

Monday
16th August, 1948

THE
CONSTITUENT ASSEMBLY OF INDIA
(LEGISLATIVE) DEBATES
(PART I—QUESTIONS AND ANSWERS)

Official Report

VOLUME VI, 1948

(9th August to 31st August, 1948)

THIRD SESSION
of the
CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)
1948



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CORRIGENDA

In the Constituent Assembly of India (Legislative) Debates (Part I—
Questions and Answers), Autumn Session, 1948:—

In Volume VI—

No. 3, dated the 11th August, 1948—

Page 10, in heading to Question No. 7, for "PEHABILITATION" read
"REHABILITATION".

Page 13, transfer line 9 between lines 5 and 6.

पृष्ठ १६, पंक्ति ११, "सैनो" के स्थान पर "सेवो" पढ़ें ।

पंक्ति २१, "वाक्य" के स्थान पर "वाक्या" पढ़ें ।

अन्तिम पंक्ति, "कि" के पश्चात् "कई" पढ़ें ।

Page 58, lines 2 and 3, for the words "FROM WAR SERVICE, PROVINCIAL
SERVICE, ETC." read "SERVICE FROM CERTAIN SERVICES AND
PROFESSIONS".

Page 66, insert the following in the beginning of the page,—

"Moghaleerai.—1. Shayam Bahadur, 2. Jagat Narayan Singh, 3. Ballabha Das
Agarwal, 4. Rai Sahab H. P. Verma, 5. M. L. Surendra Prasad Singh,
6. Iftikar Ahmed Mohamed Sultan Ansari, 7. Tek Narayan Lall, 8. Bird
and Co., 9. Bery Bros. Contract was given to Ballabhadas Agarwal."

No. 1, dated the 9th August, 1948—

Page 145, last, line, insert "marketing" in the beginning of the line.

Page 157, line 19, for the first word read "fees".

No. 4, dated the 12th August, 1948—

Page 176, line 28, between "this" and "of" insert "time".

Page 196, line 8, for "status" read "statue".

Page 202, line 5, for "RECONSTITUTION" read "RECONSTRUCTION".

No. 5, dated the 18th August, 1948—

Page 227, in the heading to Question No. 178, for "ORGANISATION" read
"RE-ORGANISATION".

No. 7, dated the 17th August, 1948—

Page 299, in heading to Question No. 256, for "FRANCK" read
"FRENCH".

Page 311, in line 10 from bottom, delete "have"; in line 9 from bottom,
for "lent" read "but".

Page 312, line 7, for "on" read "in" and delete word "Government".

Page 325, line 17, for "294" read "270".

No. 8, dated the 18th August, 1948—

Page 389, transfer line 16 from bottom between lines 14 and 15 from bottom.

صفحہ ۳۶۱ - نیچے سے سطر ۹ - " " کے بجائے " " کو پڑھیں -

No. 9, dated the 20th August, 1948—

Page 371, line 24 from bottom, for "†Includes" read "††Includes" in statement appended to Question No. 351, in item (a), part (2), column 5, for "Rs. †1,01,400" read "†† Rs. 1,01,400".

Page 395, line 25 from bottom, read "applications were rejected?".

Page 308, in heading to Question No. 376, transfer "per capita" between the words "INCOME" and "IN INDIA".

No. 10, dated the 23rd August, 1948—

Page 443, item 8, against "Total" for "3,61,31" read "2,69,31".

Page 446, line 11 from bottom, for "recoganisation" read "re-organisation".

Page 449, line 5 from bottom, for "Nok" read "Now".

Page 450, insert a "†" mark in the beginning of last line and insert the following foot-note: "† Not printed in the day's debate. A copy has been placed in the Library of the House. --Ed. of Debates."

Page 451, under "Equipments and their approximate Prices" in Column 3, omit the words "Floor Space required."

Page 452, under "Estimate of Photo Process Section" in Column 4, for "£300979-0-0" read "£979-0-0".

صفحہ ۳۶۸ - سطر ۷ - " " کے بجائے " " پڑھیں -

No. 13, dated the 26th August, 1948 —

Page 480, in column 4, insert "prices" between "Peak" and "after" in last line for "rices" read "Prices".

Page 489, against item 7(iii), in column 3, insert the figure "3,01,250".

Page 494, last line, between "in" and "Germany" omit "it".

पृष्ठ ५०३, पंक्ति ९, "तमास" के स्थान पर "तमाम" पढ़ें।

No. 12, dated the 25th August, 1948 —

Page 520, line 6, for "there" read "these".

Page 528, for the existing line 5, read "installed at the Bela Road Power House in the year 1947. Three of them".

Page 534, for line 21 from bottom, read "478. *Shri H. V. Kamath Will the Honourable the Prime Minister be".

Page 537, before "WITHDRAWN", insert the figure "483 *".

No. 11, dated the 24th August, 1948—

صفحہ ۵۵۲ - آخری سطر - " " کے بعد " " رکھا گیا تھا " " پڑھیں -

Page 554, omit line 7.

Page 576, line 3, for "fact, Sir, that the Maharaja of Baroda conferred" read "fact that the Privy Council of Baroda served an"; line 20 from bottom, for "Is it a fact that the Privy Council of Baroda served an" read "Is it a fact, Sir, that the Maharaja of Baroda conferred".

Page 580, in heading to Question No. 520, for "ports" read "Posts".
No. 14, dated the 28th August, 1948—

Page 601, line 18, for "wate" read "waste".

No. 15, dated the 30th August, 1948—

Page 628, line 26, for "ooms" read "Looms".

Page 648, in heading to Question No. 608, for "OCUREMENT" read "PROCUREMENT".

No. 16, dated the 31st August, 1948—

Page 697, line 16, for "665" read "668".

Page 705, in the top-most line, insert "FOR" between "TEST" and "RECRUITMENT"; in line 5 from bottom, for "200" read "290".

Page 706, in the top-most line, between "also" and "filled" insert "be".

In Volume VII—

No. 1, dated the 1st September, 1948—

Page 714, for "lthing" read "lighting".

Page 716, line 10, for "It is" read "Is it".

Page 726, line 2, insert "there" between "hours" and "have".

पृष्ठ ७३६, पंक्ति ८ "मिलता" के स्थान पर "मिलसा" पढ़ें।

Page 742, last line of statement, for "are" read "area".

Page 761, in the heading to Question No. 8, for "STATWITH" read "STATIONS WITH".

No. 2, dated the 2nd September, 1948—

Page 794, line 13 from bottom, for "manufacturers" read "manufactories".

No. 3, dated the 3rd September, 1948—

Page 876, line 18, for "scripture" read "sculpture".

Page 879, in top-most line, omit "Participation of".

Page 884, in Chapter I of the Notification in Sub-Clause (ii) of Clause 2, between "District court" and "the court of" insert "means".

No. 4, dated the 4th September, 1948—

Page 919, in last column of statement, for "14, 47, 40" read "14, 47, 496".

Page 924, line 28, for "367" read "867".

Page 926, line 14, against "Trucks" insert "7556".

Page 949, line 22 from bottom, for "Agri" read "Agriculture be pleased to state".

CORRIGENDA

to

The Index to the Constituent Assembly of India (Legislative) Debates, Part I, Volumes VI and VII, 1948 (9th August to 7th September, 1948).

- Page 16, under "BRUSSELS—", in line 2, for "91-92" read "191-92".
- Page 19, after the last line insert new line "Strategic roads in Assam. 254".
- Page 46, last line, insert "Question re" in the beginning.
- Page 47, under "HOUSE(S)—", in line 7, for "owing" read "owning".
- Page 51, under "INTER-TERRITORIAL ORGANISATION—", in line one, for "39" read "391".
- Page 53, line 30, for "MA-E-HIND—" read "MAMIAT-UL-ULEMA-E-HIND—".
- Page 62, under "MACHINERY (IES)—", in line 3, for "71" read "718".
- Page 69, line 9, for "37-0" read "379-80" and in line 17, for "89" read "896".
- Page 71, under "NOTICE(S)—", in line one, for "52" read "252".
- Page 73, line 4, in the beginning, for "States" read "Status".
- Page 80, under "PROVINCE(S)—", in line 12, for "65" read "655".
- Page 90, under "RAO, SHRI KALLUR SUBBA—", in first line, for "Declaration" read "Declaration".
- Page 95, insert "23-24" at the end of last line.
- Page 98, under "ROBBERY(IES)—", in line 3, for "murbers" read "murders".

GOVERNMENT OF INDIA

MEMBERS OF THE CABINET

- The Honourable Pandit Jawaharlal Nehru—Prime Minister and Minister for External Affairs and Commonwealth Relations.
- The Honourable Sardar Vallabhbhai J. Patel—Deputy Prime Minister and Minister for Home, Information and Broadcasting and the States.
- The Honourable Maulana Abul Kalam Azad—Minister for Education.
- The Honourable Dr. John Matthai—Minister for Railways and Transport.
- The Honourable Sardar Baldev Singh—Minister for Defence.
- The Honourable Shri Jagjivan Ram—Minister for Labour.
- The Honourable Mr. Rafi Ahmed Kidwai—Minister for Communications.
- The Honourable Rajkumari Amrit Kaur—Minister for Health.
- The Honourable Dr. B. R. Ambedkar—Minister for Law.
- The Honourable Mr. R. K. Shanmukham Chetty—Minister for Finance.
- The Honourable Dr. Syama Prasad Mookerjee—Minister for Industry and Supply.
- The Honourable Shri N. V. Gadgil—Minister for Works, Mines and Power.
- The Honourable Shri K. C. Neogy—Minister for Commerce.
- The Honourable Shri N. Gopaldaswami Ayyangar—Minister without Portfolio.
- The Honourable Shri Jairamdas Doulatram—Minister for Food and Agriculture.

MINISTER NOT IN THE CABINET

- The Honourable Shri Mohan Lal Saksena—Minister for Relief and Rehabilitation.

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)
DEBATES

(PART I—QUESTIONS AND ANSWERS)

Monday, 16th August, 1948

The Assembly met in the Assembly Chamber of the Council House at a quarter to Eleven of the Clock, Mr. Speaker (The Honourable Mr. J. V. Mavalankar) in the Chair.

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

CONSTRUCTION OF RAILWAY LINE TO JAGDALPUR, BUSTAR STATE, C. P.

218. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Railways be pleased to state whether the survey for the construction of a new Railway line in Bustar State in C.P. now merged in the C.P. has been taken in hand?

(b) Do Government propose to connect the capital of Bustar, namely Jagdalpur, with a Railway line in view of the great importance of this tract?

(c) Is it contemplated to connect this line ultimately with Vizagapatam?

(d) When do Government propose to proceed with the construction work?

The Honourable Dr. John Matthai: (a) Yes.

(b) Yes.

(c) Yes.

(d) After the Survey Reports of the various alignments under consideration are received and examined together, the matter will be placed before the Central Board of Transport for a decision as to which of the alignments would be the most advantageous for the development of the area. At this stage, Government are therefore not in a position to state when the construction work will actually commence.

Mr. R. K. Sidhva: Has the survey work been started and if so when is it likely to be completed?

The Honourable Dr. John Matthai: Survey work is completed.

Mr. R. K. Sidhva: If the survey work is completed, may I know whether the next stage—preparation of estimates—has been done?

The Honourable Dr. John Matthai: The field work in connection with the survey has been completed and reports on the survey are under preparation. I expect to get these reports in the course of a couple of months.

Shri H. V. Kamath: At present, is there no railway line at all inside Bustar State?

The Honourable Dr. John Matthai: No.

Shri Biswanath Das: May I know the places that are proposed to be connected by this railway line?

The Honourable Dr. John Matthai: The idea is to connect either Nagpur or Raipur through the Bustar State with the Raipur-Vizianagram Chord.

Shri Biswanath Das: May I know the terminal stations?

The Honourable Dr. John Matthai: It is a choice between Kottavalasa or Rajaghada.

Shri Biswanath Das: May I know whether it is in the Raipur line?

The Honourable Dr. John Matthai: I am not able to answer it off-hand.

Shri M. Tirumala Rao: What will be the length of the line that will be newly aligned under the scheme?

The Honourable Dr. John Matthai: I can give the honourable member the information later. I have got a copy of the sketch map here. I would have to look into it.

Shri H. V. Kamath: Does Government contemplate a broad-gauge line or a narrow gauge line?

The Honourable Dr. John Matthai: Broad-gauge line.

Mr. R. K. Sidhva: What is the length of the line?

The Honourable Dr. John Matthai: I will give the honourable member the information later.

Prof. N. G. Ranga: How soon do Government propose to construct this railway line?

The Honourable Dr. John Matthai: As I told my honourable friend Mr. Sidhva, when the report of these surveys has been received, which I expect in the course of two months, then we would have to examine that report for a decision as to which of the three alternative alignments is to be finally accepted.

Prof. N. G. Ranga: Are Government aware of the fact that today there are no road communications at all between the Bustar State and Central Provinces whereas there are road communications of a very elementary nature between Bustar State and East Godavari and therefore it would be better to develop the railway connection between Bustar State and Badrachalam right up to Rajahmundry?

Mr. Speaker: I do not think this is a question to be answered.

ARRESTS DUE TO DEFALCATIONS IN ENGINEERING BRANCH OF POSTS AND TELEGRAPHS DEPARTMENT, BOMBAY

219. ***Mr. E. K. Sidhva:** (a) Will the Honourable Minister of Communications be pleased to state whether it is a fact that early this year the Divisional Engineer, Telegraphs, Bombay Division and some others were arrested by the central C.I.D. on a charge of defalcations in the Engineering Branch of the Posts and Telegraphs Department?

(b) If so, were the said persons prosecuted? If so, in what court and with what result?

(c) What are the actual charges against the persons arrested?

The Honourable Mr. Rafi Ahmad Kidwai: (a) Yes. The Divisional Engineer, Telegraphs, Bombay was arrested in April, 1947, and another gazetted officer in October, 1947.

(b) Sanction for the institution of criminal proceedings against these officers and others involved in the cases have been issued. Prosecution is being conducted by the Special Police Establishment, Bombay, in the Court of the City Magistrate, Poona.

(c) The allegations are in respect of embezzlement of Government money.

Mr. E. K. Sidhva: Where has so much delay taken place in this matter?

The Honourable Mr. Rafi Ahmad Kidwai: As soon as the Department suspected these people, the case was entrusted to the Police Criminal Investigation Department. I think therefore that the question of delay should be addressed either to the Home Minister here or to the Home Minister, Bombay Government.

Shri H. V. Kamath: Could the Minister give us the names of persons arrested in this connection?

The Honourable Mr. Rafi Ahmad Kidwai: The persons involved are: Mr. J. F. Dalby, Mr. F. Periera, Mr. Shanker Gopal Bhuve, Mr. S. N. Kapoor, Mr. Narayan Madhav Rao Korwar, and Mr. Ganpat Maruti Jadhav.

Shri Ajit Prasad Jain: May I know the amount involved and over what period it was spread?

The Honourable Mr. Rafi Ahmad Kidwai: The amount involved is Rs. 15,553/8. I require notice in regard to the period.

SALES FROM DISPOSALS AND RE-ORGANISATION OF DISPOSALS DEPARTMENT

220 *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Industry and Supply be pleased to state the total amount of sales from Disposals during the months of April, May, June and July, 1948?

(b) Is it a fact that large quantities of various kinds of articles belonging to Disposals departments are still lying undisposed?

(c) Is it a fact that several articles could be used in India for various emergency purposes?

(d) Have Government considered the question of reorganising the Disposals Department?

The Honourable Dr. Syama Prasad Mookerjee: (a) Sale from Disposals amounted to Rs. 1,22,18,793, Rs. 2,71,81,192 and Rs. 94,70,674 during April, May and June 1948 respectively. Figures for July are not yet available.

(b) and (c). Yes, Sir.

(d) Administratively no change is contemplated in the Disposals Organization, but disposal policy has been modified in the Government of India† Resolution D-1(354)/II, dated 9th August, 1948 placed on the table.

Mr. R. K. Sidhva: The realisations are: One crore in April, two crores in May and about Rs. 94 lakhs in June. May I know why the sales in June have fallen down considerably compared with the previous months?

The Honourable Dr. Syama Prasad Mookerjee: In April we gave delivery to large stocks which had been previously sold nearly a year ago, but delivered in April. That is why the value went up.

Mr. R. K. Sidhva: That is about April. May I know about May, where the sales were two crores?

†Not printed in the day's Debate. A copy has been placed in the Library of the House.—
Ed. of D.

The Honourable Dr. Syama Prasad Mookerjee: In May 48 lakhs were sold relating to auction which was held in July 1947 of stores lying in Assam area but they were not taken delivery of, and one crore and twenty lakhs represents sales made by Iron and Steel Controller between January and February 1948.

Shri B. Shiva Rao: With reference to answer to part (b) of the Question, may I ask whether it is a fact that about 10,000 tons of drugs and chemicals which would be of the greatest use to public health organisations, dispensaries and hospitals are now lying, deteriorating in several depots in charge of the Disposals Section?

The Honourable Dr. Syama Prasad Mookerjee: There are certain stocks of chemicals and drugs, the details of which would be available from the Disposals Enquiry Committee Report which is referred to in the following question and they are being distributed wherever possible.

Shri K. Santhanam: May I know if the new cloth shops to be opened by all the Provincial Governments will be used for the sale of these disposals articles?

The Honourable Dr. Syama Prasad Mookerjee: It will be for the Provincial Governments to decide whether they will distribute the disposals stocks which are allotted to them through shops which may be opened in the Provinces for textile distribution.

Shri K. Santhanam: May I ask if the Honourable Minister will suggest it?

The Honourable Dr. Syama Prasad Mookerjee: I will consider the matter, but there are obvious difficulties connected with it.

Shri M. Tirumala Rao: With regard to part (c) is it a fact that the floating dock, costing about 7 lakhs of rupees and lying at Cocanada Port is being sold as mere scrap?

The Honourable Dr. Syama Prasad Mookerjee: I don't know, but I shall enquire. I do not think that a floating dock which is complete has been sold as scrap.

Shri L. Krishnaswami Bharathi: (With reference to question (a), Sir, may I know if the amount of sales from disposals relate only to the American surplus stores or also to the stores he got from the United Kingdom?

The Honourable Dr. Syama Prasad Mookerjee: The value of surplus stores excluding American surplus sold during these three months is Rs. 2,42,74,550; the value of military salvage and process scrap sold during this period is Rs. 30,04,100; the value of American surpluses sold during this period is Rs. 2,15,37,000; giving us a total of Rs. 4,88,15,650.

Shri H. V. Kamath: Arising out of answer to part (b), considering that large quantities are still lying undisposed, has any attempt been made by the Honourable Minister to ascertain whether any of our neighbouring Asian countries are in need of these articles and are willing to purchase them?

The Honourable Dr. Syama Prasad Mookerjee: We are first of all exploring how much of these stocks could be utilized for our own benefit before we can think of neighbours.

Shri H. V. Kamath: If there be a surplus, will the Honourable Minister make enquiries in this direction?

The Honourable Dr. Syama Prasad Mookerjee: I would like to draw the attention of the honourable member to the report of the Committee which has been laid on the Library table.

Prof. N. G. Ranga: How often in the year is the stock position reviewed in order to see what things become absolutely useless, what other things need repairs and what other things are needed by various provinces.

The Honourable Dr. Syama Prasad Mookerjee: I had an overall enquiry made during the last few months with regard to the surplus stocks and with regard to the salvage stocks, we appointed special regional committees in different parts of the country and their reports arrived only about a fortnight ago.

Dr. P. S. Deshmukh: May I know, Sir, if the Honourable Minister has seen any instances of considerable loss having occurred to the Central Exchequer owing to the inefficiency of this Disposals Department?

The Honourable Dr. Syama Prasad Mookerjee: I believe it is too general a question.

Shri L. Krishnaswami Bharathi: Government should see that things are not damaged or go out of order.

Mr. Speaker: Order, order. Mr. Jhunjhunwala.

Shri B. P. Jhunjhunwala: What is the total cost of the stores due to damage, theft and deterioration?

The Honourable Dr. Syama Prasad Mookerjee: A question exactly of that kind has been asked two or three questions later.

Shri Biswanath Das: In view of the fact that we are today absolute owners of this property, have Government considered the question of keeping the necessary materials for their own use and disposing of the rest within a given time?

The Honourable Dr. Syama Prasad Mookerjee: That is exactly what has been done and that is the purpose for which the Committee was appointed and to which I have just referred to.

Shri Biswanath Das: May I know, Sir, how long would it take to dispose of the remaining things after deciding what is necessary for Government?

The Honourable Dr. Syama Prasad Mookerjee: Action is already being taken on the report. The several Ministries have been notified and also the Provincial Governments that they should draw from the disposal stocks whatever is necessary for them and then the rest will be sold, according to rules.

Mr. E. K. Sidhva: Is it not a fact that due to abnormal delay prices of certain articles have considerably deteriorated?

The Honourable Dr. Syama Prasad Mookerjee: The prices do fluctuate; in some cases prices have gone up and in others the prices have gone down.

Mr. E. K. Sidhva: Is it not a fact that in the Bombay Disposals office, due to delay the prices have gone down and the officers have made a complaint that instructions should be sent to them to dispose of these articles?

The Honourable Dr. Syama Prasad Mookerjee: During the last few months we had held up the sale of the disposal stocks because we wanted to be absolutely clear that there was no random sale of valuable stocks and they should be first available for purposes of Government; that did delay matters for some time, but that was inevitable.

Shri M. Ananthasayanam Ayyangar: May I know, apart from the question of mere disposal, what steps, if any, are being taken to preserve and maintain in good condition these various valuable articles belonging to the Disposals Department?

The Honourable Dr. Syama Prasad Mookerjee: Every possible step is being taken to keep them in good condition.

E. B. Lala Raj Kanwar: What is the total value of the surplus stock which still remains unsold?

The Honourable Dr. Syama Prasad Mookerjee: That question comes later on.

AVAILABILITY OF SPARE PARTS FOR REPAIR OF ROLLING STOCK

221. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Railways be pleased to state what the present position regarding the availability of spare parts for repair of rolling stock is?

(b) Is it a fact that a local firm volunteered to supply spare parts as far back as December, 1947 within a very short time?

(c) If so, have Government considered the proposal and if so, with what result?

(d) Is it a fact that Government have placed orders direct with a firm in Australia?

(e) If so, has the delivery from Australia been assured?

The Honourable Dr. John Matthai: (a) The position, so far as supply of spares from indigenous sources for repairs to rolling stock is concerned, is still difficult on account of the shortage of raw materials, mainly steel, and limited capacity largely caused by labour conditions. The position was even more difficult in respect of imported spares from the U.K. and U.S.A. However, from the latest reports received from abroad, it would appear that the import situation was improving.

(b) and (c). Only one offer for the supply of imported spares by a local firm was made in November 1947, on receipt of which necessary purchase action was taken by the Ministry of Industry and Supply, and orders were placed with the firm concerned, for the procurement of spare parts.

(d) Reply is in the negative.

(e) Does not arise.

Mr. R. K. Sidhva: As regards answers to parts (b) and (c) the Honourable Minister stated that orders were placed after this local firm had made an offer of supply. May I know whether the complete order for the spare parts have been placed and whether those articles have arrived, and if so, within a short time? May I also know if all the orders have been placed with that firm?

The Honourable Dr. John Matthai: This question may be addressed to my colleague the Minister of Industry and Supply who deals with these matters.

Mr. R. K. Sidhva: As far as the Railway is concerned, I want to know whether order for all the parts were placed with the local firm or only a few parts?

The Honourable Dr. John Matthai: This information was kindly placed at my disposal by the Minister of Industry and Supply.

Shri H. V. Kamath: Arising out of answer to part (d), has the Honourable Minister placed any order direct with a firm outside Australia?

The Honourable Dr. John Matthai: I do not place any orders anywhere. It is my honourable colleague who places orders.

IMPORT OF WHEAT AND TINNED FOOD-STUFFS FROM AUSTRALIA

222. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Food be pleased to state the quantity and price of wheat promised by the Australian Government and negotiated for by the Additional Secretary of the Ministry of Agriculture during his recent visit to Australia?

(b) Is it a fact that tinned vegetables, fruits and milk powder have also been purchased by Government? If so, at what price?

(c) Are the articles mentioned in part (b) above consumed by the common man? If not, for whose consumption are they imported?

The Honourable Shri Jairamdas Doulatram: (a) As a result of the visit of Sir Datar Singh and Mr. A. L. Saksena to Australia during May-June 1948 the Australian Government has agreed to supply the following quantities of wheat during the period 1st August 1948 to 31st July 1949.

- (i) Unshipped quantity out of 25 million bushels contracted in the Food Agreement of December 1947—3.5 million bushels.
- (ii) Quantity additional to 25 million bushels provided under December Agreement—3.75 million bushels.
- (iii) In addition certain additional commitments have been made in respect of the 1948-49 crops, details of which will be given out when the negotiations are complete. When the Delegation was in Australia, it was expected that International Wheat Agreement would come into effect on August 1, 1948. The failure of that agreement has made further negotiations necessary.

(i) and (ii), namely, 7.25 million bushels, will be paid for at the price already contracted for in the December 1947 agreement, i.e., 18s. 6d. (Australian currency) per bushel.

(b) and (c). Yes, for army purposes only. The prices paid f.o.b. port of despatch work out to about Re. -/6/2 per lb. for evaporated unsweetened milk, Rs. 1/-/9 per lb. for full cream milk powder, -/6/- per lb. for tinned fruit and -/6/2 to -/6/11 per lb. for tinned vegetables.

Mr. R. K. Sidhva: As far as part (a) is concerned, may I know how much of wheat the Australian Government have promised to supply this year?

The Honourable Shri Jairamdas Doulatram: As I said, details will be placed on the table as soon as the transactions are complete.

Mr. R. K. Sidhva: Is there any approximate figure up to June?

The Honourable Shri Jairamdas Doulatram: I may suggest that since we are simultaneously carrying on negotiations with more than one country, it would not be in the public interest to state the details.

Prof. N. G. Ranga: How would the 18s. 6d. per bushel compare with the price that we would have to pay according to the International Wheat Agreement?

The Honourable Shri Jairamdas Doulatram: It would have made a substantial difference.

Shri H. V. Kamath: Was the possibility of getting wheat from other countries first explored before Government made overtures to Australia?

The Honourable Shri Jairamdas Doulatram: All possibilities are explored before any contract is entered into and it is only where we knew that we are getting the best terms and the easiest possible despatch of goods that we decide to conclude the contract.

Shri H. V. Kamath: In view of the fact that Australia still continues the White Australia policy, does Government propose to pursue a friendly policy towards Australia?

The Honourable Shri Jairamdas Doulatram: Would the House prefer that we do not have sufficient food to feed the people with?

Shri H. V. Kamath: I am asking the Minister, and not the House.

Mr. Speaker: The Honourable Member is entering into an argument.

Mr. R. K. Sidhva: May I know the quantities purchased under (b) and (c) and through what agency they are sold? Are the Government selling these things through their agencies?

The Honourable Shri Jairamdas Doulatram: These stores are for the use of the Army and not for the use of the civil population.

STEPS FOR INCREASING PRODUCTION OF SALT

†223. *Mr. E. K. Sidhva: (a) Will the Honourable Minister of Industry and Supply be pleased to state what steps have been taken to step up the production of salt in the country?

(b) Is India, after partition, self-sufficient in salt? If not, what quantity is imported from foreign countries and at what price?

(c) What are the plans of Government to step up salt production and when are they likely to be put into operation?

The Honourable Dr. Syama Prasad Mookerjee: (a) (1) Full freedom has been given to the public to manufacture salt without licence and without any restriction by way of storage, transport or sale, in units not exceeding ten acres. (2) A detailed directive has been sent to each licensed factory in the country to increase production by at least 10 per cent. during the ensuing season with instructions how this can be done, and (3) Mechanical, irrigational and other improvements are being effected in Government owned factories for increased manufacture.

(b) No. About 85 lakh maunds of sea salt at Rs. 2/6/- per maund c.i.f. Calcutta and about 20 lakh maunds of rock salt from Khewra in West Pakistan at Rs. 3 per maund ex-factory is being imported annually.

(c) Short-term measures as stated in reply to (a) have already been taken. For the long-term a Salt Experts Committee is making recommendations about possible locations of new factories, improved methods of manufacture and expansion of existing factories. The recommendations of the Committee will be examined and implemented wherever possible without delay.

REPORT OF DISPOSALS UTILISATION COMMITTEE

224. *Shri B. Shiva Rao: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) whether a Disposals Utilisation Committee was appointed by Government in February, this year;

(b) whether the report of that Committee has been received by Government; and

(c) if so, whether Government propose to place a copy of it on the table of the House?

The Honourable Dr. Syama Prasad Mookerjee: (a) and (b). Yes, Sir.

(c) A copy of the Government Resolution on the Report of the Disposals Utilisation Committee is placed on the table of the House. A copy of the Report is placed in the Library, being a confidential document.

Shri B. Shiva Rao: May I know whether this Committee went into the question of the Salvage depots which are in charge of the Defence Ministry?

The Honourable Dr. Syama Prasad Mookerjee: No, Sir. This Committee was appointed to enquire into the stocks with the surplus stores. So far as the salvage depots are concerned, they were examined by the Regional Committees whose reports have been separately considered.

Shri K. Santhanam: May I know, Sir, if a copy of the report can be placed in the Library of the House, if the same cannot be circulated to the honourable members?

†Answer to this question laid on the table, the questioner having exhausted his quota.

‡Not printed in the day's Debate. A copy has been placed in the Library of the House.—
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The Honourable Dr. Syama Prasad Mookerjee: It contains information regarding the location of some valuable materials. So, I thought it would be better if one copy is placed in the Library. If there are any members who are particularly interested, they may look into it.

