

speaker after speaker has said. Therefore, I would like the Government to see whether there is any forced labour there and if there is any, to take immediate steps to remove that. I would also request the Government to see that the PEPSU Government appoints an officer, especially in charge of Harijan welfare as has been done in other States.

**Shri C. D. Deshmukh:** I welcome all these constructive suggestions and contributions to the debate and I would regard it as my duty to forward full transcriptions of the speeches to the Adviser through the States Ministry. From the small information that I had at my disposal, I formed the impression that rents were collected voluntarily after the situation had been explained to the tenants; but, it is possible that there are cases where perhaps the law's safeguards have been overlooked or that there are cases of eviction. All I can do is to undertake to bring to the notice of the Adviser the necessity of dealing with this matter in a judicious manner. I believe that all will be at one in wishing to encourage legitimate peasant movements, that is to say, movements arising out of the consciousness of the peasants of their rights.

There was the question of ex-service men and the position of the Harijans. I have already admitted that in PEPSU it is the legacy of many years past and I shall ask the States Ministry to find out if any special measures can be taken in these two respects.

**Mr. Deputy-Speaker:** The question is:

"That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of the State of Patiala and East Punjab States Union for the service of the financial year 1953-54, be taken into consideration."

The motion was adopted.

Clause 1 to 3, the Schedule, the Title and the Enacting Formula were added to the Bill.

**Shri C. D. Deshmukh:** I beg to move:

"That the Bill be passed."

**Mr. Deputy-Speaker:** The question is:

"That the Bill be passed."

The motion was adopted.

#### TEA BILL

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

"That the Bill to provide for the control by the Union of the tea in-

dustry, and for that purpose to establish a Tea Board and levy a customs duty on tea exported from India, as reported by the Select Committee, be taken into consideration."

A motion was made here last session to commit this Bill to a Select Committee which was fairly representative of the House; and the Select Committee went into the provisions of this Bill fairly carefully. It is this report of the Select Committee that I would like the House to take into consideration.

So far as the amendments made by the Select Committee are concerned, I would like to draw pointed attention to the change in the structure of the long title. The Select Committee amended the long title in order to show that the control of tea industry in some respects is also necessary under the International Tea Agreement.

The other important change made by the Select Committee is in clause 4. The Select Committee felt that as the Tea Board was to be under the control of the Central Government, there is no need for representative of the Central Government as such on the Tea Board. It would be necessary, however, that some officers of the Central Government, particularly officers in the Ministry of Commerce and Industry and officers in the Ministry of Finance should attend meetings of this tea Board as and when necessary; but, as Government is to be the final arbiter in regard to any decisions that may be taken there, it seemed unseemly to the Committee that Government should be associated with the Committee's decisions through representatives sent to the Committee who would have the right to vote, which would, in one sense, mean that the officers are committed to the decisions made by the Board.

Another important recommendation made by the Select Committee was in regard to clause 9, that is the power of making appointment. While agreeing with the general provisions of clause 9, the Select Committee wanted that a member of the Union Public Service Commission, or of the appropriate State Public Service Commission should be associated with the selecting Committee constituted by the Board at the time of selecting officers drawing a salary of Rs. 350 and above but below Rs. 1000 per month. I would like to point out that in regard to the officers drawing more than Rs. 1000 per month, the appointments would be left to the Central Government.

\*Moved with the recommendation of the President.

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Clause 11: The Select Committee were of the view that provision should be made for the Board to be re-constituted after dissolution. This is more or less a drafting amendment.

Another important amendment was the inclusion of a new clause 32. It arises from the fact that there should be a general clause dealing with appeals not only against orders under clauses 14 and 15 but also against orders under clause 20, in regard to tea plantation, export quotas and things of that sort.

Clause 31 has been re-cast as clause 30. The Select Committee recast it because it was felt that in order to have effective control over prices and the tea industry, the Government should not only have powers to control price but also the distribution of tea.

The Select Committee has made certain recommendations in regard to export quotas. It has suggested that no quota should be allotted to a tea estate owner who is not co-operating and that besides estate owners manufacturers, brokers and dealers also should be asked to furnish returns. The penalty clause has been duly re-cast.

Most of the amendments are of a minor nature and largely of a drafting nature. That is the work done by the Committee in regard to this Bill.

The House will notice that the Committee has more or less approved of the principle of the Bill which the Government outlined before this House at the time of introducing the Bill.

I take this opportunity of giving the House some idea of the position of the tea industry today, which I think is only fair, because hon. Members who would discuss this Bill would not fasten their discussion so much on the constitution of the Board, its powers, etc., but on the policy that Government has been pursuing towards the tea industry. Government are accustomed to the criticisms, bitter criticisms, invectives, used against them very often, and as a democratic Government we do welcome all criticism. Of course, we do not like when we are abused, but we take it as part of the game. Any interest which feels offended, if they find that they cannot get the remedy, they want to descend to abuse. In this particular instance, during the last three or four months, speeches have been made by tea interests and Presidents of Associations have exercised their powers of vilification to a very large extent against Government. I would draw the attention of the House particularly to

the speech made by the outgoing Chairman of the Indian Tea Association, which is a very important body, because it represents very largely the European element in the tea industry and the European element in the tea industry controls 80 per cent. of the total industry.

