

[Shri Punnoose]

some of our comrades are raided by the police and this is something which we have to bring to your notice.

Shri K. K. Basu (Diamond Harbour): The Housing Committee is subordinate to Parliament.

Mr. Deputy-Speaker: Hon. Members ought to know that such a motion cannot be raised immediately. There must be an intimation to me at least in the Chamber. So far as this matter is concerned, I would have to find out whether this motion can be allowed or not.

Shri H. N. Mukerjee: I might tell you, Sir, that I have had a talk with the Speaker on the telephone and he said that the hon. Minister of Works, Housing and Supply could easily settle the matter, because the Speaker hoped that the matter would be settled by mutual arrangement between ourselves. That is why, Sir, the only recourse we had was to come to you here. We had no opportunity of seeing you elsewhere.

Mr. Deputy-Speaker: I was there inside the Chamber for nearly two hours. If this matter had come to my notice, I would have looked up whether it was possible to allow such a motion, what were the rules and regulations, and what was the scope of it. I would have certainly considered that matter. But offhand, I am really sorry I cannot consider this matter here and interrupt the proceedings of the House.

Shrimati Renu Chakravartty (Basirhat): Would you look into it, Sir, immediately after this, because we cannot go home, the place is locked and the police are there.

Mr. Deputy-Speaker: I have no objection.

Shrimati Renu Chakravartty: May we request you to issue a stay order?

Shri Nanadas (Ongole—Reserved—Sch. Castes): It is a question of the belongings of Members of Parliament thrown out by the police. It cannot be tolerated.

Mr. Deputy-Speaker: I am prepared to meet the hon. Members.

INDIAN TARIFF (AMENDMENT) BILL—contd.

7 P.M.

Shri Basappa (Tumkur): It is a very important subject that we are discussing in this Bill. The three important subjects with which we are interested in this Bill, are, the tariff policy that is being pursued by the Government; also something about the Imperial preference because of the

British goods that are to be seen in the Schedule and also the question, the more important question, of delegated legislation with which we are concerned here.

I was a little horror-struck when I saw that the Government wanted this kind of delegated legislation for all time to come, because, I see in clause 2, the last paragraph, which says:

“(c) sub-section (4) shall be omitted.”

First of all they wanted it for three years, then they wanted it for two more years, then for a further two years and now they are not satisfied with all that and they are now coming forward with a Bill not for two years but for all time to come. Personally I am a little unwilling to grant such requests on the part of the Government. I have seen the speech of the hon. Minister himself in 1951 and I was surprised that our hon. Minister who spoke in that strain that day should come forward with a Bill of this sort today. On that occasion he said—towards the end of his speech he said:

“Therefore, I plead, as this is also a matter of educating our people to discharge their responsibilities adequately, do not fetter the freedom that Parliament will have—leave it to Parliament, when it meets, to impose or not the duty by a Bill. The moment a Bill is introduced and Parliament gives its approval to such introduction and then protection can come into operation to be rescinded or amended as Parliament chooses when it passes the Bill.”

Mr. Deputy-Speaker: There is no hurry. The hon. Member can read it a little slowly and distinctly.

Shri Basappa: I read it a little rapidly. I will read it a little slowly if the House wants.

Shri S. S. More (Sholapur): We want to know what the hon. Minister said when he was not a Member of the Treasury Benches.

Mr. Deputy-Speaker: He need not read *in extenso*.

Shri Basappa: I will say what the hon. Minister said first of all when he was a Member of this House and not a Member of the Treasury Benches. He must not forget that he is a Member of this House first and then a Minister. Therefore, the position as a Member should be safeguarded first

and I appeal to him that he should give the same amount of interest as he used to give before.

Mr. Deputy-Speaker: It is also open under the Constitution to become first a Minister and then a Member.

Shri Basappa: I do appreciate that fact, that the Minister feels greater responsibility than the Members sometimes. It is a good thing also that we should be cautious whenever we make our speeches. I say, in this matter, the Government should not clamour so much for delegated legislation. He himself has said in that speech that Parliament sits for nearly seven or eight months in the year. It will not be difficult for the Government to bring in a Bill that it wants and to get it passed.

This tariff policy is concerned with the economic prosperity of the country and the industrial development of the country. The Five Year Plan envisages so much of development and therefore any tariff policy should have the approval of this Parliament. What we notice in the case of this protection policy is, that certain industries have been given protection. But they do not seem to have improved at all. They take advantage of the protective duties; they want to have all the profits to themselves. The more important point of view with which the hon. Minister is concerned so much is neglected at every step and therefore I say that there is so much wastage in some of the industries and also no attention is paid towards the improvement of the industries. What they want is immediate returns for themselves. Therefore, we must have a greater check over those industries. Even though the Tariff Commission has made the recommendation that these industries should enjoy a lot of freedom and a lot of protection, still this Parliament should be very cautious in seeing the way these industries are worked. There must be close supervision of the industries which are enjoying protection. I do not know what statistics the Tariff Commission has before them with regard to some of these industries, because we have not got regular statistics as to how much quantity is required, how much quantity is imported and all these things. Therefore, the Tariff Commission is basing its conclusions on statistics which are not quite correct. We must be very cautious in this Parliament to see that whenever protection is given, the Government should have ample machinery to check up all these industries from time to time. Otherwise there is danger of these industries going astray.