Shri K. Santhanam: May I suggest to the Honourable Minister that this is one of the reports which ought to be in the hands of every honourable member as this has got to be read piecemeal?

The Honourable Dr. Syama Prasad Mookerjee: What I have suggested is that some portions of the report may be deleted and a major portion of it may be made available to the honourable members. This is being done.

Shri B. Shiva Rao: May I ask my honourable friend, in view of the vast magnitude of the stores and the great interest displayed both by the House and the country, would he be prepared to have a Special Committee of the House with which he could discuss how best to utilise these stores?

The Honourable Dr. Syama Prasad Mookerjee: This matter is being discussed with the Standing Committee attached to the Industry and Supply Ministry. This morning, I have told the honourable members that I shall place a copy of the report in the hands of each member and would welcome any suggestion which the Committee may make. If, outside the Committee, there are members who would like to give suggestions, they are certainly welcome.

Shrimati Ranuka Ray: Is the Honourable Minister aware that certain articles and apparatus required by Government Departments themselves have been found to be sold at low rates outside, and then the Government Departments had to re-buy them at an enhanced rate?

The Honourable Dr. Syama Prasad Mookerjee: The procedure followed is this. First priority is given to the Government Departments, Central, provincial and States. If there were certain materials which were not taken by the provincial Governments, they were sold in the open market. The transaction referred to might have been possible. I would request the honourable members to go through the report which will give them full information on all matters arising out of this organisation.

Shri B. Shiva Rao: Can the Honourable Minister throw any light on the procedure followed by the Defence Ministry in handing over surplus stores to his own Ministry?

The Honourable Dr. Syama Prasad Mookerjee: If I may suggest, the honourable member may ask this question in connection with Question No. 225 which is exactly the question dealing with this matter.

Mr. E. K. Sidhva: The report says that due to the present policy, the provincial Governments requiring certain articles were prevented from purchasing the goods. Is it a fact that the Bombay Government wanted some asbestos sheets and they were not supplied?

The Honourable Dr. Syama Prasad Mookerjee: I do not think the honourable member is correctly informed. It is our policy to give every possible help to the provincial Governments.

Mr. E. K. Sidhva: May I know if it is included in the report?

Mr. Speaker: You can refer to the document.

Shri B. Shiva Rao: Is it a fact that the builders of the Hirakud Dam project wanted fifteen miles' length of aerial ropeway and later it was discovered by accident that there were fifty-five miles' length of aerial ropeway in the disposals?

The Honourable Dr. Syama Prasad Mookerjee: I am not quite sure.

SURPLUS STORES HELD BY DIRECTOR-GENERAL OF DISPOSALS

225. *Shri B. Shiva Rao: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) the present value of the surplus stores held by the Director-General of Disposals;

(b) the loss through deterioration, theft, etc., of these stores; and

(c) the cost of overhead charges incurred by Government on the storage of these stores?

The Honourable Dr. Syama Prasad Mookerjee: (a) The present book value of surplus stores is approximately Rs. 155½ crores. In addition there are about 98,000 tons of salvage stores, of which the book value is not available.

(b) There has naturally been some loss through deterioration; but it is difficult to evaluate it in terms of money. Figures of loss through theft are not immediately available, but are not likely to be large.

(c) The overhead expenditure on the storage of American surpluses and salvage stores in the financial year 1947-48 was about Rs. 2,94,50,000. Other surplus stores are held in depots along with current stores, and it is impossible to estimate the overhead charges separately.

Shri B. Shiva Rao: May I ask whether it is a fact that there are 10,000 motor vehicles, most of them practically new, lying all over the country?

The Honourable Dr. Syama Prasad Mookerjee: There are not 10,000 motor vehicles; there may be a few thousands. They are not usable according to the report which was first given. Now, the report which we have received from the Regional Survey Committee shows that after re-conditioning, some may be used for civilian purposes.

I should like here to explain to the House the procedure which is followed. The Defence Department is responsible for declaring which portion of the stores will be surplus and which portion will be put into the salvage stocks. That is entirely the responsibility of the Defence Department. So far as the stocks are concerned, except the U. S. Stocks, they are kept under the custody of the Defence Department. Particularly some questions were asked in the House that there were various stocks in the salvage depots which were usable. For that purpose we have made these Regional surveys during the last two months. Four reports have come and we are already in communication with the Defence Ministry so that every possible care may be taken in order to separate the usable stocks from the non-usable stocks, and they may be made available for the purpose for which they are intended.

Shri B. Shiva Rao: Is it a fact that my honourable friend has constituted a Screening Panel for this purpose? Can he indicate what are the general directives he has given to this Screening Panel?

The Honourable Dr. Syama Prasad Mookerjee: In fact, I did not limit their powers at all. I asked the Committees to go into the matter very fully, examine the stocks and give us reports as to which portions are really salvage stocks and which portions can be used. I may tell the House that actually I have not seen the reports; but the summary of recommendations shows that so far as Bengal and Bombay stocks are concerned, the position is petty serious, and so far as the other stocks are concerned, what has been declared as salvage is more or less salvage.

Shri B. Shiva Rao: Will my honourable friend see to it that public institutions asking for the goods will have priority over private interests?

The Honourable Dr. Syama Prasad Mookerjee: We have done that already.

Shri K. Santhanam: May I know whether the Honourable Minister will consider the desirability of starting a machine reconditioning factory?

The Honourable Dr. Syama Prasad Mookerjee: That was one of the suggestions made by the Committee. In fact, the Committee made two suggestions. One was that the Disposals Organisation by itself should have a factory for re-conditioning and repairing. The other was that the purchasers which would take over the stocks may make the necessary repairs. That matter is now under consideration. I do not think it would be desirable to saddle the Disposal Organisation with the responsibility of running a factory for repairs. That should be taken over by the purchasers, particularly the Governments which will take over the stocks.

Mr. B. K. Sidhva: Is it a fact that large quantities of parts of motor vehicles are lying in the Delhi Cantonment and are considered unserviceable and out of date?

The Honourable Dr. Syama Prasad Mookerjee: I have not got the figures for Delhi.

Mr. B. K. Sidhva: Will the Honourable Minister inquire into this matter and find out how long they have been lying there and what they intend to do about this?

The Honourable Dr. Syama Prasad Mookerjee: Yes, Sir, I shall find out.

Prof. N. G. Ranga: Will Government keep in mind the consideration that it might be more economical to have a central repair and reconditioning workshop rather than expect each provincial Government to start its own workshop?

The Honourable Dr. Syama Prasad Mookerjee: As I said, that matter is now being examined.

Shri Ajit Prasad Jain: May I know the value of stocks which were formerly treated as salvage but which as a result of the recommendations of the Regional Committee will be now treated as usable?

The Honourable Dr. Syama Prasad Mookerjee: That has not yet been determined.

Babu Ramnarayan Singh: Were Government forced or compelled by the terms of any agreement to purchase these stores?

The Honourable Dr. Syama Prasad Mookerjee: There is no question of compulsion.

Shri H. V. Kamath: With reference to the reply to part (b), has the Honourable Minister come across any instances of misappropriation as distinct from theft?

The Honourable Dr. Syama Prasad Mookerjee: So far as theft is concerned, as I just now explained, the British and the Indian surplus stocks are not in the custodial responsibility of the disposals organisation. They are under the Defence Ministry and no figures are available. So far as American stocks are concerned, they have come directly under the responsibility of my Ministry, and from October 1947 till June 1948 there have been 62 cases of theft. The total value would amount to a few lakhs of rupees. All these cases have been reported to the police and disciplinary action has been taken. There are several persons connected with the depot staff who also have been arrested, and proceedings are now continuing.

Shri Prabhu Dayal Himatsingka: Will the Honourable Minister be pleased to state the quantity of iron and steel materials lying in Assam where there is very great shortage for public use?

The Honourable Dr. Syama Prasad Mookerjee: I have not got the figure here for Assam. But so far as the iron and steel stores are concerned, we now put them into a common pool and whatever is distributed throughout India is done from the stocks which are produced, which are imported and also which are with the Disposals. Everything is now being used.

BUSES OF DELHI TRANSPORT SERVICE.

226. *Shri B. Shiva Rao: Will the Honourable Minister of Transport be pleased to state:

(a) the number of buses in use in Delhi, New Delhi, etc., since Government took over the G.N.I.T.;

(b) the frequency with which these buses ply on different routes;

(c) the fares for single trips over the different routes; and

(d) whether there are any plans for increasing the number of buses and improving the amenities for passengers?

The Honourable Dr. John Matthai: (a) When services were taken over from the G. N. I. T. Company in May 1948, the number of vehicles in use was 178. The number of vehicles now operating is 189.

(b) The frequency of services ranges from 7½ minutes to 1½ hour.

(c) The fares are charged according to the following rates:

Upto 1 mile—A. 1/-.

Between 1 and 2 miles—As. 1/9.

Between 2 and 3 miles—As. 2/6.

Between 3 and 4 miles—As. 3/3.

Between 4 and 5 miles—As. 4/-.

Between 5 and 6 miles—As. 4/6.

After this half an anna per mile is being charged.

(d) Sixteen new buses have already been brought on to the road. It is expected that a substantial number of new vehicles will be added during the current financial year. With a view to providing more facilities to the travelling public, a scheme for re-organisation of passenger transport services is now under preparation.

Shri B. Shiva Rao: Has my honourable friend any statistics to show the number of buses which have been smashed through reckless driving by the drivers, since he took over?

The Honourable Dr. John Matthai: As far as I remember, I think there was only one bus which suffered the sort of fate that my honourable friend mentions; and that was due, I think, to a fire accident, with the result that the bus was completely gutted. That is as far as I have information of at present.

Mr. B. K. Sidhva: As regards new buses may I know whether the Honourable Minister intends to construct the bodies on the lines of the Bombay buses or on the lines of buses here which are just cages for animals?

The Honourable Dr. John Matthai: At present the exact number of new vehicles which we are proposing to acquire during the current financial year is about one hundred; out of that 26 chassis have already arrived here and bodies are being built in our workshops. As far as I know, these bodies, although of a slightly improved design, do not represent any big departure from the existing ones. But I will certainly take the honourable member's suggestion into account.

Mr. B. K. Sidhva: May I know if the Honourable Minister does not consider the fares here very high in comparison with fares prevailing in other provinces?

The Honourable Dr. John Matthai: I am afraid our fares are on the high side, but the only way in which I can bring about a substantial reduction is by an increase in the passenger traffic which will enable me to bring down the overheads. I am keeping that matter very much under consideration.

Shri H. V. Kamath: Does the Honourable Minister propose to introduce double-decker buses here such as those that ply on the roads of Bombay?

The Honourable Dr. John Matthai: My experience of double-decker buses in Bombay has been unfortunate, and I do not propose to repeat it here at present.

Shri M. Tirumala Rao: Has the Honourable Minister travelled *incognito* in one of these buses to realise the troubles of passengers as the Madras Minister did?

Mr. Speaker: That is a request for action.

Maulana Hasrat Mohani: Is the Honourable Minister aware that the distance from Hauz Kazi to Bara Khamba is less than a mile and still the fare charged is one anna and nine pies?

The Honourable Dr. John Matthai: If the honourable member will be good enough to send me a note on that I will have it examined.

Shri B. Shiva Rao: Will my honourable friend consider erecting shelters for waiting passengers as a relief particularly in the hot weather and there are long intervals during which they have to wait between one bus and the next, and also the introduction of monthly fares for people who use these buses every day?

The Honourable Dr. John Matthai: With regard to the second point we have already introduced monthly tickets on a concessional basis for the benefit of schoolboys and students, and I am prepared to consider the extension of that system. The first point I will certainly consider.

Prof. N. G. Ranga: Is there any chance of a new bus route being started on the Ferozeshah Road through Raisina Road right up to this House?

Mr. Speaker: I think we need not go into details over such a small matter. Next question.

RATIONING OF PETROL AND ITS SALE IN BLACK MARKET

227. *Sardar Bhopinder Singh Man: (a) Will the Honourable Minister of Transport be pleased to state whether Government are aware that petrol is being sold in black market in large quantities and at exorbitant rates?

(b) If so, what steps do Government propose to take to stop it?

(c) Do Government propose to review the petrol situation and ease it by releasing more petrol to the motorists?

(d) What are the instructions issued to petrol rationing authorities for the issue of supplementary petrol coupons and what categories of persons are eligible?

(e) Do members of the Legislature come under any such categories? If not, why not?

The Honourable Dr. John Matthai: (a) Government receive from time to time reports that petrol is being sold in the black market but no precise information is available of the quantities so sold or the rates at which they are sold;

(b) Enforcement of the Motor Spirit Rationing Order, 1941, is the responsibility of the Provincial Governments who have appointed special Police Squads and taken other steps from time to time to reduce black marketing in petrol;

(c) The petrol situation is kept constantly under review but the question of releasing more petrol to the motorists than in the past depends upon the overall supply position;

(d) Standing instructions to the Provincial Rationing Authorities are that they should exercise utmost economy in the issue of supplementary petrol coupons. No special categories of persons have been prescribed;

(e) Does not arise.

Sardar Bhopinder Singh Man: Is it a fact that the petrol which is sold in the black-market comes from sources which are vitally important to national security?

The Honourable Dr. John Matthai: I have no reason to contest the statement the honourable member has made, but as I say it is a matter for the Provincial Authorities to examine.

Shri Suresh Chandra Majumdar: Has Government enquired how these huge quantities of petrol go into the black-market: whether it is from the source or whether from the people that are given coupons or from people who are allotted petrol?

The Honourable Dr. John Matthai: I am not an authority on black-marketing, but as far as I have understood the position I think these supplies which are available in the black-market arise in two ways. It is either transfer of petrol from military vehicles to civilian or of petrol allotted to public service vehicles to private vehicles. In both cases measures are being taken by Provincial Authorities to prevent this as far as it is possible to do so.

Shri Suresh Chandra Majumdar: In view of the fact that there is plenty of petrol in the black-market, is the Government prepared to revise the scheme to distribute petrol to civilians?

The Honourable Dr. John Matthai: I understand from those who are familiar with the black-market that the prices are shooting up: which shows that the supply there is diminishing!

Shri H. V. Kamath: Is there any restriction on private motorists carrying a little spare petrol in cans for emergency purposes?

The Honourable Dr. John Matthai: This is a matter for the provincial rationing authorities.

Shri Minir Lal Chattopadhyay: Is it usual that the supplementary coupons quota is much higher than the basic quota?

The Honourable Dr. John Matthai: At present since we have made a cut in the basic ration, it is very likely that that position does arise.

Mr. Tajamul Husain: How long will this control continue?

The Honourable Dr. John Matthai: That depends on the world position.

DELAY IN OBTAINING TRUNK TELEPHONE CALLS

228. *Shri B. Shiva Rao: Will the Honourable Minister of Communications be pleased to state whether Government are aware of the inconvenience caused by the long delays in obtaining trunk telephone calls and the extremely poor audibility on several occasions of such calls between Delhi and stations like Madras?

The Honourable Mr. Rafi Ahmad Kidwai: Government are aware that at times delays occur in obtaining trunk calls. They have taken and continue to take effective steps to reduce the delays to a minimum. It is observed that over 70 per cent. of telephone trunk calls, including ordinary calls, are put through within one hour of their booking.

As regards poor audibility, the trunk circuits being composed mostly of overhead wires, the quality of speech, particularly on long distance circuits, like Delhi Madras, is not always good, as such circuits, by their very nature, are more exposed to faults than short distance circuits. Ordinarily, no trunk calls are put through unless the speech is distinct.

Shri B. Shiva Rao: Is the Honourable Minister aware that in England and America, the charges are for effective conversations. Here out of three minutes, one is fortunate to get half a minute for an effective conversation on trunk calls?

The Honourable Mr. Rafi Ahmad Kidwai: The rules are that the charges are to be for effective calls. I will get the matter looked into and if necessary change the rules.

Shri T. T. Krishnamachari: In view of the fact that he has himself acknowledged that the system operating between Madras and Delhi is imperfect, will the Honourable Minister give instructions to see that they do not charge for non-effective calls?

The Honourable Mr. Rafi Ahmad Kidwai: That is the rule. But I will see if any change is necessary that should be made.

Shri H. V. Kamath: How many cities in India are linked up by the trunk telephone?

The Honourable Mr. Rafi Ahmad Kidwai: I would require notice of that question.

Shri Mahavir Tyagi: Is the Government aware that a great deal of inconvenience is caused by the telephone wires being engaged by most urgent, immediate and most immediate calls from Honourable Ministers and Parliamentary Secretaries not only in the Centre but in the Provinces and States also?

The Honourable Mr. Rafi Ahmad Kidwai: No.

Shri Mahavir Tyagi: In view of the fact that those who are authorised to book most urgent, immediate and most immediate calls has swelled by hundreds because numerous Ministries have been created in the Provinces and States, will Government take steps to minimise the number of such calls?

The Honourable Mr. Rafi Ahmad Kidwai: Where it has been found necessary the channels have been increased: so there is no necessity on that score.

SCALES OF PAY OF TEACHERS IN RAILWAY SCHOOLS

229. *Dr. V. Subramaniam: (a) Will the Honourable Minister of Railways be pleased to state whether it is a fact that the Railway Board have decided to fix the scales of Pay of teaching staff in Railway Schools in the respective scales of the provinces where the schools are situated and if so, the reasons for departure in the case of this category of Central Government servants in the High School at Golden Rock Railway Colony, Trichinopoly, South Indian Railway?

(b) Is it a fact that the Board have conceded the scales of the Central Pay Commission to non-matriculate trained, matriculate trained and graduate trained teachers and denied dearness allowance and other privileges to them at Central rates and if so, how is the anomaly sought to be removed?

(c) Is it a fact that clerks and Class IV Staff in schools have been permitted to elect the Central Pay Commission scales?

(d) Do Government propose to look into the matter and order the application of the Central Pay Commission scales *in toto* to all staff in the Railway schools?

The Honourable Dr. John Matthai: (a) It has been decided that the scales of pay of teachers in Railway schools, should follow, as closely as possible, the pay of provincial school teachers of corresponding status. The same policy will apply to the school at Golden Rock Railway Colony. Education is a provincial subject and the general policy is to aim at handing over, at the appropriate time, all railway schools, except purely technical Institution run for training railway staff, to the Provincial Authorities. Railway schools receive grants-in-aid from Provincial Governments and there are certain conditions attached to these grants. It is desirable therefore that they should conform in all respects, including scales of pay and conditions of service to Provincial Government Schools of corresponding status.

(b) The reply is in the affirmative. The reason is that in respect of basic wages there should be a common minimum.

(c) The position as stated is correct.

(d) Government do not see any justification for revising their orders.

Mr. Frank Anthony: Is it a fact that the teachers is the only section of railway employees in the lower wage bracket whose scales of pay have not been upgraded at all?

The Honourable Dr John Matthal: That is correct. The reason is as I explained that railway schools are schools aided by Provincial Governments, and it is one of the conditions of these grants that these schools should conform to such standards as are laid down by Provincial Governments. It is impossible therefore in regard to this category of employees that there should be any wide discrepancy between Railway and Provincial Schools.

Shri T. T. Krishnamachari: Are the Provincial Governments averse to the Honourable Minister's paying better salaries to his employees?

The Honourable Dr. John Matthal: I made no such suggestion!

Mr. Frank Anthony: Is there no scheme for bringing the scales of pay of these teachers into line with the respective provincial scale and has any action been taken in the matter?

The Honourable Dr. John Matthal: As far as the position in most provinces goes, at present the salaries of school teachers in railway schools correspond more or less to provincial scale salaries. Where they do not we make every effort to bring them up to that standard. As regards the question of raising it above the provincial scale to the scales recommended by the Pay Commission, as I say difficult questions will arise.

Dr. V. Subramaniam: In the Centrally administered schools, is it a fact that in Coonoor and Vedaranyam the Central scales of pay are being adopted?

The Honourable Dr. John Matthal: I am not aware of the conditions in those places. If they are not railway schools, I am not concerned.

Mr. Frank Anthony: Are not the services of these railway employees secured by contract with the railways?

The Honourable Dr. John Matthal: I do not know what difference that makes to the present problem.

Mr. Frank Anthony: Will it not be a breach of contract?

Mr. Speaker: Order, order. I think we are arguing. The honourable member can put his question.

Mr. Frank Anthony: I want to know the attitude of the Railway in this matter.

Mr. Speaker: Next question.

SYSTEM OF CONTRACTS IN RAILWAY COLLIERIES

230. *Shri B. Shiva Rao: Will the Honourable Minister of Industry and Supply be pleased to state what steps have been taken by Government to abolish the system of contracts in Railway Collieries?

The Honourable Dr. Syama Prasad Mookerjee: The contract system of coal raising has been abolished at seven Railway Collieries, viz., Jarangdin, Sawang, Giridih, Argada, Duclbera, Talchar and Bhurkunda. At another, namely Kargali, the working of underground pits is also done departmentally. The collieries at which the system is still in force are Bokaro, Kufasia and Kargali (quarries only); Government, however, intend to bring these also on to departmental working within another 12 months' time.

In view of the great difficulty of keeping tally of numerous small excavations, Government have decided not to abandon at present the contract system for overburden removal at Argada, Bokaro, Kargali, Kurasia, and Bhurkuuda collieries. This is in accordance with the view expressed last year by the Board of Conciliation (Colliery Dispute), Bengal and Bihar.

CURTAILMENT OF TRAINS ON BAREILLY-KATHGODAM SECTION OF O.T. RAILWAY

231. *Shri Satish Chandra: (a) Will the Honourable Minister of Railways be pleased to state whether the 25 up and 26 down trains on the Bareilly-Kathgodam Section of the Oudh and Tirhut Railway have been cancelled since 1st April, 1948?

(b) Why are these train services discontinued during the summer months?

(c) Is there any train on that Section which reaches Bareilly in the forenoon or leaves Bareilly in the evening?

(d) Do Government propose to take steps to restore the above trains, or to so adjust the timings of other trains, that the travelling public entraining and detraining at the intermediate stations are not put to unnecessary hardship and inconvenience?

The Honourable Dr. John Matthal: (a) Yes.

(b) As these trains were carrying only about 150 passengers, they were cancelled in the interest of conservation of rolling stock, including locomotive power, for other important traffic.

(c) No.

(d) No.

Shri Satish Chandra: Is it a fact that these trains are cancelled for the comfort of and to provide additional trains to rich people who travel to the hills during the summer?

The Honourable Dr. John Matthal: They have been cancelled in order to provide additional services on routes which offer bigger traffic.

Shri Satish Chandra: Is it not a fact that these trains run but only the timings are changed? Will the Honourable Minister inquire into it?

The Honourable Dr. John Matthal: I do not know what I am expected to inquire into.

Prof. N. G. Ranga: As to why the timings have been changed.

STEPS TO CHECK RISING PRICES OF FOODSTUFFS

232. *Shri Satish Chandra: (a) Will the Honourable Minister of Food be pleased to state the rates per maund of wheat and rice on 30th June, 1948 in important surplus markets and consuming centres of the United Provinces?

(b) What were the controlled rates of these commodities on the same date during last 3 years?

(b) What steps do Government propose to take for bringing down the abnormally high prices of these foodgrains and other edible commodities?

The Honourable Shri Jai Ramdas Doulatram: (a) and (b). Three statements giving such information as is available are laid on the table of the House.

(c) Attention of the honourable member is invited to answer given to part (c) of the starred question No. 107 by Mr. Z. H. Lari on 11th August, 1948. Apart from the measures mentioned therein, Government are considering other measures to combat the inflationary tendency of which the rise in the price of foodgrains and other edibles is only one aspect.

Statement I.

Showing the wholesale prices of Rice and Wheat in important surplus markets and consuming centres of U.P. as on 26th June 1948.

Producing centres	Price per maund	Consuming centres	Price per maund
	Rs. A. P.		Rs. A. P.
RICE.			
1. Bahraich	22 8 0	1. Agra	19 12 0
2. Banda	16 6 0	2. Chandausi	25 0 0
3. Bareilly	23 0 0	3. Gorakhpur	25 0 0
4. Gonda	24 0 0	4. Lucknow	22 13 9
		5. Partaigarh	22 13 9
		6. Hapur	23 0 0
		7. Shahjahanpur	21 0 0
		8. Jaunpur	28 0 0
WHEAT.			
1. Chandausi	19 8 0	1. Agra	20 8 0
2. Gonda	18 8 0	2. Allahabad	19 12 0
3. Hapur	19 0 0	3. Banaras	21 4 0
4. Harid	17 12 0	4. Jaunpur	21 8 0
5. Bahraich	18 0 0	5. Lucknow	20 10 8
6. Sitapur	20 0 0	6. Pratagarh	22 13 9

Statement II.

Showing wholesale controlled prices of Rice in some of the important producing and consuming centres in U.P.

Prices are in Rupees per maund.

	1945, 2nd July	1946, 30th June	1947, 30th June	1948, 26th June
	Controlled price	Controlled price	Controlled price	Market price
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
<i>Producing Centres.</i>				
1. Bahraich	14 12 0	13 4 0	13 4 0	22 8 0
2. Banda	13 0 0	13 4 0	13 4 0	16 6 0
3. Bareilly	15 2 0	13 4 0	13 4 0	23 0 0
4. Gonda	14 12	13 4 0	13 4 0	24 0 0
<i>Consuming Centres.</i>				
1. Agra		5 4 0	15 4 0	19 12 0
2. Chandausi	18 8 0	15 4 0	15 4 0	25 0 0
3. Gorakhpur	15 12 0	14 4 0	14 4 0	25 0 0
4. Lucknow	15 12 0	15 0 0	15 0 0	22 13 9
5. Partaigarh	15 2 0	15 0 0	13 0 0	22 13 9
	to 15 10 0			
6. Hapur	18 8 0	15 4 0	15 4 0	23 0 0
7. Shahjahanpur	14 8 0	14 4 0	14 4 0	21 0 0
8. Jaunpur	16 0 0	14 10 0	14 10 0	28 0 0

Statement III

Showing wholesale controlled prices of Wheat in some of the important producing and consuming centres in U. P.

	1945	1946	1947	1948
	(2nd July)	(30th July)	(30th June)	(26th June)
	Controlled price	Controlled price	Controlled price	Market price
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
Producing Centres.				
1. Chandausi	10 4 0	10 4 0	10 4 0	19 8 0
2. Gonda	10 4 0	10 4 0	10 4 0	18 8 0
3. Hapur	10 4 0	10 4 0	10 4 0	19 0 0
4. Hardoi	10 4 0	10 4 0	10 4 0	17 12 0
5. Bahraich	10 4 0	10 4 0	10 4 0	18 0 0
6. Sitapur	10 4 0	10 4 0	10 4 0	20 0 0
Consuming Centres.				
1. Agra	11 4 0	11 4 0	11 4 0	20 8 0
2. Allahabad	11 8 0	11 8 0	11 8 0	19 12 0
3. Banaras	11 10 0	11 10 0	11 10 0	21 4 0
4. Jaunpur	10 14 0	10 14 0	11 10 0	21 8 0
5. Lucknow	11 4 0	11 4 0	11 0 0	20 10 8
6. Partapgarh	11 8 0	11 8 0	11 8 0	22 13 9

Pandit Hirday Nath Kunzru: What are the measures which the Government are contemplating? Is rationing one of them?

The Honourable Shri Jairamdas Doulatram: All these questions are being considered.

Pandit Hirday Nath Kunzru: The Honourable Minister says that all these questions are under consideration. What does he mean by the word "these"? Will he explain?

The Honourable Shri Jairamdas Doulatram: The whole question of high prices.

Shri Ajit Prasad Jain: Do the Government contemplate including the land less labourers in the supply of grains through cheapgrain shops?

The Honourable Shri Jairamdas Doulatram: These shops are being opened by various provincial governments.

Shri K. Santhanam: May I know if the Honourable Minister has seen the news in this morning's papers that the United States of America are intending to curtail production of foodgrains, because there has been a bumper crop? Will the Honourable Minister consider the question of imports of grains from abroad to bring down the prices in India?

The Honourable Shri Jairamdas Doulatram: The news relates to next year's sowing.

Shri Ajit Prasad Jain: May I know if the establishment of cheap grain shops extends to the rural areas also?

The Honourable Shri Jairamdas Doulatram: That will depend upon the Provincial Governments.

Shri K. Santhanam: May I draw the attention of the Honourable Minister to the fact that next year's sowings are to be curtailed because this year there has been a bumper crop?

The Honourable Shri Jairamdas Doulatram: This year's crop will be available for export.

Prof. N. G. Ranga: May I know whether the prices in America are higher than the prices here, with the result that Government is obliged to subsidise these wheat imports from the U. S. A.?

The Honourable Shri Jairamdas Doulatram: That is not the reason. It depends upon how much quantity is procurable within the provinces. The prices may be high and yet adequate quantity may not be procurable.

Prof. N. G. Ranga: Is it not a fact that Government has spent more than 18 crores in subsidising foodgrain imports?

The Honourable Shri Jairamdas Doulatram: That is a fact.

Shri M. Ananthasayanam Ayyangar: If the surplus is due to a bumper crop this would be kept on as reserve for the next year in the country where it is produced. Has the Honourable Minister considered that?

The Honourable Shri Jairamdas Doulatram: I am referring to the American crop which would be available for the rest of the world.

Pandit Hirday Nath Kunzru: What are the powers that have been given to the provincial governments in regard to the control of rationing and the general distribution of foodstuffs?

The Honourable Shri Jairamdas Doulatram: The provincial Governments have got all powers.

Pandit Hirday Nath Kunzru: What powers?

The Honourable Shri Jairamdas Doulatram: All powers, except that they have to consult the Government of India.

Pandit Hirday Nath Kunzru: What are the powers which the Government of India have conceded to the provinces in this emergency? What are those powers which they can exercise without previous reference to the Government of India?

The Honourable Shri Jairamdas Doulatram: The same powers which they formerly had—powers to open cheap grain shops, powers to procure foodgrains, to fix the rates at which to supply to the cheap grain shops, etc.