Mr. Hutchison, the outgoing Chairman, had used some strong language against Government in regard to their apathy towards the industry. Leading articles in some of the papers appeared, the writers naturally knowing only one side of the case felt that the Government should be castigated for their apparent apathy in regard to the tea industry. Even when the position has improved, still they said the position did not improve by reason of the Government having done anything in the matter.

We had discussions in this House in regard to the position of the tea industry and on several occasions questions were answered. There was also a half-an-hour discussion on the subject. As soon as the new Government was formed, it was more or less sensed that the tea industry is going through a certain amount of difficulty and the Commerce and Industry Ministry applied their mind to the problem. As the House knows, with the help of the Finance Ministry we were able to appoint a Committee, a more or less one-man committee headed by a member of the Central Board of Revenue. The Rajaram Rao Committee's report has been before the House and the public for a long time. At the same time we did feel that in order to put the tea industry on a proper footing there must be some kind of readjustment in the position of the foodgrain concessions which really meant that in estates the labour get foodgrains, that is rice, at about rupees five a maund. When we considered this position, Government were fully alive to the necessity of protecting labour interests in the matter. I do remember mentioning in this House that the Rajaram Rao Committee would not recommend anything which would be in the nature of reducing the emoluments that labour was getting. A similar assurance was given by my hon. friend the Finance Minister when he was asked a question on this subject. We did so with a full sense of the responsibility we had in this matter. At that time we thought that it would be proper to reduce this burden on the industry by converting the foodgrain concessions into cash at the rate of the ruling prices prevailing then, so that any abuse by way of absenteeism or multiplication of the number of depend-

ents in a labourer's house which reacted adversely on the quantum of sacrifice that estate had to make in respect of the food-grain concessions would be remedied.

Unfortunately, labour leaders could not be persuaded by the Labour Ministry to accept a revision of these terms at that time. My regret is not that Government proposals were not accepted, but that the non-acceptance of the proposals, at a time when conditions were operating, has reacted adversely on a section of the industry which is the least able to bear any sacrifice. I am not happy that the tea labour particularly in Cachar and certain of the un-economic gardens in Assam had to accept wages far below what they were getting before in order to carry on.

Thereafter there was a tripartite conference in Calcutta at which my hon. colleague the Labour Minister was present. One of the most curious things that happens in a tripartite conference happened there which very nearly shook my belief in the efficiency of the tripartite conference as being a useful instrument in resolving disputes. Two forces diametrically opposed, with a mentality like that of a cat and dog, came together. The employers and the labour came together and said: Well, the employer will not make any sacrifice; the labour cannot make any sacrifice; let Government forego their revenue which runs into several crores of rupees, and then the position could be adjusted. Of course, everybody would be happy if Government makes the sacrifice. The employer does not grumble if he is not asked to pay more; the employee does not grumble if he gets the money; the national interests might suffer in the bargain but that is nobody's business. There was no attempt at a readjustment of the burden on the tea industry in a manner which it could not bear, but the labour leaders unfortunately played more or less into the trap of the tea garden estate people in order to propose to Government a proposition that was manifestly impossible of acceptance. Well, after that the West Bengal Government acted and the Assam Government acted and a certain amount of diminution in wages did occur to the detriment, as I said to our regret, of people who could least afford to bear that diminution.

**Shri T. K. Chaudhuri (Berhampore):** May I ask a question of the hon. Minister?

**Shri T. T. Krishnamachari:** The hon. Member can ask me in the end if he does not mind.

Circumstances have, however, started improving, because as I said it was a combination of circumstances that were

against us, namely—the removal of the tea ration in the U.K., the everstocking in the U. K., and actually a very curious psychological factor operating which ceased to operate, namely, when tea was rationed people bought their entire ration, when tea was derationed they bought only what they wanted. The position of stocks in the U.K. at the time when the tea crisis started was somewhere about 220 million lbs. and it has worked down to well below 100 million lbs. by the end of the year. Anyway things have improved in regard to the prices that we are obtaining for tea in London the lowest on record was 2s. 5:8:1d. in July 1952. Thereafter it started going up slightly in September and October. Again it lagged behind, but from January onwards there has been an upward move and in April the prices have been 3s. 6:8:7d. as against 2s. 5:8:1d. in July 1952. Similar price rise has been recorded in the Calcutta auctions and I was told sometime last week that the last part of the last season's stocks has been taken up. So, we may say generally, by and large, that the tea industry has now come to a more or less a stable equilibrium.

I was not quite satisfied with the appreciation of the position from the records, made available to me from time to time and the Secretary of the Commerce and Industry Ministry made a personal visit to the tea gardens early in April and I have got a report from him about the position of the tea industry in that area. From that report I could see that there are certain problems still lingering. Though the position by and large is good, two elements in this industry have got their own peculiar problems. One is the industry in Cachar district, the other is the Indian section of the industry, that is to say gardens owned by Indian interests as opposed to British interests. And I would like to tell the House something about the impressions of my Secretary in regard to the tea industry in Cachar.

