

PARLIAMENTARY DEBATES

(Part I—Questions and Answers)

OFFICIAL REPORT

VOLUME VII, 1951

(2nd April to 16th May, 1951)

Third Session (Second Part)

of the

PARLIAMENT OF INDIA

1951

CONTENTS

Volume VII—From 2nd April to 16th May, 1951

	<i>Columns</i>
Monday, 2nd April, 1951—	
Oral Answers to Questions	2751—2795
Written Answers to Questions	2795—2814
Tuesday, 3rd April, 1951—	
Oral Answers to Questions	2815—2842
Written Answers to Questions	2842—2848
Wednesday, 4th April, 1951—	
Oral Answers to Questions	2849—2878
Written Answers to Questions	2878—2894
Friday, 6th April, 1951—	
Oral Answers to Questions	2895—2928
Written Answers to Questions	2928—2944
Saturday, 7th April, 1951—	
Oral Answers to Questions	2945—2971
Written Answers to Questions	2971—2986
Monday, 9th April, 1951—	
Oral Answers to Questions	2987—3012
Written Answers to Questions	3013—3030
Tuesday, 10th April, 1951—	
Oral Answers to Questions	3031—3061
Written Answers to Questions	3061—3072
Wednesday, 11th April, 1951—	
Oral Answers to Questions	3079—3108
Written Answers to Questions	3109—3132
Thursday, 12th April, 1951—	
Oral Answers to Questions	3133—3162
Written Answers to Questions	3162—3172
Saturday, 14th April, 1951—	
Oral Answers to Questions	3173—3204
Written Answers to Questions	3204—3212
Monday, 16th April, 1951—	
Oral Answers to Questions	3213—3242
Written Answers to Questions	3242—3254
Tuesday, 17th April, 1951—	
Oral Answers to Questions	3255—3286
Written Answers to Questions	3287—3300
Wednesday, 18th April, 1951—	
Oral Answers to Questions	3301—3330
Written Answers to Questions	3330—3344

Thursday, 19th April, 1951—		
Oral Answers to Questions		3345—3372
Written Answers to Questions		3372—3380
Friday, 20th April, 1951—		
Oral Answers to Questions		3381—3408
Written Answers to Questions		3408—3412
Saturday, 21st April, 1951—		
Oral Answers to Questions		3413—3446
Written Answers to Questions		3447—3452
Monday, 23rd April, 1951—		
Oral Answers to Questions		3453—3481
Written Answers to Questions		3481—3502
Tuesday, 24th April, 1951—		
Oral Answers to Questions		3503—3532
Written Answers to Questions		3532—3546
Thursday, 26th April, 1951—		
Oral Answers to Questions		3587—3615
Written Answers to Questions		3615—3636
Friday, 27th April, 1951—		
Oral Answers to Questions		3637—3666
Written Answers to Questions		3666—3670
Saturday, 28th April, 1951—		
Oral Answers to Questions		3671—3702
Written Answers to Questions		3702—3704
Monday, 30th April, 1951—		
Oral Answers to Questions		3705—3733
Written Answers to Questions		3733—3750
Tuesday, 1st May, 1951—		
Oral Answers to Questions		3751—3782
Written Answers to Questions		3782—3794
Wednesday, 2nd May, 1951—		
Oral Answers to Questions		3795—3826
Written Answers to Questions		3826—3840
Friday, 4th May, 1951—		
Oral Answers to Questions		3895—3926
Written Answers to Questions		3926—3930
Saturday, 5th May, 1951—		
Oral Answers to Questions		3931—3964
Written Answers to Questions		3965—3970
Monday, 7th May, 1951—		
Oral Answers to Questions		3971—4007
Written Answers to Questions		4007—4020
Wednesday, 9th May, 1951—		
Oral Answers to Questions		4061—4093
Written Answers to Questions		4093—4102

Thursday, 10th May, 1951—	
Oral Answers to Questions	4103—4132
Written Answers to Questions	4132—4140
Friday, 11th May, 1951—	
Oral Answers to Questions	4141—4170
Written Answers to Questions	4170—4180
Saturday, 12th May, 1951—	
Oral Answers to Questions	4181—4212
Written Answers to Questions	4212—4216
Monday, 14th May, 1951—	
Oral Answers to Questions	4217—4245
Written Answers to Questions	4245—4254
Tuesday, 15th May, 1951—	
Oral Answers to Questions	4255—4285
Written Answers to Questions	4285—4292
Wednesday, 16th May, 1951—	
Oral Answers to Questions	4293—4320
Written Answers to Questions	4320—4328

CORRIGENDA

In the Parliamentary Debates (Part I—Questions and Answers) Third Session of Parliament (Second Part), 1951,—

In Volume VII—

1. No. 1, dated the 2nd April, 1951,—

(i) कालम २७८२, पंक्ति ३, “हम” के स्थान पर “इस” पढ़ें ।

(ii) - کالم ۲۷۸۳ نہجے سے سطر ۸ میں ”بھی“ کے بجائے ”اسی“ پڑھیں۔

(iii) Col. 2807, line 30 for “Archaeological” read “archaeological” and line 5 from bottom for “Ttransport” read “Transport”.

2. No. 7, dated the 10th April, 1951,—

(i) कालम ३०३२, नीचे से पंक्ति ४ “बगैरह” के स्थान पर “बगैरह” पढ़ें ।

(ii) Col. 3055, lines 16 and 17 for the word “Consituation” read “Constitution”.

3. No. 8, dated the 11th April, 1951,—

कालम ३१२५, नीचे से पंक्ति ९ “यागिज्य” के स्थान पर “वाधिज्य” पढ़ें ।

4. No. 11, dated the 16th April, 1951,—

(i) Col. 3230, line 27 from bottom for “ment” read “meant”.

(ii) Col. 3244, line 23 insert “of” after the words “abolition of any”.

(iii) कालम ३२५१, नीचे से पंक्ति २ “श्री जागडे” के स्थान पर “श्री सापडे” पढ़ें ।

(iv) Col. 3254, line 14 for “yards” read “years”.

5. No. 12, dated the 17th April, 1951,—

Col. 3267, line 24 for “clerllago” read “clerkage”.

6. No. 13, dated the 18th April, 1951,—

(i) Cols. 3301 & 3302, lines 22 from bottom and 24 respectively for the words “statu- tary” and “statutory” read “statuary”.

(ii) Col. 3330, line 21 for “landing ” read “landed”.

(iii) Col. 3340, lines 16 and 18 for “manzas” read “mouzas”.

7. No. 15, dated the 20th April, 1951,—

Col. 3402, line 2 from bottom for “Cureh” read “Church”.

8. No. 16, dated the 21st April, 1951,—

Col. 3447, for the existing line 24 substitute “ship Scholarship ; and ”

9. No. 17, dated the 23rd April, 1951,—

(i) Col. 3478, line 27 from bottom for “so” read “of”.

(ii) Col. 3491, between lines 4 and 5 from bottom insert new line “and (iii) Raw materials during the period October 1950 to February”.

10. No. 19, dated the 25th April, 1951,—

(i) Col. 3548, for the existing line 20 from bottom substitute “satisfaction of Members. It is the”.

(ii) Col. 3556 for the existing line 1 from bottom substitute “Indian Rupee or Sterling ?” and for line 26 from bottom substitute “meet for the first session. Accord”

- کالم ۳۵۱۳ نہجے سے سطر ۱۱ و سطر ۲۶ کے بجائے ”د طور پر“ پڑھیں۔

11. No. 20, dated the 26th April, 1951,—

(i) Col. 3621, line 7 from bottom for the figures “1,420” read “41,420”.

(ii) Col. 3626, line 1 for “condeming” read “condemning”.

12. No. 22, dated the 28th April, 1951,—

Col. 3687, line 26 for “complete” read “compete”.

13. No. 26, dated the 3rd May 1951,—

Col. 3881 for the existing line 17 from bottom *substitute* "and Supply (Shri Gadgil):(a) 105".

14. No. 27, dated the 4th May, 1951,—

Col. 3925, line 25 from bottom for "fireman" read "firman".

15. No. 30, dated the 8th May 1951,—

(i) Col. 4041, for the existing line 15 from bottom *substitute* "(c) No, as none is considered neces-".

(ii) Col. 4042, line 31 *insert* "such" before the word "circums-".

16. No. 31, dated the 9th May, 1951,—

Col. 4087, line 21 for "Rama" read "Rana".

17. No. 32, dated the 10th May, 1951,—

(i) Col. 4124, line 20 from bottom for "member" read "number".

(ii) Col. 4129, line 21 for the words "having come" read "coming out of", lines 6 & 8 from bottom for the figure "1.4.51" read "15.4.51", and for "15.4.51" read "1.4.51" respectively.

- (iii) कालम ४१३३, पंक्ति १२ "नियम" के स्थान पर "नियंत्रणों" पढ़ें ।

18. No. 33, dated the 11th May, 1951,—

(i) Col. 4150, line 10 from bottom for "of" read "to".

(ii) Col. 4161, line 17 for the figure "85" read "185".

(iii) Col. 4162, line 24 for "in view of" read "in lieu of".

19. No. 36, dated the 15th May, 1951,—

(i) Col. 4270, line 30 for "pait-mixture" read "paint-mixture"

(ii) कालम ४२८८, पंक्ति २८, "*२९५" के स्थान पर "२९५" पढ़ें ।

(iii) कालम ४२८९, नीचे से पंक्ति १९, "बद्य" के स्थान पर "लाद्य" पढ़ें ।

PARLIAMENT OF INDIA

The-Speaker

The Honourable Shri G. V. Mavalankar.

The Deputy-Speaker

Shri M. Ananthasayanam Ayyangar.

Panel of Chairmen

Pandit Thakur Das Bhargava.

Shrimati G. Durgabai.

Shri Prabhu Dayal Himatsingka.

Sardar Hukam Singh.

Shri Manilal Chaturbhai Shah.

Secretary

Shri M. N. Kaul, Barrister-at-Law.

Assistants of the Secretary

Shri A. J. M. Atkinson.

Shri N. C. Nandi.

Shri D. N. Majumdar.

Shri C. V. Narayana Rao.

GOVERNMENT OF INDIA

Members of the Cabinet

- Prime Minister and Minister of External Affairs—The Honourable Shri Jawaharlal Nehru.**
Deputy Prime Minister and Minister of Home Affairs and the States—The Honourable Sardar Vallabhbhai Patel.
Minister of Education—The Honourable Maulana Abul Kalam Azad.
Minister Without Portfolio—The Honourable Shri C. Rajagopalachari.
Minister of Defence—The Honourable Sardar Baldev Singh.
Minister of Labour—The Honourable Shri Jagjivan Ram.
Minister of Communications—The Honourable Shri Rafi Ahmad Kidwai.
Minister of Health—The Honourable Rajkumari Amrit Kaur.
Minister of Law—The Honourable Dr. B. R. Ambedkar.
Minister of Works, Mines and Power—The Honourable Shri N. V. Gadgil.
Minister of Transport and Railways—The Honourable Shri N. Gopalaswami Ayyangar.
Minister of Industry and Supply—The Honourable Shri Hare Krishna Mahtab.
Minister of Food and Agriculture—The Honourable Shri K. M. Munshi.
Minister of Commerce—The Honourable Shri Sri Prakasa.
Minister of Finance—The Honourable Shri Chintaman Dwarkanath Deshmukh.

Ministers not in the Cabinet.

- Minister for the purposes of agreement between the Prime Ministers of India and Pakistan of the 8th April, 1950—The Honourable Shri C. C. Biswas.**
Minister of State for Transport and Railways—The Honourable Shri K. Santhanam.
Minister of State for Information and Broadcasting—The Honourable Shri R. R. Diwakar.
Minister of State for Parliamentary Affairs—The Honourable Shri Satyanarayan Sinha.
Minister of State for Rehabilitation—The Honourable Shri Ajit Prasad Jain.
Deputy Minister of Communications—Shri Khurshed Lal.
Deputy Minister of External Affairs—Dr. B. V. Keekar.
Deputy Minister of Commerce—Shri Dattatraya Parasahuram Karmarkar.
Deputy Minister of Defence—Major General Himatsinghji.
Deputy Minister of Works, Mines and Power—Shri S. N. Buragohain.
Deputy Minister of Food and Agriculture—Shri M. Thirumala Rao.

THE
PARLIAMENTARY DEBATES
(Part I—Questions and Answers)
OFFICIAL REPORT

3213

PARLIAMENT OF INDIA

Monday, 16th April, 1951.

*The House met at a Quarter to Eleven
of the Clock*

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

**RECRUITMENT OF INDIANS IN MALAYAN
POLICE FORCE**

*3138. **Dr. Ram Subhag Singh:** (a) Will the Prime Minister be pleased to state whether Indians are recruited in Malayan Regular Police force?

(b) If so, what is the approximate number of Indians in Malayan Regular Police Force?

The Deputy Minister of External Affairs (Dr. Keskar): (a) The Indians resident in Malaya are recruited to the Police Force of Malaya.

(b) 3239.

Dr. Ram Subhag Singh: May I know whether Indians are recruited to the Special Constabulary of Malaya?

Dr. Keskar: There is no ban on the recruitment of Indians to the Special Constabulary. But I would require notice if my hon. friend wants to know the number of Indians or whether Indians are in the Special Constabulary.

Dr. Ram Subhag Singh: May I know whether there had been any casualty among Indians, in the regular Police or in the Special Constabulary?

Mr. Speaker: What does he mean by 'any casualty'?

Dr. Ram Subhag Singh: They were used by the British to suppress the insurgents and I want to know if there were any casualties among the Indians.

33 P.S.

3214

Dr. Keskar: There have been casualties among Indian policemen, but I have not got the figures here.

PROPERTY OF BELLIGERENT COUNTRIES

*3139. **Shri Sidhva:** Will the Minister of Commerce and Industry be pleased to state what is the total amount of property movable and immovable in India of the belligerent countries, Germany and Japan, during the last war?

The Deputy Minister of Commerce and Industry (Shri Karmarkar): The total value of movable and immovable property in India of belligerent enemy countries is estimated at Rs. 6,57,03,000.

Shri Sidhva: May I know whether they are movable or immovable properties and, if movable, what are the articles?

Shri Karmarkar: The major portion of it is immovable, I think.

Shri Sidhva: All immovable?

Shri Karmarkar: Not all, the major portion of it.

Shri Sidhva: What are the movable articles, may I know?

Mr. Speaker: Has he got any separate figures?

Shri Karmarkar: No, Sir.

Shri Sidhva: What are the countries owning the properties, generally, may I know?

Shri Karmarkar: The countries are Germany, Austria, Japan, Italy, Hungary, Rumania, Bulgaria and Siam.

Shri Sidhva: What is the position of these buildings, the war having ceased? Has any agreement been arrived at?

Shri Karmarkar: The whole matter will be resolved after Peace treaties

are signed and no decisions have so far been arrived at relating to the final disposal of any of the assets vested in the Custodian of Enemy Property. Pending a final agreement they are governed by the Potsdam and Paris Agreements.

Shri Sidhva: Has any treaty been signed with Germany?

Shri Karmarkar: As my hon. friend doubtless knows, Germany has been removed, as from 1st of January, from the list of enemy countries. But this fact does not in any way affect the position regarding German reparations. They continue to be governed by the Potsdam and Paris Agreements in which the Allied Powers have prescribed the principle and procedure to be followed for reparations from Germany.

PAPER MILLS

*3140. **Shri S. C. Samanta:** Will the Minister of Commerce and Industry be pleased to state whether it is a fact that negotiations are under way in the United States of America to establish pulp and paper mills in India for the manufacture of newsprint from bagasse, the waste fibre of sugar cane?

The Minister of Commerce and Industry (Shri Mahtab): Government have no information.

Shri S. C. Samanta: Is Government aware that newsprint manufactured from bagasse, the bleached pulp of sugarcane waste, was recently used for the first time in U.S.A. and it served a useful purpose to meet the world-wide need on account of newsprint shortage?

Shri Mahtab: In fact we received information sometime in March 1950 that attempts were being made by one company in U.S.A. to manufacture newsprint out of this raw material, but on investigation it was found that it would not be suitable for newsprint as is used for newspapers. Now it is reported that one factory has been set up in Philippines which is using this raw material for the purpose of manufacturing newsprint, and that is being investigated. Here in India also the Lotus Industries are setting up a factory to manufacture newsprint out of this raw material, but this will go into production sometime next year.

Shri S. C. Samanta: Will Government please enquire whether the American company has produced newsprint out of bagasse of the requisite quality, colour and receptivity of ink?

Shri Mahtab: As I have already said, we have made enquiries through the India Supply Mission and they reported that the newsprint manufactured was not suitable for our purposes here.

Shri Deshbandhu Gupta: I want to know what steps, if any, Government have taken to produce newsprint in India.

Shri Mahtab: Sir, there is another question relating to this—No. 3144 on the question of financial help to the Nepa mills.

Shri T. N. Singh: May I know whether Government have taken any step to advise their scientific departments to experiment, on their own, on the use of bagasse for newsprint manufacture?

Shri Mahtab: I think I stated once here that the C.S.I.R. and the Indian Forest Research Institute have found out a formula according to which newsprint can be manufactured out of bamboo pulp, and that formula has been purchased by one of the paper factories in India and they are trying at it.

OFFICERS IN INDIAN EMBASSIES ABROAD

*3141. **Dr. M. M. Das:** Will the Prime Minister be pleased to state:

(a) the numbers of officers, both gazetted and non-gazetted, in the Embassies, Consulates, Legations and Missions etc. of the Government of India during each of the years 1949-50 and 1950-51; and

(b) the increased expenditure Government had to incur in the year 1950-51 on account of the increase in the number of officers?

The Deputy Minister of External Affairs (Dr. Keskar): (a) The number of officers during the two years 1949-50 and 1950-51 was as follows:

	1949-50	1951-51
Gazetted.	293	278
Non-Gazetted	1002	1033
Class IV.	629	653

(b) The increased expenditure which Government had to incur in the year 1950-51 on account of the additional staff appointed in our missions abroad was approximately Rs. 5 lakhs.

The above information does not include figures relating to our High Commissioner's office in London for which figures have been called for.

Dr. M. M. Das: May I know the reasons that led to the increase in the

number of officers that Government had to employ during the year 1950-51?

Dr. Keskar: It depends on the work in the various Missions. If my hon. friend looks at the figures he will find that the number of gazetted officers has in fact decreased. There were 293 in 1949-50 while we have only 278 in 1950-51. It is in the non-gazetted staff that there is a slight increase. In certain Missions, for example at Rangoon, we get a sudden heavy rush of demands for passports by Indian nationals, and we have to employ the requisite non-gazetted staff for that purpose. So it happens in many other Missions that there is a demand, where the work increases.

Dr. M. M. Das: May I know what portion of this increased number of officers was newly recruited and what particular method was adopted for their recruitment?

Dr. Keskar: I am afraid I won't be able to say offhand what numbers were newly recruited, but with regard to all staff that is recruited the recruitment is done according to the rules laid down.

The Prime Minister (Shri Jawaharlal Nehru): Sir, there is one matter to which I should like to draw the attention of the House. My colleague the Deputy Minister mentioned Rangoon and the additional staff employed there. Now we look at the expenditure side of it. The fact is that that additional staff for passport and other purposes actually brings in much larger revenue than is spent on them—it is far greater. But that is not shown here. That goes to the revenues of Government. So you don't balance the figure of expenditure with that. In Rangoon, when I went there last year, it was an extraordinary sight, of hundreds of people waiting for passports in very congested corridors and not enough staff to issue them visas and passports. There we had to have some staff with the result that our income went up much more, apart from the facilities afforded.

Dr. Deshmukh: May I know how many of these various officers are permanent and how many are temporary?

Dr. Keskar: I would require notice for giving the particulars in respect of permanent and non-permanent officers. But generally I may inform my hon. friend that gazetted officers employed by the External Affairs Ministry are permanent or are on the point of being made permanent.

Shri Gautam: Is it a fact that some of these embassies and legations are under-staffed while others are over-staffed? If so what steps do Government propose to take about it?

Dr. Keskar: My experience is that probably with rare exceptions our embassies are terribly under-staffed.

Mr. Speaker: Next question.

WOOD PULP (IMPORTS)

*3142. **Dr. M. M. Das:** Will the Minister of Commerce and Industry be pleased to state:

(a) the total quantity of wood pulp imported into India during 1950-51 and their value;

(b) the industries for which they have been imported;

(c) the countries from which they have been imported; and

(d) the rate of import duty, if any?

The Deputy Minister of Commerce and Industry (Shri Karmarkar): (a) 106,736 cwts. of wood pulp valued at Rs. 33,93,864 were imported into India in the nine months April to December 1950.

(b) It has been imported for paper and rayon industries.

(c) It has been imported from Norway, Sweden, Finland and Ceylon.

(d) The standard rate of import duty is 18 per cent. *ad valorem*. Wood pulp has, however, been exempted from the payment of so much of the customs duty as is in excess of 15 per cent. *ad valorem* in implementation of the Ancey Protocol of Terms of Accession to the General Agreement on Tariffs and Trade dated the 10th October 1949.

The import duty is 10 per cent. *ad valorem* when it is imported from Burma and is the produce and manufacture of that country.

Dr. M. M. Das: May I know what percentage of these total imports was utilized for manufacture of rayon, that is, artificial silk and what percentage for other purposes?

Shri Karmarkar: I have given the figure actually imported in answer to part (a). I can tell my hon. friend that our actual requirements for paper industry is 15,000 tons and rayon

industry 16,000 tons on an average. The total is 21,000 tons.

Dr. M. M. Das: May I know what portion of the finished products that are manufactured in this country out of raw materials imported are exported?

Shri Karmarkar: I am not aware of any export. I will find out.

Shri Hussain Imam: Is it a fact that the total figure which the hon. Minister stated is based on the present capacity or on the capacity that has already been installed and not worked?

Shri Karmarkar: I presume it is being worked at the present capacity.

Shri T. N. Singh: I want to know whether the 15 per cent. *ad valorem* duty on wood pulp works out to a much higher rate as compared to the specific duty imposed on manufactured newsprint imported here.

Shri Karmarkar: I should like to find that out. I have no ready information on that point.

FINANCIAL HELP TO NEPA MILLS

*3144. **Dr. Deshmukh:** Will the Minister of Commerce and Industry be pleased to state the financial or other help which Government have given to the Nepa Mills in Madhya Pradesh?

The Minister of Commerce and Industry (Shri Mahtab): No financial help has been given by the Central Government. The following materials have been released for the construction of the Mills:

- (i) Iron and steel—2,205 tons.
- (ii) Cement—4,010 tons.
- (iii) Pipes—18,800 feet.

Dr. Deshmukh: May I know if the Central Government is interested in the industry manufacturing newsprint at an early date and if so, what is the present condition of the industry and what help if any is supposed to be given to it hereafter?

Shri Mahtab: The Madhya Pradesh Government approached the Government of India for financial assistance early in 1950 and they were told that at that particular moment no financial assistance could be given but the position would be reviewed sometime later in the year and it was reviewed in November last year and again they were told that it was not possible for the Government of India to render any financial assistance. In the meanwhile a Committee was set up by the

Madhya Pradesh Government to investigate into the working of the managing agency and that Committee is known as the Shroff Committee. They reported that about Rs. 45 crores would be necessary for completing that project and an addition of Rs. 35 lakhs for current expenditure would be required. The Madhya Pradesh Government have only Rs. one crore and odd at their disposal. So it was not possible for the Government of India to go to the assistance of the Madhya Pradesh Government to the extent of about Rs. 3 crores. That was the position.

Dr. Deshmukh: Is there any other mill started in India or about to be started so as to make good the deficiency in newsprint? Has the Government got any other scheme?

Shri Mahtab: There is no scheme under contemplation of the Government of India and so far as I am aware no other factory proposes to manufacture newsprint at the present moment.

Dr. Deshmukh: Is the Government aware that if no assistance from the Centre is given, all the money that has been invested would more or less be lost?

Mr. Speaker: Order, order. This is only an argument.

Shri Kamath: Has Government got any information as to whether the Madhya Pradesh Government is negotiating the transfer of this company to a private party subsequent to the submission of the report by the Shroff Committee?

Shri Mahtab: That is correct. So far as my information goes, they were negotiating with the Birla Brothers for transferring this company to them.

Shri Sondhi: That has been dropped.

Shri Mahtab: But that negotiation has failed. So far as my other information goes, they have transferred one of their concerns, I am not quite sure whether it is the newsprint or the other mill to Karam Chand Thapper.

Shri T. N. Singh: May I know if Government proposes to give financial help to the Nepa Mills during the financial year and if so how much?

Mr. Speaker: He has stated already.

Shri Mahtab: As a matter of fact you will see from the budget that there is no provision for that purpose.

Shri R. Velayudhan: May I know if Government have come to know of an

inventor of paper from cocoanut fibre pulp and when he asked some financial assistance from the Government of India, Government refused to give him help and that he is now employed by the Ceylon Government for manufacturing paper?

Mr. Speaker: Order, order.

Dr. Deshmukh: May I know if the hon. Minister for Industry and Commerce has heard the speech of the hon. Finance Minister stating that the financial position of India has now improved and in view of that, whether he is prepared to reconsider...

Mr. Speaker: Order, order. He is carrying on an argument.

Shri Deshbandhu Gupta: May I know whether it is a fact that the price of newsprint has gone up during the last 18 months from £34 per ton to £115 per ton and if so, what steps have Government taken so far to secure newsprint for this country at a reasonable rate?

Shri Mahtab: The hon. Member's information is correct. I have been discussing this matter with all the interests concerned. The only step that Government can possibly take is to approach the various Governments to supply newsprint. But recently I am told that newsprint is available in any quantity but the price is very high. I do not know how the Government of India can put pressure on the traders of other countries to reduce the price but this has been taken up at a very high level.

Mr. Speaker: I am going to the next question.

TREATY OF FRIENDSHIP WITH INDONESIA

*3148. **Dr. Ram Subhag Singh:** Will the Prime Minister be pleased to state whether it is a fact that India and Indonesia are shortly going to sign a treaty of friendship?

The Deputy Minister of External Affairs (Dr. Keskar): The Treaty was signed on the 3rd March, 1951.

Dr. Ram Subhag Singh: May I know what are the chief terms of that treaty?

Dr. Keskar: That is a treaty of friendship and the terms of the treaty of friendship are generally the same as the terms of other treaties of similar nature that were signed before.

Dr. Ram Subhag Singh: May I know whether any military commitment has been contemplated according to the terms of that treaty?

Dr. Keskar: As I said, we have already signed treaties of friendship with many countries before and the treaty with Indonesia also is not much different. Of course, there is slight variation here and there and there is no question of military commitment in a treaty of this sort.

Mr. Speaker: Let us go to the next question. We had better refer to the text of treaty document rather than go into the contents.

Shri Hussain Imam: Is it not usual to place a copy in the Library of the House?

Dr. Keskar: When a treaty is signed, copies are immediately available to the Members of the House.

DISPLACED PERSONS SETTLED IN GANDHIGRAM

*3149. **Prof. K. T. Shah:** (a) Will the Minister of Rehabilitation be pleased to state how many families of genuine displaced persons have been settled in Gandhigram of the Sindhu Resettlement Corporation (Kutch) and on what terms has each such family been settled?

(b) How many houses in all have been planned to be built, and how many have been actually built, and occupied, since the foundation of this Corporation?

(c) Do Government propose to place a statement on the Table of the House giving the following information: (i) the principal occupations of the persons or families already settled in Gandhigram (Kutch); (ii) the number of schools and pupils attending them in Gandhigram; (iii) the cost of education to the State and to the Corporation; and (iv) the cost of other developmental activities of the Government of India in Gandhigram?

The Minister of State for Rehabilitation (Shri A. P. Jain): (a) to (c). The information is being collected and will be placed on the Table of the House in due course.

IMPORT OF COSMETICS

*3150. **Shri Kishorimohan Tripathi:** Will the Minister of Commerce and Industry be pleased to state what was the total value of imports in respect of cosmetics, toilets, toys, decorating and furnishing materials, watches and fountain-pens during the year 1950?

The Deputy Minister of Commerce and Industry (Shri Karmarkar): A statement is placed on the Table of the House. [See Appendix XXII, annexure No. 1.]

