

PARLIAMENTARY DEBATES

(Part II—Proceedings other than Questions and Answers)

OFFICIAL REPORT

4743

4744

HOUSE OF THE PEOPLE

Tuesday, 29th July, 1952

The House met at a Quarter Past
Eight of the Clock

[MR. SPEAKER in the Chair]

QUESTIONS AND ANSWERS

(See Part I)

9-15 A.M.

PAPERS LAID ON THE TABLE

REPORT OF INDIAN DELEGATE ON WORK-
ING PARTY CONFERENCE ON STANDARD
INTERNATIONAL TRADE CLASSIFICATION

The Minister of Commerce and
Industry (Shri T. T. Krishnamachari):
I beg to lay on the Table a copy of the
Report of the Indian Delegate on the
Working Party Conference on Standard
International Trade Classification held
at Bangkok in January, 1952. [Placed
in Library. See No. P—40/52.]

STATEMENTS SHOWING ACTION TAKEN
BY GOVERNMENT ON ASSURANCES ETC.

The Minister of Parliamentary Affairs
(Shri Satya Narayan Sinha): I beg to
lay on the Table the following state-
ments showing the action taken by
Government on various assurances,
promises and undertakings given
during the various sessions shown
against each:

(1) Supplementary Fifth Session of
Statement I Parliament, 1952

[See Appendix XI, Annexure No. 28.]

(2) Supplementary Fourth Session of
Statement V Parliament, 1951

[See Appendix XI, Annexure No. 29.]

(3) Supplementary Third Session of
Statement III Parliament (Second
Part), 1951

[See Appendix XII, Annexure No. 4.]

117 P.S.D.

(4) Supplementary Third Session of
Statement III Parliament (First
Part), 1950

[See Appendix XII, Annexure No. 3.]

(5) Supplementary Second Session of
Statement III Parliament, 1950

[See Appendix XII, Annexure No. 2.]

(6) Supplementary First Session of
Statement V Parliament, 1950

[See Appendix XII, Annexure No. 1.]

(7) Supplementary November-December
Statement IV Session,
1949 of the Con-
stituent Assembly
of India (Legisla-
tive)

[See Appendix XI, Annexure No. 30.]

ELECTION TO COMMITTEE

INDIAN COUNCIL OF AGRICULTURAL
RESEARCH

Mr. Speaker: I have to inform the
House that upto the time fixed for re-
ceiving nominations for the Indian
Council of Agricultural Research, 12
nominations were received. Subse-
quently eight Members withdrew their
candidature. As the number of the re-
maining candidates was thus equal to
the number of vacancies in the Com-
mittee, I declare the following Mem-
bers to be duly elected: Shri K. G.
Deshmukh, Pandit Algu Rai Shastri,
Shri Hira Singh Chinaria and Dr. Indu-
bhai B. Amin.

PREVENTIVE DETENTION (SECOND
AMENDMENT) BILLEXTENSION OF TIME FOR PRESENTATION
OF REPORT OF JOINT COMMITTEE

The Minister of Home Affairs and
States (Dr. Katju): I beg to move:

"That the time appointed for the
presentation of the Report of the
Joint Committee on the Bill further
to amend the Preventive Detention
Act, 1950, be extended upto Wed-
nesday, the 30th July, 1952."

Mr. Speaker: The question is:

"That the time appointed for the presentation of the Report of the Joint Committee on the Bill further to amend the Preventive Detention Act, 1950, be extended upto Wednesday, the 30th July, 1952."

The motion was adopted.

CENTRAL SILK BOARD (AMENDMENT) BILL

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

"That the Bill further to amend the Central Silk Board Act, 1948, be taken into consideration."

The principal object of this Bill is to make the working of the Silk Board more efficient. The House will be aware that after the passing of the Silk Board Act of 1948 it was expected that the Silk Board would take a great deal of interest in the silk industry and be able to put it on a firm footing. I cannot say that the Board has not done anything—actually the Board itself meets once a year and its Standing Committee generally meets twice a year—but in actual practice it seems that the constitution of an autonomous body of this nature to look after the silk industry has been a trifle premature because the industry itself is not very well organised. Hon. Members in this House who had raised questions at the time when the Tariff (Amendment) Bill was discussed had complained that the protection granted to the silk industry was not adequate. Instances have been put forward in this House where in particular areas the industry is in a very parlous state. It is true that much of the complaint made in this House has a basis of fact behind it. We also found that in their report the Tariff Board could not recommend protection for this industry beyond December 1952, not because they were not willing to do so, but because they felt that all the facts of the case were not presented to them by the industry. Perhaps in view of the unorganised state of the industry it might have been better if the Silk Board itself had undertaken this work of presenting all the facts before the Tariff Board. These and other facts have made the Government sit up and examine whether we could not make this Board work more efficiently. Within the limits of the information that I possess and my own ideas of how we could develop this industry, I felt that close attention by Government was necessary for a period of time before the Board could function as an autonomous body, and it is

with this view that I have brought forward this amending Bill.

