

of Inquiry and for vesting such Commissions with certain powers.

Mr. Speaker: The question is:

That leave be granted to introduce a Bill to provide for the appointment of Commissions of Inquiry and for vesting such Commissions with certain powers."

The motion was adopted.

Dr. Katju: I introduce the Bill.

INDIAN TARIFF (SECOND AMENDMENT) BILL

Shri A. C. Guha (Santipur): On the previous day I was speaking about the quantum of protection given to certain industries. I was particularly referring to the cases of sago and the starch industries that are getting protection from Government. In 1949, the fair selling price of sago globules was Rs. 34 per cwt. In 1950, it was Rs. 41 and now it is Rs. 61. I do not know how the cost of production has been increasing so much. There may be some suspicion that the industry has been taking the protection as an encouragement to inefficiency and extravagance. During the war, about 100 factories were in existence and in 1949 only 40 were functioning. In 1950 the number became even less and there were only 20. I do not know how many of them are working now. Why are all these in spite of protection?

The hon. Minister stated that of the industries that are going to be given protection through this Bill, only bicycle and aluminium are of some interest from the consumers' point of view. But, may I inform him that sago is a poor man's diet in Bengal, Assam and I believe also in Bihar and Orissa. I do not know what is the custom in other parts. During illness people take sago.

Shri Velayudhan (Quilon cum Mavelikkara—Reserved—Sca. Castes): Everybody does that.

Shri A. C. Guha: Everybody, that is, the richer section may take Ovaltine or Horlicks, not sago. In view of the importance of sago, the question of protection being given to it and the consequent increase in the price of this article is a matter of some interest from the point of view of the consumer. The Tariff Commission has calculated a protection of 103.47 per cent in order to make the fair selling price of the indigenous product equal to the landed cost of the imported article. Government is now

proposing to give only a protection of 30 per cent. I do not know how this will help the industry. From 1950 there was a complete ban over the import of foreign products—I do not know if that ban is still continuing. At one stage there was O.G.L. and free import. Then suddenly the Government went over to complete banning of this article. I think Government should have some definite plan regarding this as well as other industries. I am doubtful as to how this protection of only 30 per cent. will help this industry.

Then, as regards sericulture, the protection is only up to December 1952. It is mostly a cottage industry and as such it ought to have better consideration from Government. As a cottage industry, the Government should have taken sufficient precaution to give a longer period of protection, so that those engaged in the industry may have sufficient time to set their industry in order.

Then again we find from the Tariff Commission's report that artificial silk is the greatest competitor of our cottage industry in silk. The Tariff Board has recommended that speculation in artificial silk should be regulated or banned under the Forward Contracts Act. I do not know whether Government has taken any action for regulating...

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): I may tell my hon. friend that the Forward Contracts Bill has not been passed.

Shri A. C. Guha: I think it was passed last year.

[**SHRI M. A. AYYANGAR in the Chair**]

The Deputy Minister of Commerce and Industry (Shri Karmarkar): It is under consideration now. It lapsed.

Shri A. C. Guha: I am sorry, Sir. I recollect it that it passed through the Select Committee stage. Anyhow, I think the Government has enough power even under the Essential Articles (Control and Regulation) Act to control the price and distribution of artificial silk.

Another recommendation of the Commission relates to the free importation of silk worms. I do not know how far that has been given effect to by Government. The Berhampore Sericulture Institute has been trying to improve Indian silk worms and I do not know what help Government has given in that direction. Unless we can put our industry

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on a proper and efficient footing by improving their quality and reducing their cost of production, we cannot go on giving protection for all time to come. Anyhow this cottage industry should have been given protection for a longer period than for merely six or seven months.

Another item for which protection is now sought to be given is the grinding wheel industry. Here I find that the protective duty has been reduced from 105 per cent to 50 per cent. One factor regarding this article I would like to mention. The chief raw material required for the manufacture of grinding wheels is the synthetic abrasive grains. I think some time in 1948-49 there was a factory in the Punjab which was producing this raw material. I do not know what steps Government have taken for the manufacture of this article in India. This is an important raw material for grinding wheel and from the Tariff Commission's report I find that almost all the raw materials for the production of synthetic abrasive grains are available in India.

Then, I come to zip fasteners. This is something like a raw material used for some other industry, mainly for the manufacture of bags, jerseys and some other things. The Tariff Commission has recommended that the industry should get its products examined by the Alipur Test House and a standard should be set by the Indian Standards Institution. I do not know what steps have been taken in this direction.

The main raw material for the zip fasteners is brass strips which are imported. Only 35 per cent of the brass strips is consumed and 65 per cent becomes scrap. The Tariff Board has recommended that the 65 per cent of scrap should be allowed to be exported and an equivalent quantity of brass strips imported. I am also told that brass strips are produced in our country, but not according to the specifications required by the industry. The Bangalore Telephone Company also requires brass strips of the specification required by the zip fastener industry. Government should therefore, make some arrangement for the manufacture of strips required both for the zip fastener industry and the Telephone Company, according to the specifications required by them.

In this connection I would like to tell the hon. Minister that while giv-

ing protection to this zip fastener industry, they should examine how the industries which are using this as a raw material would be affected by the protection afforded. This is an important point, because these articles are not only used for our home consumption, but also are meant for export to foreign countries.

As for the cycle industry, when protection was given for the first time there were only two factories. Now there are several factories. I think the cycle industry has not been doing very bad; I may also say that the quality has also been progressively improving though not quite up to the standard yet. But I would like to know from the hon. Minister if the protection is also to be extended to those cottage industries which manufacture cycle accessories and parts. There are quite a large number of these factories in Calcutta and in Punjab. Sir, you may yourself have some personal knowledge of these factories manufacturing cycle accessories and parts when you went to Calcutta in connection with the Fiscal Commission. They wanted some protection. I do not know whether the protection envisaged in this Bill will also be extended to those small-scale industries which are manufacturing cycle parts and accessories.

Another thing. In most of these industries we find that the rated capacity is much higher than the actual production. In regard to grinding wheel the rated capacity is 360 tons, but the production has been going down year by year. In 1949 it was 291 tons, in 1950 it was 223 tons, and in 1951 it went down to 162 tons. I would like to know why the production is going down in spite of the protection that is given. The production is not meeting our requirements and I would like to know how the gap is to be filled up. I do not know whether this industry is competent to manufacture all varieties of grinding wheels which we require or whether it is manufacturing only one variety. I do not know whether it is not possible for it to manufacture other varieties also. I am told that there is a proposal for setting up a particular type of tunnel kiln for the manufacture of a better type of grinding wheel which may also tend to reduce the cost of production. The industry has asked for permission for capital investment of Rs. 20 lakhs or something like that. It may be before the Capital Issues Controller. I do not know what is the position.

If that is the only obstacle for setting up of that particular type of machinery for better type of manufacture of grinding wheel and for reduction of cost, I think that matter also should be expedited and the industry should not be handicapped in that respect.

There is another point that I should like to mention. In the case of some of these industries only one firm is manufacturing them, as in the case of the grinding wheel and also zip fasteners. Where it is a case of only one firm being interested in the manufacture of the particular type of goods, there should be greater caution while granting any protection to that industry. There is just a chance that the industry will take it as an encouragement for inefficiency. There should be some control over the remuneration of the managing director or managing agent when a particular industry is given protection; particularly when only one unit is interested in the manufacture of the particular item, the caution should be more strictly exercised. They may feel that there is no competition from outside, that the Government is giving them sufficient protection, and so there may be a sort of complacency and they may indulge in inefficiency and wastefulness. So I would urge upon the hon. Minister to see that in regard to these two industries, where only one firm in each is interested in the manufacture, they may enquire what is the remuneration taken by the managing agents or the managing directors. After all it is the interest of the consumer that should occupy some place while giving any protection to any industry. Because when protection is given to an industry it should not mean that that industry should be permanently protected. What is meant is that the industry should be protected in the initial stages and subsequently it will stand on its own feet. For instance in the case of steel we have been giving protection for several years. And the Indian steel industry is now able to stand on its own feet and its products, both in quality and price, can compete favourably with those of foreign countries.

While giving protection to these industries we should see that these industries are encouraged, not for inefficiency and wastefulness, but for efficiency and economy. So I would urge upon the hon. Minister to see what remunerations the managing agents and the managing directors in

such industries are taking as long as the industries are protected.

Shri Nevatia (Shahjahanpur Distt.—North cum Kheri—East): I wish to confine my observations to the alloy, tool and special steel industry. As stated by the Tariff Board, these are of strategic importance and the desirability of establishing this industry on sound lines is recognized. As such I support the proposal of levying protective duties in respect of this industry. But the mere giving of protection is not going to lead to the establishment of this industry on a sound and permanent basis. If the hon. Minister will refer to para. 7(a) of the Tariff Board report he will find that it has been stated that in their memorandum to the Board, Tatas have pointed out that their present alloy and tool steel plant was installed during the war only as a make-shift arrangement and that it will not be suitable for meeting the demands of the country on a permanent basis. They have even stated that after two or three years they may have to curtail their production of certain categories of alloy, tool and special steels. They have said that they should not be depended upon in future to produce all kinds of alloy, tool and special steels. The reason is they are now going to produce larger quantities of mild steel which would lead to a curtailment in the production of alloy, tool and special steels. Hence the alternative suggested by Tatas is that other parties interested in the manufacture of high speed and special steels like the Mysore Iron and Steel Works and those who possess electric furnaces should be encouraged to take these lines. There are electric furnaces scattered over various parts of the country: there are some in Calcutta, some in Bombay, Kanpur and one or two other places. These factories are small units, they are producing special steels, and they have got the capacity. But unfortunately they have got the necessary ancillary equipment. The Tariff Board has suggested that it should be possible to evolve a plan by which this capacity can be utilised by supplementing it with the necessary ancillary equipment. The Tariff Board have stated that they "strongly recommend that the question of evolving a long-term plan for expanding the special steels industry, through the co-operation of re-rolling mills having electric arc furnaces, should receive urgent consideration by Government". If the mere giving of protection is not going to lead to

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the establishment of the industry on a permanent basis, we must have alternative means, and, as stated by the Tariff Board, electric furnaces which are scattered over the country are best capable of making these special steels.