Pandit Hirday Nath Kunzru: Can all these things be done only after a reference to the Government of India or can they take action in respect of these matters without consulting the Central Government?

The Honourable Shri Jairamdas Doulatram: The practice is to consult the Government of India.

Pandit Hirday Nath Kunzru: What happens when there is a difference of opinion between the provincial government and the Government of India?

The Honourable Shri Jairamdas Doulatram: If there is any differences of opinion we discuss these and resolve them.

Pandit Hirday Nath Kunzru: What is the position in that respect?

Mr. Speaker: The question will be hypothetical.

Pandit Hirday Nath Kunzru: It is not hypothetical, Sir. I want to know what is the position under the rules.

The Honourable Shri Jairamdas Doulatram: That question has never arisen. Whenever it arises it will be solved in a satisfactory manner.

Pandit Hirday Nath Kunzru: What is the position under the rules if they are not solved by mutual agreement?

The Honourable Shri Jairamdas Doulatram: They can be solved by mutual agreement.

Pandit Hirday Nath Kunzru: What is the position under the present rules?

Shri Ajit Prasad Jain: May I know whether the Government of India issue any directives to the provincial governments in regard to rationing and the opening of cheap grain shops and if so, will the Government draw the attention of the provincial governments to consider the case of the landless labourers?

The Honourable Shri Jairamdas Doulatram: It is open to the Government of India to do that but I do not think the need has arisen. In regard to landless labourers they are also included under certain fixed income groups fixed by the provinces.

Shri Ajit Prasad Jain: May I know whether it is not a fact that landless labourers working on the fields and living in the rural areas are not included in the cheap grain shop scheme?

The Honourable Shri Jairamdas Doulatram: I know they are included in Madras.

Shri T. T. Krishnamachari: May I know which districts of Madras province are included?

The Honourable Shri Jairamdas Doulatram: The landless labourers in the deficit districts are included.

RISE IN PRICES OF FOODGRAINS AFTER ARRIVAL OF LAST *rabi* CROP.

233. *Shri Satish Chandra: (a) Will the Honourable Minister of Food be pleased to state whether Government are aware that the prices of foodgrains after the arrival of the last *rabi* crop in the market, instead of showing a decline, have been steadily increasing?

(b) What causes do Government attribute to this unusual rise in prices at this particular season?

(c) Are Government alive to the serious repercussions and dangers that may follow if effective steps are not taken immediately to check this rising tide in prices?

(d) Do Government propose to revert to the policy of compulsory procurement and controlled distribution of essential foodgrains?

(e) If not, what are the broad outlines of the policy that they propose to follow?

The Honourable Shri Jairamdas Doulatram: (a) Yes.

(b) There are a number of causes; among them being rise in the price of other commodities; a short *rabi* crops in U. P. and East Punjab; difficulty in free movement of grain from surplus centres to deficit centres; reluctance of the producer to release his grain in the hope that prices will rise further.

(c) Yes.

(d) and (e). Compulsory procurement on any considerable scale is not practicable at this time of the crop season but Government will follow the twin policies (i) of improving Government procurement on the one hand by methods which may be suitable in view of local conditions and (ii) on the other of controlled distribution of grain to the poorer sections of the population.

Shri Ajit Prasad Jain: May I know whether in the U.P. the opening of cheap grain shops is confined only to towns with a population of 100,000 and over?

The Honourable Shri Jairamdas Doulatram: Yes, that is so in U.P.

Maulana Hasrat Mohani: Is the Honourable Minister aware that it is very difficult to procure foodgrains from the cultivators at the prices fixed by the Government, since the cultivators can get nearly double that price in the open market as has been the case in the U.P., where the Government have fixed the price at Rs. 10/8/- per maund of wheat, whereas the cultivators can sell it at Rs. 20 per maund?

Mr. Speaker: What is the question?

Maulana Hasrat Mohani: My question relates to part (d) of the question which relates to compulsory procurement.....

Mr. Speaker: The honourable member is arguing and expressing his own opinions.

श्री गोकुलभाई दौलतराम भट्ट: क्या माननीय मंत्री महाशय को मालूम है कि बीकानेर में लाखों मन चने सड़ रहे हैं। क्या वहां से दूसरी जगह चने भेजने की कोशिश हो रही है।

Shri Gokulbhai Daulatram Bhatt: Is the Honourable Minister aware of the fact that lakhs of maunds of gram are putrefying in Bikaner? Are steps being taken to transport gram to other parts?

आनरेबिल श्री जयराम दास दौलतराम: हां। कोशिश हो रही है।

The Honourable Shri Jairamdas Doulatram: Yes, efforts are being made.

Shri Satish Chandra: May I know whether the U.P. is a surplus or deficit area in respect of its food requirements?

The Honourable Shri Jairamdas Doulatram: The U.P. was at one time a surplus area and now it has been regarded as a deficit area.

Mr. Speaker: The Question Hour is over.

(b) WRITTEN ANSWER

IMPORT OF FOODGRAINS

234. *Shri Satish Chandra: (a) Will the Honourable Minister of Food be pleased to state the quantity of (i) wheat, (ii) maize, (iii) rice and (iv) barley imported on state account from the United States of America, Canada, Australia and Argentina during the last three years?

(b) What price have Government paid on an average for the import of these commodities from the respective countries during these years?

(c) What has been the total value of such imports?

(d) What amount had to be subsidised by Government to make these foodgrains available to the consumers at a reasonable price?

(e) Have Government considered or explored the possibility of avoiding this drain out of the country by giving subsidy in the form of better seed, manure, implements and power to the Indian cultivator; as an incentive to higher production of foodgrains?

The Honourable Shri Jairamdas Doulatram: (a) and (c). Attention of the honourable member is invited to the reply given by me to part (a) of the Starred Question No. 98, by R. B. Lala Raj Kanwar fixed for 11th August, 1948.

(b) The Government of India have continuously to negotiate with different countries for purchase of foodgrains and it would not be in the public interest to reveal the prices at which the foodgrains have been purchased from time to time from the various sources.

(d) The scheme of subsidising the imported foodgrains by the Government of India was brought into effect from 1st April, 1946. The estimated amount of subsidy to be borne by the Central Government on the supply of foodgrains to Provinces during 1946-47 and 1947-48 is as follows:

1946-47—20.59 crores.

1947-48—27.07 crores.

(e) The Government of India have been financing measures for the distribution of improved seeds, manures, implements, etc., on concessional rates since the inception of the Grow More Food Campaign in 1943. Two statements showing the grants sanctioned under the various heads and the seeds, etc., distributed are laid on the table of the House.

Statement I

Showing the details of Loans and Grants Sanctioned to Provincial Governments, Local Administrations during 1943-44 to 1947-48 for Grow More Food Campaign.

Sl. No.	Name of Province	Irrigation facilities		Land clearance and development		Manure Distribution		Seed Multiplication and distribution		Fish Production	
		Loan	Grant	Loan	Grant	Loan	Grant	Loan	Grant	Loan	Grant
1	Aljmer-Merwara	Rs. 7,88,020	Rs. 5,79,795	Rs. ..	Rs. 13,530	Rs. 42,950	Rs. 1,64,801	Rs. 8,86,200	Rs. 5,05,042	Rs. ..	Rs. 10,500
2	Assam	2,35,200	7,30,041	..	..	2,10,300	1,70,621	29,68,532	9,43,883	..	..
3	Baluchistan	..	12,46,470	..	..	..	99,635	22,45,400	11,17,741	..	..
4	Bengal	..	49,49,967	..	..	36,21,500	24,70,141	1,32,15,700	23,39,153	..	1,25,510
5	Bihar	..	28,69,538	..	6,47,501	92,800	8,18,008	7,71,200	9,13,869	..	62,990
6	Bombay	9,22,500	18,09,472	3,00,000	41,60,560	..	47,11,086	..	27,79,514	..	2,17,213
7	C. P. and Berar	87,38,757	13,95,305	15,18,468	1,61,051	81,17,974	19,58,319	64,80,161	18,00,355	..	..
8	Coorg	..	1,13,563	..	1,21,743	..	1,35,071	..	1,25,952	..	..
9	Delhi	40,000	..	..	..	..	..	1,69,000	10,223	..	8,300
10	Madras	..	1,40,09,074	21,87,500	3,32,116	59,00,000	51,74,151	26,00,000	82,42,903	..	11,63,648
11	N.W.F.P.	..	14,45,029	..	19,750	..	32,100	26,90,300	5,32,481	..	..
12	Orissa	22,09,330	15,46,396	28,72,458	3,55,349	5,33,067	6,24,297	18,54,477	4,45,868	..	1,36,530
13	Punjab	..	58,93,085	..	9,17,013	..	12,15,166	..	..	..	22,709
14	Sind	..	..	..	5,360	..	2,17,200	..	3,40,500	..	2,95,480
15	United Provinces	..	69,12,704	..	1,10,200	..	11,37,742	..	10,05,914	..	1,08,130
16	I. C. A. R.	..	..	..	40,000	..	2,22,200	..	75,000	..	..
17	L. A. R. I.	..	..	..	..	..	..	..	..	..	..
18	L. D. R. I.	..	..	..	..	..	..	..	..	..	..
19	Baroda State	..	4,62,000	..	..	..	33,750	..	80,000	..	..
20	Kashmir State	..	..	..	..	..	..	..	17,025	..	..
21	Kutch State	..	..	..	..	..	..	..	..	..	..
22	Rau Pur State	..	..	..	..	..	..	..	..	..	..
23	Chakhari State	..	2,000	..	..	..	..	..	..	..	..
24	Sirmore State	..	..	..	..	..	..	..	..	..	..
25	Travancore State	..	..	..	..	..	..	..	..	..	1,46,399
26	Miscellaneous	60,000	1,00,000	..	..	..	10,714	..	..	..	..
GRAND TOTAL		1,29,83,807	4,40,64,439	68,78,426	69,69,688	1,86,18,591	1,91,95,002	3,38,80,960	2,12,75,423	..	22,97,219

Sl. No.	Name of Province	Fruit Schemes		Dairy schemes		Poultry schemes		Lime Stock schemes		Miscellaneous schemes		Total	
		Loan	Grant	Loan	Grant	Loan	Grant	Loan	Grant	Loan	Grant	Loan	Grant
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Ajmer-Marwara	23,000	2,27,412	..	1,52,000	..	27,240	..	83,238	17,17,170	17,86,558	17,86,558	17,86,558
2	Assam	2,89,300	1,20,349	..	13,300	..	2,14,373	..	7,24,993	34,47,122	32,06,860	32,06,860	32,06,860
3	Baluchistan	1,88,700	..	..	..	..	..	..	2,07,439	22,46,400	23,59,985	23,59,985	23,59,985
4	Bengal	2,78,200	26,187	..	1,11,000	..	1,63,980	..	15,92,353	1,68,37,200	1,20,89,006	1,20,89,006	1,20,89,006
5	Bihar	50,745	..	..	..	..	33,300	..	8,07,378	9,64,000	62,03,229	62,03,229	62,03,229
6	Bombay	..	45,09,186	..	..	..	1,73,170	..	9,29,968	12,22,500	1,92,90,159	1,92,90,159	1,92,90,159
7	C. P. and Berar	..	1,00,000	..	..	..	11,597	2,00,000	6,10,438	2,51,55,366	59,78,587	59,78,587	59,78,587
8	Coorg	67,725	33,730	..	..	3,73,250	1,46,250	..	64,504	3,73,250	8,08,538	8,08,538	8,08,538
9	Delhi	..	6,000	..	..	..	..	..	..	2,09,000	2,03,523	2,03,523	2,03,523
10	Madras	15,508	9,340	..	1,80,000	..	23,100	85,00,000	18,27,135	1,91,87,500	3,08,29,875	3,08,29,875	3,08,29,875
11	N.W.F.P.	..	..	..	32,900	..	..	..	90,501	36,90,300	21,19,861	21,19,861	21,19,861
12	Orissa	33,800	4,110	..	..	..	..	9,00,500	23,56,704	83,69,832	55,03,054	55,03,054	55,03,054
13	Punjab	17,000	37,200	..	..	..	..	..	12,500	..	81,14,673	81,14,673	81,14,673
14	Sind	74,600	44,812	..	13,600	..	..	..	2,60,545	..	12,52,107	12,52,107	12,52,107
15	United Provinces	..	2,56,975	..	..	..	30,125	..	1,24,145	..	97,14,935	97,14,935	97,14,935
16	L. C. A. R.	..	..	..	..	..	..	..	8,11,776	..	11,59,184	11,59,184	11,59,184
17	I. A. R. I.	60,208	..	..	..	..	..	..	7,740	..	47,740	47,740	47,740
18	I. D. R. I.	..	2,91,000	..	..	..	..	..	..	..	2,91,000	2,91,000	2,91,000
19	Baroda State	..	..	..	..	..	..	..	5,85,000	..	12,12,750	12,12,750	12,12,750
20	Kashmir State	..	..	..	..	..	..	..	16,900	..	..	..	..
21	Kutch State	..	..	..	..	..	..	..	8,677	..	..	..	..
22	Ram Pur State	..	..	..	..	..	..	..	8,698	..	..	..	..
23	Chakhari State	..	..	..	..	..	..	..	..	..	..	..	..
24	Sirmore State	..	..	..	..	..	..	..	..	..	..	..	..
25	Travancore State	1,255	..	..	..	..	..	..	..	..	..	..	..
26	Miscellaneous	..	..	..	..	..	1,59,000	..	20,91,033	..	60,000	60,000	60,000
GRAND TOTAL		10,90,041	1,00,000	56,35,823	5,02,800	3,73,250	9,81,035	96,33,600	1,32,20,655	8,24,68,634	11,52,37,125	11,52,37,125	11,52,37,125

Statement II.

Showing the Results Achieved between the period 1943 and 1947.

1. Manures distributed :	
(1) Oil cakes	48,38,000 tons.
(2) Sulphate of Ammonia	4,20,000 tons.
(3) Composts	20,79,770 tons.
(4) G. M. Seeds	8,725 tons.
2. Minor Irrigation Projects :	
(1) Surface wells	64,217*
(2) Tube-wells	471
(3) Tanks	3,152†
(4) Other projects	22,043
3. Seeds distributed:	
(1) Rice, Wheat, Jowar, Bajra and Gram	3,05,000 tons.

(Separate figures not available).

*Includes 18,668 old wells repaired.

†Includes 813 old tanks repaired.

SCHEME FOR PRODUCTION OF MORE FOODGRAINS

235. *Shri B. P. Jhunjhunwala: (a) Will the Honourable Minister of Agriculture be pleased to state whether apart from big schemes for producing more food which depend on import of foreign capital goods and materials, Government have taken up any scheme for producing more food by utilizing the available resources and methods?

(b) If the answer to part (a) above be in the affirmative, to what extent have these resources been utilized and has any tangible result been obtained out of it?

The Honourable Shri Jairamdas Doulatram: (a) A list of the schemes which are not dependent on the import of capital goods and materials from abroad and which are being supported by the Government of India under their five year Grow More Food plan is placed on the table of the House. It is believed that every effort is being made by provincial governments to utilise the available resources within the country to the maximum extent possible.

(b) The information has already been furnished to the House in reply to question No. 127 on the 11th instant. It will be difficult to isolate the results as due only to the use of local resources.

Statement

Nature of schemes financed by the Government of India under Grow More Food Campaign which are not dependent on the import of capital goods and materials from abroad.

1. Distribution of improved seeds.
2. Minor irrigation projects such as improvement and construction of wells, tanks, and channels, etc.
3. Distribution of oilcakes, green manure seeds, etc.
4. Compost making.
5. Distribution of improved implements.

INCREASING PRODUCTION OF CONSUMER GOODS THROUGH VILLAGE AND SMALL SCALE INDUSTRIES

236. *Shri B. P. Jhunjhunwala: (a) Will the Honourable Minister of Industry and Supply be pleased to refer to the statement made by the Honourable the Prime Minister at the Annual meeting of the Indian Chamber of Commerce in 1948 to the effect, that in view of the difficulty in getting supplies of capital goods from foreign countries for producing more consumer goods, it is advisable to take to various village and other small scale industries for which

we have not to depend on foreign materials and thus to increase our production, and state whether Government have taken any steps towards the establishment of such village and small scale industries?

(b) If so, what steps have been taken and with what results?

The Honourable Dr. Syama Prasad Mookerjee: (a) and (b). The development of cottage and small scale industries forms an integral part of Government's policy as announced in Resolution† No. 1(3)-44(13)748, dated the 6th April, 1948, a copy of which is placed on the table of the House. The healthy expansion of cottage and small scale industries depends upon a number of factors e.g., the provision of raw materials, cheap power, technical advice, organised marketing of produce, and, where necessary, safeguards against unfair competition by large-scale manufacturers. Most of these fall in the Provincial sphere and are receiving the attention of the Provincial and State Governments. The Central Government have set up a Cottage Industries Board, whose main functions will be to investigate how far and in what manner such industries can be co-ordinated and integrated with large-scale industries.

STAFF SENT TO FOREIGN COUNTRIES ON DEPUTATION

237. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of Industry and Supply be pleased to state the number of officers and other personnel sent on deputation to foreign countries for (i) International Conferences and (ii) trade purposes?

(b) Have Government examined each case and satisfied themselves that only the required number of them have been sent?

(c) What was the expenditure incurred on each deputation?

The Honourable Dr. Syama Prasad Mookerjee: Presumably the honourable member wants information regarding delegations sponsored by this Ministry from the date when it came into existence, viz., 1939. The required information is as follows:

(a) (i) Ten including two non-officials

(ii) Seven including four non-officials.

(b) Yes.

(c) I place a detailed statement on the table of the House.

Statement

Serial No.	Name of Deputation	Expenditure incurred by the Govt. of India
1	International Tin Conference	000 approximately.
2	British Commonwealth Standards Conference and the London Conference of the National Standards Association organised by the United Nations Standards Co-ordinating Committee London.	Budget provision for £678. Actual expenditure incurred is not known.
3	Deputation for procurement of paper from U. S. A.	Rs. 15,000 approximately.
4	Textile Machinery Delegation.	Information being collected.
5	Newsprint Delegation.	Salary and War allowances Rs. 5,266 0 0 Expenditure on passage Rs. 1,988 10 8
		Total: Rs. 7,254 10 8
		Expenditure on compensatory, travelling and other allowances incurred by the High Commissioner for India is not known.

†Not printed in the day's Debate. A copy has been placed in the Library of the House.—Ed. of D.

COLLECTION OF STAMPS WITH DIRECTOR GENERAL OF POSTS AND TELEGRAPHS

238. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Communications be pleased to state whether it is a fact that Government have in their possession a collection of stamps under the charge of the Director General of Posts and Telegraphs?

(b) If so, what is the approximate value of the same and where and how are they kept?

(c) Is it a fact that due to lack of care and upkeep many stamps are being spoiled?

(d) Are any duplicates of such collections available anywhere?

(e) Do Government intend to keep them in a more suitable place and exhibit them?

The Honourable Mr. Rafi Ahmad Kidwai: (a) Yes, Sir.

(b) Presumably, the honourable member is referring to the philatelic value of the collection; if so, Government have not had it computed. The collection is kept securely partly in albums and partly in glazed cabinets.

(c) No. Some of the stamps have, no doubt, faded in colour due to natural causes.

(d) Duplicates of a few stamps do not exist elsewhere.

(e) Yes, in a Posts and Telegraphs Museum when it is constructed.

COST OF PRODUCTION OF AGRICULTURAL PRODUCTS

239. *Ch. Ranbir Singh: (a) Will the Honourable Minister of Agriculture be pleased to state whether there exists any agency under the Government of India or the Provincial Governments to investigate the cost of production of various agricultural products in the various provinces and States at present?

(b) If the answer to part (a) above be in the affirmative, do Government propose to lay on the table of the House a statement showing the cost of production of wheat, rice, gur, etc., in the various provinces?

(c) If the answer to part (a) above be in the negative, do Government propose to set up some agency to investigate the cost of production of agricultural products at an early date?

The Honourable Shri Jairamdas Doulatram: (a) The Government of India do not have at present any special agency entrusted with the work of carrying out cost of cultivation enquiries. During 1933—36 enquiries into the cost of production of crops in the principal Sugarcane and Cotton tracts in India were carried out under the auspices of Indian Council of Agricultural Research.

At present the Indian Central Jute Committee has been undertaking investigations into the economics of Jute growing. Among the Provinces, it is understood that the Government of U.P. have under consideration a scheme for carrying out enquiries into the costs of cultivation of crops and the costs of living of farmers.

(b) Two volumes of the Report on the Enquiry into the Cost of Production of Crops carried out by the Indian Council of Agricultural Research (Vol. I and Supplementary Vol. I on Punjab) are laid on the table of the House. The remaining 16 volumes are placed in the Library of the House. A statement showing the cost of production of Jute and Paddy in United Bengal in 1947 is also laid on the table of the House.

†Not printed in the day's Debate. A copy has been placed in the Library of the House.—Ed. of D.

(c) In pursuance of the recommendations of the Prices Sub-Committee of the Policy Committee on Agriculture, Forestry and Fisheries, to the effect that detailed and continuous enquiries into the cost of production of crops and cost of living of agricultural producers should be planned and conducted, a scheme for carrying out enquiries into the Cost of Production of crops has been prepared and circulated to the Provinces. The Provincial Governments are being persuaded to undertake such enquiries on their own initiative.

Statement

INDIAN CENTRAL JUTE COMMITTEE
Investigation into the Economics of Jute growing, Bengal, 1947
Average Cost of Production of Jute and Paddy
*Cost in Rs. As. per md.

Centre	Jute	Paddy			
		Aus	Aman	Aus-Aman	Boro-Aman
Hazipur	21—11	17—15	12—3	..	..
Narayanpur	16—11	8—14	..	8—11	..
Mirzapur	22—6	..	5—14	5—9	5—7
Kishoreganj	15—12	11—7	..	..	..
Sirkhara	14—11	..	14—9	11—5	..
All Centres	17—9	..	..	..	..

* (1) Costs represent operational costs only.

(2) Due to the closing down of the enquiry in December 1947, the enquiries relating to Aman paddy were not completed at some centres.

APPOINTMENT OF PEASANT WELFARE OFFICERS

240. *Ch. Ranbir Singh: (a) Will the Honourable Minister of Agriculture be pleased to state whether any welfare officer for agricultural labourers and peasant proprietors has been appointed by Government to raise the general standard of the masses?

(b) If the answer to part (a) above be in the negative, do Government propose to appoint Peasant Welfare Officers in the near future?

The Honourable Shri Jairamdas Doulatram: This question should have been addressed to the Honourable Minister for Labour. It has accordingly been transferred to the list of questions for 20th August, 1948 when it will be answered by the Honourable Minister for labour.

SENDING AGRICULTURISTS TO AMERICA AND JAPAN TO STUDY METHODS OF AGRICULTURE

241. *Ch. Ranbir Singh: (a) Will the Honourable Minister of Agriculture be pleased to state whether any agriculturist has been sent to the United States of America and Japan to study the ways and means of agriculture in those countries, in order to develop their own farms?

(b) If the reply to part (a) above be in the negative, do Government propose to send some agriculturists to foreign countries to study the development of agriculture in those countries?

The Honourable Shri Jairamdas Doulatram: (a) No.

(b) The suggestion will be examined.

IMPORT OF FERTILISERS

242. *Shri H. V. Kamath: Will the Honourable Minister of Agriculture be pleased to state:

- the total quantities of different varieties of fertilisers that are proposed to be imported into India during 1948-49;
- the landed cost of each of them; and
- the selling price of each?

The Honourable Shri Jaiaramdas Doulastam: (a) A statement showing the allocation of Nitrogen from various countries and the information so far available regarding the types and quantities of fertilisers to be received against this allocation is placed on the table of the house. Arrangements are also being made through Director General, India Store Department, London, to import 20,000 tons super-phosphate on Government account from the cheapest available source.

(b) According to the information so far available the landed cost per ton of U.K. and U.S.A. Sulphate of Ammonia is £20 or Rs. 260/10/- and \$87.36 or Rs 288 respectively. Information in respect of landed cost of fertilisers from other countries is not yet available.

(c) No consignments of fertilisers against 1948-49 allocation have yet arrived in India. The selling price of these fertilisers will be fixed after full information about their cost and freight, etc., have been obtained.

Statement

Showing the allocation of Nitrogen from various countries during 1948-49 and the Types and quantities of Chemical Fertilisers to be received during the above period.

Source	Quantity of Nitrogen	Types and Quantities of fertilisers
Metric tons		
1. Belgium	5273	Not available.
2. Canada	4172	Not available.
3. Chile	3060	25,144, long tons Sodium Nitrate.
4. Italy	3000	Not available.
5. U. K.	7940	37,212 long tons Sulphate of Ammonia.
6. U. S. A.	4000	19,213 long tons Sulphate of Ammonia.
Total	28,345	

EXPORT OF BONES AND IMPORT OF FERTILISERS

243. *Shri H. V. Kamath: Will the Honourable Minister of Agriculture be pleased to state:

- the total quantity of bones, in different quantities or categories, exported from India during the years 1946-47 and 1947-48;
- whether imported fertilizers contain phosphates, and if so, why large quantities of bones are allowed to be exported;

(c) whether Government are aware that the export of bones results in shortage of phosphatic manure in the country;

(d) if the answer to part (c) above be in the affirmative, why the use of bones is not encouraged in place of imported phosphates; and

(e) if the use of superphosphates is considered preferable to that of bones, why impetus is not given to its manufacture?

The Honourable Shri Jai Ramdas Doulatram: (a) The total quantity of crushed bones and bone-grists exported outside India during the year 1946-47 was 45,808 tons. The figures for the year 1947-48 are not yet completely available and will be placed on the table of the house in due course.

(b) to (d). The imported fertilisers contain phosphates in the form of ammonium phosphate and super-phosphate. Ammonium phosphate which is a mixed manure containing both nitrogen and phosphates, is used for agricultural purposes, while the super-phosphate imported in small quantities each year, is meant for allocation to sugar mills only for sugar-juice clarification as there is a religious prejudice against the use of bone superphosphate for this purpose.

It is not very helpful to retain all our crushed bones in India when it is impossible to use them as such. Bones are useful as manure in the form of bone meal which contains 20—21 per cent. Phosphoric Acid and is a bye-product produced in the process of crushing bones. Raw bones are crushed only for exporting purposes and if the export of crushed bones and bone grist is totally prohibited, bones will not be crushed in India. This will deprive the country of a large quantity of bonemeal, the bye-product which is a valuable fertiliser. It is not possible to reduce all bones into bonemeal because the expenses of complete pulverization of bones into powder are very great. In other countries gelatine and glue and ossein are manufactured out of crushed bones and bone-grist. Until we develop these industries we are obliged to go through a partial process and while retaining all the bone powder produced in the preliminary process of bone crushing, we have to export crushed bones which we are not able to use. Attempts are being made to develop in India an industry for utilizing crushed bones. As soon as it is able to absorb the quantity of crushed bones available, the export of crushed bones would cease. The utilisation of bones for the manufacture of superphosphate is also not economical here at present in India and most of the superphosphate manufacturers in India are therefore utilising imported rock phosphate for the manufacture of superphosphate at economical rates.

The present export price of crushed bones is very remunerative and brings in valuable foreign exchange. As compared with the import price of Rock Phosphate of Rs. 100 per ton, the present export price for crushed bones is Rs. 350 per ton. It is estimated that by exporting 100,000 tons of crushed bones and importing its equivalent namely, 50,000 tons of rock phosphate (one ton of rock phosphate being equivalent to 2 tons of bones in phosphorus content), the country should produce all the superphosphate required (at much cheaper rate) and at the same time earn Rs. 3 crores worth of foreign exchange mostly in hard currency.

(e) Every possible assistance is being given by the Government of India to the Indian Superphosphate manufacturers for the increased production of superphosphate. As practically all the Indian manufacturers have now based their production of superphosphate on imported rock phosphate, liberal imports of rock phosphate from abroad are being allowed. Transport facilities for the movement of rock phosphate to the factory sites are also being afforded to the superphosphate manufacturers. The grant of licences for the import of superphosphate machinery, etc., are being recommended by this Ministry.

**BRIBERY AND CORRUPTION AMONG RAILWAY STAFF OF WAGON SUPPLIES
DEPARTMENT**

244. *Shri Kishorimohan Tripathi: (a) Will the Honourable Minister of Railways be pleased to state whether the attention of Government has been drawn to persistent public complaints of corruption and bribery among Railway staff in the department of wagon supplies?

(b) If so, have Government taken steps to enquire into the truth of such allegations?

(c) If the reply to part (b) above be in the affirmative, what has been the result of such enquiries?

The Honourable Dr. John Matthai: (a) Yes.

(b) The Special Police Establishment that was set up by the Government of India in the year 1942, enquires into complaints of corruption and bribery among Central Government employees including railway employees, that are brought to their notice. Departmental investigations are also made by Railway Administrations on complaints received by them. Action is also taken in cases of irregularities detected directly by Administrations.

(c) The results of the enquiries during the year ending 30th June, 1948 for 5 Indian Government Railways are given below:

Total number of complaints—186.

Cases in which investigations are still pending—46

Cases which were dropped after investigation—97.

Cases in which action was taken either departmentally or through prosecution—43.

Reports from the other four Indian Government Railways will be placed on the table of the House when available.

**BAN ON EXPORT OF BONES AND USE OF BONE-MEAL AND HUMAN WASTE
AS MANURE**

245. *Shri R. R. Diwakar: (a) Will the Honourable Minister of Agriculture be pleased to state whether experiments have been made by the Government of India with bone-meal manure?

(b) If so, with what crops and with what results have such experiments been made?

(c) If the experiments have proved, both in experimental farms and in outside areas, that there is substantial increase in yields especially of food-grains, what special steps have been taken for encouraging the production and use of bone-meal manure?