The next thing which I want to say is that this delegated legislation is a necessary evil. There is no doubt about that. But to what extent we must have this delegation is a point with which I am immediately concerned. I say it is a necessary evil because.....

Mr. Deputy-Speaker: Greater silence should be observed in the House, please.

Shri Basappa:...the industries do require this kind of protection, and it is evil because democracy is made a mockery of. This evil persists so much that if this continues then there is a danger for the industries themselves. Since it is necessary to have this kind of protection, we shall have a close supervision over these industries. All that I am saying is that we should have greater supervision over these industries.

Another important point, I want to say is this. The Government say that they want to stop speculation. Supposing every time they want to bring in such a Bill before Parliament, the merchant class or the traders will take hint from it and there will be so much repercussion on the market and there will be speculation. To avoid that also they want this legislation. Of course, I can see the emergent circumstances. Parliament will be in session for a long time and therefore they can easily come before us. I shall not emphasise this point again.

There are one or two other points with which I do not want to trouble the House. There are other ways of giving protection to the industries. There is the method of giving subsidies to the industries and the method of restricting the imports. That is also another way of giving protection to these industries. But these methods are considered to be not so very good. I welcome this Bill on the whole but at the same time I must say that certain amendments must be made by the Government before they can get it passed.

Dr. Lanka Sundaram: In the light of the legal, constitutional and factual points which have emerged from the discussion on this Bill so far, I do sincerely trust that my hon. friend, the Commerce Minister would withdraw this Bill at this stage and bring forward another Bill which will be consistent with the rights and privileges of this House. I am given to understand that on a previous occasion, a less controversial Bill took full three days for debate, and I do hope, Sir, that you in your wisdom would not

[Dr. Lanka Sundaram]

continue this debate for some time longer tonight and then guillotine it so that the Bill might go to the other place. I am also given to understand that there will be no difficulty as far as my hon. friend the Commerce Minister is concerned, for the other House has two official days the 11th and 12th, to re-introduce a revised and less obnoxious Bill.

Shri T. T. Krishnamachari: The other House rises on the 6th.

An Hon. Member: It will re-convene itself.

Shri T. T. Krishnamachari: It comes back on the 27th. The delegation expires on the 28th.

Dr. Lanka Sundaram: My points are four, and I would like to be extremely brief. Several hon. Members have referred to the problem of delegated legislation, and most prominently my hon. friend Pandit Thakur Das Bhargava made a spirited speech.

Here is a book by a former Lord Chief Justice of England, Lord Hewart, *New Despotism*.

Shri T. T. Krishnamachari: It has become an old one.

Dr. Lanka Sundaram: You are the new version of it.

Mr. Deputy-Speaker: Hon. Members will kindly address the Chair.

Dr. Lanka Sundaram: A former Chief Justice of England, Lord Hewart, had to bemoan the manner^a in which the Secretariat of Government in that country even was running a coach and four into the rights and privileges of Parliament, and that mercilessly the privileges of the Legislature were being decimated. It is from that angle that I was very unhappy to listen to the statement which the hon. Minister made while moving this particular Bill. He said that he is very considerate towards the convenience of Members of this House, and I can assure him that there will not be a single Member of this House who would refuse to assist him by sitting for as many nights and as many days as he wants to do within a prescribed timetable to get through a legislation of this character, but I do very strongly deprecate anything done towards an abridgement of the rights of this House. I was sorry even yesterday when the other Bill was rushed through with such speed. Some points

were made, and you know about them. I am referring to the Excise Duty Bill, arising out of the recommendations of the Finance Commission. The intention ten days ago in this House was that we will have an opportunity of debating the Report of that Commission, and still it was not done. I was making a brief reference to this matter, for the reason that step by step decisions are being rushed through this House in order to ensure that Government will have a field day whenever it wants and in whatever manner it wants. I do hope that this point need not be laboured any further.

My second point is this. I have noted down here the words used by my hon. friend the Commerce and Industry Minister while moving this Bill. He said that he was a "strong protagonist of consumer interests". In the light of the revelations made by my hon. friends Shri Kasiwal and Shri Chacko, it is clear that the consumer is being deliberately done in the eye, because this particular industry that is sought to be protected through this Bill is monopolist—completely monopolist—in character. There is no competition, either internal or external. I am very careful in using both these words, because monopoly is a part of a cartel system to which India has become apparently accustomed through recent business arrangements, with the result that any fears shed in favour of the rights of the consumer would be rather misplaced, in the light of the conditions revealed during the discussion.