In this connection I would draw the attention of the House to the Five Year Plan on small-scale industries—Chapter 12. It has been stated there:

"What is essential for economic development on democratic lines is a diffusion of sources of power and instruments of production".

It has also been stated that it is necessary to avoid the cost of transport involved in long haulage of raw materials. It is mentioned in the above Chapter that small re-rolling mills and foundries are fairly widespread throughout the country and are engaged in the manufacture of various types of engineering goods. The Five Year Plan has strongly recommended that these small-scale industries should be encouraged. Unfortunately there has been a tendency to concentrate on the giving of financial aid to large-scale industries. But, as stated in the Five Year Plan, unless small-scale industries are developed as ancillary to large-scale industries, the cost of production is not likely to be lowered. The large-scale industries will have to find much more capital. Besides that, since they have to go in for large-scale production they cannot go in for all sorts of small-scale production as well. It is necessary that there should be an integrated programme of development of large-scale as well as small-scale industries. The special steel industry will serve as a sort of ancillary industry to the various automobile or other industries which require special steels.

In this connection, I would request the hon. Minister of Commerce and Industry to take up this question and see that these electric furnaces which are scattered over the country receive due consideration and their capacity, which is unfortunately utilized at present for uneconomic production of mild steel, is diverted towards making steel for which they are essentially meant. These electric furnaces were installed sometime before the war and during the war due to shortage of mild steel, they were asked to produce mild steel. As the production of this is costlier

in electric furnaces as compared to mild steel produced by main producers from iron ore, they were subsidized. Even after giving subsidy for production of mild steel in electric furnaces, their mild steel rate probably works out at 50 per cent. of the cost of imported steel. It is all right to subsidize them, but ultimately they must function for the production of materials for which they are used in the rest of the world. So, I suggest that if they are encouraged to produce special steel, by giving them some financial or technical aid for making this, it will serve the needs of the country, because these things being of strategic importance, we cannot afford to depend on foreign imports. Besides that foreign imports are not easily available. It has been mentioned in the Tariff Board report that due to the re-armament drive, it is not possible to get the special steels in adequate quantities and so long as the re-armament drive continues, it would be difficult to continue to get them. Hence it is very essential that this industry should be encouraged and the re-rolling mills which have got the electric furnaces should be given the necessary financial and technical aid for developing this industry.

Shri Alagesan (Chingleput): I am glad that the new Minister of Commerce and Industry has taken this early opportunity to bring forward this measure which affords protection to the Link Industries that manufacture zip fasteners, for the first time. I have a special interest in this industry. Of course, I need not tell you that the interest is a pecuniary one. The industry is located in my home town in my constituency. I have watched it taking roots and I have watched its growth. The Tariff Board in their report has paid a well merited tribute to the pioneer efforts of the Link Industries in the field. It is the only concern that produces zips in this country. Not only that, perhaps barring Japan it is the only concern which produces zip fasteners in the East, and as such the importance of affording protection to an industry of this kind need not be over-emphasized. The modern uses to which these zips are put are well known. Today in one of the daily newspapers of Delhi, I saw a rather interesting item of news. It speaks of an Indian businessman who has gone to America and who is there trying to popularize saris with zips. We can expect safely that the zip sari will become the rage of

America soon. Not only in America, but in India also, they are likely to become popular in not a very distant date. This only shows that there are any number of uses to which these zips can be put.

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The Tariff Board has made rather a conservative estimate of the demand for the article in the next three years. They calculate that about 7½ lakh feet of these zips will be required in the country in the next three years. I am afraid it is likely to become an under-estimate and the demand is likely to exceed far above this. References have been made to the rather low production of this industry in the three years of its existence. The chief obstacle to greater production has been the difficulty in obtaining the raw materials. The raw material in this case is brass strips which are not made in this country and which have to be imported. The industry has been finding it difficult to import their requirements and it is because of that that they were not able to produce the maximum that they can. Again, to produce about 4.8 lakh feet of zips, the total requirement of the raw material is calculated at 16 tons. Even this low quantity, they are not able to import. Perhaps it is due to the fact that it is rather low that they are not able to import also. I am told that the requirement of 16 tons is perhaps less than a day's production of the rolling mills that make these brass strips. As was pointed out before, the Telephone Company also are in need of the same raw material. If the Government can make an arrangement by which they can combine the requirements of this industry as well as their own and if they can extend the benefit of any arrangement of import of this raw material to this industry, it will go a great way in helping this industry. Then if the supply of raw material is assured, they will be able to produce the maximum that they plan to produce. They hope to produce about 1,20,000 feet in 1951-52 and in 1952-53 4,80,000 feet and in 1953-54 7,20,000 feet.

Also, the imported brass strips are now subject to a duty of 31½ per cent. *ad valorem*. The industry has asked that this may be waived. The Tariff Board also has considered this and recommended to the Government that this may be at least waived in part. If you take into consideration that the brass strips are not made locally, that is, in our

country and also that a good portion of the raw material used becomes useless and has to be re-exported, the Government will not find great difficulty in giving effect to this recommendation of the Tariff Board, namely, that of waiving in full or at least in part the import duty on brass strips. If, simultaneously with affording protection to this industry, they are able to waive a part at least of the import duty on brass strips, that will go a great way in pushing up production of this industry.

Again, it was pointed out that this is a single concern manufacturing a particular product and the Government should be very wary in affording protection to such an industry. The Tariff Board has calculated that the extent of protection needed will be about 37 per cent. Instead, it is proposed to convert the present revenue duty of 31½ per cent. into a protective duty, that is, less than the protection envisaged by the Tariff Board.

Also, the Tariff Board, in its report, has imposed certain obligations on this industry. They have been asked to furnish the Board annually, or at such intervals as the Board may indicate later, progress reports giving information regarding production as well as stocks, cost of production, prices of indigenous zip fasteners, prices of imported zip fasteners together with the details of any significant developments affecting the production, efficiency and the competitive position of the industry. This obligation has been squarely imposed upon the industry and the Government have also called upon the industry to comply with this. In such circumstances, I do not think there is any fear of the industry getting lax and not trying to improve production. I do hope that this protection will put new hope into the industry and that the industry will reach the maximum production that they have planned in the next two or three years.

Shri Velayudhan: At the very outset, I may say, I have only to make a few observations regarding this Bill, because I think it is not of a controversial nature. I remember, in 1950, when we extended the tariff rates to starch industry, I also had the privilege to speak on that subject, and on that basis, I think I can contribute to this discussion.

As regards tariff as a whole, I submit that it has got a history; but that history is not a very happy one.

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at all. The introduction of tariff rates in India goes back to 1934. We all know that it was intended not for the benefit of the Indian manufacturers and Indian industrialists; but it was introduced only for the benefit of foreigners, especially British and American industrialists. Later on, because of the persistent agitation of the Indian industrialists, protection was also given to many of the Indian industries. At the same time, there was a keen competition going on between the British and Indian industries. Now, we have before us a Bill which extends this tariff rate to four or five industries.

Let us now examine how this *ad valorem* duty imposed on some of the articles will affect the industries as well as the consumers in India. As regards these industries, we have a very painful history in South India. The development of industries in South India was very slow because of the stepmotherly treatment of the Central Government towards industrial development in the South. I am very happy that we have now a new Minister of Industry and Commerce who knows the ins and outs of industry in South India and I am sure the industries for which protection is being given will make good progress under his regime because he is not only an industrialist, but an expert in the line.

There was a complaint made by my hon. friend Mr. Guha regarding the quality of the goods produced in this country. Protection to the industry is more misused than used by the Indian industrialists and the prices of the Indian made goods are very high. At the same time, there are certain reasons behind it also. We have given this protection only to certain industrialists who approached the Government with certain proposals, without, at the same time, giving specialised directions regarding the quality of the goods to be produced. There is a Standards Institution which the Government of India has established. I do not know how far this institution is working. It exists only in name. In other countries when industries are developed, the Government keeps a close watch over the quality of the materials produced in the concerned industries. Here, in India, except giving some subsidy or some protection, Government never looks into the details. The quality of the articles produced is poor and that spoils our fame in India and also our reputation outside. Therefore, when

we give protection, the industries should not only be able to compete with foreign countries, but the Government should see that the quality of the articles produced is also comparable to the articles from foreign countries. I do not say this to cast any reflection on these particular industries.

It is stated that there is an Industrial Corporation started in Bombay. I think I can legitimately hope that they will give sufficient help to the South Indian industries which have not been sufficiently helped by the Government of India and that the zip industry will make good progress with the help now afforded by the imposition of the *ad valorem* duty. In this House we have experience of giving protection to industries even at the inception, when it has not yet started producing anything. Take for example the Gwalior Industries. We gave protection two years ago and at that time, some hon. and distinguished Members from the other side, especially Mr. Goenka, mentioned that that industry had not started working. At the same time, we gave protection to that industry.