Shri Kishorimohan Tripathi: May I know what part of the total imports is made under bilateral agreements, if any?

Shri Karmarkar: I presume that some of these must be under bilateral agreements. I know about watches; provision has been made in our Indo-Swiss agreement that a certain quantity of watches should be imported.

Shri Kishorimohan Tripathi: May I know what part of the imports was made on Government account?

Shri Karmarkar: Of toilets?

Shri Kishorimohan Tripathi: There are watches, fountain pens, decorating materials.

Shri Karmarkar: I presume that all of these must be commercial imports so far as I can say offhand. None of these toilet articles could have been imported by the Government on Government account.

Shri Sidhva: On a previous occasion the hon. Minister stated that for cosmetics and perfumery articles Government did not give any licence, but under bilateral agreements, they were perforce asked to import them. May I know whether these cosmetics, toilets, and toys are imported under bilateral agreements or whether any special licences were given to individuals?

Shri Karmarkar: The hon. Member has mixed up three questions. He has imputed to me a statement, which I did not make. When I was asked about luxury articles, I did say that along with essential articles, some countries had also asked us to provide for luxury articles. Therefore, in the case of some bilateral agreements, we had, perforce, if we wanted other articles to be imported, to import luxury articles. That is precisely what I stated.

Shri Sidhva: Do these articles come under that?

Mr. Speaker: He can have that information later on. Next question.

FARIDABAD DEVELOPMENT BOARD

*3151. **Shri Ramalingam Chettiar:** (a) Will the Minister of Rehabilitation be pleased to state what arrangement has been made by the Ministry of Rehabilitation with the Delhi Electricity authorities for the supply of electricity to Delhi from Faridabad where a big power station is reported to be in the process of erection?

(b) What is the amount of electricity available for Delhi from Faridabad and what is likely price per unit?

(c) In view of the availability of ample electricity, water and other facilities, do Government intend to divert proposed factories from the Delhi area to Faridabad?

(d) How many houses have so far been built at Faridabad?

(e) What is the total number of houses proposed to be built in Faridabad and what is the plinth area and cost per square foot of these houses?

(f) What are the arrangements for educational and health services in Faridabad Development Scheme?

The Minister of State for Rehabilitation (Shri A. P. Jain): (a) To supply the surplus power of the Faridabad Power Station to New Delhi Municipality at their Southern Station in Lodi Road through the State Electricity Board.

(b) Immediately 1,500 KW out of 3,000 KW. No decision has been taken about the second set of 3,000 KW which is expected to be ready in September 1951. The likely price per unit will be about one anna.

(c) No such decision has been taken as yet.

(d) 3,000 already built, 1,500 under construction.

(e) 5,000 houses. The plinth area of a house is 36 s.ft. and the cost is Rs. 4/13/- per s.ft. of the built-in area.

(f) The Faridabad Development Board is organizing a scheme of socialised health service covering every man, woman and child in the New Township through regular periodical medical check-up at five Health Centres and curative treatment at a 125-bed modern general hospital. The educational arrangement in the Faridabad Development Scheme consists of 10 primary schools and 3 High schools and a higher technical institute and these institutions will cover all children requiring education and training will be given with a view to making them fit for the various industries which are being organised in the Township.

Shri Ramalingam Chettiar: How does the cost of building compare with the cost elsewhere here in Delhi?

Shri A. P. Jain: The cost of building at Faridabad is calculated at P.W.D. rates. I have got a full chart of the comparison. I think that the costs are on the whole on a par with the cost

in Delhi, considering the various specifications. If you will permit me, I can read it; it will be quite a long statement. I think it is better to lay it on the Table of the House.

Mr. Speaker: I also think it is better to lay it on the Table of the House.

Shri Deshbandhu Gupta: May I know what was the date fixed for the electricity plant in Faridabad to go into production?

Shri A. P. Jain: We have to start supplying electricity from June 1st, 1951.

Shri Deshbandhu Gupta: Has the hon. Minister assured himself that he will be able to stick to the schedule?

Shri A. P. Jain: We have to depend on the information supplied to us by the Faridabad Development Board which is an autonomous body. I believe the information supplied by them is correct.

Shri Ramalingam Chettiar: May I know whether arrangements have been completed with reference of the supply of electricity to Delhi?

Shri A. P. Jain: Arrangements are being completed.

Shri Raj Bahadur: What is the cost per house?

Shri A. P. Jain: I have given the average plinth area, and I have also given the rate per square foot. All that is left is a question of mathematics.

Shri Raj Bahadur: Average cost of a house?

Shri A. P. Jain: Yes; that is a matter of calculation.

COAL EXPORT

*3152. **Shri S. C. Samanta:** (a) Will the Minister of Commerce and Industry be pleased to state the amount of coal exported to (i) Egypt; (ii) Denmark; (iii) Ceylon; and (iv) the United Kingdom during the months from June to December, 1950, separately?

(b) What are the freight rates for the different countries stated above?

(c) Did shipping difficulties arise during the said period?

The Deputy Minister of Commerce and Industry (Shri Karmarkar): (a) A statement is placed on the Table of the House. [See Appendix XXII, annexure No. 2.]

(b) There are no fixed freight rates for these destinations: Coal is carried as a bulk cargo in tramp ships. The rates for which tramp ships are prepared to carry coal at different times to the same destination fluctuate widely. A statement showing some of the fixtures to the estimations mentioned in part (a) of the question is, however, placed on the Table of the House. [See Appendix XXII, annexure No. 2.]

(c) The commercial shippers of coal make their own arrangements for shipping. For them difficulty in shipping necessarily means difficulty in finding shipping at the price they are prepared to pay. As a result of the Korean War, shipping space all over the world has been generally short and freight rates have been steadily going up. The steady rise in rates is an indication that supply fell short of demand.

Shri S. C. Samanta: May I know what are the decisions of the Coal Commission to remove the difficulty in the way of coal exports from the Calcutta port?

Shri Karmarkar: I should like to have notice of the question.

Shri S. C. Samanta: Is any arrangement being made for exporting coal from Vizag?

Shri Karmarkar: I presume there must be; I should like to find out.

Shri S. C. Samanta: Are the Government aware that especially in the winter, only 1,000 tons of coal could be carried by the ships from the Calcutta port?

Shri Karmarkar: Is my hon. friend asking me about the port facilities or shipping facilities?

Mr. Speaker: Shipping space for coal is only about 1,000 tons in the winter?

Shri Karmarkar: I should like to have notice. I should say that the position as regards shipping space is fairly easy; but freight rates have been doubled in certain cases.

Shri S. C. Samanta: I ask this question because the Ganges there is being silted nowadays. Dredging arrangement is not sufficient and more than 1,000 tons cannot be carried by ships, in winter especially. Will the hon. Minister see that this difficulty is removed?

Shri Karmarkar: I shall look into the matter.

DISPLACED PERSONS IN BAIRAGARRH

*3153. **Thakur Lal Singh:** Will the Minister of Rehabilitation be pleased to state:

(a) how many displaced men, women, and children are receiving training at Bairagarh; and

(b) how many schools for the children of displaced persons have been opened in the towns of Bhopal and Sehore?

The Minister of State for Rehabilitation (Shri A. P. Jain): (a) There is no training centre at Bairagarh.

(b) As children of displaced persons are freely getting admission in the State Schools, no special schools have been opened at Bhopal or Sehore.

Thakur Lal Singh: What about the education of displaced persons who do not know Hindi? I mean Sindhi boys.

Shri A. P. Jain: I have received no information that there is any difficulty about that. Possibly they may be receiving education in Hindi.

Shri Ramaswamy Naidu: What is the number of children of school going age in those places and what percentage is in school?

Shri A. P. Jain: I should require notice.

DISPLACED PERSONS IN BHOPAL STATE SERVICE

*3154. **Thakur Lal Singh:** Will the Minister of Rehabilitation be pleased to state how many displaced persons have been employed in Bhopal State Government Service?

The Minister of State for Rehabilitation (Shri A. P. Jain): A statement is laid on the Table of the House. [See Appendix XXII, annexure No. 3.]

Thakur Lal Singh: How many applications were received from the displaced persons and how many were given employment?

Shri A. P. Jain: The number of persons who were given employment is contained in the statement laid on the Table of the House: that is, 386. I do not know the total number of applications that might have been made. Possibly, for every post, there might have been more than one application and I do not think that any useful

purpose will be served by collecting this voluminous information with regard to the number of applications received for each post that fell vacant.

Thakur Lal Singh: How many of them are still unemployed?

Shri A. P. Jain: We have not carried out any economic survey to enable me to answer that question.

LOAN TO DISPLACED PERSONS SETTLED IN RURAL AREAS OF BHOPAL

*3155. **Thakur Lal Singh:** (a) Will the Minister of Rehabilitation be pleased to state how many displaced persons settled in rural areas of Bhopal have been granted loan?

(b) What is the amount of loan to each family?

(c) How much acreage of land has been allotted to each such family?

(d) Have Government satisfied themselves that the loan, granted for agricultural purposes has not been misused by the displaced persons?

The Minister of State for Rehabilitation (Shri A. P. Jain): (a) 595.

(b) The maximum amount of loan that can be given to a family is Rs. 2,744/-.

(c) 15 acres of barani or 10 acres of irrigated land.

(d) Yes.

Thakur Lal Singh: Is it a fact that some of these displaced persons are not prepared to do preliminary work on land, such as the extracting of the roots of bushes, etc., by which the soil could be prepared for sowing in the coming year?

Shri A. P. Jain: So far as my information goes, these persons have been given either land which was already under cultivation or tractorised land.

COAL SUPPLY TO TOBACCO BARNS

*3156. **Shri A. Joseph:** (a) Will the Minister of Works, Production and Supply be pleased to state whether there is a proposal to supply coal to Tobacco Barns in India?

(b) If so, what is the allotment for Madras State for this purpose?

The Minister of Works, Production and Supply (Shri Gadgil): (a) Coal is being supplied every year for tobacco curing barns in India.

(b) About 1,60,000 tons for 1950-51.

Shri A. Joseph: In spite of the increase of tobacco barns in the year 1951-52 is there still shortage of coal and is there any proposal on the part of the Government to meet this coal shortage in the State of Madras?

Shri Gadgil: For the year 1948-49 the allocation was 1,00,000 tons and the actual despatch for the year amounted to as much as 1,15,000 tons. For the year 1949-50 the allocation was 1,00,000 tons and the despatches came to 113,993 tons and for the year 1950-51 the allocation amounted to 160,000 tons and the actual despatch up to February 1951 has come up to 114,780 tons. Therefore, it is clear that there has been some short supply during the current year which is due to the restrictions and limitations imposed by the railway.

Shri Kesava Rao: Sir, is Government aware that many barns with tobacco ready for curing suffered because the coal could not be delivered to them at the time they wanted the coal? What is the number of such barns which suffered and stopped for want of timely supply of coal?

Shri Gadgil: It is not possible to give the number of barns that have been discontinued in this manner. It is possible that the result suggested by the hon. Member may have been there.

Shri Kesava Rao: Have Government received any representations for the supply of coal for these barns which were not able to work properly?

Shri Gadgil: Representations have been received and that is the reason why every effort is being made in order to make supplies available. But the limitations as I have already stated, are imposed by the railways.

Shri R. Velayudhan: May I know, Sir, whether the export of our coal has been responsible for this shortage of coal required for our local consumption?

Shri Gadgil: Not so far.

INDUSTRIAL ENTERPRISE

*3157. **Shri Kishorimohan Tripathi:** (a) Will the Minister of Commerce and Industry be pleased to state whether any State Governments launched any industrial enterprise during the years 1949 and 1950?

(b) If so, were the plans of the enterprises submitted to the Government of India for their concurrence and advice?

The Minister of Commerce and Industry (Shri Mahtab): (a) and (b). As far as I am aware, no State Government, except Uttar Pradesh, launched industrial enterprises during 1949 and 1950. A Precision Instruments Factory at Lucknow was established by the U. P. Government in 1949. The Government of India's advice was not sought in regard to this factory.

Shri Kishorimohan Tripathi: May I know what is the value of the total investment in this particular enterprise in Uttar Pradesh?

Shri Mahtab: I have not got the detailed information as this was not referred to the Government of India at any stage.

Shri T. N. Singh: Sir, is it a fact, in regard to the factory started or the industries started in Uttar Pradesh, some consultation was held by the State Government with the Central Government with regard to the particular lines in which States may go in for such enterprises?

Shri Mahtab: Sir, I could not follow the question.

Mr. Speaker: The question is not clear to me either.

Shri T. N. Singh: I want to know, Sir, whether any consultations were made by the State Governments with the Central Government with regard to certain lines on which industrial undertakings on essential goods may be undertaken by the States?

Shri Mahtab: I do not think there has been any general consultation between the Government of India and the State Governments on this subject, I think all the State Governments and the Central Government are following the industrial policy which has been declared here.

Dr. M. M. Das: May I know whether the Union Government has any information about the West Bengal Government making arrangements for having factories for producing medicines such as penicillin and other useful drugs?

Shri Mahtab: So far as penicillin goes, I think the West Bengal Government referred the matter to the Government of India and they secured permission to start the undertaking. I am not aware of any other drug being manufactured there.

Shri Gautam: Sir, did any State Government approach the Government of India during this period of 1949-50

for financial aid to start State industries?

Shri Mahtab: A number of State Governments have approached the Government of India for financial assistance, but it had to be declined with great regret.

Shri Jnani Ram: Did the Government of Bihar approach the Centre with any proposal for financial assistance for the textile industry?

Shri Mahtab: I am not aware.

Dr. Deshmukh: Will the hon Minister be pleased to state how many industrial undertakings or enterprises started by the States have been discontinued or given up in the year 1949-50?

Shri Mahtab: So far as my information goes, not a single one has been given up.

HOUSES EXHIBITED BY HYDERABAD GOVERNMENT

*3158. **Shri Ramaswamy Naidu:** Will the Minister of Works, Production and Supply be pleased to state:

(a) whether the attention of Government has been drawn to the two types of houses exhibited by the Hyderabad Government in the Indian International Engineering Exhibition Delhi;

(b) if so, whether the Engineers of the Government of India have examined their suitability to Delhi weather and conditions of living; and

(c) whether Government propose to construct similar houses considering their cheapness and durability?

The Minister of Works, Production and Supply (Shri Gadgil): (a) Yes.

(b) Yes.

(c) No Sir. These houses are not so much cheaper than ordinary brick and mortar construction, as to render a large scale experiment at Delhi desirable.

Shri Ramaswamy Naidu: Sir, were the Hyderabad engineers of the opinion that these houses are cheaper and of a very durable nature? And has this question been examined by our engineers and if so what has been the result of such examination?

Shri Gadgil: It is considered that large scale construction of such houses is not desirable in Delhi for several reasons. These have got arched roofs and therefore no double-storey is possible. That means that we will have to use more space and

land in Delhi is very costly. It has been the considered decision of the Government that the further expansion in Delhi should be vertical and not horizontal. Secondly these houses have very little window area. There is a certain optimum standard according to the science of building which lays down that at least 10 per cent. of the floor space must be the proposition for window area. In these houses it works out to only 1.75 per cent. It is not possible to have further expansions because the windows are on the sides and between two houses there must be ample space left and you cannot have a common wall. Further it has been our experience here that one-roomed tenements are not very popular even with the refugees and these are exactly one-roomed tenements. And the materials used in these houses is inferior, but that is another consideration. These are the main considerations which led the Government to come to this view, namely, that in Delhi large-scale construction of these houses is not desirable.

Shri M. L. Gupta: The Minister stated that these are one-roomed tenements. Is the Government aware that there are two-roomed and three-roomed tenements of this kind in Hyderabad with common walls?

Shri Gadgil: The houses shown in the exhibition were not three or four-roomed tenements in a line with common walls. Such construction is possible probably, by removing the side-windows. But the utility of the whole thing will be considerably decreased. Secondly the arched roofs make it impossible to have double storeys.

Shri Kamath: Sir, with regard to the vertical expansion of Delhi to which the hon. Minister referred, may I know how high does the Government aspire to build?

Mr. Speaker: Order, order.

Shri Gadgil: The limit is the sky.

IMPORT CONTROL ORGANISATION

*3159. **Shri Jagannath Das:** Will the Minister of Commerce and Industry be pleased to state the number of corruption cases detected in the Import Control Organisation in the years 1948, 1949 and 1950 and the number of convictions?

The Deputy Minister of Commerce and Industry (Shri Karmarkar): The number of cases of suspected corruption detected in the Import Trade Control Organization during the years

1948, 1949 and 1950 were 8, 11 and 1 respectively.

Seven of these cases were reported to the Police but in no case has it been possible to secure conviction so far. As a result of Departmental proceedings however, one officer was dismissed; five were discharged; one officer has been reverted to his parent office; nine officers were re-instated in service as a result of the findings in the departmental proceedings; and one official is still under suspension pending the conclusion of the departmental proceedings.

Shri Jnani Ram: How many of the cases detected were the result of the activities of the Anti-Corruption Department?

Shri Karmarkar: I could not answer that offhand.

Dr. Deshmukh: Would the hon. Minister be pleased to state what was the highest accumulation of wealth discovered in any particular case as a result of corrupt practices?

Mr. Speaker: In general or in respect of these nine cases?

Dr. Deshmukh: Out of these nine cases.

Shri Karmarkar: I could not say that. I can say in respect of what they have been found guilty.

EXPORT CONTROL ORGANISATION

*3160. **Shri Jagannath Das:** Will the Minister of Commerce and Industry be pleased to state the number of corruption cases detected in the Export Control Organisation in the years 1948, 1949 and 1950 and the number of convictions?

The Deputy Minister of Commerce and Industry (Shri Karmarkar): Twenty-five corruption cases were detected in the E.T.C. Organisation in the years 1948 to 1950 (in 1948—15, in 1949—3 and in 1950—7). No conviction was made.

8 persons were removed from service and 4 reverted to lower posts etc., as a result of departmental action taken against them; 4 cases were handed over to the police but allegations against the persons concerned were not proved;

2 persons were convicted by the lower court but acquitted by the Sessions Judge.

1 case is pending trial in the court concerned; 6 cases are still under investigation of the police.

Shri T. N. Singh: Out of the persons who have been convicted or removed from service, how many were permanent hands of the department and how many were temporary men?

Shri Karmarkar: I should like to ask for notice of that. Most of the persons in this department were on what is called a temporary basis. The department was created only in 1942 and it has been considered as temporary till now from year to year. If the hon. Member wants any further information I can give it.

Dr. M. M. Das: What is the exact nature of the offences? Was it negligence of their normal duties or violation of any rules?

Shri Karmarkar: They are cases of corruption. As to what is the precise nature I can give him a sample.....

Mr. Speaker: He is referring to negligence.

Dr. M. M. Das: Negligence and also violation of rules.....

Shri Karmarkar: As to what is the exact nature of their misdemeanours I can give some samples: Suspected of accepting illegal gratification, movements found to be of a suspicious character, misuse of export licences, posting letters without their contents, etc. etc.

Shri Gautam: Has the Government tried to ascertain whether cases of corruption are more among temporary hands or among permanent hands?

Shri Karmarkar: They are much more among the temporary hands, according to our information.

TIN

*3161. **Shri Jagannath Das:** (a) Will the Minister of Commerce and Industry be pleased to state what was the indigenous production of tin in India in the years 1947, 1948, 1949 and 1950 and how much was imported during each of these years?

(b) What was the price of indigenous tin in these years and the price of imported tin?

(c) How much tin is to be imported in 1951?

The Minister of Commerce and Industry (Shri Mahtab): (a) There is no indigenous production of virgin tin. As regards imports, a statement is laid on the Table of the House. [See Appendix XXII, annexure No. 4].

(b) A statement is laid on the Table of the House. [See Appendix XXII, annexure No. 4.]

(c) About 6,000 tons.

Shri Jagannath Das: Is the tin which is imported equally distributed among the manufacturers?

Shri Mahtab: From 1942 to 1949 there was state trading with regard to tin but today it is on the O.G.L. and under O.G.L. anybody can import without licence.

Shri T. N. Singh: Has any prospecting for tin been done in Assam by the Geological Survey of India?

Shri Mahtab: I cannot say; but till now nothing has been found out.

Shri Juani Ram: Has any attempt been made by the Government to work the abandoned tin mines?

Shri Mahtab: As I said, virgin tin is not to be found in India: that is the difficulty.

MILLS AND FACTORIES

*3162. **Shri Kishorimohan Tripathi:** (a) Will the Minister of Commerce and Industry be pleased to state the total number of textile mills, cement factories, plastic manufacturing and moulding concerns, and paper mills that were set up and have actually gone into production during the period 1947-1950?

(b) What is the capital invested in the said mills and factories?

The Minister of Commerce and Industry (Shri Mahtab): (a) and (b). A statement is laid on the Table of the House. [See Appendix XXII, annexure No. 5].

Shri Kishorimohan Tripathi: In respect of the cement factories, the total investment shows that a portion has been spent on new erections and a portion on expansions and additions. What is the total amount spent on new erections?

Shri Mahtab: The detailed figures are not with me. These are private concerns but I can lay on the Table a list showing which factories have expanded their activities and which are new ones.

Shri Kishorimohan Tripathi: I would like to know the location province-wise of the cement factories.

Shri Mahtab: Madhya Pradesh, P.E.P.S.U., Bihar, Madras, Travancore and Cochin, Saurashtra and Mysore.

Shri Chalhha: How many more textile mills will be necessary to satisfy the requirements of India?

Shri Mahtab: The hon. Member can have the information from the report of the Textile Panel which was set up sometime ago. The position is that the cotton available is not sufficient for the existing mills and so there is no question of setting up new textile mills.

OFFICES OF CONTROLLER OF IMPORTS AND EXPORTS

*3163. **Shri Rathnaswamy:** Will the Minister of Commerce and Industry be pleased to state:

(a) the number of gazetted posts created during 1950 and 1951 up-to-date in the offices of the Controller of Imports and Exports;

(b) the manner in which these posts were filled;

(c) how many posts were filled through the U.P.S.C. and how many otherwise; and

(d) whether Government propose to consider the desirability of appointing these officers through the U.P.S.C.?

The Deputy Minister of Commerce and Industry (Shri Karmarkar): (a) 38 gazetted posts were created in the offices of Chief Controllers of Imports and Exports.

(b) One post was filled by direct recruitment, three posts were filled by Transfer Bureau Nominees of the Ministry of Home Affairs and the remaining posts were filled by departmental promotion and by transfer from other offices.

(c) No post was filled through the Union Public Service Commission.

(d) A reference has been made to the Union Public Service Commission in the case of posts which are likely to last beyond one year from the date, the posts were sanctioned.

Shri Rathnaswamy: How many of these officers have been confirmed and may I know if there is any time limit fixed in regard to the confirmation of these officers?

Shri Karmarkar: In the case of those who have been appointed for one year their appointments are renewed as required and in the case of the others.....

Shri Rathnaswamy: What are the offices from which these officers have been drawn?

Shri Karmarkar: I mentioned earlier that one post was filled by direct recruitment, three posts were filled by Transfer Bureau nominees of the Ministry of Home Affairs and the remaining posts were filled by departmental promotion and by transfer from other offices.

Shri Rathnaswamy: May I know whether it is the practice to just appoint and then ask the U.P.S.C. to regularise it?

Mr. Speaker: Order, order. He should not state it as a practice of the Government but he may ask whether that practice is followed.

Shri Rathnaswamy: May I know whether the appointments that have been made were referred to the U.P.S.C. for regularisation?

Shri Karmarkar: They were taken because there was an emergency last year but with regard to the posts to which people are appointed for more than one year the final selection does depend on the U.P.S.C.

Dr. Deshmukh: Is it a fact that the money realised out of applications for import licences is more than the expenditure on the Import Control organisation? If so, what is the balance?

Shri Karmarkar: I am very happy to say that the Import Controller's organisation is self-sufficient; its income is more than the expenditure.

NON-FERROUS METALS

*3164. **Shri Rathnaswamy:** Will the Minister of Works, Production and Supply be pleased to state:

(a) the total value of non-ferrous metals sold to the public by the Directorate General of Disposals after July 1950;

(b) why the sale of these metals to the public was allowed; and

(c) whether Government propose to consider the question of stockpiling these metals as is being done in other countries?

The Minister of Works, Production and Supply (Shri Gadgil): (a) Sale realisations from non-ferrous metals including scrap, amounted to Rs. 27.5 lakhs approximately from July 1950 up to end of February 1951.

(b) Sales to public were permitted after requirements of Government Departments and Priority Indentors had been met.

(c) Yes Sir, the matter is already under consideration by the Government of India.

Shri Rathnaswamy: In view of the growing importance of these non-ferrous metals, is any decision likely to be arrived at to stop the sale of these metals to the public?

Shri Gadgil: The first consideration is always given to the Government departments and priority indentors. During this period the book value of what we sold to Government Departments and other priority indentors was ₹1.31 lakhs.

When their demands were met it was considered desirable that something ought to be sold to the public and it was done after that.

Shri T. N. Singh: Pending consideration of this question of stock-piling, do Government propose to put any total ban on the disposal of non-ferrous metals to the public?

Shri Gadgil: As I stated the matter is under consideration. It is not merely putting a ban on that will give us the required stock-piling quantity, but something else has to be done.

Shri R. Velayudhan: May I know whether Government have decided upon any fixed quantity for stock-piling?

Shri Gadgil: I have not followed the question, but as I said the whole question of stock-piling is under consideration.

INDIANS IN THAILAND AND GIBRALTAR

*3165. **Shri Krishnanand Raj:** Will the Prime Minister be pleased to state:

(a) in what way the Alien Registration Act of Thailand and the Alien Traders Ordinance of Gibraltar are going to affect the Indians in the two respective places;

(b) whether Government have discussed the inconveniences caused to Indians out of those Acts, with the Governments of the above countries; and

(c) if so, what have been the results?

The Deputy Minister of External Affairs (Dr. Keskar): (a) The Alien Registration Act of Thailand, when it comes into force, will require all non-Thais, including Indians, to register themselves and their families.

to be in possession of identity cards and to report to their local police station any changes of address.

The Alien Traders Ordinance of Gibraltar restricts the number of shops that non-Gibraltarians, including Indians, might maintain in the island and also the commodities they can deal in.

(b) The Thai Act, which has not yet come into force is similar to our own Registration of Foreigners Act, will apply to all foreigners alike, and we have no reason to think that Indians will be subjected to any special inconveniences under the Act. No discussions have therefore been opened with the Thai Government in the matter.

As regards the Gibraltar Ordinance, our High Commissioner in London has discussed the disabilities of Indian traders in the island with the United Kingdom Government.

(c) We have been assured that the Ordinance is non-discriminatory and applies equally to all non-Gibraltarians. The Government of Gibraltar have, however, expressed their willingness to consider within the general framework of the Ordinance any specific proposals from Indian traders for the inclusion of additional commodities in which they may wish to deal.

Shri Krishnanand Rai: May I know whether these Acts or Ordinances are meant only for Indians or for other aliens also whatever their colour may be?

Dr. Keskar: I think my hon. friend did not listen to the answer that I gave. The Thailand Act is meant for all foreigners.

Shri Krishnanand Rai: And Gibraltar?

Dr. Keskar: The Gibraltar one is for all non-Gibraltarians, that is anybody who is not considered to be a resident of Gibraltar.

Dr. Ram Subhag Singh: Is it a fact that some Indians who were engaged in import and export business in Gibraltar have been forced out of their trade as a result of the introduction of this Alien Traders Ordinance?

Dr. Keskar: I am not aware of any Indians engaged in import-export trade who have been forced out. The complaint mainly is with regard to the question of having shopping space or the opening of new shops in Gibraltar and also the commodities in which the people can

deal. I don't think there has been any question of any trader losing his licence or permission for importing or exporting, generally speaking.

Shri Kamath: With regard, Sir, to the Alien Registration Act of Thailand which the Deputy Minister said is similar to our own Act, does our Act require foreigners or aliens to report to the police in the same manner as the Thai Act proposes to do?

Dr. Keskar: Yes. In India all foreigners have to register themselves and give their address to the police where they are residing.

Shri Kamath: Reporting to the police—that is what the Thai Act says.