(d) What is the total quantity of bone-meal used before the war, during war-time and after the cessation of hostilities, what is the extent of land that received this manure, and what are the different varieties of crop for which it was used?

(e) In view of the fact that the total supply of different manures falls short of the country's requirements, do Government propose to ban the export of (i) raw bones, and (ii) crushed bones?

(f) Is it a fact that for want of factories in the country equipped with suitable machinery for the manufacture of higher and more valuable articles like Gelatine from bones, the bone-factory owners are pleading for export permits for raw bones and crushed bone?

(g) Are any efforts being made especially in the villages for the utilisation of human waste as manure? If so, what are they?

The Honourable Shri Jairamdas Doulatram: (a) and (b). A statement (No. I) relating to experiments made by government with bone-meal manure and the crops concerned and the results achieved is placed on the table of the House.

(c) The use of bone-meal as a manure has been encouraged by the Government of India who have sanctioned grants to Provincial Governments in connection with their schemes for the subsidised distribution of bone-meal. The production of bone-meal can be increased only if the bone-crushing industry crushes more bones, for bone-meal is a bye-product of the process of crushing bones. This industry is therefore being encouraged to increase the crushing of bones from 40,000 tons to 1,20,000 tons in the year beginning from 1st July, 1948.

(d) A statement (No. II) showing the required information about the consumption of bone-meal, so far available, is placed on the table of the House.

(e) Export of raw bones is totally prohibited. Only crushed bones and bone grists are allowed to be exported on a restricted quota basis fixed each year by the Government of India. It is not very helpful to retain all our crushed bones in India when it is impossible to use them as such. Bones are only useful as manure in the form of bone-meal which contains 20—21 per cent. P₂O₅ and is a bye-product produced in the process of crushing bones. Raw bones are crushed only for exporting crushed bones and if the export of crushed bones is totally prohibited, this will deprive the country of large quantities of bone-meal. For, the bone crushers do not find the payment they can receive for the bone-meal produced (which is 25 per cent. of the total bone weight) to be adequate for the expenses incurred in the process of bone crushing. It is not possible also to reduce all bones into bone-meal since it would be a very expensive process and the value of the bone-meal produced will make the production unremunerative. On the other hand until the industry for manufacturing crushed bones into glue and gelatine and other products has been established in India, there is no alternative left except to export the crushed bones which enables the bone crushing industry to be run successfully. But even these crushed bones are allowed to be exported only on condition of equivalent amount of rock phosphates being imported into India.

The present export price of crushed bones is very remunerative and brings in useful foreign exchange. As compared with the import price of Rock Phosphate of Rs. 100 per ton, the present export price for crushed bones is Rs. 350 per ton. It is estimated that by exporting 100,000 tons of crushed bones and importing its equivalent namely, 50,000 tons of Rock Phosphate (one ton of Rock Phosphate being equivalent to 2 tons of bones in Phosphorus content), the country could produce all the superphosphate required (at much cheaper rate) and at the same time earn Rs. 3 crores worth of foreign exchange mostly in hard currency.

(f) Yes. There are at present no factories in India for the manufacture of glue and gelatine from bones. Unless glue and gelatine are first extracted from bones and superphosphate manufactured as a bye-product as is done in countries abroad, the manufacture of superphosphate from bones will not be an economic proposition. In the circumstances, the bone factory owners are naturally in favour of being allowed to export crushed bones. If this was prohibited, the factories will not crush bones and no bone-meal would be available for manurial purposes.

(g) The village compost schemes operating at present in provinces involve the use of village waste materials such as cattle shed wastes, litter, house-sweepings, etc., and not human waste. In pursuance of the recommendations of the All-India Compost Conference and the Central Manure (Compost) Development Committee, the conversion of village night soil into manure by the adoption of Wardha system of Trench Latrines is under the active consideration of government.

*Statement I**Experiments on Bone-meal*

According to estimates the potential supply of bone-meal in India is nearly 1,000,000 tons of which not more than 5 per cent. is being used at present.

Bonemeal contains 3.4 per cent. nitrogen, and 18.25 per cent. P_2O_5 . Of this total P_2O_5 about 4 per cent. is readily available to the crop.

Response to bonemeal or to any other phosphatic fertilizer is dependent on the soil type and the initial available P_2O_5 content of the soil. If nitrogen and phosphorus are deficient then response to NP will be more than to N. There is a considerable amount of evidence to show that phosphate deficiency is a factor of importance in many of the red soils, particularly those of the texturally lighter types.

Bonemeal is generally found to be effective in acid soils while very little response is obtained to this fertilizer in soils which are on the alkaline side. Indian experience is in agreement with this general finding. At Dacca, in Bengal bonemeal at 56 lbs. P_2O_5 plus lime 5 mds. preceded by green manuring in the year before the experiment was found to be better than no manure, for food crops. For paddy bonemeal (20 lbs. N plus 150 lbs. P_2O_5) was found to be better than no manure. Bonemeal (50 lbs. P_2O_5) plus lime 5 maunds was found to be better than no manure for paddy in the Jute-Aus-Paddy rotation.

The best effect of bonemeal are generally observed when it is used in conjunction with a manure containing large quantities of organic matter, particularly green manures. In this case the substance produced by the decomposition of green manure assists the solution of the phosphoric acid of the bonemeal and thus makes the latter much more available for the plant than would otherwise be the case. The bonemeal generally gives higher yield in the second crop as it requires some time to decompose.

In Cochin it was observed that bonemeal generally gave the high yield in the second crop of paddy. In Travancore bonemeal applied at 30 lbs. P_2O_5 per acre increased the yield of paddy by 50 per cent. over that of the control plots. At Richhai, C. P., in an experiment conducted for five years from 1930-35 to study the effect of phosphatic manure singly or in combination with green manure on paddy, it was observed that the effect of phosphatic fertilizers increased when applied in conjunction with green manure. The highest yield was obtained by the application of bonemeal at 247 lbs. P_2O_5 per acre (Sethi-Manuring of paddy, I. C. A. R. Misc. Bul. No. 38, 1940). At Berhampur, Orissa, green leaf plus bonemeal or bonemeal alone gave increased yields of paddy over no manure. The residual effect of these treatments was also significant.

In an experiment conducted at Aduturai, (Madras) for three years (1933-36) green leaf at the rate of 4,000 lbs. per acre plus bonemeal or bonejelly at 40 lbs. P_2O_5 per acre was found to be better than green leaf alone for paddy crop. Bonemeal was not effective without green manure. It was also observed that there was interaction between green leaf and bonemeal showing that higher doses of green leaf (4,000-6,000 lbs. per acre) combined with smaller doses of bonemeal (50-100 lbs.) was generally more effective than lesser doses of green leaves (2,000 lbs. per acre) combined with higher doses of bonemeal (150-200 lbs.).

Results of experiments carried out at the I. A. R. I. Farm, New Delhi and its Sub-station, Karnal, with bonemeal showed that no response was obtained in the yield of berseem or mixture of Rhodes grass and lucerne at Delhi or in the yields of paddy at Karnal.

Bone super is prepared by treating bone with sulphuric acid, by which process phosphoric acid is released and made available to the crop. This method was found to yield better results than bonemeal alone. In some preliminary experiments conducted at this Institute, the composting of bonemeal with sulphur has given very encouraging results with berseem and the following crop of maize. The yields of berseem (1944-45) with no manure, bonemeal at 120 lbs. P_2O_5 (untreated), and bonemeal at the same dose (composted with sulphur) were 344, 349 and 484 maunds per acre. The yields of maize in 1945 kharif where the residual effects of the fertilizers were studied were 288, 275 and 309 maunds per acre, in the respective treatments. Another advantageous method is to steam the bonemeal, which results in removing the oily and gelatinous matter from the bones and making the bones more porous. This makes the phosphorus in the manure more available to the crop. The more finally pulverised the bonemeal, the more rapidly it is decomposed in the soil and P_2O_5 is made available to the crops.

Statement II.

Showing the Consumption of Bone-Meal before War, during War and after the End of War

Name of the Province	Quantity used			Acreage involved			Remarks
	Before War	During War	After end of War	Before War	During War	After end of War	
Bombay	Not available	704 tons	*2,928 tons	Not available	7,111 acres	2,4240 cr,5	*158 tons used on irrigated jowar and Wheat. Bone-meal used as an ingredient of manure mixture containing groundnut cake and ammonium sulphate.
C.P.	..	..	603 tons	..	..	12,280 acres.	Paddy, sugar-cane, vegetables and fruit.
Orissa	..	..	120.5 tons	..	..	3,277 acres.	Paddy
U. P.	Not available	Not available	1,350 tons	Not available	Not available	Not available	Crops and fruit Trees.
Assam	536 tons per annum	2,321 tons at 10,000 mds. per annum.	893 tons at 10,000 mds. per annum.	10,000 acres	Not available	Not available	Rice.
West Bengal	..	1,068 tons	4,298 tons	..	9,612 acres.	38,682 acres.	Paddy.
Punjab	..	..	..	..	..	..	..

246.—248. [CANCELLED.]

KANNADA MONEY ORDER FORMS FOR DHARWAR POST OFFICES

249. *Shri R. R. Diwakar: Will the Honourable Minister of Communications be pleased to state:

(a) whether Government are aware that the post offices in Kannada and particularly the Dharwar post office are not supplied with Kannada money order forms but are supplied instead with Gujrati and Urdu money order forms, neither of which is the regional language of Dharwar;

(b) whether Government are aware that this has caused very great inconvenience to the public and that complaints have been made to the Post Master, Dharwar; and

(c) if so, what steps are taken to avoid such anomalies in future?

The Honourable Mr. Rafi Ahmad Kidwai: (a) I am very thankful to the Honourable Member for bringing to Government's notice that forms in the regional language (Kannada) are not being supplied at these offices; on enquiry, Government have ascertained that this is a fact.

(b) and (c). The omission was due to stoppage of printing of forms in Kannada temporarily, due to paper shortage. The inconvenience caused is regretted but printing has since been taken up and the first instalment of 10,000 forms in Kannada are expected to be received this week.

REVISION OF SCALE OF DEARNESS ALLOWANCE FOR POSTS AND TELEGRAPHS EMPLOYEES

250. *Shri R. R. Diwakar: (a) Will the Honourable Minister of Communications be pleased to state whether the attention of Government has been drawn to the fact that the index figure of the cost of living for the last three months is in the neighbourhood of 360?

(b) If so, have Government considered the necessity of revising the slab scale of dearness allowance to Post and Telegraph employees in view of the fact that according to the Central Pay Commission's Report, para. 78, page 47, the current slab was good only for so long as the index figure was 280?

(c) If Government have not yet revised the scale, when do they intend doing so?

The Honourable Mr. Rafi Ahmad Kidwai: The question has been transferred to the Ministry of Finance and will be answered by the Honourable the Finance Minister on the 23rd August 1948.

RE-ORGANISATION OF RAILWAY WORKSHOP AT HUBLI

251. *Shri R. R. Diwakar: (a) Will the Honourable Minister of Railways be pleased to state whether Government have decided to re-organise the Railway Workshop at Hubli on a more efficient basis?

(b) If so, do Government contemplate providing more power to that workshop?

(c) Have Government considered the possibility of taking power from Gersoppa, which is now in a position to provide enough power to the Bombay Government under a contract?

(d) If so, what steps have Government taken in that direction?

(e) Are Government aware that enough welfare amenities, such as trade-schools, maternity homes and canteens supplying meals have not been provided to the workers of the Hubli Railway Workshop?

(f) If so, what are the reasons for not providing these amenities?

The Honourable Dr. John Matthai: (a) The remodelling of the Railway Workshop at Hubli is at present being examined, and no decision has yet been reached.

(b) If the remodelling plans are finally accepted some additional electric power will be required.

(c) The possibility of taking power from a central source, if it is available, will receive consideration.

(d) The Railway Board are in correspondence with the Government of Bombay on the subject of obtaining power from Gersoppa.

(e) and (f). The desirability of providing certain amenities for the Hubli Railway Workshops is acknowledged, and plans for canteens have been prepared.

REMOVAL OF CONTROL ON PRINTING PAPER

252. *Shri R. E. Diwakar: (a) Will the Honourable Minister of Industry and Supply be pleased to state whether Government have decided to lift the control on printing paper?

(b) If so, from what date will it be operative and if not, why not?

The Honourable Dr. Syama Prasad Mookerjee: (a) No.

(b) It is not proposed to decontrol paper, because supplies are still seriously short of requirement.

PROVISION OF LIGHTS IN TRAINS ON NARROW GAUGE LINE OF B. N. RAILWAY

253. *Seth Govind Dag: Will the Honourable Minister of Railways be pleased to state:

(a) whether Government are aware that all the carriages including ladies and upper class compartments, in trains on the narrow gauge line of the Bengal Nagpur Railway in the Central Provinces have no lights;

(b) whether Government are aware that this state of affairs has been continuing for a long time and if so, why no steps have yet been taken to provide lights in these trains; and

(c) whether Government propose to take any action in this matter?

The Honourable Dr. John Matthai: (a) No. Government are, however, aware that certain carriages on the narrow gauge line of the Bengal Nagpur Railway in the Central Provinces are running without lights.

(b) and (c). This has been the state of affairs since the beginning of March, 1948.

This has been due to the difficulty in obtaining necessary supplies of electric bulbs in the country caused by shortage of raw-materials, labour unrest and civil commotions, particularly in the Calcutta area where the lamp factories are situated, and also to the difficulty in obtaining supplies from overseas against orders placed on the Director General, India Stores Department, London. These difficulties have now been largely overcome and it is expected that the position will improve in the not too distant future.

STOPPAGE OF OVERTIME WAGES FOR RUNNING STAFF ON B. N. RAILWAY

254. *Seth Govind Das: Will the Honourable Minister of Railways be pleased to state:

(a) whether it is a fact that payment of overtime wages has been stopped to Guards, Drivers and Running Staff of the Bengal Nagpur Railway Goods Trains;

(b) whether Government are aware that the new arrangement which has come into force a couple of months ago has resulted in detention of goods trains at stations for some days as the drivers leave the trains at stations where their working hours come to an end;

(c) whether Government are aware that this practice results in great dislocation of goods traffic in these days of acute wagon shortage; and

(d) if so, what steps Government are taking in this direction in order to set matters right?

The Honourable Dr. John Matthai: (a) The reply is in the negative.

(b), (c) and (d). The expression 'new arrangement' used by the Honourable Member, presumably refers to the orders issued in accordance with the recommendations of the Central Pay Commission, fixing a ceiling limit to the running allowances earned by the loco and transportation running staff. Certain unintended hardships in the application of the orders were brought to notice of Government and the rules were thereupon revised to remove the hardships. In the meantime some instances occurred of engine crews refusing to work beyond eight hours as a mark of protest against the system of payment of running allowances, resulting in a few goods trains having to be stabled.

The whole matter of the rationalisation of the scales of basic pay and running allowances, and the framing of Running Allowance Rules on a uniform basis is at present under review by an expert Committee which is at present writing its report.

PROPOSED NEW RAILWAY LINES IN ORISSA

255. *Shri Biswanath Das: Will the Honourable Minister of Railways be pleased to state:

(a) the number and names of Railway lines that are proposed to be constructed and the route mileage covered in each case within the province of Orissa and the 23 States merged in Orissa;

(b) the names of those lines under investigation and those that are for or under immediate execution;

(c) the progress made in each case; and

(d) the programme of construction in each case?

The Honourable Dr. John Matthai: (a) to (d). Necessary information is being laid on the table.

Statement

(a) The railway projects proposed for investigation, and the route mileage covered in each case within the province of Orissa and the 23 States merged in Orissa are given below:

Names of Projects	Mileage in Orissa
1. Ramaquandam-Rayaghada via Jagdalpur and Nowrangpur	78
2. Kondagaon-Sambalpur via Raigarh-Kantabanji-Lochipur	233
3. Rourkela-Talchar	140
4. Khurda Road-Lochipur via Sonapur	128
5. Naamundi-Joda	13
6. Narpada-Gunupur. Conversion from Narrow Gauge to Broad Gauge and its extension to Bissamcuttack	68
7. Gopalpur-Russelkonda via Berhampur	57
8. Jagdalpur-Jeypore-Padwa-Kottavalasa (part of the Nagpur-Vizagapatam through route)	64

(b) All the above projects except items 5 and 6 are under investigation. Only two of the projects, viz., Sambalpur-Kantabanji and Rourkela-Talchar have been included by the Central Board of Transport in the list of 12 top priority projects on which the available resources are to be concentrated during the quinquennium, commencing from the year 1948-49.

(c) The progress made in each case is given below :

1. *Ramagundam-Rayaghada*.—The survey has been completed. This line was intended to provide an East-West connection from the N. S. Railway to Raipur-Vizianagram Chord, a necessity which no longer exists.
2. *Kondagaon-Sambalpur*.—Traffic and engineering surveys have been completed in two sections, viz., Kondagaon-Kantabanji and Kantabanji-Sambalpur. The portion between Kantabanji and Sambalpur has been placed by the Central Board of Transport in the list of top priority projects. The portion between Kondagaon and Kantabanji is financially unremunerative.
3. *Rourkela-Talchar*.—The field work of the traffic and engineering surveys has been completed and the report is under compilation.
4. *Khurda Road-Lochipur*.—Traffic and engineering surveys have been completed. The project is financially unremunerative.
5. *Noamundi-Joda*.—No survey has yet been taken in hand. Due to limited resources, it has been decided not to carry out any investigation for the present.
6. *Naupada-Gunupur-Bissamcuttack*.—Traffic survey has been completed. The question of purchase of the Naupada-Gunupur narrow gauge line is under consideration.
7. *Gopalpur-Russelkonda*.—Traffic and engineering surveys have been completed. The reports are under examination.
8. *Jagdulpur-Seyjore-Padwa-Kottavalasa*.—This forms part of the through route between Nagpur and Vizagapatam. Traffic and engineering surveys have been completed and the reports are under compilation.

(d) The two projects included in the list of top priority projects, as mentioned in (b) above, are programmed for construction as follows :

- | | | | | |
|--------------------------|-----|-----|-----|---------------------|
| (i) Sambalpur-Kantabanji | ... | ... | ... | 1949-50 to 1951-52. |
| (ii) Rourkela-Talchar | ... | ... | ... | 1949-50 to 1952-53. |

The remaining projects will be examined in due course by the Central Board of Transport in consultation with representatives of the Provincial Government and any project which they accept as falling under the list of top priority projects will be added to the programme and others which do not so qualify but which would normally have gone forward will be put aside for review as and when the overall resources position improves or priorities alter or at the end of the quinquennium whichever is earlier. It is, therefore, not possible at this stage to state if work on any of the projects in Orissa other than the two mentioned above will actually be taken in hand and, if so, when.

UNSTARRED QUESTIONS AND ANSWERS

TIME TEST OF ACCOUNTS BRANCH OF POSTS AND TELEGRAPHS DEPARTMENT

1. **Shri R. R. Diwakar:** Will the Honourable Minister of Communications be pleased to state:

(a) whether it is a fact that revision of the time test of the accounts branch of the Posts and Telegraphs Department has been under consideration since 1938; and

(b) if the reply to part (a) above be in the affirmative, what are the reasons for such delay and how long it may still take to come to the final decision?

The Honourable Mr. Rafi Ahmad Kidwai: (a) No, the revision of the time-tests is under consideration from 1945 and not from 1938.

(b) Information required for the revision of the time-tests is being collected and a decision will be reached shortly. In the meantime staff in excess of the number justified by the existing time-tests have been allowed wherever justified.

ACCOUNTANTS' EXAMINATION IN POSTS AND TELEGRAPHS DEPARTMENT

2. **Shri R. R. Diwakar:** (a) Will the Honourable Minister of Communications be pleased to state whether it is a fact that the number of candidates who volunteered to appear for the examination of accountants in the Posts and Telegraphs Department, is not sufficient as compared with the number of vacancies?

(b) If the reply to part (a) above be in the affirmative, what is the reason therefor?

(c) How many examinations were held and in what years since the introduction of the examination?

(d) What is the number of candidates who applied for permission to appear at each examination, the number of candidates who were permitted to appear, and the number of those who actually appeared?

(e) What is the number of candidates who were declared as successful in each such examination?

The Honourable Mr. Rafi Ahmad Kidwai: (a) No.

(b) Does not arise.

(c), (d) and (e). The first examination was held in the year 1924 and information regarding the years up to 1935 in which examinations were held is not readily available. From 1935 onwards the examinations were held in 1935, 1938, 1941, 1944 and 1947. A statement is placed on the table giving the information asked for from 1935 onwards.

Statement

The information in respect of candidates since the year 1935 is as follows :—

Years	Number of candidates permitted	Number actually appeared	Number declared successful
1935	726	336	26
1938	662	264	89
1941	658	265	102
1944	771	302	60
1947	520	241	95

Monday
16th August, 1948

CONSTITUENT ASSEMBLY OF INDIA

(LEGISLATIVE) DEBATES

(PART II—PROCEEDINGS OTHER THAN QUESTIONS AND ANSWERS)

Official Report

Volume VI, 1948

(9th August to 31st August, 1948)

THIRD SESSION

OF THE

CONSTITUENT ASSEMBLY OF INDIA
(LEGISLATIVE)

1948



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CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)
DEBATS

(PART II—PROCEEDINGS OTHER THAN QUESTIONS AND ANSWERS)

Monday, 16th August, 1948.

The Assembly met in the Assembly Chamber of the Council House at a Quarter to Eleven of the Clock, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.

QUESTIONS AND ANSWERS

(See Part I)

11-45 A. M.

RESOLUTION RE: INDIAN PARLIAMENTARY GROUP OF INTER-PARLIAMENTARY UNION

The Honourable Pandit Jawaharlal Nehru (Prime Minister and Leader of the House): Sir, I beg to move the following Resolution:

"This Assembly is of opinion that the Honourable the Speaker be pleased to take steps to form an Indian Parliamentary Group of the Inter-Parliamentary Union in conformity with the aims and objects of the said Union."

This Inter-Parliamentary Union was formed some sixty years ago for the purpose of promoting international arbitration and peace. The Union is an association of parliamentary groups constituted within the various national parliaments set up on democratic lines. A group may be formed in each parliament from amongst the Members of the national Parliament of the Country. There is no particular formality connected with the creation of an Inter-Parliamentary Group and its admission to the Union. A group constitutes itself and announces its membership. The Union is a Federation of National Groups. Each Group within a Parliament draws up its own rules of association and fixes the amount of actual contribution of its members. In its internal working each Group is autonomous, subject of course to the limitation that it conducts its work in conformity with the aims of the Union to which it is affiliated.

The aims of the Union are as follows:

- (a) to promote personal contacts between Member of the World's Parliaments,
- (b) to work for the establishment and development of democratic institutions and the advancement of the work of peace and international co-operation;
- (c) to study and seek solutions for all questions of an international character suitable for settlement by parliamentary action;
- (d) to make suggestions for the development of parliamentary institutions.

There is an Inter-Parliamentary Council on which each Group is represented by two delegates. The Executive Committee of five members supervises the work of the Inter-Parliamentary Bureau, and it is located at Geneva.

This question arises immediately now because a meeting of this Inter-Parliamentary Union will be held fairly soon. An invitation for this has been received by the Honourable the Speaker for this House to send its delegates to the meeting. You, Sir, were good enough to consult me about it and I expressed the view of Government that we would welcome our association with

[Pandit Jawaharlal Nehru]

this Union, and that if this House is sending some representatives it will be in the fitness of things if the Honourable the Speaker chose those representatives, and not the Government.

I propose therefore that by this Resolution we may empower the Speaker to associate this Assembly with this Union.

Mr. Speaker: Resolution moved:

"This Assembly is of opinion that the Honourable the Speaker be pleased to take steps to form an Indian Parliamentary Group of the Inter-Parliamentary Union in conformity with the aims and objects of the said Union."

Shri H. V. Kamath (C.P. and Berar: Genera.): Mr. Speaker, Sir, the aim of this Inter-Parliamentary Union as defined in Article 1 of the Statutes in the brochure supplied by the Assembly Office, is very laudable indeed. The genesis of this Union appears to have been at a preliminary meeting organised in Paris in 1888 by a Member of the British Parliament and a Deputy of the French Chamber. Nobody will gainsay today that the need for this Union and the work of such a Union is supremely great. We have all been working for peace, praying for peace, and striving for peace all these years, but peace is not yet in sight. Statesmen and diplomats however—I do not mean India's Statesmen and diplomats—but most of the world's statesmen and diplomats—have made peace a matter of war. When there is war we talk of peace; soon after war we talk of peace. But a few years after peace we again talk of war. That is the position today. Therefore we all agree that we should take steps to associate our country, India, which has stood for peace through ages, with this Union so that we may be able to take active steps in furtherance of this idea of world peace, world co-operation and world brotherhood.

But I would like a little clarification and a little more information on the points that have arisen in connection with the Resolution that has just been moved by the Leader of the House. Here, in this brochure, in Article 1 of the Statutes, the aim is said to be "to promote personal contacts between Members of Parliament"; further on it goes on to say that there will be "a universal organisation of nations". But if we turn round to the last page of the little pamphlet attached to the brochure we find that among the countries represented, or which are going to be represented, at this conference in Rome next month, the South Asian countries do not figure at all, and Russia which is one of the Great Powers of the world is also not in the picture. Among the Asian countries that will be represented at Rome I find only 5 names—Iraq, Iran, Syria, Lebanon and that semi-Asian country, namely Egypt—I won't call it Asian; it is partly Asian and partly African and that is why I said semi-Asian. Apart from these five countries there is no other Asian country which has been represented, or is going to be represented at this Conference. We would like some information as to whether our neighbouring Asian countries which have just emerged, after the last World War, from the darkness of slavery into the sunlight of freedom will have a place at the forthcoming Conference. Because, if at all any nations will pull their weight in the cause of peace, I believe, and I am convinced, that it is only the Asian countries which will do so, and ultimately achieve peace in the world. There is nothing in this pamphlet which throws any light on this point.

Then this brochure goes on to say (page 8) that "all Parliaments are invited to take part in the work of the Union". I do not know if you, Sir, as Speaker of this House or the Leader of the House knows today whether all the countries of the world have been invited or not; because there is a little snag in it and we find it at the bottom of page 8. It says "All Parliaments", it will be seen, are invited to take part in the work of the Union. But Article 1 adds, in the same sentence, that the work of international peace and co-operation between nations is to be established and developed on democratic lines. The words "democracy"

and "democratic" have been much abused and mis-used in the past. Who will judge which country is democratic, and which is not; which Parliament is democratic and which is not? After all, political theorists today are not agreed on this, whether Britain and America are democratic or not—they are said to be plutocracies or capitalist democracies. After all, what is democracy nobody clearly knows. Even in the Constituent Assembly, during the last session, the Honourable the Leader of the House, when speaking on an amendment as regards the Objectives Resolution, said that it is all very well to say that it will be a democratic Republic, but what kind of democracy will it be? These were his own words. I would therefore like to know what is meant by the snag in this that the peace and co-operation between nations is to be established and developed on democratic lines. Whether Russia is democratic or not who will judge? Who will judge whether Britain is democratic or not and whether America is democratic or not? Is it Rome and the Rome Group that is going to decide what is democracy and what is not,—the group which will send invitations to the various countries of the world.

Then I would like to invite the attention of the Leader of the House to a report which appeared in the papers the other day. I do not know how far it is authentic, how far the news emanated from official sources. That report said that India is going to send some observers to this Conference. The point arises here, whether it will be delegates or observers that are going to be sent. If it is observers the question is what part they will take at all. Will they be mute spectators? What is the part they will play in this Conference at Rome? If it is delegates, it is more important. What is the mandate they will carry from this House? After all, they are going as representatives of this Parliament and not as Government's representatives. And if they go as delegates it is in the fitness of things that they should carry a mandate from this House, from the Indian Parliament, and not from any Government source. Therefore we are concerned with this question whether our country, India and our Parliament, will be represented by delegates or by observers. It is a moot point.

We find from this brochure that only one Group may be formed in each Parliament. Later on when we turn to the small leaflet attached to it we find that Groups have been allotted voting strength in the Inter-Parliamentary Conference at Rome. There are three categories—(a), (b) and (c). Category (a) says that each Group, irrespective of its strength, shall have a minimum of five votes, whether it is a country consisting of one million people or 400 million people. Category (b) says that Groups belonging to countries of less than one million inhabitants shall be entitled to one extra vote; those belonging to countries of 1 to 3 million, 2 votes and so on; and those belonging to countries of 350 million population will be entitled to 23 extra votes. The other category is the last one: groups consisting of at least 50 per cent. of the Members of the Lower House of Parliament shall be entitled to one extra vote, and so on and so forth.

Now, according to this strength, India is entitled to at least 23 votes; under category 'C' the relative strength of the Group will be decided by you but a minimum of 23 votes is absolutely certain for India, if we choose to follow this table appended in the Schedule. We do not know in what way it is going to be constituted. I hope—of course I cannot request the Leader of the House because it is a matter, Sir, entirely in your hands—but I hope you will be pleased to give attention to this Schedule contained in the leaflet appended to this brochure.

Then there arises the question of a mandate from this House because I said that our Group represents us, represents our Parliament, and not the Government. It is made clear here in this very brochure that:

"It will thus be seen that the Union is an organization which offers unique opportunities for full and all-round discussion of outstanding international problems by men holding responsible political positions in their own countries."

[Shri H. V. Kamath]

I come to the important point now:

"Not being official delegates of their Governments, they may express their own views freely, and it often happens that members of the same Group hold different views on a particular question. But such free and frank discussion, Inter-Parliamentary meetings are able to prepare the ground unofficially for international measures and decisions to be taken by the respective states....."