The amending Bill has one major provision—it might be called major if hon. Members think that it is a major change. It seeks to take away from the Board its power of electing the Vice-Chairman and allow the Government to nominate that person. At the present moment the Board has no Vice-Chairman. The term of office of the last Vice-Chairman has elapsed and no Vice-Chairman has been elected again. The Government felt that in the circumstances, if the Vice-Chairman happens to be for the time being an official—and he will also then be a member of the Standing Committee—he will be able to give close and personal attention to the industry which by being merely a member of the Board which meets once a year he may not be able to do. Also, there was this question of the autonomy of the Board which creeps in every now and again, and the manner in which the Board functions, and its relations to Government, are extremely unsatisfactory. In fact, I have been asking for information from the Board—I have not got it. I have sent down officers to find out what is happening—very little has come forward by way of help. So I have felt that the time has come when, at any rate for a period of time, this Board has to function as a department of Government if the industry is to be benefited at all by this Board. One might say that the appointment of a Vice-Chairman who is an official is a retrograde step. It might be, I quite concede, but the industry must be organised and be able to take care of itself before we can leave it to the Board to manage its affairs. And according to my view, by reviewing the work that has been done since the Act came into force, I think the Board has not been able to look after the work that was entrusted to it and to help the industry materially.

Hon. Members here have complained about grant of licences for importation of raw silk. Again, some other Members, and certainly the industry, have complained that the silk mills do not have enough of silk yarn for carrying on their work. Government have been trying to do their best in regard to licensing. They want to keep the industry going, at the same time ensure that the local raw silk industry does not suffer. I think concentration in the hands of a Government official who is in charge generally of this type of work and leaving it to him to adjudicate between the rival claims of the local raw silk industry and the mill industry would produce better results

than what we obtain at the moment. All that the Government propose to do is to say that an official will be the Vice-Chairman for the time being. The amending Bill does not say that he should be an official for all time—it merely takes the powers for Government to appoint a Vice-Chairman. It may be that next year if we find that the organisation is working well and its relationship with Government is satisfactory there will be no need for an official Vice-Chairman and he can give place to a non-official. So it does not mean that this system is to come to stay for all time, but at the moment the reform that we need and the efforts that we have to undertake in making the Board active and useful can only be done by making it almost a part of the Government machinery, temporarily at any rate. That is why this particular Bill has been brought forward before the House.

There is also one other provision—clause 2—which has been put in because an amending Bill was brought forward. Clause 2 seeks to amend section 4(c) of the original Act. According to that section, two persons have to be “elected by the Members of the Central Legislature from amongst themselves in such manner as may be prescribed etc.” We have now another House and naturally that House also wants representation. In order to provide for representation to the other House, we have sought to bring in this amendment. That, in short, is the purpose of the Bill. Normally, it is not the practice at this stage to anticipate the amendments, but I shall deal with a few of them.

I find amendments by Shri Gurupadaswamy from Mysore suggesting circulation in one instance and Select Committee reference in another. The issue to be decided by the House is very simple. Does it want the Board to function as it has been functioning all along, or does it want that the Government should pay greater attention to it? If that issue is settled, the question whether the House will accept this Bill or not will also be settled. The question of circulation of the Bill is not necessary, nor is it necessary for it to be considered by the Select Committee because it is not a very complex issue that has to be considered. I know that my hon. friend from Mysore is very much interested in this industry and I am sure he will consider the proposal I have put forward. If he does so, I do hope that he will come to the same conclusion to which I have come, namely, that in order to put the industry on its feet Government will have

to strive hard for a period of time and this is one of the means which will help the Government to assist the industry materially.

Other amendments are by Shri Raghunath Singh. He wants the addition of representatives from each State—U.P., Bengal, Mysore, Jammu and Kashmir and Assam. If he would look into the Act, he will find that representation is provided for some of these States under section 4. Four persons are to be nominated by the Government of Mysore; two by Madras; two by West Bengal; one by the Jammu and Kashmir Government and one person each by C.P. and Berar, U.P., Bombay and Bihar. I do not know if he has looked into it. If he has, I think he will find that this amendment is unnecessary.