Dr. Keskar: It is not reporting to the police—it is giving to the police their address.

Shri T. N. Singh: With regard to the Gibraltar Ordinance, may I know whether British citizens will also be treated on the same level as Indian citizens?

Dr. Keskar: According to the Ordinance, yes.

COTTAGE INDUSTRIES BOARD

*3166. **Shri S. N. Das:** (a) Will the Minister of Commerce and Industry be pleased to state the work done so far by the Cottage Industries Board reconstituted in July 1950?

(b) what are the schemes suggested by the Board?

(c) What are the important cottage industries to which the Board has given special consideration?

The Minister of Commerce and Industry (Shri Mahtab): (a) A statement is laid on the Table of the House. [See Appendix XXII, annexure No. 6.]

(b) The Board has set up a Subcommittee to prepare a comprehensive scheme for the establishment of a Central Institute for research and advanced training in the technique of production and marketing, the forms of organisation and the methods of financing the cottage and small-scale industries.

(c) The Board has recommended that the following industries should be taken up for special development: (i) Textiles, (ii) Oil-pressing, (iii) Rice-husking, (iv) Leather and dead cattle disposal, and (v) Gur.

Shri S. N. Das: May I know whether the Government contemplate making

the Cottage Industries Board a statutory body?

Shri Mahtab: That question was discussed at length some time back, but it was decided not to do so.

Shri S. N. Das: May I know to which countries our cottage industry products are exported?

Shri Mahtab: I have not got that information with me now, but I can offhand say that carpets, for instance, are exported to U.K., U.S.A. and various other countries. I am sorry I cannot give details regarding our main exports, but I can give them later.

Shri Sohan Lal: In order to encourage and develop these cottage industries do the Central or State Governments give any loans to them, and, if so, on what grounds, and in how many years are those loans repayable?

Mr. Speaker: He is referring to the policy of the State Governments?

Shri Sohan Lal: State and Central both.

Shri Mahtab: The Central Government does not grant any loans to industries in the States. It is the State Governments themselves that grant loans to them, but the Central Government has given grants to many States for carrying out these schemes.

Shri Gautam: What steps did the Government take to build up these cottage industries with the help of the experts from Japan?

Shri Mahtab: The experts from Japan are expected to arrive here some time next month or so. They will first of all make a survey and submit a report. In the meanwhile, we have drawn the attention of the State Governments to the industries which I just mentioned and have suggested schemes for their development. We have insisted upon the State Governments to take up these industries. If they don't approve of our schemes they might think of some alternative schemes and send them along for our consideration.

Shri Shiv Charan Lal: In view of the resolution passed last year by a conference of the All-India Co-operative Society to form a Central Co-operative Society for the purpose of marketing the products has Government done anything in the matter?

Shri Mahtab: I don't see how a Central Co-operative Society can be formed with jurisdiction in the States,

but at present the Emporium Sub-Committee are looking after the work which is contemplated in that resolution.

श्री भट्ट : क्या माननीय मंत्री जी बतायेंगे कि इस बोर्ड के सुझाव के अनुसार गवर्नमेंट ने कोई प्रयोग या कोई चरखे उद्योग शुरू किया है ।

[**Shri Bhatt:** Will the hon. Minister be pleased to state whether the Government have started any cottage industry in view of the recommendations made by this Board?]

Shri Mahtab: Government have taken action on the recommendations of this Committee, but the Cottage Industries Board did not recommend that a certain industry should be taken up by Government themselves.

श्री जांगडे : क्या माननीय मंत्री महोदय बतलायेंगे कि इस गृहउद्योग के बोर्ड की कितनी बैठकें हुई हैं और उन बैठकों में इस बोर्ड के सदस्यों के यात्रा खर्च और एलाउंस पर कितना रूपया खर्च हुआ है ?

[**Shri Jangde:** Will the hon. Minister be pleased to state how many meetings of this Cottage Industries Board have been held and the amount of money spent by way of travelling allowances and daily allowances given to the Members of the Board for attending these meetings?]

Shri Mahtab: There was a question on this point and that has been answered, some days back.

Shri Ramaswamy Naidu: Is it a fact that the Planning Commission is considering a scheme for the development of cottage industries and if so, will it be complementary to the scheme formulated by the Cottage Industries Board or will it be separate?

Shri Mahtab: The scheme drawn up by the Sub-Committee has been drawn up in consultation with the Planning Commission.

WRITTEN ANSWERS TO QUESTIONS

REFUGEE HANDICRAFT

*3143. **Pandit Mnaishwar Datt Upadhyay:** (a) Will the Minister of Rehabilitation be pleased to state what is the total value of product of

refugee handicraft in the years 1949 and 1950 separately?

(b) What steps are Government taking to find markets for these products and with what amount of success?

The Minister of State for Rehabilitation (Shri A. P. Jain): (a) The approximate value of the goods produced by displaced persons in various training and work centres under the Central and State Governments was—

1949	Rs. 21	lakhs.
1950	Rs. 45.5	lakhs
Total	Rs. 66.5	lakhs

Information from some centres has not been received and only approximate figures have been given in respect of centres where both displaced persons and others are being trained side by side.

(b) In the States of Uttar Pradesh, Punjab, Madhya Bharat, Rajasthan, Bombay, Orissa and West Bengal, refugee handicrafts are disposed of through the marketing organisations and emporiums of the State Government concerned. The centres are also allowed facilities to put up stalls in cottage industry exhibitions organised in different places. In Delhi the Refugee Handicraft shop arranges sale of products of the women's centres and co-operative societies. For the centres run directly under the Ministry of Rehabilitation salesmen and sale shops have been provided.

Offices of the Government of India at Delhi have been requested to place orders for the products of women's homes and work centres, such as towels, dusters, soap, handloom cloth, furniture, etc. Certain centres have been helped to secure contracts from the Directorate General of Supplies, for supply of goods, e.g., chaplis and letter-boxes. Some State Governments have made it a practice to call for tenders for the supply of materials and goods from the centres. Public and private institutions like colleges, schools and hospitals also place orders on these centres.

The value of goods sold during the two years in question was about Rs. 54 lakhs, i.e. over 80 per cent. of the total produce. Inability of the trainees to produce high class goods sometimes makes it difficult to dispose them of.

EMPLOYMENT EXCHANGES

*3145. Babu Gopinath Singh: Will the Minister of Labour be pleased to state:

(a) the number of persons registered with the various Employment Exchanges during the last three years

who have not yet been provided with any employment; and

(b) the number of persons who have been provided with jobs during the last three years?

The Minister of Labour (Shri Jagjivan Ram): (a) At the end of January 1951, there were 3,45,159 applicants on the Live Registers of Employment Exchanges still in need of jobs.

(b) 8,48,090 persons were placed in employment during the years 1948, 1949 and 1950.

FOREIGN MISSIONS

*3146. Babu Gopinath Singh: (a) Will the Prime Minister be pleased to state whether any restrictions have been placed on the travel of officers of our Foreign Missions by way of economy?

(b) What savings, if any, have accrued or are expected to accrue by the abolition of any of our Foreign Mission posts and curtailment of travel of officers employed in those Missions?

The Prime Minister (Shri Jawaharlal Nehru): (a) The need for strict economy in all directions has been impressed upon all our Missions. Besides their budget grants under travel have been cut down. They will, therefore, necessarily have to reduce their travelling to the minimum.

(b) We expect a saving of Rs. 6.55 lakhs by leaving unfilled a number of posts in our Missions abroad. Besides this, a number of trade offices are being abolished and their work will be taken over by our diplomatic missions. In this way another saving of Rs. 11,70,200 is anticipated. As compared to the year 1949-50, estimated decrease of expenditure on travelling during 1950-51 is Rs. 2,31,000.

LABOUR DISPUTES

*3147. Babu Gopinath Singh: (a) Will the Minister of Labour be pleased to state how many cases have been received by the Ministry of Labour for orders during the last two years (i) under sub-section (2) of Section 10 of the Industrial Disputes Act, and (ii) under Section 12(4) of the Industrial Disputes Act?

(b) In how many cases have the Government of India appointed Tribunals for adjudication of disputes and in how many cases have the reasons for non-appointment of Tribunals been explained to the parties?

(c) How many cases are still lying undisposed of?

(d) What are the dates of three oldest cases pending?

The Minister of Labour (Shri Jagjivan Ram): (a) (i) Four.

(ii) Fifty-four.

(b) Fifty-one cases have been referred to industrial tribunals for adjudication and in 2 cases reasons for not making a reference have been explained to the parties concerned.

(c) Five.

(d) (i) 20th September, 1950, (ii) 26th December, 1950, and (iii) 16th January, 1951.

COAL SUPPLY TO SOUTH INDIAN INDUSTRIES

*3167. **Shri R. L. Malviya:** (a) Will the Minister of Works, Production and Supply be pleased to state whether Government are aware that the Coal Commissioner has forced many of the Southern Indian Industries to take coal by sea-cum-rail route, involving delay in supply and double cost in the over-all price of coal?

(b) If the answer to part (a) above be in the affirmative, what arrangements are being made to supply coal to these industries more quickly and at reduced cost?

The Minister of Works, Production and Supply (Shri Gadgil): (a) and (b). As the hon. Member is aware, on account of inadequacy of transport, it is not possible to supply the coal requirements of South Indian industries in full by the all-rail route. A portion of the requirements therefore has to be supplied by the costlier sea route, but no compulsion is used by the Coal Commissioner. It is only because it is in the interest of the industries that they accept sea borne coal, as in the alternative they may have to go without any coal. This position will continue so long as the rail transport position to South India continues to be difficult. In this connection I would invite the attention of the hon. Member to the reply given by me on 11th April 1951 to Starred Question No. 3042.

BEQUESTS BY EX-RULERS OF OUDH

*3168. **Shri Sidhva:** (a) Will the Prime Minister be pleased to state whether the news in the papers that the British Embassy in Bagdad has handed over to the Indian Legation in Bagdad the bequests instituted by ex-rulers of Oudh is correct?

(b) If so, what is the total value of these bequests and what is its realisation from such bequests and what are the terms and conditions?

33 P.S.

(c) To whom is the income derived from these bequests distributed?

(d) What are the liabilities the Government of India have undertaken in this respect?

The Deputy Minister of External Affairs (Dr. Keskar): (a) Yes.

(b) and (c). Three bequests made by the ex-Rulers of Oudh, viz., the Oudh Bequest, the Wajid Ali Shah's Bequest and the Masuma Begam Sahiba's Bequest are being distributed in Iraq. The Oudh Bequest is based on a loan of Rupees one crore granted by King Ghazi-ud-din Haider to the East India Company in perpetuity on the condition that while the principal was never to be repaid, interest at 5 per cent. should be paid by the Company in perpetuity to certain specified beneficiaries and for certain other specified purposes, which include *inter alia* disbursements to the poor at Kerbala and Najaf of Rs. 1,22,616/- annually through the agency of a committee set up for the purpose.

(d) In virtue of this transfer, the liabilities now undertaken by the Government of India are those of the administration and disbursement of the amounts in Iraq.

CENTRAL SECRETARIAT CANTEEN

*3169. **Prof. K. T. Shah:** (a) Will the Minister of Labour be pleased to state the money invested by Government to start the Central Secretariat canteen in the North Block which was intended to run on no-profit no-loss basis?

(b) What is the net profit or loss in 1948-49 and 1949-50 and what are the Revised Estimates for 1950-51 and Budget Estimates for 1951-52 for this enterprise?

The Minister of Labour (Shri Jagjivan Ram) (a) Rs. 7,500/.

(b) The Central Secretariat Canteen North Block was established in October 1948 and the savings made during November 1948 to March 1949 and 1949-50 are Rs. 2901-11-3 and Rs. 9881-8-6 respectively. There are no profits as such as the Canteen is run on no-profit basis. The savings are intended for providing improved services and amenities.

This is a purely commercial organisation and the expenditure on account of the Canteen is met from the sale proceeds. No budget is prepared for this organisation.

TEXTILES CONTROL COMMITTEE

*3170. **Shri Biyani:** Will the Minister of Commerce and Industry be pleased to state:

(a) the progress made by the Textiles Control Committee which was set up by Government to assist them in the working of the present cotton textile and cotton controls;

(b) whether the action taken by the Government of West Bengal in entrusting the work of issuing cloth licence through the Deputy Commissioner of Police instead of through the Director of Textiles, is part of a general policy to entrust the Police Department with the work of textile control; and

(c) if so, what are the reasons therefor?

The Minister of Commerce and Industry (**Shri Mahtab**): (a) The Cotton Textiles and Cotton Control Committee have already met thrice. They made certain recommendations which the Government have considered in detail and taken action wherever necessary.

(b) No. Sir.

(c) Does not arise.

YARN SUPPLY TO ASSAM

*3171. **Shri R. K. Chaudhuri:** (a) Will the Minister of Commerce and Industry be pleased to state whether Government are aware that practically all household looms in the District of Kamrup in Assam have been lying idle for want of cotton yarn?

(b) When did the last quota of yarn reach Assam and when did the last distribution take place in the various districts of that State?

(c) Have Government received any complaint about the inadequacy of supply to that State and what action has been taken by Government to remove the grievance?

The Minister of Commerce and Industry (**Shri Mahtab**): (a) Yes. -

(b) Yarn quota is being released to Assam State every month by the Textile Commissioner, Bombay, and its internal distribution is done by the State Government. Under the All India Distribution Scheme the State Governments or their nominees lift yarn quotas by the 21st of every month and thereafter the State Governments distribute yarn to the industries in their respective areas.

(c) Yes. To make more yarn available for controlled distribution the Government of India have now directed the mills to reserve 87½ per

cent. of their total packings with effect from March 1951 for domestic consumption. Incentive for increased production of yarn has also been given by restoring 4 per cent. cut on free yarn and increase in prices of yarn. Against the remaining allocation of yarn of 922 bales in March 1951, offers including *ad hoc* allotment has been of the order of 961 bales. In view of the steps taken above it is expected that the yarn allocation to Assam would be better during the following months.

DISPLACED PERSONS IN ASSAM

*3172. **Shri R. K. Chaudhuri:** Will the Prime Minister be pleased to state:

(a) the total number of displaced persons who came from Eastern Pakistan to Assam in the year 1950;

(b) how many of them have gone back to their homes in Eastern Bengal; and

(c) how many displaced persons who had gone back to their homes in Eastern Bengal have again returned to Assam?

The Deputy Minister of External Affairs (**Dr. Keskar**): (a) to (c). It has not been possible to maintain statistics separately of the movement of displaced persons from East Pakistan to Assam and *vice versa* during the year 1950. Figures have, however, been kept of all Hindu passengers, including displaced persons, ordinary passengers and others, moving in either direction. During the year 1950, approximately 4,75,000 Hindus came from East Bengal to Assam, while approximately 1,24,000 Hindus went from Assam to East Bengal.

It has also not been possible to ascertain the number of displaced persons who went back to their homes in East Bengal but again returned to Assam.

DESTRUCTION OF NEWSPRINT BY FIRE

*3173. **Shri Kamath:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that a large quantity of newsprint was recently destroyed by fire in Calcutta;

(b) if so, the quantity and value of newsprint so destroyed; and

(c) the cause of the fire?

The Minister of Commerce and Industry (**Shri Mahtab**): (a) to (c). Information is being collected and will be laid on the Table of the House.

COTTON, YARN AND TEXTILES (PRICES)

रंग तथा वानिज्य

*3174. Dr. Deshmukh: (a) Will the Minister of Commerce and Industry be pleased to state the average international prices prevailing in each of the months beginning from September 1950 of (i) cotton, (ii) yarn, and (iii) textiles?

(b) What were the prevailing average prices in India?

(c) Have Government any information regarding the margin of profit in the export of cotton, yarn and textiles?

(d) If so, what has been the margin during the above months per bale of 400 lbs.?

(e) What was the quantity of cotton, yarn and textile in bales of 400 lbs. exported during each of the months beginning from 1st September 1950 to 31st March 1951?

The Minister of Commerce and Industry (Shri Mahtab): (a), (b) and (e). Statements are placed on the Table of the House. [See Appendix XXII, annexure No. 7.]

(c) There is no price control on export of cotton, yarn and textiles. The Government have no information regarding the margin of profit in these commodities.

(d) Does not arise. e

ORISSA SALT DEVELOPMENT SUB-COMMITTEE REPORT

*3175. Shri B. K. Pani: (a) Will the Minister of Works, Production and Supply be pleased to state whether Government propose to place on the Table of the House the report submitted by the Orissa Salt Development sub-committee with Mr. D. N. Mukherjee, Ex-Salt Controller, as Chairman?

(b) What steps have Government taken so far or propose to take to implement the recommendations made by the said sub-committee and when?

(c) Is it a fact that the Salt Expert Committee of the Government of India had made recommendations to locate one Assistant Salt Controller's office at Berhampur in Orissa?

The Minister of Works, Production and Supply (Shri Gadgil): (a) This will be done if House wishes.

(b) Those recommendations which have to be implemented by the salt manufacturers and the State Government have been accepted and forwarded to them for implementation. The remaining recommendations are under consideration.

(c) Yes.

*३१७६. श्री खापरडे: क्या वानिज्य तथा उद्योग मंत्री यह बतलाने की कृपा करेंगे:

(ए) वह स्थान जहाँ गते चार वर्षों में रंग तथा वानिज्य तैयार करने के कारखाने स्थापित किये गये हैं तथा वर्ष १९४८, १९४९ और १९५० में उनमें कितने प्रकार के रंग तैयार किये गये ;

(बी) उन विदेशों के नाम जहाँ से वर्ष १९४९ और १९५० में रंग तथा वानिज्य आयात किये गये, उनकी मात्रा मनों में और मूल्य ;

(सी) क्या भारत में तैयार किये रंग तथा वानिज्य विदेशों को निर्यात किये जाते हैं ; यदि किये जाते हैं तो वर्ष १९५० में यह रंग किन किन देशों को तथा किस मात्रा में निर्यात किये गये ; तथा

(डी) क्या भविष्य में भी इनके निर्यात का प्रयत्न किया जा रहा है ?

COLOURS AND DYES

[*3176. Shri Khaparde: Will the Minister of Commerce and Industry be pleased to state:

(a) the places where factories for the manufacture of colours and dyes have been established within the last four years and the varieties of colours and dyes prepared therein during the years 1948, 1949 and 1950;

(b) the names of foreign countries from which colours and dyes were imported in 1949 and 1950 and the quantity in maunds and its price;

(c) whether the colours and dyes manufactured in India are exported to any foreign countries, if so, in what quantities and to which countries these colours were exported in 1950; and

(d) whether efforts are being made to export them in future also?]

The Minister of Commerce and Industry (Shri Mahtab): (a) (i) Colours.

Two factories were established in Bombay for the manufacture of colours. Varieties of colours manufactured are Chrome colours, Prussian Blue, Brunswick Green and Lakes.

(ii) *Dyes*.—Three factories were established for the manufacture of dyes—one in Delhi, another in Bombay and the third in Amritsar. Varieties of dyes manufactured are Rapid fast colours, Stabilised Azoics, Solubilised Vats, Bases, Developing Salts and Acid Orange, Acid Magenta, Acid Red and Post-Office Red.

(b) A statement is laid on the Table of the House.

(c) Yes, Sir. The following quantities were exported in 1950:

(i) Burma—33 tons 1 cwt 2 qrs.

(ii) Australia—10 cwts.

(iii) Ceylon—3 cwts.

(d) Export of indigenous colours and Dyes as well as of imported dye-stuffs processed and repacked in India is allowed freely to all permissible destinations without any quantitative restrictions.

STATEMENT

(i) Colours

Imports were made mainly from the U.K. The following statement shows the quantity and value of colours imported:

Year	Quantity (in maunds)	Value (in rupees)
1949	99064	81,31,817/-
1950	100072	86,64,119/-

(ii) Dyes

Imports were made mainly from the U.S.A., U.K., Switzerland and Germany. The following statement shows the quantity and value of dyes imported:

Year	Quantity (in maunds)	Value (in rupees)
1949	1,02,240	8,55,32,419
1950	1,22,800	8,53,54,633

खाल तथा चमड़ा

*३१७७. श्री जांगडे : क्या धाणिज्य तथा उद्योग मंत्री बतलाने की कृपा करेंगे।

(ए) वर्ष १९५० में भारत से निर्यात की गयी खालों तथा कमाये हुए चमड़े की मात्रा मन में ;

(बी) वर्ष १९५० में विदेशों से आयात किये गये कमाये हुए चमड़े की मात्रा तथा उसका मूल्य ; तथा

(सी) क्या भारत में चमड़ा कमाने की फैक्टरियों के स्थापित किये जाने के परिणाम स्वरूप खाल तथा चमड़े के निर्यात को बन्द कर दिया जायगा अथवा वह चलता रहेगा ?

HIDES AND SKINS

[*3177. Shri Khaparde: Will the Minister of Commerce and Industry be pleased to state:

(a) the quantity in maunds of hides and skins as well as tanned leather exported from India in 1950;

(b) the quantity of tanned leather imported from foreign countries in the year 1950 and the value thereof; and

(c) whether the export of hides and skins will be discontinued as a result of the establishing of tanning factories in India, or whether it will continue?]

The Deputy Minister of Commerce and Industry (Shri Karmarkar): (a) 4,92,800 maunds of hides and skins and 6,94,764 maunds of tanned or dressed leather were exported from India in 1950.

(b) 2,100 maunds of tanned or dressed leather valued at Rs. 1,92,819 were imported from foreign countries in the year 1950.

(c) Strict restrictions on export of hides and skins already exist in order to meet the growing demand of the indigenous tanning and leather manufacturing industry. Export will be discontinued if necessary.

चमड़ा पकाने की फैक्टरियां

*३१७८. श्री सायबे : क्या अम मंत्री यह बतलाने की कृपा करेंगे :

(ए) भारत में कच्चा चमड़ा कमाने की फैक्टरियों में कार्य करने वाले श्रमिकों की संख्या क्या है तथा इन श्रमिकों को प्रति-दिन कितने घंटे कार्य करना पड़ता है ;

(बी) क्या इन फैक्ट्रियों में चमड़ा कमाने की आधुनिक क्रियाओं को प्रस्थापित किया जा रहा है ;

(सी) क्या फैक्ट्रियों के मालिकों द्वारा श्रमिकों के लिए गृह बनवाये गये तथा स्वास्थ्य केन्द्र खोले गये हैं ; तथा

(डी) यदि हाँ, तो किन स्थानों पर एवं किन राज्यों में ?

TANNING FACTORIES

[*3178. Shri Khaparde: Will the Minister of Labour be pleased to state:

(a) the number of labourers who are engaged in factories for tanning raw hides in India and the number of hours these workmen have to work daily;

(b) whether modern leather tanning processes are being introduced in these factories;

(c) whether houses have been constructed and health centres opened for labourers by the factory owners; and

(d) if so, at what places and in which States?]

The Minister of Labour (Shri Jagjivan Ram): The information is being collected and will be placed on the Table of the House.

RADAR FACTORY

*3180. Shri Sidhva: Will the Minister of Commerce and Industry be pleased to state what is the decision regarding the establishment of a Radar factory in India?

The Deputy Minister of Commerce and Industry (Shri Karmarkar): The matter is still under consideration.

RAW MATERIALS FOR PAPER

212. Shri Kishorimohan Tripathi: Will the Minister of Commerce and Industry be pleased to state the substances or raw materials from which paper is manufactured in India?

The Minister of Commerce and Industry (Shri Mahtab):

- (1) Bamboo.
- (2) Sabai grass.
- (3) Waste paper.
- (4) Cotton rags.
- (5) Wood pulp.

COARSE CLOTH FOR BHOPAL

214. Thakur Lal Singh: (a) Will the Minister of Commerce and Industry be pleased to state how many yards of coarse cloth was manufactured by the Bhopal Cloth Mill in the yards 1947, 1948, 1949, and 1950 and what part of it was distributed to the local inhabitants in those years?

(b) Was any complaint received by the local authorities from the local cloth merchants or inhabitants regarding the insufficient supply of coarse cloth to the people of the State?

The Minister of Commerce and Industry (Shri Mahtab): (a) A statement, showing coarse cloth manufactured by Bhopal Cloth Mills and the quantities made available to local inhabitants out of local production is placed on the Table of the House.

(b) Yes.

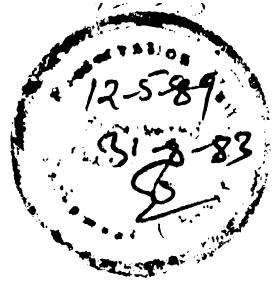
STATEMENT

Year	Production of coarse cloth by Bhopal Cloth Mill.	Quantity released for consumption in Bhopal State (includes coarse and medium manufactured in the State).
1947	16,504,000 yds.	3,600 bales
1948	8,452,000 ..	1,247 **,
1949	34,000 ..	3,730 ..
1950	525,000 ..	2,576 ..

(Bales of 1,500 yards)

**Cloth was decontrolled for the period January—July, 1948. The quantity represents cloth made available during remaining months of 1948.

Monday, 16th April, 1951



PARLIAMENTARY DEBATES

(Part II—Proceedings other than Questions and Answers)

OFFICIAL REPORT

VOLUME X, 1951

(31st March, 1951 to 20th April, 1951)

Third Session
of the
PARLIAMENT OF INDIA

1950-51

CONTENTS

Volume X—from 31st March, 1951 to 30th April, 1951.

