

[Secretary]
assented to by the President since a report was last made to the House on the 3rd April, 1967:

- (1) The Armed Forces (Special Powers) Continuance Bill, 1967.
- (2) The Representation of the People (Amendment) Bill, 1967.
- (3) The Land Acquisition (Amendment and Validation) Bill, 1967.
- (4) The Essential Commodities (Amendment) Bill, 1967.

12.34 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

FIRST REPORT

Shri Khadiolkar (Khed): I beg to present the First Report of the Committee on Private Members' Bills and Resolutions.

12.42 hrs.

STATEMENT ON UK'S RENEWED APPLICATION FOR ENTRY INTO ECM.

The Minister of Commerce (Shri Dinesh Singh): Sir, hon. Members would have known from recent announcements that the British Government have made an application on the 11th May, 1967 for admission of the United Kingdom to the European Economic Community....

Shri Nath Pal (Rajapur): We have studied the statement and we are ready with questions.

Shri Ranja (Srikakulam): We did not know that this was being placed somewhere and we had to go there and get it.

Shrimati Tarkeswari Sinha (Barh): I have not got it.

Mr. Speaker: I am told it has been circulated. Then, he may lay it on the Table of the House.

Shri Dinesh Singh: I have no objection. I lay on the Table [Placed in Library. See No. LT-340/67].

Shri Nath Pal: Are you ready to answer?

Shri Dinesh Singh: Yes.

श्री मधु लिम्बे (मुंेर) : अध्यक्ष महोदय, मंत्री महोदय ने साझा बाजार में प्रवेशों में प्रवेश पाने के लिए जो प्रयत्न दो है उनका हिन्दुस्तान के व्यापार पर क्या असर पड़ने वाला है उन को लेकर यह बयान दिया है। 21 साल की उम्र होने पर कोई भी व्यक्ति बालिग हो जाता है, अब स्वतन्त्रता के बाद करीब करीब 21 साल हो रहे हैं, येरी समय में नहीं था रहा है कि हमारी सरकार कब बालिग होने वाली है ? इसमें जो विचारधारा है, वही राष्ट्रमंडल के मुद्दों को गाने गाने की विचारधारा है, वही प्रवेशों के साथ जो पुराने व्यापारी रिश्ते थे, उनको बनाये रखने की विचारधारा है। यूरोप में और दुनिया में जो बड़े बड़े परिवर्तन आये हैं, उनके अनुकूल अपनी नीति का बनाने की इसमें इच्छा नहीं दिखाई दे रही है।

मैं यह जानना चाहता हूँ कि अपने निर्यात व्यापार के मामले में जो हम प्रवेशों पर ज्यादा मुनहमिर रहते हैं, उसको कम करने के लिये तथा दूसरे देशों के साथ व्यापार बढ़ाने के लिए सरकार क्या ठोस कदम उठाते जा रही है ? धारा जब कि फॉर्म के अध्यक्ष जेनरल बिगान माहब ने स्ट्रेनिंग के बारे में कुछ आलोच उठाये हैं, फिर भी हम सोच स्ट्रेनिंग एरिया के सदस्य है। अतः मंत्री महोदय इस बात का सुनासा करें कि कीमत मारकेट के साथ व्यापार बढ़ाने के लिये किस तरह की कार्यवाही की जा रही है। जो बातचीत होने वाली है, उसका बेतुल फॉर्म करने वाले हैं और प्रवेशों के ऊपर हार मानने में

वो हम मुनहसिर रहते हैं, उस निश्चरता को बटाने के लिये सरकार क्या इजाज कर रही है ?

Mr. Speaker: Mr. Nath Pal.

Shri Nath Pal: Is he going to answer at the end?

इसका जबाब पहले दीजिये ।

श्री मधु लिमबे : एक एक प्रश्न का जबाब दिलावाये ।

Shri Nath Pal: I think, it will be confusing if he has to answer at the end.

Mr. Speaker: No, no. He will make a note of the questions.

Shri Nath Pal: You are putting an unnecessary strain even on the intelligence of an intelligent person. I consider him intelligent but still I do not think it is fair. Anyway, mine is a supplementary to what Mr. Limbave has submitted already.

Mr. Speaker, I would like to draw your attention to the portion where there is an admission:

"And, the extension of the Community's tariff to Indian products imported into the United Kingdom would place us at a much greater disadvantage and cause grave injury to the interests of Indian producers, manufacturers, and exporters."

There is a further admission:

"The elimination of these preferences would deal a severe blow to our effort to augment, through diversification, our capacity to finance purchases from abroad and also to meet our external obligations."