So, Sir, I for one would request you if it would be possible to allow this House, to permit this Parliament of ours, to express its views on the Agenda that will be brought up before the Conference in Rome in September—the Agenda is given in the leaflet appended to the brochure—so that Members of this House can express their view on the important matters that will come up before the Conference. There it is stated the Agenda will be—

1. Election of the President and Committee of the Conference.
2. General debate on the Report of the Secretary-General.
3. Principles of international morality.
4. Protection of mothers and children.
5. Present position with regard to non-self-governing territories.
6. Regional economic solidarity and regional economic agreement.

Items 7 and 8 are relatively unimportant.

But, Sir, the most important item of the Agenda is, to my mind, item 3—'Principles of international morality', which to India and to Indian delegates should assume top priority because India has always believed that peace will come only through co-operation, through international work based on the eternal principles of morality and spirituality. The other day the Leader of the House in a message to America, I believe, said it is not so much economic or political co-operation that is needed today, but a change in the psychology of the peoples. I would go a step further and say that what we need is a psychic re-orientation of the entire humanity and we need today a spiritual approach to the problems of international peace and international co-operation. Therefore, Sir, I would request you, if we can manage it within the time allotted to this Session, that we have a brief discussion on the various items on the Agenda so that our delegates, if they are delegates—if they are observers. I have nothing to say, they will sit there and will silently see and come away,—but if they are to be delegates the picture changes, the entire face of the situation changes and they will be asked to take part—will be in a position to take decisions in regard to the important resolutions before them. As a matter of fact, later on at page 4 of the leaflet it is stated:

"In this connection the Inter-Parliamentary Council makes an earnest appeal to the national groups to send complete delegations qualified to take decisions....."

Not merely just to observe and come away or merely to make some speeches and come away, but to take decisions in regard to the important resolutions which will be submitted to them, in the full knowledge of their responsibility towards the Union and towards their respective Parliaments. There is nothing about the Governments here; the Governments' view does not count, and the delegates will be guided by the views, by the opinions, by the mandates that might be given to them by this House.

Lastly, there is another little point which has arisen in connection with this Resolution, and that is the financial commitment, the financial commitment of this country towards the Union. As soon as they appear in the Conference the delegates will have to make their country's position known with regard to its financial obligation towards the Union. On page 5 of the brochure we find:

"Though unofficial, the Union has a regular connection with the Governments in so far as it is supported financially by grants from the different states. This practice was introduced in 1909 by Great Britain. Several Governments also pay the travelling expenses of the members who attend Conferences or meetings of the Inter-Parliamentary Council. On joining the Union, Groups are expected to take steps forthwith to obtain grants towards the central funds of the Union. These are fixed by an agreed 'Scale of Contributions'."

What is an agreed scale? We do not know at present, but we hope our country is not committed more than is commensurate with the part which she will play in this Union. It has happened in the United Nations Organisation that we are bearing financial burdens incommensurate with the part that we play in that Organisation or with India's strength in the U.N.O. Secretariat. So I would request you, as the matter is entirely in your hands, to consider these points, give your earnest attention to these matters, before we send our delegates or observers.

Then, Sir, one last word, and I have done. I suggest that our delegates—if they go to attend this conference—should function as an independent unit, a completely independent unit. Though we are still not out of the British Commonwealth, I believe, Sir, that in international affairs we shall not be tied to the apron strings of Britain or of America, or for that matter any other country in the world. When we sign a document, in Biblical parlance "Let it not be the hand of Esau and the voice of Jacob".

When we sign, let it be the hand of India and the voice of India; let it not be the hand of India and the voice of America or of Britain. I hope our delegates will toe an independent line, a line independent of any bias in favour of America or England, or against any other State, and will function as Indians of a free and independent India. If at all the idea of 'One World' has to be materialized, 'One World' has to come to fruition, it is only India that can bring it about, because long before Wendell Willkie spoke of it, long before other statesmen spoke of 'One World', our sages, our seers, chanted it. Thousands of years ago, our sages declared 'सर्वं खल्विदं ब्रह्म' (Sarvam Khalvidam Brahma). All this, not merely this world, but the whole Universe is Brahman, and there is nothing else. There is nothing in this Universe apart from Brahman. I hope and pray, Sir, that our Group will play such a vital part in the activities and work of this Union; that the time will not be far distant when this Union will evolve, will blossom forth into a Super-Parliament of Man, the Federation of the World; when, Sir, this Parliament will represent the machinery, the nucleus of a World Government which our Leader of the House and our other statesmen who have been stung to the quick by the devastation of modern war, are aspiring after. May that World Government come to pass and may the ancient saying embodied in our scriptures that वसुधैवकुटुम्बकम् (Vasudhaiva kutumbakam): The World is a family may that come to pass,—is my earnest prayer. And my request to you, Sir, is to see that such steps are taken that our delegates will in course of time, play their part in the accomplishment of this noble ideal.

Shri M. Ananthasayanam Ayyangar (Madras: General): Sir, I only wanted to say a word. My friend Mr. Kamath was extremely surprised as to what form of democracy we want. We do want that kind of democracy where the hero of the War, Churchill, was thrown overboard immediately the war was over. We have to learn a lesson from the British democracy. They did not merely idolise him. On the other side there is Russia, I felt that my friend was idolising Russia.

Shri H. V. Kamath: No, Sir. I do not idolise Russia. I am sorry my honourable friend has misunderstood me.

Shri M. Ananthasayanam Ayyangar: Well Sir, I only wanted to say one word. In Russia, is it possible after the end of that war, to throw out the person in charge of the Administration? That democracy was exercised in Great Britain and therefore, that is the kind of democracy that we want, so far as democracy is concerned.

[Shri M. Ananthasayanam Ayyangar]

I do want also the delegates who go from here not to make any statement or commit so far as our future political programme is concerned. I find, Sir, from the morning papers a statement by Sir B. N. Rau who has been sent as a delegate to the International Court of Justice to sit there or to discuss, that India would not leave the British Commonwealth of Nations. I would say that while this matter is on the anvil we ought not to commit ourselves. No delegate who goes as an official delegate either sent by you or otherwise should make statements or commit India in those matters. This is one other international institution where we can sit together and evolve common forms and also benefit in the matter of procedure, so that democracy might be established and the rule of the law may prevail all over the world. I wish all success to this institution and I hope that under your guidance a proper group will be formed.

The Honourable Pandit Jawaharlal Nehru: Sir, this debate has attained higher levels than I anticipated. My proposition was a fairly simple one. This Inter-Parliamentary Union is not, by any means, something that might develop into One World or One Universe. It is a body which has no executive authority. It is a body which does not want to consider any big controversial issues which the United Nations or the Security Council do.

Shri H. V. Kamath: I never said that it would itself develop into one World or one Universe.

Mr. Speaker: Let there be no interference.

The Honourable Pandit Jawaharlal Nehru: Well, Sir, as I say, it is not an organisation which will concern itself with psychic matters either. It is an organisation chiefly meant to promote intercourse between parliamentarians all over the world. It is a public forum to discuss parliamentary matters without committing anybody—either any Government or even any individual—and in the world today it is important that people should know each other; that legislators in various Parliaments should profit by each other's experience and by each other's failure. Therefore, from that point of view, it is desirable that we should go there and take part in that public forum.

There has been talk of democracy etc.—a very complicated subject, which it is not easy to answer in a phrase this way or that way, even in the way that my honourable friend Mr. Ananthasayanam Ayyangar answered it. We need not, therefore, go into that question. So far as this organisation is concerned, it is open, as far as I know, to every country. Even now, it has within its ranks legislators from countries of varying types of Government. It has certainly from the legislatures of Western Europe; it has from the legislatures of Eastern Europe also. I do not think that U.S.S.R. is there, although representatives from the U.S.S.R. have also come in touch with this organisation; but some of the other Eastern European countries are represented on it. So far as Asian countries are concerned, Mr. Kamath is perfectly right in saying that at the present moment we are not adequately represented, but that is, I think, due to various factors. Some of them have only recently come into the international scene like Burma like the Philippines, like Ceylon. I believe both Burma and the Philippines have expressed their willingness to join. Japan was of course in this organisation till this war when various things happened which terminated its connection. At the present moment, as the House knows, Japan is in a peculiar position. Thus there is no question of any country being kept out—Asian, European or any other. It is an inclusive organisation and it wants to include any country that wants to come in except possibly—I cannot say—that there may be some exceptional cases, but none of that kind has been brought to my notice.

Therefore, I do not think while I put this Resolution to the House, that it should understand anything much more than what it says. I say this because Mr. Kamath's speech might, I feel, delude the House into imagining that they are deciding some very high matter of principle or policy or that they are going to an organisation which will make a vast difference to the world. It is a useful organisation which we should encourage which should help us in promoting international contacts, but no important question in the world is going to be decided there or is being considered there at present. The other organisations will do that.

Mr. Kamath suggested that this House should consider various matters that are coming up. This is entirely for you to decide. The various matters that are coming up are important; nevertheless, they are not, normally speaking, of political importance. The care of infants is highly important but on this political parties do not differ, and it is for you, Sir, to consider these problems—certainly—or, it may be that some members of this House interested might consider the Draft Resolution, but in any event, the representatives of this House will go there and I do not think in matters of this kind the House should give specific mandates on issues of this kind. They can discuss and they can generally say what they feel and leave a certain measure of freedom, because as I said, it is not a highly political matter. It is not a matter which will lead to executive action and the House should not attach too much importance to a particular activity, which probably would not be quite correct.

Mr. Speaker: Before I put the motion to the House, I will just point out one fact. I find Russia's name mentioned as one of the countries in which the Inter-Parliamentary Group had been affiliated to the Union.

Shri H. V. Kamath: That is an old one before the Revolution.

Mr. Speaker: Whatever it is, Russia was there. Then Mr. Kamath referred to our present representatives being called "Observers". Although they have been called Observers, in substance they act as Delegates. The reason for their being called observers is that till we have the authority of this House to form a group, it was not possible or desirable on our part to send a delegation, a full-fledged delegation. That is why the word "Observers" as suggested by the Conveners of the Conference was used while accepting the invitation.

As regards the contribution, I understand that it will come to about Rs. 14,769 a year.

The Honourable Pandit Jawaharlal Nehru: It will be much less, but the maximum is about Rs. 14,769; it is open to us to determine a smaller figure in consultation.

Mr. Speaker: It may be much less; it depends upon us.

The question is:

"This Assembly is of opinion that the Honourable the Speaker be pleased to take steps to form an Indian Parliamentary Group of the Inter-Parliamentary Union in conformity with the aims and objects of the said Union."

The motion was adopted.

Dr. P. S. Deshmukh (C.P. and Berar: General): On a point of information, may I know if the names* that have already appeared in the newspapers have any authority behind them?

Mr. Speaker: Yes.

*Dr. B. V. Keskar and Shri B. R. Diwakar.

DURGAH KHAWAJA SAHEB (AMENDMENT) BILL

The Honourable Sardar Vallabhbhai Patel (Minister for Home, Information and Broadcasting and the States): Sir, I beg to move for leave to introduce a Bill further to amend the Durgah Khawaja Saheb Act, 1936.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill further to amend the Durgah Khawaja Saheb Act, 1936."

The motion was adopted.

The Honourable Sardar Vallabhbhai Patel: Sir, I introduce the Bill.

INDIAN ARMY (AMENDMENT) BILL

The Honourable Sardar Baldev Singh (Minister for Defence): Sir, I beg to move for leave to introduce a Bill further to amend the Indian Army Act, 1911.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill further to amend the Indian Army Act, 1911."

The motion was adopted.

The Honourable Sardar Baldev Singh: Sir, I introduce the Bill.

COAL MINES PROVIDENT FUND AND BONUS SCHEMES BILL

The Honourable Shri N. V. Gadgil (Minister for Works, Mines and Power): Sir, I beg to move for leave to introduce a Bill to make provision for the framing of a Provident Fund Scheme and a Bonus Scheme for persons employed in coal mines.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill to make provision for the framing of a Provident Fund Scheme and a Bonus Scheme for persons employed in coal mines."

The motion was adopted.

The Honourable Shri N. V. Gadgil: Sir, I introduce the Bill.

INDIAN TELEGRAPH (AMENDMENT) BILL

The Honourable Mr. Rafi Ahmad Kidwai (Minister for Communications): Sir, I beg to move for leave to introduce a Bill to amend the Indian Telegraph Act, 1885.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill to amend the Indian Telegraph Act, 1885."

The motion was adopted.

The Honourable Mr. Rafi Ahmad Kidwai: Sir, I introduce the Bill.

CENSUS OF REFUGEES BILL

The Honourable Shri Mohan Lal Saksena (Minister of State for Relief and Rehabilitation): Sir, I beg to move for leave to introduce a Bill to provide for the taking of a census of refugees.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill to provide for the taking of a census of refugees."

The motion was adopted.

The Honourable Shri Mohan Lal Saksena: Sir, I introduce the Bill.

ELECTRICITY (SUPPLY) BILL—*Concl'd.*

Mr. Speaker: The House will now proceed with further consideration of the Bill to provide for the rationalisation of the production and supply of electricity, and generally for taking measures conducive to the electrical development of the Provinces of India as reported by the Select Committee.

Mr. Naziruddin Ahmad (West Bengal: Muslim): I do not propose to move amendment No. 82 as it has already been covered. I simply beg to draw attention to the unsatisfactory state of sub-clause (2) of clause 78. In fact this is a power given to the Government to frame rules. They are not complete or they have not taken into account all the places or all the passages where the power has been given. The list is very incomplete. If the list is at all to be given, it must be complete. If no list is given, there will be no confusion, because the draftsman of the rules can read the Act in various places and frame the rules. But if no such thing is done, if some of the places are mentioned in the rule-making powers and others are not mentioned, there is the risk of confusion. I think the ordinary procedure for the draftsman should be to make out a meticulously full and complete list of all the rule-making powers in the body of the Act and then to incorporate them serially by giving reference to the sections. In that way alone you can make the list complete. With these observations, Sir, I do not wish to press or rather move amendment No. 88.

Mr. Speaker: Then there is no other amendment.

The question is:

"That clause 78 stand part of the Bill."

The motion was adopted.

Clause 78 was added to the Bill.

Shri B. L. Sondhi (East Punjab: General): I have to draw the attention of the Honourable Minister regarding the representation received from the East Punjab Government in connection with its Hydro Electric Scheme which is already paying about ten lakhs a year. I think special concessions should be given as the Punjab Government shall be losing a lot of money on account of taxation. I want to know what has happened to the representation.

Mr. Speaker: How does the question arise during the consideration of this clause and at this stage? If he has to make a statement in respect of any other request, it may be done at the proper time. I do not think it is a proper time in the midst of the passage of a Bill, to make a statement, unless this has some relevancy to the clause under consideration.

The Honourable Shri N. V. Gadgil (Minister for Works, Mines and Power): I shall reply to this particular query after seeing if anybody wants to make a speech on this particular clause.

Mr. Speaker: The question is:

"That clause 79 stand part of the Bill."

The motion was adopted.

Clause 79 was added to the Bill.

Shri T. T. Krishnamachari (Madras: General): Sir, I move:

"That for clause 80 of the Bill, the following be substituted:

80. Exemption of Board from Central taxation.—Notwithstanding anything contained in any other law for the time being in force, the Board shall be exempt from liability to pay any tax on income, corporation tax or any other like tax levied by the Central Government."

[Shri T. T. Krishnamachari]

Sir, this is nothing new; I do not claim any originality for this: This is exactly the clause that was clause 78 in the Bill before it went to the Select Committee. That clause 78 has been deleted and the present clause 80 has been put in the place of it. Any member of the House who reads clause 80 will find that exactly the opposite is the intention of this clause. Whereas clause 78 wants exemption for these Boards from all taxes levied by the Central Government, this clause 80 says that these Boards will be liable for the taxes and it goes on adding a further clause to say that the Provincial Government shall not be entitled to any refund of any such taxes paid by the Board.

One point which is a matter of convention of the House, at any rate, it used to be in the days past, that no member of the House raised any question whether any particular portion of a Bill is *ultra vires*. I do not know if that convention really obtains in the case of an amendment made by the Select Committee, which is *ultra vires*. At the time of the introduction of a Bill, nobody takes any objection to any portion of the Bill which may be *ultra vires*. It has to be decided elsewhere. My own feeling is that the Select Committee has gone far beyond its powers in making this change, a change which is obviously *ultra vires* of the constitution. I would like to mention this aspect of the matter although I am not going to raise the specific issue. I would like to invite the attention of the members of this House to section 155 of the Government of India Act. Section 155 is paramount until the new Constitution Act comes into force, and that section does not find a counterpart in it. It happens that when a bill is introduced in the House is perfectly in order, the Select Committee cannot arrogate to itself powers to make any provision which is exactly *ultra vires* of the constitution under which we are acting. This runs, as I have said in my minute of dissent, which I think some honourable members have read and several provincial Governments have also seen, exactly counter to section 155 of the Government of India Act.

Apart from that, there is another aspect of the problem. That is a provincial problem so far as I am concerned. The Madras Government gets a fair amount of revenue out of this and it is a progressively rising revenue. The figure is now about 45 lakhs and it is going up every year. It works to about eight per cent. on the capital invested. The creation of the Board will not affect the provincial Governments' revenues if the clause was as clause 78 as it was originally introduced. The surplus revenues of the Board will go to the provincial Government and the provincial Government will treat it as part of its general revenues. The position will be more or less as it is today. But what this particular section seeks to do is that before the money passes to the provincial Government, a companies tax of five annas plus two that is seven annas in the Rupee will be taken away. My honourable friend, the Mover of the Bill is going to say that the position is not altered very much because out of this Income-tax the Provincial Governments get a contribution. That is so; but the pool is made up by the various Provincial Governments contributing and the Provincial Governments get back a portion. That will not be on all fours with the position as it is today; the Provincial Government is now taking over what is its legitimate revenue, what it had been getting all along. This, I think, is a round about way of achieving a purpose which is not only unconstitutional, but is highly immoral. I have received a communication from the Minister in charge of Electricity from my province, supporting my minute of dissent and asking me to urge on the House and on the Government to retain the clause as it was before it was altered by the Select Committee. What my honourable friend Mr. Sondhi seeks to tell the House is that there is a similar complaint emanating from the East Punjab Government. My own feeling is this. I have no doubt that the Honourable Members of Government who rule the destinies of the people are very wise people. They must

have very good reasons for introducing a provision running counter to popular opinion, running counter to the Provincial Governments opinion and also running counter to the constitution under which we are functioning. I would suggest to my honourable friend to tell his colleagues that it would be eminently unwise at this stage to provoke the Provincial Governments in a matter which they feel is their own province. The whole question of allocation of revenues will be considered in all its aspects by the constitution making authority. It is perfectly open to the constitution making authority to say that all provincial Government undertakings will be taxed or not taxed. My honourable friend is also going to say in regard to another amendment which I would move later on that he is going to give as much time as is reasonable to the Provincial Governments to form the Boards or not to form the Boards for four years according to him. When he is so generous, I do not see why he should not extend his generosity to this matter where it will also be wisdom, and allow me to persuade the House to accept this amendment and ask him to waive any objection which he may have. I think acceptance of this amendment will be an act of wisdom. Of course, if my honourable friend refuses to accept this, as a loyal member of the party, I know what to do. But I think it is extremely unwise both from the constitutional, legalistic as well as the extremely practical point of view for the Government to adopt an attitude of complete indifference to provincial opinion and to the opinion of such members of this House who feel strongly on this.

Shri H. V. Kamath (C.P. and Berar: General): On a point of order, Sir, can the loyalty of a member to his party.....

Mr. Speaker: Order, order; let me first put the Amendment to House. Amendment moved:

"That for clause 80 of the Bill, the following be substituted:

"80. *Exemption of Board from Central taxation.*—Notwithstanding anything contained in any other law for the time being in force, the Board shall be exempt from liability to pay any tax on income, corporation tax or any other like tax levied by the Central Government."

Mr. Naziruddin Ahmad: Sir, I wish to speak on this amendment; but before doing so, I should ask the honourable member to explain once again how this is *ultra vires* of this legislature. I have not been able to follow his argument.

Shri T. T. Krishnamachari: I am afraid I am not entitled to make a second speech.

Mr. Naziruddin Ahmad: That is only by way of clearing the point.

Mr. Speaker: The honourable member need not worry about it. In the first place, he did not raise the point. He has merely stated the point and abstained from raising it. The point is not before the House at all.

Mr. Naziruddin Ahmad: Sir, I beg to support this amendment. There has been a tendency, I submit with all respect, a dangerous tendency on the part of the Central Government of killing all provincial activities before they could stand on their legs. There were two brothers who wanted to open a business and they agreed that they should not eat out of the capital, but spend only out of the profit. But, before they began the business, they tried to calculate the first month's profit, they anticipated a very decent profit during the first month and they thought they should eat up this portion which to them on safe calculation was clear profit. In this way, they went on and the business went into liquidation. These infant institutions should be encouraged in every possible way and they should be allowed to stand on their legs. These are highly beneficial to the public and a large number of small industries will be induced to stand on their feet. If the Central Government takes a large slice,

[Mr. Naziruddin Ahmad]

out of the profits, the effect would be that the cost of running these institutions would be high. And that would affect the income of the consumer. If the Central Government foregoes this claim of income-tax there would be an enormous benefit to a large number of people, one of them being that local institutions like factories and other types of business which depend upon these institutions would be able to work more economically and show more profits. And in the long run the consumers would give the Central Government their share of income-tax. It is an accepted principle that income-tax is not a tax on the board itself but on its constituents; a tax on a company is a tax on the shareholders and every shareholder is entitled to a rebate on account of the personal factor in the tax. If we tax a board at all we should also provide for personal rebates to the consumers. But as circumstances stand no such rebate could be given and there would be many consumers whose income would not reach the taxable limit. If you tax these institutions at the source the effect would be that it would leave many consumers whose income is below the taxable limit absolutely without any remedy whatever. They cannot get a rebate or exemption. Unless one is prepared to give facilities for exemption in suitable cases it is not right to tax them at the source. From all these circumstances I submit that the Central Government should forego its claim to income-tax; it would enable industrial concerns to grow more easily and contribute to their prosperity. The effect would be reflected in greater receipts in income-tax from the consumers. Sir, I support the amendment.

Shri K. Santhanam (Madras: General): Sir, I will deal with one or two matters that have been brought forward. On the question of *ultra vires* I do not think there is any such issue at all, because these boards are separate legal entities and not Provincial Governments and so section 155 of the Government of India Act would not apply; it is not absolutely identical with the Provincial Governments. The fact that my honourable friend has to bring in a positive clause and is not content with the mere deletion of clause 80 shows that it is *intra vires* because he knows that if the clause is merely dropped this Board would be liable for taxation. I would have liked Government not to have provided this clause at all. If they had kept quiet the Board would automatically come under Corporations and would be taxable.

Shri T. T. Krishnamachari: Sir, on matter of explanation. The honourable member is taking advantage of something that I told him this morning. What happens is that if there is no specific mention in the body of the Bill the Board would be taxed as an association of persons but would not be liable to taxation as a company, which means that it might have to pay not 7 annas but 15½ annas in the rupee.

Shri K. Santhanam: My friend may have told me something but he knows that it is *intra vires* and he was not entitled to bring before the House an argument which he knew was not correct. As to the province I will point out that all the moneys invested in the province become loans from the provincial Government to these electricity Boards and the interest on that capital will be treated as expenditure before calculating the profit. Therefore the province would be entitled to put in interest of the six or nine per cent., whatever they may say, and then lend it to the Board, and the Central Government will be entitled to its tax only when it comes in the form of profits. Therefore the Provincial Government's interests are in practice safeguarded though in theory they are to a certain extent infringed by this clause 80.

As to sub-clause (2) it is only to avoid any ambiguity about this taxation. In order to avoid ambiguity it is very essential. It is only to make things absolutely clear that sub-clause (2) has been put in.

Shri Prabhu Dayal Himatsingka (West Bengal: General): Sir, I also beg to oppose this amendment. This involves a question of principle and if we exempt the Board from taxation it will lead to inefficiency. Moreover, as my honourable friend Mr. Santhanam said; section 155 of the Government of India Act does not seem to apply here. Here we have passed a clause which provides that the Board may be for more than one province and the proviso to section 155 makes it clear that when a Board or persons.....

Mr. Speaker: I think we need not go into that question at all. That point seems to be very clear and, as I said when Mr. Naziruddin Ahmad addressed the House, the point was not raised by the honourable member. Even if it is raised, it will be only a hypothetical ruling or statement from the Chair. I do not wish to uphold anything as *ultra vires*, because I do not like that a Bill or a clause should be killed by any ruling of the Chair. If really it is *ultra vires*, there will be ample chance of contesting it in a proper court of law. Therefore the point need not be argued.

Shri Prabhu Dayal Himatsingka: The Select Committee considered this question and with the exception of my honourable friend Mr. Krishnamachari every one else has agreed to clause 80. Therefore I support the clause as it stands.

Shri T. A. Ramalingam Chettiar (Madras: General): Sir, I support the amendment. Whatever may be the view with reference to Government—Central or Provincial—it is not fair to the consumer that this tax should be levied on the Board. It may be that the tax is levied and collected and the Provincial Government will be enabled to get it back when the income-tax or corporation tax is distributed among the provinces; but to the extent the tax is levied and collected the consumer's price of electricity will be raised. It is only when you charge to the consumer a much greater price that a portion of it goes to the Central Government.

Shri K. Santhanam: They may not make a profit; they may reduce and work at a loss.

Shri T. A. Ramalingam Chettiar: It cannot be that the Provincial Government will so work things that they will work at a loss and throw a burden on the Central Government and itself incur a loss. The local Government wants to make some money and one of their sources now and hereafter will be from transactions like this. They will have to take up enterprises and earn more profits and so add to their exchequer for the benefit of the people. That means that they are to earn not five rupees but ten rupees to make five rupees for their exchequer, and the consumer will thus be charged ten rupees instead of five rupees. To that extent it is the consumer who is made to pay.

Another thing is this. One of the arguments that may be advanced with reference to the levying of the tax will be that this if a competitive commodity with reference to which no one wants to place private enterprise at a disadvantage. In the case of this electricity which is going to be a monopoly of the State it cannot be considered in that light at all. I do not see why the consumer's price should be raised to make a profit for the Central exchequer and giving it back to the province, thereby doing great damage to the consumer. It is in that light that I oppose the clause and support the amendment.

Shri M. Ananthasayanam Ayyangar (Madras: General): Both my friends—Mr. T. T. Krishnamachari and Mr. Chettiar have missed the bus. I was also a party to this amendment. But this is sister to another amendment which was tabled but it was not argued with such vehemence as this is sought to be supported, though the House turned it down! It is true that under the

[Shri M. Ananthasayanam Ayyangar]

Government of India Act if a Provincial Government starts an undertaking or trading concern, it must limit its operations to the limits of that province. It is not liable to Central income-tax. So far as Madras is concerned, it produces 99 per cent. of the electricity obtainable in the province as a Government department and therefore all the profits go to it. Under the existing law, such profits are not liable to income-tax under section 155 of the Government of India Act. But even now, Madras has within a period of two years to instal a Board and hereafter they cannot carry on the business of electricity supply departmentally. Every Board has to be compulsorily started there and once a Board is established it is an autonomous body under the provisions of this Act. According to section 12 there is no authority or warrant in the Government of India Act, as it stands now to exempt any such Board from Central taxation. Once we have accepted the principle, the appointment of *ultra vires*. It is open to the House to exempt any of these Boards from Central taxation. Once we have accepted the principle, the appointment of the Board must also be accepted. I do not want to sell away the cow and then catch hold of the string tied round its neck. The main cow disappears and is taken away from my hands. The policy of the Central Government is that if in future various undertakings are started by the State they are to be run departmentally though it may not be run as efficiently as when placed in the hands of a corporate body. But a statutory organization like a Board is to be established so as to keep the undertaking away from political influence. When we have accepted this principle, it is not right that the Centre should be deprived of the means of its continuance by exempting this Corporation. There are various other Corporations. I believe the Damodar Valley Corporation is also liable to this tax. This is a middle step between state-ownership and private ownership. They will take charge of Corporations sponsored by the State. So we may visualise a state when private enterprise will disappear, when all the undertakings may be taken over by the State in the form of these Corporations. The State must get on. It must either take the share of the profits or contribute from the share of the profits by way of taxation. Let us work this for some time. The power is in our hands to scrap this if it does not work. Therefore when we have accepted one amendment.....

Shri T. T. Krishnamachari: The other amendment has not even been moved.

Shri M. Ananthasayanam Ayyangar: Then that is still worse. I am sure my friend is not going to move it, nor will he have the support of this House. Under these circumstances, there is no use pursuing that amendment which also stands in my name. I think we have changed over. I now recommend to the House not to accept this amendment.

The Honourable Shri N. V. Gadgil: There are three clear positions: the first is to exempt these Boards from income-tax altogether; the second is to have a positive provision under which income-tax would be levied on the income of the Board; the third is to leave the thing as it is, neither accepting the amendment moved by Mr. T. T. Krishnamachari nor allowing section 80 as it is on the Statute Book.

Having given my best consideration, I am inclined to think that the clause as it is in the best interests. I do not want to repeat the arguments I referred to in my speech two days ago. But one point, it is only fair, I should bring to the notice of this House and it is this. In certain provinces, if this particular clause comes into operation immediately some hardship is bound to occur, and I may refer to the case of East Punjab. Today they are expecting round about rupees ten lakhs by way of profit on their electricity undertaking and if this provision comes into operation immediately, they will have to part with Rs. 5 lakhs under the provision of section 80. At the same time I want

to bring to the notice of the House that Clause 80 is not going to be brought into operation immediately. What is provided for in sub-clause 4 of clause 1 is:

"Provided that the Central Government may as respects any Province extend the said period of two years and in such event the remaining provisions of the Act shall come into force in that Province on such date, not later than the extended period, as the Provincial Government may, by notification in the official Gazette, appoint."