I have to make certain observations regarding the starch industry. We are giving protection to this industry not for the first time. During the war time, we had more than 120 starch industries; in 1946 it was 44. I do not think that we have now more than a dozen industries. We are not giving enough protection to this industry. My submission to the hon. Minister is that this is a very important industry as it consumes some local raw materials, especially tapioca for which the State from which I come, Travancore-Cochin, is famous. We are producing huge quantities of tapioca. But, now the price of tapioca is fallen very low. I am glad to say that this increase in the tariff will give some additional price to the tapioca growers. If large quantities of this article are allowed to be exported from Travancore-Cochin and the Malabar districts, I think the industry will thrive and the cultivation of tapioca will also thrive. I hope the hon. Minister of Commerce will see to it.

The next industry mentioned is the cycle industry. We have got a bad reputation about this industry in India. The cycle industry was taken up by some of Birla's concerns in India. We have always the complaint that the cycles produced in India are not up to the mark. This

is protection given only to protect the Birla industries and not to produce good cycles in the country. Of course, many of our industrialists are only money-makers. We should see that industries are encouraged, not for helping money-making, but to give social service to the community as a whole and to the country as a whole. It is only with patriotism that we can become a first class industrial country in the world. I request the hon. Minister to see, when giving this additional protection to the cycle industry, that the cycles produced in this country should be first-rate and should be in a position to compete with cycles imported from other countries. In spite of all this protection, why are foreign goods coming to India and competing with the Indian industry today? It is because they produce materials very cheaply. Their cost of production is also very cheap and therefore our Minister also should see how we can produce cheaper things in the country, especially cycles which are now being used by the middle class as also the lower middle class.

I do not want to make any further observations regarding this Bill, and I hope hon. the Commerce Minister will look into different aspects which I have mentioned.

Dr. Lanka Sundaram (Visakhapatnam): I should like to congratulate the hon. Minister for the good fortune he has had in bringing before this House so early in his office such a very important matter as Tariff reform.

As I look at the poor attendance this morning here, it occurs to me that we in this country are taking things for granted, even as regards questions of high policy. If I do not misread or misrepresent the history of the current century, any kind of connection with tariff matters, industrial policy and production would have aroused a tremendous amount of interest in the people. In fact, our battles of freedom were fought more in the economic sphere than in the political sphere during the last 50 years in particular, and it is a tragedy that we should be confronted with the spectacle of lack of interest in this vital matter.

A number of sectional viewpoints have been put forward by the hon. Members who preceded me in this morning's debate. I am not here to get entangled in sectional matters, but with your permission, Sir, I propose to offer three or four general observations on this Bill.

This is an omnibus Bill. An analysis shows that in respect of eight major questions, tariff action is to be taken and that in respect of a number of other smaller issues, consequential action is also to be taken. The main points which I would like to place before my hon. friend, the Commerce Minister, are the following:

In respect of all these questions, has Government taken care to see that they have a positive industrial policy? I am prepared to illustrate as to what is happening in respect of the starch industry. I am not here to plead the cause of A, B or C, nor any particular industry for that matter. There are complaints that the quality of starch which is being produced in this country is of a very low grade, with the result that most of the textile mills in particular are anxious to import high quality starch from abroad at a cheaper price. I would like to know from my hon. friend, the Commerce Minister, whether anything has been done during the past few years, or whether anything is being proposed to be done from now on, to ensure that the quality of starch produced in this country comes up to expectations, and that the money sought to be spent in the purchase of starch has got an equivalent return, at least a proportionate return as compared with the foreign imported starch.

I have looked into the Tariff Board's recommendations on the grinding wheels industry, and also as regards the action sought to be taken through this Bill to give protection to it. At one time it was suggested that this grinding wheels industry should have a protection of 80 per cent., almost equivalent to the total banning of imports. I am a keen student of industrial and commercial matters, not committed to pleading the brief of any particular group, and would certainly welcome anything done in this country to enable us to establish new industries in order that we may progress from precedent to precedent, that it will lead to self-sufficiency and eventually that we will be able to stand up to competition. But, it occurs to me that the consumer angle in this respect—the consumer angle has also a bearing upon the tariff action sought to be implemented through this Bill—has not been properly taken note of.

Now, as regards the zip fasteners question, quite a lot has been said, and I am not here to come between my hon. friend Shri Velayudhan and my hon. friend Shri Alagesan as to what has happened or what is happening in the ~~SRM~~ in regard to the

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production activities of this industry. But it occurs to me that the report of the Tariff Board is very specific, and I quote with your permission a small paragraph which says that the banning of imports must be made an instrument of not only fiscal policy, but of industrial policy, in order that the industry locally is able to face up to competition, and eventually produce goods of quality at prices which would be economic. All things considered, it occurs to me that we in this country must insist upon something like a behaviour clause on the part of the industries which come before this House for protection. Without such a behaviour clause I am afraid we are squandering away the vast fund of goodwill among the people of this country towards industrialisation. I am here for the multi-pronged development of India's industrial activity, but without this behaviour clause, it occurs to me, we in this country will very soon come to a pass where we will admit that there should not be any protection.

I have again here to refer to a very painful problem. There are skeletons in the cupboard of Government's policy and one such skeleton is peeping through this Bill. I refer to the bicycle industry and the differential scales of protection sought to be given to it, I mean imperial preference. I would like to know, why we in this country after Republican freedom should still be subject to this grip of imperial preference. The rates now recommended are 65 per cent. for British manufactured cycles and 75 per cent. for foreign-manufactured cycles. And outside the scope of the Bill, I am sure, there are a number of items on our Tariff list which also go to prove that we in this country after years of Republican freedom are closely tied down to the apron-strings of Britain. I am sure my hon. friend Mr. Krishnamachari will certainly tell me very soon that even these preferential duties are contained in or covered by the General Agreement on Trade and Tariffs. I am aware of that fact, but it occurs to me that as a matter of basic national policy, we should free ourselves from these trammels, without which we will not be able to expand our national foreign trade, which by implication means expansion of our national industry.

One other small word, and I have done. I was listening to the speech delivered by Mr. Krishnamachari the other day where he said everything depends upon the Tariff Board and that he is only implementing the

recommendations of the Tariff Board, and I am glad to say that in listing these measures in the Bill, he has certainly not only carried out the recommendations, but has also anticipated the recommendations of the Board. As one who has watched the activities of the Tariff Board I am making this suggestion in a very friendly spirit, that it is a very harassed, small body. A number of items are referred to it at frequent intervals, and I think it will be rather difficult to expect such a small and harassed Tariff Board, as I have said, to cope with this work. I suggest the Government increase the personnel of the Tariff Board, so that they may be able to deal exhaustively and expeditiously with all the questions referred to them from time to time.

I wish that my friend the Commerce Minister had made a motion for referring this Bill to a Select Committee. Some of us would have put down a motion, but knowing as we do the strength of our friends on the other side, such a motion would not have had a ghost of a chance to succeed. I still believe that it will not be too late for him to bring forward a motion for referring this matter to a Select Committee. As I have said, he has taken anticipatory action as regards protection of certain industries even before the Tariff Board reported on them. I think a little time given, a week at the outside, so that all sections of the House may go into the details, would not matter very much, and I hope the suggestion would be looked into. I hope that my friend the hon. Commerce Minister would not consider this request as unreasonable.

Shri Natesan (Tiruvallur): I should also like to confine my remarks to the zip fastener industry. I wish to make a reference to the notes of the Commerce Ministry wherein it is observed that:

"The only manufacturers of zip fasteners at present are the Link Industries, Madras. Their annual rated capacity is estimated at 9 lakhs feet.....Actual production has been only about 7 per cent. of the rated capacity."

This gives the impression that this company has not proved its capacity to produce anywhere near a reasonable proportion of its rated capacity. According to the information supplied to me, the production in the first quarter of 1951 was 40,000 ft. on a single shift operation. Generally this can be done only by three shifts but the company has done it only on a

single shift operation. I am told in October, 1951 they produced more than 20,000 ft. which corresponds roughly to about 60 per cent. of their rated annual capacity for a single shift operation. But, unfortunately, from the period April-May, 1951 to August-September, 1951 the factory was stopped for want of raw material. From this, other things being equal, it will be seen that the company can produce at least 60 per cent. of its rated capacity. I simply wanted to disabuse the minds of hon. Members here who may think that the company has not been capable of producing to the capacity that they ought to. The whole difficulty arose on account of lack of raw material. Without raw material what can any factory do? There seems to have been some correspondence with the Government of India for over eighteen months and the Government of India had to be convinced that it is really not the brass that was required but thin strips of brass out of which the fine plates for the zip fasteners are pressed out. The company seems to have made the suggestion that brass can be exported in the form of scrap to be re-rolled and re-imported. For some reason or other the Government of India turned down the suggestion and owing to the enormous delay in procuring raw material the factory was not able to go into production.

It may be argued that on a Tariff Bill I am only talking about the difficulties of this industry. But I find that the rate of duty of 31½ per cent. *ad valorem* is about to be accepted by the Government because the Government has got no other alternative but to accept the recommendation of the Tariff Board. On the other hand, I am told that it is not possible to increase the duty even if the House wants to do it. I consider that this rate of duty is not fair because there is always British and Japanese competition and you must know that, as my hon. friend Mr. Alagesan has pointed out, this is the only factory of its kind in this part of the world. As far as I know, there is no other zip fastener factory anywhere close by and it is therefore necessary to give every possible help to this factory. But since Government proposes to accept the Tariff Board's recommendation I will have to leave the matter at that.