SATURDAY, 31ST MARCH, 1951—

	<i>Columns</i>
Motion for Adjournment—	
Anglo-American Resolution <i>re</i> Kashmir	5504—65
Papers laid on the Table—	
Minutes of Meetings of Estimates Committee	5565
Representation of the People (No. 2) Bill—	
Presentation of Report of Select Committee	5566
Supply of lists of Notices of Cut motions to Members	5566—67
Business of the House	5567—68
General Budget—List of Demands	5568—5667
Demand No. 1—Ministry of Commerce and Industry.	5568—5667
Demand No. 2—Industries	5568—5667
Demand No. 3—Commercial Intelligence and Statistics	5568—5667

MONDAY, 2ND APRIL, 1951—

Point of Privilege—	
Publication of Ganganath Committee Report on Purchase of Sugar	5668
Papers laid on the Table—	
Notifications issued under Central Excises and Salt Act, 1944	5669
Elections to Committees—	
Standing Committees for the Ministries of Rehabilitation, States, Transport (other than Roads) and Works, Production and Supply	5669—70
Trade Unions Bill and Labour Relations Bill—Presentation of Reports of Committee on Petitions	5671
General Budget—List of Demands	5671—5759
Demand No. 1—Ministry of Commerce and Industry	5671—5759
Demand No. 2—Industries	5671—5759
Demand No. 3—Commercial Intelligence and Statistics	5671—5759
Business of the House	5759—61

TUESDAY, 3RD APRIL, 1951—

Motion for Adjournment—	
Restoration of cut in foodgrain ration	5762—63
General Budget—List of Demands	5763—5877
Demand No. 72—Ministry of States.	5763—5849
Demand No. 73—Territorial and Political Pensions	5763—5849
Demand No. 74—Kutch	5763—5849
Demand No. 75—Himachal Pradesh	5764—5849
Demand No. 76—Bilaspur	5764—5850

TUESDAY, 3rd APRIL, 1951—Contd.**General Budget—List of Demands—Contd.**

Demand No. 77—Bhopal	5764—5850
Demand No. 78—Vindhya Pradesh	5764—5850
Demand No. 79—Manipur	5764—5850
Demand No. 80—Tripura	5764—5850
Demand No. 81—Relations with States	5765—5850
Demand No. 82—Ministry of Transport	5851—75
Demand No. 83—Ports and Pilotage	5851—76
Demand No. 84—Lighthouses and Lightships	5851—76
Demand No. 85—Central Road Fund	5851—77
Demand No. 86—Communications (including National Highways)	5851—77

WEDNESDAY, 4TH APRIL, 1951—**Elections to Committees—**

Standing Finance Committee and Central Advisory Council for Railways	5878—79
Resolution <i>re</i> Elected Legislatures and Popular Ministries in Part C States	5879—84
Resolution <i>re</i> measures for increased food production	5884—5980
Business of the House	5980—81

THURSDAY, 5TH APRIL, 1951—**Papers laid on the Table—**

Notification No. 30—Income-Tax	5980
--	------

Point of Privilege—

Publication of Ganganath Committee Report for Purchase of Sugar	5980—83
---	---------

Business of the House	5984
---------------------------------	------

General Budget—List of Demands	5984—6105
Demand No. 51 —Ministry of Home Affairs	5984—6064
Maintenance of Destitute families of Political Sufferers.	5990—6062
Scheduled Tribes in Legislatures	6015—63
Demand No. 52—Cabinet	5984—6064
Demand No. 53—Police	5984—6064
Maintenance of Destitute families of Political Sufferers	6029—62
Demand No. 54—Census	5984—6064
Demand No. 55—Civil Defence	5985—6064
Demand No. 56—Delhi	5985—6065
Demand No. 57—Ajmer	5985—6065
Demand No. 58—Andaman and Nicobar Islands	5985—6065
Demand No. 61—Ministry of Labour	6065—6105

FRIDAY, 6TH APRIL, 1951—

Business of the House	6006—6108
---------------------------------	-----------

Elections to Committees—

Standing Finance Committee for Railways and Standing Committee for Roads 6108

General Budget—List of Demands	6109—37, 6138—6217
Demand No. 40—Ministry of Food and Agriculture	6109—6137, 6138—6217
Demand No. 41—Forest	6109—6137, 6138—6217
Demand No. 42—Survey of India	6109—37, 6138—6217
Demand No. 43—Botanical Survey	6109—37, 6138—6217

FRIDAY, 6TH APRIL, 1951—*Contd.*General Budget—List of Demands—*Contd.*

Demand No. 44—Zoological Survey	6138—6217
Demand No. 45—Agriculture	6138—6217
Demand No. 46—Civil Veterinary Services	6110—37, 6138—6217
Demand No. 47—Indian Dairy Department	6138—6217
Demand No. 106—Capital Outlay on Forests	6138—6217

Papers laid on the Table—

Ganganath Committee Report on Purchase of Sugar	6138
---	------

SATURDAY, 7TH APRIL, 1951—

Motion for Adjournment—

Open Blackmarket in Sugar	6218—19
Extension Order <i>re</i> Income-Tax Investigation Commission	6219—20
Extension of Session and change of time for sittings	6220—21
General Budget—List of Demands	6221—6333
Demand No. 40—Ministry of Food and Agriculture. Policy	6221—6332 6221—6332
Grow More Food Policy	6285—6332
Demand No. 41—Forest	6221—6332
Demand No. 42—Survey of India	6221—6332
Demand No. 43—Botanical Survey	6221—6333
Demand No. 44—Zoological Survey	6221—6333
Demand No. 45—Agriculture	6221—6333
Demand No. 46—Civil Veterinary Services	6221—6333
Demand No. 47—Indian Dairy Department	6221—6333
Demand No. 106—Capital Outlay on Forest	6221—6333

MONDAY, 9TH APRIL, 1951—

Motions for Adjournment—

Police Firing in Jhansi	6334
Crossing the 38th Parallel by U.N. Forces in Korea	6335

Papers laid on the Table—

Amendments to Delhi Motor Vehicles Rules, 1940	6335
Amendments to Coorg Motor Vehicles Rules, 1940	6336
Statement <i>re</i> Jeep Contract	6336—40

Elections to Committees—

Public Accounts Committee and Estimates Committee	6341
Representation of the People (Amendment) Bill—Introduced	6341
Coal Mines Provident Fund and Bonus Schemes (Amendment) Bill—Intro- duced	6342
Cinematograph Bill—Introduced	6342

Business of the House—

Catching the Speaker's eye	6342—44
Hours of sitting	6345—46
General Budget—List of Demands	6346
Demand No. 4—Ministry of Communications	6347—6410
Demand No. 5—Indian Posts and Telegraphs Department	6347—6410
Demand No. 6—Meteorology	6347—6410
Demand No. 7—Overseas communications Service	6347—6410

MONDAY, 9TH APRIL, 1951—Contd.

General Budget—List of Demands— Contd.

Demand No. 8—Aviation	6347—6410
Demand No. 93—Capital Outlay on Indian Posts and Telegraphs (not met from Revenue)	6348—6411
Demand No. 95—Capital Outlay on Civil Aviation	6348—6411
Demand No. 59—Ministry of Information and Broadcasting	6411—70
Demand No. 60—Broadcasting	6411—70
Demand No. 107—Capital Outlay on Broadcasting.	6411—70

TUESDAY, 10TH APRIL, 1951—

Statement re Income-Tax Investigation Commission	6472—75
--	---------

Papers laid on the Table—

Specification of Scheduled Tribes	6475
---	------

General Budget—List of Demands	6475—6555
Demand No. 21— Ministry of Finance	6478—6538
Revaluation of Indian Rupee	6484—6537
Financial and Economic Policy	6484—6537
Sales tax in Delhi State	6484—6537
Failure to revalue the rupee	6484—6538
Failure of economy drive	6484—6538
Failure to check inflation	6484—6538
Condition of middle classes	6484—6538
Evasion of Income-tax	6485—6538
Policy underlying Audit	6485—6538
Sterling Balances.	6485—6538
Grants-in-aid to States	6485—6538
Results of devaluation	6485—6538
Demand No. 22—Customs	6478—6538
Indian Customs Service	6484—6537
Demand No. 23—Union Excise Duties	6478—6538
Demand No. 24—Taxes on Income including Corporation Tax	6479—6539
Demand No. 25—Opium	6479—6539
Demand No. 26—Stamps	6479—6539
Demand No. 27—Payments to other Governments, Departments, etc. on account of the administration of Agency subjects and management of Treasuries	6479—6539
Demand No. 28—Audit	6479—6539
Demand No. 29—Joint Stock Companies	6480—6539
Demand No. 30—Miscellaneous Departments	6480—6540
Demand No. 31—Currency	6480—6540
Demand No. 32—Mint	6480—6540
Demand No. 33—Superannuation Allowances and Pensions	6480—6540
Demand No. 34—Miscellaneous	6481—6540
Demand No. 35—Grants-in-aid to States	6481—6540
Grant of Equitable Subvention	6484—6537
Demand No. 36—Miscellaneous adjustments between the Union and State Governments	6481—6541
Demand No. 37—Resettlement and Development	6481—6541
Demand No. 38—Pre-partition Payments	6481—6541

TUESDAY, 10TH APRIL, 1951—Contd.

General Budget—List of Demands—Contd.

Demand No. 39—Extraordinary Payments	6482—6541
Demand No. 97—Capital Outlay on the India Security Press	6482—6541
Demand No. 98—Capital Outlay on Industrial Development	6482—6541
Demand No. 99—Capital Outlay on Currency	6482—6542
Demand No. 100—Capital Outlay on Mints	6482—6542
Demand No. 101—Commuted Value of Pensions	6483—6542
Demand No. 102—Payments to Retrenched Personnel	6483—6542
Demand No. 103—Capital Outlay on Schemes of Government Trading	6483—6542
Demand No. 104—Capital Outlay on Development	6483—6543
Demand No. 105—Loans and Advances by the Central Government	6483—6543
Demand No. 62.— Ministry of Law	6553— 54
Demand No. 63— Administration of Justice	6553— 55
Demand No. 69— Department of Parliamentary Affairs	6553— 55
Demand No. 92— Parliament	6553— 55

WEDNESDAY, 11TH APRIL, 1951—

Business of the House	6556—59
Appropriation (No. 2) Bill—Introduced	6559
Finance Bill—Discussion on Motion to refer to Select Committee—Not concluded	6560—6655

THURSDAY, 12TH APRIL, 1951—

Motion for Adjournment—

Discontent among Bank Employees	6656—59
Laying of Adaptation Order on the Table	6659—62
Enhancement of Postal Rates	6662—64
Suspension of Sub-rule (2) of Rule 22 of Rules of Procedure	6664—66
Parliament Library Bill—Introduced	6666
Insurance (Amendment) Bill—Introduced	6666—67
Rehabilitation Finance Administration (Amendment) Bill—Introduced	6667
Indian Penal Code and the Code of Criminal Procedure (Amendment) Bill— Introduced	6667
All India Bar Councils Bill—Introduced	6667—68
Muslim Wakfs Bill—Introduced	6668
Dowry Bill—Introduced	6668
Essential Supplies (Temporary Powers) Amendment Bill—Introduced	6668
Coffee Market Expansion (Amendment) Bill—Introduced	6669
Dowry Restraint Bill (by <i>Shrimati Jayashri</i>)—Introduced	6669
Dowry Restraint Bill (by <i>Shrimati Uma Nehru</i>)—Introduced	6669
Sea Customs (Amendment) Bill—Introduced	6669—70
Food and Drugs Bill—Introduced	6670
Muslim Kazis Bill—Introduced	6670
Prohibition of Manufacture and Import of Hydrogenated Vegetable Oils Bill—Postponed	6670—80
Useful Cattle Preservation Bill—Postponed	6680—85
Training and Employment Bill—Motion to refer to Select Committee—Not concluded	6685—6733

SATURDAY, 14TH APRIL, 1951—

Death of Shri Rasoolkhan Pathan	8734
Statement by the Prime Minister <i>re</i> Ruler of Baroda	8734—37
Papers laid on the Table—	
Provisional totals of 1951 Census	8737
Notification under section 4A of the Indian Tariff Act, 1934	8737
Air Transport Inquiry Committee Report	8737
Rajghat Samadhi Bill—Introduced	8737
Indian Tariff (Second Amendment) Bill—Introduced	8738
Finance Bill—Referred to Select Committee	8738—6809

MONDAY, 16TH APRIL, 1951—

Statement by Prime Minister <i>re</i> Bihar Food Situation	8810—11
Appropriation (No. 2) Bill—Passed	8811—13
Motion <i>re</i> Report of Air Transport Inquiry Committee—Discussion on Motion —Concluded	8813—87

TUESDAY, 17TH APRIL, 1951—

Visva-Bharati Bill—Introduced	8888—89
Minimum Wages (Amendment) Bill—Passed, as amended	8889—8967
Coal Mines Safety (Stowing) Amendment Bill—Discussion on Motion to con- sider—Not concluded	8967—71

WEDNESDAY, 18TH APRIL, 1951—

Coal Mines Safety (Stowing) Amendment Bill—Passed, as amended	6972—92
Inland Steam-Vessels (Amendment) Bill—Passed, as amended	6993—7021
Representation of the People (Amendment) Bill—Discussion on Motion to consider—Not concluded	7021—39

THURSDAY, 19TH APRIL, 1951—

Employment of Children (Amendment) Bill—Introduced	7040
Notaries Bill—Introduced	7040
Business of the House—	
Change in hours of sitting	7041—42
Representation of the People (Amendment) Bill—Passed, as amended	7042—7119
Supreme Court Advocates (Practice in High Courts) Bill—Discussion on Mo- tion to consider—Not concluded	7120—25

FRIDAY, 20TH APRIL, 1951—

Papers laid on the Table—	
Delhi Road Transport Authority (Audit) Rules	7126
Notifications amending Punjab Motor Vehicles Rules	7126
Notifications amending Delhi Motor Vehicles Rules	7126—27
Election to Committees—	
Standing Committees for Ministries of Commerce and Industry, Home Affairs, and Works, Production and Supply	7127—29
Supreme Court Advocates (Practice in High Courts) Bill—Passed, as amended	7129—53
Codes of Civil and Criminal Procedure (Amendment) Bill—Passed, as amended	7153—76
Code of Civil Procedure (Second Amendment) Bill—Passed	7176—79
Jallianwala Bagh National Memorial Bill—Discussion on Motion to consider— Not concluded	7179—97

**THE
PARLIAMENTARY DEBATES**

(Part II.—Proceedings other than Questions and Answers)

OFFICIAL REPORT

6810

6811

PARLIAMENT OF INDIA

Monday, 16th April, 1951

*The House met at a Quarter to Eleven
of the Clock.*

[MR. SPEAKER *in the Chair*]

QUESTIONS AND ANSWERS

(See Part I)

11-46 A.M.

**STATEMENT BY PRIME MINISTER
RE. BIHAR FOOD SITUATION**

The Prime Minister (Shri Jawaharlal Nehru): Many hon. Members from Bihar especially are naturally very deeply concerned with the food situation there. In fact, I am sure every Member of this House and certainly every Member of Government feels that anxiety and is determined to do his utmost in this regard. I do not wish to say much at this stage in regard to figures etc. All I wish to state is that we have been in constant touch with the situation there, and only a little while ago today the Director-General of Food has returned from the affected areas of Bihar with his report. Two lakh tons of wheat had been allotted to Bihar by the end of this month out of which 1,40,000 tons have already been sent to them and we are trying our utmost to send much more and I hope we will be able to do so. Yesterday, I believe there were speeches made in the Bihar Assembly on this subject and I can very well understand the deep feeling of anxiety that Members of the Bihar Assembly and of the Bihar Government feel over this matter. We naturally share that, and the only way we feel that we can meet the situation is through the utmost co-operation between the Bihar Government and our Government and putting all our resources together. In 91 P.S.

so far as I am concerned, I am almost beginning to feel that perhaps I can serve better, if I may say so, by going to Bihar if necessity arises and sitting there than even serving from these Benches here.

APPLICATION (NO. 2) BILL

Shri Kamath (Madhya Pradesh): May I request you for a decision about the hours of sitting? The House would like to know whether any change is contemplated.

Mr. Speaker: That matter is under consideration and before I come to any decision, I think I must consult some Members. I must consult Government also. I must consult the conveniences of all before announcing what I myself alone feel. So, hon. Members will wait for some time.

The Minister of Finance (Shri C. D. Deshmukh): I beg to move:

"That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the year ending on the 31st day of March, 1952, be taken into consideration."

Mr. Speaker: Motion moved:

"That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the year ending on the 31st day of March, 1952, be taken into consideration."

Shri Sidhva rose—

Mr. Speaker: What does he want to say?

Shri Sidhva (Madhya Pradesh): I want to speak on the question of revaluing the rupee.

Mr. Speaker: I am afraid, I should invite the attention of the hon. Member to a convention that has been

[Mr. Speaker]

agreed to. I am not prepared to say that no observation is permissible on this Bill. Certainly, on every Bill, at any stage, any Member can speak—whether at the consideration stage, clause by clause stage or the third reading stage. I am making this clear, so that there will be no misunderstanding on that point. But after a discussion of fourteen days, when nearly all possible matters—including I believe re-valuation—have been covered, I think it will hardly be fair to the House as a whole, to repeat the same arguments now. The hon. Member has an opportunity to speak when the Finance Bill comes before the House. In the Appropriation Bill, the House has already voted the sums; so there is no question of there being a further vote in respect of them. The only constitutional safeguard, which is put in here is to put all the voted items in a Consolidated Fund, so that Government may not be able to draw on it at its pleasure, anything it likes. That is the objective of the Appropriation Bill. I can theoretically understand the possibility of a speech, but to my mind, it would be practically a waste of time and a repetition of arguments. I would, therefore, earnestly request Members to stick to the convention which we have tried to set up. I think the House agreed at that time that the Appropriation Bill should be treated purely as a matter of form just like the introduction of Bills, when leave is asked for. We have adopted that convention. Of course, it does not mean that it is not competent for a Member to speak when leave is asked for—it is perfectly competent for him—and yet these motions are treated as formal ones, unless there is something very special which has happened in between the sanctioning of the Demands and the bringing in of the Appropriation Bill. I do not think it is either fair or proper to inflict any further speeches or arguments on the same question. I would, therefore, earnestly appeal to the hon. Member who wants to speak just to forbear and seek another opportunity instead of, on the Appropriation Bill. It is a convention which we wanted to establish and I think the House is almost unanimous on this point. (*Several Hon. Members: Yes*). If that is so, I would not say that the hon. Member has no right to speak, but then I am shutting my eyes so that nobody is able to catch them! I shall put the motion straightaway to the House.

Shri Sidhya: My point is that it was not definitely decided last time that the convention was clearly established. But by the thumping of the tables now, if it is agreed that from today there should be a convention—if the House is of that view—, then in view of your statement that nobody is barred from speaking even with that convention, at any time I will certainly have no objection in accepting your view. I only wanted to say this.....

Mr. Speaker: That is entering into an argument. The question is:

“That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the year ending on the 31st day of March, 1952, be taken into consideration.”

The motion was adopted.

Mr. Speaker: Taking the convention to its logical conclusion, I am putting all the clauses, the Schedule, the Enacting Formula and the Title to the House.

The question is:

“That Clauses 1 to 3, the Schedule, the Enacting Formula and the Title stand part of the Bill.”

The motion was adopted.

Clauses 1 to 3, the Schedule, the Title and the Enacting Formula were added to the Bill.

Shri C. D. Deshmukh: I beg to move:

“That the Bill be passed.”

Mr. Speaker: The question is:

“That the Bill be passed.”

The motion was adopted.

MOTION RE. REPORT OF AIR TRANSPORT INQUIRY COMMITTEE

The Minister of Communications (Shri Kidwai): I beg to move:

“That the Report of the Air Transport Inquiry Committee, 1950, be taken into consideration.”

The report has been in the hands of hon. Members for more than six months and I think that this period has enabled them to study it as closely as it deserves. We have to

be thankful to Mr. Justice Rajadaya-ksha and other Members of the Committee who have produced such a wonderful Report. The Report is full of information and the facts that have been marshalled there will be a guide to the policies of the Government on civil aviation for some time to come.

Having said this, I would like briefly to say what our attitude is towards this Committee's recommendations and leave it to Members of the House to express their opinion. The Committee has estimated a certain operation cost for Dakotas. It is a little higher than what we think it should be and the working of certain air companies in 1950 and even in 1949 show that the cost should be lower. Yet we accept this as a standard cost and our future policy about subsidy will depend upon this estimated cost.

The Committee has recommended certain tariff rate: that is on different routes the charges should be between two limits. We accept the upper limit as the maximum which a company can charge, but if any company can operate at a lower cost, we think it should be free to fix a lower tariff. With this modification we accept this recommendation.

The Committee has recommended certain rate for the carriage of air mail. It is Rs. 3-1-0 per ton mile. We have already fixed it at Rs. 3 per ton mile and I do not think any modification is needed.

The Committee has recommended that, for the present the enterprise should be in the hands of private business. We accept this with one modification: Government propose to take over the management of the Deccan Airways and run it as a State service.

The Committee has made certain recommendations about subsidies. Government has not yet been able to finalise this. I hope that within this month we will be able to finalise the system of subsidy. It may, perhaps, be as recommended by the Committee.

The Committee has suggested the reconstitution of the Air Licensing Board. The recommendation is under consideration.

The Committee has recommended that most of the air services have got

more aeroplanes than they can make use of and that Government should take them over and maintain them. We accept this and if the companies are willing to transfer their planes to us, we will maintain them at Government's cost and the planes will be available to them whenever they are required.

These, Sir, are the principal recommendations. There are certain minor recommendations in regard to which I would like to say a few words.

The Committee has recommended subsidy for the Bharat Airways External Service. We have not yet accepted it, because we are watching the work of first year's experiment and we will decide after the results of the first year's working are available.

The Committee has recommended that India is not suited for coach service. I do not agree with that recommendation. We have already received an application for such a service between Gauhati and Delhi, at very cheap rates, passing via Bihar and the cities of U.P. The matter is under consideration and I hope it will soon be in operation. The seats will not be as comfortable as in the present Dakota, but it will be a safe service within the load permitted for Dakota and I think it will be a popular service.

Shri Sidhva (Madhya Pradesh)
What is that service?

Shri Kidwai: In the U.S.A. it is known as 'coach service'. Lighter seats are placed on Dakota, so that it can carry a larger number of persons than it is allowed to do today. It is not a very comfortable service, but it is a utility service and the passengers can utilise it at cheap rates.

12 NOON

The Committee has made certain other recommendations about the improvement of the routes for the night service. This matter has been taken in hand and will soon be implemented.

These, Sir, are the recommendations of the Committee. In my reply I shall deal with the criticism that will be offered on our attitude towards these recommendations.

Shri Sidhva: May I know whether there is any definite proposal before the House or the House will only express its views?

Mr. Speaker: The proposal before the House is:

"That the Report of the Air Transport Inquiry Committee, 1950, be taken into consideration."

Pandit Thakur Das Bhargava (Punjab): Now that the hon. Minister has taken definite decisions on the recommendations of the Committee I do not know what useful purpose would be served by discussing them.

Shri Kidwai: The hon. Member has not understood me correctly. If we had placed the report for consideration of the House without expressing our views, then hon. Members would certainly have asked what our attitude is. None of what I have said has been implemented. Therefore, the views expressed by the House will naturally have their influence on the Government's final decisions.

Pandit Thakur Das Bhargava: Then they are only tentative decisions?

Shri Kidwai: Every policy that is pursued by Government is tentative, that is subject to the approval of this House.

Mr. Speaker: The point of enquiry, as I could make it out, was that if Government had already taken their decisions, then it is no use discussing this point here.

The hon. Minister's intention appears to be that if there be criticism over what they are putting as their tentative proposals and certainly any discussion will be helpful to them.

Shri Kidwai: That is exactly what I said.

Mr. Speaker: Motion moved:

"That the Report of the Air Transport Inquiry Committee, 1950, be taken into consideration."

There are amendments, by Prof. Shah and by Mr. A. C. Guha. Let the amendments be moved first and let them speak on the amendments.

Shri Sidhva: Can you permit me to move an amendment at this stage?

Mr. Speaker: Let me see the character of the amendment.

Shri A. C. Guha (West Bengal): I have two amendments. I beg to move:

That for the original motion the following be substituted:

"Having considered the Report of the Air Transport Inquiry Com-

mittee, this House is of opinion that effective steps should be taken to reduce the high costs of operation and that the Government subsidy should not be allowed to encourage extravagance and inefficiency."

I am moving only the first one, I do not like to move the other.

The hon. Minister has given the reactions or the recommendations of the Government on this Report. But I think it would have been better for the House if these recommendations, or tentative decisions, of the Government had been circulated to us earlier. Then we could have come prepared to make our own observations on the recommendations made by the Government. Whether they are recommendations or tentative decisions, we would have been placed in a better position to make our own observations on them.

Civil aviation has to be taken as something like a second line of defence. Just as the merchant navy is a second line of defence on the sea, civil aviation has also to be taken as a second line of defence in the air. So we should try earnestly and seriously to develop our civil aviation. But the question is how far the Government has been able to develop this on rational lines. Civil aviation in India started sometime about fifteen or sixteen years ago. But there has been no attempt on the part of the Government to rationalise the private enterprises. We have been told in this Report that Rs. 9.7 crores of money have been put in this by the different air companies, and the Committee has come to the conclusion that the money so far invested is much beyond what was actually necessary for the air transport as yet organised by the different lines or as yet authorised by the Government to be run.

The Report refers to some other points, as to how our resources and energies have been wasted by duplication of certain facilities and by having surplus materials and so on. So, I can say that the Government has not been able to do what was expected of them. We can see that certain companies which have been operating for a long time have not yet been able to come up to the standard required of them.

Calcutta is the biggest airport in India; perhaps it is the biggest airport in Asia; nay it is one of the biggest airports in the whole world. The Government derives about 75

per cent. of the aerodrome revenue simply from one aerodrome, namely the Dum Dum aerodrome in Calcutta. But I find that the companies operating from Calcutta have been treated rather not justly and fairly, whereas companies operating from other cities have been treated more generously, much beyond what they would deserve from the point of view of efficiency and economy. The standard rate fixed by the Government is I think, Rs. 3-10-0 per ton mile. But I see that the operating cost of Air India is Rs. 5-5-0, it earns revenue at Rs. 4-11-0, and thus it is running at a loss of about ten annas per ton mile. Although it has been given the most remunerative route and the largest route mileage, in fact 1/3 of the total route mileage according to the Report of the Committee, its working has been found to be defective in almost every respect. Its costs, particularly on the upper level of its establishment charges, have been very high, much beyond what has been prevalent in other companies. And the Government have all along been showing particular privilege to this company. The external services, that is to the west of India, have been given over to this company, and the Government have guaranteed loss to the tune of about Rs. 20 lakhs every year simply for that one operation.

From the point of view of Calcutta's importance and from the point of view of the present international situation, I think, the services emanating from Calcutta should get better attention from the Government. Particularly we should develop our lines with the eastern sides of India, with countries lying in South East Asia. These countries and the Pacific Regions have become much more important now than they were ten or twelve years ago.

In regard to the petrol rebate of about Rs. 60 lakhs a year, which is a sort of Government subsidy, there also we have not had the fullest utility of the subsidy that is given. We have not been able to get the fullest benefit of this generosity of Government. The rebate on petrol on a flat rate comes to this that the companies which have been operating on economic and remunerative lines and which have been given the largest route mileage get the same privilege as is given to those companies which have been asked to work on unremunerative lines or on short routes. This subsidy, whether it is in the form of rebate or otherwise, comes from the Central revenues

of the country, and it should be given on the basis so that the purpose of developing civil aviation may be achieved to the fullest. So I would ask the Government and the hon. Minister to examine the proposal that this subsidy may be given with some discrimination, particularly to companies which have been asked to operate on lines which are not remunerative or companies which have not got much route mileage. For example, in regard to railways, particularly before partition, the Government was maintaining some strategic railways and running those railways at heavy losses, simply on account of their strategic importance.

Certain air routes also may be necessary for our own national interest such as one of strategic importance or even for communication service. The other day we were told that Manipur and Tripura have practically no communication except perhaps a meagre consolation of an air transport. The Companies which have been asked to connect Agartala or Manipur with other parts of India should have been given some special rebate and special subsidy so that they can work on a remunerative basis.

There is one line from Calcutta to Kathmandu, which owing to recent political events in Nepal, has become an important link for India. We should develop this line and we should see that this can be operated quite efficiently and on an economic basis. As the line emanates from Calcutta, permission to run the line should go to certain company which has its head office in Calcutta. I put particular stress on the companies emanating from Calcutta, because Calcutta is the most important air port of India and of Asia and because of the growing importance of the South East Asian countries and Calcutta being the only link between those countries and India. I learn that licence for this line has been given to a company which cannot take any passenger from Calcutta to Patna or from Patna to Calcutta. The services of this airline Company from Calcutta to Patna have become practically redundant. So it should be given to some company which can take also passengers from Calcutta to Patna and from Patna to Calcutta. Otherwise, this extra service from Calcutta to Patna is uselessly taxing our national resources and it is an unnecessary waste of petrol.

Then, Sir, the report has recommended that there should be a re-organization of the Air lines and

[Shri A. C. Guha]

practically 5 lines are to be retained, that means, Air India, I.N.A., Airways India, Bharat and Air Services of India and Deccan combined. We find that they have eliminated the Himalayan Airways. Considering the services rendered by this Air Company in a very difficult time, when other air lines practically combined to browbeat and bully the Government to submit to their dictation, and the fact that this Company came forward and maintained the night air mail service of the Government and that they have also incurred certain expenses in purchasing some planes for running the services, I do not think it would be fair for the Government to ask this Company to liquidate itself or to exclude it from the scheduled Air Services.

I may also mention, that the two companies operating from Calcutta, i.e., the Airways India and the Bharat have the lowest operating costs, compared to those of all the other Indian Companies. I admit, of course that in certain of these companies the amenities, particularly in the air port offices, need improvement. Government should make a survey of the whole thing and ask these companies to improve their conditions, considering the fact that these companies have been running at the lowest costs and have been giving very good service. They should be given some particular facilities so that they can operate as economic units. With the partition of Bengal, certain parts of Assam and even certain parts of Bengal have practically been disconnected with the rest of India. These companies as well as some small companies have been operating from Calcutta and giving good service and they have been practically the only link for those parts of India with the rest of India. So, these companies should be helped as much as possible by the Government because it is in the interest of the nation.

My particular amendment is that Government subsidies should not be allowed to encourage extravagance and inefficiency. In certain of the Bombay Companies, I see that this has been practically the case. The cost of operation of Air India has been increasing year after year and the report has tabulated series of causes as to why this Company has been incurring this loss. Most of these causes are removable and remediable. I hope Government will take effective steps to see that this subsidy is not utilized as an encouragement for inefficiency and extravagance.