The third point is a very important one, and it refers to the quantum of protection that is sought to be given, and the character of that protection. The provisions of the Bill before us this evening propose to convert the revenue duty into a protective duty. This is completely consistent with the character of the industry sought to be protected. The protection sought to be given is 91½ per cent. *ad valorem*, almost equal to the cost price—locally—of British manufactured goods, and for non-British goods there is an addition of three per cent., making up 94½ per cent. I feel very strongly that the quantum of protection as well as the character of protection, in the light of the circumstances revealed to us as regards the manner in which we are rushing this Bill through, are such that we have every reason to feel suspicious that somewhere in the councils of the Government of India, a sort of industrial lobby is making its presence felt. I would be very unhappy to be

personal in my approach to this problem—personal in the sense of pin-pointing individuals who might be responsible for this lobbying—but I do think that this House is entitled to protection to the extent that there cannot be any suspicion of the depredations of an industrial lobby or business lobby which may be at the back of Bills of this character. Otherwise, I cannot see the reason for such a tremendous amount of protection that is sought to be given.

The fourth and last point is that about Imperial preference. Both I and the hon. Minister have clashed on this issue on more than one occasion during the course of last year in this House. I am not here to belabour that point. The three per cent. margin is there, but what strikes me as most obnoxious is that because the Indian Company and its reciprocal British Company, Hoffmans, are interlocked, this three per cent. preferential duty in favour of British goods imported into this country has to be conceded, meaning thereby, as I said, earlier, the complete monopolisation of the market, on the basis of the reprehensible principle of cartels. I do sincerely hope that after listening to the arguments so far presented, irrespective of party considerations, from both sides of the House, my hon. friend the Commerce and Industry Minister would not hesitate to withdraw this Bill, and bring forward another which will be consistent with the rights and privileges of this House.

Shri M. S. Gurupadaswamy (Mysore): Mr. Guha while opening the debate said that he was not happy over this Bill. He further said that the Government contemplated under this Bill to arrogate to themselves more and more power. Mr. Kasliwal who spoke later said that the company which has been getting this protection is not an Indian company at all. It is a company controlled by foreign interests—mostly British. Mr. Chacko also supported this argument, and both of them said that the company was not working properly. There was enormous wastage and the managing agents were not doing their job well. They closed the factory often, and as a result there was huge unemployment. Then Pandit Thakur Das Bhargava ably argued that this House should be protected and there should not be any danger to the rights and privileges of this House. He said that if this Bill were passed, Government would be clothed with enormous powers and this House would be condemned to helplessness. So, he argued that this Bill should be withdrawn. Later on,

Mr. Basappa also argued that delegated legislation was harmful to the country, and too much of delegation is dangerous to democracy. Further, Dr. Lanka Sundaram said that this Bill should be dropped altogether, because the protection which this Bill seeks to give creates an interest which is monopolist, and the quantum and character of the protection are highly objectionable. He further said that Imperial preference should not be continued. It is a standing shame.

Shri Bansal (Jhajjar-Rewari): Why are you repeating all that? The House has heard it.

Shri M. S. Gurupadaswamy: I am giving a summary.

Dr. Lanka Sundaram: Lest you forget.

Shri M. S. Gurupadaswamy: The hon. Minister seems to have two voices. In the past he argued the case in one way. As a Member of the Treasury Bench, he is arguing differently. He is playing both Dr. Jekyll and Mr. Hyde. He has two faces and two voices. It is very unfortunate.

I want to draw the attention of the House to only one important point, namely, the play of foreign interests in India. There is a loss to the Indian people of a sum of Rs. 500 crores on account of this protection policy, and the benefits that accrue from this policy have gone in favour of foreign interests.

Mr. Deputy-Speaker: Are we going into the general protection policy?

Shri M. S. Gurupadaswamy: It is relevant to the occasion.

Mr. Deputy-Speaker: No. It is not relevant. The only point is that after the Tariff Commission's recommendations, when the House is not sitting, effect should be given in certain cases. As soon as the House assembles, it is brought before the House. The point is whether such a power should or should not be given. Of course, they can wait till Parliament is convened. But during the interval, can they have this power or not? That is one point. The other point is whether it ought to be made a part and parcel of the permanent statute. The third point is whether it ought to be introduced within fifteen days, or within two months. We are not going into the general protection policy now.

Shri Dhulekar (Jhansi Distt.—South): In the face of what experienced hon. Members like Pandit Thakur Das Bhargava and Shri Arun Chandra

[Shri Dhulekar]

Guha have said, will it not be profitable if we drop this discussion today so that we may consider the whole matter and it may be taken up tomorrow.