It seems that the Minister is aware of the disadvantages to which we will be put when the United Kingdom decides to join and her application is accepted. I think, the only thing that matters to India is De Gaulle. If all the conditions that he is going to lay

down for Britain are found unacceptable to Britain and it does not join then only our declining exports will be stabilised at a point where they are today. I do not see what steps Government is going to take, if Britain passes through the hurdles and barriers Mr. De Gaulle puts and eventually joins, to see that our exports, for which we largely depend on Britain,—I do not want to take the time of the House; as much as 53 per cent of our exports are taken by Britain—are not affected. It is very clear that once it joins, these exports will be declined. What are we going to do to diversify our trade or to find alternative claims and customers for our exports? Or are we going to depend on the sweet will of Mr. De Gaulle?

डा० राज मनोहर लोहिया (कन्नौज) :

अध्यक्ष महोदय, मंत्री महोदय ने यह तो बताया है कि शर्तों को हम कितना मास बेजने हैं और हमें कितना फायदा होगा है, लेकिन उनका बयान झूठा रह जाता है—क्योंकि उन्होंने यह नहीं बताया कि उनका हम कितना मास लिया करते हैं—यह बहुत बड़ी कमी है। अगर वह मास मास यह भी बना देने तो पता चल जाता कि हमारा और शर्तों का सम्बन्ध न निकल हमारे फायदे के लिये है बल्कि उनसे ज्यादा फायदा शर्तों के लिये है। अगर आप कभी उनसे पूरा बयान माग्यन और नियान के मामले में बिलवा दें, तब यह मान्य हो सकेगा कि जो भारत सरकार को शर्तों की लाठी पकड़ कर चलने की छान्त पड़ गई है—व्यापार के और दूसरी शर्तों के मामले में, बैसे छोड़े संगड़ हों, लेकिन यहा तो संगड़पने की छान्त पड़ गई है, लाठी पकड़ कर कर चलने की छान्त पड़ गई है, अगर वह लाठी छोड़ दे और अपने व्यापार को सब सारे संसार में समता के आधार पर सभी देशों के साथ बनावे तो कहीं अज्जा काम हो सकेगा।

तो क्या मंत्री महोदय बतायेंगे कि वह कब तक लाठी को फेंक देने की तैयार है ?

बी वचन विद्युती चलनेकी: अगर ब्रिटेन साम्राज्य बाजार में शामिल होने को तैयार हुआ है और साम्राज्य बाजार के अन्य प्राणीयार उस को लेने के लिये तैयार है, तो भारत उस के मार्ग से बाधक कैसे बन सकता है। यदि भारत विरोध न करेगा तो हमारे हितों को हानि पहुँचेगी इस से भी इन्कार नहीं किया जा सकता। मैं जानना चाहूँगा कि अगर ब्रिटेन साम्राज्य बाजार में शामिल होता है तो क्या हमें राष्ट्र संघ की जो बोझी बहुत उपयोगिता थी, बाजार में जो हमें प्राथमिकता मिलती थी, उसके कारण की? क्या सरकार राष्ट्र संघ में शामिल रहने के सवाल पर फिर से विचार करेगी?

बी वचु लिलमवे: इन सब सवालों का जवाब एक साथ ठीक नहीं आवेगा, उन में प्रत्येक प्रत्येक जवाब दिलवाना चाहिये।

Mr. Speaker: I think, he will be able to answer. Let us see.

Mr Indrajit Gupta.

बी वचु लिलमवे: बहुत प्रश्न हो गये हैं, एक एक प्रश्न का जवाब देते, ठीक प्रच्छा था।

Shri Nath Pal: I think; it will be very convenient for him to answer now, immediately.

Mr. Speaker: This will help you. There are only ten minutes left and only two or three will get a chance and the others will not get a chance, if he is to answer immediately.

Shri Ranga: We will not get any answer.

Mr. Speaker: Let us see.

Shri Indrajit Gupta (Alipore): From the statement it is quite clear that we are completely dependent on the sweet mercies of the United Kingdom now to try and save something for us, if they so want to do, out of this approaching crisis which will arise if they joint the European Economic Market. He has said on page 4 of the state-

ment: that in the forthcoming negotiations between the United Kingdom and the Community, we are hoping that the United Kingdom will bear in mind its commitment under the General Agreement on Trade and Tariffs not to raise the existing tariff and non-tariff barriers against products of interest to developing countries. It is only on this slender hope that we are depending. Apart from exposing the complete worthlessness of this commonwealth family of nations to which we insistently belong because we have not been consulted before the step was taken, may I know, if this hope which the Minister nurses is not fulfilled—and the chances are that it will not be—what is his assessment of the impact that this is going to have on the whole of our foreign trade. Already, as a result, of devaluation, the trade balance is running heavily against us. If on top of that these safeguards cannot be brought in here, may I know what is going to be the total impact on our trade?

Shri S. S. Kethari (Mandsaur): May I draw the attention of the Minister to the fact that we would be losing doubly—not only we would be losing the commonwealth preferences that we are enjoying but we would also be suffering because of common external tariffs. That means, our loss may be double. Does he follow?

