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Topics of the Week.

The Assembly and Council Elections.

It does not now seem likely that the report of the Joint Select Committee on the White Paper would be published very much before the end of May, instead of before Easter, as originally planned. We do not know how this change would affect the general reforms time-table. But though no definite information is officially available on the subject, the idea seems to be not to put off the introduction of responsible government in the provinces beyond the beginning of 1936. This, as need not be pointed out, presupposes the passage of the Constitution Act through Parliament before the middle of next year, unless something very unforeseen comes in the way. It is only after the Princes have carefully examined the Constitution Act that they would make up their minds whether to join the proposed Federation or to keep out of it. In the former case, the negotiation of the requisite instruments of accession with individual States would have to follow and is expected to take the best part of a year. All which points to an interval of nearly two years being interposed between the introduction of provincial autonomy and the effectuation of Federation. Will the life of the present Assembly be prolonged till then? This is a question which is keenly canvassed in political circles and the preparation of electoral rolls for the Assembly which is now in progress in different provinces is seized upon as a pointer against the idea of any further extension of the Assembly's life. The foundation however appears to be too insecure to build this superstructure on. It is true that the lists of voters for elections to the Assembly are being got ready; but for aught we know, this may be nothing more than their usual triennial revision prescribed under the present rules. Anyhow it is not safe to build any hopes of an early election of the Assembly on such a slender basis.

In the meantime, public impatience at the absence of any official announcement as to when fresh elections to the provincial legislatures even under the existing regime would be held is on the increase. The question was actually raised in the Madras legislative council in connection with the discussion of the budget which contained financial provision for the elections to the Assembly but none for those to the provincial legislature. The view was pressed on the Government that arrangements for election under the present rules should be made before the expiry of the first year's extension given to the Council. If there should be no chance of the provinces functioning as autonomous units under the new constitution by the beginning of 1936, there can hardly be any doubt that the best plan will be to dissolve the existing legislatures which have ceased to be in touch with public opinion and to order fresh elections in the course of the current year. We hope it will be followed even in provinces other than Madras, for it is a matter of general knowledge that the view so pointedly put forward in Madras is widely shared elsewhere.

The All-Parties' Conference.

THE All-Parties' Conference which was projected by the Bombay Presidency Association seems virtually to have been abandoned. The official announcement on the subject no doubt tries to make out as if the Conference was only postponed till after the publication of the report of the Joint Select Committee; but seeing the comparatively limited support which the idea of the Conference received from public opinion in general, we should not be surprised if nothing further is heard of this proposal to bring different parties on a common platform in order to fight the menace of the White Paper. This, if it should prove true, would undoubtedly be highly deplorable from the point of view of national interest. For if the White Paper marks progress in some respects, it also registers definite retrogression in many others. Organised pressure must therefore be brought to bear on the Government with a view to getting their constitutional proposals shorn of at least some of their more objectionable features, if not considerably improved in directions desired by progressive public opinion. Joint action by different political parties alone, if anything, seems to stand some chance of securing that very desirable end. Our endorsement of the suggestion to convene an All-Parties' Conference was based on this very consideration and nothing would have given us greater pleasure than if it had by now materialised. But the communal award really made the task of the organisation of such a conference, never very easy in this country, extraordinarily difficult. To judge from press reports, the Conference idea did not lack support from communal organisations; but the intention of the promoters was to unite, not the narrow-minded

communalists, but the broad-visioned nationalists in a crusade against the White Paper. This consummation appeared to its organisers to be unattainable especially in the present stagnation of political life. It is also undeniable that the White Paper has by now become a dead horse whose flogging would hardly serve any useful purpose. The report of the Joint Select Committee will, it is expected, prove to be a better rallying point for a political combination of the kind which the Bombay Presidency Association had in view.

* * *

The N.-W. F. P. Subvention.

WHEN the North-West Frontier Province was created, the Government of India decided to give it a yearly subvention of Rs. one crore in order to enable its budget to be balanced. This year its budget has disclosed a deficit and widespread dissatisfaction prevails in the province, as a result of the working of the reforms for the last two years, at the inadequacy of finances for the development of the nation-building services. In this respect the N.-W. F. P. is in the same boat as other provinces; but while other provinces have either perforce conciled themselves to this state of affairs or are trying to discover means of improving their finances, the cry is almost instinctively raised in the N.-W. F. Province that the Central Government be approached, if not to make good the deficiency altogether, at least to increase its yearly grant to a considerable extent. In all likelihood the cry may fall on deaf ears; but its emergence shows the danger of creating deficit provinces without giving them a clear idea as to the maximum extent to which they may depend upon the Centre for assistance. If this had been done in the case of the N.-W. F. P., nobody in the province would have had any cause to treat the Government of India as a banker who was bound to advance to the province limitless financial assistance. Was the N.-W. F. P. definitely given to understand that Rs. one crore represented not the minimum, but the maximum, contribution that could be made from the Central revenues for the purpose of supporting it? In fact, the public complaint is that the departure involved in the N.-W. F. P. being set up as a new province which had to be financially supported from the Centre was never submitted to the direct vote of the Assembly; but was so surreptitiously given effect to that it did not receive the attention from the Assembly that its importance deserved. But it is no use raking up the past. The creation of at least two more provinces, which would probably be in the same financial predicament as the N.-W. F. P., appears to be a matter not of a very distant future and a demand for the creation of three more is also being put forward with considerable force. In these circumstances a discussion of the whole problem of the creation of new provinces seems to be urgently called-for. The principles which should ordinarily govern the grant of outside help, the conditions under which it should be given, the period for which it should hold good—these and similar matters need to be very carefully considered and considered not only by the executive but by the legislature as representing the Indian taxpayer. We hope an opportunity for such a debate by the Assembly will be provided before any further additions to Indian provinces are sanctioned.

* * *

Baroda in 1932-33.

A PERUSAL of the administration report of Baroda for 1932-33 leaves the impression on one's mind that the political progress of the State does not keep pace

with its social and educational advance. As repeatedly pointed out in these columns, Baroda can legitimately boast of social legislation which is ahead of that of many States and even of British India itself. Literacy too is far more widespread there than is the case with British India. These factors should have accelerated the pace of its political progress and hastened the advent of responsible government, but it seems yet to be as far from it as ever. It has the apology of a legislature in which the popular element is reduced to a state of virtual impotence; while its local bodies are in the leading strings of the State officials. Such a broad-visioned and widely travelled person as the present ruler should not be slow to appreciate how completely this want of political progress in his State is inconsonant with the democratic spirit of the times. If with all the educational progress for which Baroda is justly noted His Highness the Maharaja cannot persuade himself to part with real political power in favour of his subjects, one fails to see what will induce him to do so. Want of properly qualified people is an excuse, which, whatever its applicability to other States, will not wash in regard at any rate to Baroda. Will it be too much to hope that the matter will receive the early and sympathetic attention of His Highness?

The working of the Hindu Divorce Act shows that its provisions are not being availed of to any considerable extent by castes in which usage disallows divorce. Out of the 40 suits registered under the Act, 29 were for divorce, 3 for judicial separation and 8 for restitution of conjugal rights. Only one of these was by an Anavil Brahman lady who sought judicial separation on the ground of cruelty. But her suit was dismissed on the ground that a similar attempt made by her to separate herself from her husband before the enforcement of the Act met with a like fate. A law to prevent unequal marriages was placed on the statute book during the year under report. Under this the marriage of girls below 18 with men above 45 is made punishable. It is yet too early to judge about its working. The next administration report will in all likelihood furnish materials which will enable us to see how the people take to it.