Shri A. C. Guha: Not tomorrow. 11th and 12th are days for legislative business. We can take this Bill upon the 11th or 12th and the Upper House can consider it on the 26th or 27th. It will not be fair to rush a Bill like this through this House.

Mr. Deputy-Speaker: The Bill was not introduced yesterday; it was introduced some time ago. The Bill was set down for consideration yesterday; we had to adjourn it for today. If the hon. Minister agrees, I have no objection.

Shri T. T. Krishnamachari: My only difficulty is that the other House is meeting on the 27th.

Shri A. C. Guha: 26th.

Shri T. T. Krishnamachari: 27th. That is what I heard. The present provision expires on the 28th. I have got to get it passed in the other House and get the President's assent. Otherwise we will be in great difficulty. That is cutting it extremely fine. If the other House is inclined to be a little obstructive and takes some additional time, I would be in the position of not having got the Bill passed at all. I have gone to the extent of even suggesting to the House that it should take some additional time and take this trouble. I would perfectly be in the hands of this House so far as the time is concerned. But that is my difficulty.

Mr. Deputy-Speaker: Can the Government not persuade the other House to meet a little earlier?

Shri T. T. Krishnamachari: I understand they have no work.

Mr. Deputy-Speaker: If this House can pass it within such a short time, will the other House take more than one day?

Shri A. C. Guha: You know, Sir, what an amount of controversy this Bill evoked in 1950 and 1951; you yourself participated in it.

Shri T. T. Krishnamachari: My hon. friend has mentioned these to me. I told him I am prepared to accept his amendment. My difficulty is that I have to get the Bill passed in the other House as well and take the President's assent. Otherwise the whole measure lapses on the 28th.

Pandit Thakur Das Bhargava: May I humbly suggest one course? There are two provisions in the Bill: one relating to giving protection and the other relating to change in the present law. So far as protection is concerned, that may be considered separately. So far as section 3A is concerned, we are prepared to agree that instead of the provision expiring on the 23th March 1953, we are prepared to its extension till the 28th March 1955. Nothing is lost: the protection may be given. What is his difficulty to accepting this?

Shri T. T. Krishnamachari: If protection could be given, then half the battle is won. When the hon. Member was in the Chair I pointed out the difference between the old provision and the new one. If the Chair will permit me I shall explain it further. As between the two sections there is no vital difference excepting that the hon. Member feels that something is being done in an underhand manner. If the objection is to the original provision, the objection holds good to the amendment as well. I cannot see what objection there could be to the amendment. The amendment merely seeks to do this. If I have four notifications during this session, I shall bring all the notifications in one Bill. That is all that I seek to do in the amendment. That is the sum total of the amendment. I am not bound to bring within fifteen days a Bill for every one of the notifications. I am club them and bring them in one Bill. I need not give the House the trouble of considering every separate notification. There is no difference in substance between the two provisions.

Shri M. S. Gurupadaswamy: I am only saying that India does not want to have a tariff policy to enable foreign interests to thrive in our land at the cost of the Indian people. This particular Bill seeks to protect an industry which has no justification to exist. It has failed in its purpose. It has not made out a case for protection. The record of this industry is very bleak. Just to enable this industry to thrive and enable foreign capitalists to reap more fruits the hon. the Industries Minister has come forward with this Bill. In these circumstances, we cannot permit this Bill to be brought before the House; nor can we permit it to be passed.

The tariff policy that has been pursued so long by the Government of India is very bad. Under this tariff policy many foreign interests have benefited and grown bulky and they are making merry even today. Henceforth we do not want that the Government of India should encourage these foreign interests. We do not want to

sacrifice the interests of the consumers for the interests of foreign capitalists.

I am not against the principle of protection *in toto*. I want protection. But protection should be based on strong grounds. The protection should be aimed to protect the interests of Indians.

Mr. Deputy-Speaker: I am afraid I will have to ask the hon. Member not to refer to this matter any longer. If he has nothing more to say he may resume his seat. I have heard him sufficiently. Under the Act that was passed a Tariff Commission has been appointed and on the recommendation of that Commission, it is open to the Government to introduce a Bill. When the House is not sitting Government has the power of giving protection to an industry by notification and this can be formalised by bringing a Bill later on. All that this Bill seeks to do is that instead of bringing forward a Bill after issue of every Notification, they can bring a consolidated Bill covering all the Notifications.

So the general question of protection and foreign interests does not arise at this stage. As and when protection is granted to any particular industry, it is open to the hon. Member then to say that foreign interests get greater protection than our own interests. The point is very simple. The hon. Member must conclude in one or two minutes.

