest support.

"I trust that steps can now be taken to rectify the omission and provide the Chamber with the two seats it asks for."

The commercial community in the provinces of Delhi and the Punjab, as represented by the Punjab Chamber of Commerce and the Northern India Chamber of Commerce, have been for the last several years labouring under a grievance in the matter of representation in the legislatures. With and since the introduction of the Montagu-Chelmsford reforms their privilege of representation has been gradually restricted and the Proposals for Indian Constitutional Reform, so far as the provincial council is concerned, practically extinguish it. Three main points in this connection deserve special mention. The first is that, although with the introduction of each successive stage of reforms, the Punjab Legislative Council has been enlarged, commercial representation instead of being proportionately increased has been actually curtailed. The second point is that, while in every other Province the number of commercial and industrial seats has been increased, except in the case of the United Provinces and the Central Provinces, where it has been retained, it is only in the case of the Punjab that it has been diminished as will be evident from the statement given below:—

NUMBER OF SEATS ALLOTTED TO COMMERCE, INDUSTRY, MINING AND PLANTING.

Province.	Indian Councils Act, 1909.	Government of India Act, 1919.	Present Proposals.
Madras	4	5	6
Bombay	4	7	8
Bengal	6	15	19
U.P.	2	3	3
Punjab	1	2	1
B. & O.	2	3	4
C.P.	Nil	2	2
Assam... ..	3	6	11
Orissa (New Province)	*	*	1
Sind (New Province)..	*	*	2

Even Orissa, the proposed new Province, with a population of 6.7 millions, has been allotted one Commerce and In-

dustry Seat, and Sind, with a population of 3.9 millions, two such seats in the respective provincial assemblies.

17^o Julii, 1933.]

[Continued.]

The third point is that Labour in the Punjab Legislative Council has hitherto been represented by one nominated seat but under the Communal Award Labour is to have three seats. It is not the concern of the Chambers to point out the difficulties of obtaining proper representation of Labour in its existing unorganised condition in the Punjab, nor do they object to increased representation of Labour, but they certainly protest against commercial and industrial interests of the Province being granted a very much smaller representation in the provincial legislature as compared to Labour. It will be observed from the tabular statement given in Appendix III (Part I) of the *Proposals for Indian Constitutional Reform* (page 79, Indian Edition) that in no other Province, except in the Punjab, Commerce, Industry, etc., the employers of labour as such, have been awarded a less number of seats than Labour itself.

The grievance of the two Chambers has from time to time been brought to the notice of the Government, both Central and Provincial, as well as the Right

Honourable the Secretary of State for India. The Chambers, however, note with gratification that in the proposals for Indian Constitutional Reform one seat has been reserved in the Federal Assembly for "Northern India Commercial Bodies," and the Chambers pray that this seat be reserved for the Punjab Chamber of Commerce and the Northern India Chamber of Commerce, either jointly or by rotation, on the following amongst other grounds:

The first is that the Punjab Chamber is representative of the commercial, industrial and financial interests of the Punjab, and so is the Northern India Chamber of Commerce; and in addition the Punjab Chamber represents these interests in the Delhi Province. It is well known that Delhi is the largest up-country commercial centre and that the trade which passes through it, or is distributed by it, is of immense volume. Statistics for accurately ascertaining its commercial importance are unfortunately not available, but the following statement may serve to illustrate its industrial position:—

Province.	Area in sq. miles.	Population.	No. of industrial labourers.	Percentage of industrial labour to population.
Madras ...	142,260	42,318,985	143,217	0.3
Bombay ...	123,621	19,348,219	366,029	1.9
Bengal ...	76,843	46,695,536	589,860	1.5
U.P. ...	106,295	45,375,787	91,188	0.2
Punjab ...	99,846	20,685,024	49,875	0.2
B. & O. ...	83,161	23,380,288	68,726	0.3
C.P. ...	99,876	13,912,760	69,291	0.5
Assam ...	53,015	7,606,230	45,884	0.6
Delhi... ..	593	488,188	10,109	2.0

It will be observed that, though the smallest, Delhi has an industrial importance proportionately greater than that of any other Province in India. The Chambers would mention that almost the whole of this industrial labour is in the employ of firms and companies who are members of the Punjab Chamber of Commerce. These industrial interests and the admittedly enormous commercial interests of the Province, find no representation in any legislative body. Having no separate legislature in which to be represented, as the Province is under the direct control of the Government of India as one of the Centrally administered areas, these interests have a strong claim to representation in the Central Legislature.

The second consideration which the Chambers would urge is that for the loss of representation which the Punjab Chamber has sustained at each successive stage of the reforms, it may be compensated by the award of a seat in the Federal Legislature. The Punjab stands out as the one exception where representation of Commercial interests, far from being proportionately extended with the enlargement of the Councils, has actually been restricted.

The third consideration to which the Chambers would respectfully solicit the attention of the Joint Select Committee is that the grant to the two Chambers of a seat in the Federal Legislature will not interfere with the balance of representation of either European or Indian

17^o Julii, 1933.]

Rai BAHADUR P. MUKERJEE.

[Continued.]

Commerce at the Centre by reason of the fact that under its constitution the Punjab Chamber is composed of an equal number of European and Indian firms and companies, and so is the Northern India Chamber of Commerce in practice. Indeed, a seat given to the two Chambers would meet the view expressed by some Members of the Franchise Committee that if Indian and European commercial interests could agree to combine for the purpose of representation in the legislatures, effect should be given to this arrangement.

Sir *Hubert Carr*.

B264. Mr. Mukerjee, your representation, as I understand it, is not only with regard to representation, but also the make-up of the Constituency?—Yes.

B265. I would like to get this clear about the difference of opinion which I believe exists in the Punjab as to the make-up of the constituency. In Appendix II of the White Paper in the Table you will notice there are 11 seats reserved for Commerce and Industry?—Yes.

B266. Six are expected to be European and five are expected to be Indian?—Yes.

B267. If you would turn to Appendix IV, Section 14 (that is page 102 in the English edition), you will notice there that a seat is reserved for the Northern India Commercial Bodies?—Yes.

B268. You know that the claim put forward by the Associated Chambers and the European Association is that this seat for the Northern India Commercial Bodies should be reserved for a constituency formed of the Punjab Chamber of Commerce, the Northern India Chamber of Commerce, and the Trades Association?—I have heard of it.

B269. Would that constituency be agreeable to you?—No, Sir.

B270. What is the objection?—The objection is that we do not want trades to come into that constituency—the Trades Association.

Sir *Joseph Nall*.] I do not follow. What trades?

Sir *Hubert Carr*.

B271. There are three Associations. The Trades Association in that constituency has been in that constituency for some years, I understand?—The Trades Association has been in that constituency since the Montagu-Chelmsford reforms. That we were given to understand was by an oversight, and we have been

objecting to it for the last 12 years or more; that trades should not be in that constituency. If you will kindly look at the Franchise Committee's recommendation they say (although we do not exactly agree with them), "Our object is essentially to make expert knowledge available in the Legislatures, and not to give any particular voting strength to individual interests. It is unnecessary to emphasise the importance of securing the presence in these Legislatures of Indians and Europeans qualified to speak with authority and knowledge before the Legislatures." You cannot expect a Trades Association to come before the Central Legislature or in any Legislature to give such broad views on subjects of economics, and so on. The Trades Associations are small traders selling their goods from the counters, hairdressers, and the like. You cannot expect them to come into the constituency.

B272. They are largely European, are they not?—They are not only largely, they are exclusively European—perhaps there may be one or two Indian or Parsee members.

B273. Since this claim was originally made for a seat for these Northern India Commercial Bodies that seat has been accepted as a European seat, has it not, although sometimes filled by an Indian representative; yet it has been accepted as a European seat?—I think I have made it clear in my Memorandum that that seat was not reserved originally either for an Indian or a European. We are talking now about the Provincial Legislature. It was given under the Morley-Minto reforms to the Punjab Chamber of Commerce. It was never said whether it was a European or an Indian seat.

B274. It was originally made for the Punjab Chamber only?—It was originally made for the Punjab Chamber only.

B275. Which is constituted of British and Indian commerce?—British and Indian.

B276. The three chief considerations are put forward in your last paragraphs. They apply particularly to the Punjab Chamber?—The Punjab Chamber and the Northern India Chamber of Commerce.

B277. Would you be content if the Punjab Chamber alone were the Constituency?—Naturally, personally, I should be very content because I am a member of the Punjab Chamber of Commerce. Personally I shall be content, but here I am representing both the Chambers.

17^o *Julii*, 1933.]

Rai BAHADUR P. MUKERJEE.

[Continued.]

B278. Would you be content if the Punjab Chamber and Northern India Chamber joined?—Certainly. That is my mission here.

B279. The only difference between your claims and the claims put forward by the Associated Chambers and the European Association is as to the inclusion of the Trades Association?—That is so.

B280. There is no other?—No.

B281. Is it correct, Mr. Mukerjee, that since this claim was put forward the other claims have only arisen since a seat was promised in the White Paper?—Yes. What happened was this: When we saw the communal award we conferred. Although a great injustice has been done to us, has been explained in the Memorandum, we accepted it as a settled fact. Then we went to our Governor in the Punjab and placed the position before him, and he received us very sympathetically, and His Excellency the acting Governor at the time promised that he would do his best to give us representation in the Central Legislature. Whether he recommended it or not we do not know. Then we sought the help of the Associated Chambers; they said they would help us. Then we went to His Excellency the Viceroy. He was very much struck with our case. He said, "I have not seen such a strong case on paper as this is. I shall do whatever I can." It is through our efforts that this Northern India Commercial seat has been granted, and we shall be satisfied if it is restricted to us.

B282. That clears the point as to the difference in the Constituency?—Yes.

B283. Do you deny the United Provinces Chambers any representation? They are wishing to join with you in getting representation on the Federal Assembly on this Northern India Commercial Bodies seat. In the Northern India Commercial Bodies Constituency the United Provinces have commercial bodies which wish to join?—This is just what I hear from you. May I know what they are? May I know who these people are who are putting in their claim for this seat, because I can explain to you that the United Provinces will be very well represented out of the seats that have been granted to the Associated Chambers of Commerce and the Federated Chambers of Commerce and Industry in India. In recommending seats to them the Franchise Committee has made it very clear that the four Chambers will not be represented in the one seat that

has been given both to Associated Chambers and the Federated Chambers of Commerce. By a process of elimination if this Northern India seat is given to us, United Provinces will come through both those bodies. You follow me?

B284. Yes. On that basis you wish to restrict the Northern Commercial Bodies Constituency to the Punjab Chamber of Commerce and the Northern India Chamber?—Yes, and one very strong reason that we have put forward is that Delhi has not got a Provincial Council of its own to ventilate our grievances in any Legislature, and, if you consider the claim, considering the importance of Delhi, you can very well give Delhi commerce a seat, but the Delhi members are prepared to share it with Northern India.

B285. Just one last question: With regard to the Trades Association, your objection to including them in your Constituency is not based at all upon whether the seat would ultimately be an Indian seat or a European seat, but simply on a basis of the business they conduct?—That is right.

Mr. F. S. Cocks.

B286. The two Chambers you represent are composed approximately of equal numbers of European and Indian business firms, are they not?—Yes.

B287. You have a joint electorate?—We have not got a joint electorate at present. The position is that we have not got any representation except through the Associated Chambers of Commerce in the Central Legislature. We have only one seat now which is shared by the Punjab Chamber of Commerce with Headquarters in Delhi, and the Northern India Chamber of Commerce with their Headquarters in Lahore. That is the position at present.

B288. The members who have been members since 1919 have not been elected by you?—No.

Sir John Wardlaw-Milne.

B289. In the fourth paragraph of your Memorandum you refer to the curtailment of representation. That is the same thing as you refer to higher up, the question of halving it ten years ago?—Yes.

B290. In the last paragraph you say: "The Punjab Chamber is composed of an equal number of European and Indian firms and companies, and so is the Northern India Chamber of Commerce

17^o *Julii*, 1933.]

Rai BAHADUR P. MUKERJEE.

[Continued.]

in practice" ?—Yes; we have said that by Constitution. We framed a rule—

B291. In their case it is not by Constitution, but it is in practice?—They have got an equal number of members on the Committee.

B292. Otherwise your views on general questions agree with the Associated Chambers?—Except that the Trades Association should not be put into this Constituency.

B293. On matters other than representation?—That is why I put it in my note.

B294. I only want to get it on the notes. You are in favour of the representation made to the Committee by the Associated Chambers?—We have to be, because we are affiliated to that Association.

Earl of Derby.

B295. Your Memorandum is very clear indeed. I do not think we need trouble you any further. There is nothing further you wish to say, is there?—No, my Lord. I am very much obliged to you.

(The Witness is directed to withdraw.)

Ordered, That Sub-Committee B be adjourned to Wednesday next, at 10.30 a.m.

SUB-COMMITTEE

1

MINUTES OF EVIDENCE TAKEN BEFORE SUB- COMMITTEE B OF THE JOINT COMMITTEE ON INDIAN CONSTITUTIONAL REFORM

Die Lunae, 17° Julii, 1933

LIST OF WITNESSES.

<i>Mr. B. N. Chopra, Mr. R. P. Bagla and Mr. K. L. Mehta</i>	<i>1</i>
<i>Mr. S. M. Bashir and Mr. K. M. Purkayastha ...</i>	<i>12</i>
<i>Rai Bahadur P. Mukerjee ...</i>	<i>29</i>

SUB-COMMITTEE B

UNREVISED

2

JOINT COMMITTEE
ON INDIAN CONSTITUTIONAL REFORM

MINUTES OF EVIDENCE

taken before Sub-Committee B
of the Joint Committee on

INDIAN CONSTITUTIONAL REFORM

Die Mercurii, 19^o Julii, 1933

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H.L. 79(II)

H.C. 112(II)

DIE MERCURII, 19^o JULII, 1933

Present:

The EARL of DERBY in the Chair.

Lord Rankeillour.
Lord Snell.
Mr. Cocks.

Mr. Foot.
Sir Joseph Nall.
Sir John Wardlaw-Milne.

DELEGATES.

Nawab Liaqat Hayat-Khan.
Sir Hubert Carr.
Mr. Joshi.

Mr. Ghuznavi.
Sir N. N. Sircar.
Sir Manubhai Mehta.

Mr. ASWINIKUMAR GHOSE is called in and examined.

Earl of Derby.

B296. Mr. Ghose, you are, I think, Honorary Assistant Secretary of the Bengal Mahajan Sabha?—Yes.

B297. You are also a Member of the Executive Committee of the Bengal Hindu Sabha?—Yes.

B298. You are a Member of the Bengal Provincial Congress Committee?—No, not now. It is now an illegal body. I cannot continue to be a member of it. I have been connected with the Congress for a long time. From 1906 onwards there was some connection.

(Memorandum No. 38 is handed in and is as follows):

MEMORANDUM 38 ON BEHALF OF THE BENGAL MAHAJAN SABHA
BY ASWINIKUMAR GHOSE, ESQUIRE.

1. *Status of Indian Federation.*

All Indian politicians from the Rt. Honourable Srinivas Sastri to Congress leaders believing in Gandhi-Irwin Pact have condemned the Proposals of the

White Paper as falling short of their expectation, specially as there is no mention of "dominion status" for India. Politicians of all shades of opinion were expecting that after Lord Irwin's solemn

19^o Julii, 1933.]

[Continued.]

declaration with the sanction of His Majesty's Government and the announcement of the Rt. Honourable Mr. Ramsay MacDonald himself on behalf of the same Government at the conclusion of the First Round Table Conference, some reference to this most important constitutional phrase would find a mention in the White Paper. On the other hand, there is a school of thought avowing Independence for India free from British connection and control. Shortly stated, the destiny of India according to those who strive for dominion status lies within the British Empire, while the school of Independence is opposed to Empire idea and Imperialism. "Dominion status" is therefore repugnant to the feelings of this school, as the words "Empire, Imperialism, Dominion" which are legacies of Roman ideas of Government mean "rule"—specially rule of one nation over another as opposed to self-rule. A reasonable reconciliation of the two ideals lies in that of a Commonwealth being substituted for that of an Empire. But even in that case, Indian sentiment would not be completely satisfied if the nomenclature adopted in the constitution of the Free State of Ireland be not appropriately altered, the equal partnership of India in the Commonwealth of Free Nations now known as the British Empire being recognised by naming it henceforward as the Indo-British Commonwealth of Nations.

There seems to be one other consideration why the Federation of India cannot be a dominion. The States of India form no part of His Majesty's dominions (White Paper, paragraph 3)—far less British dominions. They merely own the paramountcy of His Majesty the King by certain treaties. They cannot part with their rights for the sake of coming into line with British India or other British territories. By the treaties of accession they will not be converted into British dominions. So the expression "dominion status" cannot apply to them unless they give up their rights.

The clause hereby proposed to be inserted in the Constitution Act should be in the following terms:—"The Federation of India shall have the same status in the Comity of Nations called the Indo-British Commonwealth of Nations as Canada, Australia, South Africa, Free State of Ireland, etc."

The insertion of this fundamental clause would be nothing beyond a recognition of the right that India (Indian India

and British India) already enjoys as one of the original members of the League of Nations. The Federation of India will not evidently be British India. The expression "Dominion Status" cannot therefore be applicable to the Federal Constitution when it comes into being. The only solution is to have a fundamental clause like the one herein proposed to disarm as much as possible opposition to the use of the phrase from different points of view.

In any event the status of India must be statutorily recognised to make the new constitution acceptable to the people.

2. The Oath of Allegiance.

The oath of allegiance proposed for the Federal Legislatures as well as the Provincial Legislatures should contain a clause declaring allegiance to the Federal Constitution as well, as in the case of the Free State of Ireland. This will make for the promotion of the Federal Idea which is the pivot of the whole constitution proposed in the White Paper.

3. Defence and External Affairs, etc.

While reserving the administration of Defence and External Affairs in the hands of the Governor-General during the transition period on the basis of devolution of responsibility in the centre with safeguards for the present, His Majesty's Government has provided in the White Paper that Defence should form the increasing concern of the Indian people. On the same principle External Affairs also should be gradually transferred to the Indians to initiate them into self-rule from the inauguration of the new constitution. The subjects of Defence and Foreign Affairs go together, and if the first is to form the increasing concern of the people, there is no reason why the other should not. Moreover, without this sort of part responsibility with a view to the transfer of full responsibility the new Reforms will be considered to be illusory, however well intentioned they may be. The best way of making a beginning is to appoint suitable Indians as Counsellors for these departments.

The Ecclesiastical Department should be abolished and ecclesiastical matters should form a part of the Foreign Department.

A time-limit should be fixed for the complete transfer of responsibility in all these reserved subjects to the Legislature.

19^o *Julii*, 1933.]

[Continued.]

4. *Central Responsibility.*

The salary of Ministers in the Central Government should be votable in order that they may be fully responsible to the Legislature. This is the ordinary constitutional machinery for making the Minister responsible to the Legislature understandable as such by the people. In the alternative some other suitable constitutional machinery for registering a vote of no confidence should be provided in the constitution so that the Ministry must resign on such a vote of no confidence.

5. *Financial Safeguard.*

One of the safeguards under which the Finance of the Federation has been proposed to be transferred to the people is to endow the Governor-General with emergency powers to step in in certain contingencies, one of which is to preserve the credit of India in the money markets of the world. The "special responsibility" of the Governor-General in this behalf should always be exercised in the interests of India first and last. Just as in the administration of justice, not only is it necessary that justice should be done, but that it should be made to appear to the common people that justice is being done, so it is not sufficient that the interests of India should be served, but it should be made to appear that the interests of India have been looked after in the first place. As a good deal of misunderstanding exists in the matter, the "special responsibility" of the Governor-General in this behalf should, if occasion arises, be administered in such a way as to inspire confidence in the measures taken.

6. *Prevention of Commercial Discrimination.*

Such discrimination in commercial matters, as among the units of the Commonwealth, is implied in the now established convention of fiscal autonomy and as such vested in the Legislature. This vested right should not be taken away by legislation. Such commercial matters should be regulated by commercial treaties and growth of conventions which should be fostered on the principle of reciprocity. A conference of the commerce and trade associations of the Commonwealth should take place to prepare the ground for the conclusion of such commercial treaties.

7. *Ordinances.*

The power of making ordinances by the Governor-General or Governor should be

limited to the period when the Legislatures concerned are not sitting. None of them should have the power to embody the provisions of one Ordinance in a fresh ordinance so as to continue rule by Ordinance for a period extending beyond that limited by the statute.

8. *Royal Proclamations and Instruments of Instruction.*

Many important provisions of the constitution will be relegated to the Royal Proclamations and Instruments of Instruction to the Governor-General and Governors. These should be made binding on the Courts of Law in the interpretation of the Constitution Act and the administration of justice.

9. *The Judiciary and the Executive.*

As recommended by the Simon Commission, the recruitment to the Judiciary should be absolutely from the Bar and the Judiciary should be entirely separated from the Executive.

10. *The Railway Board.*

The Railway Board should not be freed from the control whether general or special of the Legislature. All important commerce and trade associations should be represented on the Board.

11. *Reserve Bank.*

Opinion on the establishment of the Reserve Bank and the Currency and the Exchange policy of the Government of the Federation cannot be expressed without knowing the provisions proposed for its constitution. All important trade and commerce chambers as well as bankers' associations should be represented on the Committee of Inquiry from as early a stage as possible.

12. *Recruitment of All-India Services and the Secretary of State's Control.*

Nothing is more likely to stultify the provisions of the New Constitution Act as the proposals of the White Paper in this behalf excepting the All-India Services from the control of the Federal Government either at the time of their recruitment or their dismissal. The recommendations of the Lee Commission are in themselves unsatisfactory and they will be out of harmony with the provisions of the New Statute to be passed. A fresh Commission should explore the possibilities of a better arrangement with the inauguration of the Reforms instead of waiting for five years more.

19^o Julii, 1933.]

[Continued.]

The central services also should be fully under the control of the Federal Government.

13. *Representation of Trade and Commerce.*

The allocation of only 5 out of 19 seats in the Bengal Legislative Council to Indian trade and commerce disturbs the old proportion of such seats as between Europeans and Indians and overlooks the increasing importance of Indian Trade, Commerce and Industry. In any allocation of seats on the proposed basis also the Bengal Mahajan Sabha being the only representative association of trading interests of Bengalee merchants is entitled to two seats out of the five allotted to Indian trade and commerce.

In the Federal Assembly the Bengal Mahajan Sabha is entitled to one independent representation for each term, inasmuch as the Bengal National Chamber of Commerce and the Bengal Marwari Association will not be unrepresented in any term as they are members of the Federated Chambers of Commerce which will be represented every term. If the Bengal Mahajan Sabha is given representation by rotation with the other bodies named above, it can enjoy the franchise once in 10 years now and the voice of the trading interests of Bengalees will not be heard in the Assembly for a whole decennium, whereas in the present constitution they enjoy the right once in six years, by rotation with the above-named associations which also do not enjoy any additional representation now through other channels as proposed for them in the White Paper.

14. *Trade Representation in the Upper Chamber in Bengal.*

No provision has been made for separate representation of trade in the Upper Chamber of the Bengal Legislative Council. The principle of nomination of a certain number of seats by the Government is not in keeping with the representative character that has been proposed to be given to the provincial constitution. Trade and Commerce ought to be directly represented in the Upper Chamber as interests having stakes in the country. As legislation affecting local banking interests of Bengal is likely to be passed by the Lower House, the Upper House should have the local bankers' view represented before it through their representatives, whose opin-

ion is likely to carry some weight with the House in that particular question.

15. *Inadequate Representation of Zemindars in the Bengal Legislative Council.*

The number of seats given to the landholders' constituencies in Bengal is inadequate considering the importance of their special interests. Moreover when the number of seats for other special electorates has been increased in view of the increased size of the Legislatures, the landholders who are likely to be affected along with indigenous bankers by hasty legislation by the entirely popular councils that will come into being should be adequately represented on the new Councils to place their case from different points of view before them.

16. *Provincial Boundaries.*

The Simon Commission recommendations in this behalf have been carried out in the case of Orissa and Sind. But the case of the Bengali-speaking areas have not been taken up as yet, and the White Paper has no provision in this behalf. This will stand in the way of the proper working of the Reforms. The Bengal Mahajan Sabha having some members carrying on business in the Bengali-speaking districts of Assam and Bihar urges the delimitation of provincial boundaries of Bengal, Assam and Bihar on linguistic, racial and cultural basis with a view to the formation of a homogenous unit of Government in the province.

17. *University Representation.*

The Calcutta University Constituency should be given two seats in view of the larger number of voters on its rolls, as compared with the other university constituency in Bengal.

18. *The So-called Communal Award and Bengal.*

The communal question is a very delicate matter to deal with by a non-communal trade-chamber like ours, but the grievous wrong done to the Hindus of Bengal has so agitated the minds of the politically-minded people that the new constitution will have very little chance of being successful unless the decision of His Majesty's Government is modified in the light of the existing facts of the situation. But apart from that consideration, justice and equity demands its revision and an equitable allotment of seats among the Mussulmans, the Hindus and the so-called depressed classes (if any) in Bengal.