A reference was made to the Home Industries Corporation, Bombay who have been able to secure a licence. My information is that they are about to abandon this scheme because they found that the only other factory which is in Madras is itself in difficulties.

In the notes it is stated that the domestic demand for zip fasteners during the next three years is estimated at 7.5 lakhs feet per annum. I understand that during the pre-war days the import into this country was about seven lakhs feet and that was for the undivided India. Now that the country has been divided it is estimated that only 4½ lakhs feet would be the annual demand. I consider that if this Madras industry is given some help by way of procurement of raw materials it will certainly come up to the mark. The fact is that they have been losing for over three years and they have eaten away at least half of their present subscribed capital; unless you come to their rescue it will not be possible for the industry to thrive. I understand that the Madras zip fastener industry has given some proposals to the Government of India. I wish that the hon. Minister gives his sympathetic consideration to those proposals. I also request him, in the interest of the industrialisation of this country, that applications from industries for import licences be expedited by the Government of India as much as possible.

Shri T. N. Singh (Banaras Distt.—East): I also congratulate the hon. Minister for bringing forward this important measure at an early stage of his career. If you look at the Bill you will find that it covers from sago to steel, alloy and then on to zip fasteners—a very wide range of subjects, no doubt. In the circumstances it certainly becomes difficult for Members, or at least it does appear difficult to me to switch on from one point to another while going into the details of this Bill.

So far as the majority of the clauses of the Bill are concerned, they are concerned mostly with continuing the present rates of duty—in some cases the revenue duty is being converted into a protective duty. The only new industry which comes under the scope of this Bill is the zip fastener industry, and so it is better that most of our attention should be devoted to this clause of the Bill. Now, at present there is one concern only which is manufacturing zip fasteners, that is the Madras Link Industry, and it is proposed to have another in Bombay. The rated capacity of the Madras factory is about nine lakhs feet and the rated capacity of the Bombay factory is reported to be 18 lakhs feet. So if both these factories go into full production and if the object of the Tariff Board is achieved, then it would mean that these two factories should run efficiently and be able to produce 27 lakhs

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feet of zip fasteners. On the other hand it has been stated and the Tariff Board also mentions it, that the total demand for zip fasteners in India is about seven lakhs feet. I therefore want to know—and I hope the Minister will certainly enlighten me on this point—whether this additional factory which is being set up in Bombay will not mean either that the plant will remain idle or that if it goes into production it will have to produce goods which cannot be marketed. In either case the industry will suffer, whether you protect it or not.

I believe we have got powers of control over the starting of new industries. Therefore, I would like to ask why this other industry was allowed to be started at all when we had a concern which was more than sufficient to meet the demand of the country? We cannot export any of the surplus production because of the higher cost of production here and also the freight and other things involved on account of which it will not be possible for us to compete in the world market. So what will be the future for this industry? We are giving it protection but if we cannot achieve the very object for which protection is given then we have got to think of something else. Either the demand has to be increased or some effort should be made to see that the cost of production of these factories is brought down. In the alternative it may happen that production will not start in the other factory. I have no interest in either of these factories and I have therefore no motive at all in making these suggestions. As a matter of fact, they are far away and before this I did not know whether these factories existed. I want to know what is the Government's policy in such cases.

Then, as a matter of a general rule, it strikes me that whenever we give any protection, we should see that the competing goods are not allowed to be imported into this country. Let there be no half-hearted protection. If the competing goods are allowed to be imported, then to that extent the protective duty would fail. At the same time, I realise that at the present juncture we have enough control over imports to enable us to give real protection, whether there is a protective duty or not. I want the hon. Minister to investigate the possibility of controlling all these goods not only for balancing our payments or saving our foreign exchange, but also for the purpose of protecting our industries.

There may be varying ideas on this subject and it is also a controversial issue, but the case should be examined. I feel that a judicious control not only for saving our exchange resources but for protecting industries may be desirable.

As regards the industries that deserve attention I would mention the sericulture industry. It has not been mentioned by any hon. Member before me. Whatever protection is being given to it, it requires to be further considered. We are told that the Tariff Board is going into the question once again and that we shall soon know what amount of protection this industry will be given. I submit this industry deserves our greatest consideration. It has not only the possibility of meeting local demands, but if properly developed and protected, in times to come it will obtain for our country very substantial foreign exchange and we can develop a good foreign market.

As regards alloy tools, one suggestion that I have to make is this. It may not be directly relevant to protection but it does have a bearing on this question. The modern tools industry requires to be developed. When we give protection, we should also see that all our scientific resources are harnessed to the full, so that the cost of production may go down and we may be able to secure substitute raw materials for the production of these things. We should also go into a detailed examination of the various processes, so that we may see that our scientific resources may come to the rescue of the industry with a view to seeing that protection does not continue for an unduly long period. I would submit that the hon. Minister should ensure that in every industry, which has a modern scientific basis, its special problems are considered by a committee of experts or a scientific board or any other body he may like to appoint. It should not be left entirely to the scientific explorations and investigations of the concerns themselves. It would be better if the Government steps in, because after all we are asking the consumer to make certain sacrifices and to that extent the Government has a responsibility to see that the cost of production goes down.

Then, I was listening to my hon. friend Dr. Lanka Sundaram. He referred to the bicycle industry. I was impressed by his speech, because it came from such a person who has also been a journalist, and journalism is a profession to which I also claim the

honour to belong. When I listened to him, I felt that the industrialists of this country including Messrs. Birlas have got a new champion. I did not expect it and probably it is not for us to welcome those sentiments and that language which we had the pleasure to hear only a short while ago. If protection has to be given, then I may say that the Government is committed to developing the cycle industry. It is doing it, but since this industry has got supporters in unexpected quarters, it is not for me to go any more into that question.

The other point is about the starch industry. There is nothing new or controversial in it. We are only continuing the protection and it will help the tapioca industry as my hon. friend from Travancore has said and some other root plant industries. It is a matter of pleasure for every one of us.

In conclusion, I would only reiterate my two points. First of all, Government should see that in every industry that is granted protection, the scientific aspect is brought to the fore and the cost of production is kept down and all the energies of scientific men and the advantages of scientific knowledge are utilised to that end. Secondly, in industries that we control, all the resources, all the powers, all the authority vested in the Government, both by the Industries (Development and Regulation) Act and the other measures such as import and export control measures, are harnessed fully. We are merely continuing the old protection in most cases and in other cases probably the protection does not exceed what has been recommended by the Tariff Board.

Shri Nambiar (Mayuram): Not only the Commerce Minister but the Finance Minister ought to consider this issue in general, because after the recent elections we are asked to consider the Tariff Bill with certain amendments to the previous measure which was enacted under a different regime. If you go back to 1931, you will find the notorious Ottawa Pact whereby instead of giving preference to Indian industry we went to the extent of granting preferential treatment to British industries against Japan. It was in those days that the Japanese came to compete with Britishers in India, and in the name of India we supported and defended the British interests in India. Because of our policy in 1931, the Indian cotton growers suffered. They were very badly affected by the boycott policy followed by the Japanese as a retaliation against our granting protection

and concessions to the Britishers. Then in 1934 came this Act. But now we are in a different atmosphere altogether. We talk so much about our freedom. We say that we are democratic and that we want to develop our national industries. In that situation, I ask you: are we not to take the issue as a whole and look at it with a view to making changes which are very badly needed today? When I submit that, the hon. the Commerce Minister and the hon. the Finance Minister will say that this is a generalisation. But I shall give concrete instances to substantiate my point.

For instance, take the match industry. The match industry of India, particularly in the South, is a monopoly in the hands of Swedish. We give protection. But what is the result? The Indian industrialists in the south, especially in the Ramnad district, attempted to start match industry. But the WIMCO, who have a monopoly control over chemicals, have completely wiped them out. It is a fact that our money is being plundered by the Swedish industrialists and the ordinary consumers are asked to pay more for the matches. This is the position. In order to help the Indian industry we want to give tariff protection. But then, the foreign capitalists, the British imperialists and the Swedish monopolists come here, set their own machinery with the help of cheap labour, compete with the Indian industries and make the Indian industries suffer. This sort of thing should not be allowed to continue any longer and unless we approach the issue from a general point of view in the interest of the Indian industries, we are not approaching the issue in the correct perspective. That is why I submit that this is a matter for the Finance Minister to consider.

Why should this Ottawa Pact—this notorious thing—continue even now? Even this measure which we are now discussing discriminates between items of British manufacture and those of non-British manufacture. My hon. friend Dr. Lanka Sundaram also referred to it. Why should it be so? This does not mean that I want to completely knock out foreign capitalists. My main contention is that the foreign capitalists should not be allowed to avail of the benefits afforded by tariff protection and compete with Indian industries from within. Tariff protection extends only to those articles coming from outside. What about those who are already established in India, who have got monopoly control of so many raw materials, and taking

[Shri Nambiar]

advantage of that position compete with the Indian industries? This question therefore naturally presupposes a review of the whole situation *vis-a-vis* the monopoly held in India by the British imperialists and Swedish monopolists. This is what I wish to submit to the hon. the Commerce Minister.

I am not at all against protection being given to certain industries mentioned in the Bill; I accept them. But let us for a moment look at the whole issue.

Coming as I do from the South, I would like to refer to certain industries in particular. What is our policy towards copra, that is dried coconut? Malabar produces mainly copra and pepper, which are some of our main dollar earning articles. But what is the position now? The protection given to copra has now been lifted with the result that the Ceylonese copra comes and is sold in the bazaars of Calicut and Cannanore at a much cheaper rate. The result is that the Malabar coconut producers are suffering heavily. Perhaps, the hon. Minister himself knows what is happening in Malabar. The situation there is fraught with dangers.