As for the proposal for nationalization, I would very much like that the entire services should be nationalized. Just as the Railway is nationalized, just as the Post and Telegraph Services have been nationalized, this Civil Aviation should also be nationalized because it is an important link in our communication services, because it serves a very vital purpose, in our national defence.

[SHRIMATI DURGABAI *in the Chair*]

I cannot understand why the Committee has come to the conclusion that this should not be nationalized, though they have recorded so many reasons in favour of nationalization. (*Interruption*). Their recommendation is definite that it should not be nationalized. The Committee has recorded that nationalization would lead to maximum utilization of the aircrafts and minimum duplication of workshop and many other facilities; it would mean economic running; it would mean the fullest utilization of the planes and other materials. Strangely enough yet the Committee has concluded with recommendation against nationalization; and one of the reasons adduced for such opinion is too much interference by legislature. I wonder why the Committee should have such suspicions about this House; and I would also like the House to take note of this fact that interference by this House has been given as one of the causes against nationalization. Considering the financial position of the Government and the conditions imposed in our Constitution for taking over any private enterprise for any nationalization scheme, I think the proposal for nationalization may not be quite feasible just at present; but yet I would like to urge upon the Government that they should take the earliest opportunity to nationalize this very important sphere of our national life and of our communication service. Otherwise the Government will be at the mercy of some private profit-makers, whose operations we have seen in cloth, jute, sugar and in many other things.

Another tragedy of our national life is that the same set of people are operating in the different spheres. Whether in the Civil Aviation, cement or steel or jute or cotton or sugar the same set of people have been operating and we are gradually being encircled by a ring of profiteers and I want to caution Government against this state of affairs. For this reason I would ask the Minister to see that as soon as it is possible, the entire civil avia-

tion service should be nationalized. Pending that whatever subsidy the Government may give either in the form of rebate or by direct subsidy or definite guarantee for loss as in the case of the two external services, we should see that the country should get the fullest benefit of the subsidy or help that is given from Government revenues.

Before concluding, again I would urge that our external services to the South East Asian countries should be developed. These areas are coming into political importance and international importance too quickly. We should not neglect these countries. We should try to put to the best use our resources to develop our communications with these areas.

Mr. Chairman: Amendment moved:

That for the original motion the following be substituted:

"Having considered the Report of the Air Transport Inquiry Committee this House is of opinion that effective steps should be taken to reduce the high costs of operation and that the Government subsidy should not be allowed to encourage extravagance and inefficiency."

I would like to know whether the hon. Member Prof. Shah wishes to move his amendment.

Prof. K. T. Shah (Bihar): I beg to move:

That at the end of the motion the following be added:

"and having considered it, this House is of opinion that the time has now arrived when the entire Air Transport Service, and the industry making and supplying flying machines, parts, spares and accessories, including the arrangements for training of pilots and other members of the crew, as well as ground staff needed for the proper operation of the Air Transport Service, and the repair, servicing and maintenance of aircraft in efficiently airworthy condition, be nationalised; and accordingly requests Government that immediate and effective steps be taken to acquire and take over the fleet, equipment, spares and other accessories, and appurtenances, rights and title of the existing Air Transport Companies operating in or from India, with such compensation for the fleet, equipment, spares, accessories and appurtenances, rights, title and interests, as the Constitution may require."

It would perhaps be within the recollection of many Members of the House that it was in the last year that a similar motion of mine led to the appointment of this Committee. It was not, of course, in direct response to my amendment that the committee was decided upon. But, the pronouncements made by the Ministers responsible made it quite clear that the crisis was tided over by the appointment of this committee which has investigated the entire scope of the Air Transport industry and has presented a report, the recommendations of which have not yet all been decided upon by the Government. The particular form in which this motion has been tabled by the hon. Minister has made it difficult to propose an amendment, and still more so, regarding the fate of the amendment, if one chose to take a very direct line in clear-cut terms regarding the future of this industry.

The report relates mainly to the civil aviation of the Air Transport industry for public purposes. It cannot be overlooked that the industry has a still more important national aspect from the point of view of defence. Therefore, it is not only for the reasons of the particular balance sheets of individual companies or correct results judged from a financial standpoint of the working of civil aviation that we have to consider this problem. We have also to bear in mind the utility, the possibility of service of this industry and other points as well, not the least important being national defence. We have had experience already in the case of Kashmir, and later in Assam of the use the available air force in the country, civil as well as military, can be put to. Therefore, I repeat that while in terms, the report of this committee is confined only to the civil side of the industry, or rather to the service, the other side cannot be neglected. The general agreement also about the utility and importance of this service to the industry ministering to it cannot be exaggerated. The industry by itself, though confined in this Committee only to the service, has a much larger aspect, that of building and supplying all aircraft, all its accessories, spare parts and other equipment necessary for an efficient machine. Still more important is the training of crew, pilots and others and their adequate certification for operating the machines. Incidentally also there is the very important requisite of servicing and maintaining the entire aircraft, in all of which cases this report reveals that the present companies have erred in one way or another.

[Prof. K. T. Shah]

It has been made abundantly clear that in many cases the companies have got more machines than they could profitably use. It has been equally demonstrated that they are not able to utilise the man power they have to the fullest advantage and therefore their overhead costs tend to rise or be out of proportion to their earning capacity. The available or rather the explored route mileage within the country has also been found to be not sufficient for the machines that we have already in use. If we throw back a glance at the pre-war or war time report of Mr. Timms in regard to the possibility of this service, it would be easy to see that our present equipment is much larger than what about 6 or 7 years ago was thought likely to be useful. I do not take the view necessarily that the present equipment is impossible to be utilised to its optimum level as private companies are working in this industry. Today, it is clear that in most cases, there is a surplus of flying machines, surplus of staff and equipment, which necessarily adds to the overhead costs and therefore renders everything more expensive and more a luxury than need be the case. The standard costs worked out by the Committee which have been given in the report are exceeded in several cases and the available pay-load, as they call it, is not also coming to the required level in many cases. Government have therefore to offer subsidies as the price for making these profit makers operate their services....

Shri Kidwai: I agree.

Prof. K. T. Shah: And I hope you will agree with my main motion, and therefore there will be no difficulty afterwards. I trust your agreement will not fall half-way.

Shri Kidwai: It will not fall.

Prof. K. T. Shah: I am very glad to get this assurance. If you will keep it, I will stop even now. My purpose is achieved.

Shri Kidwai: I will say what I have to say in my reply.

Prof. K. T. Shah: The point I was making was that the private people are concerned primarily not with the service, not with the industry, not with the larger aspect that such an industry may have, but with making both their ends meet and leave a handsome profit for themselves. The profit, of course, is calculated in a number of ways. You do not look at all to the indirect gratification or advantages they obtain by employing high paid staff, sometimes of course

from the sacred circles of their cousinhood, very often from high placed Government officers retired or about to retire, and thereby getting advantages, in obtaining Government help, if not subsidy, then contracts, if not contracts then licences, and if not licences then in some other ways, so that the company can show a profit or even continue to show a loss, even though the individuals employed there, coming very often from the families of the operators themselves, do not suffer in any way. I do not see how the excessive staff in number and still more excessive in the remuneration allowed will ever help to bring down the rates in this industry, to anything like a reasonable commercial level. I am not by any means convinced that the report as it is before us—and I have tried to study it carefully—reveals the impossibility of working a nation-wide Transport service which would be within the means, if not of every citizen, but at least of the middle classes, and not remain merely a luxury that it is, for high paid Government officials or the bloated capitalists of the country. Today the Government is subsidising this service indirectly in many respects and directly also. It pays indirect subsidy by paying for the passages of its officers and others attending its committees and so on and thus facilitate travel by air. Therefore these companies are glad to make some show of a satisfactory working, even though no direct profits may be shown. But may I voice my suspicion or feeling? The loss is also not quite so clear and they would be much less if reasonable precautions were taken to utilise and work the companies' equipment in the most advantageous manner and in the most economical manner. The loss is perhaps continued to be shown because if the Government or if the Government's advisers were to see only the success, they may not be frightened away from undertaking any such enterprises. For my part, I need only say that there is no necessity for any such losses. On the other hand there is great chance of development and the advantages would be much greater than the private industries would let you notice. This industry, if properly worked can, like the railways of old, yield substantial returns to the exchequer, if only the exchequer has the courage to face the private interests, however powerful they may be, however well-connected they may be. The Government should be courageous enough to come to a definite and clear policy of nationalisation. There-

fore I have tabled this amendment. Not only should the air transport service by itself be nationalised, but the entire industry including the factories or the workshops for repairs and for building up aeroplanes, for their servicing and maintenance, should be taken over, along with the recruitment and training of the officers and crew necessary, along with also those other devices and those other helps to aviation, such as the meteorological department, the weather reports and so on, the ground staff and all those things which are necessary and indispensable for an efficient operation of the air-service. Even to-day Government do provide these facilities. They keep the aerodromes without which civil aviation simply would not operate. And Government have also, in contract, for instance to the Railways, left it open to the companies to operate the services, organise the frequency, engage the staff in such manner as they please. The Government of course, lay down the minimum regulations such as for instance the standard of qualifications for the staff of a minimum character and certain conditions in the licences. But beyond that Government's interference is nowhere to be found, though I have found interested parties complaining of undue interference on the part of Government which prevents them from running services in such a manner that if a crash occurs no one would be responsible, except Government which forgot to take some precaution. Indeed, cases have been noticed of a company which makes no provision for depreciation and another which makes no provision for insurance and so on. They harp on so many difficulties. But I feel that all these difficulties would be solved and much greater advantage obtained, if the Government would only make up their mind to act swiftly upon it and permit no further nonsense being placed before them by interested parties, but nationalise the entire industry lock, stock and barrel, if I may use such a phrase. The advantage is not confined only to the Government being able to operate, let us say, the mail or postal services much more widely and much more efficiently and much more regularly and promptly than is the case to-day. Whatever the hon. Minister and his advisers may feel, the all-India air-mail service is at present the privilege of about a quarter of the population. Rather only about a quarter of the mail is carried through this service and if it is further to be extended all over the country and brought within the range, so to say, of at least every place with not less than 2,000 inha-

bitants, then a far greater degree of co-ordination and integration is necessary as between the air transport, road transport, railway and water transport, in fact all the transport services and that only the Government can do. Private operator will choose the timings, private operator will choose the rates, private operators will choose the machines and so many other things according to their own convenience or calculations of profits. It is only the Government that can integrate them all and operate them all as from a single centre, so to say, bearing in mind the needs of all the parts of the country and all the States and of all classes of the population which the private entrepreneur will never do. A type of complaint was raised by the previous speaker—that of discrimination between one part and another. It may be adventitious, and without any forethought or deliberate design about it; but it was mentioned that there is discrimination between services operating from Calcutta and those operating from Bombay. No charge, no suspicion, no doubt at all, of the Government's favouritism in any direction would exist. Therefore from that point of view also apart from reasons of rupees, annas and pies, I feel that it is highly desirable and the time has come for it, that the whole industry should be nationalised. The transport services in most parts of the country have already been nationalised, in the sense that the Railway is an entirely national concern, and also the road transport in most of the States is a State concern. There remain the coastal and overseas water-transport or the inland navigation. I see no reason why all these supplements of the transport service should not be nationalised and nationalised forthwith.

The argument has been used, that we may not be able, in our present financial position, to nationalise this industry. I feel very sceptical about this argument. After all the total capital investment in Civil Aviation as has been mentioned in this report is less than Rs. 10 crores. If I am wrong, the hon. Minister will please correct me. Now, if this is the size of the investment, in an annual budget of some Rs. 400 crores, with the prospects that we have of extending and developing and expanding this service to the extent that we very well can, if it is administered from the Centre, in view of all this good prospect that we have before us, this sum of Rs. 10 crores will not be anything. Our annual currency variation from one part of the year to

[Prof. K. T. Shah]

another is somewhere about Rs. 50 crores or more in note circulation. If this much is paid to the people in the same way as was proposed in the case of zamindars expropriated in the shape of non-negotiable bonds or even negotiable bonds, what will be the result? How will the inflationary position be worsened? How is the Government not in a position to afford to do this? I think it would benefit by that. The benefit is not merely in respect of the efficiency of the industry from the commercial sense, from the success of the industry as measured in terms of rupees, annas and pies. The benefit is much greater from the point of view of the development of the service and of an industry which is one of the highest national importance from the point of view of national security and still more so from the point of view of technical development in which we are told we are backward to-day. In this industry we are willingly or unwillingly paying tribute to the foreign manufacturer, for the plants, for the parts and equipments that the planes require for being properly operated. If we do not wish to pay this tribute, if we want to keep all this money within the country, if we want also to have all the equipment and parts that can possibly be made here to be made in this country itself, and if we want to have all the training and the skill engendered in that training to be in this country, then I think it is upto the Minister and up to the Government to see that no further dilatory tactics are permitted in this matter, and interested parties should not succeed again, as they did last year in avoiding a conclusion or a decision to nationalise this industry. I have heard that many of them are gloating on some of the remarks made in the report and they are still hoping that by bringing out questions about the advisability in the present financial position or financial stringency of taking over this industry, by careful attention to the powers that be, by proper flattery, by proper attention to their conveniences, they may be able still to secure a new lease of life for themselves by another period of private enterprise being guaranteed to them. Whatever the Government may do in this matter I do hope that they will not agree to any indefinite period of licence being issued to them. I am not therefore to be understood to recommend or approve of the suggestion that only temporary licences should be issued. I do not feel it necessary that this system should be

continued at all. But I do think that even if they want to continue the private operation, they ought to see to it that the operators do not get an indefinite lease of life. If the history of the railway enterprise has any lesson, it was achieved at a tremendous cost to this country. It is apt to be overlooked but for a periodical revision and if in the case of the railways it is 25 years it should be a much shorter period and from the beginning it should be counted as a kind of notice that at the end the Government may or will take over the enterprise. I do not like any extension of private enterprise or its continuance in this essential public utility service of such vital importance to the defence of the country. But even if they do so against all advice and all considerations of national interest in the long run, my earnest request is that the Government should see to it that no kind of indefinite lease of life is assured to private enterprise. If you adopt a policy of nationalisation, as I would advise, it should not be confined to this or that sector of the industry, it should not be confined to this or that service but to the entire industry taking all its parts, branches and sectors together, so that probably in the result, it will not be possible to distribute it so to say amongst Government on the one hand for discredit and private enterprise, on the other, for credit.

Mr. Chairman: Amendment moved:

That at the end of the motion the following be added:

"and having considered it, this House is of opinion that the time has now arrived when the entire Air Transport Service, and the industry making and supplying flying machines, parts, spares and accessories, including the arrangements for training of pilots and other members of the crew, as well as ground staff needed for the proper operation of the Air Transport Service, and the repair, servicing and maintenance of aircraft in efficiently airworthy condition be nationalised; and accordingly requests Government that immediate and effective steps be taken to acquire and take over the fleet, equipment, spares and other accessories, and appurtenances, rights and title of the existing Air Transport Companies operating in or from India, with such compensation for the fleet, equipment, spares, accessories and appurtenances, rights, title and interests, as the Constitution may require."

Shri Sidhva: I have read very carefully this report which was circulated to Members six months ago. It is a very illuminating report: it gives the whole history of the air services in India, their operation costs, how the companies are functioning, their various routes and what will be the attitude of the Government in the future as regards nationalisation or the retention of private enterprise. This book therefore is a good guide to the House and the Government for coming to a decision.

I will take first nationalisation, because it is an important factor, particularly because it is an essential service. I have always very strongly held the view that all essential services like post and telegraph, telephones, railways, buses, tramways and airways should be nationalised..

Shri Kidwai: What about the bullock carts, which serve 90 per cent. of the population?

Shri Sidhva: That is antiquated. I am for nationalisation of all kinds of modern essential communication services. As far as this industry is concerned there is no doubt that there is a very strong case in favour of nationalisation for two reasons. One is that it is an essential service and the other is that it is useful to us in the event of a national emergency that might arise for purposes of our defence. In all the countries I have seen I found that these air services are considered as a national asset although they are owned by private companies and Government subsidises them. From this you will observe what great importance other Governments attach to this service. They feel that in addition to their defence services in their hour of need this service would be essential and should be available to the country. It would not be possible for the State to keep these services for that purpose only and therefore the other countries have realised that although they cannot introduce absolute nationalisation, they can treat the service as a national asset. I was surprised to hear that in foreign countries—even railways though owned by private companies—the Governments of those countries attach such great importance to the railways that when there is a loss they subsidise those companies. In Switzerland I was surprised to note that the railway companies were purchased by the Government but the shares held by private individuals were allowed to be retained but the shares held by banks

and insurance companies were taken over by the Government. When I asked them why private individuals were allowed to retain their shares, the answer was that their citizens who have invested in these concerns must earn their dividends and therefore they did not want to disturb the investments that they had made. They have even guaranteed a 4 per cent. return whether the railways worked at a loss or profit. I only want to point out how the various countries run their essential services at the same time bearing in mind how useful the communications are to the country at all times. Therefore when I heard from the Communications Minister that he is going to take over the Deccan Airways I was very glad.

The Committee has suggested the pros and cons of nationalisation and ultimately has come to the decision, quoting our Government's resolution on the nationalisation of industries, that this does not come within the purview of that resolution and bearing all facts in mind the companies should be allowed to run privately as at present. Personally in spite of the strong views I hold I have to take into consideration the financial position of the Government. Prof. Shah may say that it is a matter of only ten crores but you, Madam, will remember how you and I appealed to the Finance Minister for one crore for educational purposes and he could not give it. We must face realities. If the money is available we can take over as many concerns as we desire. But the Finance Minister under present financial conditions could not give one crore for a nation-building service like education. Therefore the Deccan Airways which was run by the Hyderabad State.....

Shri Kidwai: No.

Shri Sidhva: It has the majority of the shares in the concern. When Hyderabad has been integrated it is but natural that at least this concern should be taken over by our Government. The Communications Minister has not stated on what routes he is going to run.....

Shri Kidwai: I may inform the hon Member that they are the present routes that are being operated on by the Deccan Airways and the routes operated by the Himalayan Airways.

Shri Sidhva: I am glad that in addition to the present routes that are covered by the Deccan Airways there will be night services on all the routes.....

Shri Kidwai: I have stated what I intend to.

Shri Sidhva: All the routes? Delhi to Bombay, Bombay to Calcutta, Delhi to Calcutta, Delhi to Nagpur etc.?

Mr. Chairman: If the hon. Member could wait he will have all the information.

Shri Kidwai: He wants more commitments than I have made.

Shri Sidhva: I want to know whether the night airmail service will be on the Himalayan Service routes.

Shri Kidwai: That is so.

Shri Sidhva: The Himalayan Airways is out of the picture, if I correctly understand.....

Shri Kidwai: You have not correctly understood it.

Mr. Chairman: I would request the hon. Member to make all his suggestions and then wait for the reply. If the reply is given bit by bit, then he may lose his point.

Shri Sidhva: Yes, Madam. I was driving particularly at the question of the night airmail service. We know now last year when the Government, and particularly the Communications Minister, wanted a night service to be run, accusations were made that the popular scheduled companies who wanted to run the night service were not given the opportunity. I refuted those allegations that were made at the time of discussion last year. I do not want to go into that matter again, but my point is this. At a time when all the interests in Bombay and Calcutta combined and demanded from the Government a guarantee of three rupees per mile, the Himalayan Airways came to the rescue, not only of the Government but of the travelling public. Today we find that this Himalayan Airways has really paid its way and the other companies, after the coming into the field of Himalayan Airways, have opened their eyes. They who wanted a guarantee of three rupees per mile are now running the night service without any guarantee. This is a clear proof that they wanted at that time a kind of subsidy from the Government and to force the hands of the Government they said, "if you want us to run the night service, you must accede to our terms." Well

the Himalayan came to the rescue. Eventually even the Air India entered the field. Why? In order that the Himalayan may close down. But they have stood firm. When their fare for Delhi-Bombay was Rs. 118/-, Air India started with Rs. 110/-. Very good, passengers liked this kind of competition. But subsequently Air India raised the fare to Rs. 122/- and yet they are getting almost a full load every night as also the mails that they carry.

Madam, I want to state that the Air Transport Inquiry Committee has paid high compliments to the Himalayan for its efficiency. I would request the hon. Members, and particularly the Minister, if they have not read that chapter of the report to read it now.

Shri Kidwai: I have read it.

Shri Sidhva: I am glad. The Committee has not only complimented the Himalayan Airways for their efficiency but it has said that even in the matter of operation charges they err on the right side—of course, the Committee feels that in the long run they will have to work under a loss. While praising this company from the efficiency point of view still the Committee says that in the long run this concern may have to work under a loss and that it was not proper on the part of Government to give a non-scheduled company a licence ignoring the other. It was most uncharitable on the part of the Committee to pass that remark after paying such high compliments. If the Committee had said that the Company was no good and then had made this remark, I could have understood it. But they have paid a compliment—they say they came at a time when the Government wanted the service to be run. I do not know what is the intention of the Government.....

Shri Kidwai: Government is thankful to them.

Shri Sidhva: Thanks alone are not sufficient, I must tell the Communications Minister. You will be doing disservice to the country if you ignore this company absolutely and turn them out from the field of air services. They came not to your rescue but to the rescue of the travelling public.

Shri Kidwai: What about the Committee's recommendations?

Shri Sidhva: The Committee's recommendation is that no licences should be issued to them.

Mr. Chairman: May I know if the hon. Member wishes to take more time?

Shri Sidhva: Yes.

Mr. Chairman: Then he may continue after Lunch.

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

The House re-assembled after Lunch at Half-Past Two of the Clock.

[**PANDEIT THAKUR DAS BHARGAVA**
in the Chair]

Shri Sidhva: I was referring when we adjourned for Lunch to the Himalayan Aviation. I want to draw the attention of the hon. Minister to certain paragraphs in the Committee's report relating to this Company. The Committee says in para. 204, on page 113, as follows:

"So far as the technical efficiency is concerned, we have no hesitation in joining with others in paying a tribute to the manner in which the Himalayan Aviation has carried out the task entrusted to it. Some of us have had actual experience of the way in which the night services were being operated and we have no doubt that Himalayan Aviation has made a success of the task undertaken by it so far as technical efficiency is concerned."

As regards the Company's financial position, although the Company says that it will be in a position to run at a profit, the Committee feel that it may eventually run at a loss. This is very unfair. Having paid compliments, the Committee seems to have been prejudiced against this Company. Because this was an unscheduled Company, therefore all this trouble has come about; otherwise, there would have been none, I do not certainly agree with or accept the Committee's view. I think I have a right to differ.

As regards the financial position, the Committee says:

"Although on the basis of nine months' working which include only 5½ months of scheduled operations, the Company's operating costs per mile are not high (viz., Rs. 3-6-0 per mile) there are factors which go to show that its expenses are likely to go up in the near future."

So, the Committee presumes that although it finds the present cost low it is likely to go high. Against the Company's operating cost of Rs. 3-6-0,

the Committee has recommended Rs. 4-2-7.

Shri Kidwai: I think the hon. Member is under some misapprehension. The Committee has recommended a cost of Rs. 3-9-10.

Shri Sidhva: Against Deccan Airways' cost of Rs. 4-2-7 the Committee has suggested Rs. 4-1-5. I will read the para. which is disadvantageous to the Himalayan Aviation also. I am not concerned whether it is A, B, or C. I want the House to come to an independent judgment. I think the Communications Minister and the Government must be faithful. Had not this Company helped Mr. Kidwai last year, what would have been his position?

Shri Kidwai: There would have been no night service.

Shri Sidhva: The Committee says:

"Himalayan Aviation's revenue, on the other hand, is likely to decrease as the pay load of the Company's aircraft is tending to become progressively smaller. The Company started operation with aircraft having no interior furnishings . . ."

And that is correct. I myself travelled once and there was no furniture, although the accommodation was commodious. But subsequently they have made all the necessary arrangements and what the Committee says is as follows:

"The Company started operation with aircraft having no interior furnishings, which have now been provided practically on the same standard as the day services of other companies. More seats have been provided with greater convenience to the passengers. Provision has also been made for carriage of refreshments. Additional radio and navigational equipment has been installed."

Having stated all this, the Committee comes to the conclusion:

"The least harm would be done to the public and the industry as a whole if the provisional licence of Himalayan Aviation which expires at the end of January 1951, is not renewed."

After paying all this grand tribute, this is the conclusion to which the Committee has come. I do not know to what extent the industry will suffer. The Committee states that the Himalayan Aviation had no capital and it

[Shri Sidhva]

started from a Dakota service, whereas 28 other Companies thinking that there was a great future purchased a large number of Dakotas and Vikings. The Committee have stated that these Companies had no business to invest so much money and put so many aircraft, which has accounted for their costs going high. The Himalayan Aviation on the other hand started with a limited number of aircraft. So, with due respect to the Committee, I should say that they have somehow been prejudiced against this Company. Government have not stated what they are going to do as far as this Company is concerned, but the night service is going to be given to Deccan Airways.

Shri Kidwai: What is your view?

Shri Sidhva: My view is that certain profitable routes should be given to this Company. I am quite clear about that in my mind. You may give some interior route from Cutch or Kathiawar and Saurashtra, or one between Cawnpore and Delhi, and say that you have given them a route. But that route may not be paying. I want them to be considered for a good route.

Shri Kidwai: Taking it away from others?

Shri Sidhva: When you wanted to utilise their services, you did not put forward this argument of taking it away from others. When you gave the work to this Company, Air India and other companies protested that the service should not be given to a non-scheduled Company. They wanted it to be given to them.

Shri Kidwai: What is your recommendation?

Shri Sidhva: My recommendation is: give them the best route. I cannot give details. Those are for Government to consider. According to the Committee, Deccan Airways have the best workshop in Hyderabad and their operating cost is lower—Rs. 4-2-7.

Shri Kidwai: It is now much lower.

Shri Sidhva: I am glad. The Committee were impressed by the neat and efficient arrangement of the workshop of the Deccan Airways in Hyderabad. Considering all these factors, Government have come to a decision to take the Deccan Airways. I welcome it. But I want the hon. Minister, when he gives the service to another Company, to bear in mind

the passengers' conveniences and particularly fares.

The Committee have recommended that for non-stop flights there should be standard fare, whether it is by night or by day. They recommend a fare of Rs. 165. I do not share that view. It has to be realised that though the passengers travel by night for the sake of convenience they have to lose their sleep. But they pay only Rs. 122 as against Air India's Rs. 175 from Delhi to Bombay or vice versa.

Dr. Deshmukh (Madhya Pradesh): Rs. 50 for loss of sleep!

Shri Kidwai: May I ask a question of the hon. Member? How does it affect the cost of operation whether a passenger travels asleep or awake?

Shri Sidhva: There is no question of cost of operation. After all it is a well-known fact that when a company is taken over by Government, it is doubtful whether it will run at a profit; it may perhaps run at a loss. But as I said, if Government is going to pay a subsidy to the other companies, this company is also equally entitled to a subsidy from the general revenues. But I submit to the hon. Minister that if the question of fares is not kept in mind his ambition will be frustrated.

Shri Kidwai: I have no ambition.

Shri Sidhva: You should be proud of the fact that your ambition to continue the night service has materialised. I give you credit for that. Why do you say you have no ambition? You must take justifiable pride for your success. But if you do not keep this important fact in mind, I am afraid that will be frustrated. By raising the fares to Rs. 165, I am afraid you will not get sufficient number of passengers. I am telling you this from my experience as President of the Passengers' Association for the last twenty years. I can tell you, Sir, that the whole scheme will be unsuccessful if you are going to raise the fares. When the company comes into the hands of Government, if it is managed properly, I am sure the cost may come down. But even if it does not come down, I would ask him not to raise the fares.

My friend just now was telling me that in America the air fares are only as much as third class railway fares on special kind of aircraft. It may perhaps not be very convenient. But I welcome his proposal to start a coach service. Why should we not put 35 chairs instead of 21, if thereby

we can bring down the fares. If you really want to make people air-minded, particularly as our civil aviation is in its infancy, you can do it only by reducing the fares. So far as the air-frame and engines of the Dakota are concerned, it is a matter for technicians. But so far as the replacement of the present seats by light chairs, it is an easy matter. At any rate the air fares should be brought down to the second class railway fare. Then the air services will become very popular. After all India is a poor country and people will not be able to pay high fares as they are doing in America and other countries. Take the case of our railways for instance. Every time they are increasing the fares despite the profit they make. So far as the air services are concerned, he must bear in mind that if they are to become popular the fare should not be higher than Rs. 122.