19^o Julii, 1933.]

Mr. ASWINIKUMAR GHOSE.

[Continued.]

B299. You have handed in a paper which I will ask you in a few minutes if you have anything to add to. If not, we will ask you questions. I have read your paper through very carefully, and, putting it briefly, there is absolutely nothing in the White Paper that you agree with. You do not agree with the White Paper?—We agree subject to the points that we have taken.

B300. Subject to a complete alteration and substitution of some other scheme you are prepared to accept the White Paper? Are you prepared, if the White Paper is passed as it is, to assist in working it?—Certainly. If it is placed on the Statute Book it will be the duty of statutory bodies like ourselves to work it, but before it is passed I think it is up to us to make our suggestions to the Committee for the alteration of the scheme on the lines indicated in our Memorandum.

B301. Will you tell me exactly what your Society is. What does it mean exactly?—It is a Society of traders of Bengal who carry on business in the countryside, and have their general offices in Calcutta—in the Metropolis. These are the people who are the distributories of the goods that are imported from outside among the people in the country as, for example cloths, salt, corrugated iron and kerosene. All these things are distributed by them. They also have the ancillary business of money lending in the countryside. They finance agriculture as well as industry.

B302. They are in no way manufacturers? They are only distributors?—Only distributors, and they are the financiers of certain industrial concerns as well as of agricultural operations on a small scale by the peasants.

Sir H. Manubhai Mehta.

B303. I have only two or three questions to ask: May I ask this question on paragraph 13 of your Memorandum "Representation of Trade and Commerce"? You say, Mr. Ghose, that out of five seats allotted to Bengal Commerce in the Bengal Legislative Council you claim at least two seats for your Bengal Mahajan Sabha? I gather that besides the Bengal Mahajan Sabha there are the Bengal Marwari Association and the Bengal National Chamber of Commerce. If you take away two out of five seats how would you distribute the remaining three seats between the Bengal Marwari Association and the Bengal National Chamber of Commerce?—The

Bengal National Chamber of Commerce already enjoys the benefit of two seats in the present Council, and we enjoy the benefit of only one seat, and, in view of the importance of our Association, which we submit should be taken into consideration by the Committee, we submit we are entitled to one more seat in the Bengal Council.

B304. By your capital? Have you a larger capital than the Marwari Association?—The question of capital is very difficult to determine. Ours is a body registered under Section 26 of the Companies Act.

B305. In membership are you larger?—Yes; our membership is 300 strong, regular members. May I hand to the Committee the present list of members, excluding, of course, the defaulters, who number about 50.

B306. Are you not affiliated with the Federated Chambers of Commerce?—No.

B307. Is there any prevention?—The prevention is this, the Federated Chambers of Commerce is more or less a political body, and it is distinctly, if I may say so without any offence, a more or less non-co-operating body—the Federated Chambers of Commerce.

B308. Congress was not a political body?—Our chief concern is not politics except in the way we have got representation in the Council to put forward our views, and except in the way in which we are to express our views on certain questions submitted to our Committee by the Government, but the Federated Chambers of Commerce has a greater political tinge, and last time the Federated Chambers of Commerce adopted a more or less non-co-operating attitude.

B309. Am I to understand that the Marwari Association is also a political body?—No, the Marwari Association is not a political body.

B310. Yet it is affiliated to the Federated Chambers of Commerce?—I do not know, but the Bengal National Chamber of Commerce is.

B311. You are Assistant Secretary. You are connected with the Congress, and yet you claim your Association to be a non-political body?—I was associated with the Congress in my private capacity, but, as a business man I have been in the Mahajan Sabha, and my past political connection has nothing to do with the character of the Mahajan Sabha.

B312. I want to understand the first few lines of the second paragraph of

19^o Julii, 1933.]

Mr. ASWINIKUMAR GHOSE.

[Continued.]

paragraph 13: "In the Federal Assembly the Bengal Mahajan Sabha is entitled to one independent representation for each term, inasmuch as the Bengal National Chamber of Commerce and the Bengal Marwari Association will not be unrepresented in any term as they are members of the Federated Chambers of Commerce."?—Yes.

B313. If, on that ground, they get one seat, I wanted to know whether there is anything to prevent your being affiliated to the Federated Chambers of Commerce?—Our inclinations are not quite in that way. That is how I should put it.

B314. I will now turn to paragraph 10, the Railway Board. You say: "The Railway Board should not be freed from the control whether general or special of the Legislature"?—Yes.

B315. "All important commerce and trade associations should be represented on the Board." I should like to know what you mean by "All important commerce and trade associations." Would not you have industrial associations also represented?—Yes. I should modify it to that extent.

B316. Agriculture?—Agricultural associations, whether they exist or not I cannot say. There may be certain co-operative organisations somewhere, but I am not quite sure of their existence.

B317. Railway companies: Should they be represented or not?—Railway companies would be industrial associations.

B318. Yet you would like them to be represented notwithstanding that they have identical interests. For instance, say Martin and Company, or Bird and Company; would they be represented on the Railway Board? Would not they be primarily a little inclined to their own interests?—Yes, they are likely to be.

B319. So you would rather exclude them?—Yes, to that extent.

B320. So this is not quite justifiable?—But while on this subject I should like to submit to this Committee that the White Paper says that the Secretary of State was to have placed the proposals about the Railway Board before the Joint Committee.

B321. They are being placed before the Joint Committee?—We do not make any suggestions about the details of the scheme because we have not got them.

B322. So if the proposed Railway Board Committee came to the conclusion that important trade interests and railway interests should have nothing to do

with the Railway Board, would you be satisfied with that?—Provisionally I should not be satisfied, but unless we get the details and consider them, and submit a separate Memorandum on this Railway Board and Reserve Bank also, we cannot give any opinion definitely here on that.

B323. But in principle you would not?—In principle I would not.

B324. You would not like a trade interest to be represented on the Railway Board?—A railway interest.

B325. An industrial interest?—Railway industrial interests.

B326. Should not be represented?—No.

Sir *Hubert Carr*.] I have only two questions just to assist me to understand what this Society is. I notice you suggest the British Empire should be renamed the Indo-British Commonwealth of Nations. What is the name you suggest for India in the future?—The Federation of India. I submit that the name is not entirely mine. The name was given by Colonel Wedgwood in a book he published in 1920, I believe at the time of the Nagpur Congress.

B327. I think your adoption of it is quite as good as your origination perhaps, but could you tell me with reference to paragraph 3: "A time-limit should be fixed for the complete transfer of responsibility in all these reserved subjects to the Legislature," what time-limit would your Society suggest?—15 years.

Sir *N. N. Sircar*.

B328. I did not exactly appreciate your answer to the Lord Chairman. Supposing the White Paper constitution is adopted by Parliament, and there are no improvements in the sense in which you make suggestions, and if the Congress decides not to have anything to do with the Constitution, will you run it loyally?—Not in spirit. It may be in form we shall have to carry on, but the great majority of the people of Bengal will not be satisfied—

Earl of *Derby*.] I will ask you to answer only for yourself and your own Society, and not for Bengal. You are answering for one particular Society, and in that your answer is quite correct that, if it is passed as it is, although you will have outwardly to support it, inwardly you would not and will not work it?—We shall not be satisfied with it.

B329. You have said you would not work it?—It would not satisfy our aspirations.

19^o Jullii, 1933.]

Mr. ASWINIKUMAR GHOSE.

[Continued.]

Sir N. N. Sircar.

B330. No one is satisfied in this world. Would you work it loyally?—Outwardly we shall have to work it.

Earl of Derby.

B331. There may be no outwardly and inwardly. Will you work it loyally? Answer yes or no?—Once it is on the Statute Book I think it would be the duty of the citizen to work it for the time being.

B332. Please answer the question. If this is passed as it is—you can say yes or no; that is all the answer that I want. Will you work it loyally?—We shall work it. That much we can say.

Earl of Derby.] I think you can put the answer down as no.

Sir N. N. Sircar.

B333. If the Congress, or some Congress Dictator asks you to work it only for personal obstruction, I think you would do that?—Obstruction is not an unconstitutional method, and, within the limits of the Constitution we shall be at liberty to obstruct it or not to obstruct it. Ours is more or less a responsive policy. We obstruct when it is necessary. We do not obstruct when it is not necessary.

B334. When it is necessary, or when it is not necessary, the Dictator will decide for you?—No; we are not bound to go by the Congress Dictation. We shall, of course, decide for ourselves on the merits of the question on the constitutional issue before the House.

Sir N. N. Sircar.] I quite appreciate that attitude.

Mr. A. H. Ghuznavi.] Mr. Ghose, when was this Bengal Mahajan Sabha established?—As long ago as 1905 under the present name, when it was registered under Section 26 of the Companies Act.

B335. Who started it?—It was started by certain merchants of Eastern Bengal. At that time the Association existed under the name of Eastern Bengal Mahajan Sabha, and about that time merchants of other parts of the country also came to the Association, and so it was registered as the Bengal Mahajan Sabha.

B336. You said in answer to the Lord Chairman's question that your number of members was 300?—Three hundred.

B337. They are all Hindus?—No. The Vice-President is a Muhammadan and there are four or five Muhammadan members also. We do not restrict it to

Hindus at all. Anybody who is a trader of Bengal is entitled to come in.

B338. Will the Muhammadan members' names appear in the list?—Yes.

Earl of Derby.] Perhaps you will hand the list in? (*The list is handed in.*)

Witness.] If you will have it, this is the Articles of Association of that Sabha. (*Document is handed in.*)

Mr. A. H. Ghuznavi.

B339. My Lord Chairman, I only find one Muslim name in this list?—There are life members and ordinary members. There are two lists.

B340. As regards this particular Muslim member, when did you elect him?—What is his name?

B341. Rezdur Rahaman Khan?—I cannot tell you offhand when he was elected, but perhaps when he came to Calcutta as a Member of the Legislative Council from Narayangunge he was elected member. When he came to have his residence in Calcutta he would get interested.

B342. There have been residents of that name in Calcutta for the last 60 years?—When he became a Member of the Bengal Legislative Council; that is my answer.

B343. I put it to you that the members of your Mahajan Sabha are all petty dealers?—Not at all.

B344. Most of them are petty dealers?—Not at all.

B345. That will appear from the list?—How can it be ascertained from the list?

B346. I say, most of them?—In an Association which has 300 members, as many as 175 are Life Members, and Life Members are supposed to give 500 rupees at the time of becoming Life Members. They cannot all be petty dealers. People who can pay down 500 rupees at a time cannot be petty dealers.

Mr. Isaac Foot.

B347. Do they pay it? You said they were supposed to pay it?—They have. Otherwise, they would not have been on the list.

B348. Do they pay it or are they supposed to pay it?—No, they have paid actually. This list is of members who have actually paid and who are not defaulters. We have as many as 50 defaulters this present year, because this year has been a year of depression and their names are not there.

19^o Julii, 1933.]

Mr. ASWINIKUMAR GHOSE.

[Continued.]

Mr. A. H. Ghuznavi.

B349. Your answer is that if a man can pay 500 rupees he is not to be taken as a petty dealer?—That is not a complete answer, but this is to be taken as one of the implications. There are members on this list who are landholders of Bengal.

B350. They are members of the Landholders' Constituency?—Not all of them. Some of them are.

B351. Not most of them?—Not most of them certainly: only some of them. Out of 300 some 50 or 30 may be members of landholders' constituencies.

B352. And they have a vote also in the Landholders' Constituency?—That is the situation in Bengal. We have votes in the University Constituency. We have votes in the special constituencies.

B353. Members of your Mahajan Sabha are also members of the Bengal National Chamber of Commerce?—Some of them.

B354. Most of them?—No, only a few. I think not more than five

B355. Did your Sabha lead any evidence before the Industrial Commission?—The Industrial Commission of 1930?

B356. Yes?—I do not remember. I was not there at that time.

B357. Before the Central Banking Committee?—Yes, they did. That is also subject to correction, because I have been connected with this Sabha only for the last two years.

B358. So you do not know?—No.

B359. The Simon Commission?—The Simon Commission was also before that.

B360. So you do not know that?—No. What I can speak of is the Franchise Committee, the Jute Inquiry Committee, the Provincial Committee set up by the Government of Bengal for gathering materials for franchise, and other things. These are the matters about which I can speak personally; but whether any evidence was led before the Simon Commission or any other body is more than I can say.

B361. What do you mean by the word "Mahajan"?—"Mahajan" means chalani merchant; it is defined in the Articles of Association.

Earl of Derby.

B362. I am afraid that does not explain it to me. What does it mean?—"Mahajan" in Bengali generally means a local banker, an indigenous banker.

Mr. A. H. Ghuznavi.

B363. I would say the word is translated as a moneylender—nothing else?—An indigenous banker.

Earl of Derby.] Do not you think we can leave it at that—that what he represents is a body of small distributors and moneylenders? That is really what it means.

Mr. A. H. Ghuznavi.] Yes.

Earl of Derby.] It is no use going into the details of membership. I do not know whether you agree with me.

Mr. A. H. Ghuznavi.

B364. I do, my Lord?—I invite your Lordship's attention to Section 2 of the Articles of Association which says that "every chalani or other merchant or banker of Bengal and East Bengal carrying on business in Calcutta and elsewhere shall be eligible for election as a life or ordinary member."

Earl of Derby.] You will excuse me for saying that "being eligible for election" is not exactly the same thing as being a member.

Lord Snell.

B365. Let me get a little clearer as to the position of your Society. Does it include farmers?—No.

B366. Nor any workers?—No.

B367. It is therefore exclusively made up of these small traders, financial or otherwise?—They are not small traders. That is what I do not subscribe to. There are big traders as well as some small traders.

B368. Is it restricted to Indians, or are there Europeans as well?—It is restricted but not by the Articles of Association.

B369. But in practice?—As a matter of fact, it is restricted to Bengalis pure and simple. Formerly Mahrattas also were members of this Association, but now they have set up a separate association called the Mahratta Association.

B370. In your oral evidence to-day are you speaking as the servant or the representative of the Mahajan Sabha?—Yes.

B371. And not in your personal capacity?—Of course, in this sense it may be in my personal capacity. I drafted the Memorandum to be submitted before this Committee and then had it passed by a Committee appointed by the Bengal Mahajan Sabha. It has the approval of the Bengal Mahajan Sabha to that extent.

B372. If you are speaking for anyone besides yourself you are aware that some of the words you have used to-day will

19^o Julii, 1933.]

Mr. ASWINIKUMAR GHOSE.

[Continued.]

have a significance that they would not have if you were speaking purely as a private person?—Certainly. I am submitting this Memorial now, as your Lordship will see from the heading, on behalf of the Bengal Mahajan Sabha.

B373. I am not thinking of the Memorandum, but you have said this morning, presumably, on behalf of your Association, that you would work these reforms only up to the extent that you felt you could go. That is equal to a statement of non-co-operation. You are aware of that, are you not?—No, it is not a statement of non-co-operation, but we reserve to ourselves the right of acting according to the exigencies of the situation.

Lord Snell.] I want to get that clear. Are you in the same position as I am personally in relation to the House of Lords of which our Chairman is a Member? I, too, have a limited enthusiasm for the House of Lords, but I work it as far as I can loyally and completely as long as I am there.

Lord Rankeillour.] And effectively.

Lord Snell.

B374. I want to know whether you are in that position, or if not, exactly what you mean?—Yes, I am exactly in that position.

B375. As far as these reforms go, you will accept what they propose and co-operate in the working of them, whilst reserving your desire for further extensions? Is that what you mean?—We shall not stay away from the Legislatures. To that extent we shall work it out loyally, but, of course, what methods we shall adopt to bring about a reform in the Constitution on strictly constitutional and legal lines, we cannot say at the present moment.

B376. I do not ask you to say that. I shall not reveal to you my own methods in similar circumstances. All that I want is that you should not give a false—not a false—but an unfair or misleading interpretation of the purposes of your Society?—I beg your pardon; I could not exactly follow.

B377. I was only anxious that you should weigh your words and review your words in regard to the matter of non-co-operation?—Yes. We are not going to non-co-operate. I have made that clear at the very beginning in answer to a question as to why we did not join the Indian Federated Chambers of Commerce, because that body does not take part in the constitutional struggle as it should do.

Lord Rankeillour.

B378. I am not quite clear, from what you said, whether your Members are mostly actual retailers or whether they are distributors to the retailers?—They have wholesale as well as retail business. In Calcutta, they buy wholesale from importers and some of them are importers themselves; then in the Muffassil they have their Arots, as they are called, that is, depots, where they sell both wholesale and retail.

B379. Do these retail places belong to the individual members or to the society at large?—No; the society is merely a society for settling certain trade disputes or regularising certain standards and doing other things.

B380. They are distributors who are in some cases retailers. Is that right?—Yes.

B381. You also make advances—lend money?—Yes.

B382. Do you lend much on mortgage—on land?—Yes, that we do.

B383. Have you any particular views as to what is known in Bengal as the permanent settlement?—No. We have not come to any decision upon that question because that is a controversial question. We have not considered that so I am not in a position to give your Lordships any idea as to what the association will think of the permanent settlement.

B384. They have not considered it with a view to the security of their mortgages?—No.

B385. I think there is only one other question I want to ask you. In the very last line of paragraph 18 of your memorandum, you say: "But apart from that consideration, justice and equity demands its revision and an equitable allotment of seats among the Mussulmans, the Hindus and the so-called depressed classes (if any) in Bengal." What do you mean by those words in brackets "if any"?—The question is a very large one, and I should submit it before the Committee in this way: The Franchise Committee laid down certain tests for determining who are the depressed classes. Now, the Government of Bengal was not ready with any list of their own, so the Franchise Committee could not offer any suggestions as to which classes of castes should be depressed classes.

Mr. Foot.

B386. The boundaries are indistinct?—But afterwards there was a communal award by the Prime Minister, and by

19^o Julii, 1933.]

Mr. ASWINIKUMAR GHOSE.

[Continued.]

that communal award some 10 seats were provisionally reserved for the depressed classes.

B387. Thirty, I think?—At first it was 10. All of a sudden the Poona Pact was sprung upon us, and, without any consultation with Bengal public opinion, and the Bengal Hindus generally, it was arbitrarily fixed that 30 members—up from 10 to 30 members—should be reserved out of 80 for the depressed classes. Now, our contention is that in Bengal there are no depressed classes according to the tests laid down by the Franchise Committee. If there are any, they are such a handful that they do not deserve 30 seats at all.

Lord Rankeillour.

B388. When you are talking of the Franchise Committee, do you mean Lord Lothian's Committee?—Yes.

B389. You say according to the tests laid down, there are no depressed classes in Bengal at all?—That is the problem to be settled. According to those tests no depressed classes have been ascertained, but after the Poona Pact, when 30 seats were given to the depressed classes by the Premier's modified award, the Government of Bengal was then called upon to find out the depressed classes who deserved those 30 seats. What was the Government of Bengal to do? They drew up a list of what they called the Scheduled Classes, and these Members of the Scheduled Classes are not, certainly, depressed classes, if the Committee will undertake an examination according to the tests laid down in the Franchise Committee's Report. They are classes which are not depressed classes at all.

B390. You imply that the term "depressed classes" as applied to Bengal is a misnomer altogether?—Exactly so.

B391. And do you say you could not really identify who was meant?—Yes; except one or two classes who do actual unclean work—some sweepers, or Mehtars, as they are called; or Chamars, that is, those who flay dead animals. Except for one or two classes who do actually unclean work, these tests of untouchability do not apply to any class in Bengal.

B392. Thank you, I did not understand what you meant?—I think that question will come up before the full Committee and I have been informed by the Secretary of the Joint Committee that a certain application was made, in

order that full facts and figures might be placed before the Committee, that I might be examined, along with other Hindu delegates from Bengal, on this question. I think the Committee has not yet decided whether I shall be examined on this question before the full Committee along with other Bengal parties.

Mr. Foot.

B393. You may be called as a witness in relation to some other evidence. Is that so?—No. With regard to paragraph 18, I think that question is coming up before the full Committee.

B394. Do I understand that your society felt so keenly about the proposals submitted that they desire representation through yourself before us?—Yes.

B395. Are they bearing the expense of that representation?—The expense of that representation?

B396. Yes. Do you come specially to give evidence in relation to your memorandum?—I have been invited to give evidence. The association has been invited by the Parliamentary Committee to give evidence, and some provision, of course, has been made for expenses, about passage money and so on.

B397. Is your society bearing any of the expense?—All the extra expense I am incurring here, loss of profession, etc. They are bearing that to some extent as far as they can. What it will amount to we cannot say.

Earl of Derby.

B398. What is your profession?—I am a lawyer. I am also a business man having some big trade.

Mr. Foot.

B399. How long have you been in this country waiting to give evidence?—Only three weeks. With regard to these questions about the Railway Board and the Reserve Bank, the Secretary of State will place the proposals before the Joint Committee. Shall we be entitled to submit a separate memorandum?

Earl of Derby.] I cannot answer that question for the moment. I understand you are not going to be called before the General Committee but you have handed in the Papers and questions have been asked by members of the Committee which have, I think, elucidated all the points we wished to know from your documents.

(The Witness is directed to withdraw.)

19^o Julii, 1933.]

[Continued.]

Earl of Derby.] Before I ask our next witnesses to give us answers to any questions, I should like to ask you this, Mr. Joshi: You were put down as one of the representatives of the National Trades Union Federation, but I understand you are not going to appear as a representative.

Mr. Joshi.] No. I am going to work as a delegate here, on the Committee.

Earl of Derby.] You have been put down as being one of the authors of Memorandum 54. I do not think it is possible to act in the two capacities, both as a delegate and as a witness. Therefore, if you like to go into the witness box and give any explanation you like of the papers you have put forward, we shall be delighted to hear you, but I am afraid I could not allow you to question the witnesses.

Mr. Joshi.] I am quite willing to submit to your ruling, but I should like to

make one point clear. They put my name down as a witness before I was appointed a delegate. The date on the memorandum is the 10th June.

Earl of Derby.] On the 10th June, as I understand it, your name being there meant that as far as you were concerned that was the evidence you would have given?

Mr. Joshi.] Yes.

Earl of Derby.] Under those circumstances I feel it would not be possible for you to be present in the two capacities, and while I am quite ready—and I imagine the Committee will agree with me in this—to allow you to go into the witness box, it would not be possible, if you do not go into the witness box, for me to permit questioning by you.

Mr. Joshi.] I certainly do not mind going into the witness box. I will do that.

Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. ROY CHOWDHURY and Mr. N. M. JOSHI are called in and examined as follows:

Earl of Derby.

B400. I understand you gentlemen represent two distinct bodies—one is the National Trades Union Federation, of which Mr. Shiva Rao is a Vice-President?—(Mr. Shiva Rao.) I am a Vice-President.

B401. Mr. Shiva Rao, you are Vice-

President of the National Trades Union Federation?—Yes.

B402. You were a delegate to the International Labour Conference in 1929 and 1930?—I was an adviser to the delegates. I was on the delegation.

B403. You were a delegate to the First and Second Round Table Conferences?—That is right.

(Memorandum 54 is handed in and is as follows):

MEMORANDUM 54—NATIONAL TRADES UNION FEDERATION.

This Memorandum derives its authority from the Indian Trades Union Federation which represented before 10th May, 1933, 78,600 industrial workers organised in 41 trade unions affiliated to it—seven of them in Bengal, one in Bihar and Orissa, nine in the Bombay Presidency, four in the Central Provinces, 15 in the Madras Presidency, four in the Punjab and one in Mysore State. Its membership was drawn from many of the important trades and industries, such as transport, cotton and jute, chemicals, sugar, mining, engineering, paper and printing and leather. In its Special Session held at Calcutta on April 19 and 20, 1933, this Federation and the National Federation of Labour, which was organised in February of this year by some of the office-bearers of the All-India Railway-

men's Federation, decided to amalgamate themselves under the name of the National Trades Union Federation comprising the affiliated unions of both the organisations. The strength of the Railway Unions, as represented in the All-India Railwaymen's Federation, is over 100,000; and this membership, or at least a large majority of it, which was provisionally affiliated to the National Federation of Labour, is now in the process of being transferred to the National Trades Union Federation which formally came into being on 10th May, 1933. It may, therefore, be stated that the new Federation represents a much larger number of organised industrial workers than that represented by the Indian Trades Union Federation which was given, under the terms of the amalgamation, authority to carry out the

19^o *Julii*, 1933.]

[Continued.]

obligations decided upon by it and its General Council before the amalgamation took place.

