

One other point was made by our esteemed friend Mr. Thomas. The question which we have under consideration is the general question of the development of the tea industry as also the rehabilitation of that sector of industry which has not been doing well as also the question of labour and quotas and all that. In the near future, we are thinking of introducing a measure which would, we hope, in some measure do justice to these points.

Then, as usual, whenever the question of tea is concerned, whenever soap is concerned or whenever something else is concerned, up is bound to come the question of foreign personnel. In respect of that, I am happy to tell the House that in regard to the Indianisation of the tea gardens, we have taken up the matter very strongly with the tea growers. We have been assured that a scheme for rapid Indianisation would be worked out shortly. That is, of course, part of a larger question which my esteemed colleague took up, as the House very well knows, immediately he came into office and I am happy to say that we have succeeded in some measure towards persuading the parties concerned to increase the pace of Indianisation of this industry. We would not like to make an exception in this matter and we would always be interested in seeing that this pace of Indianisation of foreign concerns increases as it goes by.

One other point I must refer before sitting down. That is to say, what are we going to do with money, this export duty. Normally, it goes to the Consolidated Fund of India and, as the House is aware, the Finance Ministry is not chary in granting us funds whenever there is any necessity for the development of any particular sector of the industry. Logically it has to come from the Consolidated Fund. If you require funds for amenities to labour and other things, we can secure those funds either from the general budgetary resources or by

taking recourse to some other method for increasing the resources for this particular purpose. That is all, I think, I need refer to in the course of this debate.

Again I must express my appreciation of the almost universal support and unanimity of Members excepting Mr. Gandhi—who said that he did not question the increase in export duty but had some general observations to make—and I think I had better deal with his arguments outside the House rather than in this House.

Mr. Chairman: The question is:

"In pursuance of sub-section (2) of Section 4A of the Indian Tariff Act, 1934 (XXXII of 1934), the Lok Sabha hereby approves of the notification of the Government of India in the Ministry of Commerce and Industry, No. S.R.O. 3161, dated the 1st October, 1954, by which the export duty on tea was enhanced from four annas to seven annas per pound with effect from the date of the said notification."

The motion was adopted.

COFFEE MARKET EXPANSION (AMENDMENT) BILL

The Minister of Commerce and Industry (Shri T. T. Krishnamachari):
I beg to move:

"That the Bill further to amend the Coffee Market Expansion Act, 1942, as reported by the Select Committee, be taken into consideration."

This Bill, as hon. Members of this House know, has been allotted five hours. I am sure hon. Members are going to do justice to the measure during that time. I do not want to stand very much in the way of the time that would be usefully employed at the hands of the hon. Members at this stage. But, I would like to mention that so far as the Select Committee is concerned, it went into the

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matter thoroughly. It heard a lot of evidence, which has now been placed before the House, and it has made certain changes in the Bill. The changes have been listed in the report of the Select Committee.

One important change is that the question of consultation has been provided for, which was not provided in the original Bill, though the words used are such as not to attract the attention of a court if for any reason Government had to make a quick decision and the Board could not be consulted for that purpose. The Select Committee has also enjoined on the Government to do certain other things, like providing representation on the Coffee Board for the small grower. This, it is proposed to be done by means of the rules. In fact, one of the matters on which hon. Members of the Select Committee, some of them, and also the representatives of the industry who came to give evidence showed concern was the question of the selection of the growers' representative. At the present moment, the Bill as it stands, provides a certain amount of representation for each area to be made, the representatives to be selected by the appropriate Governments. The intention, in order to meet the wishes of the hon. Members, is to put down in the rules that the appropriate governments should invite the representatives of the growers who are constituted into associations to send a panel to the Government from out of which the Government will have to choose. I do propose, before the Bill is finally disposed of, to read out an appropriate draft for this purpose which might give some confidence to the hon. Members about the working of the scheme.

In fact, this question of tying up representation statutorily with particular bodies makes it very difficult because these bodies sometimes exist, sometimes they lose their vitality and it is much better to do it by means of rules. As the House knows, as there

is a Committee of the House in regard to the scrutiny of the rules, nothing can be done without the House being aware of it and the rules being scrutinised by the Committee.

With regard to the minutes of dissent, I do not propose to dilate on them considerably because the minutes of dissent really border on two questions. One is that there should be an elected Chairman and not a Chairman nominated by the Government and the other thing is that each Association should send its representatives direct.