Shri M. S. Gurupadaswamy: The amendment seeks to drop the original sub-section (3) and incorporate a new sub-section. The implication of this amendment is very far-reaching. It gives a blank cheque to the Government. There is no time-limit given and Parliament cannot even question the validity of anything previously done by Government in this matter. We cannot bring this issue before the House and discuss the matter; we cannot say whether the policy pursued by the Government is right or wrong. So that power is also taken away.

Further, as my hon. friend Pandit Thakur Das Bhargava has pointed out, the power of issuing Notification under this provision may be misused. Government may issue a Notification and may withdraw it immediately and within that period the interests of the industry may be jeopardised. So we cannot give a blank cheque to the Ministry to issue Notifications in this regard. I feel that the original provision of the section may stand as it is and there is no necessity to amend this provision, or to drop this provision and substitute other provision.

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More, the rate of protective duty which has been contemplated is too high. If an industry wants protection, that protection should be given within some limit. This 91½ and 94½ per cent. protective duty is rather too much. If that industry seeks so much of protective duty to continue its existence, then that industry is not justified to exist. Even if high protection is given to that industry for a certain time, there is no indication that that industry will thrive and will in future benefit the consumers.

So I argue that the quantum of protection should be reduced and the amendment to sub-section (3) of section 3A should be withdrawn. If the hon. Minister is prepared to bring forward a new Bill, it is very welcome. But with the existing provisions we cannot endorse this Bill. It is better that this Bill is assigned to the waste paper basket.

Shri Bansal: Sir.....

Mr. Deputy-Speaker: Hon. Members need not repeat what has been said. If there is any new point it may be referred to.

Shri Bansal: I will not repeat any of the points made already.

Dr. Lanka Sundaram: Sir may I know whether you intend to complete this Bill today?

Mr. Deputy-Speaker: There are only two simple questions: one is whether it should be a permanent part of the statute; the other is about the question of fifteen days. The hon. Minister has explained that if there are a number of Notifications, fifteen days will not be convenient. As regards the other point, with or without the power you can always have an Ordinance.

These are simple points, and there is no good quoting me as if I am the pandit in these matters.

Shri Raghunath Singh (Banaras Distt.—Central): How long are we going to sit, Sir?

Mr. Deputy-Speaker: Until the Bill is passed—or rejected.

Shri Raghunath Singh: Not beyond eight.

Mr. Deputy-Speaker: I think there has been enough discussion.

Shri Venkataraman (Tanjore): I beg to move:

“That the question be now put.”

Mr. Deputy-Speaker: Hon. Members were anxious to go, and therefore I am closing up early.

[Mr. Deputy-Speaker]

The question is:

"That the question be now put."

The motion was adopted.

Shri T. T. Krishnamachari: So far as clause 3 is concerned I would like to say this that while I am envious of the assiduity of my hon. friend Mr. Chacko in delving into these figures, I am constrained to say that the conclusions that he drew from an examination of them are not correct. The last pages of the report give the *pro rata* cost of the component parts:

Item 1. Raw materials cost	0.336.
Conversion charges	1.737.
Total	2.073.

Interest on working capital, return on block, and,

variable royalty: 0.512.

All these factors are about 25 per cent., that is interest on working capital, return on block and variable royalty. So I think what my hon. friend said, namely that the royalty and other things amount to about 33½ per cent., is not quite correct.

I do agree that there is a royalty and the royalty works out at about four per cent. But the fact remains that the know-how has to be given to this Indian firm.

Another point which hon. Members have missed is the point which I laboured at length in my opening speech, that is, that so far as the bulk of the products is concerned it is only a conversion from the existing revenue duty into a protective duty. No additional burden is cast on them. It may look surprising why the Tariff Commission should, after conducting an examination, make this recommendation which means more or less a confirmation of the *status quo*. But that is the position, except that it gives powers to the Government, in the event of there being any dumping, to give relief to the industry. That is the real position in regard to clause 3.

The other criticism that it is not an Indian industry is wrong. It is an Indian owned industry. No doubt there is foreign participation in the shape of royalty. But the know-how is there. It is an extremely difficult industry. These two industries which have started are a basic industry for other industries. They are good industries. It is not correct to say that this industry is not producing. The production of one unit in 1932 has been six lakhs instead of 4,16,000. And

the Government have not lost sight of the recommendation of the Tariff Commission. They have in their resolution, copy of which is in the Library, in paragraph 3 stated:

"Attention is invited to recommendations 11-14".

And these recommendations are mentioned in the resolution. Therefore, I claim that Government have taken adequate care.

In regard to inspection of these industries to which protection has been given, hon. Members will be aware that I had summarised the review of the Tariff Commission for the period from January 1952 to September 1952. Of course, at that time I had to send the papers in a hurry and they were cyclostyled. The printed copy is now available in the Library. The Tariff Commission is bestowing some attention on industries which enjoy protection.