2. This Memorandum is confined mainly to such matters as are covered by the resolution on the White Paper which was passed at the Special Session of the Indian Trades Union Federation at Calcutta in April last and a copy of which is enclosed with this Memorandum as Appendix A. This does not, however, mean that the Federation supports the other Proposals which are not dealt with in this Memorandum. The general view of the Federation on the White Paper as a whole is contained in part (a) of its resolution which characterised the Proposals as "disappointing, undemocratic and even reactionary in certain essential and fundamental respects," and as holding out "no prospect of the Indian masses and the working classes ever securing an adequate and effective voice and control in the legislatures and administration of the country." The resolution further stated that "they (i.e., the Proposals) contain less of transfer of power from British into Indian hands and more of reservations and safeguards which breathe the spirit of distrust of Indians, and are not only not demonstrably in the interests of India, but are much more in the interests of the United Kingdom." In making this criticism the Federation had particularly in view the Proposals such as those dealing with the "processes" involved in the formation of the Federation (including the organisation and establishment of the Reserve Bank), the "date and conditions" for its inauguration, the vast special powers and responsibilities of the Governor-General and the Governors, the nature and extent of the reservations in respect of defence and foreign affairs, and retention of the Secretary of State's Advisers, the peculiarly privileged position of the Imperial Services, the constitution of the Statutory Railway Board—to mention only a few—which, in the opinion of the Federation, are gravely unsatisfactory and require to be radically modified in many essential respects if they are to be made acceptable to Indian public opinion. Part (b) of the resolution emphasises that "no scheme of reforms can meet the requirements of the Indian masses and the working classes, or satisfy their legitimate aspirations or allay the present

political or economic discontent, which is not designed to endow India with the status of a self-governing democratic country," and that "if the proposals of reform are to achieve any purpose, they should be so liberalised as to bring them into conformity with the democratic constitutions of self-governing countries, only the irreducible minimum of reservations being made for a short transitional period to be fixed by Statute." The Federation notes with the deepest regret that the White Paper Proposals fall far short of the assurances given by His Majesty's Government at the end of the first Round Table Conference and reiterated at the end of the second Session. Messrs. N. M. Joshi, M.L.A., B. Shiva Rao and V. V. Giri, who represented Indian labour at Sessions of the Round Table Conference, have, in their speeches and written memoranda, pointed out in detail the various directions in which the Constitution for the future Government of India should be liberalised so as to make it acceptable to the masses and the working classes; and as this Memorandum supports the views expressed by them, it is not necessary to repeat them in so far as the general character of the White Paper Proposals is concerned.

3. Part (c) of the resolution deals with certain proposals which, the Federation insists, should be incorporated in the scheme of reforms. An attempt is made in the following paragraphs to elaborate them in the order in which they have been set down in the resolution.

(A) *Fundamental Rights*.—The Constitution Act should contain a declaration of fundamental rights guaranteeing to all citizens of the Federation, *inter alia*, freedom of speech, freedom of the press, freedom of association, and, in the case of workers, the right to strike, the right to work, and provision against old age, invalidity, etc. In view of the experience that the Indian workers have had with regard to the treatment meted out to them and their organisations during industrial disputes, the Federation is convinced of the necessity of insisting upon such fundamental rights being guaranteed, in the interests particularly of the working classes. The Federation is not impressed with the plea put forward in paragraph 75 (Introduction) of the White Paper against the inclusion on any large scale of fundamental rights in the Constitution Act. It fails to

19^o *Julii*, 1933.]

[Continued.]

understand the recognition, on the one hand, of the fundamental right of property which applies, comparatively, only to a small minority, viz., the propertied class, and refusal, on the other, to recognise the fundamental rights of a vast number of the working class population (*vide* Appendix B) which affect their very existence. The Federation, therefore, urges that fundamental rights, such as those stated above, should be recognised in the new Constitution and incorporated in the Act.

(B) *Nomination vs. Election.*—The Federation is opposed to the principle of nomination and wants all the legislatures in India of the future to be constituted on the principle of election. The Indian Franchise Committee, over which the Marquess of Lothian presided, has discarded the view of many of the Provincial Governments in India that the method of nomination should be adopted for the representation of certain classes or communities and interests. And in its report (page 94, para. 243), the Committee is emphatic that "it has been generally agreed that the method of nomination is inappropriate under the system of responsible government, for the reason that it may give to the nominator the power to make or unmake governments, while it affords no choice to the members of the community concerned, and gives them no training in political affairs." Even in the case of aboriginal and hill tribes, where fixing the franchise qualifications and forming constituencies are not so easy as in the case of other sections of the community, the Committee "strongly recommended the adoption of some method of election, if found to be practicable, in preference to nomination" (page 135, para. 341). With this weighty opinion expressed by an authoritative Committee to guide His Majesty's Government, the Federation is surprised to find that the White Paper contemplates nomination to both the Houses of the Federal Legislature for sending representatives from Baluchistan and has definitely recommended 10 nominated seats (pages 6 and 36, paras. 18, Introduction and 26, Proposals) in the Federal Upper House and 10, 9 and 5 nominated seats (page 78, Appendix III, Part II) in the Legislative Councils (Upper Chambers) of Bengal, the U.P. and Bihar respectively. In the case of Baluchistan, no authoritative enquiry has been, so far as the Federation is aware, held about the possibility of evolving a suitable machinery for election; and

it is unfair to the people of that area to deny them the right of election when other provinces are enabled to enjoy it. The argument that the ten nominations to the Council of State are meant to enable the Council to have "a small group of the elder statesman type" is not convincing. The Federation, therefore, urges that these nominations should be done away with.

The Federation is also emphatic that there is no justification whatsoever for reserving 15 per cent. of the seats in the case of Bengal and the U.P. and 16.6 per cent. of the seats in the case of Bihar for nomination. Past experience serves as a warning against the power of nomination being retained, for it is likely to be abused and prove detrimental to the growth of responsibility. It is difficult to comprehend the object for which these nominations are provided. If it is suggested that nomination is intended to secure representation for commercial interests, the view of the Indian Franchise Committee is against this course. It says in para. 421 (page 168) that "in future all commercial representation should be concentrated in the Assembly." What applies to the Federal Legislature applies equally to the Provincial Legislatures. The Federation therefore, strongly recommends that the method of nomination should be entirely abolished and the method of election should be universally adopted.

(C) *Federal Upper House.*—The Federation is opposed on principle to the establishment of the Federal Upper House. It is unnecessary and will act as an impediment to the growth of a sense of responsibility in the Federal Lower House. The latter is based upon a restricted franchise, and its powers are severely limited; further, it will contain an appreciable number of members who will represent an essentially conservative outlook, such as representatives of commerce and industry, landholders and Indian States. There is thus hardly any risk of the Federal Lower House passing any hasty legislation. And even assuming that it does, there are the overriding powers of the Governor-General—though the Federation is very far from suggesting that all of them are desirable or necessary—which are more than adequate to check the hasty tendencies of the Federal Lower House, if and when it begins to show any. Under these circumstances, the Federal Upper House will, apart from the cost it entails, be a clog

19^o Julii, 1933.]

[Continued.]

on the wheel of progress and a source of perpetual friction with the popular House.

If, in spite of these considerations against the establishment of the Federal Upper House, it is decided to have it, the Federation strongly recommends that Indian labour should have adequate and effective representation therein. The White Paper has, in giving representation to the Europeans as a community, set aside the recommendation of the Indian Franchise Committee that all commercial representation should be concentrated in the Assembly, because the Federation holds that the position of Europeans in India is, for all practical purposes, such that representation given to them, whether as a community or as a commercial interest, amounts to representation given to European commerce. The allocation of seven seats for Europeans, under the guise of communal representation, is, therefore, in the opinion of the Federation, an injustice both to Indian commerce and to labour. But independently of this unfair discrimination, which becomes an additional consideration in demanding representation for labour in the Federal Upper House, the Federation is of opinion that Indian labour is entitled to special representation on its own merits. In the immediate future, the Federal Legislature will be called upon to deal with labour legislation to even a greater extent than in the past; and the absence of labour representatives from the Upper House which is bound to be more conservative and less democratic than the Lower House, will prove to be a serious handicap to the passage of such legislation. The number of labour representatives in the Provincial Legislatures is so small that there is hardly any likelihood of these Legislatures returning any labour representatives to the Federal Upper House. The Federation, therefore, strongly urges that it should contain an adequate number of labour seats to be filled in the manner proposed in (F) below. It further suggests that labour should be given sixteen seats, which is equivalent to 10 per cent. of the total number of seats for British India, and that in no case should they be less than those given to Europeans as a community and other capital interests, if any.

(D) *Indian States' Representation.*—The representation of the Indian States in both the Houses of the Federal Legislature should be by election. The Federa-

tion is opposed to the proposal in the White Paper that the State's representatives "will be appointed by the Rulers of the State-Members of the Federation." There are to-day a few Indian States which have their Legislative Councils on an elective basis and others will follow suit if the principle of election is insisted upon by His Majesty's Government. Otherwise, the Federal Legislature will be a hybrid product consisting of nominated members from the Indian States and elected members from British India—a combination which will affect seriously the efficient working of the Legislature and render difficult the passage of any popular legislation.

Closely allied to the method of representation of the States there are two questions of importance which deserve consideration. One is the quantum of representation and the other is the sphere of their jurisdiction in the Federal Executive and Legislature. The Federation holds strongly that the States should be given representation in the Federal Legislature strictly on the population basis and no weightage is justified. It further holds that no representative of the States should be appointed a Federal Minister unless he is an elected—and not merely an appointed—member of the Legislature, and that the States' representatives should not be allowed to vote except on federal matters. If the Princes are going to be given the sole authority to define, in their Instruments of Accession, their powers and jurisdiction in respect of those matters which they are willing to recognise as federal, it is only logical that in the Federal Executive and Legislature their right of vote should be restricted only to such matters and there is no justification for allowing them to vote on purely British India subjects. The same remark should apply to motions of no confidence in the Federal Executive.

(E) *Strength of Labour Representation in the Federal Assembly.*—In the Federal Assembly labour should be given at least 10 per cent. of the total number of seats; and in no case should the number of seats for labour be less than that given to capital as a whole, including commerce and industry, landholders and Europeans as a community. The table attached (Appendix B) to this Memorandum indicates the approximate size of the working class population, a vast majority of which, under the franchise qualifications recommended by the White Paper, will go not only without representation, but also

19^o Julii, 1933.]

[Continued.]

without a vote. It is, therefore, urged that the representation given to labour should be adequate enough to safeguard the interests of the working classes in India. The 10 seats allotted to labour, which work out at only 4 per cent. of the total seats from British India, are too inadequate to enable its representatives to discharge their duties efficiently and satisfactorily. The Federation, therefore, insists that labour should be given 25 seats in the Federal Assembly.

Another point of considerable importance is that labour representation should not be less than that given to capital as a whole. The Franchise Committee recognised the principle of equality of representation between labour on the one hand and commerce and industry on the other and, therefore, recommended "a number which will give it (labour) a representation equal in strength to that proposed in the case of commerce" (page 169, para. 422). While the Federation acknowledges the partial recognition by the Committee of the equality of claim as between labour and commerce and industry, it holds that a correct and a fairer comparison would have been between labour and capital as a whole. It has

already been pointed out in paragraph (C) of this Memorandum that the Federation considers the representation given to Europeans as a community to be, for all practical purposes, a commercial and industrial representation; and it needs no arguments to prove that landholders also are a capitalist interest. It may be added here that labour has a far more direct interest in and concern with the work of the Federal Legislature than landholders. The experience of the last thirteen years has shown that the representatives of commerce and industry, landholders and Europeans have often combined in opposing legislative measures affecting working class interests. To compare, therefore, labour representation with only a part of the entire capitalist interests is, in the opinion of the Federation, to place the former at a serious disadvantage. And even the partial equality of representation recommended by the Lothian Committee has been destroyed by the White Paper by recommending 11 seats to commerce and industry as against only 10 for labour. Under the White Paper proposals the representation for capital and labour in the Federal Assembly is as follows:—

Representation to Capital.				Labour Representation.
Commerce and Industry.	Landholders.	Europeans.	Total.	
11	7	8	26	10

The disparity between the representation given to these two special interests is very glaring and should be removed by increasing the labour seats to 25—which means one seat less than the number allotted to capital.

(F) *Method of electing Labour Representatives.*—Labour seats in the Federal Upper House should be filled by an electoral college consisting of labour representatives of the Provincial Legislatures by the method of the single transferable vote. This is the method which the White Paper has recommended for electing representatives of Europeans, Indian Christians and Anglo-Indians, and the Federation would urge its adoption in the case of labour representatives as well. For the Federal Lower House the election for labour seats should be by an electoral

college or colleges consisting of the representatives of registered trade unions, and the allocation of these seats should be based primarily on an industrial basis with due regard to the claims of the different provinces. It is inexplicable why the White Paper should contain definite proposals for the method of representation of commercial and capitalist organisations and leave those in regard to labour open to further consideration. Appendix II (page 75) of the White Paper dealing with the Assembly says that "the special seats allotted to labour will be filled from non-communal constituencies; the electoral arrangements have still to be determined"; while Appendix III, Part I, dealing with the Provincial Legislative Assemblies, after repeating the above remarks, adds: "but it is likely

19^o Julii, 1933.]

[Continued.]

that in most Provinces the labour constituencies will be partly trade union and partly special constituencies" (page 78). The absence of any definite indication in the case of the Federal Assembly has created serious apprehensions about the intention of His Majesty's Government with regard to this matter. If they decide to set aside the recommendations of such authoritative bodies as the Royal Commission on Indian Labour and the Indian Franchise Committee which had given considerable thought to the subject of labour representation, the Federation fails to understand which other authority they propose to accept for determining the electoral arrangements. The Whitley Commission says on page 464 of its report:—

"If special representation is to be given to industrial labour, the method which, in our view, is most likely to be effective in securing the return to the legislatures of the best representatives of labour is that of election by registered trade unions. The working of this method should also exercise an important influence on the healthy development of trade unionism."

The Lothian Committee, after carefully considering the alternative methods of (1) election through trade unions, (2) special labour constituencies, and (3) the combination of both, unanimously decided in favour of the first method, namely, election through trade unions (page 170, paragraph 423). The argument that trade unions are at present too weak and, therefore, not sufficiently representative of the working classes, is sometimes advanced only to prejudice their case and is not convincing. In the first place, it should be noted that labour representation has been recognised only as being functional, and, therefore, is not based upon the numerical strength of the trade unions. Secondly, if institutional representation is to be given to capital, irrespective of the numerical strength of the commercial and industrial organisations, there is no reason why labour should not also be similarly treated. Thirdly, considerations other than that of numbers are sometimes taken into account in giving representation to communities such as to Europeans, and it is difficult to understand why a similar consideration should not be extended to the working classes and their trade unions. The Federation, therefore, strongly urges that, as recommended by the Whitley Com-

mission and the Lothian Committee, trade unions only should be made constituencies for electing labour representatives to the Federal Lower House.

Equally important is the question of the distribution of labour seats. The Whitley Commission suggested, on page 464 of its report, that "where more than one seat was allotted to labour, the unions could either be grouped for the purpose in separate constituencies, possibly according to industries, or they could elect the members jointly." The Lothian Committee also stated (page 170, paragraph 424) that "it has been suggested to us that the following interests deserve special consideration:—jute, transport (including railways), textiles, seamen, planting and mining." These quotations indicate that these two authorities showed an inclination in favour of the distribution of labour seats on an industrial basis, and the Federation supports that view, though it recognises that the claims of the provinces should not be lost sight of. If the number of labour seats is sufficiently increased to the extent recommended in this Memorandum, it should not be difficult to divide the seats on an industrial basis, without, at the same time, giving any ground to the provinces for complaint. The advantage in preferring an industrial basis combined with provincial claims to the White Paper proposal is that the Legislature will be able to secure the best men belonging, as trade union officials or members, to important trades and industries and possessing an adequate knowledge of the working conditions therein, so as to enable them to speak with authority and information when labour questions are discussed. Again, there are certain industries and trades, such as textiles and railways, which are distributed over more than one province; and if the seats are distributed only on a provincial basis, the result may either be that there will be over-representation of some trades and industries to the disadvantage of others and, what is more important, there is a risk of some of the best men not being returned at all. It is, therefore, urged that the provincial basis adopted in the White Paper (last column of the Table, Appendix II, page 46) should be so altered as to secure labour representation on an industrial basis with due regard to provincial considerations.

It may be pointed out further that the White Paper has given (Table of Appendix II, page 76) only one non-provincial

19^o Julii, 1933.]

[Continued.]

seat to labour to be filled by its central organisation, as against three given to commerce and industry. This is unfair and should be remedied by giving labour the same number of seats as are given to commerce and industry. The Franchise Committee has recommended (page 170, para. 424) that the All-India Trade Union Federation (now the National Trades Union Federation) should be given one seat. The Federation suggests that this number should be increased at least to the same number as has been and may be given to commerce and industry, and that the claims of the All-India Railwaymen's Federation should also be recognised for this purpose.

(G) *Franchise for the Federal Assembly.*

—The franchise for the general and communal seats in the Federal Assembly should be the same as that for the future provincial Legislative Councils. The Franchise Committee was not unanimous on this question, and the minute of dissent to the report of that Committee, signed by Messrs. S. B. Tambe, C. Y. Chintamani and R. R. Bakhale, has dealt fully with the objections raised by the majority of the Committee against adopting a common franchise for the Federal Assembly and the Provincial Councils, and made out a strong case in support of a common franchise (page 228, paras. 38-39). The Federation whole-heartedly supports the view in the minute of dissent and urges that a common franchise should be adopted for the Federal Assembly and for the Provincial Councils.

As regards the qualifications for voters and candidates from trade union constituencies for the Provincial Legislatures and the Federal Assembly, the Federation supports the proposals contained in paragraphs 247, 248, 249 and 423 of the Indian Franchise Committee's Report.

(H) *Provincial Second Chambers.*—The Federation is opposed to the establishment of Second Chambers in any of the Provinces in India. It should be noted that the Franchise Committee refrained from making any specific recommendation in their favour. But the minority of the Committee in its minute of dissent (page 227, para. 35) emphatically opposed the establishment of provincial Second Chambers. The arguments against the Federal Upper House apply with equal force to provincial Second Chambers and the Federation strongly supports the view of the minority of the Lothian Committee in this respect. The Federation is aware that the White Paper proposes the estab-

lishment of Second Chambers only for Bengal, Bihar and the U.P. On the first-named of these provinces a Second Chamber has been thrust in spite of the clear and emphatic verdict of its Legislative Council against its establishment. The Federation takes strong exception to the proposal in the White Paper (page 48, para. 74 (b)), that at any time, not less than 10 years after the commencement of the Constitution Act, any legislature can present an address to His Majesty praying that it be endowed with two Chambers, and proposes that this provision should be deleted.

If, however, it is decided to retain Second Chambers in any of the provinces, labour should be given adequate and effective representation therein. Apart from one seat reserved in the Bengal Council (Upper Chamber) for Europeans as a community (Part II, Appendix III, page 78), which is really a seat given to European commerce and industry, there are, as has already been pointed out, 10, 9 and 5 nominated seats respectively in the Bengal, U.P. and Bihar Upper Chambers; and it may be that some of these seats may go to capitalist interests, including commerce and industry. Labour has thus a claim for special representation. Again, the Federal and Provincial Legislatures have concurrent jurisdiction over labour legislation, and subjects like health insurance, old age and invalidity pensions are included among exclusively provincial subjects. Labour will thus be considerably handicapped if it has no representatives in the Second Chambers which will be predominantly conservative and contain representatives in large numbers of vested interests. As the Whitley Commission has pointed out on page 462, "the presence of representatives able to voice the desires and aspirations of labour and to translate these into concrete proposals is essential for the proper consideration of measures specially affecting labour." The Federation, therefore, claims that labour is entitled to adequate and effective representation, as indicated in (I) below, in Second Chambers wherever they may be established.

(I) *Strength of Labour Representation in Provincial Legislatures.*—In the Provincial Legislatures (Lower and Upper where the latter exist), labour should be given at least 10 per cent. of the total number of seats; and in no case should the number of seats for labour be less than that given to capital as a whole,

19^o Julii, 1933.]

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including commerce and industry, landholders and Europeans as a community. In the Bengal, U.P. and Bihar Second Chambers, the number of seats allotted to labour on the 10 per cent. basis, will come to 7, 6 and 3 respectively. As regards the Provincial Lower Chambers, the Federation desires to point out the equality of representation between labour and commerce and industry, recognised by the Lothian Committee in all the provinces, except Bengal and Assam, has been disturbed by the White Paper in the case of two other provinces, viz., Bihar and Sind, by giving labour 3 and 1 seats respectively, as against 4 and 2 to commerce and industry; and further, that the inequality in Bengal and Assam has been accentuated by increasing the seats for commerce and industry from 15

to 19 in the case of Bengal, and from 6 to 11 in the case of Assam. The Federation takes very strong exception to this treatment meted out to labour and urges that not only should these inequalities be removed, but also that labour should be put on a footing of equality, not merely with commerce and industry, but with capitalist interests as a whole, including landholders and Europeans. The Franchise Committee had recommended 38 seats to labour in all the provinces, as against 46 to commerce and industry. The White Paper has increased the disparity by giving 56 seats to the latter. The disparity looks still more marked when the seats for landholders and Europeans are added to commerce and industry, as may be seen from the following table:—

Province.	Representation to Capital				Labour Representation.
	Commerce and Industry.	Landholders.	Europeans.	Total.	
1. Madras	6	6	3	15	6
2. Bombay	7	2	3	12	7
3. Bengal	19	5	11	35	8
4. U.P.	3	6	2	11	3
5. Punjab	1	5	1	6	3
6. Bihar	4	4	2	10	3
7. C.P.	2	3	1	6	2
8. Assam	11	0	1	12	4
9. N.W.F. Province	0	2	0	2	0
10. Sind	2	2	2	6	1
11. Orissa	1	2	0	3	1
Total ...	56	37	26	119	38

If labour seats are increased from 38 to 119, it will have no ground for complaint that it has been treated unfairly in comparison with capital. The Federation, however, claims that, because of its numerical strength and importance, labour is entitled to 10 per cent. representation. On this calculation it should get the following number of seats for each province:—

Province.	Labour Representation.
1. Madras	21
2. Bombay	17
3. Bengal	25
4. U.P.	23

Province.	Labour Representation.
5. Punjab	17
6. Bihar	15
7. C.P.	11
8. Assam	11
9. N.W.F. Province	5
10. Sind	6
11. Orissa	6
Total ...	157

These two tables show that if the second table is accepted, as it should be, labour will get 38 seats more than capital. But it must be remembered

19° Julii, 1933.]

[Continued.]

that capital will secure some more seats than those allotted to it, through general constituencies, while labour has hardly any such chance.

(J) *Method of Election.*—As in the case of the Federal Assembly, so also in the case of the Provincial Legislatures (including Upper Chambers, should any be established) the labour seats should be filled by constituencies formed of the members of registered trade unions, preferably on an industrial basis. The White Paper says on page 78 (Appendix III, Part I) that “it is likely that in most Provinces the labour constituencies will be partly trade union and partly special constituencies.” If this indication is not made more specific, there is, in the opinion of the Federation, a risk of the local authorities which are not, generally speaking, friendly to labour, preferring special to trade union constituencies, and the object of securing labour representation will be, to a large extent, defeated. The Federation urges that preference should be given to trade union over special constituencies, and that only where trade unions do not exist or are too weak, not necessarily from the numerical point of view, special constituencies may be set up. In urging this claim, the Federation has the support of both the Whitley Commission and the Lothian Committee. The former in its report (464) says that “we recognise that this (the trade union) method may not be everywhere applicable under present conditions, and if it was found to be impracticable in any case, recourse would be necessary for a time to some other method (*italics ours*). In Assam, for instance, where more effective representation of plantation workers is required, different methods will be necessary”. The Franchise Committee makes the position equally clear when it says on page 97, para. 246:—

“As we have already indicated, subject always to the conditions laid down by the Royal Commission, we are prepared to accept the proposals of a number of provinces for the establishment of trade union seats in their legislatures, and this action will no doubt give an impetus to the development of unions of a satisfactory character. It would, however, in our view be contrary to the interests of the labouring population as a whole to prescribe representation through trade unions as the sole

method of representation of labour and to offer them no alternative. There are cases where trade unions do not exist, or are too weak to be entrusted with the function of representation . . . In these circumstances, there is a real risk that, in the absence of any alternative, a large body of industrial labour might, for a considerable time, fail to secure any representation other than that which it might be able to obtain through the general constituencies. We think, therefore, that it is necessary to provide, in addition, another form of representation through special labour constituencies of the type described in paragraph 250”.

It is thus clear that both the Whitley Commission and the Franchise Committee suggest the other form of representation only in those cases where trade unions do not exist or are too weak to be entrusted with that function. This is quite different from saying that labour representation will be partly through trade union and partly through special constituencies. It should be made clear that the labour seats would be filled only through trade union constituencies, and special constituencies may be set up only at those places where trade unions do not exist. The Federation draws the attention of the Joint Select Committee to the opinion of the Franchise Committee that “we wish to emphasise the extreme importance of avoiding any overlapping between trade union and special labour constituencies, whether in the same industry or in the same geographical area” (page 99, para. 253). This recommendation is highly important and should be accepted by His Majesty's Government. As regards the formation of trade union constituencies, the Federation considers that it should not be difficult to form them on an industrial basis, as no question of inter-provincial claims arises as in the case of representation for the Federal Assembly.