The Committee has found that there are some Dakotas which are surplus to the requirements of the operating companies. The maintenance cost of each Dakota is Rs. 10,000 per year. The Committee has recommended that the Dakotas should be handed over to Government for maintenance. Of course the surplus Dakotas should not be sold, because they will be very useful in times of emergency. So, instead of keeping them idle new avenues should be found to utilise them, and this will enable the companies to bring down the fares. You should not merely count their value from the point of view of rupees, annas and pies. That is the fundamental point which I want the Minister to bear in mind.

In this connection I may tell my hon. friend Mr. Masani that Air India is one of the best companies. I must certainly pay a compliment to that company—there is no doubt about that. But in their zeal to expand, they do not consider the passengers' point of view. They go on increasing their overhead charges, by engaging retired Directors-General of Posts and Telegraphs on a salary of Rs. 6,000 and over. There are a number of posts in the Air India Office in Bombay on a salary of Rs. 5,000 and more. I am prepared to admit that their office is maintained tip-top. But the superfluous officers and consequent overhead charges put up the cost of operation. The Air India have admitted this fact before the Committee. There is no doubt that Air India is one of the best managed companies; but this should not be allowed to happen at the cost of the travelling public. They have at any rate done a distinct disservice by demanding Rs.

3 per mile last time for the night air-mail service. Are they not getting a rebate of nine annas per mile.

Again it was at the instance of Mr. Masani that this Committee was appointed. So far as the question of subsidy is concerned, I am at one with the committee that it should be paid, if we are to retain our air services as a second line of defence in time of emergency.

As regards the cost of operation of other Companies is concerned, the Committee says that they were not satisfied with the accounts of the Indian National Airways. It is also said that they are not dependable for the carriage of mails and that they have recently stopped insuring their aircraft. I fail to understand how any business concern can work on this basis. If one aircraft is lost it means a loss of Rs. 10 lakhs. Take for instance the Air India International. One of their aircraft was lost recently. But since it was insured they got Rs. 30 lakhs. I ask had this aircraft not been insured what would have happened. Moreover it is a partly Government concern. We have 51 per cent. of the shares.

Shri Kidwai: 49 per cent.

Shri Sidhva: You have given them 51 per cent. I thought we were having 51 per cent, and they were having 49 per cent.

At any rate this is a matter which Government should take up early and ask all the air companies to insure their aircrafts. Otherwise it will be disastrous. It may not mean anything to the Managing Agents or Managing Directors; it will be the shareholders who will suffer.

So far as the Air Services of India are concerned, the Committee says that they have S.O. 95, whose cost is much higher than that of a Dakota. Whenever the engines of their aircraft go out of order, they send the aircraft to France for repairs! Is there no workshop here to repair their aircraft as to necessitate their being sent to France?

Such kinds of companies should certainly not be allowed to continue.

Dr. Deshmukh: They want artistic repairs!

Shri Sidhva: Deccan Airways, as I told you, is certainly a very good concern. Airways (India) is again the second best. It has the lowest operation cost, Rs. 3-10 per mile and

[Shri Sidhva]

the Committee have paid compliments to it. The Committee says that the reason for this low operation cost is that "the proportion of skilled to unskilled staff is higher. This has enabled them to get the maximum productivity. Its efficiency suggests a high level of employee's morale." Tatas is quite the reverse.

Shri Kidwai: Do you hold any share in Tatas?

Shri Sidhva: I have no share, I may tell my friend, in any company.

Shri Kidwai: That is wrong.

Shri Sidhva: If you do not believe me then I have nothing to say. Tatas have got a larger number of unskilled staff. That is the difficulty with Tatas. If they cut down their staff according to their requirements, to which they have agreed now, I can assure that this company will certainly be one of the best companies in India and we will be proud of it. Our Government is actually subsidising Air-India International the shares of which were purchased. What for? Because Government knew that this is one of the best companies and that to join hands with them is certainly in the interests of the country. Sir, as I pointed out last time, my remarks should not be misunderstood. Tatas are my friends and Tata is my friend. But friendship aside, when the question of the country comes in I must espouse the cause of the country and make my remarks. Therefore in this matter, as I have stated, I hope that they will be a little reasonable and Tatas may rest assured, through Mr. Masani, that the House will certainly support them without the least hesitation.

Shri Goenka (Madras): What has Mr. Masani got to do with it?

Shri Sidhva: What is your object in putting this question?

In regard to Indian Overseas Airlines the Committee says that they have a surplus of 11 Dakotas, 16 Norsemen, 2 Narvards and 4 Proctors and they have got only three routes. According to the Report of the Committee the Company have brought the difficulties upon themselves by their own action. It is a very fair suggestion that the Committee has made and its recommendation of the operating cost should be maintained by all the companies. Government should take early steps to see that this operating cost is

maintained, and when that is maintained there is no reason for any apprehension for the company losing immensely as they are losing now.

As regards the Licensing Board to which my hon. friend the Communications Minister made a reference, the Committee has recommended its reconstitution and the Government have not taken a decision.

Shri Kidwai: They have taken a decision. They are reconstituting it.

Shri Sidhva: On the suggestions made by the Committee?

Shri Kidwai: Almost.

Shri Sidhva: I do not agree, and I will give my reasons. The Committee has suggested that the Deputy Director-General should not be on the Committee. I agree. It says there should be two Members from Aviation and one retired High Court Judge should be the Chairman. First it prefers the Minister to be the Chairman. If it is stated that it may not be possible for the Minister to preside, then I can understand. But in the same paragraph the Committee straightway says that it prefers a retired High Court Judge on salary for nine months.

Shri Kidwai: Do they not prefer the Minister?

Shri Sidhva: Yes, they have stated that they would prefer the Minister. But then they say—I will quote you the relevant paragraph.

Shri Kidwai: You have not read the Report!

Shri Sidhva: I have read everything. I have read the whole thing much more than you. I will quote from it.

Shri Kidwai: In the meantime let somebody speak.

Mr. Chairman: I may suggest to the hon. Member to cut short his speech. He has already taken an abnormally long time and there are other Members anxious to speak.

Shri Sidhva: I will finish it very soon, Sir. I must assure the Communications Minister that the Committee has recommended that the Minister should be the Chairman, but subsequently they refer to a High Court Judge. I do not know what fascination they have for a High Court Judge. Whatever it may be, I feel that instead of the High Court Judges if the hon. Minister agrees to serve as Chair-

man, then I have no objection. That will be a good check. The Committee also suggests one official from the Finance Ministry. I would suggest two Members from Parliament, and one of the Members of Parliament should be the Chairman.

Shri Kidwai: Will he not become disqualified from Membership of Parliament?

Shri Sidhva: It will not be a whole time post. I suggest there should be two Members of Parliament on it; the Director-General should be one Member, and there should be one Member from the Finance Ministry as the Committee has recommended. From amongst the two Members of Parliament one should be the Chairman.

Shri Kidwai: What about the Minister?

Shri Sidhva: If the Minister accepts it I have no objection. The Committee has made these recommendations. If the High Court Judge has no knowledge of aviation and can be suggested to be the Chairman, then I feel that Members of Parliament with their broad and sound commonsense have the ability to understand and grasp any matter.

Shri Kidwai: Everyone of them has got it?

Shri Sidhva: I would suggest the Board to be comprised of these Members; instead of what has been suggested by the Committee.

I had to say something more, but with due deference to your suggestion, Sir, I will close my speech with one remark. The Committee has made a suggestion that the present nine annas rebate on petrol may be continued this year, but from 1952 it should be cut down to six annas. I agree with this. I also agree with the proposal of the Committee for subsidy to a certain extent, provided that the operation cost is brought down to the one suggested by the Committee. That should be one of the conditions and I am sure with that incentive all the companies will bring down their cost and also try to see that efficiency is increased. The Committee has suggested 4½ per cent. dividend. I suggest it should not be more than 3 per cent. They said if the Government aid is not taken then the dividend.....

Mr. Chairman: The Committee has suggested only 3½ per cent.

Shri Sidhva: All right. I am only just making a suggestion that in any 91. P.S.

case, if the Government aid is not taken the dividend should not be more than 3½ per cent.

There is one point that the Pilots' Association has stated before the Committee, that as in all the countries the flying hours should be 1,000 instead of 1,200 as at present. I submit that is a very fair proposal and Government should kindly consider their suggestion.

Then it is stated here as to why the operation cost is high. The Committee says that the cost of petrol in Australia is Rs. 1-12-5.

Shri Kidwai: The cost in Australia has been brought to our level.

Shri Sidhva: Today?

Shri Kidwai: Not today. Sometime back.

Shri Sidhva: It must be recent. I do not know, but the Committee has made the suggestion that our cost is Rs. 2-8-3 and the difference is 11 annas and 10 pies. If the cost there is Rs. 2-8-3 I have nothing to say.

Shri Kidwai: There is an analysis of the difference. Some is in duty, some is in cost.

Shri Sidhva: They are using aviation fuel of a certain grade, and we are not using that grade of fuel. It should be examined whether there is any chance of our getting cheaper fuel as Australia consumes. If the quality is quite different, then has any effort been made to import that kind of petrol from Australia?

3 P.M.

At the end, Sir, with your permission I submit that all these points should be borne in mind by Government. We are glad that the hon. Communications Minister has brought this proposal before this House. We were told in the last session that this report would be considered, but we had no chance and we thought that in this session also, it would not be brought and that Government will take the decision and I am very glad that the hon. Minister has brought this report before us and I do hope when he has brought this proposal before the House.....

Shri Kidwai: I will be guided by your opinion.

Shri Sidhva: He has not even taken a pencil to take a note of the points. He is accumulating all the facts in his brain. Perhaps he has made up his mind and he has simply brought this before the House... ..

Shri Kidwai: The hon. Member has forgotten that I have noted every point that he has referred to.

Shri Sidhva: I hope that the points which I have raised will be borne in mind and particularly about the fares. If that point is not borne in mind, the idea of making people in India who are poor to become air-minded, will be absolutely frustrated. With these words, I support the motion.

Shri Ramaswamy Naidu (Madras): I do not propose to take up the time of the House by discussing the various details of the report submitted by the Inquiry Committee. First of all I should like to have all the airways nationalized. I would also like to have the fares brought down. I would also like to suggest to the Government that while issuing tickets they should see that the passengers are compulsorily insured. Of course, it will be very difficult to fix a minimum value for a human being that is in the plane but we can fix some value for people so far as Members of Parliament are concerned. We can at least be valued at about Rs. 5,000. That is the normal daily allowance which we may be entitled to if the House sits throughout the year. So far as other members of the land are concerned, we can fix their value at least on the same basis because every member of our nation is a potential parliamentarian. This Rs. 5,000 should be fixed as the minimum value of a human being and that charge should be included in the ticket that is issued to those who travel by air. We are much concerned about comfortable travel in the air and we are much concerned about cheap tickets but we are not concerned about the danger that we are subjecting our families to in our taking to this air travel. When any accident occurs it is an accident which in the words of Byron is: "Rome and her ruins are past redemption's skill; there is no way to retrieve the danger that is caused to the human being." So some compulsory insurance must be made on the lives of the persons that take to airways. I request the hon. Minister to consider this matter very carefully. This would help the people feel safe and even if there are any accidents, there is no danger of their families going adrift and that will help to increase the sale of the tickets on these Airways.

Shri Jaipal Singh (Bihar): When the Ministry of Communications' demands were being debated last Monday my hon. friend said that he could not refer to Aviation matters in detail though I had raised them,

because there was to have been a discussion today. Today the report of the Inquiry Committee is before us and I regret to have to say that the hon. Minister has adopted very unfair tactics as far as the House is concerned. He has not told us what decisions he has taken, so that having presented them before the House, the House might have been in a position to give its opinion on those decisions, whether the House as a whole favoured them or opposed them or had certain modifications to make. That has not been done.

Shri Kidwai: May I point out; will there not be an objection raised, 'What is the use of coming before this House after taking firm decisions?'

Mr. Chairman: All the same, the hon. Minister was pleased to tell us when he started his speech what were the tentative proposals of his department and those are being considered by the House now.

Shri Jaipal Singh: I regret to note the view you take about it but in every particular matter there has been dissatisfaction. For example, take the question of the Himalayan Airways. It was only after an interruption he let out the information that he had decided to take away this night service and allocate it to the Deccan Airways. That was very important information which he withheld at the beginning. Otherwise he would have reserved it to the end of his speech when the House would not be in a position to say yes or no. I say it is very unfair to the House. In his introductory remarks he said that if there was any change in major policy, the House would always be consulted. I ask you, is that the way to take the House into confidence? As far as I am concerned, while I do acknowledge with great appreciation the amount of work the Committee has put in collecting very important data which had not been available to the general public before, but I cannot go further than that. The Committee's proposals are three-legged. There is nothing straightforward. They were given certain definite terms of reference. They were to have enquired into the entire Air Transport industry. That they have not done. All that they have done is to see what recommendations they could make in regard to the Air Transport Companies. The Air Transport Industry is not merely the Air Transport Companies. They have not looked at it from the rational point of view at all. There has been

a purely commercial, angular outlook on the whole subject, a very important subject. May I join my other hon. friends in agreeing that Civil Aviation is the second line of defence and that is the one factor which the Committee has completely ignored in its examination. My hon. friend thinks that by taking over the Deccan Airways, he is going to improve Civil Aviation in this country and I can only say that he is building castles in the air. I shall see how he is going to run his night service. We shall see if he can run it. If he succeeds, I will be the first man to congratulate him. The year before last he came and told this Parliament that he had persuaded a party to come to the rescue of the Government, when the rest of the operators had refused and now he is playing the role of a traitor to that very scheme. There is no polite word to use about it. I have no objection to Government taking over the Deccan Airways and if his proposal is that this service should be eliminated—that is what he means, although he has not told us in so many words, we would like to know what he intends to do, whether he has plans for them besides eliminating them. The Himalayan Aviation have built up a marvellous thing and have shown to the rest of the world that India can do it and now my hon. friend comes and says: "We have done it. I will take over and you go elsewhere." That is not a business proposition. That is not the way Government is going to inspire confidence in this country.

Quite apart from that, what did my hon. friend tell us? Last time, he spoke about this particular scheme. If he likes, I would like to read some of his words to remind him. He has too quickly forgotten them.

Shri Kidwai: I would like to be reminded.

Shri Jaipal Singh: In reply to Mr. Rohini Kumar Chaudhuri's private resolution on this subject, on 30th November 1949, this is what my hon. friend said:

"I do confess my weakness that I did not want to injure Air India."

That was the first confession. Then he said various things. What is relevant to my argument is this:

"Why should I discontinue a service that is carrying 100 per cent. load and which is very popular and which is prepared to extend their service if we ask them to? Only yesterday, their General

Manager came to me and said that they had only a provisional licence and therefore they are not prepared to invest money. They said that if they were given a term licence like other companies, they would arrange to import at least two four-engined planes to operate on the Calcutta-Bombay route, not only Sky-masters, but new French planes that will do the Calcutta-Bombay trip in 3½ hours and which will carry a larger number of passengers and a greater load of mail. They will be more economical to operate than the present Dakotas. Naturally they are not prepared to invest money so long as this controversy is going on and they do not know whether they will get a term licence or not. But, I have asked them to put in their application now for a term licence before the A.T.L.B. If they are satisfied with their working why should they refuse them a term licence?"

The verdict of the Committee is unequivocal. They say that from the operation point of view, Himalayan Aviation have been excellent. The word 'excellent' appears only once in this particular connection, in the whole of the report. Now, my friend has the impertinence to come and tell us, "Now they must get out." That is the point before us.

Shri Kidwai: That is what the Committee say.

Shri Jaipal Singh: I have also been a member of a number of Committees; I have been a signatory to some of the reports and I know exactly what the Government say. When it suits them, they say that the report is good. Is it only the Himalayan Aviation that must go out? Why is not the same done to the Kalinga Airways, which is also in the list of services that must go out of traffic? He is not doing that. Just like a bombshell, as a result of an interruption, he tells us this, without any other alternative proposition, to eliminate people who have come to his rescue. I say this is breach of faith. A person two years ago a hero is now a traitor. That is all that I can say about it.

I for one am not a great admirer of this report because it has not gone the whole hog. The Committee were charged with the definite work of recommending to the Government how the Air industry as a whole could be made more secure, could expand and could be developed. The figures are there. The total route mileage at the present moment is, according to their

[Shri Jaipal Singh]

figures, 22,800 which is operated by about nine companies. Of these nine, three were recommended that they should disappear from their operational side. My friend is retaining the Kalinga Airways. I do not know,—it is for him to say—the considerations for retaining the Kalinga Airways, although in this report they say that the Kalinga Airways did not have even their accounts to submit. That is the type of company my friend is supporting. The other one, which has excellent encomiums, he wants just to dismiss and eliminate. That is the type of behaviour that I personally do not understand. If we see that there are too many operators in this country to my mind, it is a purely arithmetical proposition. If there are too many, reduce the number. Why do you stop with Himalayan Aviation? Why not make the number less? Why not have three only? My friend has not worked that out yet. If we really believe that our country's national interests would be better served by reducing the number of actual operators, whatever opinion I may have about A.B.C. or D., I would support my hon. friend. That, he is not prepared to do.

Shri Kidwai: How do you know that?

Shri Jaipal Singh: Obviously, you are withholding information from the House. Only last Monday, my hon. friend did the same thing, gave misinformation as far as my friend Prof. Shah is concerned. If my hon. friend Prof. Shah were for total nationalisation, I am at one with him.

Prof. K. T. Shah: I have asked for that.

Shri Jaipal Singh: I would urge on him not to be impatient. We have given our Government plenty of opportunities to show their efficiency in the conduct of the nationalised industries. I think the time has certainly not come to nationalise civil aviation. The private operating companies, the Tatas and others are doing a very good job. I know many Members on the floor of this House have had their tirades against Air India and various other companies for profiteering. My hon. friends forget that aviation operational economics is something very different from the economics of running buses and railway trains. You better nationalise your bullock carts before you nationalise civil aviation. Civil aviation is not a thing you can play about with. Last Monday, I pointed out that non-

technical direction was taking us headlong down-hill to serious danger. Our Government should give them a little more time to enable them to build up. To remove the petrol rebate is utter nonsense for people who do not know how civil aviation is run in other countries. In what country in the world is civil aviation carried on without Government subsidy? India does not even produce its aircraft. Civil aviation, as far as this country is concerned is a war baby. All these aviation lines that have come into existence have been able to take shape entirely because of the fact that we had war disposals which made available to us 480 Dakotas at ridiculously low prices. Hon. Members who have taken the trouble to study the future of civil aviation in this country will realise that this state of things cannot go on. The moment that our war aircraft come to an end, the moment they become obsolete and no longer safe and air-worthy, the air industry is going to be faced with a very serious problem in this country. It is one thing to buy a Dakota for Rs. 30,000 and spend a lakh of rupees in overhauling and making it available for air traffic; it is another thing altogether to have to pay something like 6 lakhs or 10 lakhs or 15 lakhs for a new aircraft to replace them.

I would urge on my hon. friend who was critical about the fares, that I myself do not like to pay high fares. Why should I pay higher fares if I can travel safely at a cheaper fare? But, the fact remains that the fares cannot come down. On the other hand, the fares should go up. That is my contention. The fares cannot possibly go down unless the Government comes to the assistance of the operating companies, whether it is in the form of petrol rebate or anything else. The basic truth is that the Government must enable the companies that are permitted to operate to build up their resources. I notice that in the case of one Air company, that is the Bharat Airways, the Committee says that it has no depreciation fund at all. That is the type of company that my friend likes. My friend comes to the House and asks us to give six lakhs to this company. The excuse he puts forward is that we want to encourage external services eastwards. He does not tell us what expenditure that particular company had incurred because of prematurely imported Sky masters. It was not a question of encouraging; it was a case of clearing a debt that had mounted up on account of ground charges and other charges. He comes

to the House and says, "We want to go eastwards; let us give six lakhs." Only this morning, he comes with the explanation that he is watching. I contend that the House is entitled to have fuller information on these matters. We do not grudge my friend having all the money he wants. The only thing is that we want to know that the money is being utilised properly. That is what I have to say on the report. My friend Mr. Masani will be able to talk more technically. But there is just one thing which I would like to.....

Shri Kidwai: Is he more technical?

Shri Jaipal Singh: I think he is more technical than my hon. friend himself. At least he has certainly more faith in technical men than my hon. friend has.

Well, as I said, I have one thing more to say about the report and it is this. It has very little to say about labour. As a matter of fact, something like 15,000 people are employed in the air transport industry. The Committee did see one or two of the leaders of these people, I believe. But as to what the condition of the labour is and what should be done so that we have always the required strength and standard of our technical personnel in times of emergencies such as the Kashmir operations, the Assam air lift and so on, these things the committee has almost completely ignored. That is one of its failures.

Another is with regard to pilots. You can have the very best aircraft on the ground but, unless there are competent pilots, all your wonderful aircraft would be absolutely useless. The report does not produce any scheme whereby we may be able to maintain the same type and same high standard amongst our pilots that we had only a few years ago. Their standard has now considerably deteriorated, unfortunately, due to the laxity of my hon. friend. The figures of accidents are there and I need not say anything about it.

Shri Kidwai: Most of them in flying clubs.

Shri Jaipal Singh: The flying clubs have done extremely well. My hon. friend has been harping upon his marvellous civil aviation training centre at Allahabad. I have the figures here and I can.....

Shri Kidwai: No accidents in their case,

Shri Jaipal Singh: The other day he tried to tell me that his trainees were in demand. But may I know how many of his trainees, turned out of the Allahabad school, have been taken by any air company? Nobody wants them. That is the fact. No B licence-holder will be taken unless he has so many thousand hours of flying. So many flying hours in fair-weather alone would not do as they have at Allahabad. Can my hon. friend deny that?

Then there is this problem of how we stand in this country vis-a-vis other countries. I think we would have been in a better position to understand our comparative position if comparative figures of civil aviation in other countries had been given here. Then we could have known whether we are in the right direction, and whether we are right in criticising the present position or whether we are wrong. But at present we have just the Indian figures and therefore we know only our own standard. We should aim at the very best standard possible, such as the type that has been maintained by Air India International. We should aim not only at being good enough. Only the very best should be good enough for us.

Then I had hoped that the Committee would have told us something about the financial situation of the various companies. It is not merely the amount of capital that is employed for the operation of the air lines. Not merely that. There have been companies in the past for which vast sums were raised, but the money was not used for aviation purposes. I do think that my hon. friend and the Government owe it as a duty to the country to tell us about these adventurers. I need not mention names. But year before last, I think, one of these ventures was started and within two days the shares dropped and the whole thing ended. That is adventure. In a matter of this sort it is the duty of the Government to see that public money is protected.

And there is the question of the flying clubs. I know my hon. friend and myself feel quite differently about this subject, but I have to maintain that the Committee has completely ignored these flying clubs. After all, they are part of and ancillary to our air transport industry. I do not think he can deny that, but nothing has been said about them. There are nine flying clubs in which annually something like Rs. 30 lakhs have been spent. That is not a small amount. And there are about 384 trainees

[Shri Jaipal Singh]

under training. This question of co-ordination of training and the maintenance of standards, specification of qualifications and so on and so forth, all these things, I regret to say, the Committee has completely ignored.

That much for my criticism of the report.

Now for some general observations. The hon Minister wants, as much as I do, the very best for the civil aviation. But I would urge him not to be brow-beaten by powerful interests. Let him have a clear picture in his mind as to what he wants to be done and let him not run away with the idea that he can ignore the Defence Department. If civil aviation is to be our second line of defence as has been the case in the past and as it is always bound to be, and as has been universally accepted and proved in this country abundantly only a few years ago, then I say that for any big policy changes he must consult the Defence authorities. It is not enough for him to say that he has taken the advice of his technical advisers. That may be good. As a matter of fact if he had a few technical men in the place of some of the non-technical men, he would have been better off. But that is for him, I am only giving here my views. Anyway, the country will not tolerate this sort of bluffing and eye-wash of the type that we have been subjected to this morning in his introductory remarks.

[SHRIMATI DURGABAI in the Chair]

Dr. S. P. Mookerjee (West Bengal): The last speaker has dealt with the various aspects of the problem before us in a very forcible manner.

Shri Kidwai: Does the hon. Member envy him?

Dr. S. P. Mookerjee: Yes, partially.

I would like the House to consider this question as dispassionately as possible, bearing in mind the supreme part which civil aviation has to play in the national interest, whether we look at it from the point of view of defence or from the peculiar geographical position in which India is placed, or for the internal requirements of the country, either in peace time or during times of emergency. There is absolutely no doubt that we must be in a position to maintain civil aviation as efficiently as possible. I have not been able to go through this voluminous report in its entirety. But I shall not hesitate to pay my tribute to the good work which on the whole, has

been done by the authors of this report. There may be difference of opinion with regard to some of the conclusions reached, or there may be some objections raised that the report did not contain some more details. But here at least for the first time we have before us an authoritative survey of a very difficult and complex problem. It indicates how the present unsatisfactory condition of affairs has arisen and also suggests some remedies. Now, what is the principal finding which the Committee has arrived at? It says that even excluding the assistance which the Government is giving them by way of rebate, none of the companies to-day is running at a profit. That is a conclusion which is of a somewhat alarming character. If you include the rebate which Government is giving, then one or two companies are running their affairs profitably and others are not. The total deficit comes up to nearly one crore of rupees per year.

The Committee has also indicated, taking into account certain standard costs which it has prepared, how the expenses which are of a high order in some cases can be avoided. In fact barring perhaps one company it has not spared any existing company and has pointed out how either the overhead charges are too high, the stores which have been kept are too big for the purposes required, or there are a number of surplus aircrafts kept or a bigger organisation has been set up than was perhaps necessary. But the chief objection which the Committee has pointed out is that, taking into account the total requirements of the country, the load which is placed on each of these companies is not of an adequate character. Here let us ask who is responsible for this? It will not do for Government to absolve itself of full responsibility in this matter. Why did Government allow so many companies to come into existence? Why were new routes given to new companies? Why was not this rationalisation done by Government through its own agency? That is a very important factor not only for the purpose of apportioning blame—which is now of an academic interest—but in determining what our future policy should be. When, therefore, the hon. Minister today announced that he has decided, contrary to the recommendation of the Committee, to make an experiment with the coach class service I felt somewhat perturbed. If you open this sort of service which the what dangerous to make an experiment Committee has thought may be somewhat upon.....

Shri Kidwai: They have not opposed it on account of danger.

Dr. S. P. Mookerjee: Danger means that it may have an adverse effect on the existing companies.

Shri Kidwai: It will be operated by one of the existing companies.

Dr. S. P. Mookerjee: I know my hon. friend is very optimistic right from underground activities up to sky height. In any case sometimes one has to be a little cautious. I do not mind what he thinks with regard to underground affairs but when it comes to doing something in the high sky I would like him to be a little less optimistic, because there he is playing with human life.

The point I was trying to develop was this. At present the main charge which has been brought is that the load which these companies can and should carry is more than what is actually allotted to them.

Shri Kidwai: That is not a fact.

Dr. S. P. Mookerjee: At any rate that was not contradicted by the Minister in his opening speech. I am proceeding on the basis of his report and if the Minister.....

Shri Kidwai: On the other hand what the hon. Member has said is quite different from what is in that report.

Dr. S. P. Mookerjee: Perhaps the hon. Minister has not read it or read it with less care than I have done. In any case the report makes it perfectly clear that more load should have been taken by these companies and if that had been done then perhaps they could have been run on a more economic basis. If the Minister wants to contradict it.....

Shri Kidwai: No, no.

Dr. S. P. Mookerjee: He should be a little more patient; he will have plenty of time to reply. He need not be jumping up and down.