In regard to the latter point, as I have mentioned already, we are now proceeding to provide for the small growers, it may be that the small growers' associations will not be there, it may be that there is a plethora of associations and lastly with the limited number of members for each area it will not be possible to recommend all such associations. The question of reconciliation of such interests is rather difficult and the majority of the Select Committee therefore felt that the present method indicated in the Bill namely, that of a provision in the rules, would meet the situation adequately.

So far as the chairmanship is concerned, this is the pattern that we have followed in the Tea Act; and, at the present moment, we have got a highly paid officer in the Chief Coffee Marketing Controller. His position is rather nebulous. He has absolutely no powers so far as the Board is concerned, though he is also the Chairman of the Marketing Committee. I have said, at the time of the introduction of this Bill, the difficulties that I found, particularly in the year 1952, in the way of Government's wishes in order to protect the consumer being carried out. Here is a case where we have a statutory Board, where the representation is by means of the growers electing their men, with a little watering down of that representation by other people nominated by Government, where Government's

wishes and even Government's purposes cannot be made plain, while the responsibility for any mismanagement, for any high prices, for any fault, goes to Government. The position is extremely anomalous. I have explained it at length when I moved this Bill and I do not propose to say anything more about it now.

Lastly, I would like to add that I have seen certain tendentious reports in the papers about there being overstocking, about the Board's wishes in regard to exports having not been taken heed of by Government, about the deterioration of quality etc. I feel I have got to say something about it. So far as exports are concerned, the Board's wishes have been fully met with. The Government have sanctioned the export of 10,650 tons out of which the last 1,650 tons was suggested only recently and the auction has to be held sometime in December. In fact, I can give to the House a table if they want, to show that the requests of the Board have been met with almost immediately. The time allowed is only for the report to be made to Government and Government to consider it and their wishes have been accommodated by the Government in this particular matter. The position so far as exports are concerned is rather satisfactory and there can be no complaint.

So far as the internal sales are concerned, Mr. Gurupadaswamy is very much exercised because he felt that the figure that I gave the House about the sales in the first four months of the year was a flash in the pan and it is true that the sales thereafter lagged behind but during the last two months they have bucked up again. So, the sales this month have been record sales. I think the figures I have got in my hands show that very nearly 2,240 tons have been sold in November and the estimated sales on this basis for December are about 1,750 tons. What will be the stock lying with the Board at the end of the year may be on the border-line of 4,000 tons, which is needed for the purpose

of a carry-over stock. We expect next year the crop to be about 24,000 tons; it may be a little less. This year's figures of consumption would certainly touch 21,000 tons. We have got to have a carry-over which will tide us over in times of difficulty.

In regard to the deterioration of stocks, I am afraid whoever has been putting it out in the papers has not been doing the coffee industry any service. Coffee is collected at a particular period of the year and consumption has to be spread over the entire period of the year, over twelve months. Very naturally, initially when the coffee is collected, it has a particular flavour and as time goes on, the flavour goes. Maybe some people like the original flavour and some people like the other types of slightly stale flavour. We cannot keep it fresh all the twelve months. The Chief Marketing Officer has been careful enough to see that all stocks in Mangalore were exported so that in Mangalore, where the monsoon is the heaviest, no large stock is carried over. Such deterioration as does exist is a normal deterioration and not excessive deterioration, and that friend of the coffee industry who puts out in some papers may have the 'idea of using this fact for attacking the Government, but he is doing no service to the industry; very possibly the prices in auction will drop because of the scare that the quality is poor. But whatever he has done has not done much damage; the prices are rising and the auctions are going on reasonably well. I would like to tell hon. Members that the price fixed by the Board was Rs. 2-2-0 per pound and we have agreed with the Board that so far as the small grower is concerned, he has been paid Rs. 2-8-0 per pound, and so far as the large-scale grower is concerned, he has been paid so far Rs. 2-3-0 per pound and they are likely to be paid another four annas early next month. It is anticipated that the payments to the growers might be in the region of seven to eight annas more, that is, making in all a rate of Rs. 2-15-0 or

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Rs. 3 nearly. I think the blame attached to Government in this regard is meaningless, but I might tell the House that this position has been achieved with a large amount of strain and with a large amount of watchfulness on the part of Government. It is not as if we have somebody on the Board who can look after the interests of both the growers and the consumers and render accounts to the Government and therefore unless the Board has a Chairman who is responsible to Government and who will be a sort of liaison between Government and the Board, the Board cannot function properly.