Shrimati Tarakeshwari Sinha: Does the hon. Member think that he is the Commerce Minister.

Mr. Speaker: We have only ten minutes left. The Minister is expected to follow the hon. Member.

Shri S. S. Kethari: The common external tariffs are there. That means, in regard to our exports, we would be losing 30 to 40 per cent on many commodities. That loss is there and the United Kingdom has not made it a condition in its application that Indian interests should be protected. What steps are we taking to approach these common market countries directly as

also to bring pressure on the United Kingdom to see that our interests are protected? Besides, if our interests are not protected, would be consider leaving the Commonwealth on this issue?

श्री प्रकाशवीर शास्त्री ((हापुड़) :

ब्रिटिश सरकार के प्रवक्ता ने पीछे इन प्रकार का वक्तव्य दिया था कि ब्रिटेन के साझा बाजार में सम्मिलित होने के बाद भी ब्रिटिश सरकार इस बात का प्रयास करेगी कि भारतीय हितों को किसी प्रकार का आघात न पहुंचने पाये। भारत सरकार ने क्या ब्रिटिश सरकार से कोई जानकारी ली है कि उस प्रयास के क्या रूप होंगे? जिससे भारतीय हितों को आघात न पहुंचने पाये उसे क्या भारत सरकार की ओर से इस प्रकार का कोई सुझाव दिया गया है कि सीमा शुल्क से भारतीय सामान को मुक्त किया जाय अथवा उस में कुछ कंसेशन किया जाय?

Shrimati Tarkeshwari Sinha: In view of the great uncertainty which is prevailing because of the fact that it is not the sweet will of UK to seek entry into the ECM but it is the ECM countries which ultimately going to decide the entry of UK and UK will be compelled by certain conditions, and also in view of the fact that the Government of India were aware of this kind of uncertainty prevailing for a number of years ever since the first time UK sought admission in the ECM, may I know whether Government of India either in the past or even in the present during the Kennedy round of talks for reduction of tariffs did make an efforts to see that if this does not come about, that is, if the UK is not able to secure us concessions in respect of tariffs and other things, they could satisfy us that they have been negotiating directly with the countries of the ECM to see that at least a country like India which had such a big lump of trade with a country like U.K. which is now becoming a member, will be treated in a different way? May I know whether

any indication can be given by Government that they have had any contact with the ECM countries about this matter?

श्री सिद्धेश्वर प्रसाद (नालन्दा) :

क्या सरकार का ध्यान इस बात की ओर नहीं गया है कि ब्रिटेन ने यूरोपीय साझा बाजार में शामिल होने के लिए जो मस्विदा तैयार किया है उस में भारतीय हितों की रक्षा का कोई उल्लेख नहीं है और क्या सरकार का ध्यान इस बात की ओर नहीं गया है कि ब्रिटेन यूरोपीय साझा बाजार में अपने हितों की रक्षा के लिए शामिल हो रहा है भारतीय हितों की रक्षा के लिए नहीं तो भारत सरकार ने इन सारी बातों की जानकारी रखते हुए भी बरबर इम वक्तव्य में इस बात का उल्लेख क्यों किया है कि भारत सरकार को ब्रिटेन की सरकार ने इस बात का आश्वासन दिया है कि वह हमारे हितों को ध्यान में रखेगी इस स्थिति में जबकि साझा बाजार में शामिल होने के बाद ब्रिटेन भारतीय व्यापारिक हितों का ध्यान नहीं रखेगा क्या भारत राष्ट्रमंडल से अलग हो जायगा?

Shri D. C. Sharma (Gurdaspur): The entry of the UK into the ECM is not being welcomed wholly and solely even by the Labour Party, and there are some members of the Labour Party who are going to lead an agitation against that.....

Mr. Speaker: What has that got to do with this statement? If every hon. Member wants to go into the background of the whole thing, I do not know whether we shall have enough time for this.

Shri D. C Sharma: But here I find that the hon. Minister is endorsing it, which even the Labour Party in the UK is not doing. Now, I would like to ask one question. Mr. Harold Wilson, the Prime Minister of the UK in his first statement has referred only to two countries, namely Australia

[Shri D. C. Sharma]
and New Zealand. He did not mention any other Asian or African country which was a member of the Commonwealth, I would like to know what guarantee is there that India and Africa, countries which are members of the Commonwealth will not be treated as second class citizens in matters of trade and commerce etc. as compared with the White Commonwealth countries like Australia and New Zealand.