Initially, there is a period of two years and if any province makes out a case for further extension in point of time, I have not the least doubt that the Central Government will always come to its help. After this assurance, I do not think there is any further need to reply to the arguments that have been urged. I would request the honourable member to withdraw his amendment.

Shri T. T. Krishnamachari: In obedience to the request of the Honourable Minister, I have pleasure in withdrawing the amendment though I am not convinced by the arguments he has advanced. I, however, ask leave of the House to withdraw.

Mr. Speaker: Has the honourable member the leave of the House to withdraw?

The amendment was, by leave of the Assembly, withdrawn.

Mr. Speaker: The question is:

"That clause 80 stand part of the Bill."

The motion was adopted.

Clause 80 was added to the Bill.

Clauses 81 to 83 were added to the Bill.

Shri K. Santhanam: Sir, I move:

"That in Part I of the First Schedule to the Bill, in the second proviso to sub-paragraph (2) of paragraph I, the words 'loans other than' be omitted."

This refers to the last line of the proviso. If the words "loans other than" are deleted, it will read: "capital of the licensee and the loans advanced by the Board under this sub-paragraph". It was considered necessary to bring in the other loans into the scope of this proviso.

The Honourable Shri N. V. Gadgil: Sir, I accept it.

Mr. Speaker: The question is:

"That in Part I of the First Schedule to the Bill, in the second proviso to sub-paragraph (2) of paragraph I, the words 'loans other than' be omitted."

The motion was adopted.

Mr. Nasiruddin Ahmad: Sir, I move:

"That in Part I of the First Schedule to the Bill, in paragraph III, for the words 'agreed between', the words 'agreed upon between' be substituted."

It is only a drafting amendment. The point has been covered already by a passage which appears in clause 82 sub-clause (2). In that clause there is the passage "agreed upon". This word "upon" has been inserted specially by the Select Committee. Taking that as an authority I submit that in order to obtain some amount of uniformity this also should be brought into the same line. It is only a drafting amendment.

Shri T. T. Krishnamachari: I do not think there is any meaning in the amendment. The clause is all right as it is.

The Honourable Shri N. V. Gadgil: Sir, I do not accept the amendment.

Mr. Speaker: The question is:

"That in Part I of the First Schedule to the Bill, in paragraph III, for the words 'agreed between', the words 'agreed upon between' be substituted."

The motion was negatived.

Shri K. Santhanam: Sir, I move:

"That in Part II of the First Schedule to the Bill, in paragraph XI, for all the words beginning with the words 'The licensee shall' and ending with the words 'in that month', the following be substituted:

'Of the kilowatt-hours purchased by the licensee from the Board in each month, a number of kilowatt-hours not exceeding the number which bears the same proportion to the total number purchased as the scheduled effective capacity for the month bears to the maximum demand of the licensee on the Board in that month shall be purchased at a price determined under paragraph XIII; the balance being purchased at a price determined under paragraph XIV.'

It is a technical amendment. The present wording does not bring out the objective very clearly and so this is intended to clarify the whole position.

Mr. Speaker: The question is:

"That in Part II of the First Schedule to the Bill in paragraph XI, for all the words beginning with the words 'The licensee shall' and ending with the words 'in that month', the following be substituted:

'Of the kilowatt-hours purchased by the licensee from the Board in each month, a number of kilowatt-hours not exceeding the number which bears the same proportion to the total number purchased as the scheduled effective capacity for the month bears to the maximum demand of the licensee on the Board in that month shall be purchased at a price determined under paragraph XIII; the balance being purchased at a price determined under paragraph XIV.'

The motion was adopted.

Mr. Speaker: The question is:

"That the First Schedule, as amended, stand part of the Bill."

The motion was adopted.

The First Schedule, as amended, was added to the Bill.

The Assembly then adjourned for Lunch, till Half Past Two of the Clock.

*The Assembly re-assembled after Lunch at Half past Two of the Clock,
Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.*

Mr. Speaker: The question is:

"That the Second Schedule and the Third Schedule stand part of the Bill."

The motion was adopted.

The Second Schedule and the Third Schedule were added to the Bill.

Shri K. Santhanam: Sir, I move:

"That in part (b) of paragraph III of the Fourth Schedule to the Bill, for the words and figures 'paragraphs VIII and XVII', the words and figures 'paragraph VI' be substituted."

This is a purely drafting amendment.

The Honourable Shri N. V. Gadgil: I accept it.

Mr. Speaker: The question is:

"That in part (b) of paragraph III of the Fourth Schedule to the Bill, for the words and figures 'paragraphs VIII and XVII', the words and figures 'paragraph VI' be substituted."

The motion was adopted.

Mr. Speaker: The question is:

"That the Fourth Schedule, as amended, stand part of the Bill."

The motion was adopted.

The Fourth Schedule, as amended, was added to the Bill.

Shri K. Santhanam: Sir, I move:

"That in part (f) of paragraph I of the Fifth Schedule to the Bill, for the words 'scale set out in the Seventh Schedule', the words and figures 'provisions of paragraph VI of the Sixth Schedule' be substituted."

This is a similar drafting amendment.

Mr. Speaker: The question is:

"That in part (f) of paragraph I of the Fifth Schedule to the Bill, for the words 'scale set out in the Seventh Schedule', the words and figures 'provisions of paragraph VI of the Sixth Schedule' be substituted."

The motion was adopted.

Mr. Speaker: The question is:

"That the Fifth Schedule, as amended, stand part of the Bill."

The motion was adopted.

The Fifth Schedule, as amended, was added to the Bill.

Shri K. Santhanam: Sir, I move:

"That in sub-paragraph (1) of paragraph IV of the Sixth Schedule to the Bill, for the words 'appropriation only to that extent shall be made', the following be substituted:

'no appropriation shall be made which would have the effect of increasing the reserve beyond the said maximum'."

The Honourable Shri N. V. Gadgil: I accept it.

Mr. Speaker: The question is:

"That in sub-paragraph (1) of paragraph IV of the Sixth Schedule to the Bill, for the words 'appropriation only to that extent shall be made', the following be substituted:

'no appropriation shall be made which would have the effect of increasing the reserve beyond the said maximum'."

The motion was adopted.

Mr. Speaker: Then there are a number of amendments by Mr. Naziruddin Ahmad.

Mr. Naziruddin Ahmad: I shall explain. I may not move many of them. Numbers 90 to 102, all standing in my name, are only of a formal nature. It is not necessary for me to move them because the Draftsman can take charge of them. Most of them occur in page 80 of the Bill under 'Definitions'. The definitions as a whole consist of one sentence with different sub-divisions. But at many places, at the beginning of sentences, capital letters have been used, and most of these amendments are directed to correct them. And there are some punctuation mistakes. I hope these will be rectified by the Draftsman. They need not therefore be formally moved.

Shri K. Santhanam: Sir, I move:

(i) "That in sub-paragraph (1) of paragraph XV of the Sixth Schedule to the Bill, after the word 'Board', the words 'or where no Board is constituted, the Provincial Government' be inserted."

(ii) "That in sub paragraph (2) of paragraph XV of the Sixth Schedule to the Bill, after the word 'Board', the words 'or the Provincial Government, as the case may be', be inserted."

Both are the same. In certain parts of the Section, where the Board is not constituted the Provincial Government has to act. It is only to provide for these cases that this amendment is necessary.

Mr. Speaker: The question is:

(i) "That in sub-paragraph (1) of paragraph XV of the Sixth Schedule to the Bill, after the word 'Board', the words 'or where no Board is constituted, the Provincial Government', be inserted."

(ii) "That in sub-paragraph (2) of paragraph XV of the Sixth Schedule to the Bill, after the word 'Board', the words 'or the Provincial Government, as the case may be', be inserted."

The motion was adopted.

Shri K. Santhanam: Sir, I move:

"That in part (2)(b)(ix) of paragraph XVII of the Sixth Schedule to the Bill, the word 'hereafter' be omitted."

Mr. Speaker: The question is:

"That in part (2)(b)(ix) of paragraph XVII of the Sixth Schedule to the Bill, the word 'hereafter' be omitted."

The motion was adopted.

Mr. Speaker: The question is:

"That the Sixth Schedule, as amended, stand part of the Bill."

The motion was adopted.

The Sixth Schedule, as amended, was added to the Bill.

The Seventh Schedule was added to the Bill.

Shri K. Santhanam: Sir, I move:

"That in part (f) of paragraph I of the Eighth Schedule to the Bill, for the words 'scale set out in the Seventh Schedule', the words and figures 'provisions of paragraph VI of the Sixth Schedule' be substituted."

Mr. Speaker: The question is:

"That in part (f) of paragraph I of the Eighth Schedule to the Bill, for the words 'scale set out in the Seventh Schedule', the words and figures 'provisions of paragraph VI of the Sixth Schedule' be substituted."

The motion was adopted.

Shri K. Santhanam: Sir, I move:

"That in part (a) of paragraph II of the Eighth Schedule to the Bill, after the word 'Board', occurring in line three, the following be inserted:

'plus one-half of one per centum per annum'."

Mr. Speaker: The question is:

"That in part (a) of paragraph II of the Eighth Schedule to the Bill, after the word 'Board', occurring in line three, the following be inserted:

'plus one-half of one per centum per annum'."

The motion was adopted.

Mr. Speaker: The question is:

"That the Eighth Schedule, as amended, stand part of the Bill."

The motion was adopted.

The Eighth Schedule, as amended, was added to the Bill.

The Ninth Schedule was added to the Bill.

Shri T. T. Krishnamachari: Sir, I beg to move:

"That for sub-clauses (3) and (4) of clause 1 of the Bill, the following be substituted:

(3) This section shall come into force at once, but the remaining provisions of this Act shall come into force in a Province only if the Provincial Government, by notification in the official Gazette so directs and from such date as may be specified in the said notification."

Sir, this again is just a re-introduction of a clause as it was before the Bill emerged from the Select Committee. The Select Committee here has made a very substantial change and I had indicated my disapproval of the action taken by the Select Committee in my dissenting minute.

The difference between the position as it was when the Bill went to the Select Committee and when it emerged, is merely this. There was an option for the Province concerned to follow the scheme set out in this Bill as it was before the Bill went to the Select Committee. Now, subject to a period of grace that is allowed in sub-clause (4), the Provinces are compelled to come into the scheme. I am sure my honourable friend the Mover will tell me that we have given two years straightaway for the Provinces to come in and that he has powers to extend it by another two years which he shall exercise in the case of deserving Provinces. I have no doubt he will exercise that discretion very generously. But that, Sir, is not the crux of the problem. The problem really is that there is a certain amount of independence due to the Province in a matter like electricity which is a Concurrent Subject. The Province has got to do the whole thing; the Central Government cannot by any stretch of imagination give directions to the Provinces as to this, that and something else. Once they contemplate doing it, the Act will become *ultra vires*.

So, what is now sought to be done is to exercise that non-existing power of compulsion, that power of giving executive direction, in a different way, in a round about way which I think is neither fair to the Central Government nor to the Provinces concerned. I agree that in any measure like this a certain amount of uniformity is necessary, but are the Central Government in a position to exercise that uniformity if the Province rebels against it? Surely, the Central Government must be aware of the fact that there are so many ways and means by which the Province can get out of the conditions of this particular Bill when it becomes an Act, if it so chooses. You can always lead a horse to water but you cannot make it drink. What my honourable friend Mr. Gadgil seeks to do is to make the horse drink the water; I am afraid clever and experienced as he is, he will not be able to do it.

Sir, the Bill itself leaves a fair amount of loophole to the Province if it does not want to fall in line. Actually there are certain provisions in this Bill which it would probably be beneficial to the Province to take advantage of. If it does not want to do it, what is there to prevent the Province in merely publishing it in the Gazette and then satisfying the statutory conditions and not acting according to it?

There is another matter. The objective of the Central Government may be defeated in half a dozen ways. One way as my honourable friend Mr. Santhanam suggested was that the Province can levy an interest of 12 per cent. on the monies advanced to the Board, and the whole scheme will be a failure because the Board, as my friend Mr. Ramalingam Chettiar put it, will have to sell electricity at such a price that the objective of the Bill will be defeated.

Again, the Provinces have got the power of levying sales-tax; a Province can levy a sales-tax on electrical energy either at the consumption level or at the distribution level in which case the price of electricity will be put up. So, there will be no uniformity with regard to development in all Provinces and again the purpose of this Bill will be nullified.

So I feel that though the Central Government, like a big brother with a big club, can wield it—and the legislative club is always in their possession—they will not be serving the main purposes of the Bill by wielding that club fairly openly. I am sure my honourable friend Mr. Gadgil possesses enough powers of persuasion, he has got enough money at his disposal which he would dole out to these provinces by means of subventions to make them come into the scheme willingly, rather than enact this particular provision in the Bill and thereby make a fundamental change in the set up of this Bill.

[Shri T. T. Krishnamachari]

Again, Sir, there is the other question of an objection on moral grounds. My honourable friend mentioned at the early stages of the discussion of this Bill that the Provincial Governments have been consulted. May I ask him if he consulted the Provincial Governments after having introduced this radical change in the set-up of the Bill? I do not think he has done it. I think it is therefore not quite proper for him, after having consulted the Provincial Governments up to a particular stage and got them committed to a scheme, to radically change the scheme and say, well, I have the Legislature at my disposal and I shall get any legislature passed.

Sir, I feel that the change effected by the Select Committee is a change that is not dictated by wisdom and a change which would only make the provinces render this particular measure over which the House has spent such a long time, over which members of the Select Committee have spent such a long time and in which the honourable member himself has taken so much interest, into more or less a dead letter. Sir, I warn the Government against using the club even though they can possibly use it. I do hope that it is not too late for wisdom to dawn and my honourable friend will be able to change his mind and accept my humble proposal.

Mr. Speaker: Amendment moved:

"That for sub-clauses (3) and (4) of clause 1 of the Bill, the following be substituted:
(3) This section shall come into force at once, but the remaining provisions of this Act shall come into force in a Province only if the Provincial Government, by notification in the official Gazette so directs and from such date as may be specified in the said notification."

Mr. Nasiruddin Ahmad: Sir, I have with a considerable amount of hesitation to oppose this amendment. My objection is based on a simple ground that it will perpetuate the distinction between one province and the rest of India. In fact, we have just passed a provision relating to taxation. We have decided to tax the Boards, but if we allow any province not to form a Board but to run the business on its own account as a State-owned business, then that business will escape taxation. That would be perpetuating a distinction between one province and another. I beg to submit that all the provinces should be put on the same basis. I would have supported my honourable friend's amendment if there would not have been this invidious distinction. I submit, Sir, that the big club which he has referred to is the big club really which is embedded in the tax proposal. That is a club with which the Honourable Minister can always break the heads of all institutions and prevent them from raising their heads. For these reasons I oppose this amendment.

The Honourable Shri N. V. Gadgil: Sir, I am unable to accept this amendment. As a matter of fact, the question is not of the Madras's needs; the question really is whether this particular industry and its development should be mainly through a Government Department or through an autonomous Statutory Board. After taking all factors into consideration, Government have decided that this is the best. In order to accommodate the view point which has been pressed now and which was also pressed in the Select Committee by my honourable friend Mr. Krishnamachari, I have made enough provision in the proviso of this Section. In the light of that it is not necessary, I think, even for him to press for this amendment. I have not attempted in any way to use the legislative stick—big or small—at all. What I have always sought is hearty co-operation from every province and from every member of the House. If the desire is that this industry should be put on a solid basis, that development should be quick and in a scientific and methodic manner, then there must be some agency which can carry out this policy. Mere enunciation of policy—however good that policy may be—is no use. The organisational set up must be appropriate and I think that the set up contemplated in this Bill is the best under the circumstances. I would therefore ask the House to reject the amendment.

Shri M. Ananthasayanam Ayyangar: Just one word, Sir. I am also a party to this amendment and I beg to submit that the question is that we wanted as in Madras the State to take up this concern. Madras has taken it over. We believe that the State will do it better than any corporate body set up under the aegis of the State. Every province may take it up. The reason so far as Madras is concerned is this. They have introduced prohibition. Prohibition they were getting about 16 crores for their general revenues which they have now lost, but electricity gives them all the profits and in addition they have also started road transport services departmentally. These two are expected to give them some substantial finances. Now, the profits from electricity will be taken away by the Board, although of course a balance of the profits will go to the Provincial Government. (But the Board will be a completely autonomous body and we do not know what it might do. The Provincial Government may not be able to exercise full power over it. Take the Railways for instance. Under the Government of India Act 1935 they provided for a Federal Railway Authority. We oppose this existing railway system which is directly managed by a Minister of State in a Department. Under the Act of 1935 they wanted to create a Federal Railway Authority vesting all the Railways under that Authority and taking it away from the purview of this House. All these Corporations which form separate entities have no chance of their Administrations being subjected to debate in this House. If it is a Department, it is easy. Judged from any point of view the idea of a Corporation does not seem to be more appropriate. Option may be given to those provinces where the electric production and supply is being run by the State itself. However, my honourable friend the Minister thought that two years are being allowed within which they can make certain experiments and if the experiments fail they can come back. Under that assurance, I was prepared to withdraw this amendment and I appeal to my friend because it is a joint amendment and I am entitled to 50 per cent. of it. Let us see if the experiment succeeds and if it does not, under your kind guidance we can introduce another Bill and revoke it.

Shri T. T. Krishnamachari: Although my responsibility is only 50 per cent., I would beg leave of the House to withdraw my amendment.

Mr. Speaker: Has the honourable member leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

Mr. Speaker: The other amendments of Mr. Naziruddin Ahmad need not be put to the House. As regards Prof. Shibban Lal Saksena's, he is not there. So, the question is:

"That clause 1 stand part of the Bill."

The motion was adopted.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Shri N. V. Gadgil: Sir, I beg to move:

"That the Bill, as amended, be passed."

I do not want to make a long speech, but I would be failing in my duty if I do not express my debt of gratitude to the House. I am deeply thankful to those members who have made speeches and also to those who have not. I am also grateful to those members who moved the amendments and to those who did not, and also those who moved and withdrew them.

[Shri N. V. Gadgil]

Sir, the beginnings of this Bill were some time in 1942. In the course of the last six years, the Bill has gone from stage to stage and today the Bill is about to be put on the Statute Book. As I said, the Bill was so big and complicated, so technical in character, that although I am familiar with it for nearly a year, I do not claim that I will stand the cross-examination of anybody who really knows about it. Yet, all the same this is an effort which is consistent with the industrial policy that has been adopted by this House. It is not claimed by the Government that this will satisfy those who stand for socialism and State ownership and control all at once. At the same time this will not satisfy those capitalists who will not move an inch, although the needs of the time are pressing and urgent. Obviously this is a compromise between the two extreme views. That it is an experiment in mixed economy is undoubtedly true and let us hope that as all mixed things give very healthy results, this Bill will also result in the healthy development of this industry. What is sought by this Bill is rationalisation in the supply and distribution of electric energy and a plan of development, the object of which is, as I said when I first made a motion for the reference to Select Committee that every village in this country should have electricity and every house a radio, and I have no doubt that in the course of next ten years when the boards start functioning and the great river schemes will have materialised, that objective will have been completely realized. And when this is done, some of us who will be still here either outside or here will have the satisfaction that in these few years we have done what the country expected.

Mr. Speaker: Motion moved:
"That the Bill, as amended, be passed."

Shri K. Santhanam: Mr. Speaker, Sir, I do not want to take the time of the House except to say a few words. Some of my friends, especially Mr. Ananthasaynam Ayyangar spoke of the possible failure of the experiment and of having to go back on the experiment. I do not conceive that this Bill is an experiment at all. It is in my opinion the only pattern on which India can go towards socialism. Sir, for the last 20 years I have been a passionate advocate of a peaceful evolution towards a socialistic society and I see in this Bill as in the other Damodar Valley Corporation Bill and the State Employees Insurance Bill the first steps towards that evolution. Sir in a socialist society if mere departmental management takes up all economic life, there can be nothing but inefficiency, corruption and ultimately complete breakdown. A handful of people calling themselves ministers cannot be expected to deal with vast departments dealing with the production, distribution and consumption of wealth. We want large centres of initiative, of resource and of people who will have day to day touch and who will have the authority to deal with problems as and when they arise. If every problem dealing with every department of our economic life is to be referred to one set of people either in the provinces or the Centre, then there will be congestion at those centres. Each centre has to delegate this responsibility to competent persons who will be responsible to that centre; it is only by that method that a socialist re-organisation of society can be achieved. I did not indulge in exaggeration when in the opening speech, I said, I conceive it as an effective measure of nationalization of electric power. Sir, I think this is the beginning of all nationalization, and if these boards act, if the Provincial Governments and the Central Government act in accordance with the principle of this Bill, then, I am sure within ten or fifteen years' time the entire production and distribution of electricity will be in the hands of public authorities, all of whom are appointed and are responsible to the responsible ministries either at the Centre or the Provinces. I believe that this is a really effective nationalization measure and in that spirit, I heartily support this motion for passing this Bill and I tender my hearty congratulations to the Minister for successfully piloting this Bill.

Sir, as he himself said many of the clauses of the Bill are a headache to any one who tries to understand it and just as he said, I do not think I shall pass an examination on the Bill, especially in the schedules, but I may assure this House that even these technical clauses, we patiently tried to understand and at least we forced the experts to correct wherever they were not very clear and wherever they were ambiguous. So, I am sure the House may feel satisfied that nothing has been left undone to make it as good as we can make it at this time and in the light of actual experience, if it is found that there are defects, they will be remedied in due course. Meanwhile, I do not like that any impression should go abroad that this is a temporary experiment. I would like the people of India to believe that this is the pattern in which all other industries especially the nationalised industries will have to be managed and that there is no other way. Sir, I support the motion.

Shri M. Ananthasayanam Ayyangar: Mr. Speaker, Sir, on behalf of all persons who took part in the discussions, as also on behalf of all others of the House, I congratulate the Honourable Minister for getting through this Bill. This will certainly mark a landmark in the history of industry and agriculture in this country. Hitherto electricity was confined for lighting and other purposes and to some extent to industry in the urban areas. Electricity was not extended to rural areas. The cream of profits were taken away by the industrialists or by persons or private agencies who introduced by way of corporations generation of electricity and distribution of electricity etc. They were charging high profits per unit and they were unwilling to extend it to rural areas for agricultural purposes. They also give large supplies to industry at low rates and that is why agriculture has not progressed as well as we should expect; nor industry has progressed; they were only anxious to take all the advantages of the monopoly, but not take the liability of expanding it to the rural areas. That was the object with which the Bill was conceived and the Bill has been passed. Certainly as a first measure a Corporation will be very useful. In all those provinces where they have undertaken generation and supply of electricity this will certainly be useful, but in other places where as in Madras and other places where the State itself has been supplying electricity and that very well without any complaint, doing it cheaply and earning the profits also for the State, I do not see how this is the last step in nationalization and that is a retrograde step. My own feeling is that nationalization as I conceive it is that the State must take charge of every industry directly and all property must belong to the State. Today this property does not vest in the State. Under these circumstances, if we should have credit for having ushered a new era of socialism and nationalism, certainly I am one with my honourable friend, Mr. Santhanam for taking all the credit. Let us take this as a first step and this must lead on to the other step. So far as Madras is concerned, the State itself has undertaken without any murmur, without any difficulty or complaint, and if the object of the State is to expand and to carry electricity to the very doors, that experiment is being tried and successfully also. In the other provinces this experiment has not yet been tried. Therefore, as a first measure, it must be tried. This is certainly a step in the right direction, next only to the state managing departmentally. This is no property of the State; it is as well managed by the State as any other; it is not a proper corporation at all. In that I agree with my friend. If any traducers should be there and quarrel with us for not having nationalized, I will certainly agree with my honourable friend and all others who are responsible for this Bill and say that we have nationalised this industry and that every step taken by these boards will be controlled subject to the supervision of the state. My conception of a State is this: The State instead of being a policing authority, the entire industry must be run by the State. Other activities are only subordinate. Formerly, when the British Government came here, they appointed collectors mainly for the purpose of gathering

[Shri M. Ananthasayanam Ayyangar]

tax; welfare of the people, growth of property and wealth of the country was not their main concern. Now that we have attained independence, the whole thing must be reversed; the main object of the State must be to make this country more and more wealthy, industrially, agriculturally. Economically, its standards must be lifted up. Then, taxes will flow naturally. Tax collecting, policing and defending against foreign aggression these are only subordinate activities. What is the good of saving us against foreign aggression if we are starved. Hereafter, the Minister in charge of agriculture and industry must have the foremost place in the Government, both in the Centre and in the provinces. After all, freedom should be for improving the economic activity and wealth of the nation. It is not strange if a Minister is directly, through his subordinates, kept in charge of the administration of an Electric Supply Corporation. How many persons are in charge of a Board: three to five. They are appointed by the State. Under the Minister, he has got a Secretary, Deputy Secretary and three or four assistants to help him. How is this worse than a Board constituted for that very purpose. The legal entity is no doubt different. Let us not, in our enthusiasm to embrace the new child which has not yet come into existence, which has not yet begun to crawl, be too much in favour of it. This is after all an experiment. The other experiment will be tried, of taking over electricity directly.

As regards the working of this corporation, I would try to guard against one or two difficulties. Private enterprise is on the wall; it is watching as to how this experiment works. As a matter of fact, they insisted upon income tax being imposed on this corporation. They were very vociferous about it. They insisted that private industry and this Corporation should have an equal start so that they may reduce their overhead charges, pay their labour well, pay attention to their accommodation, they may show that this service is deficient and ultimately twist the Government and say, scrap this Board and give it to the industry. In this way, they insisted on imposing liabilities on this corporation. No doubt, the Centre would like to clutch at the prospect of getting more Income tax. I may also say that in the yearly Finance Bills, a difference can be made in favour of the corporation. Whereas on other industries, you impose the heaviest tax, tax at the maximum rate, less than the maximum rate may be imposed on the profits of this corporation, and the various other statutory corporations. Let us not yield to the temptation of trying to make them absolutely commercial concerns; it is a public utility service also. The way in which it caters to the needs of the public must be placed in the forefront, before any consideration of earning money alone. Therefore, these corporations must be established and worked with a view to cater to the needs of the public.

Once again, I must congratulate the Honourable Minister for having pushed through this Bill with all his good humour and his enthusiasm for work.

श्री गोपीकृष्ण विजयवर्गिया : श्रीमान् अध्यक्ष महोदय, मैं इस बिल के बीचमें बोला नहीं हूँ लेकिन आखिर में दो शब्द कहना चाहता हूँ। मेरा ख्याल है कि जो हमने बहुत से असूल ले डाउन (lay down) किये हैं, और कम से कम देश में यह ख्याल है कि मुख्य इंडस्ट्रीज (industries) को नेशनलाइज (nationalize) होना चाहिये, खास करके जो एसेन्शियल इंडस्ट्रीज (essential industries) हैं उनको तो होना ही चाहिये। मेरा यह ख्याल था कि कम से कम इलेक्ट्रिक इंडस्ट्रीज (electric industries) पूरी तरहसे नेशनलाइज (nationalize) होनी चाहिये। यह हम लोगों के लिये एक मौका था कम से कम एक नमूने की तरह ही काम करके

बतला देते की जिससे हम नेशनलाइजेशन (nationalisation) की शुरुवात कर सकते। मेरा तो यह पूरा यकीन है और विश्वास है, कि कम से कम यदि और इन्डस्ट्री (industries) नहीं तो इलेक्ट्रिसिटी (electricity) पूरी तरह से नेशनलाइज (nationalize) होनी चाहिये। इसलिए “मैं पूरे संतोष है” ऐसा नहीं कह सकता। इसको हाफ हाटेड कमप्रोमाइज (half-hearted compromise) के तौर पर हम लोग यहाँ पेश कर रहे हैं। जो लोग कहते हैं कि बिजली वगैरा डिपार्टमेंटल (departmental) ढंगसे नहीं चलाई जा सकती, और इस तरह से वह प्राइवेट एन्टरप्राइज (private enterprise) ही सारा रखना चाहते हैं, मेरे ख्यालसे वह प्राइवेट एन्टरप्राइज (private enterprise) अच्छा नहीं होता क्योंकि कुछ मामलों में तो हमको नेशनलाइजेशन (nationalisation) की शुरुवात करनी ही पड़ेगी, और यह जरूरी है, कम से कम इलेक्ट्रिसिटी का मामला तो ऐसा है जो फुल्ली नेशनलाइज (fully nationalize) होना चाहिये। मुमकिन है कि इस तरह से हम जो कमप्रोमाइज ऐक्ट (compromise act) यहाँ पेश कर रहे हैं, जो हाफ हाटेड मेज़र (half hearted measure) है, वह सक्सेसफुल (successful) न हो सके और फिर सारी बुराई गवर्नमेंट के उपर आये। अभी गवर्नमेंट पूरी तरह से डिटरमिन्ड (determined) नहीं है। मैं चाहता हूँ कि हमारी सेंट्रल गवर्नमेंट (Central government) पूरी तरह से यह तय करें, कि जहाँ तक हो सकता है हम नेशनलाइजेशन की पौलिसी (nationalisation policy) ही अमल में लायें। जब तक बिल्कुल यह पौलिसी (policy) नहीं बरती जायेगी तब तक सिर्फ ऐक्ट पास करने से कामयाबी नहीं हो सकेगी। जो लोग कहते हैं (this is a full fledged nationalisation Act) दरअसल ऐसा नहीं है। नेशनलाइजेशन (nationalisation) की दसमें गुंजाइश होते हुए भी जब तक गवर्नमेंट की पौलिसी पूरी तरह से नेशनलाइजेशन (nationalisation) करने की नहीं होगी तब तक नेशनलाइजेशन (nationalisation) अपने आप नहीं आयेगा। अभी तो बहुत सी दिक्कतें हैं, हमको मशीनें और दूसरीक चीजों को पाने में मुश्किलता का सामना करना पड़ता है। अभी तक जो मिक्स्ड इकोनोमी (mixed economy) की तजवीजें हो रही हैं और आगे बढ़ रही हैं और बहुत से रिजोल्यूशन और ऐक्ट (resolution and act) पास कर रहे हैं यह सब (unplanned economy) है फिर भी यह कानून एक एक्सपेरिमेंटल (experimental) है और इसकी जरूरत थी। इस चीज के लिये मैं मंत्री महोदय साहब को बधाई देता हूँ। लेकिन मैं यह पूरी आशा करता हूँ गवर्नमेंट (government) सब चीजों का पूरा नेशनलाइजेशन करने की तजवीज को अमल में लायेगी।

(English translation of the above speech)

Shri Gopikrishna Vijayavargiya (Gwalior State): Mr. Speaker, Sir, I have not spoken during the course of discussion on this Bill, but I want to say a few words in the closing stage. I think we have laid down many principles, and at least there is a strong feeling for nationalization of key industries in the country, especially for essential industries. I was of the opinion that electric industry at least should have been completely nationalized. This Bill afforded us an opportunity to create a precedent for future nationalization. I am, therefore, fully confident and believe that electricity should at least be completely nationalized even though other industries may not be nationalized. Therefore, I cannot say that I am fully satisfied. This is a half-hearted compromise. People say that Electric enterprises cannot be run by Government departments and advocate private enterprise. In my opinion private enterprise is not desirable because in some cases we will have to begin nationalization and it is very essential that Electricity should at least be nationalized. It is just possible that a compromise Bill which we are considering here—being only a half-hearted measure—will not be successful, and as a result the entire blame will be attributed to the Government. The Government is not fully determined as yet. I would like the Central Government to decide finally that as far as possible we should implement the policy of nationalization. Unless and until this policy is persuaded *in toto*, no useful purpose would be served by merely passing legislation. This is not really a full fledged nationalization Act just as some people say. Although it contains provisions for nationalization, yet so long as the Government does not launch upon a policy of complete nationalization, this cannot materialize. There are still so many difficulties which we have to encounter in purchasing machinery and other goods. Uptil now all those plans of mixed economy that are being developed and many Acts and Resolutions which we are passing are unplanned economy. Even then this Act is only an experiment which was needed. For this, I congratulate the Honourable Minister. I have a fervent hope that the Government will soon implement its policy of nationalization of all such industries.