As amendments are moved and as the discussion will go on for nearly 4 hours and 45 minutes, naturally I will have an opportunity of replying to all the points that have been raised by the speakers that may intervene in this debate. At the moment I have nothing more to say excepting to commend my motion to the House.

Mr. Chairman: Motion moved:

"That the Bill further to amend the Coffee Market Expansion Act, 1942, as reported by the Select Committee, be taken into consideration."

Shri M. S. Gurupadaswamy (Mysore): I beg to move:

"That the Bill, as reported by the Select Committee, be circulated for the purpose of eliciting opinion thereon."

The hon. Minister just now said that many of the criticisms that have been levelled against the Ministry, against himself and against his policy are meaningless. I was very much surprised at the very attitude of the Minister against the very legitimate criticisms that have been levelled by responsible quarters. It is this mentality that has been responsible for ruining this industry and the story of the attitude of Minister to this industry is sad and dismal. I do not want to repeat on the floor of the House the

treatment that he has been giving to the various interests concerned in the coffee industry. The Minister said that he is taking much interest in this question. But I am sorry to say that too much of his interest, too much of his direction and regulation is responsible for the ruination of the industry. If his interference, direction and control have improved this industry even by an inch or by an iota, I would have congratulated him. After all, I view the whole question from a dispassionate angle. If after assumption of his office as Minister of Industry and Commerce he has solved even 10 per cent. of the problems that beset the coffee industry, I would have really thanked him. Unfortunately, along with the assumption of his office, he brought new troubles to this industry. He created those troubles and he takes pleasure in creating troubles. I cannot understand the psychology behind it. I think there are certain people who take pleasure in creating troubles. This is the symptom of a sadistic mind. I do not want to say much about it but content myself by saying that the entire attitude and approach and the way in which the Minister is dealing with the problems of the coffee industry is something extraordinary. Nobody has got a good word about it. He has been saying that the coffee industry has been saved. Who saved it? Saved from whom? He has always been misleading in his figures and he is twisting the figures for his own ends. He has said even today that there has been a little stock in the country and that the deterioration is normal. Of course, if stock is kept for long, deterioration will be there, but what is the purpose of keeping these stocks? Who is responsible for it? Is it due to some natural reasons that the stocks accumulated? Is it because that they could not be cleared? Why were the stocks not cleared in time? Why were the stocks allowed to deteriorate? He has advanced a very amusing and amazing argument that some people like fresh coffee and some others like

stale coffee,—coffee prepared out of old stocks. It is very curious! I can understand this argument in the case of liquor. If you keep the liquor bottles for long, the quality, the taste and the price will increase. In the case of coffee the argument is somewhat amazing.

Shri Nambiar (Mayuram): He might not have tasted liquor.

Shri M. S. Gurupadaswamy: I have not tasted liquor myself. Again and again there were demands made by the coffee interests that there should be more exports and that the exports must be allowed in time when there is a good market for coffee in foreign countries. But he said "No".

Sardar A. S. Saigal (Bilaspur): What about consumers?

Shri M. S. Gurupadaswamy: Why this bogey of consumers? I am a consumer, Mr. Karmarkar was taunting me...

The Minister of Commerce (Shri Karmarkar): Not taunting but explaining.

Shri M. S. Gurupadaswamy: But what else is it? Mr. Karmarkar was saying that Gurupadaswamy does not know about tea.

Shri Karmarkar: No. I said you knew more about coffee than tea.

Shri M. S. Gurupadaswamy: I leave it at that. My point was that he is not protecting the interests of the consumer. I ask, what is it he has done for the consumer? Nothing. Today, you have lost nearly Rs. 2½ crores. If you had allowed only the export in time, you could have got Rs. 2½ crores. I would not have come in the way of the Minister if he had raised the export duty on coffee for mopping up certain profits made by the coffee exporters. But the country has lost that amount. There is a huge accumulation of coffee. Today the price of coffee has fallen. Today he says—and he has the temerity to say—that he has saved coffee industry. On the other hand, he has destroyed the coffee industry. He has completely destroyed it, and nervousness and panic are ruling very high

among the coffee planters. Nothing is done to take their co-operation.