(K) *Franchise for Provincial Legislatures.*—Adult franchise should be the basis of election for the provincial legislatures. The Federation is aware that the Franchise Committee rejected adult franchise on many grounds, one of which was the administrative difficulty that might be experienced in preparing the electoral rolls and managing the

19^o Julii, 1933.]

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elections through vast electorates. As adult franchise is now the accepted goal to be reached as early as possible, the administrative difficulty must be faced sooner or later; at least a beginning in that direction should be made—which can be done by adopting the suggestion of the minority of the Lothian Committee, viz., the introduction of adult franchise in all cities with a population of 100,000 and above. The number of such cities is not more than 30 in the whole country. Such a beginning will familiarise administrative officers and the public with the system, thereby facilitating its early extension over larger areas, with the ultimate object of reaching adult franchise as quickly as possible.

If, however, universal adult franchise is not immediately introduced the Federation insists upon a wage-earning qualification being included in the general scheme of franchise. The case in favour of this proposal has been ably argued by the minority of the Lothian Committee in its minute of dissent from which the following extract (with which the Federation is in complete accord) is taken:—

“In paragraph 68 of the report, it is stated that property has been taken as the main foundation of the franchise and that the property qualification has been lowered so as to bring on the roll the great bulk of the landholders, the tenants and the urban rent-payers and a considerable section of the poorer classes. The omission here of wage-earners will be noticed. Yet, following the recommendation in this behalf of the Franchise Sub-Committee of the Round Table Conference, the questionnaire issued by our own Committee invited witnesses to understand the term “property” “in its widest sense as including . . . wages, whether in cash or coin.” The considerations given to the subject of labour representation and

the special recommendations on behalf of the Depressed Classes do not make up for the omission to recognise wages as one of the general qualifications for franchise. The numbers affected are vast. Including agricultural and non-agricultural labour, the total in the nine Governors' provinces is no less than 48,755,382 out of an aggregate population of 254,955,373. That is, about 20 per cent. of the whole. In some provinces “agricultural labourers” are actually more in number than “tenants”, for example, in Madras, Bombay, Bengal and the Central Provinces. Those who are not adults being left out, the numbers affected are still very large. Almost every Local Government and Provincial Committee have admitted that their proposals for the extension of the franchise leave out very large numbers of these, the poorest of the people. This has been sought to be justified on the two grounds that there are practical difficulties and that many of these labourers are themselves, tenants or sub-tenants and will, therefore, come in under these categories. We do not know to what extent the two are mixed up in the separate columns of tenants and labourers, but we cannot think that more than a small fraction of the large numbers of agricultural labourers are also tenants. As regards practical difficulties, they do not exist in the case of organised occupations, while they are far from being insurmountable in respect of others. Besides, a wage census is both practicable and desirable. In our opinion, every labourer, rural or urban, who has been in receipt of wages of Rs. 10 a month, or its equivalent in kind continuously for the six months preceding the preparation of the electoral roll, should be brought on the register.

—	Madras.		Bombay.		Bengal.		Central Provinces.	
	No.	Percentage of the total population.	No.	Percentage of the total population.	No.	Percentage of the total population.	No.	Percentage of the total population.
Tenants ...	1,617,476	8.4	1,160,432	5.8	815,654	1.6	121,378	0.7
Agricultural labourers	5,064,459	10.8	2,967,809	18.6	2,668,343	5.8	3,456,625	22.2

19^o Julii, 1933.]

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(L) *Power of passing Labour Legislation.*—The Federal and Provincial Legislatures should have concurrent power of passing labour legislation. The Federal labour laws should be made applicable to all the units of the Federation, including the Indian States. The Federation is aware that List III (page 111) of Appendix VI of the White Paper invests the Federal and Provincial Legislatures with concurrent powers over labour subjects, such as (1) regulation of the working of mines, but not including mineral development, (2) regulation of the working of factories, (3) employers' liability and workmen's compensation, (4) trade unions, (5) welfare of labour, including provident funds and industrial insurance, and (6) settlement of labour disputes. This provision is, in theory, satisfactory so far as it goes, since it ensures the greatest possible measure of uniformity in labour legislation. But the utility of this provision is very considerably marred by a serious qualification which occurs in para. 111 (page 56) of the White Paper. It says:—

“Laws so made (by the Federal Legislature) will be operative throughout British India, but in the States which have acceded to the Federation only in so far as the Ruler of the State has by his Instrument of Accession accepted the subject with which the law is concerned as a Federal subject.”

This qualification makes a grave deduction from the powers of the Federal Legislature, if the application of Federal labour laws to the Indian States is to be made dependent upon the Ruler of each individual State—a proposition which puts British India at a great disadvantage, apart from the lack of any protection to labour in the States. Industries are rapidly developing in some of the Indian States, and British India has already begun to feel the effects of unfair competition between those States where there is hardly any labour legislation or little or no administration of such legislation, if any, and British India where labour legislation has made some headway in recent years. The competitive character of present day industries makes uniformity of labour legislation essential. And if this is not achieved under the new Constitution, the pace of labour legislation, even for British India, cannot but slow down. The Federation urges that labour legislation should be made applicable to all the units of the Federation.

When many of the labour subjects, such as those stated above, are made both Federal and Provincial, the Federation is surprised to find that such important subjects as health insurance, invalidity and old age pensions should be made in the White Paper (No. 69, List II, Appendix VI, page 109) exclusively provincial subjects. It is difficult to appreciate the discrimination that has been made between one set of labour subjects and another. In fact, health insurance, old age and invalidity pensions are subjects predominantly of a national character and importance and, therefore, deserve to be made federal subjects. They are social services for which either the employers, or the State, or both will have to contribute towards their maintenance and administration. If they are made exclusively provincial subjects, the employers, on the ground of costs which will not be borne by their competitors in other provinces, and the Provincial Governments, on the ground of inadequacy of funds, may not agree to pass legislation of this kind, and Indian workers will not have the benefits of health insurance and old age and invalidity pensions. The Federation, therefore, strongly urges that these subjects, in fact, all labour subjects, should be both Federal and Provincial.

(M) *Ratification of I.L.O. Conventions.*—The Federal Government should possess the power of ratifying the Conventions and Recommendations of the International Labour Organisation without taking the consent of the federating units separately. It may be pointed out that under Article 405, Part XIII, of the Peace Treaty, “in the case of a federal State, the power of which to enter into conventions on labour matters is subject to limitations, it shall be in the discretion of that Government to treat a draft convention to which such limitations apply as a recommendation only.” It will thus be seen that a federal State escapes more easily from its international obligations on labour matters. The practical effect of this Article of the Peace Treaty to the disadvantage of the workers may be judged from the fact, which Mr. Joshi pointed out at the first Round Table Conference, that, while even a backward country like India, under a unitary form of Government, could ratify eleven Conventions of the International Labour Conference, advanced countries like Australia and Canada, under a federal form of Government, have ratified only four Conventions each. To remove this limitation of a Federal Government, it is essential

19^o Julii, 1933.]

[Continued.]

to make a specific provision in the Constitution Act that the Federal Government shall possess the power of ratifying the I.L.O. Conventions without having to take the consent of the federating units separately; and the Federation urges upon such a provision being made.

4. With regard to some of the other proposals contained in the White Paper, the following observations are offered:—

(a) A definite date should be fixed for the inauguration of the Federation. It is very unsatisfactory that the White Paper does not contemplate this. There is no need for fresh Parliamentary action before the Federation can begin to function.

(b) In order to prevent friction between the two halves of the Government and to promote a sense of collective responsibility among members of the Executive, the Prime Minister must be consulted before the appointment of Ministers and Counsellors.

(c) The salary of the Financial Adviser should be subject to the vote of the Federal Assembly.

(d) There should be a separate Department of Labour in charge of a Member of the Cabinet, in view of the many problems concerning labour that are awaiting solution.

(e) There should be specified in the Constitution a date by which the provisions of the Statute of Westminster will apply to India. The period of transition being thus fixed, it should be laid down that the control of Parliament will be strictly limited to the field of reserved subjects through the Secretary of State for the Dominions.

(f) There is no need whatsoever for entrusting the Governor-General with such vast powers in regard to his "special responsibilities." Such a provision gives him (and, correspondingly, to Governors of Provinces) immense authority over practically the whole field of administration which seems easily capable of being abused, and this will seriously interfere with the growth of responsibility.

(g) With regard to Defence, there should be a scheme prepared for the nationalisation of the army within a fixed period of time and for the complete withdrawal of British troops

from India; recruitment to the Indian Army should be open to all classes and in all provinces. Arrangements should be made from time to time, during the period of transition, for a revision of military expenditure in which representatives of the Federal Legislature shall have an effective voice. The Federal Assembly should have the right of discussing the whole of the Defence policy of the Government, including expenditure, and of voting funds in excess of the amount agreed upon.

(h) The strength of the Federal Assembly should be increased at least to 450, the Indian States being entitled to representation only on the basis of population without weightage.

(i) The Federal Executive should be responsible only to the Assembly and not to both Houses.

(j) The Federal Upper House should not have the power of considering demands for grants and Money Bills. Its powers over ordinary legislation should be recommendatory and not co-equal with those of the Assembly.

(k) The Governor-General should not have power to recommend the passing of a Bill or part of a Bill in any particular form, or that a Bill or any part of it should not be proceeded with, or of certifying a measure so as to make it a law without the consent of the Legislature. Nor should the Governor-General have power to certify a demand or any part of a demand, or to restore a grant, after it has been rejected by the Assembly.

(l) The proposals in the White Paper are seriously defective in that they do not include provision for the alteration of the Constitution, and therefore, as they stand, there is no room for automatic growth towards full responsibility.

(m) The Constitution should also contain a provision for a periodical extension of the franchise so as to reach universal adult suffrage within a specified period of time.

(n) The emergency powers of the Governor-General for making and promulgating Ordinances (in paragraph 53 of the Proposals) together with the provisions for what will be known as "the Governor-General's

19^o *Julii*, 1933.]

[Continued.]

Acts," endow him with autocratic powers, over both the Federal Executive and the Federal Legislature, of so sweeping a character that it is impossible to see what is left of responsibility.

(o) With regard to Governor's Provinces, practically the same observations apply to the executive, legislative, financial and administrative proposals as to the Federation. "Provincial autonomy" will be reduced to a shadow without any reality, if the safeguards and emergency powers are brought into operation.

(p) The proposals in paragraphs 106 to 109, in regard to "Excluded and Partially Excluded Areas," are open to grave objection. It is not clear why power should be retained for declaring any area within a province to be wholly or partially excluded and taking it out of the jurisdiction of both the Federal and the Provincial Legislatures. It obviously is not meant to cover the so-called backward tracts, because an area cannot suddenly become backward after the inauguration of the Constitution. It will be open under these proposals for the Governor of a Province to declare a particular district or districts as an excluded area, and to prohibit the discussion of resolutions and even the asking of questions in the Federal and Provincial Legislatures pertaining to that area. Such a power is dangerous and liable to gross abuse.

(q) With regard to the so-called backward tracts, it is wrong to deny millions of aborigines and hill tribes the right of direct and effective representation and participation in the work of the Legislatures; where special organisations of their own exist, they may be given the right of electing their representatives, both to the Provincial and the Federal Legislatures.

(r) There is danger in the proposal in paragraph 122 of the White Paper regarding discriminatory legislation in that the proviso which grants the Governor-General or the Governor of a Province power to declare valid a discriminatory measure in the interests of peace and tranquillity may be used for penalising members of a particular community or race or an economic class.

(s) If political power is really intended to be transferred to the people of India subject only to transitional safeguards, there is no need for the appointment of the Secretary of State's advisers. Parliamentary control over the reserved subjects may be exercised through the Secretary of State for the Dominions.

(t) It would be anomalous and extremely undesirable that under the new Constitution the Secretary of State should have any control over recruitment to the Civil, Police or any other service. All power over the services, in regard to recruitment, discipline, pay, pensions, etc., should be vested hereafter in the Federal Government in the case of the All-India services and in the Provincial Government's in the case of the provincial services.

(u) Considering the importance of the railway system in the economic structure of India, the many thousands of workers that are engaged in the railways, it is not right that the Federal Legislature's control over the policy and administration of railways should in any way be weakened by the creation of a Statutory Railway Board. Such a Board may be brought into existence by an Act of the Federal Legislature and should contain an adequate number of labour representatives.

5. This Memorandum has dealt mainly with such of the proposals in the White Paper as are of direct or indirect concern to labour, and does not claim to cover the entire field. The inauguration of a Constitution on the lines of the White Paper will bring no relief to the Indian workers, and they are one with other sections of public opinion in India in condemning the proposals as reactionary. The Federation earnestly trusts that the Joint Parliamentary Committee will so amend the proposals as to make them acceptable to the workers of India, and thus encourage them to seek their happiness and prosperity through action under the new Constitution.

APPENDIX A.

Resolution on the White Paper.

(a) "This Special Session of the Indian Trades Union Federation is of opinion that the Proposals of His Majesty's Government for Indian Constitutional Reform embodied in the White Paper of

19^o Julii, 1933.]

[Continued.]

March 18, 1933, are disappointing, undemocratic and even reactionary in certain essential and fundamental respects. They hold out no prospects of the Indian masses and the working classes ever securing an adequate and effective voice and control in the legislatures and administration of the country. They contain less of transfer of power from the British into the Indian hands and more of reservations and safeguards which breathe the spirit of distrust of Indians, and are not only not 'demonstrably in the interests of India,' but are much more in the interests of the United Kingdom."

(b) "This Federation desires to emphasise that no scheme of reforms can meet the requirements of the Indian masses and the working classes, or satisfy their legitimate aspirations or allay the present political and economic discontent, which is not designed to endow India with the status of a self-governing democratic country and it urges that if the proposals of reform are to achieve any purpose, they should be so liberalised as to bring them into conformity with democratic constitutions of self-governing countries, only the irreducible minimum of reservations being made for a short transitional period to be fixed by statute."

(c) "This Federation insists upon the following, among other, proposals being incorporated in the scheme of reforms:—

(1) The Constitution Act should contain a declaration of fundamental rights guaranteeing to the workers, *inter alia*, the freedom of speech, freedom of press, freedom of association, the right to strike, the right to work and provision against old age, invalidity, etc.

(2) The Federation is opposed to the principle of nomination and wants all the future legislatures in India to be constituted on the principle of election.

(3) The Federation is opposed to the establishment of the Federal Upper House. If, however, it is to be retained, Indian labour should be given adequate and effective representation thereon.

(4) The representation of the Princes in both the Houses of the Federal Legislature should be by election.

(5) In the Federal Assembly, labour should be given at least 10 per cent. of the total number of seats; and in no case should the number of seats for labour be less than that given to

capital as a whole including commerce and industry, landholders and Europeans as a community.

(6) Labour seats in the Federal Upper House should be filled by an electoral college consisting of the labour representatives of the Provincial Legislatures by the method of the single transferable vote. The labour seats in the Federal Lower House should be filled by the electoral college or colleges of the representatives of registered trade unions, based preferably on industrial basis with due regard to the claims of the different provinces.

(7) The franchise for the general and communal seats in the Federal Assembly should be the same as that for the future Provincial Legislative Councils.

(8) The Federation is opposed to the establishment of Second Chambers in any of the provinces in India. If, however, they are to be retained, Indian labour should be given adequate and effective representation thereon.

(9) In the Provincial Legislatures (Lower and Upper where the latter exist) labour should be given at least 10 per cent. of the total number of seats; and in no case should the number of seats for labour be less than that given to capital as a whole, including commerce and industry, landholders and Europeans as a community.

(10) The labour seats in the Provincial Legislatures should be filled by constituencies formed of the members of the registered trade unions, preferably on industrial basis.

(11) Adult suffrage should be the basis of franchise for provincial legislatures. If, however, that may not be possible, the Federation insists upon wage earning qualification being included in the general scheme of franchise.

(12) The Federal and Provincial Legislatures should have concurrent power of passing labour legislation with a proviso in the Constitution Act that the federal legislation shall prevail over the provincial legislation. The federal labour laws should be made applicable to all the units of the Federation, including the Indian States. This Federation protests against the proposal in the White

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

Paper to make health insurance and invalidity and old age pensions an exclusively provincial subject; they should be made both federal and provincial subjects.

(13) The Federal Government should possess the power of ratifying the Conventions and Recommendations of the International Labour Organisation without having to take the consent of the federating units separately.

(d) "This Federation records its strong conviction that the White Paper Proposals, as they stand at present, cannot satisfy the legitimate aspirations of the Indian people and will, far from appeasing and allaying discontent, aggravate the present unhappy conditions, will further alienate public opinion and greatly intensify the present acute and widespread discontent. A generous and far-reaching measure of reforms granting substantial power to the masses and the working classes will alone meet India's requirements and satisfy the national self-respect of India."

(e) "This Federation authorises the General Secretary to inform the Joint Select Committee and the Government of India that its representatives should be given facilities to appear before the Joint Select Committee to give evidence on

behalf of this Federation and it appoints for this purpose Messrs. N. M. Joshi, M.L.A., Aftab Ali and B. Shiva Rao to form its delegation. The General Secretary is further authorised to send a copy of the resolution on White Paper to the Joint Select Committee and the Government of India and prepare, in consultation with the President, a detailed memorandum on the lines of the resolution to be submitted to the Joint Parliamentary Committee."

B404. Mr. Aftab Ali, you are a Vice-President of the National Trades Union Federation?—(Mr. Aftab Ali.) Yes.

B405. I understand you have been Secretary to the Bengal Trades Union Federation since 1931?—Yes.

B406. And you have been General Secretary of the Indian Seamen's Union, Calcutta, since 1928?—Yes.

B407. Mr. Chowdhury, you are, I think, representing the Bengal Trades Union Federation?—(Mr. Chowdhury.) Yes.

B408. You are a Vice-President of the Bengal Trades Union Federation?—Yes.

B409. You are Labour Member of the Bengal Legislative Council, and a Member of the Executive Committee of the National Trades Union Federation?—Yes.

(Memorandum No. 55 is handed in and is as follows):

MEMORANDUM 55. THE BENGAL TRADES UNION FEDERATION.

Containing the British Government Proposals on Indian Constitutional Reform from the point of view of Representatives of workers employed in large industrial undertakings in Bengal, viz., Jute, Maritime, Transport, Engineering, etc., addressed to the Members of the Joint Select Committee, House of Lords, London, by Bengal Trades Union Federation as per the letter dated 24th April, 1933, of Mr. Aftab Ali, Gen. Secretary of the Federation and of the Indian Seamen's Union, Calcutta and Indian Workers' Delegate, International Labour Conference, held at Geneva in June, 1933, submitted to the Joint Committee through the Government of Bengal, nominating Mr. K. C. Roy Chowdhury, Vice President of the Federation (Labour Representative, Bengal Legislative Council and Calcutta Corporation, Indian Workers' Delegate International Labour Conference, Geneva, 1923, ex-assessor,

International Court of Justice, Labour Branch, Geneva, member of Bengal Provincial Franchise Committee and ex-member, Amalgamated Society of Engineers, Manchester) as a witness to give evidence before the Joint Select Committee, and invited by cable from London No. 104 dated 19th May, 1933, by the Secretary, Joint Select Committee.

This memorandum is based on the items transmitted to the Joint Select Committee on 24th April, 1933, and mainly deals with White Paper proposals as affecting Labour in Bengal.

1. Declaration of Fundamental Rights.

—The socio-economic conditions of the poorer and working classes in India are indeed depressing. Manual labour according to time-honoured traditions and century-old practices is despised as menials' function (Coolie work). An honest peasant, living on the sweat of

19^o Julii, 1933.]

[Continued.]

his brow is called a "Chotologue" (mean or low class fellow) in contrast with a Bhadrologue (educated and gentlemanly class). There exists an in-born prejudice of upper and middle class Indians against manual labour which is often exploited, sweated, underpaid and is forced (compulsory labour or Begar is known throughout India and specially in Feudatory and Princes' states) and is robbed of its wages with impunity. It is necessary for its protection that certain fundamental rights of the Working classes should be specifically declared enjoining that Indian Parliament should make suitable laws to ensure fair rent and fixity of tenure to agricultural tenants from whom industrial workers are recruited, for the maintenance of the health and fitness of workers, securing a minimum wage for them, the protection of motherhood, welfare of their children and the economic consequence of their old age, infirmity and unemployment.

The Indian Parliament should also pass laws to ensure sanitary Housing for Industrial workers. A number of Committees and Commissions have described the Housing conditions in mill areas in and around Calcutta, Cawnpore, Ahmedabad, Bombay and other industrial cities as most appalling, productive of disease, debility and morbidity and consequent abnormal mortality of the workers and their infants as the following official statistics show.

Ahmedabad, the largest cotton mill centre outside Bombay Island has its Birth rate of 47, Death rate 50 per 1,000 and Infant mortality 331 per 1,000 infants born. Cawnpore, the industrial hub of United Provinces, has Birth rate 36, Death rate 52 and Infant mortality 420. Repeated recommendations of responsible Enquiry Committees to provide sanitary Dwellings for workers have been ignored by Municipalities, Public Bodies and Industrial Organisations.

Nothing short of Statutory obligations (Housing is a fundamental right in the German and other post-war constitutions) will remove this grave menace to the Indian workers' health. The Parliament should also enact for the creation of Industrial Councils in each industrial Province in India. The Whitley Labour Commission has made the following definite and specific recommendations regarding this important scheme to ensure industrial harmony. "*In the framework of the future Constitution provision should be made for an organisation (the*

Industrial Council) which would enable representatives of employees, of employers of labour, and of Government to meet regularly in conference, to discuss labour measures and labour policy." The Federation disagrees with the views expressed on page 63 of the Proceedings of the Third Round Table Conference. "In the agenda of the Conference the question of fundamental rights was purposely linked up with the question of the powers of legislatures because it was felt that it had been insufficiently realised that the effect of inserting provisions of this kind in the Constitution must inevitably be (if they are to be more than an expression of a political ideal which have never yet found a place in English constitutional instruments) to place Statutory limitations to the powers of the new Legislatures."

This British conception of constitution will not hold water in an Oriental country like India, where social and socio-economic conditions of the poorer and working classes are positively different and where brutal practices exist that should be swept out of existence by Statutory instruments. All post-war constitutions for Germany, Zecko-Slavakia and even Ireland do include Fundamental Rights. However, if the Joint Committee is unable to re-open the question of Fundamental Rights of millions of India's working classes and masses whose trusteeship, under the new Constitution, is proposed to be transferred from the British Parliament to the Indian Legislatures, and if such rights cannot be fitted in with the act of Constitution, they should find a place in a Royal Proclamation or even in the instruments of instructions the Governor-General and the Governors will receive from the King.

2. *Second Chambers.*—(a) It is very doubtful if the Federal Upper House will benefit the working classes as the franchise for that House is restricted and will to a large extent ensure return of Representatives of moneyed and propertied classes traditionally antagonistic to aspirations of labour. If the Upper House is retained, the Bengal Federation strongly urges for a definite number of seats to be reserved for labour.

(b) *Provincial Second Chamber in Bengal.*—The same remarks apply. In fact the Bengal Legislative Council has by a small majority voted the Second Chamber down, although consensus of Hindu public opinion is not opposed to it. If it is retained and vested interests of landlords and moneyed classes were given representation as proposed in the

19^o Julii, 1933.]

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White Paper, Labour should have at least four seats in the Second Chamber.

3. *Labour Seats in Federal and Provincial Lower Houses.*—(a) *Bengal.*—An unjust distinction between the relative importance of representation of labour and that of commerce and industry is proposed in the White Paper. Labour is to have only 8 seats, whereas the Employers are to have 19 seats. The Lothian Committee in para. 320 of its report says: "Functional representation is assuming increasing importance under modern conditions and the argument in favour of making special provisions for the presence in Legislative bodies of business and economic experts is in our judgment a strong one." Surely labour is functional and some of its Representatives in Councils, in Assembly, in International Labour Conferences, who have specialised in economics from the labour point of view have proved their capacity as exponents of labour economics. Owing to attraction of intellectuals towards Indian labour movement their number will increase and some "Philip Snowdens" and "Pethick Lawrences" will be forthcoming to represent labour in Indian Legislatures. Strong arguments in favour of increasing labour seats will be found in the note on "Special Electorate of Labour," by Mr. Roy Chowdhury, a member of the Bengal Provincial Franchise Committee, on page 248, vol. II, of the Lothian Report. The following statistics of wage earners in Bengal are taken from that note.

(a) Operatives employed in registered factories, including 320,000 jute mill hands	560,000
(b) Seamen, including inland navigation	120,000
(c) Tea garden labour in Dooars, Terai, Dargeeling, Tippera and Chittagong	90,000
(d) Coal miners in Bundwan District	45,000
(e) Clerks	60,000
(f) Railwaymen (Bengal employees of the East Indian, Eastern Bengal, Arsam Bengal and Bengal Nagpur Railways systems and of Light Railways)	120,000
(g) Jetties, docks, motor vehicles, etc.	20,000
	1,015,000

In Bengal there are 28 registered Trade Unions with a membership of 75,756, including women (vide para. 245 of the Lothian Report). The combined membership of the following Employers' Organisations who are to return 19 members in Bengal Legislative Council under the White Paper proposals, hardly exceeds 3,000. The Bengal Chamber of Commerce, the Indian Jute Mills Association, the Indian Tea Association, the Indian Mining Federation, the Calcutta Trades Association, the Bengal National Chamber of Commerce, the Bengal Manajan Sabha, the Bengal Hardware Association and the Indian Mining Federation.