So far as the legislation aimed at the prevention of child marriages goes, the increasing tendency not to take advantage of its exemption provisions will be welcomed by all social reformers. Applications for exemption, which numbered 17 in 1931-32, did not exceed 9 in 1932-33 and one-third of these were rejected as against 23½ per cent. in the year preceding. The number of offences against the Act also shows a downward tendency, the figures for 1931-32 and 1932-33 being 3,450 and 3,214 respectively. The number of marriages contracted after the prescribed age limit also went down from 12,143 to 8,525 and the High Court sanctioned in 21 cases the prosecution of guardians of minors whose marriages were celebrated outside Baroda limits. It is gratifying that the State does not connive at such contraventions of this very wholesome law.

Articles.

RENT RESTRICTION BILL.

THE Bombay Legislative Council has earned the reputation of being a landlord's council by defeating by a narrow majority of six votes the Rent Restriction Bill brought forward by the representative of labour, Mr. R. R. Bakhale. The Bill was

designed to protect the middle and the working classes from the high rents prevailing in Bombay City and Suburbs by reducing them by 25 per cent. over the rent obtaining on the 1st of January 1930, in the case of all premises the standard rent of which does not exceed Rs. 200 a month. The justification for this measure was, according to the mover of the Bill, the reduced earnings of the middle and working classes, the increasing unemployment among them and their consequent inability to pay the rents which are as high as and in some cases higher than the rents prevailing in 1928 when the Rent Act was repealed. In support of his case, Mr. Bakhale compared the conditions of housing, overcrowding and the rent levels which led to the enactment of the 1918 rent legislation with the conditions prevailing today and proved convincingly that those conditions not only existed today but that they had even been accentuated in certain respects; and in making out his case, he relied entirely on the census report and the reports of the Bombay Labour Office. But why should these glaring and unmistakable facts be taken seriously by any body when there is a marked tendency, bordering on settled policy, to keep the underdog as an underdog? It was thus hardly surprising that a measure of the type of the rent bill calculated to give some relief to those who needed it should be butchered mercilessly. The surprise lies in the fact that as many as eighteen out of twenty-four members who took part in the debate and thirty members in the division lobby supported the Bill. The minor minorities which are represented by nominated members and the advanced classes solidly supported the Bill, but it was the leaders of the Non-Brahmin Party who managed to remain absent when the division took place and the Government block which killed the bill.

We recognise that the real solution of the housing problem in Bombay is to build more houses and thereby bring the supply as near as possible to the demand. And in Great Britain and other advanced countries programmes of slum clearance and of building new houses have been undertaken by the Government side by side with the regulation of rents for those classes of houses whose supply is not equal to the demand. What has prevented the Bombay Government from undertaking a similar programme? After the failure of the Development Scheme and now when loans can be launched on easy terms, Government could very well have undertaken a housing scheme for the middle and working classes. But they would not do it; and yet when a measure to secure relief to the tenants is brought forward, they retort that mere rent regulation would not increase the housing supply. The public are intelligent enough to understand this very simple truth and do not want either the Government or Mr. Kamat to din it into their ears. Moreover, both Government and Mr. Kamat should have realised that a housing programme, assuming one is undertaken, would take years to bring the supply on a par with the demand and that, if they are satisfied about the existence of the acute

housing poverty, it is clear that some relief is urgently due to the tenants when rents absorb 10 to 15 per cent. of their earnings which have now been reduced by 20 to 30 per cent. Rack-renting and evictions there may not be on such a large scale as existed in 1918; but it cannot be denied that 80 per cent. of the middle and the working classes are paying 69.7 per cent. more rent than in 1914-15 and 7 per cent. of the working class is paying 81.3 per cent. more rent than in 1914-15. Even for new premises of which Mr. Kamat made so much, the rents have risen, according to the Labour Office rent census of 1923-24, by over 200 per cent. If this is not rack-renting, we fail to see what is.

The rise of the population of Bombay from 1,176,000 to 1,300,000 during the last decade, the reduction of residential buildings from 34,800 to 32,200 in the same period, the enormous rise in rents during the Rent Act days and its continuance in the case of middle and working class tenements and the reduced earnings of these classes—all these, in our opinion, make out a convincing case for rent legislation. Mr. Kamat challenges the rise in population on the ground that it was a "guess" of the Executive Health Officer of the Bombay Municipality. But this "guess" was considered by the Census Commissioner to be so important and so near the actual state of affairs that he did not feel it necessary to challenge its accuracy. Nay, more. He even published it in the body of his report and drew pointed attention to it. And surely the guess of the Executive Health Officer of Bombay will carry greater weight with the public than that of any layman like Mr. Kamat. He characterised the housing statistics of the Census Commissioner as faulty; but failed to produce what he believed to be correct ones. He quoted the figures of the average number of persons in one-room tenements which were 4.1 for 1931 and 4.03 for 1921 and tried to show that overcrowding had gone down. But he forgot to mention the figures of two-room tenements which go against him and he also failed to mention that the percentage of occupants in one-room tenements to the total population rose from 66 in 1921 to 74 in 1931. We are sorry that in his enthusiasm to oppose Mr. Bakhale's Bill, Mr. Kamat did not quote the full figures which would have considerably shaken his position. And be it remembered that he was a warm supporter of the 1918 Rent Act and strongly supported, as a member of the Rent Act Committee of 1921, the extension of the Act till 1928 when the conditions in respect of the influx of the population were not, according to his standard, as bad as in 1918.

But it is really not Mr. Kamat's or any other member's speech which turned the tables against Mr. Bakhale's Bill. It was the Government's attitude and the subservience to Government of some of the leaders of the Non-Brahmin Party which defeated the Bill. Government were so callous to public opinion that they even refused to disclose their attitude before Mr. Bakhale was called upon to give a reply to the debate. We cannot too strongly

condemn a frame of mind which indicates that Government being sure of their majority were not open to argument and apparently did not like to expose their palpably weak case for discussion. Whatever that may be, the tenants of Bombay have been betrayed by the thoughtless action of the Bombay legislature and the much needed relief has been denied to them. We hope that the electorate will not fail to take note of the conduct of its representatives on the present occasion and to censure the loyalists and the capitalists when the occasion comes.

NO BASIS FOR INDO-BRITISH AGREEMENT.

THE Joint Memorandum submitted by the British Indian Delegation to the Joint Parliamentary Committee on Indian constitutional reform is a document of great political importance. The reception that it has met with till now has been far from satisfactory. Several explanations are offered for this lack of interest evinced by the public in what the authors of the memorandum consider to be an 'achievement.' Thus we are told that since the fizzling out of the civil disobedience movement the whole country is experiencing a feeling of political apathy from which the memorandum was not calculated to move it. This explanation is grossly mistaken. In the first place, the extent of current political feeling and activity is undeservedly underrated by those who offer such an explanation. The regime of extraordinary laws has made all progressive political activity well-nigh impossible, even if other circumstances were favourable to its development. In the second place, those who never sided or sympathised with the Congress movement of disobedience of laws can have no reason to flag in their activities because the Congress movement has almost ceased.