Mr. Chairman: No doubt the slump in coconut affects a large part of the population. But we are not here dealing with general tariff protection. Hon. Members will have opportunity during the general discussion on the Budget to voice many of their grievances and put forth the case of industries requiring protection. But let us now confine ourselves to the items within the scope of this Bill.

Shri Nambiar: I look forward for an explanation from the hon. Minister of Commerce why this item is not included here; that is my grievance. I do agree in regard to the items included in the Bill; but we would like to know why a particular item has not been included. That is why I have given the history behind copra.

Mr. Chairman: The hon. Member is very enthusiastic and I can appreciate it. But the item he mentions is far beyond the scope of this Bill. He can certainly have his say during the general discussion on the Budget.

Shri Nambiar: I now come to the cycle industry. There is no doubt that the cycle industry should be encouraged. But at the same time we should see that the consumer is not hit. If for a cycle which is produced in India and which is expected to serve for one year the consumer is asked to pay the same price as for a cycle produced

in Britain, which is expected to serve for ten years, then the protection is sought to be used by certain quarters to amass wealth at the cost of the consumer.

I am not against giving protection. I say protection must be given. But while giving protection Government must see that there is a machinery to watch that this protection is well used or ill used. In that machinery the producer must have a voice, Government must be represented and the workers should also have a voice. The worker can say that under certain conditions the production would improve. The question of labour co-operation never enters the mind of Government, because they consider that labour has only to obey. They must be satisfied with what they are offered. This approach is quite wrong. I say that labour in India is watching all developments. Let us not think that labour knows nothing. Labour is prepared to co-operate with the industrialisation programme and labour wants the industries of this country to develop so that the standard of living of the worker may improve. We must, therefore, have a new approach—a new outlook. Let us not go on in the old rut of 1931. Otherwise, the present House and the new set-up has no meaning. I am sure the hon. Ministers of Commerce and Finance will look into this matter and do the needful immediately.

Shri Kasliwal (Kotah-Jhalawar): The Tariff Board granted protection to the cycle industry in 1949. While granting protection they were definitely conscious of two facts. One was that the cycle industry was an infant industry; the second consideration was that the cycle industry was an industry in which there was considerable under-production. The Hind Cycles were supposed to manufacture one lakh cycles in 1949; they were manufacturing only 60,000 cycles. The Hindustan Cycles Factory were supposed to manufacture 50,000 cycles a year; they were manufacturing only 30,000 cycles. And the production of the Calcutta Cycle Manufacturing Company was almost negligible. The annual demand for cycles in our country is about five lakhs. I would like to know whether protection to such an industry in which under-production still continues, should really be given. I am not suggesting for a moment that there should be no protection given to the cycle industry. But I would like to appeal to the hon. Minister of Commerce and Industry to see that production in respect of such a vital article like the cycle, which is the poor man's vehicle, does not fall or that the

production does not continue to remain as a sort of under-production.

There is one other matter to which I would like to refer. My hon. friend Dr. Lanka Sundaram, while speaking about the industrialists, said that there should be a 'behaviour clause' for them. I do not know what he meant by that. But I would like to draw the pointed attention of the hon. Minister to one particular matter. Certain industrialists are in the habit of closing down their factories. Suddenly, one fine morning, they put up a notice at the factory door and say that the factory is closed, because it is unable to make profits. This is a very reprehensible practice, I must say. Thousands of workers are immediately thrown out of employment. And after some time they go before Government and say "If you want our factory to function you have got to grant us protection". I would like to impress upon the hon. Minister that if he is to grant protection to any industry he is supposed to do it on the merits and not as a favour nor just because somebody comes forward with a sledgehammer and says "If you do not give protection I will close down the factory and I am going to throw thousands of workers out of employment". This is a point applicable not only to this industry but to all other industries which he may kindly keep in mind while granting protection.

Babu Ramnarayan Singh (Hazari-bagh West): I know and I agree that in the course of national industrial development protection is sometimes necessary. But after seeing for a long time the behaviour of the Government in this matter I have become suspicious. In the expenditure of public income the Government should behave as a trustee of the public money and should spend the money in a just and proper manner. But what I find, and what I have found for a very long time, is that the Government think that they are the sole *maliks* of public money and they spend it in the manner they like, just like water. In the creation of new posts, new departments, and in the matter of granting protection Government sometimes behaves as if Government is a *pinjrapole* for the favourites of the Government. This must be stopped. We know, and we have seen, that the sugar industry is a very prosperous industry. But protection to the sugar industry has been granted for a very long time. Protection may be granted, and I say in certain cases protection must be granted, but for a very limited period of time. At the same time, when any protection is granted, the

expenditure and working of that particular industry must be controlled in every possible manner. There is a cry on all sides about nationalisation of industry. Well, such industries ought to be started and run by the Government themselves. Why should you help the capitalists? I have got nothing more to say. But as my hon. friend Mr. Krishnamachari is a new Commerce Minister and he also knows many things as to how the Government have been behaving in this matter, I only ask him to be cautious and not to spend the money in favour of the capitalists.

11 A.M.

Shri Gurupadaswamy (Mysore): I would like to confine my remarks to the sericulture industry with which I am associated since very long. I am coming from a place, Mysore, which is the largest silk-producing area in this country. Nearly 65 per cent. of the silk in this country is manufactured in Mysore State alone. Nearly 1,15,000 acres of land are under mulberry cultivation, and the total yield of silk is in the neighbourhood of 290 lakhs lbs. During war time and certain periods after the war, many branches of the silk industry—mulberry and cocoon production, reeling and weaving of fabrics—all these developed on a considerable scale due to the impetus given by high prices and the huge demand. But after the war at many periods this silk industry had to face and suffer many setbacks. Today it has received the greatest setback in its life. An unprecedented and sudden crisis. I may say a depression, almost paralysing in its nature has driven this industry to the brink of collapse and ruin. There has been a gradual, and today even a precipitant, fall in the demand for silk manufactures. And the cocoon market and the silkworm seed market have been terribly dislocated in Mysore. As a result of this the silk industry in Mysore, and also in many other parts of India, has been put to great financial and economic hardship.

In this context I may submit that the silk industry is the pride, joy and glory of Mysore. It has been responsible to secure a fair name to Mysore State. I may say that Mysore State would not have become so famous today but for its silk industry. Its quality and standard are well known throughout the length and breadth of the country and well appreciated by foreign countries. Nearly three lakhs of men and women are employed in this enterprise. But today this beautiful industry is un-

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fortunately on the verge of involuntary liquidation, if I may say so. Many mills have been closed. I may cite a few instances. The spun silk factory in Channapattana, which is the only one of its kind in India, has been closed two months back and as a consequence nearly 1,600 labourers have been thrown out of employment. Another silk factory at Kalkanalli near Bangalore has been closed nearly 1½ months back. A third, a flature factory at Narajipur has been working at a low ebb. Thus we may see that the silk industry is in a state of crisis. This is due to the step-motherly treatment, negligence, wavering and ever-changing attitude and inadequate protection policy of the Central Government.

The Government of India has been protecting this industry since 1934. I know, it is true. But I ask what is the use of such protection if it is not adequate, bold and consistent. What the Government of India is doing now is that it is giving protection to the industry in one hand and destroying it in the other.

Previous to 22nd January 1951, the rate of duty on raw silk, cocoon and silk yarn was 30 per cent. *ad valorem* plus Rs. 12 per lb; but the Government on 22nd January 1951, modified and reduced it to 30 per cent. *ad valorem* plus Rs. 6-8-0 per lb. And on silk spun yarn also a similar reduction has been effected. This reduction was entirely unwarranted in view of the fact that all the branches of the industry have not yet been stabilized. I may draw the attention of the House to the fact that the Government of Mysore addressed a letter on the 27th July 1951, to the Government of India stating that the import of foreign silk had had an adverse effect upon the prices of the indigenous raw silk and requested the Central Government that there should be an upward revision of protective duty. But the Government of India did not carry out the wishes of the Government of Mysore. Instead of tightening imports of foreign silk, unfortunately the Government of India thought it fit to liberalize the imports. Now, since July 1951, the imports of raw silk, cocoon, spun yarn and fabrics have been doubled and supplementary quotas also have been granted. It is an unfortunate fact. I must say that this is a most tragic policy pursued by the Central Government. This is a policy devoid of all vision, forethought, planning and judgment. If this policy is continued for a further period of time, I fear that the silk

industry, that beautiful industry of our land may be washed off once and for all from the face of the country.

In this connection, with a view to save the industry from collapse, I would place a few suggestions before the hon. Minister. I know the problems of this industry because I have been connected with this industry. I want to make a humble suggestion to him to revise the present Bill and raise the quantum of protection by 20 per cent. over the existing rate. I also suggest that this quantum of protection should be continued for a period of five years at least. I could see that this protection is extended in the Bill till the end of December 1952 and that indeed is a very small period.

The silk industry is in a state of uncertainty today and the interests connected with the industry do not know the attitude and policy of the Government of India in this respect. Many handloom factories, power loom factories have been closed in Bangalore. They have protested to the Government of Mysore and that Government has addressed a letter, I hope, to the Government of India about this and until today the Government of India is so lethargic and indifferent to this vital issue that they have not even replied to the Government of Mysore about this.