Arguments are frequently advanced by Employers that Indian labour movement is in its infancy as judged from the small number of trade unionists all over India. The Western conception of trade unionism based on mere numerical strength of paying membership does not apply in India. The present membership, say of Bengal, viz., 75,000 out of, say, one million industrial workers, would have been five or six times that number but for the opposition of employers to their workers joining unions and for the positive and determined resistance of jobbers and overseers who cannot tolerate the idea of losing their hold on men under them, their milk-cows yielding pecuniary gain to them, going out of their hands. There exists and will exist for some years to come, as was the case in Britain in the early sixties, the mortal fear in workers' minds of losing their jobs by joining unions. In spite of this and its deterrent effect on trade union membership, large bodies of workers employed, say, in the jute industry of Bengal or in shipping, do follow the directions and advice of their few honest trade union comrades flying the trade union flag in somewhat difficult circumstances. This applies with equal force to organisations other than labour, e.g., political, commercial, religious and communal bodies in India with poor paying membership but with strong following within their respective groups.

(b) *Provincial Differentiation about Labour Seats.*—It is most unfortunate that Bengal, admittedly the premier Industrial Province in India with 589,000 factory operatives (as per official return of 1929) and at least 500,000 more employed in Ocean and Inland Shipping, Printing Presses, Coal Mines, Tea gardens, Docks, etc., is allotted only eight seats, whereas Bombay Presidency

19° Julii, 1933.]

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with 366,029 factory operatives as per Official Return of 1929 and not even 100,000 employed in other organised industries is allotted seven seats and Madras with not even a fourth of Bengal's organised labour strength and of third class industrial importance is allotted six seats. No explanation is found anywhere in the Lothian or other Constitutional Reports regarding this inequitable weightage given to Bombay and Madras. The Bengal Trades Union Federation for reasons explained above claims at least twelve seats in the Lower House and four seats in the Upper Chamber of Bengal Legislative Council.

(c) *Labour Seats at the Centre.*—The Lothian Committee admits in para. 422 of its Report, "Under the new Constitution Labour will be to a large extent a central subject under the general control of the Federal Legislature, and it is of great importance in these circumstances to secure representation for it as a special interest in that body." The number of seats allotted to Labour in the Federal Assembly under the White Paper scheme, viz., ten, which cannot by any means be said to be adequate at all for representation of millions of Indian Industrial Labour.

In 1922, India obtained recognition by the League of Nations as one of the eight chief industrial States in the world, and India Office officially supplied the following informations to illustrate India's industrial importance: "28 millions agricultural workers, 141,000 Maritime workers, second only to that of the United Kingdom—over 20 million workers in industries, including cottage industries, Mines and Plantations, and Transport with Railway mileage in excess of that in every country except the United States." The Railways of India alone, according to official figures, employ very nearly a million workers, directly under the proposed Federal Government, Plantations nearly three quarters of a million, and All India Factories Report returns 1,553,169 Factory operatives in 1929 and Bengal with 589,860 factory labour leads all the other Provinces. The 10 seats allotted to Labour in the Federal Assembly works out at only 4 per cent. of 250 British India seats. Labour, according to the Lothian Report and to the White Paper proposals (Appendix VI), will be principally a central subject, and all Labour Legislations affecting one million

Railway workmen, Air navigation, Inland Waterways, Maritime, Major Ports, Post, Telegraph, Telephone and Wireless Services will be exclusively Federal, and the Federal Legislature will have concurrent powers over working of Mines, Factories, Trade unions, welfare of Labour, and settlement of industrial disputes. Above all, and perhaps most important of all, that the Federal Government is given the power of ratification of Labour conventions and recommendations of the International Labour organisation constituted under the Treaty of Versailles.

All the facts stated above unmistakably indicate that the future destiny of millions of Indian workers will lie in the hands of the Federal Legislators, and ten Labour seats out of 375, including 125 seats reserved for the nominees of the Princes, is hopelessly inadequate. The 125 nominees of the Princes, the Bengal Federation apprehends, may often form a solid block of opposition to many Central Labour Legislations, including International Conventions, for various reasons. The Western India (Bombay) Industrialists, owing to a persistent policy of Protection against British and foreign goods, are, with the financial assistance of some of the wealthy Princes, rapidly multiplying their factories. (This will be still more rapid under the new Constitution, imposing unrestricted Tariff freedom.) Their tendency is and will be selection of mill sites in Indian states adjoining Bombay Presidency, where Factory laws and other Labour laws, viz., Workmen's Compensation Act, do not operate, and where cotton and cheap and sweated labour are available, and the odds are very strong that they will influence through the Nominees of the Princes, formidable opposition to passing of humane labour laws and adoption of International Labour Conventions.

The Bengal Labour Federation strongly urges that Federal Labour seats should be increased from 10 to 15, and that at least four seats, instead of only two, proposed in the White Paper, should be given to Bengal. Here again Provincial jealousy, borne out by bare facts and figures, comes into play, and the Federation deplors that no justification exists for treating Bengal and Bombay on equal footing, or, in other words, giving Bombay a weightage, by allotting two

19^o Julii, 1933.]

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Labour seats for either of these Provinces. The larger industrial importance of Bengal over Bombay has already been touched. Labour statistics show that Bombay employs less than half of what Bengal employs. The second and still more important factor is that almost all the different varieties of India's important industries are produced in Bengal, and they require different types of Labour Legislations, e.g., Coal, Iron and Steel (two of the three Iron and Steel Works are in Bengal), Tea Plantations, Inland River Transport, a network of Light Railways, Jute Mills (the biggest of all industrial undertakings in India). None of these exist in Bombay. There is still another and most significant factor, viz., population. Bengal has 50 millions and Bombay only 18 millions, and it can be safely assumed that the proportion of the numerical strength of working classes in these two Provinces is commensurate with their population ratio. Hence from every point of view (political, statistical, economic and constitutional) Bengal is entitled to at least double the number of Labour seats at the Centre arbitrarily allotted to Bombay. This and other kinds of political partiality towards Bombay is deprecated and openly criticised by every Bengalee, be he a Hindu or a Moslem, a Liberal or an Extremist, and even by Government, excepting perhaps the Government of India and its fortunate Portegees representing Bombay interests in Committees and Councils.

4. *Trade Unions as Special Labour Constituencies.*—The Whitley Royal Commission on Labour recommended "If special representation is to be given to industrial labour, the method in our view is most likely to be effective in securing the return to the Legislatures of the best representatives of labour in that of election by registered trade unions." The Lothian Committee clarifies the position in para. 248 of its report. "We found in the course of our discussion with local Governments and Provincial Committees a readiness in the majority of cases to agree that where Trade unions in India are properly organised and reasonably representative they would, subject to the qualification proposed by the Royal Commission on Labour from a suitable basis for the special representation of labour." In para. 246 of the same report, "we are

prepared to accept proposals of a number of Provinces for the establishment of Trade Union seats in their Legislatures, and this action will no doubt give impetus to the development of unions of a satisfactory character. It would, however, be in our view, contrary to the interests of the labouring classes as a whole to prescribe representation through Trade unions as the sole method and to offer them no alternatives. There are cases where Trade unions do not exist or are too weak to be entrusted with functions of representation. We think therefore that it is necessary to provide in addition another form of representation through special labour constituencies of the type described on page 250."

The Bengal Trades Union Federation fully endorse the above suggestions with the proviso that discrimination should be made between genuine trade unions and those unions formed and registered for political and personal purposes or unions subsequently captured by politicians or self-seekers. The history of our 12-year-old trade unionism in India is a chequered one. Mr. A. R. Burnett-Hurst, a Professor of History and Economics in a United Provinces College, who made a special study of Indian labour problems, says, "Trade unions have been led by professional lawyers and others who have not perhaps in all cases made a distinction between political and economic consideration." In the words of Professor Burnett-Hurst (*vide* page 523 of the Indian Year Book, 1932) "social workers did not take the initiative, but allowed the lawyer-politician to capture and control these bodies. Many of the so-called leaders of Indian labour were drawn from the lawyer-politician class, who often exploited the ignorance and credulity of labour force for their own material advantage or for the propagation of their own pet political doctrine in addition to looking after labour." The rise in 1920 and the fall of the All-India Trade Union Congress in 1929 or its capture by politicians and its conversion into a political weapon is a glaring example. There are many more instances of this kind of exploitation of labour unions, specially in Bombay, and a few in Bengal. That the so-called Trade Union Congress would be used as a tool by the politicians was almost anticipated since its creation in Bombay in 1920 by a politician or two, innocent of trade union experience and unconnected with a single labour union

19^o Julii, 1933.]

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in India. The real objective was to secure free trips to Geneva and London as Indian Workers' Delegates and incidentally help labour to organise. Successive Presidents of this body were All-India political leaders. The bubble burst at Nagpur in 1929 and its books and papers were seized by the Communist agents of Bombay and the Revolutionaries who fomented strikes and sabotage and passed resolutions in favour of its affiliation with the League against Imperialism, boycott of the international labour organisations in Geneva. This body, some time after its inception, was rescued from self-seekers and utilised by trade union leaders for the good of labour and was recognised for some time by the Government of India as the sole medium for recruiting International Labour Delegates until its downfall at Nagpur. The actual workers, with some exception, had little or no idea about the functions of Geneva Conferences or about the activities of their delegates. Honest trade unionists had to secede from that body and they set up the All-India Labour Federation which, after functioning all right for the last three years, was suddenly changed in April last, at its Calcutta sitting, into the National Trade Union Federation to give it perhaps a national complexion. One or two prominent Bengal trade unionists strongly objected to this, apprehending a repetition of the former history. The Bengal Trades Union Federation is naturally opposed to the principle of the sole method of representation of Indian labour and to the grant of monopoly or charter to any particular labour organisation to return labour representatives.

This method may be possible when the movement attains vigour and when political influenza raging all over the country subsides and when self-seeking is eliminated and a genuine spirit of service to fellow-workers which characterises the British and other labour movements, is generated. Special labour constituencies, with the franchise proposed in the Lothian Report, paragraph 250, almost approaching adult suffrage as well as Trade union constituencies composed of trade union members should both be given a fair trial in the Provinces. There should be at least four seats allotted to the Upper Chamber in Bengal and a number of seats should be reserved in the Council of State for labour. The franchise for the Federal Assembly should be membership of registered unions and the constituency to be an electoral college of such members,

although there is some danger that individual unions with very large paper membership may swamp the rest. There can be no objection to the proposal that franchise for non-trade union or special labour constituency should be based on wage-earning qualification irrespective of sex, with or without age limit or a prescribed period of employment.

In paragraph 247, the Lothian Committee suggests "that in order to qualify as an electoral unit for the purpose of voting for a special trade union constituency a union should have been registered for a minimum period of one year and have a minimum strength of 100. In the case of first election under the new Constitution the period might be reduced to six months," we find it difficult to accept the last suggestion about six months period, as we fear that large number of mushroom unions will be floated for personal purposes just before the new election. In paragraph 252 of the same report regarding qualification of candidates for election in a special labour constituency "some of us consider that no restrictions should be placed on candidates. Others would require a candidate to be an elector in the special constituency or to be a paying member, an honorary member or an official of a registered trade union." Bengal labour unions strongly support the latter view as it is almost certain that influential employers of labour as well as wealthy landlords of working-class tenants will contest labour seats and will offer concessions to working-class electors to catch their votes as was the case in England in some of the Lancashire industrial constituencies before the British Labour Party was formed. This restriction is necessary during the period of transition, as contemplated by some members of the Lothian Committee. This appears to be a fundamental drawback of adult suffrage during the transitory period and is not sufficiently realised by Labour representatives in the Round Table Conference and Lothian Committee who advocated adult suffrage as a panacea for all evils.

The Provincial Franchise Committee in Bengal of which the witness was a member has unanimously recommended in favour of enfranchisement of *manual workers* only be they members of trade unions or not. We support this view as there exists in India a number of unions composed of non-manual workers who do not come under the Factories and other labour Legislations.

19^o *Julii*, 1933.]

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5. *Concurrent Power of passing Labour Laws.*—The Bengal Trades Union Federation agrees with the White Paper proposals investing both Federal and Provincial legislators with concurrent power to pass labour laws subject to this proviso that Federal labour laws should be made operative in the Princes' States to avoid unfair competition and ensure protection of States labour.

6. *International Labour Conventions and Recommendations.*—The Federal Assembly and Government should have the power of ratifying the Conventions and recommendations of the International Labour Conference and the consent of the Federating units should be taken only and solely when these international measures affect certain specific industries, say, coal mining, iron and steel, plantations which lie exclusively within those units. Take, for example, the coal mining, a key industry of vital importance, which looms very largely in International Labour Conferences and which is declining in India due to competition of hydro-electricity and oil fuel. It is geographically situated within the adjoining provinces of Bengal, Behar (including Orissa) and Central Provinces with the exception of very small mines in Assam and elsewhere, and it is only rational that consent of these Provinces solely responsible for its labour welfare should be taken by the Federal Government before ratification of coal and other conventions affecting a particular.

6. *Special Powers and Responsibilities of the Governor-General and Governors.*—Mr. Joshi and other Indian Labour Delegates to the Round Table Conference have pressed hard in successive Conferences for full measure of protection for Indian Labour. Labour in an agricultural country like India is treated as a piece of cheap merchandise, to be acquired in open markets according to its supply and demand, without taking into consideration a labourer's cost or standard of living, especially in urban areas. As we have stated above, it is being, and has been for centuries, exploited, sweated and underpaid and forced (compulsory labour in Begari or well known throughout India and flourishes well in Feudatory and Princes' States). Hindu Public opinion has most unfortunately stamped it as "low class," as labourers are recruited from the so-called lower classes. The Whitley Labour Commission has condemned many of the shocking conditions under which Indian workers eke out their

miserable existence, e.g., deduction from wages, unrestricted supply of intoxicants in industrial areas, perpetual indebtedness, irregular wage payments, extremely insanitary housing and its effect on health and mortality, iniquitous system of recruitment, unrestricted exaction of Jobbers, absence of any schemes to provide against sickness, old age, unemployment or death. The Indian workers, or the intelligent section of them have keenly watched the progress of self-government in India since 1921, and its benefit or implied benefit to labour through protective legislations and prospective measures foreshadowed by the Whitley Commission and reports of various industrial unrest and Strike committees, as well as adoption of International Labour Conventions. They realise the consequences of Provincial Autonomy and Central Responsibility and the transfer of power from British to the Indian Parliaments, and appreciate the grim determination of the British Government to see that Labour is represented in Legislatures through special or Trade union constituencies during the period of transition. The workers' feeling is, however, mingled with pessimism, drawn from bitter experience of the last ten years' activities of the Extremist politicians, who have consciously or unconsciously rendered dis-service to the cause of Labour they took up earnestly. With the rising tide of the extremist movement and of political excitement the leaders made use of industrial labour as tools in their various experiments for mass action, promoted and encouraged strikes and deadlocks, captured Labour unions, villified humble trade union organisers unconnected with politics, with the sole object of advertising their claim for working class or mass leadership, and acquiring a good deal of limelight at the expense of Labour. Very few of them have had the faintest idea of the guiding principles of trade unionism and collective bargaining, nor any practical experience of trade union work. Consciously or unconsciously they were unfortunately instrumental in throwing thousands out of employment by engineering or encouraging strikes without sufficient economic grounds.

In Bengal these deadlocks (Assam-Bengal Railway and River Steam Service strike, and the stoppage of work in Chargola Valley (Assam) Tea Gardens and the sensational exodus of Sonthal Tea workers, and many more stoppages

19^o Julii, 1933.]

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on other Railways, public utility services and industrial concerns), have rendered thousands of workers' families destitute. In Bombay untold miseries were inflicted on textile workers in 1929 by Politicians of the Moscow brand, International Agents of Communists who "floated" Red unions with Moscow money. They captured temporarily the Girni Kamgar Textile Union and the Great Indian Peninsular Railway Union. In Behar activities of Politicals in connection with Tinsplate workers' strike at Tatanagor ruined hundreds of Bengalee and Assamese well-paid Bhadrologues (educated) workers, who were thrown out of jobs. The Extremists preach wonderful reforms from platforms and they even adopted the famous Soviet plan at Karachi Congress in 1931. However, when came their time to translate their words into deeds—the practice of their preaching Daraidra Naraynism (serving the Poor is service to God), in Calcutta Corporation, which is under the control of the Extremists, it proved a veritable mockery. That Daraidra Naraynism was put to the test during the big strike, in 1928, of several thousand workers in the Conservancy staff of the Corporation for fair wages and bonus, and proved an "eye wash." Even the lump sum of Two Rupees (three shillings) as gratuity, sanctioned by the Corporation as far back as 1928 after two or three days' acrimonious debate, has not been paid even now.

The attitude of the extremist majority party in that Corporation towards the poor conservancy workers, belonging exclusively to the depressed classes is best illustrated by the following speech of one of their mouthpieces—a well-known Corporation Councillor, Babu Jitendrya Nath Bose—who in the course of the debate in the Corporation on 16th July, 1928, regarding that strike said: "They have been playing fast and loose with their poor comrades whom for years they call scavengers. They ought to have removed the grievances of these men in 1924. What had they been doing? They had been trying to shelve the question all these years. The Corporation was responsible for this strike and not any outside agency, not Miss Das Gupta, nor Mr. Daud, nor Mr. K. C. Roy Chowdhury. The Corporation sat tight on the grievances of these scavengers, who had waited from March, 1924, to March, 1928. These men went on strike in March, 1928, when having obtained an assurance they resumed work. Then the Corporation had

to shelve the matter and bluff. After committing repeated breaches of faith on this question with those comrades of theirs, it was just and proper that the Corporation should make some penance and they should not grudge this small sum of strike pay. Having committed repeated breaches of faith in the past, it was now up to the Corporation to make amends and not deviate in the least from the very wholesome recommendation before you. It was a question of congratulating themselves that they had been able to settle the matter so cheaply. The Corporation went to the length of requesting the Commissioner of Police in order to break the strike to arrest and prosecute some of the strikers and their leaders as the following resolution passed at the meeting of the Corporation on 16th July, 1928, shows: "That the chief Executive officer be directed to send a letter to the Commissioner of Police requesting that all cases, pending in criminal courts against these scavengers and their leaders be withdrawn." There was a fresh strike of the Corporation cartmen who remove refuse from the streets in the fourth week of May this year. The Police Commissioner was called to the spot and the Police were obliged to shoot and wound one or two workmen. Take the case of Ahmedabad (Bombay) mill-owners, the Western India leaders of Swaraj movement, who ordered in May, 1933, on the plea of depression, a huge cut in wages of their operatives in face of the facts that British textiles are taboed and protective duty increasing to 75 per cent. has been imposed on Japanese fabrics and that Swadeshic cloth is in great demand with the inevitable result—a big strike called by Ahmedabad Labour Union, reported to be one of the best unions in India, and under the direct influence of Mr. Gandhi, who acted all along as an arbitrator between Ahmedabad mill-owners, who are his political followers, and their operatives and established the principle of Joint Industrial Council there.

Trade unionists all over India have reasons to believe that the prosecution of some of the innocent Trade unionists of Bengal, Bombay and the United Provinces before the Historical Tribunal known as Meerut Trial and their subsequent acquittal was instigated principally by the Mill owners of Bombay. For reasons based on actual facts stated above in this paragraph and further reasons stated below the Trade unionists in

19^o *Julii*, 1933.]

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Bengal are justified in their apprehension that the new Constitution as sketched in the White Paper transferring trusteeship of the masses from the Parliament to the Indian legislatures without definite safeguards for protection of labour will not be helpful. There are scores of cases where Employers frequently sought the assistance of Police to break ordinary strikes (e.g., the strike of workmen of the East Indian Railway workshop at Lilloah, near Calcutta, in 1928, the famous deadlock of Steelworkers at Tatanagor in 1930, and the Police were obliged to resort to shooting workmen. Trade Unionists in Bengal have reasons to apprehend that under Provincial autonomy with an Executive fully responsible to the Legislature, pressure will be most frequently brought on the Ministry of Police to break legitimate strikes and deadlocks by shooting and taking punitive measures notwithstanding the presence of seven or eight labour representatives in council. Past experience indicates that there will be frequent repetition on purely economic grounds of the big Corporation scavengers' strike in 1928 in Calcutta and complete stoppage of removal of refuse and other municipal work for days together, endangering public health and human lives, the Police under the Ministry will be more readily utilised and there will be more shooting than ever. The reaction on the workers' minds after shooting will be more determined than ever. The Governor under the White Paper scheme will be powerless to intervene and the result will be chaos. There is still another reason why workers demand safeguards. Not infrequently Speculators in Bombay and specially in Calcutta have directly or indirectly promoted industrial strikes and financed strike leaders for gambling purposes, e.g., during the big strike at Tata steel works in 1930, the Share market Operators of Bombay supplied funds. The most glaring case of speculators engineering and financing industrial strikes was the devastating Jute mill strike in 1929 affecting more than 150,000 mill hands for weeks and causing huge loss of their wages—the biggest Jute workers' strike in History without real economic grounds. Facts about this, viz., the connection of the Hessian speculators of Calcutta who operate in the Fatka Buraas (Futures market gambling booths) with that strike, were placed before the Whitley Royal Commission in 1930. Many thousand Jute workers left factories for their village

homes and the industry was dislocated, causing untold misery on all connected with and dependent on the Jute industry. The chances are that there will be recrudescences of this type of deadlocks and lightning strikes at the instigation of gamblers who will join hands with politicians having personal motives, to grind the poor mill hands and deprive them of their bread and depress their standard of living. Neither the Ministry of Labour nor the Council will be of much use to check this evil. In a case like this and in all cases where workers are victims of either the Employers, or the Police or the politicians or the gamblers the Governor alone can act and act swiftly if he has a special responsibility to act, to take prompt action to call immediate Conferences, to forbid Police interference and above all to proclaim to the workers his intention to intervene in the workers' interest and thus restore industrial peace and harmony. In the same manner and for identical reasons, the Governor-General should have a special responsibility for the protection of nearly a million of Railway workmen, Post and Telegraph employees and Maritime workers and others employed in public utility services under the Federal Government. We have bitter experience in the past of strikes on the G.I.P. Railway, E.I. Railway, not to speak of the famous strike on the Assam-Bengal Railway and Steamer Service, already alluded to, as specific instances of direct action purely for political purposes. There are indications that the future tactics of Revolutionary politicians will be the wholesale use of railway and other labour as pawns in their political games and their subversive actions. It is already in their air that the Irish method, viz., direct action and Larkinism, will be resorted to, at the expense of tens of thousands of Railwaymen, Dock and Maritime workers, having no direct interest in the political issues. It is therefore all the more necessary that the Governor-General should have a special responsibility "for effective protection of the economic interests of Indian working classes." It is perfectly true that the Governor-General and Governors under the White Paper Scheme will have a special responsibility "for the prevention of grave menace to the tranquillity of India or of any part thereof." The Bengal Trades Union Federation is very doubtful whether large-scale Railway or industrial strikes, engineered or en-

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. APTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

couraged for political and personal purposes, unaccompanied by violence or sabotage, will at all come under this head of special responsibility. Neither will a Municipal Scavengers' stoppage, unassociated with violence, come under that category. On the contrary, Employers will press Governors to intervene in their interest on the plea of prevention of menace when a deadlock and its incidental minor breaches of peace occur and continue for some time.

Indian Trade unionists have reasons to fear that Labour will fare badly with the immediate prospects of rapid industrialisation under Protective Tariffs. Many more lakhs of peasants will be lured from their healthy village homes to factory towns with its demoralising and devitalising environments, and the power of wealth in few hands will grow immensely and will be utilised to suppress Labour. In fact, even the Nehru Report on Indian Constitution, published in 1928, page 48, says, "That there is no doubt that the power of wealth is great in the modern state. It is so great that it seldom troubles to contest seats in the Legislatures, as it can pull the strings from behind." The strings will be pulled from behind all right, and more vigorously under the new Constitution, as proved by a past experience of Montagu Councils and Assembly when Bengal Tenancy Amendment Bill in Bengal Council, Salt Duties Amendment Bill and Certain Industries Bounty Bill in the Assembly were taken into consideration. Hence the imperative necessity to provide safeguards, during the next few years of transition, for effective protection of the economic interests of millions of India's working-class subjects of His Majesty—the real backbone of the Indian nation—whose good—the good of the largest majority—should be the primary object of framing the new Indian Constitution.

B410. Is it in order, Mr. Joshi, that questions should be addressed to you or to Mr. Shiva Rao?—(Mr. N. M. Joshi.) I think to Mr. Shiva Rao.