But the main question, I still submit, is this. My hon. friend Pandit Thakur Das Bhargava, who, I know, has been extremely kind to me in his personal references, has felt, I think, unduly that the Government is seeking to augment its powers in a very surreptitious manner far beyond what was originally intended. I did mention at the outset that I was not very happy at the necessity for the Government to have these powers. In fact, an hon. Member, Mr. Basappa, pointed out my misdemeanour in the past! It is quite correct. My natural predilections are that in the case of protection, the consumer's interest often suffers. In a country like ours where consumption propensity is notoriously low, we have to guard the consumer's interests. Even if the industry is to thrive, if the consumption propensity dies what is the use of the industry being started? I know we are making those mistakes. But to the extent possible for me as the person in charge of Commerce and Industry, I can assure the House that that influence is exerted towards protecting the consumer's interests.

I know an hon. Member has said the industries are very powerful. They are powerful. Oftentimes hon. Members have asked: why do you not ban the imports of those articles? That is a more effective protection than any protection that the Tariff Commission can give. But that is what I am being asked in this very House: why do you allow such and such articles to be imported? Two predecessors of mine, very distinguished people, the hon. Dr. Syama Prasad Mookerjee and the

hon. Shri Narekrushna Mahtab, spoke today. And it was an education, so far as I was concerned. My immediate predecessor said: why have you allowed the importation of cloth and given it a ten per cent. quota? I have not allowed it. It has been allowed under conditions. Eighty per cent. duty in some cases, 100 per cent. duty in other cases. We have become a definitely protective country today. With this introduction of the Finance Bill, we have for the first time taken our duty to 100 per cent. It was not heard of in this country before. Most of the articles are in the region of 66 to 100 per cent. If somebody is prepared to import, is prepared to buy, you have the satisfaction that the taxpayer is relieved to that extent. Our duties are protective, very highly protective. Again I am asked oftentimes to ban the import of particular articles. This is a competent body, an impartial body which makes a recommendation in particular instances. It happens that it is not the same revenue duty converted to protective duty. The difficulty in regard to section 3A is this. The life of that section comes to an end on the 28th March, 1953. We want to augment it. The question is whether this Government would be able to give it up in future. On the contrary, it seems that the Tariff Commission will be burdened with more and more enquiries and my hon. friend, Dr. Lanka Sundaram has repeatedly said on previous occasions that the Tariff Commission must be enlarged. More and more cases of protection will go before it because we are starting more industries. If that be so, this becomes more or less a regular feature. It is not even an annual affair. It comes in periodically, month after month. If that is conceded, the limitation of two years has no meaning and therefore we have to seek the permission of Parliament to put it as a permanent part of the statute.

The second thing is the method by which Parliamentary approval can be sought. The original proposal was that within 15 days of the issue of the Notification, the Bill should be placed before Parliament and that should become law in two months. What happens in this session? I do anticipate there might be three or four Notifications. Of course, I am perfectly prepared to come and argue with the hon. Members. I know that they are very kind to me personally even though they may not approve of the Government's policy. Four times I come. The business of the House is for two months. It is choke-full. The Government have only two days for official Bills. In a session like this,

I have four measures coming before the House. Let me club them into one Bill, come towards the end of the session instead of making the House sit till eight merely because the other House is adjourning. I must get through all these difficulties. My friend, Mr. Guha wanted a safeguard that it must be introduced before it rises. Surely we have introduced it. We do not want it to lapse. An additional safeguard is put in because within two months it has to be passed. If Parliament rises the whole purpose of it will be infructuous. In any event the Government must get it through within six months. There is no question of the infringement of the Constitution which my hon. friend, Pandit Bhargava so ably assisted in bringing into being. I have sat at his feet and learnt the defects of this Constitution because he has been an able opponent of many of those articles which infringe on individual liberty. We both have worked together. I am quite conscious of the spirit with which my hon. friend raised that point but there is no infringement of the Constitution. Government owes its life to this House. The Government can be thrown out at any time. I may mention in all humility that this is no new despotism because after Lord Hewart wrote his book on new despotism, people followed with similar books in America. Thereafter, there was a Committee of Ministers in the Houses of Parliament and that Committee had reported. We are following more or less the recommendations of that Committee. In the delegated legislation that we take, we enumerate as far as possible how that delegated legislation will be used. If it is a question of rule making powers, the delegation is circumscribed by the manner in which it can be exercised. I think I may not be here—I may be away tomorrow—the history of two of my distinguished predecessors is there. My life is not worth a moment's purchase and nobody is more conscious of it than I am. I am not speaking for me as a Minister. I am merely speaking for a person who will probably be a Member or may not be a Member. Therefore, I do not think that the House's prerogatives are in jeopardy. That is all I would submit.