I want to submit a few more suggestions to the hon. Minister. One of my friends remarked that the artificial silk has been imported for many years into this country. I want to know where is the necessity for importing artificial silk into this country. Unfortunately, the Tariff Board and even the Central Government have thought it fit to protect this artificial silk industry in our land and the Government of India is sitting quiet and encouraging competition between these two branches of industry. Artificial industry is not our natural industry. It is not an industry which is imbedded in our land; it is an exotic industry which has been brought from foreign countries and that industry should not be encouraged. I want the hon. Minister to put a stop to this manufacture of artificial industry and encourage the natural silk industry, which has got great potentialities of growth. And I declare on the floor of this House that Mysore alone will be able to supply all the requirements of India, if sufficient attention and encouragement is given to this industry. Today the Government of India has been complaining that our silk requirements are not adequate and they are

complaining of lack of production. I say this is all due to the wavering policy of Government and their negligent attitude.

Lastly, I wish to give a warning to the hon. Minister. In case the Ministry does not move forward, in case it does not act quickly, then the entire silk industry will collapse and he will be held responsible for that.

Shri B. R. Bhagat (Patna cum Shahabad): In a Bill of this innocuous nature, it is indeed a matter of surprise that matters of high policy have been raised by certain Members sitting on the opposite benches. My hon. friend, Dr. Lanka Sundaram said that the whole tariff policy should be viewed in a more positive manner in relation to the whole fiscal and industrial policy and he said that there is a lack of it. I am ready to join issue with him, and say that if he refers to the Fiscal Commission Report and to the Five Year Plan or to the industrial policy of the Government of India, he will find not only an integrated system of fiscal and industrial policy but that a positive policy has been pursued by the Government so far. In granting protection to industries the matter is reviewed in each case by the Tariff Commission and the points that are taken into consideration or the standards fixed for the grant of protection or the quantum of protection are reviewed in detail in each case, whether it be the quality of production or the estimated demand or the cost of production. They are examined in each case so much so that protection is never granted on an *ad hoc* basis or in a haphazard manner. He finds in the Bill a smell and an odour of the Imperial preferences and this was supplemented by another Member, Mr. Nambiar, who saw in it the famous Ottawa preferences. What he said was that a higher *ad valorem* protection was given to goods and manufacture of U.K. than to goods and manufacture of other countries. Well, I do not know whether hon. Members are aware of it, but I may say that it is not in the spirit of the Ottawa preferences or the Imperial preferences. They are dead long, long ago. It is just on a reciprocal basis. If India has given some preferences to the British, well, India receives also some preferences from them.....

Dr. Lanka Sundaram: That is the ghost of Ottawa.

Shri B. R. Bhagat:.....and the historical legacy is there. As hon. Members are aware that there are certain ethics in-
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involved in any international trade agreement and once you agree to a certain standard of preferences, you cannot change it suddenly.

This is not a relic of the Ottawa pact; it is just done on a reciprocal basis.

Dr. Lanka Sundaram: A backwash.

Shri B. R. Bhagat: After referring to these two things, and coming to the Bill before the House, I want to say two things on the protection given to the starch industry. Last time when this Bill came in the year 1950, doubts were expressed that the mere granting of protection to this important industry, which is of such great importance as a sizing material, will not do and that the Government will have to see that the industry receives the constituent raw material, that is maize, which has to be imported. In the conditions of food scarcity that is prevailing in the country, no food material can be diverted to any industry of this nature. So it was felt that unless the raw material was provided through imports, the mere grant of any protection will not help this industry. When we look at the results during these two years, we find that things have gone worse despite the protection given to this industry and this industry has been moving from pillar to post. Recently, due to the increase in the price of imported maize from Rs. 563 per ton to Rs. 961, the cost of production of this industry has gone up. From the cost of production details given by the Tariff Board, we find that in the year 1949-50, when this question was examined first and protection was granted by the Provisional Parliament in March 1950, the cost of production was Rs. 41 per cwt. In the next examination made by the Tariff Board, the ex-factory cost of production has gone up to Rs. 61.39. Whereas all other factors have remained static, whether it is labour charges, or repair and maintenance or packing charges, the only increase is in the cost of raw materials, that is from Rs. 563 to Rs. 961 per ton. Also interest on the working capital has gone up from Rs. 17 per ton to Rs. 25 per ton. The cause for increasing the protection from 20 per cent. to the present rate is mainly the increase in the price of the raw material, that is maize.

Secondly, if you examine the nature of the requirements of the textile mills, it is found that sago flour competes very adversely with this maize starch. The price of sago flour at present varies between Rs. 28 and Rs. 36. The first difficulty was difficulty in

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getting raw materials. During these two years Government issued licence to the tune of 40,000 tons; but due to non-availability not much could be imported. The production was to the tune of 3,000 tons of starch in the year 1950-51. Another factor that has come into the picture is that the price of sago flour is so low that there is an increasing tendency to use this as the sizing material. From 50 per cent. in 1946-47—out of 50,000 tons used, 25,000 tons was sago flour—at present, sago flour is being used to the tune of 23 per cent. Government has to examine this question that in spite of the increase in the quantum of protection that this Bill seeks to give to this industry, the doubts that were raised in 1950 still continue. Unless we solve the problems of imported raw material and the competition of sago flour, the industry will continue to face difficulties after difficulties.

The Association of Manufacturers of Starch Industry have given a solution that some substitute should be found. They have said that instead of manufacturing starch from maize only, exploration should be made for the manufacture of starch from tamarind kernel powder. For this, we have got all the facilities. We have got the raw materials inside the country. That is cheap also. Provided we develop the quality, we can find a good substitute for maize starch. The Tariff Board has gone into this question also and has also come to the conclusion that it would be in the interests of the country, to quote the Tariff Board's recommendation, "to establish a tamarind kernel powder industry on a sound footing". There are at present four manufacturing concerns, one in Bombay, another in Mysore, a third in Ahmedabad and another in Gwalior. It appears from the report of the Tariff Board that these factories have a rated capacity of production of about 90,000 tons. At present, the rated capacity of the starch manufacturing concerns is 58,000 tons. If we are in a position, as the Tariff Board says, to just develop this substitute product on a sound footing, we would be able to solve this problem. While agreeing with the proposal to give an increased protection to this industry, in view of the increase in the price of maize from Rs. 563 a ton to Rs. 961, I make this submission that this also is not going to solve the problem. We have to find some substitute, and the substitute is the tamarind kernel powder.

With these few words, I shall next refer to the aluminium industry which

is of strategic as well as great importance. Although the Tariff Board has yet to give its recommendation, and as an interim measure the existing protection is sought to be continued, I would like to draw the attention of the hon. Minister that our aluminium industry is still in an infant stage. There are only two manufacturing concerns, one in Alwaye and another in Calcutta. The Calcutta concern is more or less closed as it has not received sufficient help. Instead of taking up only a negative attitude and granting protection, there is a necessity to find out avenues to improve it and find also other equipment. I agree with one hon. Member who said that before we give protection to any industry, we should see that all other help in the shape of financial, technical and scientific help is rendered to the industry so that it should not only stand on its own legs and serve the country, but it should also set an example in bringing our whole industrial structure to a sound and stable basis.

Pandit Munishwar Datt Upadhyay (Pratapgarh Dist.—East): A number of hon. Members have already spoken and a good deal has been said about almost all the industries that are to be found here in the Bill. I shall confine my remarks only to the bicycle and grinding wheels industries. But before I take up these industries, I would like to submit that there appears to be a certain amount of misapprehension as regards the object of the protection granted. It appears that the misapprehension is that the object of protection is to benefit the manufacturers. As a matter of fact, that is never the object. The object of protection is to see that the industry develops successfully and it comes to a position where it can successfully compete with foreign industries of the kind. The question of quality has also been referred to by certain hon. Members and they have argued that because the quality is so poor, it is useless to give protection and they have also suggested that this protection is misused. Of course, it is possible that protection is misused, but the object of the protection is that the industries which are in the preliminary stages, may successfully develop to a stage where they may be able to compete with foreign industries in respect of quality as well as price.

A certain hon. Member remarked that the bicycles were the vehicles of the poor man and therefore no protection should be granted in respect of

this industry. My submission is that that is the ground on which I support protection for this industry. Because in that case, this industry is really an industry the use of which is made by the common people, people of small earning. If that industry is allowed to develop with the help of protection to such a position that it may successfully compete with the foreign industries, I think ultimately it will be to the benefit of the common people, to the people with little earning. Therefore, the bicycle industry should be granted protection. In the case of this industry, protection was granted in the year 1947 in the beginning, and at present the duty is 70 per cent. *ad valorem*. The only suggestion is that the time from March 1952 should be extended to December, 1952. My submission is that this time would not be sufficient, but because certain reports are being awaited, probably this suggestion has been made for only short extension. It will be necessary that protection should be granted even for further years.

The other industry that I would suggest requires protection, as has been proposed by the hon. Minister, is the grinding wheels industry. This industry provides processes for the use of a number of factories. We have seen that a variety of uses is made of grinding wheels. They are used for sharpening processes and also in Railways, ship-building, foundries etc. There is no doubt that there is a great demand for these wheels. The local manufacture is limited to only probably 50 per cent. of our consumption. And unless some encouragement is given, this industry cannot develop and we shall have to depend upon foreign markets, as I see that the demand is about 500 tons per year and the supply is hardly about 300 tons per year. The question of quality was raised in this connection also. As regards our manufacture, I find from the report of the Tariff Board that it has been quite satisfactory. The quality has also been very satisfactory. So I think if a little encouragement is given for some time, this industry might successfully compete with the foreign industries. At present the duty is 100 per cent. with five per cent. as surcharge. That comes to 105 per cent. But then, the proposal is that it should be reduced to 50 per cent. *ad valorem* including the surcharge. I think that is a moderate proposal and should be accepted. There is no doubt that there are certain grinding wheels the manufacture of which is not economic.