So far as this is concerned we have to consider how we are to reorganise. Here a committee has made a recommendation, that we should take for granted that the six companies which have been given a long term lease, lasting for about ten years beginning from 1949, should not be disturbed. That is an amazing recommendation for which I do not find any justification whatsoever. The Committee takes it for granted that the companies which, according to its own report, have not fared very well

or might have fared better with regard to their own administration, should be kept in perpetuity and on that basis reorganisation is to take place. That is a part of the recommendations of the Committee which I have no hesitation in advising Government to reject.

Shri Kidwai: I have not accepted it.

Dr. S. P. Mookerjee: I am very glad you have done one good thing. The whole position should be examined *de novo*. You have these six companies which are now functioning. You have two other companies which have been given provisional licences—the Himalayan and Kalinga.

When this Himalayan controversy took place in 1949 I am frank to admit that I myself was doubtful as to whether this scheme was going to be a success. But then I was a party to it inasmuch as the decision was taken by a Government of which I was a member then. But I am quite frank to admit, after having seen how this scheme has worked during the last one year or two, that this experiment which my friend Mr. Kidwai has made has proved a success.

Shri Kidwai: You see how my optimism works out!

Dr. S. P. Mookerjee: For once it succeeded. Anyway whatever success was achieved by the Minister, he should not retrace from it.

Shri Kidwai: I will not retrace it.

Dr. S. P. Mookerjee: I have myself travelled along this route. I have travelled perhaps along all the routes during the last few years and at least many dozen times. I have travelled on the Himalayan Airways....

Shri Kidwai: I have not yet travelled on the Himalayan Airways.

Dr. S. P. Mookerjee: Perhaps the hon. Minister travelled by Air India night service and there was a reason for patronising Air India. In any case there is no cause for regret; rather we should congratulate those who brought into existence an organisation at such short notice.

Comments have been made that there was a sort of conspiracy in which the participants were the existing companies and they wanted to bully the Government or put the Government into difficulty. I am not making such an allegation. Perhaps these companies honestly felt that this scheme could not be worked by them and therefore they wanted a guar-

[Dr. S. P. Mookerjee]

antee. But the fact remains that a company did come forward, did not ask for any guarantee and was prepared to work the scheme and has done exceedingly well. That fact is there. We are not interested in any company. We are interested in serving the requirements of the public. From that point of view when I find that for the reason that these six existing companies enjoy a long term lease and therefore they should be kept in perpetuity and the rest should be knocked down, that is a proposition which is completely unwarranted.

Shri Kidwai: I agree:

Dr. S. P. Mookerjee: I was trying to make the financial calculations given in the report. What the Committee says is this. If all the suggestions are given effect to on the basis of standard cost and reducing other expenses and so on, even then the extent of loss of the existing companies—they will number five and not six, because two of them will be amalgamated,—will be much less. And if the Government finds that these companies are running efficiently and some sort of temporary help is to be given to them for the purpose of enabling them to carry on their work, that is a matter which the Government may consider separately. But no case has been made out in the report on the facts stated for the drastic recommendation that the licence granted to the Himalayan Airways should be withdrawn and the route should be transferred to one or more of the existing companies. That is a point of view which I would ask the Government to consider.

Then the question may be asked, what about the future? I tried to get from this report some indication as to whether there was any room for expansion of air travel in India. At present there is no night airmail service running in north India, say, between Calcutta and Delhi.

Shri Kidwai: There is one between Calcutta and Delhi, the Himalayan.

Dr. S. P. Mookerjee: By north India I am covering Bihar and U.P.

This area remains completely uncovered.

Shri Kidwai: Let us hope you will get it:

Dr. S. P. Mookerjee: The possibility of development of that area may be taken in hand. Then, the possibilities of extending our air activities in the

east are also immense because that area now with Pakistan in between, is not easily accessible, and although some development has taken place,—I know the hon. Minister himself is keen on it,—perhaps this aspect also may be explored. In any case, we have to keep this in mind, that the future readjustment which we make will be so made as to give a sufficient minimum load to each company so that it will become economic without disturbing any one of them which has done its work efficiently. How that should be done is a matter of detail which cannot be discussed on the floor of the House, but I would very much like the Minister to accept this principle.

Shri Sidhva: You have to disturb the existing companies.

Dr. S. P. Mookerjee: Whether any adjustment has to be made is a matter of detail into which I do not wish to go, but what I certainly urge is that there is no cause for taking out a particular company from operation simply because legally there is a contract with the other five who, for whatever reason, have not been able to perform their work as efficiently as otherwise would have been expected.

Shri Kidwai: I agree.

Dr. S. P. Mukerjee: If there is any legal difficulty.....

Shri Kidwai: There would be no legal difficulty.....

Dr. S. P. Mookerjee: Yes, there would be no legal difficulty. My friend the Minister can pass Ordinances or anything he likes. Short of changing the Constitution I think he can do anything, and if that also is necessary I do not think he will hesitate to do it.

Now, what can Government itself do? That is what I have been thinking. In a country like ours where our resources are so limited, why should we not be able to pool our resources for common purposes? These companies are allowed to function in a manner that they may become economic and serve a particular zone which may be allotted to them, but so far as their common requirements are concerned they may come from a common pool—for instance, the spares or the training facilities or the requirements for future development. They may be all organised under Government aegis, but not departmentally, in a manner which will enable representatives of each of

these companies to come and say that so much saving may be effected in the course of every year. I was very glad to hear the hon. Minister announcing that twenty or twenty-five surplus aircraft will not be allowed to be sold but if the Companies so agree they will be kept on a care-and-maintenance basis at the cost of Government. That is a very desirable step because we should not allow these planes to be sold now; there is a great demand in foreign countries now and we may also require them in our country for use in emergent circumstances.

Shri Sidhva: Use them now also for ordinary purposes.

Dr. S. P. Mookerjee: Yes, you may require them for ordinary purposes.

Lastly, this question of nationalisation. So far as this is concerned, theoretically it may be the desire—it ought to be the desire of every Member of this House and of every Indian—that such important services should be nationalised, but I doubt very much whether such a step will be desirable just at this moment. Frankly speaking, I do not like this idea of the hon. Minister making an experiment of nationalisation by homeopathic doses. He starts with Deccan Airways. On the basis of this report the Deccan Airways will not be able to be run economically unless something else is done. For Government to take a particular Company and nationalise it and run it uneconomically will obviously be undesirable. It may be done inefficiently—that is his privilege, his prerogative—but his attempt to run it uneconomically will not be tolerated by the House. And why should Government be anxious to take one particular line on? It will be very difficult for Government to play the role of Dr. Jekyll and Mr. Hyde. Government will be a direct participator in the running of a company, at the same time it will be in the position of a supervisor in respect of the work of the other companies, and all sorts of complications may quite conceivably arise. What purpose will be served by taking over one company? I know 70 per cent. of the shares of the Deccan Airways are held by the Hyderabad State, but that is a matter which can be adjusted in so many ways. I see no reason whatsoever why the Government of India should saddle itself with the responsibility for taking over only the Deccan Airways. If the Gov-

ernment of India decides to nationalise the air services and makes an experiment, I can understand it, but there also I should certainly warn and sound a note of caution that this is just not the time when you should disturb an organisation which on the whole has worked satisfactorily. There have been difficulties, no doubt. Difficulties have been pointed out—let us remove those difficulties and let the Government supervise without meticulous interference. Because after all you cannot have it both ways—if you leave it to the private sector and go on interfering at every stage then things become worse; you do not take responsibility for what is happening, at the same time you do not allow the private sectors to function properly. So far as the overall supervision, that is laying down of policy, routes, fares, etc. is concerned, and seeing that no abuses take place, by all means let Government exercise its powers but then allow the private companies to function. In fact, I would suggest that apart from the Air Licensing Board a small advisory council may be attached to the Ministry which should include a representative of each of the companies so that on every important matter there can be no question of being misunderstood or passing orders which may not be readily acceptable, but Government and the private sector will act together in the closest possible harmony in a field where such common endeavour is both possible and necessary.

So far as the actual working of these companies is concerned, naturally so far as Air India International goes it is our common experience to meet people coming from different parts of the world, and it does make us feel proud when they say that here is a company whose work is consistent with the highest and the most exacting standards adopted in the rest of the world and has done its work creditably as a whole. That is a great compliment; whether the work was done by a private agency or not is of little importance, but that with Indian leadership and Indian management in the course of just a few years such work has been done is certainly a great compliment to the country. Similarly with regard to some other companies also, like Airways (India) I would, therefore, suggest that you either bring the sword down, apply the guillotine and nationalise—then people know where to stand—or take the sword away. To keep the sword hanging and to come out with threats of nationalisation occasionally helps nobody.

Shri Kidwai: No sword is hanging.

Dr. S. P. Mookerjee: I know your sword is still concealed.

Shri Kidwai: They have got a ten years' licence.

Dr. S. P. Mookerjee: But the hon. Minister explained how to circumvent the law and make it completely nugatory. In any case, we must take this decision: we want civil aviation to develop in a particular manner; bearing in mind some of the difficulties pointed out in the report, we should give full opportunity to private sectors to play their part and Government should not give the appearance in the least that it favours any particular group, however big, however powerful it may be. If it is to be private enterprise, let there be free play for private enterprise. Today you can go by Himalayan Aviation from Delhi to Calcutta paying Rs. 125/-. That is a fare not offered by any other company. Why should Government interfere? Why should Government be angry? I am really amazed at the attitude of other companies in this matter. They took up a very strange attitude, because they had grounds to believe so, and they predicted that this venture would be a failure. But if one private company has come forward and made a success of the job the normal corollary is that you admire it. On the other hand, here is the reverse of it—you want to try and dish it. It is not a process in which the Government should be taking a part at all.

In conclusion, I would assure the hon. Minister that this is a matter in which not only every section of the House, but the entire public are keenly interested and we should be able, sitting together, to evolve a policy and a line of action which will not only redound to the credit of the Government and the country but will benefit civil aviation to the utmost possible extent.

Shri Masani (Bombay): I have no desire to join in this debate with a speech, but I think there are one or two points arising out of the very brief statement made by the hon. Minister this morning on which I am sure this House would benefit if a little more light were thrown; and I have only risen, to ask a question of the hon. Minister and to make a suggestion for his consideration.

The question that I want to ask arises out of his remark made this morning that he proposes to deviate from the report of the Committee of Inquiry on one major point, and that is in running the Deccan Airways by the State or through the State. Now,

I would like him to clarify that somewhat, because I think this House would be interested to know what his exact intentions are in that regard. As I understand the policy of this Government, it is that whenever the State takes over the ownership or management of an industry or a concern, it believes in doing so, for the purpose of proper functioning and efficient service, not departmentally but through an autonomous Corporation. That has been the declared policy of this Government generally in regard to so-called nationalised enterprises, and indeed the Report of this Committee itself has something so pertinent to say on the point that I will take the liberty of reading a few sentences from it to the House. At the top of page 187, paragraph 361, the Committee say that in case Government disregard their decisions that there should be no nationalisation, the following considerations should apply:

"Should, however, Government decide as a matter of policy upon State ownership of air transport services, we are strongly of the view that their operation should be entrusted to a statutory Corporation. Operation of air services as part of the departmental activities of Government would not only be inefficient, but would on a long term view be detrimental to development. The rigidity in procedure to which we have referred earlier would then have full play and the limitations of departmental budgetting would have their strangulating effects on this specialised activity. Even with a statutory Corporation we are persuaded that it is most important for the success of the enterprise that (a) an outstanding man of business and administrative ability and drive, preferably with sufficient experience of air transport, should be appointed as chairman of the organisation, and (b) the Corporation should be given complete autonomy and freedom from departmental control except in regard to the main policies to be followed as laid down by Government."

This is an excellent statement of general principles with particular application to this public utility service, and I would like to know from the hon. Minister, and I am sure the House would like to know, whether he proposes to be governed by the sound principles laid down here in regard to the running of the Deccan Airways as and when it is taken over. That, Madam, is my question.

As regards the suggestion, it also arises out of the situation that would be created in regard to Deccan Airways. That situation was referred to by the previous speaker, Dr. Syama Prasad Mookerjee, during his excellent contribution to this debate. He referred to the position in which Government would now be placed of having a dual role of being itself a competitor and also supervising the regulation of that competition. That has its bearing on the constitution of the Air Transport Licensing Board. The Committee's Report on page 149, paragraph 279, makes certain proposals which are on their merits excellent in regard to the constitution or re-constitution of this Board. It suggests a judicial chairman, with two members, one of whom should be the D.G.C.A. In the background postulated by the Committee, namely, no nationalisation and no State enterprise, that would be in my view a correct decision. But the decision of the hon. Minister, tentative as it is, creates a situation which the Committee had refused to deal with in detail, namely, of Government entering the field themselves. And I would like to suggest for the consideration of the hon. Minister and Government that this in turn calls for a modification of the proposed personnel of the Air Transport Licensing Board, or whatever other authority would carry out the functions of that Board. My own suggestion to the hon. Minister would be that once Government enters the field, an Air Transport Licensing Board of this particular nature would no longer be appropriate. What would be required would be a judicial authority or tribunal which would carry out the functions that otherwise the Air Transport Licensing Board, with the presence of the D.G.C.A., would have had to carry out. The suggestion that I would make is that just as the Committee suggests a judge of the High Court or the Supreme Court or somebody else with similar judicial experience being called upon to sit as chairman of this Licensing Board, a tribunal may be set up with a single judge of the Supreme Court or of the High Court. We do not want a full-time man with all the implied burden but a judge of the Supreme Court or one of the High Courts in India might be directed by the Chief Justice to perform the function as a Tribunal for this purpose and, if he so desires a couple of assessors who may have the necessary technical knowledge to contribute to that judge might be put on this tribunal.

Shri Kidwai: What would be the functions of the tribunal?

Shri Masani: The functions would

be more or less the functions of the Air Transport Licensing Board as they are today. I am suggesting this change in the Air Transport Licensing Board for this reason, that once Government itself is a competitor and enters into the field with others, it would be proper that the adjudication of these rival interests should be entrusted to a judicial authority free from administrative personnel. As I mentioned, in the present set-up the presence of the D.G.C.A. on the Air Transport Licensing Board would be perfectly in order, but once Government becomes one of the operating Companies, either through a statutory body or otherwise, then it is appropriate that these functions, which are quasi-judicial, should be judicially administered and therefore my suggestion for the consideration of the hon. Minister would be that a further modification of the personnel and composition of the Licensing Board or Tribunal, whatever it is called, is called for by the departure that the hon. Minister proposes to make in the findings of the Committee.

Shri S. V. Naik (Hyderabad): The Hyderabad State was really anxious about the Deccan Airways. The Finance Minister of Hyderabad in his note on Budget for 1951-52 says on Page 12:

"One other concern in which Government has considerable holdings is the Deccan Airways. Like most other air lines in India, it has continued to show a heavy loss. Beyond effecting certain economies... Government were unable to take any action pending completion of the enquiry and orders of the Government of India thereon. Now that the enquiry has been completed, Government is in consultation with the Government of India as to the future of this air line."

The Deccan Airways is sustaining a loss of about Rs. 27 lakhs. Its original volume of assets was about Rs. 38 lakhs. Out of the total depreciation of Rs. 26 lakhs which it ought to have allowed it has allowed only a depreciation of Rs. 13 lakhs. In 1950, it has shown a loss of Rs. 18 lakhs. Taking the total loss, it comes to Rs. 27 lakhs. That is why the Hyderabad Government was very anxious that something should be done. I am glad that the Government of India has made an announcement that it has taken over the Deccan Airways and would run it as a State concern. The point on which I have a doubt is this. Would it be run through the Hyderabad State Government or would the Government of India run it on its own?

Shri Sidhva: What about the liability?

Shri Kidwai: It is suggested liability will be of Central Government and Hyderabad Government will manage it.

Shri S. V. Naik: The total paid up capital is Rs. 55.71 lakhs and the loan it has taken is Rs. 5.02 lakhs. The total capital is therefore Rs. 61 lakhs. Out of this, there is a loss of Rs. 27 lakhs and 70.5 per cent. of the share capital is owned by the Hyderabad Government. I would like to know from the hon. Minister whether the 70.5 per cent. of the capital that the Hyderabad Government has invested will be taken over by the Central Government. The other 29.5 per cent. of the shares are owned by Tata Sons and by the public. What will be the fate of those shares? Will Government run it as a company concern, and allow the Tatas and the public to enjoy the benefit of their shares? This point needs clarification at the hands of the hon. Minister.

¶ P. M.

As I said, Sir, I am in favour of nationalisation and all our key industries should be nationalised. But I do agree with the findings of the Inquiry Committee's report that the time is not yet ripe for it, particularly in view of the numerous schemes and projects that are already taken on hand by the Central Government and also on account of the financial stringency. Another reason given by the Committee is that if at this particular junction the Central Government takes a decision in favour of nationalisation, it would dishearten the industrialists of the whole country. That is a point that has been stressed too much. I have, however, to submit that I do not agree with this view. The policy statement issued by the Communications Ministry, or the Industrial policy statement of Government on July 1947 that it would allow private enterprise does not prevent the Central Government from nationalising this key industry.

Another point which I would like to submit to the hon. Minister is in regard to subsidy. He should know that in no part of the world, whether it be America, Britain or Australia, has any air company been able to make any profit of its own accord, except through subsidies.

Shri Kidwai: In India one company has done it.

Shri S. V. Naik: That is only in its external service.

Shri Kidwai: No, internal.

Shri S. V. Naik: Which company is it?

Shri Kidwai: It is Airways India.

Shri S. V. Naik: I have got figures of Airways India's working.

Shri Kidwai: The hon. Member may not have those figures, because that relates to the latest year's working.

Shri S. V. Naik: My own information is that almost all the companies are working at a loss. I would read the figures for the information of the House.

The gross loss suffered by the Indian National Airways was Rs. 4.5 lakhs; the fuel rebate it got was Rs. 5.6 lakhs. The Air India suffered a loss of Rs. 29.34 lakhs; it got a fuel rebate of Rs. 9.47 lakhs. The Air Services of India suffered a loss of about Rs. 4.05 lakhs; the fuel rebate it got was Rs. 0.56 lakhs. The Deccan Airways suffered a loss of Rs. 17.14 lakhs as against the fuel rebate of Rs. 4.33 lakhs which it got. In regard to Airways India its profit was Rs. 2.79 lakhs; the rebate it got was Rs. 4.24 lakhs. In regard to Bharat its loss was Rs. 3.19 lakhs and the rebate was Rs. 8.08 lakhs.

The point I am trying to make is that the small mercy shown in the form of a subsidy is not enough. The Air Transport Inquiry Committee has suggested that from 1953 onwards the rebate should be stopped; for the first year, that is 1951 the rebate of 9 annas per gallon of petrol should be continued and for the second year it should be reduced to 6 annas per gallon. As will be seen from the figures I gave, not one company is working at a profit. Now the Air Transport Inquiry Committee wants the industry to gird up its loins. Now, really speaking even the nine annas per gallon rebate is not much of a help, particularly after the devaluation of our rupee; and the import duty that is charged on petrol almost nullifies it. In actual, fact is the companies are made to stand on their own feet.

Now the Air Transport Inquiry Committee have fixed standard rates, based on different factors. If the companies cannot make up that break-need value gap, Government should come to their assistance. Government does not give any promise

or assurance that they would be giving help to these companies. On the other hand the Committee has suggested the curtailment of the subsidies. My humble submission is that not only should Government continue these subsidies, but in view of the efforts that they would be making to fall in line with the standard rate, they should be entitled to further help.

No doubt Government have taken a decision to take over the Deccan Airways. It is in a way a good sign, I may say, because the Central Government itself would be one of the parties which would be conducting an air service. It would realise the difficulties of running a concern successfully and at the same time bringing down the cost. That will be a consolation to other companies, because they will have a chance to point out: "If you cannot succeed, how do you expect us to do?" From that point of view it is a good sign. The Air Transport Inquiry Committee has pointed out the injudicious manner in which power has been exercised by the Air Transport Licensing Authority. Sometimes where they should not have granted the licences they have granted them and in that way duplicated the services and reduced the loads on each and every service. The hon. Minister says in his announcement that he has not considered yet about the night services at all. But when Mr. Sidhva was talking about this he said that the night air services would be taken, on the Madras-Delhi route, from the Himalayan Air Service and would be given to the Deccan Airways. But what I would like to submit is that when the Air Transport Inquiry Committee has definitely stated that there is no proper load for any of the six scheduled companies the Government should take a final decision that they should not renew the provisional licences at all—whether it is in respect of the Himalayan Air Service or the Kalinga Air Service or other services. My friend Mr. Sidhva pleaded very strongly for the Himalayan Air Service. But may I humbly point out to him that the rate of Rs. 3 per ton mile demanded by all the companies for carrying out the night services was not a threat, really speaking, to the Government of India or the hon. Minister. It was the figure accepted by the hon. Minister himself. What they pleaded at that time was "When you accept the cost of Rs. 3 per ton mile as the running charges, then please say why we should not be given that guarantee of Rs. 3." And, as stated by my hon.

friend Dr. Mookerjee, that he was himself in doubt whether night service would be successful at all. Under such circumstances to plead that the Himalayan Service came handy and useful to the Government of India, and from that point of view the Himalayan Service should be continued, is not correct. If we want to improve the air industry as an industry itself, we should be definite in our policies and we should see to it that no provisional licences are granted and that no duplicacy of service is allowed. We should see that the two services, Bharat Airways and Air Services of India, which are running on the Delhi-Calcutta line do not duplicate and similarly that the Air Services of India and the Deccan Airways do not duplicate between Nagpur and Delhi. While granting licences and permission for flights Government should see to it that such duplication of services does not occur.

I would also plead the same point with regard to the non-scheduled services. I know that the Air Transport Inquiry Committee has pleaded in favour of the non-scheduled services. If I remember aright there are about six non-scheduled services. The A.T.I. Committee has stated that the flights that these non-scheduled services have made—they have made in all 24,000 hours of flight—no doubt in comparison to the hours of flying that the scheduled services have made is a very small number. At the same time, when we know definitely that even the scheduled services do not get proper load and proper amount of service, it is not fair for the Government either to grant or continue the provisional licences or grant licences to the non-scheduled services at all. So I do feel that the Government should give due consideration to this. Of course I should congratulate the Government on taking a decision that they would bear the maintenance and upkeep charges of the surplus aircraft of each and every company, because the maintenance of each Dakota would come to about Rs. 10,000 a year, and for the Viking and other aircraft it will be still more. In view of the national asset involved, the decision that the Government has taken is a very wise and useful one.

There is one more point to which I want to refer in respect of the Deccan Air Service. It has made all efforts—I may say that it has made a heroic effort, really speaking—to cut down its overhead expenses,

[Shri S. V. Naik]

Whereas in 1947 the cost was about 51·6 annas per mile, in 1948 it rose to 67·8, in 1949 it rose again to 68·8, but in 1950 it has brought the cost down to 58·9, and I think it is the lowest throughout India. There cannot be anything lower than that. It has seen to it that all overhead expenses are cut down as much as possible. That way, if the Central Government takes it over, it will really be an experiment for the Central Government to show that a concern can be run profitably under the circumstances that are existing. That is why I say that the other services should feel themselves satisfied that the Central Government is taking this service and is going to run it as a national undertaking.

Mr. Chairman: Shri Amolakh Chand. I would request the hon. Member to precisely close by 4-30 as I wish to call upon the hon. Minister at 4-30.

Shri Amolakh Chand (Uttar Pradesh): I will not take more than seven or eight minutes.

The story of civil aviation as disclosed by this voluminous report is a sad one. The civil aviation policy is only four years old, but if we go through the recommendations of this Committee we will find that on one ground or the other the Committee has condemned each and every air company—for various reasons, whether the Dakotas are more, or whether the S.O. 95's are more than what are actually required in India, we further find that some companies have also got spare parts which are not being used. As such the whole story of this civil aviation is rather very sad. What I want to impress is that nationalisation of this aviation would be in the best interests of the country. We all know that in these days aviation is propagated in all the countries. We have nationalised railways. Road transport has been nationalised in so many States. Water transport which needs greater attention has not yet been nationalised. And then we find aviation is one which should be nationalised as early as possible. At present what we find is that the Government of India is subsidising in one way or the other these air companies. They are giving rebate in customs duty; they are giving 37 per cent. of mails to these companies—particularly to Himalayan Airways. In these circumstances the sooner they decide on nationalising them the better. I am glad that the hon. Minister has taken a right step in nationalising Deccan Airways now. The

whole capital of our country in this respect is involved to the tune of Rs. 10 crores but with no particular results. What I suggest is that we should try to nationalise on a no-profit no-loss basis. In aviation we know the cost is much and it is not easy to have technical assistance and all that, and it is very possible that for a few years we may not have any dividend from this enterprise. So to begin with, I think, it would be much better to start on a no-profit no-loss basis. Further, we find that the fares of these companies are too high. In India, as aviation is a new thing, people are much interested in having cheap air journeys.

I would not like to go into the details about the defects of one company or the other, but what I would like to point out is that the Government too has been blamed by this Committee for not granting licences at the proper time. The interest of the consumer has been overlooked altogether and taking all facts into consideration, I would suggest that Civil Aviation should be nationalised.

बाबू रामनारायण सिंह : सभानेत्री महोदया, अभी जब हमारे मित्र श्री जयपाल सिंह बोल रहे थे तो.....