Earl of Derby.] You will make any statement you like, Mr. Joshi.

Sir Manubhai Mehta.

B411. I will confine my questions to Mr. Roy Chowdhury. In paragraph 1 of your memorandum, you refer to Fundamental Rights?—(Mr. Chowdhury.) Yes.

B412. You say "This British conception of constitution will not hold water in an Oriental country like India where social and socio-economic conditions of the poorer and working classes are positively different and where brutal practices exist that should be swept out of existence by Statutory instruments." You advocate the adoption of a plan that has found favour in the modern constitutions of the Soviet Republic and certain other modern constitutions like those of Czecho-Slovakia and Germany?—And Ireland.

B413. May I ask you if the inclusion of fundamental rights in the constitution of Germany has safeguarded those fundamental rights?—To a great extent.

B414. They have safeguarded them?—Yes. May I give you an instance. Articles 151 to 165 of the German Constitution provide what they call the Economy Council—the Economy Division of the Constitution.

B415. I am not referring to the Economy Council?—They are under that head, and it provides that primary education shall be compulsory—No. 1; No. 2, that the workers and employers shall co-operate on an equal footing through the Factory Workers Council, through the Reich Council and so forth.

B416. You are more for such declarations of rights as freedom of speech and freedom of association. Are those respected in Germany any more?—As a matter of fact those are the usual rigmarole of rights, if I may say so, but what we really need in India, are, as you may say, the *bona fide* rights, the right to have an old age pension, the right to have sickness benefit, the right to insurance.

B417. You would claim enumeration only of those fundamental rights which are ordinarily claimed by labour?—By labour, and the peasants; both. For example, I claim the right of fixity of tenure and fixity of rent for the peasant.

B418. You would consider that more advisable than the personal liberty and safety of property?—Yes; I should think so. In paragraph 5, you say "The Bengal Trades Union Federation agrees with the White Paper proposals investing both Federal and Provincial Legislators with concurrent power to pass labour laws subject to this proviso that Federal labour laws should be made operative in the Princes' States to avoid unfair competition and ensure protection of States labour."?—Yes.

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

B419. So you deny to an Indian State the right which you would give to a Province?—I do not deny the right. I want the right.

B420. The States may have their own laws and you want the Federal laws to be applicable to the States?—Yes.

B421. So you deny the right of the States to make their own laws?—They are coming into the Federation and they should abide by it.

B422. My question is that when you are prepared to allow the Provinces their autonomous rights of making laws as regards labour, you deny that same right to the States?—The Central Legislature is given certain rights and the Provincial, but in the States they are the Central and they are the Provincial, both combined.

B423. As to the Federations, they are in the position of Provinces?—Yes, the powers of legislation are divided into Central and Provincial. The Central powers do not include the powers of the State; they do not include anything to do with the State.

Sir John Wardlaw-Milne.

B424. As I understand the witness, his submission is that in regard to all Federal subjects under the White Paper the States should give up all rights?—Yes; that is my point. It is quite clear.

B425. I do not ask you that, but that is your point?—That is my point.

Sir Manubhai N. Mehta.

B426. The States should not have those concurrent rights which you are prepared to concede the Provinces?—No; let the States have the same concurrent rights as the Provinces have.

Earl of Derby.] Will you put questions on Memorandum 54 at the same time?

Sir Manubhai N. Mehta.

B427. Yes. (To the Witness): You say in paragraph 3 (D) of your Memorandum 54: "If the Princes are going to be given the sole authority to define, in their Instruments of Accession, their powers and jurisdiction in respect of those matters which they are willing to recognise as federal, it is only logical that in the Federal Executive and Legislature their right of vote should be restricted only to such matters and there is no justification for allowing them to vote on purely British India subjects." May I first remind Mr. Shiva Rao, even in

matters of treaties of accession, the Princes are not going to be given the sole right to define their jurisdiction or the extent of the subjects. You know if the Princes' demands are not reasonable the paramount power is in a position to refuse to accede to the treaty of accession from that state?—(Mr. Shiva Rao.) Yes, that is so.

B428. I should like to know what you regard as matters purely affecting British India. Suppose there is legislation for an increase in the marriageable age of girls, it is a British-Indian question because it is not federal, but would not you say that the States are equally interested in matters of social reforms?—Yes, they may be equally interested in matters of social reform. (Mr. Joshi.) May I say it is true that the States are equally interested, but the legislation will not affect their subjects at all.

B429. I have explained to you, Mr. Joshi, that the demarcation between one State and British India does not put a stop to inter-marriages. A bridegroom from British India may marry a girl from a State and the law will operate to the extent that it will prevent the marriage?—True, but the marriage will have to be celebrated in British India.

B430. So it is not merely upon the forum that the law will apply, but you say it is a personal law?—May I say that on the same analogy, any law passed by an Indian State will affect British India, and we are not claiming any rights of interference with the States.

B431. But we have not denied you the right to come into our Legislature. There are many British Indians who come to our Legislature and we have not denied them the right of asking questions?—Similarly, our Constitution is going to provide that a subject of an Indian State may become a candidate in British India. The same right is given to the subjects of the Indian States.

B432. Yet you say he should not be entitled to vote on such subjects?—We say a representative of the States should not vote because the legislation will not apply to the Indian State.

Nawab Sir Liaqat Hayat-Khan.

B433. Mr. Chowdhury, I want to ask you a question. Will you please refer to paragraph 2: "Second Chambers" in your Memorandum No. 55, where you suggest that a certain number of seats should be reserved for Labour over and above what is provided for in the White

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

Paper. How do you propose that these seats should be filled up? Do you suggest that these Labour representatives should be nominated by the Governor-General, or should this be by election?—(Mr. Chowdhury.) Are you speaking of the Provincial Chamber?

B434. No; I am talking of the Upper Chamber, the Second Chamber, where you ask for extra seats for Labour?—Yes.

B435. How do you propose that these extra seats should be filled up—by nomination by the Governor-General or by election?—Nomination has been generally tabooed in India. The investigation of the Lothian Committee shows that nomination is looked upon with great disfavour, but I shall give this reservation, that in the case of any experts the Government may require they will have to get them through nomination—labour experts, just as economic experts are nominated in other Legislatures. In the case of experts I would favour nomination, not otherwise.

B436. My question was whether the extra seats you are asking for in paragraph 2 you would desire to be filled in by means of election or by means of nomination?—By means of election.

B437. If they are to be filled up by means of election would you then alter the franchise qualifications for the filling up of those seats, because you add in the same paragraph that for the Upper Chamber the franchise qualifications are harder than those for the Lower Chamber? It is intended to send representatives from the propertied classes and all that sort of thing?—Yes.

B438. How do you reconcile that franchise with a Labour candidate?—I want to see the franchise lowered.

B439. You want a complete alteration in the franchise?—No, not a complete alteration. Let me clear my position. We think that so far as the Labour seats in the Upper Chamber of the Central Legislature are concerned there will be an Electoral College composed of, say, members of registered Trade Unions, just as in the case of the seats for commerce and trade in the Upper House it is the Bengal Chamber of Commerce; it is the other Chambers of Commerce. They send their representatives by election among themselves. Individually they have no property qualification. Individually, for example, my friend Sir Hubert Carr, if he wants to go to the Upper Chamber,

may not hold any property at all, but he is a member of the Chamber of Commerce, so I say Labour representatives must be members of an organised Labour body in order to enjoy the franchise.

B440. Then they should depend for their election to the Upper Chamber on this Labour organisation—this Labour Chamber; that is what you propose?—Yes.

B441. Not the ordinary method?—No.

B442. Would you turn to paragraph 3 of your Memorandum?—Yes.

B443. There you mention that "Owing to attraction of Intellectuals towards Indian labour movement their number will increase and some 'Philip Snowdens' and 'Pethwick Lawrences' will be forthcoming to represent labour in Indian Legislatures"?—Yes.

B444. When that happens do not you think men of that position will be able to secure their election through general electorates? Why should they seek special electorates in order to go into the Council if they were men of that character?—Because how are the voters in the general electorates to know whether they have sympathy with our movement unless they join our Unions? I was a member of a Trade Union.

B445. Am I to understand that distinguished representatives of Labour will not have a fair chance in a general electorate?—No.

B446. Will the people hesitate to vote for them in a general electorate if they are men of the position that you mention here?—Exactly, because the general voters will go either on the Communal ticket or on some other ticket, but those who come to our Unions will have to go on our ticket.

B447. I suppose you mean the general electorate would not vote on merit at all?—That will happen during the transitory period, I suppose.

Sir N. N. Sircar.

B448. I want to put two questions to Mr. Chowdhury. On the last page of your Memorandum you conclude by suggesting that there should be more safeguards: what do you want exactly?—The safeguards for the protection of the economic interest, as distinguished from Communal, as distinguished from other interests—

B449. Instead of indulging in that kind of general language, will you just give us a draft of a safeguard that you want?—Exactly. I will give the same draft as

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

in the White Paper, where they talk about the protection of minorities and so forth. I would simply say: "The protection of the economic interests." In fact, that appears in one of the Constitutions of Czechoslovakia. I can quote it here.

B450. I do not want to go to Czechoslovakia. Would it satisfy you if we put "for the safeguarding of economic interests"?—Yes.

B451. That is what you mean by the last two pages of your Memorandum?—Yes. (Mr. Joshi.) I think I should make it clear that on this point we have our own views, and the second point which I desire to state is this, that the Indian organisation, which three of us represent, is the National Trades Union Federation and the Bengal Trades Union Federation, which Mr. Chowdhury represents, are affiliated; and the Memorandum which we have submitted is a Memorandum which is approved even by the members of the Bengal Trades Union Federation. So far as I can see, the proposals of our Memorandum in this respect are acceptable to the Bengal Trades Union Federation.

Mr. Isaac Foot.

B452. Memorandum 54 also really covers Memorandum 55?—(Mr. Chowdhury.) Let me make a counter-explanation of what Mr. Joshi said. It is perfectly true that some of the members of the Bengal Trades Union Federation have approved of the points in the Memorandum that you are discussing—the National Federation.

Sir John Wardlaw-Milne.

B453. Memorandum 54?—Memorandum 54, but subsequently, after those resolutions were passed, our Members, Members of the Executive Committee, thought of not subtracting but adding something to this. That is all; we have added that portion.

Nawab Sir Liaquat Hayat-Khan.

B454. Yours is really a supplementary Memorandum to the Memorandum with which this organisation is concerned?—It is an additional suggestion from the Provincial organisation.

B455-6. That being the case, Mr. Joshi, will your organisation accept those additional suggestions as yours also?—(Mr. Joshi.) No. It is for that reason I made a statement that we are not responsible for any statement which may be

made which is inconsistent with the Memorandum which the larger organisation has submitted.

Sir John Wardlaw-Milne.

B457. Or which goes further. You say, "which is inconsistent." Do you add to that, "which goes further than 54"?—I will not say forward or backward, because it is very difficult to say which is forwards or which is backwards.

Mr. Isaac Foot.

B458. Your responsibility is only for your own Memorandum?—Yes.

Earl of Derby.

B459. As your two Associations have agreed to come together in response to a suggestion by me, we should continue now asking questions of both of you, and, at the end, if there is anything in the evidence given by the other body to which you take exception, the Committee, I am sure, will be glad to hear your explanation and your submission?—Yes.

Sir N. N. Sircar.

B460. One more question. In Mr. Chowdhury's Memorandum you are referring to the Trade Unions. In the present Indian conditions, is it not a kind of thing which can be easily got up, these pocket Trade Unions?—(Mr. Chowdhury.) Some of them have been got up.

B461. Will you accept my suggestion that it is easy to get them up? There is not much difficulty in getting up these pocket Trade Unions?—It depends on the *bona fides* and the standing of the Trade Unions.

Sir Hubert Carr.

B462. May I get clear in my mind the difference between the two Unions? Taking the Memorandum of the National Trades Union, I was going through it carefully, and I see, taking paragraph 4, that 19 out of 21 points are purely political, and of no particular interest to labour. I was wondering whether one might draw the deduction from that that perhaps the National Trades Union is more interested in politics whilst the other Union is more interested in the sociological side of labour. Would that be a fair deduction?—(Mr. Joshi.) I can say this, that every Union which is included in the Bengal Trade Unions Federation is included in the larger body.

B463. You take more the political side, and the other Union the sociological side?

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

—No. I think the point is that our Memorandum is a fuller Memorandum. It deals with many more points than the Bengal Memorandum deals with.

B464. If I have not overlooked it, in the National Trades Union Memorandum I was surprised to find that there is no reference made, as far as I know now, to an Industrial Council. The Royal Commission on Labour, on page 467, and the following pages, was very strongly in favour of it, and taking page 467, they say: "We recommend that when the new Constitution is framed the Council, whether it has been established by that time or not, should find a place within the Constitutional structure." I notice the Bengal Trades Union has referred to this. I was wondering whether you could throw any light as to the attitude of Labour on the Industrial Council. Would Mr. Shiva Rao tell me whether it interests his Association or not, or am I correct in saying it is neglected altogether by them?—(Mr. B. Shiva Rao.) No, it is not neglected at all; we attach very great importance to that.

B465. Is it mentioned in your Memorandum?—I do not think it is mentioned, but we have suggested in paragraph 4 (d) that we must have a separate Department of Labour in charge of a Member of the Cabinet. (Mr. Joshi.) May I supplement that reply? I was a signatory to the Report which Sir Hubert Carr has quoted. The point is that that Commission recommended the establishment of an Industrial Council. We did not put it in this Memorandum dealing with the Constitution for the reason that it is quite possible for the Indian Legislature itself to establish an Industrial Council without taking power from Parliament to do that specially. The Indian Legislature can establish an Industrial Council without taking special power from the Parliament to establish such a Council. That is the reason why there is no special mention in our Memorandum of the Industrial Council.

B466. I recognise it can take the power, Mr. Joshi, and the Royal Commission on Labour presumably, of which you were a member, recognised the power, but at that time you thought it should find a place within the Constitutional structure, did you not? You were not sure, in fact, whether the Indian Legislature would set up a body such as was visualised by the Royal Commission on Labour?—Yes, but now when we are going to have a Federation where even

the Princes will be represented it will be quite possible for the Federal Legislature to establish a Council where, if the Princes choose to join, they can join.

B467. Yes, but there is no certainty that they will. Mr. Shiva Rao, I understand, suggests that a Labour Department should be established?—(Mr. B. Shiva Rao.) It is in paragraph 4 (d).

Earl of Derby.

B468. Paragraph 4 (d)?—Yes, that is right.

Sir Hubert Carr.] That hardly takes the place of an Industrial Council. I do not want to press it, but it will be a very different body. The Labour Commission attaches so much importance to this that it is rather significant that your Association should have taken no notice of it at all in a Memorandum dealing with the future constitution.

Sir Joseph Nall.

B469. What is the reference to it in Memorandum No. 55?—(Mr. Chowdhury.) It is in paragraph 1, the fourth sub-paragraph.

Sir Hubert Carr.

B470. It is in paragraph 1, about six lines down the fourth sub-paragraph?—(Mr. Shiva Rao.) We took the view that it would be open to the Minister in charge of Labour in the Federal Government of the future to see to the setting up of such an Industrial Council, with the consent of the Federated States. (Mr. Joshi.) May I supplement that reply, my Lord Chairman? Personally we shall be very glad indeed, if the Joint Committee comes to the conclusion that the Indian Legislature will not have the power to set up an Industrial Council, then that Parliament should provide for it in the Constitution itself, but the view which we took, and personally I took, was that an Indian Legislature will be able to set up a Council, but, if the Joint Committee comes to the conclusion that the Indian Legislature will not be able to do it, then certainly we urge that the Constitution itself should provide for a Joint Industrial Council.

Earl of Derby.

B471. In other words, you adhere to the proposal of an Industrial Council. Your personal opinion is that that can be set up without its being actually placed in the Constitution, but, if it is found that it cannot be so set up, then

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

you ask that it should be placed in the Constitution? Is that your position?—Yes.

Sir Hubert Carr.

B472. In paragraph 6 of the Bengal Trades Union Memorandum it is suggested that the Governor should have a special responsibility with reference to the economic condition of labour. Could you help me? How would that be exercised? In what conditions?—(Mr. Chowdhury.) It would be exercised when, say, the Minister in charge of Labour and Industry does something which is not for the protection of Labour, and the Governor interferes. I will give you a hypothetical case of which we have bitter experience. In many of these industrial strikes the police is called to break the strike by shooting. I will give authenticated instances here, and I think some friends on this Committee know. In the future Legislature of the country the Minister is responsible to the Legislature all right, but that Legislature has only eight Labour members there. The majority are not Labour. Far from being a majority they are in a hopeless minority. When the employers want to use the Ministry of Police or the Ministry of Labour, they will do it easily. Therefore, if there is a special power vested in the Governor it may not be that that power will be exercised always, but the presence of that power will act as a deterrent.

B473. I have not heard of the process of breaking the strikes by shooting.

Mr. A. H. Ghuznavi.

B474. It happened once?—I gave an instance in the Memorandum. That is the usual practice of breaking strikes.

Nawab Sir Liaquat Hayat-Khan.

B475. Does not that happen when a strike develops into a violent mob?—When the people are on strike, there is a bit of starving, there is a bit of picketing—(Mr. Aftab Ali.) On this particular point I feel it my duty to speak, because this is being said on behalf of the Bengal Trades Union Federation of which I have been Secretary since 1930. (Mr. Chowdhury.) He was.

Earl of Derby.

B476. Are you the Secretary now?—(Mr. Aftab Ali.) Yes, I am the Secretary, but another is acting in my place. When I go back I will be the Secretary automatically. Our membership is

21,900. The Seamen's Union consists of 10,000 members; that is to say, almost double the rest of the Unions altogether, and I have been general Secretary of the Seamen's Union since 1928. I was the Delegate to this year's International Labour Conference at Geneva, so I take objection to the suggestion which has been made by Mr. Chowdhury with regard to the special powers. The Bengal Federation has never wanted it, and this Memorandum, as far as I am aware, is not the Memorandum prepared by the Bengal Trades Union Federation. Mr. Joshi.) May I give a counter explanation?

Earl of Derby.

B477. I do not think we can have differences of opinion between you two. We have to decide for ourselves. I think we can hear the evidence?—Yes.

Sir Hubert Carr.

B478. There is a substantial number who require special responsibility for the Governor, and I was wondering from that, how you think with regard to nomination as opposed to election? If you require the Governor's special responsibility, that is to say, you cannot trust entirely to your Ministers, are you not prepared to trust to your Governor making suitable nomination to the Council?—(Mr. Chowdhury.) I think the question of nomination has been ruled out altogether, and it would be too late in the day to reopen it.

B479. Are you nominated?—Yes, I have been, because there is no election.

B480. Would you consider that you satisfactorily represent Labour?—Mr. Joshi is also nominated.

B481. I take it all you gentlemen satisfactorily represent Labour. If you go for election you are discontented with the number of seats given, which is eight in Bengal. May I suggest that there are eight given to Labour Constituencies, and I understand, 30 to the depressed classes who are also very largely labourers and 119 to the Muslims, who again to my knowledge, supply a tremendous number of the labourers of Bengal? Would you consider Labour interests are entirely restricted in representation to the eight extra, as I think Mr. Chowdhury called them? I will address that to Mr. Shiva Rao?—(Mr. B. Shiva Rao.) The election of Muslims or of the depressed classes will be entirely on a communal

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

basis, and I think, at any rate in the first few elections in the new Constitution, the chances are that amongst the depressed classes and the Muslims, those who are well-to-do, and who do not represent Labour, will also get into the new Legislatures, and with them communal considerations rather than economic considerations will come first.

B482. Would you agree with, what I think Mr. Chowdhury admitted, that in the present embryo state of trade unionism in Bengal unions can be got up very easily?—I cannot speak of Bengal but I will speak of Madras. It is not by any means easy to get up trade unions for the simple fact that members of the executives of trades unions stand a risk of being dismissed by their employers, and I can give you instances where every member of the executive of a registered trade union has been dismissed, and no one has come forward to protect him, certainly not on the side of the Government.

B483. In that case would not you expect that, perhaps, the Governor, knowing those conditions, would nominate a better representative of labour than those who do not organise or else are organised in the way in which Mr. Chowdhury explains?—I would rather leave it to the trades union's organisation to choose their representatives in whom they have most confidence.

B484. Leaving the others unrepresented?—For the time being. (Mr. Joshi.) May I supplement this reply? It is true that it may be possible for some people to start a registered trade union because registration of a trade union requires only seven members but it is not easy for anyone to get large membership for a trade union and the right of election which we are seeking would be given to all the unions together, either in one industry or in one Province, so that although it may be possible for any outsider to get together seven members and to get a union registered, he will not succeed in an election unless he builds up a large membership for that trades union, which is not very easy for any outsider unless he has sympathy for labour.

B485. You will understand that I am not trying to whittle down the representation of labour, but I do suggest that your recommendations with regard to election are not likely to get those people who are really interested in the socio-logical side of labour as opposed to those

who are interested in the political side, and the power which the political use of the unions would give to members?—We take the view that taking all the circumstances into consideration we shall get better men to represent labour interests by election, than by nomination. That is the view which we have taken so far.

Sir Hubert Carr.] In view of the witness's answer, I find it difficult to accept that, but that finishes my questions.

Mr. G. H. Ghuznavi.

B486. Mr. Chowdhury, will you refer to paragraph 3 of your memorandum, No. 55? You say that workers do not join trades unions owing to the opposition of their employers?—(Mr. Chowdhury.) Yes.

B487. Do you know of any case where a worker has been penalised by an employer for joining a trades union?—Yes; I know of two or three cases.

B488. Give us those cases?—There are so many Bengal jute workers' unions, but one I have particularly in mind. The employers have a rather poor idea from their point of view about the *bona fides* of those jute workers' unions. They thought that the unions, of the type I have in view, which did function more or less for a time, were more or less political bodies.

B489. A communist body?—Call it anything you like, not exactly functioning as an economic body, but the workers did not know the difference between the political side and the economic side, and as soon as they had joined they were told that they had got to give up their connection. That is one case I know.

Sir John Wardlaw-Milne.

B490. May I ask a supplementary question on that? Are you aware that there are employers in this country who still refuse to recognise trades unions?—Yes; I am quite aware of that.

Sir Hubert Carr.

B491. Might I also put a supplementary question? Do you know of any case where employers have started unions and encouraged them?—They did not actually start unions but they did encourage unions.

Mr. Ghuznavi.

B492. What do you suggest should be done if an employer penalises a labourer for being in a trades union?—I suggest some amendment in the Trades Union Act of India. I described the penalty

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

on any employer or his agent if he victimises a workman because he is a member of a trades union.

Sir John Wardlaw-Milne

B493. Again, may I ask a supplementary question? Such legislation would be going further than any other legislation of the kind anywhere in the world, would it not? Is there any such legislation anywhere else in the world?—The Indian Trades Union Act to which I am referring does penalise labour, for example, for going on strike.

B494. With great respect that is not an answer to my question. My question is: Is there in the world, that we know of, any example of similar legislation to that which you suggest?—No; I did not suggest it, but I was asked the question. I did not suggest such a thing.

B495. May I put it clearly, because you were asked what you would suggest to prevent victimisation, and your answer was, as I understood it—the Committee will correct me if I am wrong—that you have suggested or did suggest that there should be some amendment of certain Acts which would force an employer to recognise a Trades Union?—Yes.

B496. Who refuse to engage a man who was a member of it. I ask you is there to your knowledge in the whole world any such legislation?—No; I do not think there is any such legislation. I admit that.

Mr. Ghuznavi.

B497. Will you please turn to paragraph 4? Whom do you suggest will discriminate between what you call genuine trades unions and unions formed and registered for political and personal purposes, or unions subsequently captured by politicians, or self-seekers?—The electoral officer—when the officer declares the electoral roll of the members of the trades unions. That is what was suggested by the Whitley Commission, how to set about it. It is for the electoral roll preparing officer to find out the *bona fides*, or otherwise, of the trades union, the members of which he was putting on the electoral roll.

B498. You suggest that the officer in charge of the electoral roll should discriminate?—Yes.

Sir John Wardlaw-Milne.

B499. I only ask these supplementary questions to save time. Are you seriously suggesting that one individual, whoever

he may be, should decide what are the political opinions of an enormous body of people?—No; I have never suggested that.

B500. I only want to be clear what your answer is. I am not putting words in your mouth?—The Constitution provides a machinery for preparing the electoral roll of special labour constituencies. I am not here to suggest whether that is the only method to give the power. There may be some other method and I would rather omit that portion of my answer when I said that the electoral roll preparing officer should have the power. I say a Commissioner should have the power as suggested by the Whitley Commission.

B501. I understand you wish to withdraw your previous answer?—Yes. (Mr. Joshi.) May I explain in order that there may be no misunderstanding on this point. What the Whitley Commission recommended was that there should be a tribunal in each province not to decide whether a union is a political union or an industrial union, but to decide matters of detail as regards membership, because certain unions may claim that they have 10,000 members, say, and there may be a challenge given that that union only includes 9,000, and this difference may be settled by the trades union, but every union that is registered should be given the right to vote.