Then again it has been alleged that Indian politicians are so much engrossed with communal issues that they have no interest to spare for a scheme which proceeds on the adoption of the Communal Award. It is true indeed that the Award has completely failed to satisfy any section of public opinion and has left several classes, particularly the Hindus belonging to other than 'untouchable' class, smarting under a sense of great national wrong. But for that reason the interest taken by these classes in the movements of political bodies has not suffered an attenuation. On the contrary they are taking an ever increasing amount of trouble to declare themselves on all public issues. It might also be said that the contents of the Joint Memorandum are in themselves so far distant from the demands of advanced public opinion that they are 'beneath consideration.' Owing to the enforced defection of the Congress from the Round Table Conference and the protracted and dilatory proceedings of the Parliamentary Committee a feeling of suspicion and prejudice has indeed been created in this country. This feeling extends, in a measure, to all activities connected with those proceedings and naturally to the Joint Memorandum as well. A dispassionate perusal of the contents of

that document would, however, show that within its limitations the Memorandum presents an unanswerable case for very far-reaching constitutional reform.

The limitations referred to are three. There are people of proved patriotism and political experience who believe that unless the communal principle, at any rate in its present form, is removed from the constitution we will not have a normal political life. Difficulties of vested interests in the path of reaching such a consummation are answered by these people in terms of the direct interest of Great Britain in keeping the country divided. There is considerable force in these arguments, but unfortunately at the present stage of our political life it will be impossible to convince the minorities of the essential justice and disinterestedness of non-communal nationalism. It appears that we will have to wait for the minorities themselves to gather their own experience under a constitution based on 'divisions.' If a scheme of political reform is to be condemned or ignored because it takes for granted the principle underlying the Communal Award we will have to confine our public discussions to unpractical and unreal fields.

The second limitation under which the Joint Memorandum is framed is its acceptance not only of the principle of federation but also of the main provisions of the Federal scheme as it applies to the Indian States. The memorandum suggests the statutory exclusion of States members of the Federal Legislature from proceedings concerning British Indian business. It also supports a more equitable distribution of financial burdens between the States and the provinces. But the constitutional position of the States in the coming Federation is acquiesced in almost *in toto*. This means that the signatories of the memorandum support weightage given to the States and the freedom to nominate State members to be enjoyed by the rulers. Both these features of the White Paper scheme have been condemned by all sections of informed and disinterested public opinion in the country. It is bad enough that vested interests in the shape of communal electorates have been hastily created in the past. We would now be acting in unjustifiable disregard of national interests if we were to create new vested interests which would for all time block the way to progress.

The Joint Memorandum admittedly proceeds on the acceptance of the basic structure of the White Paper. This confession is likely to lead to a misunderstanding with regard to the scope of the memorandum. In fact there is reason to believe that certain sections of opinion have been led to ignore or belittle the Memorandum on this account. It is necessary, therefore, to know the basic features of the White Paper structure as the signatories to the Memorandum understand them. The Memorandum quotes the Prime Minister's speech at the close of the First Round Table Conference as containing the salient features of the British Government's constitutional policy:

"The view of His Majesty's Government is that responsibility for the Government of India should be

placed upon Legislatures, Central and Provincial, with such provisions as may be necessary to guarantee, during a period of transition, the observance of certain obligations and to meet other special circumstances, and also with such guarantees as are required by minorities to protect their political liberties and rights. In such statutory safeguards as may be made for meeting the needs of the transitional period, it will be a primary concern of His Majesty's Government to see that the reserved powers are so framed and exercised as not to prejudice the advances of India through the new constitution to full responsibility for her own government."

Realisation of responsibility, transitional safeguards, and political guarantees to minorities are thus the basic features of the British Government's scheme of constitutional advance. Apart from a few extremist and irreconcilable sections there is no party in the country, not even the Congress, that does not subscribe to these principles. In fact it was after, and partially in view of, the above quoted declaration of the Prime Minister that the Congress agreed to participate in the proceedings of the Round Table Conference. It cannot in fairness be said against the signatories to the Joint Memorandum that in accepting the basic structure of the White Paper, as above stated, they were guilty of a whittling down of the nation's demand. The real significance of the Joint Memorandum consists in the fact that its signatories approach the White Paper in no hostile mood; they simply examine the White Paper proposals on their merits in the light of the Prime Minister's declaration. The criticisms and suggestions offered in the memorandum are not, as some Anglo-Indian papers have claimed, mere points of difference on which a further compromise is to be sought. The modifications suggested in the Memorandum are essential if the policy arrived at at the Round Table Conference as a result of an exchange of views is to be honestly and adequately given effect to.

Apart from the limitations above discussed and some other important details of constitution-framing it must be admitted that the signatories to the Memorandum have effectively voiced progressive and responsible Indian opinion on almost all the cardinal defects of the White Paper. In view of the attitude of the Simon Commission and the Diehards on the subject of Dominion Status, the following suggestion in the memorandum is to be welcomed. "We consider that the preamble to the Constitution Act should contain a definite statement that the natural issue of India's constitutional progress is the attainment of Dominion Status." Such a provision is essential firstly because nothing short of Dominion Status will satisfy legitimate Indian demands, and secondly because it is asserted by responsible British politicians that mere declarations, even of a Prime Minister or a Viceroy, are in no way binding upon the British Parliament. Refusal on the part of the British Parliament to accept this suggestion of the British Indian Delegation will be a source of justifiable suspicion and resentment in this country. As the attainment of even limited

responsibility in the central government is conditional on the establishment of a federation the memorandum rightly suggests that "following the precedent of some of the Dominion Constitutions, a definite date after the passing of the Act should be fixed by the Constitution Act for the inauguration of the Federation." The signatories of the Memorandum rightly observe that the early, definite and simultaneous inauguration of the provincial and the federal constitutions will help in the emergence of parties on national lines.

The main defect in the provincial constitution as outlined in the White Paper lies in the extraordinary powers vested in the Governor. Since the publication of the White Paper a very strong agitation has been carried on in Great Britain for preventing the transfer of Law and Order to responsible Indian control. In both these respects the memorandum has clearly marked its dissent from reactionary views. "We are," observe its authors, "very strongly opposed to the proposal that Law and Order or any section of the Police Department should be reserved." Such a reservation, they feel, will be practically impossible and politically harmful. With the exception of Sir Henry Gidney the signatories oppose any special restrictions on ministerial power in respect of the terrorist movement. In fact the prevailing principle which the memorandum supports in this respect is 'Give full responsibility to the people's representatives themselves.' For political as well as administrative purposes this is the only way to reform the present unscientific and unsatisfactory constitution of provincial governments.

It is a pity that the authors of the memorandum did not see their way to support the views of one of them, viz. Sir Abdur Rahim, on the subject of the special responsibilities and powers of the Governor. The majority confine themselves to a demand that the circumstances under which the special powers of the Governor are to be exercised should be more closely defined than at present proposed. In making this half-hearted suggestion they were obviously influenced by the unjustifiable claims of the communalist members. Sir Abdur has rendered a distinct national service by declaring his own views in unmistakable terms. Sir Abdur is of the opinion that the special responsibilities and special powers of the Governor as proposed in the White Paper will make it extremely difficult for responsible Governments in the Provinces to function and considers that the provision made to meet cases of breakdown of the Constitution should suffice to meet all serious contingencies. He is convinced that if the rights and interests of the minorities and the Services are properly defined in the Constitution Act itself that will afford more effective protection to them.