चौधरी रनबीरसिंह : अध्यक्ष महोदय, मैं इस प्रस्ताव का समर्थन करता हूँ और किसानों की तरफ से मंत्री महोदय के प्रति कृतज्ञता प्रगट करना चाहता हूँ। उन की सेवा में दो तीन नमू निवेदन करना चाहता हूँ। एक तो यह है कि आमतौरसे ऐसी कारपोरेशन के अन्दर जो सामर्थ्यशाली लोग हैं और जिनके हाथ में प्रेस होता है और जो वोकल (vocal) होते हैं उनके फायदों का ज्यादा अच्छा ध्यान रखा जाता है। अतः मैं उनसे यह अपील करूँगा कि वे विशेषतः देहाती भाइयों का जिनके पास न तो प्रेस है और न जिनकी आवाज ही है उनके फायदों का अच्छी तरह से ध्यान रखें।

दूसरा निवेदन मैं ईस्ट पंजाब के बारे में करूँगा। ईस्ट पंजाब एक बच्चा सूबा है, उसको पैदा हुये मुश्किल से एक साल हुआ है, जैसा कि मंत्री महोदय ने प्रातः बताया था। टैक्स लगाने से पांच लाख का सालाना घाटा पड़ेगा और वह पांच लाख का टैक्स सेंट्रल गवर्नमेंट को देना पड़ेगा। ईस्ट पंजाब एक डेफिसिट (deficit) प्रान्त है और वह अपना खर्चा बरदाश्त नहीं कर सकता। जैसा कि प्रातः मंत्री महोदय ने विश्वास दिलाया कि वह क्लॉज ८० (clause 80) को जब तक इस सूबे

वाले राजी नहीं होंगे लागू नहीं करेंगे। मैं समझता हूँ और यह विश्वास रखता हूँ कि मंत्री महोदय ने जो विश्वास दिलाया है वह उसके ऊपर आरूढ़ रहेंगे। दूसरा एक और खतरा है जैसा कि मेरे कई दोस्तों ने इस विल पर जब बहस हो रही थी अपने खयालात का इजहार किया कि प्रान्त अपने फायदों की रक्षा इस तरह कर सकते हैं कि वह पंजी पर इन्ट्रस्ट या ध्याज ज्यादा लगा दें। इस तरह से एक संघर्ष पैदा हो जायेगा और प्रान्त और सेन्टर (centre) में जो संघर्ष का खतरा है उसको बचाने की कोशिश करें।

अभी मेरे लायक दोस्त श्री अनन्थासायानम आयंगर ने मद्रास का केस (case) प्लीड (plead) किया। मद्रास के अन्दर बड़े बड़े वक्ता हैं हमेशा इस असेम्बली के अन्दर मद्रास का ही बोलवाला रखते हैं। मद्रास तो एक बहुत आगे बढ़ा हुआ सूबा है। ईस्ट पंजाब के रिप्रेजेन्टिव (representative) आमतौर से इस सभा के अन्दर शान्त और चुप रहते हैं। उनके फायदे के बारे में उनसे अपील करूंगा कि वह उनका ध्यान रखें। ईस्ट पंजाब के अन्दर भाखरा डैम (dam) की स्कीम है और भी स्कीमें हैं। और इस समय भी प्रान्त को मण्डी हाईड्रो इलेक्ट्रिक से १० लाख रुपये की प्रतिवर्ष आय होती है। और ईस्ट पंजाब की जो स्कीम होगी उसमें देहातियों का बहुत ज्यादा लाभ होगा। इसलिये मैं मंत्री महोदय से यह पुरजोर अपील करता हूँ कि वह इस सूबे का खास तौर से ख्याल रखें। जैसा मैंने मद्रास के बारे में बताया, वह तो एक अच्छा सूबा है, पढ़े लिखे और बोलनेवालों का सूबा है। उसका अगर थोड़ा कम ध्यान भी रखें तो कोई हर्ज नहीं, मगर ईस्ट पंजाब का ध्यान जरूर रखें क्योंकि ईस्ट पंजाब मद्रास के मुकाबले में एक छोटा सूबा है और मैं समझता हूँ वहां मद्रास से ज्यादा काम हो रहा है।

मद्रास के लिए प्राहिबिशन (prohibition) स्वीकार किया गया है। मैं ईस्ट पंजाब के बारे में भी आपका ध्यान आकर्षित करना चाहता हूँ कि वहां की सरकार ने अक्टूबर के महीने से विशेषःया मेरे जिले रोहतक में, जो कि देहली के पड़ोस का जिला है, प्राहिबिशन (prohibition) जारी करने का इरादा किया है। ईस्ट पंजाब यों ही घाटे का सूबा है और इस तरह की स्कीमें चलाने से उसे और भी घाटा होगा। अतः पंजाब को आर्थिक सहायता की आवश्यकता है।

दूसरी एक बात मैं और कहना चाहता हूँ और वह यह है कि किसानों की आवाज अगर कहीं थोड़ी बहुत सुनाई देती है या उसका असर है तो वह सिर्फ ईस्ट पंजाब के ही सूबे के अंदर। तो इस सूबे के बारे में आप विशेष तौर से ध्यान रखें। मैं आपसे यह अपील करूंगा कि इसमें कोई शक नहीं है कि हमने कालज ८० (clause 80) पास कर दी है, मगर प्रथम तो आप उसको पंजाब के लिये लागू ही न करें और अगर

[चौधरी रनबीरसिंह]

लागू करें तो उसी हालत में जब कि पंजाब की फाइनेन्शियल पोजीशन (financial position) बहुत स्टेबिल (stable) हो जाय। अपील करते हुए और यह विश्वास रखते हुए कि मंत्री महोदय ईस्ट पंजाब को अपने ध्यान से नहीं जाने देंगे, मैं अपना भाषण समाप्त करता हूँ।

(English translation of the above speech)

Oh. Ranbir Singh (East Punjab: General): Mr. Speaker, Sir, I support this Bill and would like to express gratitude to the Honourable Minister on behalf of the agricultural community and respectfully submit two or three points for his consideration. Firstly, it has been generally noticed that in such Corporations more attention is paid in looking after the interests of the wealthy and influential persons who control the press and are vocal. Therefore, I would appeal to him to particularly safeguard the interests of the rural population who have neither any Press nor are vocal.

Secondly, I would say something in regard to East Punjab which is still a newly born Province hardly an year old. And just as the Honourable Minister stated this morning, it has to lose Rs. 5 lacs annually by the levy of income tax, and that amount will have to be made good by the Central Government. East Punjab is a deficit Province and it cannot meet its expenditure. The Honourable Minister also gave an assurance today that the provisions of Clause 80 will not be brought into operation without the consent of the Provincial Government. I believe and am confident that he will stick to this. Another thing of which we are afraid is that just as many of my friends pointed out during the course of discussion on this Bill, that the Provinces can safeguard their interests by charging more interest on their capital. This will lead to a conflict and efforts should therefore be made to eliminate the possibility of such a clash between the interests of the Central and Provincial Governments.

Just now my honourable friend Mr. Ananthasayanam Ayyangar has pleaded the case of Madras. Madras has many renowned speakers, who have always dominated this Assembly. Madras is already a much advanced Province. The representatives of East Punjab in this House are generally silent. I would appeal to them to look after their interests. East Punjab is having the Bhakra Dam and other projects, and even at present Mandi Hydro Electric is yielding a profit of Rs. 10 lacs per annum.

The East Punjab schemes are likely to prove much more beneficial to the rural population. Therefore, I will earnestly appeal to the Honourable Minister to give special consideration to this Province. Just as I have stated in respect of Madras, which is an advanced Province—its people are educated and good speakers. There is no harm if you pay relatively less attention to that province, because East Punjab is a very small province in comparison to Madras and I think more work is being done there than the latter.

Prohibition was enforced in Madras. I would also like to draw your attention to East Punjab. The Government of that Province have decided to introduce prohibition from the month of October more particularly in the Rohtak District from where I come and which is adjacent to Delhi. East Punjab is already a deficit province and it will have to sustain a further setback by the implementation of such schemes. Therefore, this Province is in urgent need of financial assistance.

Another thing which I want to say is that East Punjab is the only province where the peasants have got some effective voice. Therefore, you should be particularly careful towards this Province. There is no doubt that we have passed Clause 80, but I would appeal to you not to enforce the provisions thereof in East Punjab in the first instance, which should be done only when the financial position of the province is fairly stabilized. With this submission and in the hope that the Honourable Minister will not ignore East Punjab, I conclude.

Mr. Nasiruddin Ahmad: Sir, I support this motion. I am in general agreement with the principle of the Bill which goes midway between the two extremes of nationalisation and private ownership. I submit that it is a very difficult thing for Government to jump all at once into business without sufficient experience. Government departments are run by rules and practices, references and notes flying backwards and forwards. They are not particularly suited to function as business concerns though they may become so with experience.

The second reason for opposing State ownership all at once is that our country has not sufficient experience of industries. I therefore submit that the course that has been adopted in the Bill is a wise one and should be given a good start and a good and fair trial.

Apart from these points of substance which have been ably referred to, I have a few remarks to make in regard to the form in which Bills are generally couched. I think form is as much important as substance because after all we have to interpret these Bills on the wording and the form in which they are put. I had a number of amendments of which some were accepted by the Honourable Minister while others were of a more or less formal character which were not formally moved. By a convention established here mere formal amendments which will be taken care of by the Draftsman have not been moved. But there are large numbers of clerical errors; punctuation mistakes, capital letters in the middle of a sentence, and other mistakes of a like nature are not rare. In recent legislative measures I have noticed a tendency to write "Official" with a small 'o' in the words "Official Gazette", as if it is not one expression but "official" is only an adjective of the noun "Gazette". But it is one expression. If while writing "Connaught Place" we spell "Connaught" with a small 'c' or write "Federal Court" with a small 'f' the mistake would be of the same kind. "Official Gazette" is one expression and if we need a sample it is given in the General Clauses Act. This kind of mistake in Bills should be prevented.

Then a large number of amendments were not accepted by the Honourable Minister; I do not blame him or the House because they were not such as could be discussed here, nor can we blame the Select Committee. These are responsibilities of the Draftsman. It is the right of the House and the duty of the Honourable Minister to insist on a better standard of drafting. Otherwise it creates difficulties for members who have to go through these Bills carefully without being sufficiently paid for it. In fact it takes nights and days to go through them and find out these errors. This has been going on for a long time and now the draftsmanship should improve. With these few words I heartily support the motion.

Prof. N. G. Ranga (Madras: General): Sir, I do not know why my honourable friend Mr. Santhanam quarrels with the idea that this should be treated as an experiment. Personally I think there are ways and ways of public management. Even the earliest joint stock companies used to be known as public companies. We do not want it; we want to improve upon it. Therefore at one time socialists in the beginning and later on everybody began to think of State ownership and direct management as being the best possible public concern.

[Prof. N. G. Ranga]

Recently in England experiments have been made with such public corporations as are now sought to be established. This is the second time that this House is dealing with a proposition like this. Recently we established the Damodar Valley Corporation, and now we are establishing another one. We have yet to see how these corporations are going to function, to what extent they will be able to give satisfaction to the people and make this business a success. Therefore in that spirit and to that extent it certainly is an experiment.

Then there is the other experiment also that has been made in various places, that is, the older kind of State enterprise. In Madras, as has been said, and in Mysore the other experiment has been made and it has proved to be a success. No one has come forward and said that it has not proved a success or does not give satisfaction to those consumers who had to use electricity. But at the same time we do know that if we are to extend that kind of ownership and management to various other spheres of activity, even to the other provinces under the aegis of the Central Government, there are grave doubts whether it would be equally a success, whether it would be useful to the people and whether it would give sufficient satisfaction to everyone. Therefore this experiment is now being started. I have no objection to this. It is not even a middle course. But there is one difficulty. Whether you have direct State management of the whole thing in this Legislature at the Centre, the Provincial Legislatures have direct control over the Ministry and through the Ministry over the management of that particular concern. But when you come to establish these public corporations, the control that the Legislature can possibly exercise can only become very distant, very much limited, almost diluted. It is there that there is a certain amount of danger. How can we get over this particular difficulty.

Sir, Mahatma Gandhi has raised one objection to the Western conception of Socialism. This Socialism laid too much stress on centralization. So Mahatma Gandhi wanted decentralization. Now decentralization does not mean that the State should go on establishing a number of these *ad hoc* committees and boards or corporations, and hand over responsibility to them and say to the public: Do not tackle me for anything done right or wrong by this corporation or board. I cannot be held responsible. I have handed over all responsibility and authority to them. Therefore you cannot question me in regard to administration and management of it. You cannot even tackle me or pass a vote of no-confidence.

Now, that is where shirking of responsibility comes in. If a Minister really wishes to dodge the Legislature and legislative control and at the same time have complete control over an industry like this, the best he can think of doing is to establish a committee, a corporation or a board like this. That is where the sting lies.

How are we to get over this difficulty? There is one way, and I am glad it has been anticipated and provision has been made in that direction, namely, to associate the public at as many centres as possible—the interested public—with the organisation that is being set up. I am glad to find, Sir, that there are two organisations to be set up in the provinces—one a committee and the other an advisory council. I think there is to be an advisory council at the Centre also. If it is not, then I hope that very soon Government will come forward to make good that omission and provide for the constitution and functioning of an advisory council at the Centre also. So far as the province is concerned, I am satisfied with the provision now made because all those who will be using electricity in their respective sphere—industrialists, municipal consumers, agriculturists, ordinary tradesmen and businessmen—will be provided with sufficient representation on the advisory council as well as on the Committee, and to that extent we can expect the local public to make their voice heard at the proper centre and in that way not only decentralization, but also a democratic control, a democratic contact and supervision over the activities

of the Committee that has to be set up is ensured, and that ought to satisfy all those who are really keen on seeing that our public ownership and public organizations are organized in such a way that the public are brought into direct contact with these organizations and also entrusted with sufficient power and influence over them.

But so far as the Centre is concerned, I am anxious that a similar advisory council should be set up. Unfortunately, there is no provision made here for this but I suppose nothing will prevent my honourable friend, the Minister in charge, to constitute a council like that and then provide it with certain powers to start with, and afterwards come forward with an amending Bill in order to give them also certain statutory powers. Once such Councils are established, I personally feel this sort of mechanism ought to give us, even as an experiment, much better satisfaction than any joint stock company.

Then if it is compared to a direct State-owned management, how will it bear comparison? There is one difficulty. If it were to be merely direct State ownership there is the danger of the personal predilections of a Minister coming in and interfering with the efficiency of the service that has to be rendered. There is also the danger of some of our own legislators trying to interfere where they need not have to interfere and where they ought not to interfere. Such interference also has to be guarded against as much as too much authoritarianism from experts themselves. Secondly, we know the physical limitations of any Minister or Deputy Minister. We find it now through the experience of other countries, that Ministers as we find them today are not really capable of giving as much attention, thought and consideration to all the details of administration that are needed if we are to ensure efficient management of any State or industry. It is for that reason that this idea of a public corporation has been developed. If in England with all their experience in popular government they have found it necessary to resort to this means, I think we cannot be doing wrong in trying to make a similar experiment in this country also. And what is more, our Ministers have got to undertake more and more responsibility in this country in order to make our State a social State, a State that will not be content, as my honourable friend, Mr. Ananthasayanam Ayyangar has put it, with police functions only, but will be willing to attend to all the growing social needs of our population,—and a vast population it is—and to develop our own economic resources.

In these circumstances, keeping in mind these physical limitations, I think it is on the whole wise for our Ministers not to leave our enterprise entirely at the mercy of private enterprise: not to take upon themselves this, too ambitious task of managing all these industries directly through the State, but to rely more and more upon these public corporations, provided they are willing to take into co-operation not only these local advisory councils as suggested here, but also one thing more, that is to take into co-operation the Provincial Governments and the Municipal authorities at various stages and thus strengthen their control over these industries. Sir, I hope the Honourable the Minister in charge of this Bill will take into consideration the suggestions that I have made and will also try to invoke the aid, even to a greater extent than proposed here, not only of the Provincial Governments but also Municipal authorities.

The Honourable Shri N. V. Gadgil: I am thankful to honourable members for their appreciation of what little I have done. It would be wrong on my part if I were to accept it and annex the whole appreciation for myself exclusively. I have a silent partner in this and that is the band of silent officers who have worked in the secretariat here and in Simla. But for their efforts and hearty co-operation, it would not have been possible to draft the Bill or see it through those various stages. I must appreciate their services and I should like the House to express their appreciation for their services too.

[Shri N. V. Gadgil]

I have nothing more to say. I only want assure my honourable friend Mr. Chaudhuri that more than 80 per cent. of the population of this country live in rural areas and so no Government can justify its claim to be fair unless it is keen on doing something in the interest of this 80 per cent. of the population.

It is not strictly in compliance with parliamentary etiquette to reply in detail on the third reading to the various points that have been raised and I am rather very strict about these matters. I do not want to reply in detail. I once more thank honourable members for their appreciative remarks.

Mr. Speaker : The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

MINES AND MINERALS (REGULATION AND DEVELOPMENT) BILL

The Honourable Shri N. V. Gadgil (Minister for Works, Mines and Power): Sir, I beg to move:

"That the Bill to provide for the regulation of mines and oilfields and for the development of minerals, be referred to a Select Committee consisting of The Honourable Dr. Syama Prasad Mookerjee, Shri K. Santhanam, Shri Biswanath Das, Babu Ramnarayan Singh, Shri B. P. Jhunjhunwala, Pandit Lakshmi Kanta Maitra, Shri Surendra Mohan Ghose, Shri Yudhishtir Mishra, Professor Nibaran Chandra Laskar, Syed Muhammad Sa'adulla, Mr. R. K. Sidhva, Shri Jaspal Roy Kapoor, Shri S. Nijalingappa, Shri M. Tirumala Rao, Shri V. C. Kesava Rao, R. B. Lala Raj Kanwar, and The Mover, with instructions to report on or before the 25th August, 1948, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

[At this stage Mr. Speaker vacated the Chair, which was then occupied by Shri K. Santhanam, (one of the Panel of Chairmen.)]

Mr. Chairman, this Bill as its title shows is meant for the purpose of the regulation of mines and oilfields and for the development of minerals.

Shri H. V. Kamath (C. P. and Berar: General): Sir, may I know if the motion has been put to the House?

Mr. Chairman : The Honourable Minister has not moved the motion yet. He is speaking on the motion and after he has finished it will be put to the House.

The Honourable Shri N. V. Gadgil : The necessity for this Bill has been accepted long since. During the war time it was found that it was absolutely necessary to have central control over certain minerals, which were then called strategic minerals. Immediately after the war this question of regulation of minerals assumed great importance as it was appreciated that minerals are a wasting asset and no geological process or fertilisers can add anything to them. Once they are taken out of the earth and used up they are lost and in this respect they differ from other commodities like foodgrains, etc. If this fact is appreciated it becomes all the more necessary that what one day may become scarce should be regulated. Steps should be taken that nothing should be wasted. Care should be taken that the utmost use is made of what is available. ✓

In this connection there is some belief prevalent in this country that India is extremely rich in all kinds of minerals. To some extent this belief is justified. But to say that India is rich and self-sufficient in all those minerals

which are either useful for industrial purposes or for strategic purposes is not consistent with the facts.

If we can classify the minerals according to their availability which has been ascertained so far, they may be classified as follows:—

Minerals of which our exportable surplus can dominate the world market. That would be one category.

Minerals of which our exportable surplus forms an important factor.

Minerals in which India may be considered self-sustaining for present needs and those of the immediate future.

Minerals for which India has to depend largely or entirely on foreign imports.

Now in the first category the House will be interested to know that there are only three minerals—Iron ore, titanium ore and mica. It is no doubt true that we have enough supply in the sense that at present they not only meet our local needs but we are even in the position of exporting these in such a manner as to dominate the world market in these minerals. With respect to this category it should be our desire that taking into consideration the needs of this country in all other fields, this should supply us with a sort of bargaining power in the world market, so that whatever we want for the purpose of our industrial expansion should be made available by a resort to methods which are approved and are consistent with commercial practice and morality.

As regard category 2; the House will be interested to know that some of these ores are manganese, bauxite, magnesite, refractory minerals, natural abrasives, steatite, silica, gypsum, monumental granites, monazite, corundum and cement materials. We have some exportable surplus and this is an important factor and can be utilised for the same purpose for which minerals in the first category can be utilised.

The third category consists of coal, aluminium ore, gold, chrome ore, building stones, marble, slate, industrial clays, limestone and dolomite, mineral pigments, sodium salts and alkalies, nitrates, phosphates and so on. In the matter of these minerals there is no doubt that our present needs are satisfied and they are quite enough. When I say our present needs and also the needs in the immediate future it clearly means that if we want to expand those industries in which these minerals form the major commodity we must necessarily have more regulation in the matter of these minerals.

Then there is the category 4 in which, as I said, we have to depend largely on foreign imports. It would be a revelation probably to some members of the House to know that nearly 50 per cent. of India's imports are of goods manufactured out of minerals as raw materials which are sent away from this country. So here is a big possibility of making proper use of these minerals in the manufacturing process in this country and of thus securing industrial expansion and also a rich market for the manufactured articles abroad. If it is completely appreciated that these minerals are necessary not only to keep the present state of industries but also if we want our country to expand industrially more and more, it becomes, as I said, a question of how best we can regulate, how best we can conserve and how best we can make the best use of these. This aspect of the question has been gone into by various committees, official as well as non-official. In the National Planning Committee this point has been sufficiently stressed, and it has been laid down that so far as the key minerals are concerned they must be under some central control, that they must be properly conserved and utilised to the best possible extent. The

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same emphasis has been laid on this aspect of the question by the Policy Committee that was appointed in the year 1946. What I want to urge is this that I am introducing, and asking this House to consider, this Bill not a minute earlier than what is absolutely incumbent on us if we want to proceed and progress more rapidly towards industrialisation. If we go into the history of now our mineral wealth has been so far exploited, it is a very sorry tale to tell. There has been no proper conservation; there has not even been any scientific and methodical exploitation of certain minerals, and in the case of some we are only getting a price which is so little in comparison with the price which the manufactured article out of that gets. This is not the occasion when I can take mineral after mineral and give a comparison between the prices of the raw material and the manufactured product. It is enough to say, as I said, that here is a field in which we can move with great success. The Coalfields Committee also recommended that the time has come when these things must be managed by some Central organisation. And the Central organisation that has been suggested by the Coalfields Committee is a Ministry for Power and Fuel. But the point has been sufficiently made out that there must be some Central control and regulation. If the minerals are such as are absolutely necessary for our industrial purposes and for strategic purposes, this is not a matter which can be left entirely to the discretion of the Provincial Governments. Two years ago when the Government of India decided to formulate a policy in the matter of minerals, certain proposals were framed and they were sent to the various Provinces for their respective consideration. The views of the Provinces were ascertained and it was found that the Provinces had nothing to say about the desirability of having some Central organisation, but they wanted to restrict the functions of the Central organisation to advice and direction. In the present context of circumstances that is not enough. And when this House has passed the Resolution on Industrial Policy on the 6th of April 1948 it is obvious that minerals cannot now be left entirely to be managed by the Provincial Governments. Mineral oils are put in category No. 1 which according to the statement is a category in which the State must own and control. As regards other minerals they are in category 2 where it is expected that there would be complete and effective control as regards production, conservation and utilisation. The House is probably aware that so far as the supply of petroleum is concerned, the production that is available from this country hardly meets more than 7 per cent. of its requirements. And I may let the House know that at present the exploratory permits granted to just a few companies extend only to 29,000 square miles and no more. As regards prospecting lands they do not go beyond 2,389 sq. miles. As regards actual mining leases it is just 48 square miles. That is the position. It does not mean that there are no sources available, but as the House is aware, prospecting of oil is not a very easy business and it has an element of speculation, and probably years go by and crores are spent before even a drop of oil is seen. (Prof. N. G. Ranga: 'Why not Government take it over and run it?') The policy of the Government as enunciated in the Industrial Policy Resolution, is that mineral oils must be owned and controlled by the Government. But in the statement it has been laid down that if for any reason it is not possible for the Government to do it then under certain suitable conditions private enterprise may be allowed. I have been expecting in the course of the last twelve months private enterprise to come and take up this job. But it is a matter of regret that nobody comes. If anybody comes he wants an assurance that if at all he succeeds after spending so much he must have the fruits of his labour for a fairly long period. So the dilemma is that the Government has not got the technical personnel, has not got enough capital immediately to

invest in this which undoubtedly contains an element of speculation, as I said. At the same time we are not yet so practical as to allow private enterprise and one fine morning take over the thing when it is ripe.

However, the fact remains that this is the position so far as mineral oils are concerned. What is expected is that in order to carry out even the policy of public ownership and control in the matter of minerals you must have some organisation, some regulation and that is exactly the purpose of this Bill. The House will find from the Bill itself that provision is made under clause 5 to make rules with respect to mining leases, with respect to the manner in which these leases are to be executed, the time and other conditions on which the leases may be granted.

Then in clause 6 power is to be taken to make the rules as respects mineral development. That contemplates conservation—even the prohibition of exploitation of certain mines or certain minerals, and also utilization according to a plan.

Then the third question remains about the existing leases. In respect of existing leases, the House will find that sub-clause 7 contemplates modification and changes in the terms and conditions of existing leases. All these alterations and modifications are to be made with a view to implement the national policy with respect to minerals.

These three clauses are the main clauses which so far as this Bill is concerned are to be borne in mind.

Another important fact which I must bring to the notice of this House is that these rules would be framed by the Central Government, and the Central Government in this respect will function through mainly the Bureau of Mines which has already been set up and which will be the agency to give directions, to look after reserves and to secure uniformity. The rules will be laid on the table of this House, but in certain matters the rules will require the approval of this House before they become operative. That is so with respect to compensation—

“The principles on which, the manner in which and the authority by which the said compensation shall be determined.....”

The fact is that very keen and critical views are entertained by some of the members of this House. They range from cutting the vested interests with a shilling, that is from one extreme to the other extreme in which he is not on a given adequate and fair compensation but something more by way of consolation. So, whatever the principles which the Central Government will decide, those principles will be embodied in the rules and those rules will be laid on the table of this House and they will not be operative unless they are approved by this House, because it is a question of rupees, annas and pias. What those principles are will largely depend upon what colour the Government of the day takes ultimately. If it is blue something will happen, if it is pink something else will happen, if it is red I need not say what will happen. So, the thing that really counts has not been foreclosed and I cannot be accused that I have been either favourable to the capitalists or that I have been favourable to the other side. I have kept myself in such a position that I shall be guided by the wishes of the House in those matters.

These are the main provisions of this Bill. I do hope that if there are any suggestions that the honourable members of this House may offer in the course of the discussion on this particular motion, they will undoubtedly be taken into consideration by the Select Committee. But the urgency of putting this Bill on the Statute Book cannot be too much emphasized. Already in the

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various Provinces Bills either are introduced or have been passed, in connection with land. The Zamindari Bill has already been passed in Bihar; I understand a similar Bill has considerably progressed so far as Madras is concerned. If Madras follows one policy with respect to existing leases or future leases and if Bihar follows another, I think such differences and departures from the National Policy that has been accepted by this House are certainly not welcome and before the mischief becomes great or assumes a somewhat dangerous proportion it is absolutely necessary that Central legislation should have been passed. Under the present Constitution if the Central legislation comes into conflict with any Province, to the extent to which the Provincial legislation is repugnant with the provisions of the Central legislation it will be disregarded by the court. Although under the present Constitution the subject matter of this Bill is in the Concurrent List, we have done our best to see that the maximum of uniformity, a fair measure of control and direction are secured.

