

LOK SABHA DEBATES

Dated... 27.2.56

(Part—II Proceedings Other than Questions and Answers)

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2912

LOK SABHA

Monday, 19th March, 1956

The Lok Sabha met at Half Past Ten of the Clock.

[MR. SPEAKER in the Chair]

QUESTIONS AND ANSWERS

(See Part I)

11-28 A.M.

LEAKAGE OF BUDGET PROPOSALS

Mr. Speaker: On the 3rd March 1956, Shri A. K. Gopalan and Dr. Lanka Sundaram gave notices of adjournment motions on the leakage of Budget and financial proposals in Bombay before they had been formally presented to the House on the 29th February 1956.

When the notices were read out in the House, the Prime Minister made a statement that the Government had already taken steps to investigate into the matter and that after the enquiry, Government would place the results of their enquiry before the House in due course. Thereupon Shri A. K. Gopalan said that he was satisfied with the statement. Accordingly, I treated the notices as not pressed and did not give my consent to the motions.

On the 6th March 1956, Dr. Lanka Sundaram reverted to the subject again and pointed out that inasmuch as the Minister of Finance had given certain additional facts on the previous day to the Rajya Sabha without informing this House concurrently or earlier of these facts, an impropriety on the part of the Government had been committed. During the short discussion that followed, in which several other Members including the Minister of Finance took part, questions of privilege of the House were raised and a reference of the matter for investigation to the Privileges Committee of the House was suggested.

On the 9th and 12th of March the Prime Minister stated in pursuance of the statement he had already made on

the adjournment motions on the 3rd March in the House the progress the Government had made in the matter of investigation. He said that it was discovered that the leakage had taken place in the Printing Press and that some persons were arrested and that some more may be proceeded against. Thereupon some of the Members of the House again referred to the question of privilege and suggested a reference to the Committee of Privileges for investigation into the matter.

I then said that I would examine the whole matter of procedure and the proceedings which had taken place till then and give my ruling in due course.

I have since looked into the matter and gone through the proceedings.

In the matter of determination of the privileges of the House, we are governed by the provisions of article 105(3) of our Constitution, which state that the powers, privilèges and immunities of the House are such as were enjoyed by the House of Commons in the United Kingdom at the commencement of our Constitution. The precedents of the United Kingdom should guide us in determining whether any breach of privilege was in fact committed in the present case. So far as I can gather, only two cases occurred in which the House of Commons took notice of the leakage of the budget proposals. They are known as the Thomas case and the Dalton case. In neither of these cases was the leakage treated as a breach of privileges of the House nor were the cases sent to the Committee of Privileges for enquiry. The prevailing view in the House of Commons is that until the financial proposals are placed before the House of Commons, they are an official secret. A reference of the present leakage to the Committee of Privileges does not therefore arise.

Though the leakage of budget proposals may not constitute a breach of privilege of the House, the Parliament has ample power to enquire into the conduct of a Minister in suitable proceedings in relation to the leakage and the circumstances in which the leakage occurred. In the two English cases afore-

[Mr. Speaker]

said, matters were brought to the notice of the House of Commons by a resolution or a motion for appointment of special committees or tribunal to enquire into the matter and report the facts thereon to the House.

In the Dalton case, Mr. Dalton who was the Chancellor of the Exchequer admitted that he did not think of the consequences at the time of the disclosure and in the Thomas case, it was alleged that he disclosed the budget secrets, which he got to know as a Cabinet Minister. It is neither alleged nor even suggested in the case before us that the Finance Minister was himself responsible for any unauthorised disclosure of the financial proposals. Regarding other persons, the Government have already taken steps to investigate into the matter and it is stated that persons have also been arrested and that prosecutions are being launched against them. In the circumstances it is not clear as to what special advantage would be gained by appointing a special committee which to a large extent will go over the same ground which had been previously covered during investigation by the Government.

However, I consider it desirable that while the matter is still fresh, the House should have an early opportunity to discuss the matter. Dr. Lanka Sundaram has given a notice of his intention to raise a discussion under Rule 212 of the Rules of Procedure on the statements made by Government spokesmen on Budget leakage and matters pertaining to secrecy of Budget and Budgetary Reform.

I have admitted the notice and am allowing a discussion on the 20th, that is, tomorrow, between 4 to 6-30 P.M.

PRESIDENT'S ASSENT TO BILL

Secretary: Sir, I have to inform the House that the Bar Councils (Validation of States Laws) Bill, 1956, which was passed by the Houses of Parliament during the current Session was assented to by the President on the 13th March, 1956.

MESSAGES FROM RAJYA SABHA

Secretary: Sir, I have to report the following seven messages received from the Secretary of Rajya Sabha:

(i) "In accordance with the provisions of rule 125 of the Rules of

Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on the 15th March, 1956, agreed without any amendment to the Life Insurance (Emergency Provisions) Bill, 1956, which was passed by the Lok Sabha at its sitting held on the 3rd March, 1956."

(ii) "In accordance with the provisions of sub-rule (6) of rule 162 of the Rules of Procedure and Conduct of Business in the Rajya Sabha I am directed to return herewith the Appropriation (Vote on Account) Bill, 1956, which was passed by the Lok Sabha at its sitting held on the 13th March, 1956, and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said Bill."

(iii) "In accordance with the provision of sub-rule (6) of rule 162 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to return herewith the Appropriation (Railways) Bill, 1956, which was passed by the Lok Sabha at its sitting held on the 13th March, 1956, and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said Bill."

(iv) "In accordance with the provisions of sub-rule (6) of rule 162 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to return herewith the Appropriation (Railways) No. 2 Bill, 1956, which was passed by the Lok Sabha at its sitting held on the 13th March, 1956, and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said Bill."

(v) "In accordance with the provisions of sub-rule (6) of rule 162 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to return herewith the Appropriation (Railways) No. 3 Bill, 1956, which was passed by the Lok Sabha at its sitting held on the 13th March, 1956, and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to