Nobody can accuse Sir Abdur Rahim of irresponsibility, inexperience, disregard of the just claims of minorities, or of sympathy with unstable forces in the country. In this respect the one dissident has more correctly voiced the national feeling than the majority constituted by the rest. It is undesirable from the standpoint of the minorities

themselves and of the nation at large that the Governors should come to play a predominant political role apart from their position as constitutional heads. In recommending that second chambers in the provinces should not be set up and that the principle of joint ministerial responsibility should be provided for in the Instrument of Instructions the memorandum has given expression to a universal demand. It would have been much better had the signatories insisted upon the Constitution Act itself providing for joint ministerial responsibility. India will long remain a country of many parties, and the necessary unity and stability in the executive can only be secured by joint responsibility. Failing this the element of unity will be supplied by the irresponsible head of the administration.

The Memorandum also outlines the views of the British Indian Delegation in the matter of Reserved Subjects in the Central Government, Financial Safeguards, Fiscal Autonomy, Commercial Discrimination, Services and the future growth of the Constitution. From these as from their views regarding the topics herein discussed it is plain that an unbridgeable gulf divides the most moderate of Indian politicians from the most advanced wing of British statesmen.

D. G. KARVE.

EXCISE IN BEHAR AND ORISSA— A RETROGRADE STEP.

SELDOM does one come across in official literature such a complete reversal of Government policy during the course of a year as is disclosed in the report of the Excise Administration in Behar and Orissa in 1932-33. This extraordinary document is remarkable for the refreshing outspokenness with which revenue considerations have been treated as the decisive factor in determining Government's excise policy and for the thinly-veiled contempt with which the past policy of the Behar and Orissa Government and the present policy of other provincial Governments have been criticised. The Board of Revenue, while adopting a cautious attitude in regard to the Excise Commissioner's wholesale condemnation of the present excise policy in India, endorses the view that "the claims advanced in favour of the sliding-scale system do not perhaps rest on so sure a foundation as to deserve consideration with the revenue aspect in these hard times." The Excise Commissioner in his self-laudatory report takes an unholy delight in "undoing in six months what had been done in the past ten years."

The following statistics bring out some of the salient features of the changes introduced during the years.

	1932-33.	1931-32.	1922-23.
Number of retail shops under the distillery system	1316	1486	1540
Number of retail shops under the outstill system	292	61	178
Number of tari shops	6209	5733	5370
Number of Pachvai shops	385	361	316
Number of home brewing licenses	3176	2130	773
Number of opium shops	528	510	535
Number of Ganja shops	1131	1109	1185
Area under outstill system	16273	6562	14,967 sq. miles
Urban area under the distillery system	281	338	— sq. miles
Number of trees tapped			
palmyra	2,24,691	1,44,397	—
date	2,01,042	1,41,740	—

It will be seen from an examination of the foregoing statistics that the Excise Commissioner's claims have been more than justified and that the excise position from a temperance point of view is in several respects much worse than what it was years ago. The unquestioning iconoclast has performed his inglorious task with ruthless thoroughness. Facilities for obtaining intoxicating drinks and drugs have been considerably multiplied, duty rates and retail prices have been substantially reduced, the sliding scale system which was reported year after year to have worked satisfactorily in the last decade has been abandoned. A large area has been converted from the contract distillery to the outstills system, the excise staff was put on "to stimulate bidding and to encourage competition"—all these measures have been deliberately undertaken with the sole object of arresting the fall in revenue without adequate regard for their effect on consumption and temperance.

Of all the measures adopted, perhaps the most objectionable is the extension of the area under the outstill system. One of the chief merits claimed in favour of Government's control over the liquor trade is that, apart from revenue considerations, it ensures the supply of alcoholic drinks of prescribed strengths free from impurities and the maintenance of an accurate account of licit consumption. The Government of Behar and Orissa, by the introduction of the old and obsolete outstill system in circumstances betraying a defeatist spirit unworthy of Government, has weakened not only its position but also that of other provincial Governments. It appears that the objectionable outstill system has been introduced over about 57 sq. miles of the urban area in addition to a very large rural area. It should be pointed out that, speaking generally, the incidence of taxation per head of the population is higher in outstill areas than in non-urban and non-industrial areas under the distillery system in the same districts. (See col. 20, Appendix B, Provincial Statement V.) It follows therefore that the population in the hilly and jungly tracts, whose economic resources are admittedly low, will be taxed proportionately more heavily than in other rural areas. For this reason alone if for no other, the new policy deserves the severest condemnation. A still more cogent argument against the re-introduction of this outstill system is that the people in these tracts are being driven to take more deleterious drinks than what they were used to before.

Within the limits of a newspaper article, it is impossible to deal adequately with all the controversial issues raised in this singularly one-sided and convincing document. We are, however, unable to resist the temptation to refer to an important point mentioned in paragraph 15 of the report. It is said: "The changes have perhaps shown something more of a general interest and that is that in one field at least and for one year at any rate it has been possible to get more or at least as much revenue by reduction of taxation—a revolutionary idea but which it is fervently hoped might apply in other directions also." It is incontestable that the revenue from excise, whether in the shape of duty or of license fee, comes entirely from the taxation of the people. If therefore the increased revenue has not accrued from taxation, from what other source has it come? The Excise Commissioner would be on firmer ground if he stated that, by a reduction in the rates of taxation combined with an increase in consumption, a larger revenue was obtained in the aggregate; or that a reduction in the rates of taxation facilitated the substitution of licit for illicit articles. Neither of these propositions however connotes a

revolutionary idea and it is difficult to make out what the writer of the report has in view.

The acute economic depression, the severe fall in the purchasing power of the consumer, and the loss of income from excise are features not peculiar to Behar and Orissa, but common to all provinces; but no other Government has embarked upon such a highly retrograde policy as that of Behar and Orissa. In view of the terrible calamity that has since overtaken the province, the Government of Behar and Orissa may derive satisfaction in making it easier for the sufferers to drown their sorrows in intoxicating drinks, but it must be prepared to answer for its extraordinary action at the bar of enlightened public opinion in India.

AN EX-REVENUE OFFICIAL.

Our London Letter.

(BY AIR MAIL.)

(From Our Correspondent.)

London, March 8.

CRITICISM OF WHITE PAPER.

I have just seen a new book on the prospective Indian constitution, being a criticism from a general Indian point of view of the proposals now before the Joint Parliamentary Committee. The author, who appears to have read very widely, is a young Indian student of King's College, Cambridge. He is no less than Mr. A. Krishnaswami, son of Dewan Bahadur A. Ramaswami Mudaliyar, a member of the Round Table Conference. Mr. Krishnaswami had the advantage of submitting some of his chapters to Sir Tej Bahadur Sapru, who has paid his meed of praise to the author, and others whom Mr. Krishnaswami consulted and whose help and criticism he acknowledges are Sir Cowasji Jehangir, Mr. Sachchidananda Sinha, Mr. M. R. Jayakar, and Professor A. E. Zimmern. Mr. Krishnaswami's book appears to be well worthy of perusal. His general attitude is well revealed in the last two paragraphs which read as follows:—

"Nor are India's constitutional problems the sole concern of Great Britain or of the British Commonwealth. Their reactions on the whole world will be apparent to anyone who considers the present world situation critically. The right solution of the Indian constitutional problem will mark an epoch in the relations between the white and non-white races. All white nations must realize that if the non-white nations are kept in a state of subjection the cataclysmic conflict between the two races is inevitable and cannot long be postponed. Nor is it difficult to see how the existence of these subject races is hampering the progress even of Western nations and is militating against any true solution of world peace. The nations of Europe benefitting at the expense of subject colonies will have to pay an inevitable penalty unless in good time they follow the advice of the Egyptian deity 'and redeem an ancient wrong.'