Mr. Deputy-Speaker: The question is:

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

The motion was adopted.

Clause 2.—(Amendment of section 3A etc.)

Shri A. C. Guha: I beg to move:
In page 1, after line 24, insert:

"Provided that if the notification under sub-section (1) is issued when Parliament is in session, such a Bill shall be introduced in Parliament during that session.

Provided further that where for any reason a Bill as aforesaid does not become law within six months from the date of its introduction in Parliament, the notification shall cease to have effect on the expiration of the said period of six months".

I have nothing more to add.

Shri T. T. Krishnamachari: I accept the amendment.

Pandit Thakur Das Bhargava: I am very thankful to the hon. Minister for having referred to me in those affectionate words which I reciprocate. As a matter of fact I have learnt so much at the feet of the hon. Minister himself. I would like to submit that it is not in any spirit of rancour or ill-will that I made my speech. I was certainly motivated by the best of motives. It is not a personal matter at all. I am not complaining of the manner in which my friend spoke about me. He has brought in a Bill. He wants to change the law. I object to this. Number one, the rights of this House should not be taken away in any the least manner and secondly in regard to the delegation, generally I am rather loath that this delegation should be made when the House is sitting and when we can very easily discuss. I appreciate the difficulties of my hon. friend in regard to this particular Bill but even now I am not satisfied.....

Mr. Deputy-Speaker: When the House is sitting what is the good of passing an Ordinance? Why should not the Bill be introduced?

Shri T. T. Krishnamachari: The position really is that the House may not be in a position to take up the Bill. In spite of Mr. Basappa's arguments, in a matter like protection, a finality is something which eliminates speculation and if the Tariff Commission recommends, it takes some time for Government to reconsider. If Government passes a resolution, it comes into effect subject, of course, to the right of the House to rescind. For these two years it is going on. If a Notification is issued, within 15 days,

the Bill must be introduced. We put all the Notifications together and put them into one.

Pandit Thakur Das Bhargava: When the House is not sitting, an Ordinance could be issued but while the House is sitting no Ordinance could be issued. The original Bill of 1946 did not countenance the passing of any order when the House was sitting. When subsequent Bills came, then also we were not satisfied. While the House was sitting, there was no occasion for a Minister to pass anything like an order behind the back of the House, for which the Constitution had practically made the House responsible under articles 265, 105 and 110.

As you were pleased to observe, Sir, I for one do not feel any necessity for the hon. Minister to come forward with a Bill of this nature. He can very easily come to the House with a Bill for protection straightway at once. The Government can take a decision within three months according to the Tariff Commission Bill. Yet, now a provision has been made in this Bill for six months. My humble submission is that I do not agree that the Government cannot keep its secrets and there will be speculation, etc. These are far-fetched arguments. I would like that ordinarily whenever such an occasion arises, the hon. Minister should come to this House for the original part of protection. Only in exceptional cases where coming to the House is impossible, or very difficult, or in some special circumstances which we cannot visualise just now, the Minister should take to Notification and subsequent legislation. Now, ordinarily, before the Minister comes here, he issues a Notification. This is an exceptional exercise of power which ordinarily we will not expect any Minister to do. We have made a provision that if the House is sitting, then, the Bill must be brought. That the hon. Minister has kindly agreed to. When the House is not sitting then, some time may elapse between the two periods, three or four months. What would happen? Lakhs of rupees would have been taken away from those people and that money cannot be refunded. Suppose the House does not agree to that kind of protection, what happens? The money has been recovered and it cannot be refunded. We cannot do anything. This aspect of the matter was also gone into on the previous occasion. In exceptional cases we agreed to that for two years. I can understand that some difficulty might have been felt by the hon. Minister. Now, they want to see that these powers are made permanent.

No argument has been advanced why they should be made permanent.

Mr. Deputy-Speaker: I am afraid the hon. Member is arguing the matter over again. The principle has been accepted.

Pandit Thakur Das Bhargava: You have not been pleased to pass clause 2 so far. We are just on clause 2. I think the House is rather impatient. (Some Hon. Members: Yes.) I would not trouble the House with a long speech; I can understand that. But, as long as clause 2 is there, I am perfectly relevant so far as relevancy goes.

So far as the other provision about six months is concerned, I do not know of what use this amendment is. Even now according to the Constitution, between two sittings of the House, more than six months cannot elapse. The Bill will be placed before the House. But, when will it be passed? The Bill might not be passed. It may not suit the Government to pass the Bill for a number of months. Even after that, where is the provision that within a certain time, the Bill will be passed?

Shri T. T. Krishnamachari: I am sorry my hon. friend has not read the amendment. It says:

"Provided further that where for any reason a Bill as aforesaid does not become law within six months from the date of its introduction in Parliament, the notification shall cease to have effect on the expiration of the said period of six months."