B502. May I put it to Mr. Joshi that all that is perfectly correct, if I may say so, but it has nothing to do with Mr. Ghuznavi's question? His question was this: In this document it is stated that trades unions should not be recognised if they become purely political. He asked who was to decide whether they were political or not. His first answer was that it should be the electoral officer. That is now withdrawn and there is now another answer to that question.

Mr. Ghuznavi.

B503. I think afterwards he said it should be a Commissioner?—(Mr. Chowdhury.) I really meant the tribunal. That question does not arise now. My answer is that it is for the legislature or for the Constitution to devise any machinery they like.

Sir John Wardlaw-Milne.

B504. You have not any views but you think something should be done?—Yes.

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

Earl of Derby.

B505. Perhaps we could ask the other body. (To Mr. B. Shiva Rao.) Have you an answer to that question? (Mr. B. Shiva Rao.) I do not understand what is exactly meant by a political union. The claim is for electoral powers to be vested in registered trades unions, and before a trades union is registered it has to go through certain formalities. It has to send up its list of its constitution and the object for which the trades union has been formed, to the Registrar of Trades Unions in its province. The Registrar must satisfy himself first that those objects are legitimate objects and that the people who have applied for registration are in fact workers, before he gives a certificate of registration. I do not see how exactly the difficulty would arise. (Mr. Chowdhury.) I do not say anywhere in my memorandum that the political union should be excluded. You will see that there is no mention of that. I said there are certain unions which are of a distinctly political complexion. I never said they should be excluded from the enjoyment of the Franchise.

B506. I did not say "exclude"; I said distinguish between a political and a non-political union. There are organisations which you do not consider to be true trades unions, you say, and then I put this question, whom do you suggest will discriminate to find out?—Some of these unions openly declare it. We have half a dozen Indians who openly declare themselves to be Communists, so their declaration is there. They do not register.

Sir John Wardlaw-Milne.] I suggest we have had the answer, that they have nothing to suggest but it should be done.

Earl of Derby.] Yes. I do not think we will take that any further.

Mr. Ghuznavi.

B507. On paragraph 2, in your Memorandum, what is the view of labour with regard to the Upper House? Have there been any resolutions passed by your Federation or any labour organisation upon that subject?—Generally speaking, the labour organisations do not favour a Second Chamber; they have not studied the point, because they have heard that a Second Chamber is associated with hereditary property and all that sort of thing. They have not given very serious thought to it. Labourers even in England, for half a century could not distinguish between hereditary and elective

Chambers, so you cannot expect Indian labourers to make the distinction.

B508. I asked you if you had passed any resolution on that subject in your Trades Unions Federation in Bengal. You have not?—(Mr. N. M. Joshi.) May I suggest that we have passed resolutions on that subject? We have passed a resolution in Appendix A: "The Federation is opposed to the establishment of the Federal Upper House. If, however, it is to be retained, Indian labour should be given adequate and effective representation thereon." We have passed a similar resolution about Provincial Upper Chambers.

Earl of Derby.

B509. That is Appendix A, in paper 54?—Yes. "The Federation is opposed to the establishment of Second Chambers, in any of the provinces in India. If, however, they are to be retained, Indian labour should be given adequate and effective representation thereon." Those are our views with regard to Upper Chambers.

Sir John Wardlaw-Milne.

B510. Perhaps you will allow me to ask a supplementary question on that. I noticed that resolution in Appendix A. Are your associations aware that in this country for probably hundreds of years, but certain for many years, legislation in favour of labour, from time to time, has been initiated by the House of Lords?—I have read something of the history of labour legislation in Great Britain.

B511. I did not say labour legislation, I said legislation which was in favour of the improvement of conditions of labour?—Yes. Such legislation has been initiated sometimes and whatever legislation has been passed has been passed with the consent of the two Chambers. I am quite aware of that fact. What we feel is that, considering the Constitution of the Second Chamber, labour legislation will make a slower progress than it can make without the Second Chamber.

Mr. Ghuznavi.

B512. Mr. Chowdhury, out of eight labour seats in Bengal, the local Labour Committee of the Bengal Government has allotted two seats for election by Trades Unions and six seats by direct vote?—(Mr. Chowdhury.) Yes.

B513. Do you consider that this is a fair division or do you suggest that the

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

seats allotted to registered trades unions should be altered?—We spent a lot of time in discussing this and we found in certain districts there were no trades unions and in those districts big industries existed. Therefore we thought as there were no trades unions the best thing is to have a special constituency.

B514. Do you consider this a fair division?—I was agitating for half and half, four for special constituencies and four for trades unions. In my opinion, it should be half and half. This was considered by the Bengal Trades Union Federation when Mr. Joshi was sitting as an associate member. We do not want that there should be special constituencies. We want all the eight seats to be given to labour and divided according to trade. Mr. Joshi was instructed by the Federation to press accordingly. Therefore the Bengal Trades Union Federation I am sure, although I am not speaking in its name now, welcome the alteration and change that has been done by the Bengal Government. Naturally they did not want the labour members to be returned.

B515. Your point is that they should all come back through the trades unions?—That they should all come back through the trades unions because the trades unions are working for the labouring class as a whole.

B516. You want all these eight seats to go to the trades unions?—(Mr. Shiva Rao.) That is also the view of the National Trades Union Federation, and in this they are supported both by the Whitley Commission and by the Report of Lord Lothian's Committee, wherever there are trades unions existing. We hold, as has been pointed out by the Whitley Commission, that if trades unions are given that right it will stimulate the springing up of trades unions on a proper basis.

B517. You say in your memorandum No. 55, "An honest peasant living on the sweat of his brow is called a 'chotologue'?"—(Mr. Chowdhury.) Yes.

B518. That means an inferior person?—Middle-class people.

B519. There is an Hindu chotologū, is not there?—I am sorry to admit that is so. (Mr. Aftab Ali.) I fully agree with Mr. Chowdhury and you do not find any differences among the Muhammadans and Hindus so far as this social question is concerned. I have seen Muhammadans who are highly placed who considered the Muhammadans, who were poor, as chotologues. I come from a

Muhammadan family myself and we have found no differences between the rich Hindus and the rich Muhammadans, although they fight so much outside.

Mr. A. H. Ghuznavi.

B520. In your Memorandum, under the heading of "Special Powers and Responsibilities of the Governor-General and Governors," you say: "Trade Unionists in Bengal have reasons to apprehend that under Provincial autonomy, with an Executive fully responsible to the Legislature, pressure will be most frequently brought on the Ministry of Police to break legitimate strikes and deadlocks by shooting and taking punitive measures, notwithstanding the presence of seven or eight labour representatives in council." What do you suggest we should do?—(Mr. Chowdhury.) Special powers to the Governor. That is my suggestion.

B521. Is it your suggestion not to transfer Law and Order?—No; not a bit; it is not a question of the Law and Order. It is a question of the protection of the common interests. It has nothing to do with Law and Order.

Sir John Wardlaw-Milne.

B522. Is it your claim that strikes should be allowed whether they became inimical to the public welfare or not: that is to say, whether they develop into violence; or do you consider that the powers of the Police, whoever may be in charge of them, should not be adequate to deal with a case of violence or other menace to the public peace?—That is a question for the Judiciary, whether the strikers exceed what is described in our Trades Disputes Act—picketing and that sort of thing; that must be left to the officers, and when it comes to court, the court will decide that.

B523. Before it comes to court there may be action being taken of which the Police must take notice. Somebody must be responsible for the public peace. Mr. Ghuznavi's question to you is: What do you want to take the place of the Police powers to keep order?—I say the Police are not at all necessary when there is a legitimate strike, but it is employed and it will be employed more in future.

B524. The business of the Police has nothing to do with strikes; it is to keep order, is it not?—I think my friend Mr. Ghuznavi has admitted before that the Police function most wonderfully during strikes.

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

Earl of Derby.

B525. What it means in your opinion is that, suppose Law and Order is given to Provincial autonomy, you are not satisfied that such a government, although it is autonomous to the Province, is strong enough, and you want the Governor to have special powers to go in over the head of his Ministers and declare that the strike must not be in any way dealt with, even on the question of law and order, by the Police?—Yes. (Mr. Joshi.) I do not want to go against your ruling, but it is somewhat disadvantageous to us that Mr. Chowdhury should be allowed to make a statement of which we do not approve at all. We are not asking for any special powers to the Governor in the way Mr. Chowdhury is asking, because we hold the special power given to the Governor is more likely to be used against us than in our favour. Therefore, we are not going to ask for that special power at all.

B526. In response to my ruling it was decided that after the evidence you should be allowed to make a statement which would deal with any questions which had been put forward by the other body which were contrary to your wishes and to your will, and you will be allowed at the end to make such a statement?—Thank you very much.

Mr. A. H. Ghuznavi.

B527. At the end of your Memorandum No. 55 you have suggested that the Governor-General should have a special responsibility for the effective protection of the economic interests of the working classes?—(Mr. Chowdhury.) So far as it is within his jurisdiction.

B528. Should not the Governor also have a special responsibility?—Yes, I have said so, both in the Province and at the Centre.

B529. What is your opinion with regard to the setting up of machinery for looking after the welfare of Labour by appointing a Labour Welfare Board in every Province that might look after housing, wages and other problems connected with welfare, and at the same time arbitrate in labour disputes?—That is all covered by the Industrial Council. That is one of the objects of the Industrial Council.

B530. Mr. Ali, do you know anything about the method of recruitment in the Shipping Department?—(Mr. Aftab Ali.) Yes.

B531. Is there much jobbery there?—Yes, there is corruption from the top to the bottom.

B532. Will you illustrate what you mean?—If a seaman is to get a job he must part with the first month of his wages.

Sir John Wardlaw-Milne.

B533. To whom?—To the Shipping Broker. Government has kept brokers; they are always taking care of the first month's wages of seamen.

Mr. A. H. Ghuznavi.

B534. What he means is that the Shipping Companies employ brokers to get their crews?—No, a Shipping Company cannot employ a broker unless he gets a licence. The Government of India, by the Merchant Shipping Act, have a system of licensing brokers and they issue a licence to a certain individual who is in town and employed by the shipowners to recruit seamen for them. That broker is there and whenever the seamen are signed they have to give him the wages for a month and sometimes much more.

Sir John Wardlaw-Milne.

B535. Without in any way appearing to defend the system, may I ask you this question: Is not it usual for the person who acts as a broker in securing employment in every walk of life to get remuneration in some form or other?—At least for a job it may be given by those who are outside, but if the Government have a system of recruitment amongst the seamen and gave effect to the recommendations of the Geneva Labour Conference there would be no possibility of such a corruption going on at all now.

B536. Leaving aside the question of corruption, is not it usual in all walks of life for persons who seek employment to pay somebody to get them a job?—That is why this wrong should go. That is why I ask you that you must find some way out that this wrong should go.

B537. Your answer is that is usual, but it is wrong?—It is not usual. It is only while there is no other way; but for the workers to get jobs they do this. If we can put more union members into one ship, they do not pay. If we cannot do that, they pay.

B538. Leaving aside questions of unions or non-unions at the moment, is it not usual in India and in this country and in every other country for people to go to an employment agency of some kind if

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.]

they want work?—Exactly. That is a question of advantage and disadvantage. It is easy to stop and we can stop it.

B539. You do not deny the system, but you think it is a wrong one?—Yes.

Mr. A. H. Ghuznavi.

B540. Do not you think it is advisable that the Seamen's Trade Unions should be allotted a specific seat in the Federal Legislature and in the Provincial Legislatures where there are such trade unions?—We as a Seamen's Union have no desire to make any special demand outside the common demands we are putting up with our national Trades Union Federation. (Mr. Joshi.) May I explain that our demand is that the Labour representation should be divided industrially; that if there are eight seats in Bengal we are quite prepared, and we consider a right way of giving representation, is that certain seats should be given to seamen; that certain seats should be given to the jute industry; and that certain seats should be given to railways; and in that manner the Labour representation should be divided according to industries. That is our suggestion.

Sir John Wardlaw-Milne.

B541. Who is to decide that? Do you want that kind of Act or do you want to leave that to the trade unions to distribute?—(Mr. Aftab Ali.) To the trade unions. (Mr. Joshi.) There are two methods recommended by the Royal Commission.

B542. It is quite simple; I only want your view?—I think it would be much better if you left it to the trade unions because the distribution will be by industries.

Earl of Derby.

B543. You say certain seats should be given to the trade unions and they should allot them as they think proper between the different industries?—We are in favour of dividing them industrially.

Mr. A. H. Ghuznavi.

B544. On page 114 of the White Paper in relation to shipping where there are mechanically propelled ships, that is made exclusively a Federal subject?—(Mr. Shiva Rao.) Item 17.

B545. Mechanically propelled ships is made an exclusively Federal subject. Are you satisfied with this, or is it your view that it should be a provincial or concurrent subject? I am asking Mr.

Aftab Ali?—(Mr. Joshi.) I quite realise that Item 17 is Federal, and if, after keeping it in the Federal list—

B546. In Bengal there are a lot of inland navigations with ships all mechanically propelled?—(Mr. Aftab Ali.) Yes.

547. That is the reason why I said, do you suggest it should be, in your view, provincial or concurrent?—It should be concurrent; it should be Federal as well as provincial.

B548. Mr. Shiva Rao, is not it a fact that the Indian masses in the main are agricultural?—(Mr. Shiva Rao.) A large number of them are agricultural, but it is also true that India is getting rapidly industrialised and is among the eight industrial Powers of the world according to the International Labour Organisation.

B549. Is it not a fact that many of those who work in, say, the jute mills, and other industries have an interest in land in their own villages?—Some of them have. I cannot speak about the jute industry because that is mainly Bengal. (Mr. Chowdhury.) Yes; they are agricultural people.

B550. They go back to the country?—Sometimes they go back. (Mr. Shiva Rao.) A very large number of workers are also becoming exclusively industrial. (Mr. Joshi.) Although I do not come from Bengal, I studied this matter as a member of the Royal Commission and I suggest a large proportion of the workers working in the Bengal jute-mills do not belong to Bengal. They come from outside.

Mr. A. H. Ghuznavi.] That is so. They go back to the country, and they have got lands there.

Lord Snell.

B551. Mr. Chowdhury, in sub-paragraph 3 of paragraph 1 of your Memorandum No. 55, you draw attention to the death rates in various parts of India?—(Mr. Chowdhury.) Yes, in the industrial areas.

B552. May I assume that you desire that an Indian Parliament should be such as would secure such an advance in the social services as would bring about a reduction in the death rate in certain areas?—Yes, I do.

B553. That is your chief demand?—Yes.

B554. In the third paragraph you show certain signs of apprehension about the influence of Intellectuals in the Parliament representing Labour. Your fear

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

there is that they may not understand Labour problems quite as closely as people who were born in and belong to the Labour classes?—I did not exactly say “apprehension.” I said a certain amount of Intellectuals do come into our movement.

B555. Yes, but you draw attention to that with the view of stating that there ought to be an increased number of Labour seats?—Yes.

B556. Therefore, I assume, that you would prefer Labour representatives to the Intellectuals?—Yes, certainly, that is so.

B557. On the ground that they would have a closer knowledge?—Yes.

B558. It is not unfair to say, is it, that the Intellectuals, Indian and European, have been, in great part, responsible for the awakening of national consciousness in India, and, to that extent, they are not outside your gratitude?—No, they are not outside our gratitude. I admit that.

B559. In the last sub-paragraph of paragraph 6 you draw attention to the question of Tariffs?—Yes.

B560. Your fear is that this device of Tariffs, whatever benefit it may bring to the wealthy classes of India, those benefits will not extend, in fact, to the workers?—Yes.

B561. Therefore, to that extent, you are suspicious of them?—Yes.

B562. Mr. Shiva Rao, may I ask one leading question first of all? As far as anyone has any right to speak on behalf of the workers of India, the National Trade Union Federation has that right?—(Mr. B. Shiva Rao.) It is the biggest organisation at present in India.

B563. And we may therefore take it that the views expressed in your Memorandum are in the main representative of the great mass of the workers of India?—That is our claim.

B564. From north to south and from east to west?—That is so.

B565. Your National Trades Union Federation is a definitely co-operative body; you want to co-operate with the Government in making a better and more prosperous India?—Quite.

B566. But, while doing that, you are disappointed, as expressed in paragraph 2 of your Memorandum, at the extent of the reforms proposed?—We feel that in several respects the White Paper proposals do not go far enough.

B567. In your own words they “fall far short of the assurances given by His

Majesty’s Government at the end of the first Round Table Conference and reiterated at the end of the second Session”?—That is our view.

B568. That also is the representative view of your organisation?—That is so.

B569. You ask, so far as I understand it, for certain fundamental rights?—Yes.

Earl of Derby.

B570. What paragraph is this?—Paragraph 3.

Lord Snell.

B571. Paragraph 3 and Appendix A. You want certain fundamental rights secured as inalienable to the workers of India?—Yes.

B572. May I take it that those rights that you ask for are for the main purpose of minority safeguards against any contingencies that may occur?—Yes; they are safeguards from the point of view of the working classes.

Lord Snell.] The reason I asked you that is that there is another side to that. If fundamental rights are granted to the workers, if your governing class are at all like those in other countries, they will make on their account a similar demand for certain rights against striking, and other things.

Earl of Derby.

B573. They may make them. (Lord Snell.) They may make them?—Our feeling is that the White Paper does recognise the fundamental rights of property.

B574. Yes, I know?—And we feel we have on our side equal right to claim fundamental rights for the labouring classes.

B575. I am not denying that, but if it is conceded it does weaken the argument against the withdrawal of those rights which guarantee privileges to property. I will not pursue that because I have got your answer to that as far as possible. You are opposed to the principle of nomination?—Yes, we are opposed to it entirely.

B576. And would prefer that such representatives as you have were chosen by your own organisations?—Quite.

B577. Subject to removal and recall, and all the rest?—In the ordinary way.

B578. In any case, you ask us in the second paragraph of E for increased Labour representation?—Yes.

B579. The Franchise Committee, as you point out, recommended “a number which will give Labour a representation equal

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

in strength to that proposed in the case of commerce"?—Yes.

B580. You would be satisfied with that?—Yes, because we point out in that same paragraph that capitalist interests are sub-divided into commerce and industry, landholders and Europeans, who, for all practical purposes will be voting, on questions which arise in the Legislature, on the side of the capitalists, and we claim that we should have the same amount of representation as these three interests put together.

Sir Hubert Carr.

B581. Might I ask a question as to whether the Witness would include a proportion of the depressed seats amongst Labour representation in comparing the total with your representation to capital as given in your Memorandum?—A few among the depressed classes may be there; it is rather a risk, but, especially in the first few elections, the landlords amongst the depressed classes will stand a very much better chance of election than the workers in the depressed classes, because elections in India are very expensive, as I know to my cost.

Earl of Derby.

582. And elsewhere?—Very much more in India than anywhere else. (Mr. Joshi.) May I say a word in reply to Sir Hubert about the depressed classes. Theoretically it is true that the representatives of the depressed classes to a large extent should be the representatives of labour, but that is only theory. The difficulties are these. In the first place, the representatives of the depressed classes will be elected on communal electorates, with the result that social grievances will form the main plank for election. Secondly, as Mr. Shiva Rao said, it is the landlord among the depressed classes who has the better chance because he has the money to fight the election, but there is a third, and very important, reason why to-day we cannot afford to have them as Labour representatives, and it is this, that the depressed classes educationally are extremely backward. Any representatives whom they may send to the Legislature are not likely to understand the Labour point of view at all, and will not understand it for a long time to come. I do not suggest that the depressed classes should not get representation; I think they deserve it, because they have been kept down by the other classes so long that

I should give them representation under any condition, but they are not likely to be useful for Labour representation, because they will not understand the ordinary Labour point of view, and they will not have the ability to put forward that point of view in the Legislatures. That is really our greatest difficulty.

Sir Hubert Carr.

B583. Do I understand that the man who comes from the depressed classes, and is thoroughly capable of looking after his interests with regard to water supplies, temple entry, and so on, is not able to look after his interests in a factory?—I am suggesting that for a long time to come the representatives of the depressed classes will not be able to fight with ability the strong and powerful capitalist representatives in the Legislatures. I shall give you a few instances.

Earl of Derby.] I think you have made your case quite clear. I think we quite understand it.

Lord Snell.

B584. May we now return to the question of Labour representation, Mr. Shiva Rao. In asking for this increased Labour representation you are trying to follow the findings of the Whitley Commission, which said: "The presence of representatives able to voice the desires and aspirations of Labour, and to translate these into concrete proposals, is essential for the proper consideration of measures affecting Labour"?—(Mr. B. Shiva Rao.) Yes.

B585. That is to say, you conceive an increased Labour representation as adding strength to the Indian Legislature in every way?—Absolutely, but I would urge just one other point, and that is this: During the last 12 years practically all the Labour legislation that has been put through at Delhi has had the support of the Government, and the Government has naturally used all its votes to back up its own proposals. We are not sure who will be in power when the Federation comes into existence, but, from present indications, it will certainly not be very pro-Labour in its tendencies, so we want to safeguard the interests of Labour by additional representation in view of that change.

B586. I will finish at that, Mr. Shiva Rao, and just ask you another question which rather troubles me. That is to say, you are apprehensive as to what the

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

Provinces might do in regard to the implementation of International Labour Conventions that have been agreed to at the Centre?—That is in paragraph (M). That is our fear.

B587. If the Provincial Legislatures hesitated a great deal on these points, would it not be, on the whole, for financial reasons—questions of financial embarrassment to a Province—and would that not be met if some form of sub-convention from the Centre to the Provinces could be made for the purpose of implementing the Conventions of that kind?—Yes, we should have absolutely no objection to that method being adopted not only in regard to International Conventions, but subjects like Health Insurance, Invalidity and Old Age Pensions, which have been made exclusively Provincial subjects and which we want to be made both Federal and Provincial with concurrent powers for both Legislatures.

B588. You draw attention to the under-representation of labour so to speak in the Upper House?—There is no representation at all in the Upper House.

B589. No. I mean, moved perhaps by the pathetic loneliness of Lord Ponsonby and myself, say, in the Upper House here, you feel that labour ought to be well represented in the Upper House?—We will not feel so lonely if we get 10 seats.

B590. Only just one more point, and that is about strikes. The question of disorder has been mixed up with strikes; it always is here, but there is no necessary connection between men who strike for an increased wage and public disorder, is there?—Absolutely none.

B591. And in most cases where there are strikes, there is no public disorder?—I can give you a concrete instance. For instance in Madras City, whenever there is a strike organised by unions, with which I am connected, first of all, I give notice to the employer, and I also give notice to the police, and the Commissioner of Police gets into touch with me and arranges how many police constables, inspectors, or sergeants, should be placed outside a mill. There has certainly never been any trouble in Madras City from the point of view of law and order. I can give you an instance of Madura, where there was a big lock-out in 1921, because an employer put up a notice that the registered trade union should be dissolved by a particular date, otherwise there would be a lock-out, and

the men thought it would be better to defy the employer on principle, so they decided to be locked out. For seven weeks that lock-out lasted and 8,000 workers were in that lock-out. The Government refused to appoint a Court of Inquiry under the Trades Disputes Act although we asked for one. A sub-committee was appointed and the sub-committee unanimously reported, that, whereas before the union came into existence, whenever there was a strike there was always looting of shops, and the police had to be told to do special duty, after the union came into existence in spite of the fact that the lock-out went on for seven weeks there was not the slightest indication of any disorder.

B592. My last question is: Do you agree that it is unfair—not intentionally so, but, still, unfair—always to attach strikes to disorder?—I would say, there is singularly little trouble during a strike. Very occasionally when a strike or a lock-out has been prolonged for months there may be a little trouble here and there. I will give you the latest instance of the Madras Southern Mahratta Railway strike which lasted seven weeks last year when there was never any trouble.

Sir John Wardlaw-Milne.

B593. If I may say so, you did not in a sentence answer the question that was asked you, whether not taking Madras or Madura as special cases, but taking India as a whole, it was true that strikes had not been in the past generally associated with disorder of some kind?—Not generally.

B594. Your answer is No?—No.

Mr. Cocks.

B595. You said just now that you represent the largest Trades Union organisation in India?—Yes.

B596. I see you mention the Railway Unions in paragraph 1 of your memorandum?—Yes.

B597. Have they joined you now?—They are joining up. The new Federation—it is an amalgamated body—came into existence on the 10th May, and I left India on the 10th June, but even within those four weeks I know that four of the bigger unions had applied for affiliation.

B598. That would double your membership?—No; the actual membership given here, of Railway Unions is over 100,000. As a matter of fact, their latest Report

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

gives 129,000 as the actual strength of the All-India Railwaymen's Federation.

B599. Your numbers will be enormously increased; they will be doubled or trebled?—Yes.

B600. Is there any large trades union organisation outside your Federation?—There are local organisations like the Bengal Trades Union Federation. There is the Madras Central Labour Board. Those are organisations more for local purposes, if I may say so.

B601. You include in your members Hindus, Muslims and the depressed classes?—We make no distinction at all.