"India stands expectant on the threshold of a new era. Her sons and daughters, anxious to use their energies in constructive effort, are looking forward to a realization of their hopes. Great Britain must realize that India's problems can be solved only by Indians. The 'theory of trusteeship' can no longer be advanced without raising smiles of incredulity from all classes of Indians. In a realization of the change that has come over India and Indians in an attempt to harness the good will of a large section of Indians to constructive effort in building up a new commonwealth the fourth British Empire which will consist of no subject races, a house of many mansions

where all shall live in equal status under one common protecting roof—lies the salvation of Great Britain. How far her statesmen will rise equal to the occasion, and to what extent Parliament will reflect the best minds of the British people, the events of the next few months will show."

POLICE SUPPORT TO WHITE PAPER.

Sir Charles Stead, late Inspector-General of Police in the Punjab and one of the two Indian Police officers nominated by the Central Police Association to represent it before the Joint Select Committee, addressed the India Conservative Committee at the House of Commons this week, but gave little comfort to the diehard faction, whose Press had published a misrepresentation of the views of retired Indian policemen as being hostile to the Government's policy. In declaring himself a convinced supporter of the White Paper, he said that the Service Association had admitted the advantage of a settlement by agreement commanding reasonable support in India, and had declared that if its minimum recommendations were accepted most of its members hoped to be able to continue to render useful service in support of the new administration. "A Police officer's efficiency," he said, "is measured largely by his ability to secure support from the public. Although police can operate usefully in spite of opposition from considerable sections of the people, it cannot function at all, except as a military force, if faced with hostility or, at the best, indifference on all sides."

SIR L. STUART'S VIEWS.

Sir Louis Stewart in his retirement sings, however, somewhat noisily, another tune. He is horrified at the idea of handing over the Government of the British Indian Provinces to a relatively small electorate, with the result of delivering the people, body and soul, to the political adventurer. Sir Louis thinks that there are very few Indian politicians who are in the job from an honest desire to do some good, the vast majority of politicians being small men on the make. Even if true, Sir Louis would be hard put to it to find a country which would be entirely free from such a disease, and yet such countries are not denied self-government.

Our Parliamentary Letter.

(From Our Own Correspondent.)

New Delhi, March 18.

COTTON TEXTILE PROTECTION BILL.

THE whole of the week was practically taken up by the discussion on the first reading of the Cotton Textile Protection Bill. As both the Indo-Japanese Trade Agreement and the Bombay-Lancashire Pact have found a place in the Bill, they underwent a searching criticism from all points of view; while there seemed to be a general agreement and satisfaction over the Indo-Japanese Trade Agreement, the Bombay-Lancashire or more popularly known as the Mody-Lees pact came in for a severe handling. Some members doubted the wisdom of leaving such agreements to private bodies, Government thus 'abdicating' their powers in their favour. Feeling sometimes ran high when the pact was attacked and defended in choice phraseology. The Bill itself was also attacked as giving statutory recognition to Imperial Preference. Mr. Neogy pointedly asked the President whether by voting for the motion for the Select Committee they committed themselves to that principle, to which the President replied that by doing so they

would merely commit themselves to the principle of protection for the cotton textile industry.

The attack on the Bill was started by Mr. B. Das who moved for its circulation for eliciting opinion on it. He could not understand why Government tried to give effect to the Indo-Japanese Trade Agreement, when the Assembly had no opportunity to discuss it. He also opposed the inclusion of the Mody-Lees pact which he characterised as 'anti-national and humiliating to India.' He challenged the representative character of the Bombay Mill-owners' Association to speak in the name of the mill industry of India. He complained that the handloom industry did not get adequate protection.

Mr. Mody vehemently defended the Bombay-Lancashire pact, and declared that there was assuredly a better understanding between the textile interests of the two countries; that the very basis of their conversation was that the Indian textile industry needed protection and that it must grow to its natural capacity—a statement which was later challenged by Sir Abdur Rahim when he said that the Lancashire Delegates appearing before the Joint Parliamentary Committee refused to withdraw a paragraph from their memorandum which implied that Lancashire wished India to remain in perpetuity a market for British goods and not develop its indigenous industries. Mr. Mody claimed that his Association represented half the total spindles in the country and embraced every centre of the industry in India and that the spirit of the Ottawa pact had been carried further by this pact. He then complained that Japan had extracted a higher quota from India, by using the unfair weapon of boycott and pointed out that Japan did not live up to the spirit of the agreement because Japanese steamers refused freight to British and Indian merchants. Mr. Neogy again emphasised that Mr. Mody represented only a fraction of the industry and Government seemed to have delegated their powers to the Bombay millowners in regard to that agreement. He pointed out that in spite of the pact, in respect of markets abroad, Lancashire witnesses definitely looked down with disfavour on any chance of expansion of the Indian industry and that they had held steadfastly to their demands. Diwan Bahadur Ramaswamy Mudaliyar not only defended the Mody-Lees pact, but went out of his way to attack the dissentient millowners in scathing terms, and exclaimed that so long as there were friends like Mr. B. Das and millowners who have the anti-British spirit, British industrialists were not expected to withdraw their demands for safeguards, a statement to which a reply was given by Mr. C. S. Ranga Iyer, who said that so long as there were Modys and Mudaliyars the Britisher had nothing to

fear. Mr. Mudaliyar also attacked the Federation of Indian Chambers of Commerce by saying that they themselves were responsible for the stiffening of the British attitude about commercial safeguards; for the R. T. C. provisions about discriminatory treatment were wantonly torn to pieces by the Chamber which was run by a small anti-British clique. Mr. Sant Singh retorted that if Mr. Mudaliyar and his school of thought were in a majority and the Federation of Indian Chambers represented a small clique, it cannot be understood why Britishers wanted safeguards at all! Mr. Gaya Prasad Singh thought that the demand for safeguards came from a guilty conscience with the historical background. He hoped a definite period might be stipulated within which time the industry must put its house in order and be prepared to face world competition.

Sir Abdur Rahim, leader of the Opposition, agreed with Mr. Mody that there was evidence of some modification of 'tone' in the Lancashire witnesses, but he asserted that they clung to the 'substance' and would not budge from their former demand. He added: "Even the Fiscal Autonomy Convention seemed to be in jeopardy. British commercial representatives insisted on rigid legislative provisions. They were not going to trust Indians in India and Indian opinion. Distrust was not on our part but on theirs." He also disapproved of private commercial interests coming into agreements as dissentient sections would create difficulties. He thought the real trouble over the Mody-Lees agreement was that there was no provision in it that Lancashire would take a definite quota of cotton from India. Sir Cowasji Jehangir defended the Bombay-Lancashire pact and asked why all the carping criticism was showered on Mr. Mody alone, who was the paid Chairman of the Bombay Mill-owners' Association and those responsible for the pact were great industrialists like Sir Ness Wadia, Sir Manmohandas Ramjee, Sir Chunilal Mehta and Sir Naorosjee Sakalatwala. He also laid emphasis on the complaint put forward by Mr. Mody about the Japanese steamers refusing freight to British and Indian merchants and thus practically securing a monopoly for Japanese houses.