मि० चैयरमैन : देखिये, आप को दस गिनट में खत्म कर देना है।

बाबू रामनारायण सिंह : इतनी पाबन्दी तो न करें, लेकिन मैं बहुत कोशिश करूंगा कि मैं अपनी बात बहुत जल्दी समाप्त कर दूँ। हाँ दस मिनट का टाइम (time) तो बहुत है, लेकिन पाबन्दी नहीं होनी चाहिये। तो मैं कह रहा था कि मेरे मित्र श्री जयपाल सिंह किदवाई साहब से नाराज हो रहे थे कि कोई निश्चित प्रस्ताव क्यों नहीं लाये। उस जगह मेरी भावना इस तरह की होती है कि सरकार जब पहले कोई निर्णय कर ले और उस निर्णय में जब फिर कोई बदल होने का नहीं, तब हम लोगों के सामने क्यों आये। यह ठीक है कि जिस विषय का निर्णय हो, वह निर्णय इस संसद् में हो और सरकार उस निर्णय को आत्म-सूच कर माने, तब हम उस को अच्छा समझेंगे। यह काब

कुछ ठीक नहीं है कि सरकार का निर्णय पहले हो जाय और फिर वह निर्णय संसद् में पेश हो और चाहे हम लोग कितनी ही बहस उस पर क्यों न करें, उस में कोई भी संशोधन न हो सके। तो मैं समझता हूँ कि जो तर्ज हमारे किदवाई साहब ने बिसलया है, वह तो मुझे पसन्द है। सरकार अपना सोच विचार संसद् के सामने रखे, लेकिन उस पर अन्तिम निर्णय वहीं हो और सरकार पहले से निर्णय न कर ले।

एक बात मैं कहता हूँ कि जो अभी अभी यह फिक्क लगी हुई है कि मैं जल्दी अपनी बात खत्म करूँ, क्योंकि साढ़े चार बजे मिनिस्टर (Minister) साहब बोलेंगे और ताकि उन्हें ज्यादा समय बोलने का मिले, मुझे यह चीज कुछ पसन्द नहीं आती। यह मंत्रियों लोगों को इतना समय क्यों मिलता है? क्या यह जरूरी है कि जितने लोग यहां पर बोलें, तो हर बात का जबाब हो, हर बात का जबाब देने की उन को जरूरत नहीं है। उन के हाथ में तो बहुत काम है; उठ कर बतला दें कि अमुक अमुक काम मुझ करने हैं, बस और वह इतना ज्यादा क्यों बोलते हैं, उन्हें बोलने की जरूरत नहीं है। बोलना तो मेम्बरों का है, वह बोलें, मंत्रियों को तो गिना देना है कि उन्हें यह काम करने है और जो हम लोग कहें उसे मान लेना है।

इस रिपोर्ट पर अनेक बातें चल रही हैं। यह आकाश भ्रमण करना बड़ा अच्छा मालूम होता है। यह सब सही है, लेकिन हमारी इस के सम्बन्ध में एक राय होती है जिस पर हम सारे देश के पूंजीपतियों से और सरकार से अनुरोध करेंगे कि इस पर विचार होना चाहिये। कुछ दिन पहले मैं ने एक बार ऐसा कहा था कि हम चाहते हैं कि हमारा सम्पूर्ण आकाश विमानों से छा जाय, यह ठीक है, लेकिन मैं यह

नहीं चाहता हूँ कि विदेशों के बने हुए विमान हमारे यहां आयें और मैं सरकार के सामने और किदवाई साहब के सामने यह सुझाव रखूंगा कि हमारे देश में बाहर से उतने ही विमान आयें जितने बहुत आवश्यक हों, और वह आवें, हमारी सेना के काम के लिये आवें, बाहर से विमान न खरीदे जायें, और मैं चाहता हूँ कि स्वयं हमारे अपने देश में इस के लिये दो, चार, दस ऐसे कारखाने खुलें जहां विमान तैयार हों, ट्रैक्टर (tractors) तैयार हों ऐसे कारखाने खोले जायें, और उस के लिये देश की जितनी पूंजी है और सरकार जितना पैसा खर्च कर सके, करे, और यह कारखाने हमारे देश में खुलवाये जिस में हमारे यहां मशीनरी (machinery) तैयार हों और हर तरह की मशीनरी यहां बननी चाहिये और बाहर से हर तरह की मशीनरी आना बन्द हो जाना चाहिये। हमारे देशवासियों को गम्भीरतापूर्वक सोचना है कि यह हमारा देश का जो करोड़ों रुपया प्रति वर्ष बाहर मुल्कों में जा रहा है बाहर की मशीनरी इस देश में लाने के लिये, तो यह बहुत बुराई हो रही है। हमें ऐसा प्रबन्ध करना चाहिये कि मशीनरी यहां पर बनें और उस के लिये कारखाने खोले जायें ताकि दो, चार वर्ष के अन्दर बाहर से उन का आना बिल्कुल बन्द हो जाय।

अब यहां पर जो राष्ट्रीयकरण का नारा लगाया जाता है कि राष्ट्रीयकरण हो जाये नेशनलाइजेशन (nationalization) हो जाय, तो मैं कहता हूँ कि जरूर कीजिये, लेकिन इस विषय पर जरा गम्भीरता से विचार करें और मैं चाहता हूँ कि फिलहाल समय को देखते हुए राष्ट्रीयकरण को अभी मुस्तबी किया जाय। राष्ट्रीयकरण तभी शोभेगा जब राष्ट्रीय संस्थाओं के काम करने वाले लोग यह समझें कि वे लोग देश के लिये काम कर रहे

[बाबू रामनारायण सिंह]

ह और देश के लिये वे जीते और मरते हैं। जब ऐसी अवस्था हमारे यहां हो, तभी राष्ट्रीयकरण करने से लाभ होगा। यह तो ठीक है कि जो आज पूंजीपति कम्पनियों काम कर रही हैं, उस का हम राष्ट्रीयकरण कर लें, लेकिन ऐसा करते वक्त यह भी देखना है कि जिन के हाथ में यह चीज हम सौंपेंगे, वह कितना ठीक काम कर रहें हैं और मुझे क्षमा करेंगे यह हमें देखना पड़ेगा कि उन के हाथ में देने से हमें कितना नफ़ा होगा और मेरी राय में राष्ट्रीयकरण का काम तब तक मुलतबी रहना चाहिये जब तक कि हमारे देश में राष्ट्र में कैरेक्टर (character), चरित्र ठीक ठीक न बने। यह हमारे देश में जो प्राइवेट इन्टरप्राइज़ (private enterprise) चलती है, लोगों को प्राइवेट इन्टर-प्राइज़ करने के लिये सरकार को अपनी तरफ़ से पूरी सहायता करनी चाहिये। और जब ऐसा मौका आयगा और सारे देश में हर तरह की व्यवस्था पूरी पूरी हो जायगी, उस वक्त पर ज़रूरत होगी, तो उन की पूरी पूरी आमदनी का बन्दोबस्त कर के उन को दाम दे कर के नेशनलाइज़ कर लिया जायग लेकिन अभी मौजूदा अवस्था में राष्ट्रीयकरण का नारा कुछ मेरी समझ में नहीं आता है। और सभानेत्री जी, जब बजट (budget) पर यहां बहस हो रही थी, तो हर विभाग के बारे में यहां कहा जाता रहा कि वहां यह काम नहीं हुआ, यह काम ठीक से नहीं हुआ और हर विभाग की सरकार की यहां पर निन्दा होती है कि वहां पर काम ठीक होता ही नहीं तब सरकार पर और यह कार्य लादने की क्या ज़रूरत है और मैं तो कहूंगा कि समूची सरकार को तो नहीं, लेकिन किसी सरकार के किसी एक विभाग को तो ठीका लगा दिया जाय और या तो उस को पूंजी-पतियों को सौंप दिया जाय, इसलिये कि

सरकार उस का ठीक तरह से प्रबन्ध नहीं कर पाती और उस के कार्य की निन्दा होती है, तो मैं कहता हूं कि उन को पूंजीपतियों के साथ ठीके लगा दिया जाय, जहां पर ठीक तरह से काम नहीं होता है और उन के बारे में जांच की जाय।

मि० चैयरमैन : आप का समय हो गया है।

बाबू रामनारायण सिंह : जी हां, लेकिन कृपा कर के थोड़ा समय मुझे और दे दें।

मि० चैयरमैन : एक मिनट में ख़त्म कीजिये।

बाबू रामनारायण सिंह : एक मिनट नहीं, दो, तीन मिनट का समय दिया जाय।

मि० चैयरमैन : सिर्फ़ एक मिनट।

बाबू रामनारायण सिंह : अन्त में जो सबसिडी (subsidy) देने की प्रथा है, सभानेत्री जी, मैं उस का विरोध करता हूं। यह तो कभी नहीं होनी चाहिये। बल्कि मैं तो यह कहता हूं कि जिस व्यवसाय को आप को सहायता देना हो, उस व्यवसाय का सरकार ही क्यों न प्रबन्ध करे और इस की व्यवस्था इस तरह हो कि व्यवसाई को उस की पूंजी का सूद मिले या नफ़े में हिस्सा मिले या उस का पूरा दाम ही दे दिया जाय, लेकिन यह जो सबसिडी देने की बात है, उस को मैं बुरा मानता हूं।

सभानेत्री जी, आप जानती हैं कि १९३० के साल से शुगर इन्डस्ट्री (Sugar Industry) को चीनी के व्यापार को, प्रोटेक्शन (protection) दिया जा रहा है, लेकिन अभी तक वह स्वतंत्र नहीं हुआ है। भला, कहिये तो, कि जनता के पैसे से पूंजीपतियों की थैली भरी जाय, यह कहाँ का न्याय है। वह नहीं होना चाहिये। तो सबसिडी तो हर हालत में बन्द होनी चाहिये।

(English translation of the above
speech.)

Babu Ramnarayan Singh (Bihar):
Madam, just now when our hon.
friend Shri Jaipal Singh was speak-
ing.....

Mr. Chairman: Please remember
that you are given only ten minutes
to finish your speech.

Babu Ramnarayan Singh: Please do
not enforce the time-limit so rigidly
though I will try to finish my speech
in the minimum possible time. I
agree that ten minutes time should
ordinarily be quite sufficient, yet to
impose the time-limit so rigidly is no
good. Anyway, I was referring to
the indignation of my hon. friend Shri
Jaipal Singh with hon. Shri Kidwai
for the latter's failure in bringing up
a specific Bill. My own reaction with
regard to this particular issue is that
there is no need at all for the Govern-
ment to come before the House
after they have already taken a decision
in a matter which to them is
unalterable. It is but proper that all
decisions are taken in the House and
the Government execute the same
blindfold. It does not augur well
that the Government decisions are
taken prior to the matter having been
moved in the House when all amend-
ments tabled by us are thrown out
and everything said by us is rejected.
I, therefore, like the procedure initiated
by Shri Kidwai in this behalf.
The Government may place before the
House their ideas on a certain subject,
but the final decisions should rest
with the House alone and should not
be taken by them beforehand.

I disapprove of the anxiety that I
should finish my speech earlier so as
to enable the hon. Minister to reply
to the Debate at 4-30 p.m. and, thus
to give him more time for that pur-
pose. That idea does not appeal to
me. Why are the Ministers given
so much time? Is it necessary that
their speeches should contain a reply
to all the points raised by all the
speakers participating in the Debate?
It is not obligatory on them to do
so. The Ministers' hands are full of
many things; they may simply rise to
state that they have to do this or
that work and finish with it. Why
should they, after all, make so lengthy
speeches which they can well avoid?
It is only for the Members to speak.
All that they have to do is to state
the various issues which have a demand
on their time—and as for us, we
have to accept that statement.

Many points have been touched in
this report and air lights on the
whole appear to be much fascinating
91 P.S.

indeed. All this is right, but there
is one thing which we have to em-
phasize upon the capitalists and the
Government of our country and
which they ought to consider. A few
days past, I had expressed my wish
to see the whole sky buzzing with
our aircrafts. So far it is correct. I,
however, do not wish that these
aircrafts should be of foreign manu-
facture. I would suggest to the
Government and Shri Kidwai that
the number of aircrafts imported from
abroad should be confined to the
minimum necessary. The imported
aircrafts should be used for defence
purposes only. They should not be
purchased from foreign countries,
rather we should set up as many
factories as we require where all
kinds of tractors and aircrafts should
be manufactured. The country and
the Government should spend maxi-
mum possible amount for this purpose
and help opening these factories which
should be fully equipped to manufac-
ture all kinds of machinery. All
imports of machinery should be
stopped. Our countrymen will have
to give a serious thought to the
enormous wrong being done in spend-
ing crores of rupees annually for the
import of foreign machinery. We
should have our own arrangements
for the manufacture of all kinds of
machinery and we should open facto-
ries which in the next few years may
so develop as to make it possible to
stop all imports from abroad.

So far as the slogan of nationaliza-
tion is concerned, I am quite in favour
of the idea. I, however, want it to be
considered with due seriousness and
that, keeping in view the present
trends it may well be postponed for
some time. Nationalization augurs
well only when workers of our various
national organisations have a clear
sense that they are working for the
Nation and the Nation alone and that
they have to live and die for their peo-
ple. Nationalisation will prove benefi-
cial only when such conditions have
been created in this country. It sounds
alright to say that all companies and
concerns run and managed by the
capitalists in this country should be
nationalized. But along with this we
have to be cautious to see as to how
far the persons to whom we propose to
entrust the management of these
nationalized concerns, are competent
to handle that task. I will rather be
excused to say that we should also
take into consideration the advantage
or profit that we stand to reap by
entrusting that task to those people.
In my opinion the task of nationaliza-
tion should be deferred till the general
character of our people comes up to

[Babu Ramnarayan Singh]

the requisite standards. Further our Government should give all possible encouragement to the people for the promotion of the private enterprise in this country. When, therefore, all requirements in respect of nationalization have been fulfilled and the time for it is opportune and the need for the same established, nationalization can be forged ahead after those people have been paid full compensation and their incomes are fully assured. I, however cannot understand the justification for this slogan in the present context of the situation. Madam, we know that all sorts of criticism regarding inefficiency and incapacity was levelled against the Government and they were censured on various counts in the course of the General Discussion of the Budget. Why then this additional burden on them? I rather maintain that first of all we may set, at least, any one Ministry, if not the whole Government, on an efficient footing. If the Government find themselves unable to do this work, it may well be entrusted to the capitalists. It will save the Government from criticism. All Ministries and Departments of the Government where we note a lack of efficiency, may be handed over to the capitalists and an enquiry should be instituted into all such cases.

Mr. Chairman: Your time is over.

Babu Ramnarayan Singh: Yes, Madam, but you may kindly extend it by a few minutes more.

Mr. Chairman: You may have one minute more to finish.

Babu Ramnarayan Singh: Not one, but give me two or three minutes more.

Mr. Chairman: Only one minute more!

Babu Ramnarayan Singh: In conclusion, Madam, I voice my opposition to the system of giving subsidies. It should never be worked. Instead of giving subsidies, the Government should itself take over the concern whom it intends to subsidize and the proprietor or the proprietors should be paid either interest on their capital or a share in the profits. In case both these alternatives are not acceptable, they may even be paid full compensation for their monetary interests. But as far as the system of subsidies is concerned, I regard it an ill-conceived one.

Madam, you are aware that ever since 1930, protection is being given to the sugar industry of this country. That particular industry is not free

from protection even now. You may well consider how far it is a just practice to enrich the capitalists at the cost of the masses. That practice should be stopped and, at any rate, the system of subsidies should be abolished.

Mr. Chairman: The hon. Minister.

बाबू राम नारायण सिंह : मैं अभी खत्म

करता हूँ।

[Babu Ramnarayan Singh: I am concluding my speech.]

मि० चैयर्समैन : मैं ने मिनिस्टर साहब

को बुला लिया है।

[Mr. Chairman: I have called the hon. Minister.]

Shri Kidwai: I had stated very briefly what we propose to do on the recommendations of this Committee's report. I was purposely vague, because I thought I should not commit the Government definitely till the views of this House are known, and if possible, we may take guidance from the House. I am glad that the debate has been very helpful although one-sided.

In my opening remarks, I had said that the Government has accepted the estimates of the cost of operation by the Committee, though they considered them higher than actually achieved in this country. I may give an illustration. In 1949 Airways India had actually a profit of Rs. 3,10,000, while, if calculated according to the formula laid down by this Committee, they should have suffered a loss of 1,95,000. Similarly in 1950, although the complete accounts are not available, the Managing Director of the company has informed us that this year they have earned a profit of more than 11 lakhs while according to the estimates of the Committee, the profit should not have exceeded 6 lakhs. The achievement of Airways India is remarkable. They got a subsidy; but if we take away the subsidy, they will still be left with a profit of 4 lakhs on a capital of only 21 lakhs. Similarly, there are the results of the other companies also. In cases of the Deccan Airways, Himalayan Aviation and Kalinga Airways, it is seen that the estimates of cost of operation that this Committee has calculated are more than those actually achieved here. But, for purposes of our calculations, we have accepted those estimates, and have agreed that whatever fares they have suggested, we will accept

with one modification. They have said that the operating companies should not be allowed to accept fares lower than what has been laid down by them. This, we are not prepared to accept. If some companies can operate with lower cost of operation, they should be allowed to pass their savings to the passengers, and they should be allowed to accept whatever fare they think is reasonable. Every operating company will be free to fix their fares up to the maximum that has been suggested by this Committee; but it will be open to them to accept a lower fare.

Shri Sidhva: Unless there is competition, nobody will accept a lower fare.

Shri Kidwai: There is hardly any competition except in one or two routes.

Shri Sidhva: I say there should be competition.

Shri Kidwai: But, there is none.

The second recommendation was about re-organisation of certain Air lines. The Committee has suggested that the number of operating companies should be reduced. While they have pleaded for the retention of the operating companies which were being run at a loss they have advocated the elimination of a company that had shown both efficiency and profit. But, if we examine the position closely, we will find that re-organisation proposed will also not help us. Take the case of Air-India. The Air-India is the foremost Air company in this country. They are very efficient. (Shri Naziruddin Ahmad: quite right). The hon. Member is always ashamed of efficiency. Air-India is being run very efficiently. It is a well-managed company. The Committee has recommended that as they now operate about one-fourth of the routes available (An Hon. Member: Three-fourths) they should not be given any additional routes. I do not see any reason why they should not be given any additional routes if they can start a new service between two cities. Within their sphere it is, they who can operate such routes economically. You cannot expect Airways India from Calcutta, to operate a service between Amritsar

and Jaipur or Jodhpur. It is Air India who can do it. Therefore, I have not accepted this recommendation that Air-India should not be given any new route.

The Committee has suggested that Air Services of India and Deccan Airways should be merged. That also is not understandable, because they are operating in two different spheres. There is no competition; there is no common route. How will this merger effect any saving except a few lakhs on the headquarters organisation? One of the companies has suffered a loss of 18 lakhs and the other a loss of 15 lakhs. The joint loss would be, if not 33 lakhs, 28, 29 or 30 lakhs. Therefore, merger will not help. Besides, although the Air Services of India were keen on the merger, the Deccan Airways were not prepared to accept that. Therefore, it could not be effected.

A third proposal about re-organisation is that Himalayan Aviation should be eliminated, that the night service between Madras and Delhi should be given over to Deccan Airways, and the night service between Calcutta and Bombay should be given to Airways India. Airways India, as I have already mentioned were operating both efficiently and profitably. They did not need a new route badly to justify the elimination of Himalayan Aviation. There was some justification for the elimination of the Himalayan Aviation if the route was given to the Deccan Airways. I will explain why I have agreed to the cancellation of the licence of Himalayan Aviation.

Originally, before this night service was introduced, I wanted to operate the service by a company run by the Government. I had made this proposal at that time, that the Government of India should take over the Deccan Airways and that they should operate the new service. The General Manager of the Deccan Airways was by himself prepared to operate the night service on the terms that we were offering. But, as there had been formed an Air Transport Association and as that Association had pitted itself against night service, he had to decline. It was he who first suggested to me that cheaper fares would increase air traffic and bring profit to the company. That was his idea and therefore I had at that time suggested that we should take over the Deccan Airways and operate the night service with that company.

[Shri Kidwai]

But at that time it was thought by our financial experts that it would be a losing service and therefore, it was not agreed upon and I gratefully accepted the offer of Himalayan. They were given a provisional licence. As my hon. friend Mr. Jaipal Singh has read out I had said that their licence would be made a term licence. But before their application for term licence could be considered, we decided to appoint this committee and in the pendency of this committee, it was not pendency to issue any term licence. Therefore, all licences issued in between, have been provisional licences. The term of the Himalayan was extended from time to time till the Committee's recommendations were made available. Even then I proposed, while the discussions were going on, that if I am allowed to take over the Deccan Airways, the State service would get preference. I had explained to the management of the Himalayan also that they will get the term licence in spite of the recommendation of this inquiry committee, if these routes are not operated by the State air service. That is the only justification for my refusing them a term licence.

Babu Ramnarayan Singh: What will you do with the stock of the Himalayan Airways?

Shri Kidwai: I am not prepared to send them out of operation. They are a chartered company and they are prepared to work lines. I have assured them, and the speeches in the House have strengthened me in my resolve that the Himalayan will be given some alternative routes. They will continue as schedule operators.

Shri Kamath (Madhya Pradesh): Which route?

Shri Kidwai: That cannot be said here, because these routes have to be allotted not by this Government but by the Licensing Board. I have said that they should apply for alternative routes and they will get the support of the Government.

Shri Kamath: You have already allotted routes to the Deccan Airways and other companies.

Shri Kidwai: They will get other routes. There are so many cities to be connected, any number of them.

Dr. S. P. Mookerjee: If these routes are run successfully, will they be handed over to the Deccan Airways?

Shri Kidwai: You yourself were doubting about the success of this route. Therefore you are doubting the success of every route.

Shri Kamath: How many accidents had the Airways of India?

Shri Kidwai: The other proposal in this reorganisation is that the Kalinga's provisional licence should not be renewed. I have not been able to appreciate this. The Kalinga is not carrying any passengers. At a time when it was difficult to send our mails across between Bengal and other places, the Kalinga offered to carry all our mails and letters and parcels and at a very cheap rate. That is why we gave a licence to carry the mails and that is the one service they are operating. There is so much goods traffic, freight traffic, between Bengal and Tripura and Manipur and Assam and all the planes available are being utilised. Why should their licence be cancelled? If that is done, the only effect will be instead of flying direct from Calcutta to Manipur they will have to go through Indian territory round about. So the more the licences are applied for, the more I am prepared to issue.

The other suggestion was that the Patna-Khatmandu route should be given to the Bharat and I think that is a reasonable suggestion. But before this report was received, the I.N.A. had explored the possibilities of having a service to Khatmandu. They had taken two expeditions and therefore provisional licence was given to them. These are the proposals regarding reorganisation.

Now there is this question of subsidy. The Committee has recommended the continuance of a rebate of 9 as. per gallon for the first year and 6 as. per gallon for the second year and then they have suggested some other formula for subsidy connecting the margin between the income and the expenditure, to a certain extent. This rebate of 9 as. was calculated on the basis of a certain price of petrol. Since the recommendation was received the price of petrol has gone down by 2 as. 9 pies per gallon. Therefore we calculated that the rebate justifiable would be 6 as. 3 pies and not 9 as. In the meantime we received information about the report of the Airways India's Finance result of 1950. It was found that although that company had earned a profit of Rs. 4 lakhs, we had to give them a subsidy of Rs. 8 lakhs. This is not a desirable form of subsidy. You have to subsidise where there is a

loss. You are not to subsidise where there is a profit. Therefore we had to think of other ways. In the meantime, I asked the Department to work out the working cost for the years 1947, 1948, 1949 and 1950, of these companies as laid down by the Committee and the results were very revealing.

बाबू रामनारायण सिंह : किस को आप कुछ

बेते हैं उस की आमद और खर्च पर आप का

क्या अधिकार रहता है ?

[Babu Ramnarayan Singh: What control do you exercise over the income and expenditure of the companies which you subsidise?]

Shri Kidwai: कोई अधिकार नहीं है [No controls]. As I said, the results were very revealing. The Air India Ltd. in 1947 had a profit of Rs. 14,95,000. If the expenses had been according to the estimates and the formula laid down by the Committee, the profit would have been Rs. 57,08,000. Similarly in 1948 the profits of the Company were Rs. 1,02,000 and according to the estimates of the Committee the profit should be Rs. 61,09,000. In 1949, the profits were only Rs. 4,000, but according to the estimates of the Committee the profits should have been Rs. 46,59,000.

In the current year, although we do not know what profit or loss their balance sheets show, according to the estimate of this Committee the profit should be Rs. 30,80,000. So in four years time the profits would have been a little less than Rs. 2 crores on a capital of one crore and 40 lakhs. I wonder why people say that air services cannot be profitably operated. In India there is so much scope for air services and if we can keep control over expenses the profits are bound to grow. Therefore I found that we have to revise out notions of subsidy, and we are thinking of introducing a new system. If there is any gap between the income actually earned and the expenditure which the operating company would incur under the Committee's scheme, we would pay the difference to make up the loss. This scheme, as I said, has not yet been finalised, because there are some other aspects to be considered. Some companies cannot be expected to bring down their cost of operation so low within the time that has elapsed. Therefore we may modify the formula to some extent. It is under consideration.

Dr. Deshmukh: I hope you will not penalise efficiency.

Shri Kidwai: I do not know if the Committee has penalised efficiency.

Shri Sidhva: If the companies do not agree to this Committee's operation charges, then what will happen?

Shri Kidwai: They are not bound to accept our subsidy. Are they? As regards the Air licensing Board we have not finalised it. We are considering its constitution on the lines suggested by the Committee.

My friend Mr. Masani thinks that now that we are taking over the Deccan Airways and Government would be operating that company, it will enter as a competitor with other operating companies. Therefore the licensing board should consist of impartial men. I do not know what they have to judge. Under the existing rules of licensing progress is not easy in civil aviation. The rules are such that if all the companies are operating two-engine planes no company should be allowed to use four-engine planes, because it will affect adversely the other companies' operation. If these rules continue surely we will require a Judge to find out whether any new venture by one company would adversely affect the earnings or profits of other companies. But if you want that civil aviation should advance, as it is done in other countries then we will have to ignore the interests of private firms and encourage others to bring in new planes. When Bharat brought the Skymasters they suggested that they should be allowed night service by Skymasters. They are four-engine planes and it would have been safer to operate the night services by Skymasters. The operation cost comparatively per passenger seat would have been lower and the fares also would have been lower. But it would have affected the Air India's earnings and the earnings of Indian overseas services. They said and rightly said when a four-engine plane is operating who will travel by a two-engine plane? That is why licence could not be given. But would you like us to stick to the rules and not change them? If we change those rules no judicial officer will be necessary. He has not to judge between one company and another. A licensing board has to see that the applicant has the necessary equipment, technical personnel and can operate the service efficiently. If we are to look to all other interests then no progress is possible. Still whatever my friend Mr. Masani said I will consider.

The other point which Mr. Masani wanted to know was how we will operate the Deccan Airways, whether departmentally or by a corporation,

[Shri Kidwai]

I hold the same view as the Committee has recommended. In the department the financial rules hinder our progress. Therefore when the department opened a telephone factory in Bangalore we entrusted the management to a corporation on which some of the departmental officers and private businessmen are Directors. Similarly we had three workshops for which only last month we have appointed an autonomous managing board. Likewise the Deccan Airways will be operated by an autonomous board working just like the board of directors of any private firm.

Mr. Nalk wanted to know what we are going to do with the shares of the Hyderabad Government and those of other individuals. Hyderabad State owns 68 per cent. of the shares and the Railway Board owns 10.2 per cent. We will take over the Hyderabad Government shares and will pay according to the agreement. If private individuals want to sell their shares they are free to do so but if they want to retain them for the time being we will not force them to sell. If we find any hindrance in the working of the company we will reconsider as to whether we should acquire them or send the company into liquidation and purchase the stock. But for the present we will be content with taking over the Hyderabad shares.

बाबू राम नारायण सिंह : जिस लाइन पर जो कम्पनी काम कर रही है उसमें बेंच होना है या नहीं ?

[Babu Ramnarayan Singh: Will there be some change in the operation of various routes by companies?]

श्री किदवाई : अभी, आप से कहा गया कि कोई जज साहब आकर उसको बेंच करणो

[Shri Kidwai: I have just now told you that it will be decided by some Judge who will be appointed for the purpose.]

Mr. Chairman: The hon. Minister has only two minutes more and let him not be interrupted.

Shri Kidwai: Even if I read out all the points it will take more than two minutes.

Mr. Chairman: The hon. Minister may go on.

Shri Kidwai: My friend Dr. Mookerjee spoke about his doubts regarding my optimism. When he

was speaking I found that he agreed with most of the points that I had in mind except that in the end he spoke about the private operators and that we should keep in mind their interest. I may inform him that in 1947 when I was put in charge of this department the question of nationalisation of the air services was pending. Licences of the operating companies were being renewed after every three months or ninety days. When I took over and discussed the matter with some of the operators I came to realise their difficulties and felt that unless they got a term licence they would not be able to introduce improvements in their services and they would not like to invest more money in equipment and other things. Therefore, we decided to issue them ten-year licences. Most of the operators possess today ten-year licences.

5 P.M.

The other point which Dr. Mookerjee made was regarding bringing about some sort of co-ordination to save expenses. I tried to persuade these operating companies to form an air transport association. I advised them to utilise this association for common services. For instance, in Delhi four or five companies are operating. Each one has got its own booking office, each one has got its own transport, each one has got its own ground officer. I had suggested that if an air transport association takes up this work then a large amount will be saved. Similarly at every other station. But there was so much rivalry between the companies that they decided not to do it. They said that every operating company has got its own standard of efficiency and they asked why they should be jeopardised. I thought that the most efficient can raise the standard, of the least efficient to its own standard but they did not agree. I will again try to persuade them because that is one way of affecting economy, but so long as the private interests prevail it is difficult to persuade them to agree to it.

Mr. Chairman: I would like to know from the movers of amendments whether they would press their amendments.

Shri A. C. Guha: Though the reply of the Minister is not quite convincing, I beg to withdraw my amendment.

The amendment was, by leave, withdrawn.

Mr. Chairman: Then Prof. Shah's amendment. He is not in the House, so I will put it to the House.

The question is:

That at the end of the motion the following be added:

"and having considered it, this House is of opinion that the time has now arrived when the entire Air Transport Service, and the industry making and supplying flying machines, parts, spares and accessories, including the arrangements for training of pilots and other members of the crew, as well as ground staff needed for the proper operation of the Air Transport Service, and the repair, servicing and

maintenance of aircraft in efficiently airworthy condition, be nationalised; and accordingly requests Government that immediate and effective steps be taken to acquire and take over the fleet, equipment, spares and other accessories, and appurtenances, rights and title of the existing Air Transport Companies operating in or from India, with such compensation for the fleet, equipment, spares, accessories and appurtenances, rights, title and interests, as the Constitution may require".

The motion was negatived.

The House then adjourned till a Quarter to Eleven of the Clock on Tuesday, the 17th April, 1951.