They have been excluded from the list. So I think all that was possible to exclude has already been excluded and the grinding wheels that are being satisfactorily manufactured and with quite good quality I think should be granted protection. In this case also the extension of time has been sought and that extension upto December, 1954, I think, is very reasonable. So with these few words I would support that the grinding wheel industry and the bicycle industry should be allowed protection that has been sought in the Bill.

Shri T. T. Krishnamachari: At the outset I would like to express my gratitude to the hon. Members of this House who have more or less without exception supported the proposals contained in the Bill which is now being considered. I am also very grateful to hon. Members both on this side and on the other side who have shown a certain consideration to me personally. I must say in this connection that I entirely agree with my hon. friend from Bihar, Babu Ram Narain Singh, that this is a matter which has to be watched very carefully. The attitude of Government to this question of protection is one which has to be determined according to the needs of the time. I do not think, speaking on a personal basis, there is much difference in the ideological outlook of persons like myself and those on my side and Babu Ram Narain Singh. It is only a pity that he is no longer with us, that he has taken a seat elsewhere.

Babu Ramnarayan Singh (Hazari-bagh West): I am always with you.

Shri T. T. Krishnamachari: I am also grateful to the hon. Member from Travancore, Shri Velayudhan, an old comrade of ours, who has been rather good to me personally. In this atmosphere of friendliness and concord, it seems that there is no need for me to go into details of the various objections raised excepting to say that careful note has been made of what hon. Members have said and the questions raised will be considered in their proper setting by my Ministry.

But it would not be enough on this occasion if I pass over with just these remarks. Because, I do propose to take up the points raised by hon. Members who have commented on the provisions of the Bill very seriously, and to begin with my hon. friend from Madras Mr. Ramaswami raised the question of the manufacture of sago in Salem.

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The report of the Tariff Board which is now under consideration and also the previous report of the Tariff Board issued in 1950 on sago is a convincing proof that all that can be done by Governmental agencies is attempted to be done and that there are certain intrinsic defects in trade and private enterprise as a whole from which it cannot altogether escape. Not that the Government is oblivious to the needs of the sago industry of South India—they are not. But a balance of considerations has to be struck, which I think is more or less generally true of many commodities. Government's position is that it has got to consider the consumers' interest first. Then the question of establishing industries in this country, not only for the purpose of industrialisation as a whole but also to save us foreign exchange which happens to be a very moot problem. It is merely a question of a synthesis of these two considerations rather than any partiality for industries as such that makes Government decide on a particular policy.

My hon. friend from Madras, Mr. Anandan Nambiar, who is not here, said that Government are oblivious to the claims of labour. I would at once deny that accusation because after the consumers the interest of this Government is certainly directed primarily towards labour, and the question of industrialisation or of the economic progress of the country comes only next. It would be idle for any person for the sake of political argument to find fault with this Government on the basis that it has not the interest of labour at heart. So far as my Ministry is concerned I can say—it is not a matter of a declaration of policy—that the question of the interest of labour in any industry which seeks our help would get paramount consideration in giving our help to that industry even though the major question of industrialisation has to be subordinated to it.

On the question of zip fasteners a lot has been said. I quite agree with all that has been said by hon. Members. It is a rather intriguing industry. It is something which we are attempting in this country now which is not so much of a necessity but a luxury which is now becoming almost a necessity. We cannot have a hand bag brought into this House without a zip fastener—it is something inconceivable—and I am very glad that the House takes a very lively interest in this industry. In this

connection I would like to refer to the queries raised by my hon. friend from Uttar Pradesh, Mr. T. N. Singh. He said, if the total estimated consumption of zip fasteners in this country is in the region of seven to 7.5 lakhs feet, why allow two industries to be started—the Link Industry with a capacity of nine lakh feet and the other Bombay Industry with a capacity of 18 lakhs feet? Well, logic has no place really in motivating human activities. The warning, if anything, has to be conveyed to those who start the industries. If the Home Industries in Bombay are alive to the fact that the potentiality of the market is only 7.5 lakhs feet and that there is already an industry which can produce nine lakhs feet, then why should they come in? Well, I think that in terms of the trade, those people are willing to take the risk and we do not want to prevent people from taking risk if they want to—we only give them some protection subject to other considerations. Perhaps these industrialists feel that the potentiality is much more than what the Tariff Board can envisage at the moment. My hon. friend from Madras, Mr. Alagesan said there seems on foot a scheme for devising saris with zip fasteners. Perhaps if that fashion comes into vogue all the 27 lakh feet of zip fasteners that can be produced and even more might be consumed. Well, that is not the primary consideration of Government; unless we feel that valuable material is being wasted, that the foreign exchange position is being endangered and things of that sort which makes Government interfere. Government does not want to interfere with private initiative in this matter.

My hon. friend, Mr. Arun Chandra Guha, the keen student that he is, has put forward a number of suggestions in that manner he has—characteristically temperate and characteristically his own. He has taken exception to my saying that there are only two items which are of immediate consumer interest. I plead guilty to the charge. Probably at that moment—being rather new to this job—I forgot to envisage all the commodities which this Bill includes which have an immediate bearing on consumer interest. The points that he has raised, both in regard to sago and starch and in regard to seri-culture, are more or less answered in the reports of the Tariff Board, but I would nevertheless assure him that I have made a very careful note of all that he has said and in any future consideration

of this matter the suggestions that he has made would be borne in mind.

He has also mentioned the question of artificial silk, and though I am departing from the order of the speeches made I would deal with sericulture here and refer to the speech of the hon. Member from Mysore, Mr. Gurupadaswami, who, I see, is not here. Well, the position of the sericulture industry is one with which the Government is seriously concerned. We know that the Mysore Government are very interested, though we do not know that the Mysore Government take the hon. Mr. Gurupadaswami into their confidence and disclose to him when they receive a reply from the Government of India and when they do not. But that is neither here nor there. If the hon. Members would read the report of the Tariff Board they would find that the Tariff Board has been willing, more than willing, to help this industry. But in the face of fluctuating prices abroad, in the face of demands by conflicting interests—the handloom weaver who weaves silk and who wants raw silk at particular prices, the people who are engaged in sericulture, the basic industry, who want import of raw silk either to be prohibited or locally produced raw silk to be heavily protected, well, the Tariff Board could not but come to the conclusion that it has done that this industry shall enjoy the protection that it has all along been enjoying till the end of the year and the matter can come up for review in June 1952. I would like to tell the House that this is a matter in which the Government is taking very keen interest, and there is a reference—not an official reference but certainly one of these departmental references—that has gone forward to the Tariff Commission, as it is now called, to ask them if they will consider examining this question of protection for the sericulture industry so that something can be done for the period after December 1952. However, I would like to tell my hon. friend from Mysore that I do accept his warning and that I am aware of the consequences of allowing an industry of this nature to go unprotected. I take it in the spirit in which he has offered that warning, not as a threat but as information given for taking action. But I would also like him to consider that the Government can only look to one side of the industry. Our trouble in regard to import of raw silk or import of artificial yarn has been that there are other industries, the handloom industry particularly, which wants yarn at particular prices.

So, it is a question of a balance of considerations. We have to put the claims of another industry which depends on raw material partly produced in this country and partly produced elsewhere to keep it going and many hon. Members of this House know that one of the greatest responsibilities that my Ministry has today is how to keep the handloom industry going and of our deep consciousness that this industry should be helped and should be made to live. It is therefore not a question of our either treating the Mysore sericulture industry in a step-motherly fashion or ignoring its claim, but it is a question of merely synthesising the two claims to see that both sets of people live.

The hon. Member from Shahjahanpur in Uttar Pradesh referred to alloy tools and special steel. He is apparently an expert in this subject and knows the trade. I welcome his remarks and I can certainly assure him that my Ministry will consider any course of action to be taken in regard to this particular industry in the light of his remarks when the appropriate time comes. Here again, there is a very peculiar position. What is meant for one person is poison for another. What is good for the alloy, and special steel tools industry is bad for the machine tools industry. There are a few industries in this country manufacturing machine tools and they are languishing. Why? Merely because they find that machine tools which are imported sell at a cheaper price than those that they can make with the special steel that is being manufactured in our country, and if we have to deal with them fairly, of course, some sacrifice will have to be made by the industry which manufactures these special steels. So, once again it is a question of conflict of claims. It is a very difficult situation really to tackle. In fact, that matter was brought to my notice very pointedly recently by one of the officers of my Ministry and I could see that something has to be done with regard to the machine tools industry, particularly because Government is itself committed to starting an industry in Bangalore. We cannot, in the circumstances explained by me, altogether consider each question unilaterally, torn from the context, as being something of very great importance. Important undoubtedly it is, but in all these cases some other factor comes in which has an importance over and above other considerations. I welcome the suggestions made by my hon. friend and I can assure him that we will consider the

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matter subject only to the proviso that there are other factors like the machine tools industry whose claims also have to be considered. We do recognise that whatever may be the needs of other subsidiary industries, the production of essential and basic articles like special steel is a thing which is of great national and strategic importance. That weightage would certainly be given to this particular industry in any future consideration of its claims.