Sir Joseph Bore defended Government's attitude in giving consent to the Bombay-Lancashire agreement which, according to him, had made matters more easy. He approved of such negotiations provided Government always kept their hands free to change, modify or reject the same. He answered Sir Cowasji Jehangir and Mr. Mody that their complaint about the Japanese discrimination was receiving the attention of the Government.

PROTECTION TO TEXTILE INDUSTRY.

MR. N. M. JOSHI'S SPEECH.

The following is the text of the speech delivered by Mr. N. M. Joshi in the Legislative Assembly on the 15th inst. on the Textile Protection Bill :

THE subject which we are discussing this afternoon is a very large one. I would, therefore, confine myself to certain broad aspects of this vast subject. The first thing which I would like to say at the very outset is that the cotton textile industry is one of the most important industries of this country. It is an industry for which we are specially equipped. We have the raw material. We have a suitable climate and we have also a very large market. From the point of view of international

trade, our right to develop these industries cannot be challenged. We have a right, therefore, to control imports. We have a right also to export our cotton goods. This seems to be quite an obvious fact, but I feel that it is better that we should keep this very obvious fact before our minds, as a pole star whenever we enter into a discussion of this question. We are discussing today the agreements with Japan and Lancashire. In both these countries the cotton textile industry may be said to be an exotic, but I shall not deal in detail with that aspect. I shall first turn my attention to the Indo-Japanese Pact and before I deal with its merits, may I enter my emphatic protest against the failure of the Government

to associate with the advisory committee, which they appointed during the negotiations, a representative of labour along with the representatives of other interests? In this connection I feel that the angle of vision of the Government of India towards industrial questions requires a radical change. The Government of India feels that it is the man who invests his money into an industry that forms the industry.

Sir Cowasji Jehangir :—Oh! No. You form the industry.

Mr. N. M. Joshi :—Out of the two factors, Capital and Labour, which form the industry, I have absolutely no hesitation in saying that it is the workers who form the more important element in the industry. What I feel is that the Government of India should give due importance to the various factors that go to make up an industry. If any one of these two factors is the more important, I feel it is labour. Take the capitalist who invests his money in the cotton textile industry. Suppose my friend Mr. Mody and his other friends in Bombay find some other more lucrative investment for their money, say, in Great Britain, will they not send their money to Great Britain and make profits there, instead of investing their capital in India? They have done so before, but where will the workers go if there are no industries in India? It is the workers who care more for the industrial development of this country than the capitalists of this country.

Sir Cowasji Jehangir :—Does not labour go broad if it finds more lucrative employment?

Mr. Joshi :—In very small numbers.

D. B. A. Ramaswami Mudaliar :—Will not labour leave the textile industry and go to another if better wages are paid?

Sir Cowasji Jehangir :—Answer the question.

Mr. N. M. Joshi :—My answer to all these questions is this, that it is labour which is more interested from the point of view of employment in an industry than the capitalist is, for whom the fields for investment abroad are more easily available than for labour to go out for employment. I, therefore, hope that the Government of India will change their angle of vision in this matter.

I would also like to enter a protest against the action of the Government of India in allowing this treaty to be signed in London. This question was discussed on a motion for adjournment and I shall, therefore, not go into the details, but I feel that to allow this treaty to be signed in London is to acquiesce in the theory, which some politicians in Great Britain are putting forward, that India was never promised Dominion status, and if India was promised Dominion status at any time, India was promised only the ceremonial aspects of Dominion Status. I feel, Sir, that by this action the Government of India have shown that they even acquiesced in the ceremonial aspects of Dominion Status in a matter like the signing of the treaty being taken away from India. I hope that this House will enter a protest against the treaty being signed in London.

I shall now deal with the Indo-Japanese Treaty itself. I feel that on the whole the treaty is a good treaty, inasmuch as it is a treaty which provides for the exchange of imports for exports. On the whole, if we allow a certain quantity of Japanese imports into our country, we are securing a certain quantity of exports to Japan. From this point of view, it is a good treaty, although, as I said the other day, for a trade agreement to the

good, it is always better that we should exchange manufactured goods, instead of importing manufactured goods, for export of our raw materials. Mr. Deputy President, I shall not deal with this Indo-Japanese pact in greater detail, but I shall express one or two doubts which arise in my mind. India still imports a large quantity of cotton goods, say about a thousand million yards. We are giving a quota of four hundred million yards to Japan in exchange for a certain quantity of exports of cotton from this country to Japan. I would like to know whether the Government of India is making a similar bargain for the remaining quantity of imports with some other country, or they propose to allow some other country, say Lancashire, to import goods into our country, without any *quid pro quo*, by way of our exports to that country. Similarly, the Government of India have classified the goods to be imported from Japan. Take the case of bleached goods. In spite of the fact that the industry has been going on in India for a long time, we are not yet producing bleached goods in very large quantities. The recommendation which was made by the Tariff Board over which my Honourable friend Sir Frank Noyce presided, recommended that in Bombay there should be a joint dyeing and bleaching house started on a large scale. Nothing, however, has been done. Therefore, if we are allowing bleached goods from Lancashire to come into our country, I should like to know whether we should allow large imports of bleached goods into our country without any *quid pro quo* from Lancashire. Then you are aware that this Bill itself gives Lancashire large preferences of say 25 per cent. *ad valorem* duty. I should like to know what Lancashire is going to give us in return for that preference. These are some of the doubts which arise in my mind as regards this Indo-Japanese pact.

I shall now turn to the other pact made by my honourable friend Mr. Mody with Lancashire. Now, in connection with this pact, let me at once state that I do not approve not only of the pact, but I do not approve even of the manner in which this pact has been made. (Hear, Hear.) I feel, in the first place, that a private organisation should not be allowed to enter into a pact as regards matters which are not within the control of that private organization. The tariff policy of this country is not going to be decided by either the millowners of Bombay or of any other part of India. The tariff policy of this country must be decided by this legislature and by no other organization. (Hear, hear.) I, therefore, feel that when my honourable friend Mr. Mody undertook this very onerous and difficult task, he took into his hands a thing which he ought not to have done; and when the Government of India accepted that pact, I felt the Government of India was doing a thing which they ought not to have done. No Government in the world would agree to making over its functions to a private organization, howsoever important that organization may be. Not only have the Government of India left this important subject in the hands of a private organization, but they have not even taken care to see that the organization was representative of the whole industry in this country and not only a section of that industry. My honourable friend Mr. Mody will have to agree that the pact was signed by the millowners of Bombay and by nobody else, and I feel that it was wrong for a section of an industry to sign any pact with other countries in the world. Moreover, I would suggest to the Government of India and to my friend Mr. Mody that if hereafter any pacts are to be made by private industrialists, let them make those pacts as regards the things which are within their control. If my friend Mr. Mody had made a pact with Lan-

cashire as regards the restriction of production, nobody could have blamed him and if he had gone to the Government of India to see that effect was given to that pact, I would not have objected to his doing so. But a tariff policy is not a matter on which any private organization is entitled to make an agreement with another country.