Shri Umanath (Pudukkottai): From the statement it is clear that the Government of India are entirely dependent upon the goodwill of the British Government and some implied promises contained in the statements of the leaders of the ECM countries. If that is so, I do not know why these countries are coming together into a community at all. These countries are not as innocent as all that, I would like to know from the hon. Minister whether he is aware that this community insists upon countries like ours which are in the Commonwealth or some such association, to join the Association of Overseas Territories, by dangling the offer of protecting our trade interests which will get affected if Britain join the ECM. They insist upon our joining the Association of Overseas Territories. I would like to know from Government whether they will assure this House that under no circumstances will our Government agree to join this association which is purely an instrument of rule on countries like ours if we join it. Will the hon. Minister assure us that India will never join that Association of Overseas Territories?

Shri M. L. Sondhi (New Delhi): After reading the statement of the Commerce Minister I felt as if it was a document from the British Foreign Office or the U.K. Foreign Relations Office, because the whole psychology is so out of date that it has not at all appreciated the change of climate in Europe. I think the hon. Minister did have a sojourn in Paris for some time; I do not know for what purposes he

devoted it. But the economic climate of Paris, the economic climate of Western Europe is not all reflected in this document. What we really need is not to be told that negotiations are being conducted in Brussels, because the decision-making centres are in Paris, Bonn and elsewhere and they are people who are very tough; we have to show a similar toughness in dealing with them. I wish, therefore, that instead of relying upon Britain and presenting the British point of view ad nauseum we appreciated the new situation in Europe and gave some evidence of it.

Shri Hem Barua (Mangaldai): May I know whether the attention of the hon. Minister was drawn to a statement made by Shri M. C. Chagla to the effect that while the UK decided to join the European community, what happened was that the White countries like Australia and New Zealand were consulted but India, although a member of the Commonwealth, was thoroughly by passed, and if so, may I know whether Government have taken pains to enquire from the British Government what made that Government consult only the White countries and neglect and bypass India, apart from the safeguards that the British Prime Minister Mr. Wilson now proposes?

Shri Narendra Singh Mahida (Anand): May I know whether the Government of India have consulted the other Commonwealth countries, and if so, which Commonwealth countries have agreed to the Indian point of view?

Shri Amrit Nahata (Barmer): May I know whether Government realise that the only alternative to the UK joining the ECM, in order to safeguard the trade interests of all the developing countries of Asia and Africa is to organise an Afro-Asian market and whether Government have taken any steps in this direction?

Mr. Speaker: That is a very good suggestion.

Shri S. Kunda (Belasore): I find from the statement which has been made that the bilateral agreement which is entered into by the British Government will end in 1970, I want to know whether when this agreement was drawn up a provision was inserted to the effect that in the eventuality of the UK joining this community, the tariffs enjoyed by the Indian products and by Indian exports should remain unaffected.

Secondly, I find also from the statement that much of our hope....

Mr. Speaker: I expect only questions to be asked. If hon. Members are going to analyse the whole statement, then I think that we may better adjourn for lunch.

Shri S. Kunda: I am asking my question.

For safeguarding our exports, all hopes have been put on the ECM community in this statement because it has been said that they will take care of the exports of the developing countries. Besides this, may I know what other measures are being thought of to boost up our exports in case this is not undertaken by them?

Shri S. R. Damani (Sholapur): For the last five or six years, the UK Government are negotiating and making all efforts to join the ECM. If they join the ECM then our exports would be affected. May I know whether any definite proposal has been received to ensure that our exports are not affected materially? After these long discussions, may I know whether any definite proposal has been received or whether any assurance has been received from the UK Government that they will compensate us to the extent to which our exports would suffer?

15 hrs.

Shri Krishna Kumar Chatterji (Howrah): It is very clear from the hon. Minister's statement that al-

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though we are a member of the Commonwealth of Nations, no reference was made by Britain to our Government before she agreed to apply for membership of the ECM. Has it not, therefore, become incumbent on us to at least sever our connections with the Commonwealth immediately so that we can arrange some kind of countertrade arrangements with other Asian nations and the Afro-Asian common market?

Mr. Speaker: This is repetition.

Shri Krishna Kumar Chatterji: I have suggested that we should sever our connections with the Commonwealth.

Shri J. B. Kripalani (Guna): It seems that people think that the Minister is responsible for the UK going and joining the Common Market? Is that correct?

Mr. Speaker: Has he followed the question?

Shri Dinesh Singh: Yes. It makes my reply very much easier.

Shri Tenneti Viswaiahtham (Visakhapatnam): It is stated in his reply:

"The British Government have offered to start the process of consultation with us....."

May I know at what stage that process is at present?

Mr. Speaker: I think every member who wanted to ask a question has done so. Before we adjourn for lunch, I would suggest that we take up the call attention notice for answer at 2 P.M. After that is disposed of, the hon. Minister will give a comprehensive answer to all the questions asked now on this subject.

12.55 hrs.

(The Lok Sabha then adjourned for lunch till Fourteen of Clock).