Now he has brought this Bill. What is the purpose of this Bill? The Minister does not want an elected Chairman, because every time the Board gave proposals which the Minister did not like, and he could not control the elected Chairman. That is why he says today, "Oh, let us have a nominated Chairman". What are the arguments for this? He gave only one argument. "Oh, we have followed the same pattern in other things. We have got similar types of Boards. Let us have this uniformity. Let us have a similar Board". But is it the argument that has to be advanced by the Minister? Have we to believe it and does he expect us to believe it? Would that argument justify the present amending Bill? Have we to swallow what he has said? For the last three years we have been hearing him. He is singing the same old siren song without change. What has he done? The treatment that he has meted out to the Board is scandalous. He expects co-operation; co-operation on his own terms and not the genuine type of co-operation on the basis of reason, on the basis of consent. He wants the Chairman and the members of the Board to act as his satellites. That is impossible. What is he driving at? Does he want to create a few dummy Boards? Does he want the members of the Board to act like *jo hukums*, or his *chelas*? Is it for this that he wants the Board? You know some of the Boards are functioning already. The people who are on these Boards are nominated by Government. They are always passive. They are inert, they are just like gum-chewing supers, content only with murmuring. Does he want such Boards? When he introduced another Bill on rubber last time, I said that he was very much interested in creating rubber stamp Boards.

This is worse than rubber stamp Boards.

An Hon. Member: It is a T. T. K. Board.

Shri M. S. Gurupadaswamy: I have visualised a different scheme and a different pattern for these things.

Shri Karmarkar: Adult franchise?

Shri M. S. Gurupadaswamy: I expect the hon. Minister to be more serious and not frivolous. In a democratic country, we normally expect that the Boards which are created for various economic interests should have adequate powers and their composition should be completely democratic. The respective interests should be given choice of nomination from among them and the Chairman should be elected. One Board is not enough for any industry. I and the party to which I belong visualise a pattern by which we could have one Board at the top and a few at the bottom. Let each State in which coffee is grown get a Board for itself. That Board should have ample power for the development and marketing of coffee. All those Boards functioning should be subordinate to the overall control of the Central Board. These Boards should take the entire industry into their hands. They should not only supervise and control and regulate them but also be responsible for the policy for the industry. The Government must step in only to guide on certain things whenever it is necessary. The Government's control should be very nominal and should be only overall control, so as to fit in with the whole scheme of things in the set pattern. That is the pattern that we want. By setting up the Board at the Centre, can we solve the problems of the consumer? What are the powers given to this Board? They are very limited. They cannot discuss policies. They cannot even place their proposals strongly before the Government. All the Members who are on the Board, as I said, are mere satellites and "yes men", of the Congress Ministry. Why should we have such Boards? It is a waste. It is an economic waste. Why cannot we have departmental control? I think that is better. Instead of having these Boards and distributing favours among their henchmen, it

is better to have control of the whole thing under the hands of the department, or Ministry. Let there be departmental control and regulation.

Shri Karmarkar: I am not interrupting, but I am trying to understand him. How do people chosen from panels given by the respective interests become henchmen of Government?

Shri M. S. Gurupadaswamy: You are referring to panels?

Shri Karmarkar: To panels to be given by each sector of the industry and the Government are only to choose from among them.

Shri M. S. Gurupadaswamy: The hon. Minister wants to take the edge out of criticism. But I would submit that even after panels are submitted, it is left to the Government to pick and choose. The panel system does not work properly. Generally the Minister will ask a particular association or organisation to send up the names of some particular men. It will happen: It is happening. After all my hon. friend should not be blind to realities. I know he is a Minister and should be knowing what is going on in his Ministry. There will be a scramble for inclusion in the panels. But what is wrong if the associations which represent the various interests are given the entire choice in the matter. They must be able to send their own men, men of their own choice. You want these people to behave in the manner you wish them to behave: you do not want any dissentient voice, or any independent thinking on the part of the members. Otherwise, what is the purpose behind it? Why are you insisting on panels? You want co-ordination and co-operation. How can you expect co-operation? And co-operation for what? Is it to improve the industry? Can you expect good and reasonable proposals, free thinking and independent action by these nominated stooges who are to serve on these satellite boards?