Now, Mr. Deputy President, as regards the terms of the treaty made by my hon. friend Mr. Mody, and as regards the policy which the Government of India are following with regard to the trade with Lancashire by way of Imperial Preference, I would like to say a few words. In the first place, although I believe that the British Commonwealth is a useful organization and we should lose nothing by belonging to that organisation, still I feel that when groups of countries form themselves into a caucus for economic purposes, the history of the world has shown that these economic caucuses have a knack of being turned into political caucuses and also to lead to great wars. I would, therefore, hesitate to enter into an economic pact with a group of countries; but that is not my sole objection to Imperial Preference. We all have goodwill towards and want of cooperation with Great Britain. But Great Britain must be willing to cooperate with us on equal terms. What is happening in the matter of our trade with Lancashire? My friend Mr. Mody has made a pact. He has made certain definite promises of the sharing of markets and certain other things. Similarly, the Government of India have given a definite preference to Lancashire and what has Lancashire given in return? Lancashire has given us in return only sweet words and promises of taking cotton and also sharing its markets. I feel that that is not the way of securing cooperation between India and Great Britain. I would like the members of this Assembly also to study what the representatives of Lancashire did after making the pact with my Hon. friend Mr. Mody. Soon after the pact was made, the representatives of Lancashire appeared before the Joint Parliamentary Committee and what did they say? I shall read out only a few sentences from their evidence. They said:

"It may be taken that the only avenue of action in regard to which provision has not been made is that of tariff policy."

The interpretation of this is that the British Government have provided safeguards for everything except safeguards for the tariff policy of India. Then, Sir, I shall read out another sentence which runs thus:

"The British industry is, therefore, entitled to say that if independent powers are to be given to an elected government in India, there must be some condition inserted giving the British Government or its representative a right to prevent measures of that kind being put into operation."

And the explanation of "the measures of that kind" is the measures affecting the British trade in India. Therefore, after getting from my hon. friend Mr. Mody a pact, the representatives of Lancashire go before the Joint Parliamentary Committee and tell them that the British Government made a mistake in not insisting upon a safeguard about the tariff policy of India. The Manchester people said: Government have given safeguards for everything but not about the fiscal autonomy convention.

Mr. R. S. Sarma:—Was this evidence given after the signing of the pact?

Mr. Joshi:—Yes, it was given after the signing of the pact.

Mr. H. P. Mody:—Does my hon. friend dispute the fact that a great change has come over in the view-

point of Lancashire, after the signing of the pact? I should like him to dispute the fact.

Mr. Joshi:—I shall state the change that has come over them. During all the previous Round Table Conferences there was absolutely no talk of a safeguard as regards the Indian tariff policy. The first mention of that safeguard was made by the representatives of Lancashire when they appeared before the Joint Parliamentary Committee and that was after the signing of the pact with Mr. Mody. As a result of the recommendations made by the representatives of Manchester, proposals were made to give powers to the Governor-General or the Secretary of State to prevent what is called political tariffs being imposed against Great Britain. Now, I do not understand what a political tariff is or how the Governor-General can say what tariff is a political tariff. But let us remember that what we got from Lancashire as a return from a pact with Mr. Mody was this new proposal for a safeguard against what is called a political tariff. And why should India be prevented from imposing a tariff for political purposes? Is Lancashire against such a thing and is she not trying to make a bargain of political concessions for economic objects? I shall read one sentence more from their evidence:

"A country wielding such powers (That is the powers mentioned in the White Paper) is entitled to press for a continuance of the *status quo* in directions vital to her economic life."

What the representatives of Manchester said was that if Great Britain was giving to India the Reforms contained in the White Paper, the British are entitled to ask for certain concessions in the matter of trade. Now, Sir, if the representatives of Lancashire could tell us that we should give Great Britain economic concessions and preserve all their economic interests in this country, in return for the reforms which the Government is giving us, can we not also sometimes say that, if we are not given certain political concessions we shall not give certain economic concessions? If Lancashire people could tell us we must give them economic concessions in return for political rights which they are giving us, we are entitled to say that if certain political rights are not given we shall certainly not give certain economic concessions. I feel that this safeguard against a political tariff which has been brought forward by Lancashire will go against us in many ways. I am not, therefore, prepared to sacrifice my right of what is called economic sanction, which has been approved all over the world. The League of Nations Constitution recognises it. Great Britain used economic sanction against Russia for a political object. I shall deal with this subject no further.

I shall now turn my attention to the proposals of the Tariff Board. In this connection the first thing which I would like to say is, that when a Tariff Board makes an enquiry into the condition of an industry, the first thing that the Tariff Board should do is to give us a balance-sheet of the whole of that industry. Going through this report, I do not see any balance-sheet of the whole industry. I do not know whether any one of us can say whether the industry, as a whole is losing or making profits. The Tariff Board gives certain figures about the Bombay industry, certain figures about the Ahmedabad industry, but we have not got a balance-sheet of the whole cotton textile industry in the country. If we had such a balance-sheet, we could have judged whether the industry as a whole is in need of protection or not. On the other hand, when the Tariff Board tried to get information from certain factories those factories refused to give the information which the Tariff Board asked for. Under these circumst-

ness, I feel that before the Government enters upon the policy or enters upon the legislation for protecting an industry, Government should insist that that industry should organise itself as one whole. It is in that manner that it will be possible for the Tariff Board and for the Legislature to see whether the industry as a whole and not a section of it is losing or making profits. I shall go further, Mr. Deputy President, and I would like the Government of India to accept the principle that when an industry is to be protected that industry must not only organise itself properly but that the industry must see that the weaker members of that industry are protected by the stronger members of that industry. If those millowners who are making huge profits are not going to the assistance of the millowners who are making losses, I do not know why the country should go to the assistance of this industry (Hear, hear). Mr. Deputy President, the other day I spoke on the question of unemployment; and I pointed out that as regards the unemployed, the Government have neglected these people and that the employed workers have the responsibility of maintaining the unemployed workers. May I ask the Government whether they will insist upon such a policy as regards the millowners themselves? If certain millowners are making profits and if certain others are making losses, is it not necessary that we should insist that the whole industry should be so organised, that the losses and profits will be equally distributed? Mr. Deputy President, you may remember that on the recommendation of the Tariff Board presided over by my honourable friend Sir Frank Noyce, the millowners were asked to reorganise themselves...

Mr. Maswood Ahmed :—So you want a federation of the mill industry.

Mr. Joshi :—And a small scheme was proposed by a prominent millowner of Bombay.

Sir Frank Noyce :—That was not a small scheme.