The question of cycles was mentioned by my hon. friend from Travancore. Admittedly, the protection that is sought now is for a very limited period, both in regard to the cycle industry and the aluminium industry. The Tariff Commission is now engaged in considering this subject and probably it will report by the end of the year and we will come before long with a proposal to the House, perhaps either reducing the duty, or increasing it or maintaining it at the existing level. Incidentally, there is another fact that has to be mentioned. Not only are there two major cycle production plants in the country, but three new plants are going into production almost very soon. One will go into production sometime in the middle of next month. These three plants between them have a capacity of three lakhs, and two of them are produced under the auspices or rather the cooperation of well known foreign manufacturers. The Sen-Raleigh concern has the support of Raleigh Cycles people and the T. I. Cycle concern has got the support of Hercules Cycles people. There is a concern here, near Delhi, started by one of the local industrialists, which is estimated to produce one lakh cycles ultimately. So, the Tariff Commission, when it decides on this question of protection, would be able to take into consideration the possibility of this country having an optimum capacity for production of cycles, say, 4½ lakhs or a little over four lakhs. and I can assure my hon. friend that I shall make it my personal duty to see that the claims of the persons who use the cycle—and they happen to be the majority of the lower middle class—are given due weight in the determination of any future policy that we may bring up before the House after the report of the Tariff Commission.

My hon. friend from Madras Shri Natesan adverted to the zip fastener industry and about brass strips to be supplied to it. Once we give protection to an industry, the obligation al-

most follows that the Ministry must facilitate that industry's getting the raw materials, but it is a trifle difficult to give an assurance that we would go out of our way to secure raw materials for it. All that is possible on the Governmental level would certainly be done.

I think I have dealt with most of the points raised in the debate. In the end, I would only like to deal with two points of a general character, both of which were touched upon by my hon. friend Dr. Lanka Sundaram. I have taken them last, because criticisms and remarks coming from a well-known publicist and economist of the calibre of Dr. Lanka Sundaram have to be dealt with fairly carefully. In regard to this question of "consumer angle" not being properly taken care of, I may tell him that provision has been made in section 15 of the Tariff Commission Act more or less laying a duty on the Commission to deal with this particular question and I think a reference was made by my young friend from Bihar, Shri B. R. Bhagat, to the Fiscal Commission's Report. That report has given an important place to the watching of the working of protected industries and it has insisted that protection once granted should be a matter of perpetual and continuous scrutiny, and it is because of these recommendations of the Fiscal Commission I believe that the framers of the Tariff Commission Act—during the stage when it was a Bill—had put in a provision expressly casting such an obligation on the Tariff Commission. Therefore, I would like to tell my hon. friend that the consumer-angle would be looked into.

I think some hon. Member—I cannot recollect who—mentioned about the Tariff Commission being a harassed body.

Dr. Lanka Sundaram: I did.

Shri T. T. Krishnamachari: I am very much obliged to him for mentioning that, because I ought to be very much grateful to this House that it recognises that many of the bodies that are working under my Ministry are harassed bodies and the number of tasks that we want to entrust to them are increasing. Every day almost, we feel that if something is difficult to decide upon we might refer it to the Tariff Commission. At the same time, that body has got only three members and we have to increase its strength and I am glad that I have

the support of the Opposition in this regard, so that when we come forward with a proposal that the Tariff Commission's strength should be augmented, that its technical staff should be strengthened and improved, then I shall certainly count on the support of my hon. friend Dr. Lanka Sundaram whose powerful voice would, I trust, be raised in my support for any proposal of that type.

My hon. friend again mentioned a very queer word. He said something about the "behaviour" of the industrialists. As we understand this word according to the dictionary meaning, it does not perhaps quite fit in with what he had in mind. Probably he was referring to "behaviourism". I know that a person who runs the Ministry of Commerce and Industry must know quite a lot of many other things, and it seems now that he should know something of psychology—not only ordinary psychology, but something of that peculiar type of psychology which Dr. Watson has brought into being, called "behaviourism". I can assure my hon. friend that I will try to study that particular aspect of psychology and if any use could be made of it, I may again assure him that I shall put it to the best use.

Dr. Lanka Sundaram: On a point of explanation. I did not mean anything about the "behaviourism" of industrialists. What I meant was a guarantee clause or a behaviour clause to the effect that after getting protection they will deliver the goods as expected by Government.

Shri T. T. Krishnamachari: Well, from the high opinion that I have of my hon. friend's power of expression and thought I thought it was something more subtle than what it looked.

I come to the final portion of this discussion and perhaps a very crucial one. My hon. friend Dr. Lanka Sundaram and my hon. friend from Tanjore district, Mr. Anandan Nambiar, referred to the question of Imperial Preference. I am glad to have had the support of two hon. Members on this side. We are not new to this game. It is a baby which we probably handed over to hon. Members opposite. If I can even say without any disrespect to the Chair, the Chairman himself used to refer to this question often in the past and there have been times when I have also done it in a different capacity. So, though the House is new, and there is a new orientation about it, I do not think there is very much

newness about it. The only new thing that we have done is that we have passed on the baby to the opposition camp and on this side we have to reply to hon. Members.

I think our trouble is really a question of hangover of the past, and if hon. Members opposite want to make use of it, they are welcome to do it—we cannot deny them the right. If any stick is good to beat the Government with, the more sticks you can have from the lumber-room the better.

Dr. Lanka Sundaram: You know where it hurts when it is used.

Shri T. T. Krishnamachari: I have no doubt my hon. friend perhaps refers to my past in a different capacity. We know it hurts. At the moment the hurt is merely of a very sentimental nature—sentimental only if the microscope is directed against it and it is magnified beyond all proportion. Today the nomenclature 'Imperial Preference' is meaningless, because the Imperial Commonwealth no longer exists. Today, in actual practice, by the preference that we give to British goods, the way in which it affects us is practically negligible. As my hon. friend from Bihar mentioned, there are also certain other factors. We are getting some advantage—maybe it is a very small advantage, which is taken away because of the purchase-tax in U.K.—but the advantage is nevertheless there.

I quite concede that my hon. friend's objections have a basis in facts but they are sentimental than real. Of course as members of Government we must give consideration to sentimental objections as well. This is a matter which will perhaps be ultimately solved in some manner when the whole question of India's commercial relations with U.K. is reviewed. The question of reviewing the relationship with other countries by means of bilateral treaties is a normal procedure. Negotiations are always going on with certain countries and within a measurable distance of time we may be able to come to some agreement even with U.K. and the question of Imperial Preference may or may not exist then.

But at the same time there is another factor also. We are parties to an agreement called the GATT and that agreement would not permit us in the future to give any preference we want to. Perhaps, that is one of the reasons why these things are being continued, because there are in them certain advantages both to Britain and to us. I can assure my

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hon. friends Dr. Lanka Sundaram and Mr. Anandan Nambiar that this is a matter which is engaging the attention of Government constantly and if preference in any particular item or series of items operates against the interests of the country, we shall terminate the agreement. I can give no further assurance at this stage, except to say that we have not lost sight of this question.

I think I have dealt with most of the objections raised. I would once again express my gratitude to hon. Members for the very kind reception they have given to my Bill and I hope they will accept the motion for consideration.

12 NOON

Mr. Chairman: The question is:

"That the Bill further to amend the Indian Tariff Act, 1934, be taken into consideration."

The motion was adopted.

Mr. Chairman: As regards the amendments, I am afraid all the amendments are out of order. Under the Constitution no measure can be introduced or an amendment tabled or moved, which seeks to impose additional duty or impose increased taxation, except with the sanction of the President.

Shri Gurupadaswamy: My amendment only seeks to extend the period of protection.

Shri T. T. Krishnamachari: I have assured the hon. Member that the matter is now being referred again in a formal manner to the Tariff Commission and the Government will certainly do what it can. This provision in this Bill is only temporary and we have not lost sight of the matter. Perhaps additional protection may be recommended by the Tariff Commission. There is no need for him to press this. Having tabled an amendment and expressed his views and the desire of Mysore, he can now leave it to the Tariff Commission.

Clauses 1 and 2 were added to the Bill.

The Title and the Enacting Formula were added to the Bill.

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

"That the Bill be passed."

Mr. Chairman: The question is:
"That the Bill be passed."

The motion was adopted.

CALCUTTA PORT (AMENDMENT) BILL

The Minister of Railways and Transport (Shri L. B. Shastri): I beg to move:

"That the Bill further to amend the Calcutta Port Act, 1890, be taken into consideration."

This is only a consequential amendment because owing to the regrouping of the Railways, the names of the Railways have changed. The E.I.R. and B.N.R. and certain portions of other Railways have been regrouped under the names of the Eastern Railway and the North-Eastern Railway. Instead of the General Manager of E.I.R. and B.N.R. other officers who are now concerned, the General Manager of the Eastern Railway and the Director of the Railway Board at Calcutta, will represent the Railways on the Calcutta Port Commission. The Bill is a non-controversial one and I have therefore nothing more to add.

Mr. Chairman: Motion moved:

"That the Bill further to amend the Calcutta Port Act, 1890, be taken into consideration."

Shri A. C. Guha (Santipur): The hon. Minister has said that this Bill is in consequence of the changes recently effected as regards Railway administration. I think the last word in that matter has not been said. I do not, at this stage, like to enter into long arguments, but I would only like to remind the hon. Minister that there has been deep resentment in Bengal and as representatives of our constituency, I think, it is our bounden duty to express that feeling, which prevails throughout the province, to this Government and to this House. I wish the hon. Minister were present in Calcutta on the 7th May when the hartal was observed with unique success. It was not organised by any political party—the Congress, you can understand, cannot be behind it; the Communist Party was not behind it—rather it opposed the.....

Mr. Chairman: I am afraid the hon. Member is trying to enlarge the scope of the Bill.

Shri A. C. Guha: I will finish in five minutes, Sir.