So, I say that the entire philosophy behind this scheme is fundamentally wrong. I will be making the same

point in the next Bill which is coming up. Fortunately for us, the hon. Minister has brought all these three together, so that our speeches may be co-ordinated, and we may pursue our point more effectively. In the treatment that he is meeting out to this industry, in the methods employed by him for the constitution of these Boards, there is something fundamentally wrong and undemocratic. These Boards do not serve any useful purpose. They will be dummy boards, or black boards if I may be allowed to say so. They will never serve the end in view. It will serve only one purpose: it will serve the purpose of the Minister in distributing favours to his henchmen. That is the only ostensible purpose for which this Bill has been placed before the House.

Shri Karmarkar: Ostensible?

Shri M. S. Gurupadaswamy: It is very clear; it has no other purpose.

Shri N. M. Lingam (Coimbatore): On a point of information, is there any time-limit to speeches on this Bill.

Mr. Chairman: There is no time-limit on the speeches as such. Out of five hours some time is to be devoted to the consideration stage and the clause by clause consideration. I should think out of these five hours, if the House agrees we may devote two hours to the clause by clause and three hours to the consideration stage. In these three hours, many Members are anxious to speak. The hon. Member has already taken more than twenty minutes. I would request him to conclude.

Shri M. S. Gurupadaswamy: I do not wish to take more time of the House. The House is aware that an Enquiry Committee has been set up to go into the problems of the plantation industry in general. That Committee is already functioning and it may be possible for the Committee to submit its report very soon. Why should we not wait till the Report of the Committee is received? Why

should we not study the report and then take a decision in the matter. We will not lose much. The Board is already functioning and therefore it is fair for us to demand that the consideration of the Bill may be postponed to a future date. We are not likely to lose anything by doing so. So, I submit that this legislation has been brought rather hastily. If Government feels that we need not wait for the report of the Plantation Enquiry Committee, then let the Bill be circulated to the public; let the public be given more opportunity of expressing their opinion and send their views on this Bill.

I know the Select Committee invited a few of the leaders of this industry and took evidence. The evidence is before us. But many people had no opportunity then of appearing before the Select Committee. There is a universal feeling today that the Bill is being pressed inspite of universal opposition against some of its provisions. I, therefore, submit that the Bill may be circulated for public opinion, or if the Minister does not wish to do so, let him postpone consideration of this measure to a future date. In the meantime we would have received the Report of the Plantation Enquiry Committee. By doing so he will be respecting the feelings of most of us.

Mr. Chairman: Amendment moved:

"That the Bill, as reported by the Select Committee, be circulated for the purpose of eliciting opinion thereon."

Shri Keshayaengar (Bangalore North): I beg to move:

"That the consideration of the Bill, as reported by the Select Committee, be adjourned till such time as the final report of the Plantations Enquiry Committee is presented to the House."

The hon. Minister was pleased to suggest at the fag end of his speech that it was under very great stress

[Shri Keshavalingar]

and strain that he was dealing with this matter, and also that he was taking very great personal interest in this matter. I am one of those who feel that the coffee industry has got to be helped in every way in our country. Taking all aspects of the industry into consideration there are about two and a half lakhs labourers employed in this industry. The industry fetches a revenue of several crores of rupees to the Government coffers and it is one of those big agricultural product industries wherein machinery cannot be employed. A large amount of labour has to be employed in the interests of the industry itself. It is also a pleasant factor for us to note that 96 per cent. of the estate-owners are small estate owners who own not more than 25 acres. I would like even to suggest that this may be called a nation-building industry and we must do everything in our power to see that this industry develops and nothing is done to the detriment of its progress.

I feel that the way in which we are tackling this problem, this crucial problem, of giving some help to this industry is not very satisfactory, particularly so far as the measure under discussion is concerned. My hon. friend on the other side was suggesting something about the panel of names. The hon. Minister was pleased to suggest that so far as the composition of the Coffee Board is concerned, there will be a panel of names and Government will pick up people from that panel.

5 P.M.

Mr. Chairman: I think the hon. Member will take some time.

Shri Keshavalingar: I will take a few minutes more.

Mr. Chairman: He may continue tomorrow.

The Lok Sabha then adjourned till Eleven of the Clock on Tuesday, the 23rd November, 1954.