I do not want to take more of the time of this House and would request the House to agree to this motion.

Mr. Chairman: Motion moved:

"That the Bill to provide for the regulation of mines and oilfields and for the development of minerals, be referred to a Select Committee consisting of (1) The Honourable Dr. Syama Prasad Mookerjee, (2) Shri K. Santhanam, (3) Shri Biswanath Das, (4) Babu Ramnarayan Singh, (5) Shri B. P. Jhunjhunwala, (6) Pandit Lakshmi Kanta Maitra, (7) Shri Surendra Mohan Ghose, (8) Shri Yudhishtir Mishra, (9) Professor Nibaran Chandra Laskar, (10) Syed Muhammad Sa'adulla, (11) Mr. R. K. Sidhva, (12) Shri Jaspat Roy Kapoor, (13) Shri S. Nijalingappa, (14) Shri M. Tirumala Rao, (15) Shri V. C. Kesava Rao, (16) R. B. Lala Raj Kanwar, and (17) The Mover, with instructions to report on or before the 25th August, 1948, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Dr. P. S. Deshmukh (C. P. and Berar: General): Mr. Chairman, Sir, I am glad the criticism of the minerals policy of the Government that we had in this House has had some influence on the Government and as a first step—I am not prepared to call it anything more than a first step—the Government has come forward with this legislation.

Sir, we were glad to notice that the Government accepted the correctness of all the criticism that we made some time ago. In the speech to which we have just heard, the Government admitted that the regulation of mines and the control of the minerals was in an unsatisfactory condition and that for the sake of uniformity as well as a fair amount of control, this legislation has been proposed. The only pity is that the Government has not as yet been able to disclose a definite plan or policy so far as the exploitation and utilization of the minerals is concerned. This Bill is more or less innocuous. It is a Bill which gives to the Government power to frame rules. What the nature of those rules will be it is absolutely impossible to judge either from the provisions of the clauses entered in this draft Bill or from the speech of the Honourable Minister. Indeed, he said in so many words that he does not want to assume any colour; he left it to the imagination of the members of the House as to what will happen if he were to assume a particular colour—if it were red, blue or black. From this reference of his to colours, may I infer, Sir, that he and his Government are absolutely colourless? I think that is where our dissatisfaction comes in. It is better to assume some colour than to have no colour at all, and even if the Government were to go red that would be far more preferable than to have a colourless Government and to have this sort of a Bill which is not likely by itself to lead us anywhere. As I have suggested, it would have been far better that the Honourable Minister had been able to

place before the House the precise steps which the Government of India were prepared to take in the exploitation of the mines and the better utilisation of the minerals. He admitted that our mining was not properly done, that in good many cases we had invaluable minerals and yet the nation was not deriving all the profit that it should make. But how does he intend to make up the losses or improve the situation? That is certainly not clear from his speech or from the Bill itself. So I think I am correct in saying that we have as yet only an intention of the Government before us, that they have now, at long last, decided to intervene in the case of the minerals and the mines but nothing very much beyond that. Had we been given some details and had we been informed as to how the Government proposes to proceed the House would have been in a better position to judge. It is not sufficient to admit that certain things are going wrong. It is also not sufficient for us to know that the Government has realised that things are going wrong and that it has decided to correct them. But we must know when, at what stage and how the Government proposes to rectify the mistakes and thus contribute materially to the progress of the country. This unfortunately, Sir, neither the Minister's speech nor the Bill that is before me is able to give us.

Apart from the fact, Sir, that there is no indication of a definite plan as to how these things are going to be worked out, we are very anxious to see that everything and anything that the Government wants to do should be based on a concrete plan—a concrete plan which will be placed before the House, which the House will have adequate opportunity of discussing. In most cases Sir, the Government has no plans. But where they have they are so unsatisfactory that they contribute merely to worsen what exists. So in this particular case, I think I voice the feeling of many members when I say that it would have been better for the Minister to have provided us with some inkling as to the steps which the Government of India are going to take for the regulation of the mines and the minerals.

I do not wish to take much time of the House. As I said, there is very little on which we can offer any comment, because there is very little in a concrete shape in the Bill itself. But I think there is much to be said so far as even drafting is concerned. I just cursorily glanced through the Bill and I am sure my friend Mr. Naziruddin Ahmad will have to take a lot of pains to correct the Bill. We have this clause 2. I am afraid I am unable to make any sense out of it. The heading is: "Declaration as to expediency of control by Central Government" and the wording of the clause is as follows:

"It is hereby declared that it is expedient in the public interest that the Central Government should take under its control the regulation of mines and oilfields and the development of minerals to the extent hereinafter provided."

I do not see the propriety of having this as a clause. It should have been properly speaking embodied either in the Preamble or, more properly, it may have formed part of the Statement of Objects and Reasons. I do not think there is any purpose, or any meaning in the inclusion of this clause, as a clause. It does not provide for anything.

Mr. Chairman: May I point out to the honourable member that this is necessary in order to take it to Schedule I under item 38 in the Government of India Act? It is only when there is such a declaration that the Central Government becomes empowered to deal with this subject.

Shri Prabhu Dayal Himataingka (West Bengal: General): On a point of information, Mr. Chairman. In regard to clause 7 where power is intended to be taken to make rules for modification of existing leases will the rules that will be framed affect the leases granted by the Provinces?

Mr. Chairman: That is a thing to be addressed to the Minister. When the turn comes, the honourable member may ask him the question.

Dr. P. S. Deshmukh: It is quite natural that my honourable friend should commit a mistake, because you Sir always come to the rescue of the Honourable Minister and even where in the Chair Sir, you are trying to do the same. You have already answered on behalf of the Minister, but I must still say that in spite of the explanation, I remain unconvinced. I have not seen such a clause in any other enactment simply because it is one of the subjects which belongs to the concurrent list of legislation. I think the clause, at least as it stands, is absolutely meaningless.

Coming to the subject proper, Sir, although we are glad that some steps are going to be taken in this direction I would suggest that at least in the Select Committee the entire nature of the Bill may be improved as far as it lies in the power of the Select Committee and that we should really have a more concrete scheme of exploiting the minerals and rectifying the mistakes that have been committed in the past or the mistakes that persist even at the present moment. I am glad the Bill has been brought forward. I congratulate the Minister on it, but he must make it more useful and put it in a more acceptable form.

Shri Ajit Prasad Jain (U.P.: General): I am afraid, Sir, I cannot congratulate the Minister on bringing this measure. Not that I do not want to give him the power to control and regulate the mines and oilfields, but the manner in which he wants to seek the powers is very objectionable. The war has left a bad legacy. There has been an increasing tendency on the part of the executive to encroach upon the rights of the legislature and this Bill is a typical example of that. The Honourable Minister said in his speech that there were only three operative clauses in the Bill, namely, clauses 5, 6 and 7. Clause 5 gives power to the Government to make rules as respects mining leases. Clause 6 gives power to make rules as respects mineral development. Clause 7 gives power to make rules for modification of existing leases. In fact, the Bill contains nothing to which we can give our consent or in which we can concur. All that the Bill requires of us is to give the powers of making rules to the Government. As such, I do not see what objects will be served by referring this Bill to a Select Committee. What this House can concur in or assent to is concrete proposals but in this Bill we do not find any concrete proposals.

Sir, the climax is reached in clause 8 where it is said:—

"The Central Government may, by notification in the official Gazette, direct that any power exercisable under this Act shall be exercised, subject to such conditions, if any, as may be specified therein by such officer or authority as may be specified in the direction."

By virtue of clauses 5, 6 and 7 Government have taken the power to make rules and under clause 8 Government can delegate the power of making rules to such officer or authority as it may nominate. I hope, Sir, that this will not be done, but anyway clause 8 as it stands does give that power to Government.

Clause 9 deals with penalties. Of course, the limit of the penalties is laid down there, but what will be the offences for which these penalties could be inflicted, we do not know. Those offences will be created by rules.

At the top of it is clause 10 which says that all rules made under any of the provisions of this Act shall be laid before the Central Legislature, as soon as may be, after they are made. The assent of the legislature will not be sought for those rules; they will be simply laid before the legislature and the legislature will have no say. There is one rule regarding compensation. This is referred to in clause 7, sub-clause 2, paragraph (c) which refer to rules for determining compensation. Those rules will have to receive the consent of

this House before they become operative. The Honourable Minister has only a short time before, steered a very complicated and comprehensive measure in the shape of the Electricity Control Bill to which the House gave its consent. I do not think that the detailed provisions for controlling and regulating mines and oilfields would be more complicated than the Bill which the Honourable Minister has just steered in the House so successfully. What the Honourable Minister wants to do by the rule-making power should have been done by definite and appropriate clauses in this Bill. All those clauses should have come before the House, so that we may know what exactly it is that we have given our consent to, what exactly is the concrete scheme for regulating mines and oilfields. We should not be asked to vote merely in a vacuum.

I would very humbly suggest to the Honourable Minister to withdraw this Bill and bring a detailed measure before this House, so that the proper thing may be done by the proper authority. The legislative functions may be exercised by the legislature and not by the executive. If my suggestion is unacceptable, I hope the Minister will at least accept an alternative, that is all the rules that are made under clause 5 or clause 6 or clause 7 should be placed before this House and before they come into operation the consent of the House should be taken. That will save the Honourable Minister from all the technicalities and procedure which have to be undergone in case of an enactment. It will be a simple procedure, but all the same this House which is the proper legislative authority will have an opportunity of expressing its views, of proposing any amendment that it considers proper and altering the rules. The Honourable Minister also said that this item is on the concurrent list. I should have expected that the Honourable Minister will consult the Provincial Government in regard to the detailed provisions of the Bill.

Mr. Chairman: If I may correct the honourable member, it is not in the concurrent list; it is in the provincial list, but the Central Legislature has been given the power to transfer it to the Central list by a declaration.

Shri Ajit Prasad Jain: Then, Sir, it comes to the concurrent list because a declaration has been made.

Mr. Chairman: It comes to the Federal List.

Shri Ajit Prasad Jain: It comes to the same thing. The Honourable Minister said that the provisions of this Bill would overrule the provisions of Provincial Acts which are contrary to any provision of this Bill. That is the correct position, but what are we doing? We are not passing any definite and concrete law in this Legislature which will overrule the provincial laws but the provincial laws passed by the Provincial Legislative Assembly in a legal manner will be overruled by the executive rules framed by the ministry. That I do not think, Sir, would be a very happy position. Before I sit down, I would once again repeat to the Honourable Minister to honour the procedure and principles which should ordinarily govern Parliaments and democratic institutions. He should come out with another Bill with detailed provisions regarding the control and the manner in which he wants to exercise it.

Shri M. Tirumala Rao (Madras: General): Mr. Chairman, Sir, soon after my friend the Honourable Minister Mr. Gadgil has gathered laurels at the hands of the House for his Electricity Bill, I least expected that he would come with this ineffective measure that would detract from those honours. This measure, Sir, on the very face of it is not calculated to achieve the purpose for which it is intended, namely, to provide for the regulation of mines and oilfields and for the development of minerals. I think, Sir, the development of minerals cannot be effectively guaranteed or brought about by merely regulating the regulation of mines and oilfields. I was one of the members, Sir, at a conference invited by his predecessor, Mr. Bhabha, in the early beginning of

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1947 when all the mining and mineral interests in the country were invited to chalk out a plan for effectively exploiting this country. The Britishers by our good fortune have neglected to exploit the earth below to the extent to which they have done on the surface; fortunately we are left with what remain under the bowels of the earth to be exploited further, but the greatest weakness in the development of the mineral wealth of this country is want of proper geological survey. Even after the advent of the popular Government, I do not think that effective steps have been taken to have a proper and wholesale survey of the mineral wealth of this country. Every time we asked for this measure, we are trotted out the old excuse that we are lacking in personnel, but we are not aware of what effective steps have been taken to create the personnel from our universities by the talent that is available in this country. All the reports that are available and which Sir Cyril Fox left give us information regarding the potential wealth of this country. Now the Government cannot tinker with this problem any longer by these half-hearted measures. It is a problem wherein nationalisation must act effectively, because the mineral wealth of the country is intimately connected with the defence industry of our country. If all the articles that are required for our defence could not be got from our own country in times of danger and crisis, we have to depend on foreign countries and if they would range on the opposite side, on the enemy's side, it will be impossible for us to get the raw material. Sir, therefore, what I suggest is this. There is no use merely tinkering with the few clauses of this Bill affecting to control the superficial management of this industry. The bottle-neck of our country is the fuel oil and iron. We will have to make effective survey for oil, if we want to keep not merely the defence industry but also every other limb of our industrial activities which can be kept under proper gear. Every industrialist, every big commercial magnate gives us the reason for the present depression in production the bottle-neck of transport and our transport entirely depends on oil and fuel which is a foreign product and which has to be imported entirely from outside. For some time we have been depending on Burma for oil and with the loss of Burma from the Indian Government, we are completely rendered helpless and dependent on foreign products. Sir, it is up to the Government and the Minister in charge of this Department to see where we can strike oil and get as much out of it, to strike oil wherever it is available, even if it costs a good deal to obtain it.

With regard to iron too, that is an important item of our industry on which depend the entire subsidiary industries, and really the very economic and food problem of the nation. I am glad that the Madras Government has been trying to do something with regard to finding out new iron ores in the south and working them out. There is no use of depending for your coal on private enterprise. We know what havoc the coal producers have played during the last critical times of the war. I can tell you one foreign company has practically cornered the management of local fields and the distribution of coal because the particular man had the advantage of controlling transport in Government. Unless all the coal was dumped in the particular dump of that company and from there distributed to all the ends of the country, the private producers were helpless. Therefore, I would submit we should not tinker with the problem with a half-hearted measure where you would control the licensees. I know so many Indian businessmen, who manage to get a licence from the provincial Government, go about auctioning it to foreigners. There are concrete examples of this in my province. A certain individual invested Rs. 60,000 and manages to scrap a few samples and get a licence and bargains the thing for three lakhs or four lakhs. These

things should not be allowed. You are well aware that I. C. J. has taken a long lease of a mineral area in the Punjab for some time, with exclusive rights of exploitation. Of course, we will take advantage of the technical assistance and also capital under our own conditions if possible from abroad. But, you cannot make this industry a slave of foreign exploiters and foreign capitalists. I therefore urge upon my honourable friend Mr. Gadgil to view it from a larger view point and live up to the reputation which he has just earned in the Electricity Bill, and bring a more comprehensive measure than merely to provide for some rules which may be used to harass some of those producers. I do not think there will be concrete results from this measure. As it has come before the House, we have to support it with what amendments may be necessary. This will have to be looked into in the Select Committee. I would urge upon him to bring in a more comprehensive measure whereby the mineral wealth of our country is completely utilised in the best interests of the country and ease the present industrial situation wherein fuel and iron are the chief bottlenecks.

Prof. N. G. Ranga (Madras: General): Mr. Chairman, Sir, I am in favour of this Bill. But as I have already said even when it was being introduced for the first time, I want something much more than this. Several honourable members have already said that. I hope the Honourable Minister will keep that in mind, try to get busy in preparing an additional Bill and get it ready if possible for introduction even during this Session.

So far as this Bill goes, it has got to be passed immediately. I have no doubt whatsoever about it. If any one reads these clauses 6 and 7, he will be convinced how poor must be our provincial as well as the Central Governments in the matter of their own power to regulate and control the mineral resources of this country. That they should have found it necessary to come before this House to ask for these very elementary powers with which the State should have clothed itself long long ago, shows how in this country, anyhow, the past regime had neglected the proper regulation and protection of the mineral resources and had neglected its duty to safeguard the proper exploitation of our mineral resources. It also brings out one other point. Although our provincial Governments have been clothed with these powers, they have not taken care to pass the necessary legislation and to protect and regulate our mineral resources. It is all the more reason why the Central Government should at least now have come forward with this Bill asking for these powers in the hope that in the near future it may be able to take the necessary action in this direction.

Several honourable members have asked the Government why it is not stated what exactly are the powers that it wants, in regard to which it wants to make these regulations and in what directions it wishes to make these regulations and so on. What we ought to do is to clothe this Government with this minimum of power and afterwards expect it to look into the whole matter and come forward with more positive proposals, one honourable member wondered whether all these rules that are sought to be passed under this Act would be placed on the table of this House at all. I would request him to look at Rule 11.....

Shri Ajit Prasad Jain: I never said that they will not be placed on the table; I said that they will not require our assent.

Prof. N. G. Ranga: They would be placed on the table of the House as everybody knows, once any set of rules are placed on the table of the House, it is open to any of the members to ask the leave of the House to proceed with the discussion of those rules, if he finds any of them to be objectionable. It is never too late; it is provided in the standing orders. A certain period of time is given within which it is open to a member to take the House into his confidence.

[Prof. N. G. Ranga]

I am in entire agreement with what my honourable friends have said when they complained about the inactivity of this Government. What is it that has prevented this Government to invest, sink if necessary and risk four or five crores of Rupees in order to discover any mineral oils in this country? Why should my honourable friend have given this one year to the private capitalists and begged them to invest their money in this? When they have failed, he expresses his regret. On the other hand, I would have expected him to have expressed his happiness that private enterprise has failed in this direction and has left plenty of scope for the State to develop the mineral oils. Does he not know the experience of Mexico where mineral oils were allowed to be exploited by the Americans and the British? When later on the Mexican revolutionary leaders wanted to nationalise it, any amount of trouble was created by them and the Government was not allowed to function for several months and the Government was almost made bankrupt. Does he want our Government also to be faced with a similar contingency, having allowed our own mineral oil resources to be exploited either by Indian enterprise or Indian plus foreign enterprise? Therefore, I would make this suggestion very seriously that the Government should even now come forward before this House, as soon as it may be, with a proposal to ask for four or five crores to be risked in this particular venture. Let them go into it; if they can possibly tap it, well and good; if they cannot, it is money well worth spent and lost also, because, if we were to have another war, what would be our fate? Should we not think of that? Should we not sink as much money as is necessary in order to ensure ourselves against a similar miserable plight that India has had to suffer from during the last war? Sir, it is well known that petrol in America is selling at 18 or 14 annas a gallon, whereas it sells here, I do not know how it is selling in Delhi, it is selling at Rs. 2-4-6 here. It is nearly three times as much as it is in America. Why should it be so? Because, the Americans and the British between themselves have a kind of monopoly over the entire extraction, refinement and supply of petrol. In these circumstances is it not in our own interest to take this risk? Therefore I want Government to move in this direction as expeditiously as it possibly can.

Then, Sir, coming to this Bill itself, there is one particular provision to which I take very strong objection, and that is clause 12. This Government wants to give to itself power to exempt any concern, any mining authority or any one from any obligation to respect any of the rules that it might make under clause 6. This is an absurd clause. Why do you want to take these powers here and then give it yourself again to exempt any authority from compliance with any one of these provisions here? And not one, all of them too. It reads thus:

"The Central Government may authorise in any case the granting of any mining lease or the working of any mine on terms and conditions different from those laid down in the rules made under sections 6 and 7, or exempt any mine from all or any of the provisions of this Act or of any rules made thereunder."

I do not think the Honourable Minister has really bestowed any kind of thought at all to this case; if he had done so he would not have agreed to this and would certainly have scrapped it and brought this Bill up without this clause.

Then there is another clause, clause 8. My honourable friend Mr. Rao wondered why this power of delegation has been taken by Government. Then the Honourable Minister was saying that he wanted to give this delegated authority to the provincial Government. If he meant only the provincial Government and nothing else—and indeed in the Statement of Objects and Reasons he has stated that he was thinking of Coal Commission also—he should have stated it clearly in so many words. Otherwise it would mean that it would be open to the Central Government or the Honourable Minister

to authorise any one of his own officers either at the top or anywhere else to exercise any of these powers. That we are certainly interested in guarding ourselves against. You should make it perfectly clear here to which particular recognisable authority you wish to delegate your powers. If it is the provincial Government say so, if it is the Coal Commission or any other similar Commission that may be established under statute, say so; but do not make it as vague as you have made it here.

Lastly, I wish to express my regret that till now our national Government has not come forward with any piece of legislation to propose the nationalisation of mining. I wish to remind my honourable friend the Minister that there were two Coal Commissions which had gone into this matter, and they came to the conclusion that our coal resources are being scandalously neglected or wasted; and in order to prevent that, they suggested that coal mining should be nationalised. Government have not come forward with any proposal. The Honourable Shri N. V. Gadgil: That is not true? One Commission did recommend it by a majority, though of course there was a minority to make it convenient for my honourable friend to provide an argument. But nevertheless there was a recommendation; and, what is more, my honourable friend was also with me when we were all in the opposition and we were demanding in the name of our own Congress Party the nationalisation of our coal mines. And yet he has not come forward with any such proposal till now. I want him to think about it seriously; I want him to come forward with such a proposal at the earliest possible moment. I know that today on the railways some of the best kinds of our coal are being burnt, whereas ordinary coal of the lowest possible quality would do the job and would be quite useful. Why is it being wasted? Because there is no authority to regulate the proper utilisation of our coal. Therefore I do trust that my honourable friend will soon give his best thought to it and will come forward with the necessary legislative proposals for the nationalisation of our coal mining industry.

The Honourable Dr. Syama Prasad Mookerjee (Minister for Industry and Supply): Sir, I desire to say a few words at this stage regarding the scope of the Bill a portion of which affects my Ministry as well. In fact the Bill has been drafted by the Ministry of Works, Mines and Power in consultation with my Ministry. I quite appreciate the motives which have prompted several of the members who have spoken today urging the immediate necessity of taking adequate steps for the purpose of fully utilising our mineral resources; but I shall ask them to consider what the principal object of this Bill is. It is true that this Bill does not aim at solving those very important and essential matters which must be solved as quickly as possible for the purpose of increasing a portion of our vital national wealth and also for meeting any emergency which may arise in the coming years. One difficulty which we have felt is with regard to the powers which the Central Government now has, to regulate the administration of mines and mineral rights. As has already been explained by my honourable friend, the Minister for Works, Mines and Power, the provincial Governments have these powers today. It is essential as a first step that the Central Government must get these powers so that a centrally regulated and directed policy may be formulated with the least possible delay. What the Bill does today is only to provide the fulfilment of the first step and nothing more. But much more yet remains to be done and will have to be done,—may be in the form of a Bill, may be in the form of Governmental policy. All matters will not come up before the legislature; they will have to be done by executive orders in accordance with the national policy which has already been approved by the House. But this is the first essential step that we have to take, if we do not want to fritter away whatever valuable resources we possess today. The Central Government must take

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over the power. In fact a difficulty was raised by the Ministry of Law—and quite naturally—with regard to the powers which the present Parliament can exercise in relation to the existing Constitution Act. It was pointed out that the powers proposed to be taken by Government must come within the four walls of the provisions of the existing Act. That is the reason why such a modest proposal has come before the House, not that the Honourable Minister for Works, Mines and Power or myself do not realise the need for taking more drastic steps; but we cannot do so under the existing Act. The utmost that we could do has been provided in the Bill now before the House. For the rest we must wait until the new Constitution Act is suitably enacted.

With regard to the question of nationalisation, I would submit that that is not a matter which really arises on this Bill. The industrial policy has been laid down. Take my honourable friend Prof. Ranga's point about the nationalisation of coal. Rightly or wrongly this legislature has decided, in accordance with the statement of industrial policy which I placed before the House in April last that you will give ten years' time to the coal mining industries and then later on you will take up the question of nationalisation. But meanwhile it is proposed that the Central Government will have ample rights to regulate the proper working of these mines.

One important question has arisen today, so far as the administration of coal mines is concerned; it is a matter which comes under my Ministry. Now we have decided that we shall wait for ten years. During this period of ten years it may be quite possible that the mining interests may be jeopardised; the mines may not be worked properly, they may be overworked, the people who are in charge of the mines may not be anxious to carry out the policy which may be consistent with the welfare of India as a whole. Surely the Government of India is not going to sit idle and watch the mining rights being destroyed or their value minimised. Therefore we want to take the power even during this period of ten years. We shall have the power to give directives what particular mining operations should take place in accordance with what the Government of India consider to be desirable and necessary; and if it so happens that there are cases where our directives are not followed, power must be taken to meet the situation, even to take over those mines and work them ourselves. But we are prepared to give ten years' time to all the existing interests, and if they fall in line with Government policy they will have nothing to be afraid of. Therefore the essential thing here is that the Government of India must be clothed with power to regulate in accordance with Central policy. It is not a question of private interests alone. It is a question of conflicting policies of the Provincial Governments. We have administrative or legislative Acts passed or done by the Provincial Governments. Each province wants to look at matters from its own provincial point of view. We should not permit that to continue. The Government of India must step in and with the powers it may now get, it must see that it lays down quickly a Centrally administered policy.

With regard to coal, a Coal Commission is to be appointed. We are discussing how to bring it into existence. We want that a special authority should be created under the Government of India, to whom we shall hand over the task of re-orientating the policy during the next 10 years and also formulating a policy which you can give effect to after 10 years. We have been advised that it will not be necessary to come before the Legislature and pass an Act for that purpose. The Government of India has sufficient power to appoint a Commission and give to it adequate powers for the purpose of carrying on the administration during the interim period. I am hoping that in the course of the next few weeks we will be able to make an announcement. The House should give its full support to the Bill as proposed by the Minister

in charge of Works, Mines and Power and accept it as the first step which must be approved by the legislature so that the Government may go forward and give effect to the policy already approved by the House.

The Honourable Shri N. V. Gadgil: I do not want to take up much time of the House. I want to make it clear that the industrial policy was laid down and was accepted by this House on the 6th April, 1948. I believe, Sir, that every member of this House, and more particularly my honourable friend, Dr. Deshmukh, was completely aware of it. That policy clearly lays down that the State must play a progressively active role in the development of industry, and from that point of view it divided the entire industrial field into three categories. In the first category mineral oils are included and that sphere will not only be controlled but owned by the State. I do not think there is any doubt about that policy. So also other minerals are to be controlled. They are included in category 2. So there is no question that there has been a complete absence of policy on the part of Government with respect to this.

As regards the criticisms of my honourable friend, Mr. Tirumala Rao, I find from the proceedings of the conference to which he made reference that the conference came to certain conclusions and one was that there must be central legislation to co-ordinate and secure more uniformity in the matter of mining leases and other matters. That conference also decided that the mineral policy should be laid down in terms of the memorandum of Dr. Wadia, the Mining Adviser with the Government of India. That lays down the following objectives:

- (a) Attainment of mineral and metal self-sufficiency as far as possible;
- (b) Bringing under central control minerals of strategic and national defence importance;
- (c) Regulation, amounting to stoppage of export of some key minerals, such as manganese, chromite, ilmenite sillimanite, beryl, rare earths, etc., without a compensatory return or barter of minerals and metals in which the country is deficient;
- (d) Encouragement of local manufacture, especially of non-ferrous metals and products now imported from abroad, e.g., aluminium, various ferro-alloys, alloy-steels and alloy-metals, heavy chemicals, mica goods, titanium paints, etc.;
- (d) A better adjustment of mineral tariff in the levying of export and import duties and fixing of quotas;
- (e) Revision of mineral taxation, royalty and lease laws; and lastly,
- (f) A progressive change-over to State-ownership, where economically feasible, of the coal, petroleum and basic metals mines.

That is exactly what is embodied in substance in the policy laid down and accepted by the House on the 6th April. Surely, it cannot be expected that every detail of every mineral should be embodied in a small Bill, the character and scope of which has been precisely defined by my honourable friend, Dr. Syama Prasad Mookerjee. A little more careful study of the provisions of this Bill will convince any fair minded observer that what has been the mineral policy as accepted has been sought to be implemented under these rules.

Now an objection has been raised by my honourable friend that this is something novel about doing everything by rules. Probably he is not aware of the modern legislative practice. Well, rules have got to be made and when they extend into a hundred, three hundred and even four hundred,

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you do not expect any House of Representatives to consider in detail all those four hundred rules and regulations. It has now been accepted that a fair measure of legislative power has got to be delegated to the Executive of the day, if you believe it capable of doing the right thing. And more particularly, when executive is a responsible Executive, it only takes the colour that the House has, as the majority of the Members of the House invests the Government with the colour that it has got, whether blue, pink, or red, or something else. So the accusation really comes home to the honourable member himself. My whole point is that this delegated legislation is an accepted matter in modern times. I have taken particular precautions in so far as the principles of compensation are concerned to see that I do not merely by my executive order decide them, because that is really a matter which touches the purse of the taxpayer, and from that point of view I have incorporated a clause under which it will be necessary that those principles when embodied in the rules must be accepted by the House before they become operative. I have tried to be very fair as I have already stated, and with regard to the other suggestions which have been made with respect to some of these clauses, I have no doubt that the Select Committee will take them into consideration.

Mr. Chairman: The question is:

"That the Bill to provide for the regulation of mines and oilfields and for the development of minerals, be referred to Select Committee consisting of The Honourable Dr. Syama Prasad Mookerjee, Shri K. Santhanam, Shri Biswanath Das, Babu Ramnarayan Singh, Shri B. P. Jhunjhunwala, Pandit Lakshmi Kanta Maitra, Shri Surendra Mohan Ghose, Shri Yudhishtir Mishra, Professor Nibaran Chandra Laskar, Syed Muhammad Sa'adulla, Mr. R. K. Sidhva, Shri Jaspat Roy Kapoor, Shri S. Nijalingappa, Shri M. Tirumala Rao, Shri V. C. Kesava Rao, R. B. Lala Raj Kanwar, and The Mover, with instructions to report on or before the 25th August, 1948, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The motion was adopted.

The Assembly then adjourned till a Quarter to Eleven of the Clock on Tuesday, the 17th August 1948.