B602. The growth of the Trades Union movement in India, apart from any economic benefits it may bring, will have the effect of breaking down communal differences?—It has had, I claim, a considerable effect already in South India, where the depressed classes problem is probably more acute than in any other part. We make it a special rule in our unions, that we should have a certain number of depressed class men elected as our representatives.

B603. So it is having the effect of breaking down not only communal differences but class distinctions also?—To a very large extent I should say so.

B604. What would you say are the labour conditions in India, industrially; are they good or bad?—Only a few days ago there did appear a cabled summary of what the housing conditions are in Bombay City, and I must say they are not much better in the main industrial cities of India.

B605. Apart from the housing conditions; I am thinking more of factory conditions, the hours and conditions under which the workers work?—We are claiming now at least that the recommendation of the Whitley Commission, of a nine hours day, should be put into effect and also that there should be some safeguard to prevent wages being driven down as they are now being driven down, in the textile industry.

B606. Those things have not been brought about yet; you are trying to get them?—We are trying to get them.

B607. Is there any limitation of hours at all in India?—In the factories, yes. There is a 10 hours day in the factories. I would like to point out that there are many industrial establishments which do not come under the definition of "factories" where there is no regulation at all. For instance, in what we

called the beedi factories, that is, the indigenous cigarette.

B608. What is the position regarding industrial and factory legislation in India? Is India backward there?—It is certainly very much backward in comparison to what you have in this country. There has been a certain amount of labour legislation put through during the last 10 years.

B609. But you have not made anything like the progress you would have liked to?—No.

B610. That is one of the reasons why you want legislation?—We hope the recommendations of the Whitley Commission will be put through.

Sir John Wardlaw-Milne.

B611. Is it not the case that the Factory Acts are extremely strict in India?—Strict in what sense?

B612. In regard to the hours. Are not they very strictly applied? I agree there may be some factories outside the Acts but so far as the Acts apply they are strictly applied?—I think the inspection of factories leaves a great deal to be desired, because many factories only receive one visit a year and I think, then, employers have previous warnings of it.

B613. It is not the Act but the application of it?—For violation of the provisions of the Factory Acts we hold that the punishments are far too light to be a deterrent.

B614. Again I say it is not the Act but the application of it?—Yes.

Mr. Cocks.

B615. In paragraph 2 of your memorandum, 54, I see you say, that your Federation has passed a resolution that this Constitution holds out "no prospect of the Indian masses and the working classes ever securing an adequate and effective voice and control in the legislature and administration of the country." When you say that, you are referring, are you not, not so much to the safeguards, but to the question of the franchise and the composition of the Chambers?—The restriction of the franchise and the utterly inadequate representation we shall have in the new legislatures.

B616. That is what you were thinking about; even if all the safeguards were swept away, you would still hold to that view?—We would still hold to that view.

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALLI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

B617. On the question of the franchise you are in favour of adult suffrage, I understand?—Yes.

B618. There are certain administrative difficulties, you would admit?—Yes. That is why we have supported the view of the majority of Lord Lothian's Committee, that, at any rate, a beginning should be made in cities with a population of 100,000 or more.

B619. There are 30 of those, I understand, from your memorandum?—Yes, according to the latest census.

B620. Another suggestion you make is that in addition to the property qualification for a vote you think there ought to be a wage-earning qualification?—Yes. We attach very much importance to that.

B621. What sort of wage would you suggest should be the minimum?—We have suggested a wage of about 10 rupees a month.

B622. You suggest that that should be the qualification?—(Mr. N. M. Joshi.) That is in cities.

B623. Is that what you mean? That is failing getting adult suffrage?—(Mr. Shiva Rao.) If adult suffrage is not granted.

B624. You are also in favour of having a provision in the Constitution for periodical revision of the franchise in the way of extending it?—Yes.

B625. What sort of period would you suggest—every 10 years?—About 10 years. That would be about two elections.

B626. Now about the Chambers themselves. I want to get this quite clear in my mind, because I am not clear at the moment. Let us take, first of all, the Provincial Chambers. As far as the First Chamber is concerned, where there are two Chambers in the Provinces you find it difficult to get representation even there in the ordinary way, do you not, because of the large size of the constituencies?—The size of the constituencies and the cost of fighting elections make it practically impossible for candidates who adopt the labour programme to get into these legislatures.

B627. What do you suggest in the way of altering that for the Provincial Lower Chamber?—That is why we have asked for special representation for labour—for adequate representation.

B628. Through Trades Union constituencies?—Through Trades Union constituencies.

Mr. Cocks.] Now about the Second Chamber in the Provinces—what do you suggest there?

Mr. Foot.

B629. None?—In the first place, we are against the establishment of Second Chambers in the Provinces.

Mr. Cocks,

B630. Yes; I understand that, but assuming the existence of them?—In the three Provinces where they have been proposed at present—

Sir John Wardlaw-Milne.

B631. I think it is stated that they want adequate labour representation?—Through an electoral college of the trades unions in those Provinces.

Mr. Cocks.

B632. That is for the Second Chamber?—Yes.

B633. Now for the Federal Assembly; you want more representation there?—Yes; we have asked for 25 instead of the 10 proposed.

B634. They would be elected by the Trades Unions themselves?—They would be elected by the Trades Unions.

B635. Now with regard to the Second Federal Chamber, you hold the view that at the present moment it is absolutely impossible for a single labour man to be a Member of that?—Yes; that is our view, because we are only very small in numbers in the various Provincial legislatures. The highest is in Bengal—eight—and we fear that those men will not be able to secure the return of even a single candidate from those legislatures to the Federal Upper House.

B636. As Factory Labour Legislation will have to go through that Chamber, you want a voice there?—Absolutely.

B637. What do you propose exactly for that Upper Chamber?—We have suggested that there should be an electoral college or colleges. We have asked for 10 seats in the Federal Upper House.

B638. Thank you very much. You heard what Mr. Chowdhury said about wanting safeguards for labour—special powers—but I understand you are against that?—We are absolutely against it, because we think that far from helping it, it is really a danger to labour. If law and order are transferred—(Mr. Chowdhury.) I never suggested that law and order should be transferred. (Mr.

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

Shiva Rao.) Our difficulty at present is that labour is a reserve subject, and even if the members in the legislatures take up these questions with regard to labour in the Provinces, there is no real pressure put upon the Member in charge of labour, but if there is Provincial autonomy, I think we shall be able to safeguard our interests on the whole better through our own representatives in the legislatures, than through vesting special powers in a Governor, which we feel may be used against us.

B639. I do not understand what is the meaning of paragraph (r), the one about discriminatory legislation. Could you explain that a little. You are referring to paragraph 122 of the White Paper?—Our fear here is this. In the White Paper in small type at the bottom it is said "Without a qualification of this kind, legislation such as, e.g., the Indian Criminal Tribes Act, would be invalidated by the provisions of this paragraph." I can give you one or two instances where members of criminal tribes have been placed under certain disadvantages in strikes.

Sir John Wardlaw-Milne.] Are not we really on different things? Is that what the question is about? You are looking at the White Paper.

Earl of Derby.] We are talking of paragraph (r) of your memorandum.

Sir John Wardlaw-Milne.

B640. This is a question of discriminatory legislation?—Yes. It deals with paragraph 122 of the White Paper and our sub-paragraph (r) deals with the proviso to that. I can give you one or two instances.

Earl of Derby.

B641. Give us one instance. I think that will be sufficient?—I spoke of the lock-out in the Madura Mills in 1921. There are about 500 workers belonging to a criminal tribe working in that mill, I know the police put very great pressure upon those 500 workers to go into the mill and resume work, when the rest of the workers were standing out. What we fear is that that pressure will enable the Government of a Province to utilise the provisions of the Indian Criminal Tribes Act to break industrial strikes and lock-outs.

Mr. Cocks.

B642. You are afraid that it will enable the Government to bring in what

are known in this country as blacklegs?—Yes; and I mention this particularly because at Geneva the representatives of the Government, when they were speaking of the convention of forced labour sought exemption for the India Criminal Tribes Acts of the various Provinces—exemption from the application of the convention of forced labour. (Mr. N. M. Joshi.) As a matter of fact, in several strikes, these people who are under the Criminal Tribes Act are used as black-legs.

B643. They are criminal tribes, are they not? They live by thieving and things of that sort?—I beg your pardon.

B644. The criminal tribes are people who live by thieving and things of that sort. That is their habit?—These criminal tribes are under special legislation. Either they have to report themselves to the police or some of them have to live in a place called Criminal Tribes Settlements, and they have to do whatever work the Government order them to do.

Sir John Wardlaw-Milne.

B645. They are in process of being reclaimed?—(Mr. Shiva Rao.) It is wrong to say that all these tribes are criminal in their habits. They provided first-class material for the armies of the India Company in the 18th century. It was with the help of the tribes that are now criminal that they conquered large parts of South India, at any rate.

Mr. Cocks.

B646. Some of them are not really criminal in the sense in which the word is usually used?—No; they make excellent soldiers, I think.

B647. I want a little explanation of paragraph 4 (u) about the Railway Board. What is the full implication of that sub-paragraph? You do not want a Railway Board at all?—(Mr. Joshi.) We are suggesting that a Board should be established by the Indian Legislature and not by Parliament.

B648. Not by this Parliament?—No.

Sir John Wardlaw-Milne.

B649. This paragraph refers to the fact that Labour interests will be weakened, and will not be benefited by the establishment of a Statutory Board. It does not say "If the Statutory Board is established by an Indian Legislature it will be all right; if it is established by the White Paper it will be all wrong."

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

Do I understand you have no objection to the Board, but it is a question of who appoints it. That is the answer you have just given?—If it is to be created it should be by the Indian Legislature, so that we can get the Constitution changed whenever we are strong enough.

B650. Meantime you object to the whole thing?—Yes.

B651. You object to the fact of the Statutory Board being appointed at all?—We first object to that, but if the Board is to be established it should be established by Indian Legislature.

B652. Leave the second part out, that is a minor matter. You are against the establishment of the Board. Why do you tell us a Board, however, established, would not be in the interests of Indian labour? Why should not a Board composed of experts be just as much in favour of Labour as persons who have no knowledge of railways?—It will depend on the creation of the Board. At present we feel if the Board is created under the present constituencies, when the claims of Labour are not sufficiently recognised, that Board is not likely to be favourable to Labour. It is a question of our ability to influence; whether we can influence Indian Legislature better than the British Parliament is a matter of opinion.

Earl of Derby.

B653. I understand your answer is this: You object to the whole proposal, but, at the same time, if there is to be one, you want it to be done by the Indian Legislature so that you feel that on that Legislature you may have more influence to change the provisions in the way you desire?—That is my point.

Sir John Wardlaw-Milne.

B654. My question arising on that is why should it be easier to influence a very large number than it would be to influence a small number? A small number would be a Board, however established. The Board would be a small number compared to the total Legislature?—You mean why should we object to a Board?

Sir John Wardlaw-Milne.] That is what I want to get at. It seems to be all in favour of Labour.

Sir Manubhai N. Mihta.

B655. "It is not right that the Federal Legislature's control over the policy and administration of Railways

should in any way be weakened by the creation of a Statutory Railway Board." Why should it be weakened?—That depends on the constitution of the Railway Board. If we expect a Board where Labour will be sufficiently represented we may not take that view.

Sir John Wardlaw-Milne.

B656. You do not object to the Board, but you are interested in what the composition of the Board will be?—Yes, that is our view.

Lord Rankeillour.

B657. I am not quite clear what is the relation between the two bodies who are represented here?—(Mr. Shiva Rao.) The Unions which are affiliated to the Bengal Trades Union Federation—seven of them are affiliated also to the National Trades Union Federation, but the Bengal Trades Union Federation as such has no connection whatsoever with the National Trades Union Federation.

B658. There is no joint body or Congress which comprises both?—(Mr. Aftab Ali.) The Bengal Federation is particularly an organisation of the affiliated organisations of the Central Organisation (that is to say, the National Trades Union Federation) for Provincial purposes.

B659. There is no Trades Union Congress which comprises both the National Trades Union Federation and the Bengal Trades Union Federation?—In a way both are one. (Mr. Joshi.) The Bengal Trades Union Federation is not really a separate body. It consists of the same Unions which are affiliated to the larger body.

B660. But not all. There are some others besides, I understand?—I do not know of any.

B661. He said seven?—(Mr. Aftab Ali.) We have nine Unions in the Bengal Trades Union Federation, and of these nine Unions seven are here affiliated in our Federation, but two are taken into the Federation subject to their affiliation with the National Federation.

B662. There is overlapping, as it were?—Yes.

B663. Of the National Trades Union Federation what is the total membership of the Unions affiliated to them?—(Mr. Shiva Rao.) We have 78,000—that is the strength of the Unions affiliated to the Indian Trades Union Federation which is now merged in the National Trades

19^o *Julii*, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

Union Federation. In addition, the Railwaymen's Federation contains 129,000, and several of the Railway Unions are now coming into the National Trades Union Federation, so at the present moment, our strength would be, say, about 120,000 or 130,000. It is an approximate number.

B664. The National Trades Union Federation represent some 125,000?—Yes, approximately, because new Unions are now coming into this Central organisation.

B665. Can you tell me what is the total number of registered Trade Unionists in India?—I could give you that number, but just at the moment I cannot.

Sir *John Wardlaw-Milne*.] It is only a small addition to that total, because most of them are in the Federation.

Lord *Rankeillour*.

B666. I understand you want for your representation the representation confined to registered Trades Unions?—Yes.

Mr. *Isaac Foot*.

B667. Mr. Joshi, or Mr. Shiva Rao, you have gathered up your general objections to the White Paper, and then you particularise your objections at the end of your Memorandum. You speak about the White Paper proposals being reactionary. May I put this general question: Would you rather have conditions as they are, or the White Paper, if that could be achieved?—(Mr. *Joshi*.) I am not prepared to give a categorical reply, because it is difficult to-day to give that reply.

B668. It is only upon your own wording. You speak here in the middle of the last paragraph (that is where you gather everything up) of: "The inauguration of a Constitution on the lines of the White Paper will bring no relief to the Indian workers, and they are one with other sections of public opinion in India in condemning the proposals as reactionary." You have got that in your last paragraph. You see there "The inauguration of a Constitution." Will you read those three lines to yourself. The question is simply this, Mr. *Joshi*: You have been in touch, and no one is better qualified to speak than yourself. You condemn the White Paper proposals. Would you rather not have the White Paper proposals and leave things as they are, if that were the only

choice?—As regards this sentence itself—

B669. I quite understand that you are opposed to the White Paper, that you want very substantial amendments of it? Supposing nothing more than the White Paper could be achieved, would you say you would rather have things as they are?—I will not give a definite reply to that to-day.

B670. I will not press you for a reply if you do not desire to give one. Mr. *Joshi*, you have been, of course, a colleague of ours in the adjoining room, and you have heard the contention made by Sir Charles Innes and others, that one advantage of a measure of reform would be the releasing of forces now devoted to barren political purposes to economic reform and social uplift. Is that the general contention of your Union? Would you believe that such forces could be released for that purpose by a large measure of self-government?—Yes, if the Legislatures are really representative of various interests, especially of the poorer classes, and, if they feel that the Legislatures will do them some good, I think that will be the result of the new Constitution.

Sir *John Wardlaw-Milne*.

B671. May I ask this one general question: If your anticipations regarding these alterations in the White Paper are not realised, do you think that there will be co-operation among the labouring classes in India for reforms on the basis of the White Paper, or will there be active opposition?—I prefer not to give a reply to that, because, although we are here to represent our organisation we do not know what view the organisation will take when that situation arises.

B672. You gave a figure of 120,000 to 130,000 as the number probably enrolled in the Trades Unions. I will assume that it may be that, or more?—(Mr. *Shiva Rao*.) To correct that particular point, I should say: enrolled in Unions affiliated to the National Trades Union Federation.

B673. There are just a few outside—small numbers?—Yes.

Sir *John Wardlaw-Milne*.] Let us assume 120,000, or 130,000, or 150,000, or 200,000. Can you give us any idea at all how many people are engaged in industry in India? I only want the roughest answer.

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

Earl of Derby.

B674. It is given here?—(Mr. Joshi.) That depends on what we call "industry." If it is organised industry—

Sir John Wardlaw-Milne.

B675. I meant organised industry such as your Trades Unions deal with?—(Mr. Shiva Rao.) 4,000,000 to 5,000,000. (Mr. Joshi.) We have given the figures.

B676. 4,000,000 to 5,000,000?—Yes.

B677. Of which your Trades Unions at present represent, whatever it may be, 150,000 to 200,000?—Yes.

B678. It is therefore the case that, speaking for the Trades Unions at the moment, you cannot be said to be speaking at the moment for those engaged in industry in India?—It is really a representation through those who are organised, but we consider that is the fairest representation, because there are no other people who will be able to represent them.

B679. I quite agree that there is nobody else to put their case?—Exactly.

B680. But you still agree with my point?—Yes.

B681. That it is only a very small number who are actually represented?—Yes.

B682. You said in the early part of your evidence that one of the fundamental rights that you wanted was a right to Old Age Pensions, and that kind of thing?—Yes.

B683. Do you know anywhere in the world where there is a fundamental right to an Old Age Pension? Is not that a matter purely of Government action in one country or another, according to the financial conditions of the country?—There are some Constitutions in which the social legislation is put down as a fundamental right—some European Constitutions.

B684. There may be some. I do not know of them. I will be glad if you will tell us?—There are some.

B685. You have suggested that your Trades Unions representatives should be elected by some form of electoral College in the same way as the Chambers of Commerce?—Yes, that is for the Central Legislature.

B686. You realise that in the case of the Chambers of Commerce of India the electorate is a very small one?—Yes, their electorate is a small one.

B687. Generally speaking, it would be true to say that it is an educated electorate?—Yes.

B688. By that I mean that the members then asked to vote would have a knowledge of the people they are asked to vote for, and their qualifications, and so on?—Yes.

B689. It is surely not the case that you can compare such an electorate with the electorate you could get through a Trades Union as at present constituted?—I think our members will know our representatives. If it is a question of mere knowing, they will know who can speak for them, and who will defend their interests.

B690. You think they can act in the same way?—I think in this matter they can.

B691. You think they could be trusted to represent the 4,000,000 who are not in the Trades Unions?—I think they could be trusted and should be trusted. (Mr. Shiva Rao.) If the suggestion be that the members of the Executives of Trade Unions, because some of them are illiterate, therefore they are incapable of taking wise decisions, may I say, with all respect, it is a very mistaken point of view.

B692. Let me make it quite clear. I have never made any such suggestion. I have merely asked whether they would represent them. I have not made any such suggestion. You are asking for Trade Union Constituencies?—Yes.

B693. That is constituencies which will elect representatives who are Trade Unionists?—Registered Trade Unionists.

B694. Do you know any country in the world where Trade Unionists have a right to be elected because they are Trade Unionists?—I do not know that Chambers of Commerce have. We are dealing with very special conditions in India and we are asking for the same right that has been given to commercial and landlords' organisations.

B695. You know of no other case; but in India the circumstances are exceptional?—Yes. (Mr. Joshi.) And the Royal Commission and the Indian Labour Committee have recommended it.

B696. You refer to the disadvantageous effects of tariff measures in India. Is it not the case that one of the greatest causes of the poverty, or so-called poverty, of India is due to the fact that the agriculturist, owing to the subdivision of land and increase of population, has only work for about 150 days in the year? You know that?—Yes.

19^o Julii, 1933.] Mr. B. SHIVA RAO, Mr. AFTAB ALI, Mr. K. C. [Continued.
ROY CHOWDHURY and Mr. N. M. JOSHI.

B697. Therefore, is it not desirable to some extent, and if tariffs result in an increase in the industrial life of India, is it not a good thing, if that results, that it should provide employment for the people?—If it is a discriminatory

tariff it benefits one class as against another.

B698. It is not tariffs you object to: It is the kind of tariffs?—Yes.

Earl of Derby.] Mr. Chowdhury, we can now release you.

(Mr. Chowdhury is directed to withdraw.)

Witness (Mr. Joshi.) May I make a short statement?

Earl of Derby.

B699. I was about to ask you if you wished to do so?—As regards the two representations, I would like the Sub-Committee to note, in the first place, this fact, that seven out of the nine Unions which the Bengal Federation has got are affiliated to the Central body. That is one fact. The second fact I would like the Committee to note is this, that I myself was present when the meeting was held to discuss this question at Calcutta. In the meeting at Calcutta the majority of the members present were from Bengal and belonged to the Bengal Trades Union Federation. If they had to say anything different from us the whole document which is before us, namely, Memorandum 54, would have been according to their view, but this document—the resolutions—was approved by the whole body that was present, without any objection by anybody. We therefore hold that even the Bengal Trades Union Federation approves of the document which we have presented and for which we stand. As regards the particular point raised by Mr. Chowdhury, namely, the special powers given to the Governor to protect Labour interests, I have made it quite clear that we do not agree with that view because we feel that the special power of the Governor is more likely to be used against us than in our favour. Secondly, I think there is some reference in his Memorandum to Special Labour Constituencies. We have also explained that as regards that, our view is that, so far as possible, we would prefer a representation of Labour through Trade Unions rather than through Special Constituencies. We consider there is a disadvantage to labour through Special Constituencies because our candidates will not have sufficient money to fight elections in large constituencies. That will be our real disadvantage. Therefore, we would prefer, so far as possible, all the representation to be given to Labour to

be given through Trade Unions. That is all that I have to say.

B700. Would you like to add anything, Mr. Shiva Rao?—(Mr. Shiva Rao.) I would like to make one point only in addition to what Mr. Joshi has said. From the questions asked it seems that some Members of the Committee have the impression (and I think that is supported to a certain extent by the Memorandum Mr. Chowdhury put forward) that in recent years in India strikes have been engineered for political purposes and that Unions are under the control of politicians. I would like to say this, that, while it is undoubtedly true that when Mr. Gandhi started the first Non-Co-operation Movement in 1920 or 1921, a few strikes of that character did take place. It is equally true that during the last three years, when the Civil Disobedience Movement has been very strong, the Congressmen have kept absolutely aloof from Trade Unions.

Mr. A. H. Ghuznavi.

B701. Not in Bengal?—It may not be so in Bengal, but I am talking of some big strikes which have taken place in India during the last three years while the Civil Disobedience Movement has been going on: a railway strike, the strikes in South India in the textile mills: every one of those strikes has taken place absolutely on economic grounds.

B702. What about Bombay?—There it was wage cuts and retrenchment in the railways. Congressmen have said to me in private, "We keep aloof from the Unions because we do not want your Unions to come under the Ordinances." I would make this point quite clear, because there may be an impression in the minds of some people that the Unions are likely to be captured by politicians. We Unions are strong, we are able to hold our own even against Congressmen. In a Municipal Election in Madras Congress decided to put up a candidate against ours, and we won the election by 320 to 200 votes. It was a municipal election. (Mr. Aftab Ali.) I wish to say

19^o Julii, 1933.]Mr. B. SHIVA RAO, Mr. AFTAB ALI
and Mr. N. M. JOSHI.

[Continued.]

that the Memorandum submitted by Mr. Chowdhury has been printed in London. If the Bengal Trades Union Federation officially prepared a Memorandum I think it would have been better advised to have printed it in Calcutta, and they could have sent it here.

Earl of Derby.

B703. I think you have made your point quite clear?—(Mr. Shiva Rao.) We sent copies of this Memorandum to all our affiliated Unions in India just before I left. (Mr. Aftab Ali.) My next point is this: I do not say that we did not appoint Mr. Chowdhury as our representative, but, at the same time, when we left, there was no certainty whether he would be called as a witness or not, and our Memorandum was prepared by the Federation and this other Memorandum I want the Committee to treat as a personal one and not as the Memo-

randum of the Bengal Trades Union Federation. The next thing is the special powers for Governor for which he has asked in the name of the Federation. This I consider will be a very great danger because, whatever powers the Governor has now, at least so far as I am concerned, always go against the workers. There has been talk of disorder, of strikes and all these things. So far as I know, especially in Bengal, whenever we have had a strike it has always been the Police who created the disorder, not the people who took part in the strike. Mr. Chowdhury feared that the Trades Unions would be captured by the politicians. If the Trades Unions could be captured, I, a seaman signing for 10 rupees a month in 1921, would not be going to Geneva as a delegate and also coming before this Committee to-day.

Earl of Derby.] We are very much obliged to you gentlemen?

(The Witnesses are directed to withdraw.)

SUB-COMMITTEE

2

MINUTES OF EVIDENCE TAKEN BEFORE SUB- COMMITTEE B OF THE JOINT COMMITTEE ON INDIAN CONSTITUTIONAL REFORM

Die Mercurii, 19^o Julii, 1933

LIST OF WITNESSES.

- Mr. Aswinikumar Ghose*
(Bengal Mahajan Sabha) ... 3
- Mr. B. Shiva Rao, Mr. Aftab*
Ali and Mr. N. M. Joshi
(National Trades Union
Federation) and Mr. K. C.
Roy Chowdhury (Bengal
Trade Union) 44