Mr. Joshi :—That scheme was not accepted by the other millowners. I am not suggesting that I approve of the scheme. What I would insist is that the millowners in the country should form themselves into one organisation and should form themselves into one amalgamation, so that in the first place if there are some weaker members in that industry, they will be supported by the stronger members, and if the industry as a whole gets into difficulties, then they should come to the Government of India for assistance. I feel that there are very good grounds for the proposal which I am making. There are certain places and certain provinces which have got some advantages. Certain other parts have not got those advantages. If the industry is to be started in all parts of the country, it is necessary that the advantages should be amalgamated and the disadvantages should be amalgamated and there should be one pool. I, therefore, feel that before any protection is given to any industry the Government of India should insist that the whole industry first organises itself and that the stronger members of that industry do support the weaker members. Mr. Deputy President, I need not go into the condition of the industry, but we all know that although the millowners of Bombay are making losses, in the neighbouring town of Ahmedabad they have been making average profits of 32 per cent. from 1916 to 1931; and even in 1922 the industry in Ahmedabad made a profit of 16 per cent. If they organise themselves in one body they will be in a sound position. Mr. Deputy President, the Tariff Board and even the Government of India have ac-

cepted the fact that it is not the whole industry that requires protection. It is really a small section, it is one section of the industry in Bombay especially, that requires protection. It is a well-known fact that the mill industry in Bombay is at present in a disorganised condition. Is there any hope, if the matter is left to the millowners themselves, that the industry will ever be put in a sound condition? I have been living in Bombay and I have no hope, that if the industry is left to itself, it will ever be in a sound condition (Hear, hear). I again say this that I am interested in that industry, I am interested in seeing that every factory in Bombay runs all the hours that are allowed for them. I am anxious for this in the interest of the workers. I would, therefore, suggest to the Government of India that they should take bold steps to control the industry in Bombay. If things are left to me, I would take over the whole industry in the hands of the State. I know quite well that my friends the millowners in Bombay would allow the industry to go to dogs and ruin, but will not agree to hand over the industry to the Government. That is patriotism. If they will not let it go into the hands of the Government, they might manage that industry properly and the workers in the country and in Bombay city may get sufficient employment. I feel that if this question is studied carefully, the Government of India will come to the same conclusion to which I have come: but even if the Government of India will not go to the length to which I would go, I would suggest to the Government of India to consider the question of insisting that the industry in Bombay is placed in the hands of at least a sort of joint board consisting of representatives of Government, one or two or whatever the number, representatives of millowners and representatives of workers whose interests also are involved.

I, therefore, suggest to the Government of India that if any good is to be done to this industry in Bombay and if any protection is to be given to that industry, the protection should not be given unless the industry is organised in the way I am suggesting. The industry has been receiving protection for some years, and what is the result? In Bombay, as my hon. friend Mr. B. Das said, thirty or forty mills are closed; 50,000 workers are idle; nothing has been done by Government by way of relief of the unemployed; the millowners do nothing to give relief to the unemployed. Some of the mills have been rationalised. A recommendation was made by the Fawcett Committee that when workers are thrown out of employment on account of rationalisation provision should be made for supporting them out of a fund jointly contributed by the workers and the millowners themselves. Has anything been done for the relief of the unemployed? Not only is there unemployment in the city of Bombay, but the wages have gone down by 20 to 25 per cent. It may be said and it was said in the House, that the millhands in Bombay are inefficient and several other things. But in my judgment, there is absolutely no justification for any reduction of wages. And in this connection I would draw the attention of the hon. Members to a statement made by the Tariff Board itself. The Tariff Board has stated that in Bombay the number of workers has gone down by 15 per cent. The Tariff Board also states that in Bombay in spite of the fact that the number of workers has gone down production has increased by 23 per cent. in yarn and 32 per cent. in cloth. If the number of workers employed in Bombay has gone down by 13 per cent. and if the production has increased by 23 per cent. in yarn and 32 per cent. in cloth, it clearly shows that the efficiency of the workers in Bombay has

gone up by 30 to 40 per cent. If the efficiency has gone up by 30 to 40 per cent. is there any slightest justification for reduction of wages in the city?

D. B. A. Ramaswamy Mudaliar :—Improved machinery.

Mr. Joshi :—In this connection let me also draw the attention of my hon. friend Mr. Mody to the fact that Ahmedabad is making profits when the labour costs at Ahmedabad are 53 per cent. of the total cost of production, while in Bombay the labour cost of production is only 49 per cent. of the total cost of production. These are the figures given by the latest Tariff Board. I, therefore, suggest that there is absolutely no justification for the reduction of wages which has been made in the city of Bombay.

I shall not deal with the other questions in detail, but I shall make this remark: that several committees—the Royal Commission on Labour and even the Tariff Board presided over by Sir Frank Noyce—had made certain suggestions as regards labour conditions in Bombay. The Tariff Board of my friend the hon. Sir Frank Noyce suggested that there should be standardisation of wages: are the wages in Bombay standardised? My hon. friend Mr. Mody will say: "But we want to standardise in consultation with labour organisations and there are no labour organisations." If this is his excuse, he should not come to the Legislature for protection at all. It is not necessary for the standardisation of wages that there should be an organisation of workers. Then, the Tariff Board of my hon. friend Sir Frank Noyce suggested that the millowners should stop the practice of handing over the spoiled cloth to the weavers and cutting from their wages the amount of the price of the cloth. I want to know whether the millowners of Ahmedabad have done that: and if they have not done it, is it right that we should give protection to the millowners of Ahmedabad? Then, there are several suggestions made by the Tariff Board. The Tariff Board of Sir Frank Noyce also suggested that the millowners of Bombay should have in their mills a sort of reserve for those people who are absent—what in Government service they call a leave reserve. Have the millowners in Bombay given effect to that recommendation?

Then, the Royal Commission on Labour and also, I think, the Tariff Board of my hon. friend Sir Frank Noyce, said that the recruitment of the workers in Bombay should not be left to the jobbers but should be left to the specially appointed officers in factories. Has that recommendation been given effect to? And if the recommendations are not given effect to by the millowners of Bombay and of Ahmedabad, I want to know why the Government of India should give protection to an industry which refuses to carry out the recommendations made by the Tariff Board.

I, therefore, feel that the Government of India is making a mistake in introducing a Bill at this stage in order to give protection to the industry. The Tariff Board has made certain recommendations and I have not mentioned certain recommendations as regards conditions of labour. The Tariff Board, has also made certain other recommendations and my friend Mr. Raju has pointed out the recommendation made by the Tariff Board as regards the improvement of the agency system. The Tariff

Board has also suggested that the millowners throughout the country should encourage industries for making mill stores and also encourage the Indian insurance companies; they have also suggested that the Government of India should change the Indian Companies' Act. I want to know whether they have taken any steps to see that the recommendations of the Tariff Board regarding labour conditions, the agency system, the development of mill stores industries and other matters are being given effect to; and if they are not being given effect to, what steps or what provision the Government of India have made in this Bill to see that within the next few years effect will be given to these recommendations? It is quite possible for the Government of India to make such a provision in this Bill. There was a time when I used to be ridiculed in this house for suggesting that when we give protection to an industry, we should insist upon the Act itself laying down certain conditions. Fortunately for me, time is making the Government of India wiser and they are now willing not in this Bill, but in some other Bills, to lay down certain conditions. In one of the Bills the Government of India is laying down conditions as regards the prices. In the same Bill the Government of India is seeing that these conditions will be observed by insisting that all factories that will produce sugar or some other articles will have to be licensed. This enforcement of conditions through tariff bills is now a principle which the Government of India is accepting. I would suggest to the hon. Member in charge of the Bill and to those members of the Legislature who will be members of the select committee, that they should see that some of the conditions which have been recommended by the Tariff Board and some of the conditions which may be suggested by members like myself, should be put down in the Bill itself, and provision should be made that these conditions will be carried out by means of a system of licensing. I feel, Sir, that the insistence on these conditions is absolutely necessary if the protection which we are going to give to the industry is to prove fruitful. I hope, Sir, that the Select Committee will insist on these conditions being embodied in the Bill. Mr. Deputy President, I have done.

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