The last amendment relates to the representation of the legislature. That also would not be proper at this moment to go into. The representation would be adequate if two Members of this House and one Member of the other House sit on the Board. That, I think, disposes of the amendments which I have tried to anticipate at the moment.

Mr. Speaker: Motion moved:

“That the Bill further to amend the Central Silk Board Act, 1948, be taken into consideration.”

I should like to know whether Shri Gurupadaswamy would like to move any of his three amendments for circulation.

Shri M. S. Gurupadaswamy (Mysore) After the assurances of the hon. Minister, I do not intend to press my amendments in this respect, but I wish to express my opinion regarding certain matters.

Mr. Speaker: That is another matter. He will get the opportunity during the discussion of the Bill.

Shri A. C. Guha (Santipur): The hon. Minister of Commerce and Industry is fortunate enough to have so many autonomous Boards under his control and this House very seldom gets any opportunity to discuss the working of these Boards. All these autonomous Boards, some under his Ministry and others under some other Ministries, handle huge amounts; and sometimes Government makes a grant to them and sometimes excise duties are collected and handed over almost automatically to these Boards. Very

[Shri A. C. Guha]

often, there is no mention of this amount in our Budget papers. I drew the attention of the Finance Minister to this on several occasions and he gave me a promise that he would see that this anomaly is removed. Even when these Boards get grants out of excise collections, the practice should be that these amounts should be entered in our Budget papers and the disbursements shown.

As regards this Board, the hon. Minister has practically forestalled us by admitting all the defects and the complaints that one might bring up against this Board. It is not our argument that this Board has not done anything good for the industry; but when it was set up and certain monies were every year being sanctioned by Government, it was expected that it would work efficiently and under the control and supervision of Government. But now the Minister tells us that he asked for certain reports and information and they have not been forthcoming. Under section 9 of the original Act, the Central Government may from time to time make grants to the Board of such sums as it may consider necessary and from the Budget papers for this year I find that Rs. four lakhs and fifty thousand was the amount sanctioned by the Central Government to this Board in 1951-52. Apart from the grant, there is provision in section 10 for the imposition of cess on certain kinds of silk and this money, if collected, is automatically handed over every month to the Board. I do not know whether any excise duty was imposed by Government and collected and handed over to the Board.

I have been trying for the last few days to get the report of this Board. I could not get it in the Parliament Library. I made a complaint and only yesterday some five or six reports for the last few years have been received in the Parliament Library. I think that this Board should not be so autonomous as to ignore this Parliament which created it and sanctions the money for it and endows it with the powers which it exercises. This Board should submit its annual report to this Parliament and the hon. Minister should see that all the Boards functioning under him do this without fail.

In the report I have seen, I find that there is no mention about the accounts. We do not know the amount that has been spent. We do not know whether there was any excise duty collected and if so, how much. We do not know

the expenditure. There is also no mention as to how the funds at the disposal of this Board are audited. Since the hon. Minister himself says that this Board has not been functioning properly and that he is not satisfied with its working, I do not like to say much about it. I have already requested him to direct the Board to submit its annual report to this House showing the full accounts of monies received and spent and also giving information about the audit. Every pie that is spent on these autonomous Boards should be entered in our Budget papers. Although neither the Finance Minister nor his assistant is here, I would request both of them to see that this is done.

As regards the amendment that is sought to be made, I welcome it. The Vice-Chairman is already a member of the Standing Committee and he presides over the meetings of the Board and of the Standing Committee in the absence of the Chairman, and the hon. Minister is the Chairman of the Board. It is not always possible for the Chairman to attend the meetings of the Standing Committee; so the Vice-Chairman is practically the dominating authority in all the Standing Committee meetings. As Vice-Chairman he has got some special powers also. They are contained in the rules framed under the Act. In this connection I would like to state one thing. Almost all these Acts give either the Government or the Boards powers to frame rules. Though these rules are placed before Parliament, either due to our own fault, or to a defective system, the House seldom gets an opportunity to pay proper attention to the rules. One of the rules of the Silk Board gives the Vice-Chairman the power to enter into contracts on behalf of the Board. This is a very important function and should not be allowed to be exercised by all and sundry persons who may be elected by the Central Silk Board, which the hon. Minister himself has admitted has not been working properly or under the efficient supervision of Government.

I welcome the idea that the Vice-Chairman should be a Government nominee and preferably a Government official. When we are planning towards a Welfare State and the Government is expanding its control over all spheres of activities, I do not think the idea of having an official in such bodies is a retrograde step. Had it been the idea of this Government to move towards a decentralised economy, then I would have certainly admitted