Pandit Thakur Das Bhargava: Why this time of six months? Let me ask those Members, who have given this amendment. What are the arguments advanced before us to prolong this period from two months to six months? The Mover himself says that he is not happy over it. Why is he unhappy? Is it his practice to be unhappy over his own amendment?

Mr. Deputy-Speaker: I think this is provision for passing it in the next session if it is not passed in that session.

Shri T. T. Krishnamachari: The position, if I may interrupt my hon. friend, is this. Suppose the Bill is introduced at the end of the session and it cannot be passed in that session on account of other work or it is edged out. The Bill should not lapse. It should be passed immediately in the next session. That is the idea.

503 PSP

Pandit Thakur Das Bhargava: Why not immediately? We do not know how much money will be taken away from the consumers. Can all that be refunded?

Shri T. T. Krishnamachari: Nothing is taken away except that the money goes to the Government.

Pandit Thakur Das Bhargava: Even if it goes to the Government, I say no money should go to the Government unless the Government is entitled to that. If the House does not accept the recommendation, people are being mulcted and fined. It is an illegal exaction. The money cannot be refunded. After all, the rights of the people cannot be trampled in this way.

Shri T. T. Krishnamachari: I am sorry to interrupt my hon. friend. The position as it works today is, we have got a ban practically on imports and then protection comes in. It is being done in an indirect way. That is what is happening today.

Pandit Thakur Das Bhargava: If my hon. friend says that it has been done in an indirect way, I would request him to look into the matter and do it in a direct way. There is no justification for allowing six months.

Mr. Deputy-Speaker: It does not mean that six months ought to elapse and it ought to be delayed for six months.

Pandit Thakur Das Bhargava: I would like to insist that even if this Bill is passed, the hon. Minister should see that six months do not elapse and that steps are taken to pass the Bill at once.

Shri T. T. Krishnamachari: So far as I am concerned, I am acutely unhappy if any of my Bills are pending.

Mr. Deputy-Speaker: He may also see that whenever during a session a Bill is introduced, it is passed.

Shri T. T. Krishnamachari: Yes, Sir; I personally would give that undertaking. I would not like to allow even a month more than is absolutely necessary.

Pandit Thakur Das Bhargava: My hon. friend is giving an undertaking in a matter in which we do not suspect him. I have not the least doubt that he will do his best to get it passed. As long as this Government is there, I have no doubt that this Government will do the right thing. But, we are making a law for all time. That is the difficulty. As I said before, I do not

[Pandit Thakur Das Bhargava]

suspect my hon. friend at all. Our interests are perfectly safe in his hands. If I had my own way, I would completely commit myself to his care and feel perfectly safe. But, we are making a law for all time, for all Governments. That is why I am opposed to this six months period.

Shri Sivamurthi Swami (Kushtagi): Sir, the quorum is not there.

An Hon. Member: The quorum bell may be rung.

Mr. Deputy-Speaker: Yes; for two minutes.

It is only disturbing the hon. Members who are taking tea; nothing more than that. They're still in the House. Yes; there is quorum.

The question is:

In page 1, after line 24, insert:

"Provided that if the notification under sub-section (1) is issued when Parliament is in session, such a Bill shall be introduced in Parliament during that session.

Provided further that where for any reason a Bill as aforesaid does not become law within six months from the date of its introduction in Parliament, the notification shall cease to have effect on the expiration of the said period of six months."

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 2, as amended, stand part of the Bill."

The motion was adopted.

Clause 2, as amended was added to the Bill.

Clause 3 was added to the Bill.

Clause 1 was 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, as amended, be passed."

Mr. Deputy-Speaker: Motion moved

"That the Bill, as amended, be passed."

Pandit Thakur Das Bhargava: With your permission, Sir, I would like to say one word. I will read only one portion of a speech. It was said:

"But, so far as import duties are concerned which have to be supported by the recommendation of the Tariff Board, I do not think those emergency provisions are necessary particularly in view of the fact that Parliament is likely to sit most of the time during a year."

Shri T. T. Krishnamachari: The hon. Member is quoting me against me.

Pandit Thakur Das Bhargava: "I would earnestly plead with my hon. friend the Mover, and with his senior the Minister who is present here, that they had better drop this particular clause, and not to tinker with it so that we could have some notional satisfaction that we have been able to persuade the Government to dot the i's and cross the t's. Let them make a beginning from now onwards that they will trust Parliament to do the right thing and not increase the number of delegated legislations in the statute book."

This is what my hon. friend the Minister said and I endorse every word of what he said.

Mr. Deputy-Speaker: There is a difference. The hon. Minister is now a different person.

Pandit Thakur Das Bhargava: He is not different; he is the same person to us even now.

Mr. Deputy-Speaker: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

The House then adjourned till Two of the Clock on Thursday, the 5th March, 1953.