It has to be recognised that the Cachar tea industry has been a problem child for a long time. A number of enquiries have been made from time to time in order to ascertain why the yield and quality of Cachar gardens is poor. A special Committee was appointed four years ago under the chairmanship of the then Chairman of the Central Tea Board, which produced a voluminous and useful report. The fact seems to be that the soil conditions are very different from those of the rest of Assam, and this was not allowed for by the earlier planters and the technique they employed was not entirely satisfactory. There have been disastrous

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floods on the hill sides and several blocks of good quality tea have been washed away by these floods. From a long term point of view the opinion of the planters in Cachar is that the tea gardens of that district have an inherent disadvantage compared to the tea gardens in the rest of Assam, and they accept it as inevitable that, whatever they might do, the price level would be at least four annas a lb. lower than the Assam Valley tea. But according to other planters who have had greater amount of success there is no reason why the industry should not prove a reasonable success, provided adequate steps are taken. The position, as my Secretary reports it, today is that in some gardens the atmosphere is one of pessimism and gloom though in others the atmosphere is one of determination to make a success of the whole venture even against odds.

So, that is really a problem still which has to be tackled

On the question of the Indian-owned tea gardens the report of the officer is that the industry, so far as Indian-owned gardens are concerned, is in doldrums. As I said before, 20 per cent. of the total industry is in Indian hands. The reasons given for the difficulties of the Indian-owned gardens are that these were acquired at a relatively late stage when all the better lands had been occupied by Europeans and that the Indian gardens have found a lot of difficulty in obtaining finance. The difficulty of finance has involved them in a vicious circle. It compels them to economise on matters in which it is fatal to economise, namely the question of provision of fertilizers, provision of trees, shade and so on. Because of these economies the yield is going down, and the consequence is, again, that banks are reluctant to finance them as the yield is going down.

It is a matter for serious consideration what steps should be taken to put these Indian gardens on a satisfactory footing. I have been thinking about these problems. My mind is not very clear as to what we could do. We do accept the position that we can save the marginal gardens and what we cannot save are the sub-marginal ones. Even that is a very general proposition and wants a further examination before it can taken as a basis. How to help these gardens where finance seems to be the main difficulty, is the question. And even for improving the quality, for the amount of fertilizers needed and so on, it depends upon finance. I must confess at the moment that my mind is not very clear. We

have luckily a new Chairman of the Central Tea Board, Mr. Basak, an experienced Civilian of the Bengal Government, who met me recently. I have asked him to devote some attention to this problem from the point where my Secretary has left it, and I do hope that before long I should be able to place a definite proposition before my colleague the Finance Minister so that we might be able to evolve some method by which we could either develop a land mortgage institution or otherwise provide aid for these tea gardens, where finance seems to be the main bottleneck; at the same time taking care to see that it is only an aid that we seek to give and not a dole. And if we could arrive at some kind of system by which wherever we give aid we would be able to resuscitate the gardens, we should do so. It is a matter to which Government would give very serious consideration.

The other important point to which my Secretary's report draws attention is the question of employer-labour relationship. I am sorry my friend Mr. Khandubhai Desai is not here. But here is a testimony by an officer, who has no political axe to grind, and he has said that it is practically the unanimous opinion of tea planters whom he met that the I.N.T.U.C. leadership, with one or two exceptions, has been extremely reasonable and that but for the way in which they have been co-operating since last year the recent crisis could not have been met and the position of the industry might have been much worse than what it is today. I would like to say it is a very happy statement of the position where we are assured that there has been co-operation from a trade union in the matter of saving an industry which is of national importance.

**Shri Ramananda Das (Barrackpore):** On a point of order, Sir. May I know what was the point of Mr. Tripathy regarding tea labour's demands? Is he not an I.N.T.U.C. man, you say that I.N.T.U.C. men supported Government's proposal for settling of the demands of tea labour?

**Shri T. T. Krishnamachari:** There is no point or order.

**Mr. Deputy-Speaker:** A point of order is not addressed to the Minister.

**Shri T. T. Krishnamachari:** The question regarding labour is a vital point so far as Government is concerned: I do not think we yield to anybody or to the Opposition in the matter of the interests of labour. The question whether the industry will be able to pay

reasonable minimum wages to labour and provide the amenities which according to our current notions are essential in any industry arises out of this. I agree that before this question is answered it is necessary for us to have an investigation made into the cost structure of the industry. But at the same time we cannot forget that, whatever may be the cost structure, the price to be paid for the product is a thing which is determined not by factors under our control but by altogether something outside our control namely the export market. Of course, it has been urged that we should start this investigation and I would like to apologize to the House for not having started it. Our chief difficulty in the matter of any enquiry of this nature is of getting the requisite personnel. And without proper personnel an enquiry is meaningless, it becomes a mere white-wash. And I have no intention of undertaking an enquiry the result of which will be a mere white-wash where we will merely put another report into the archives of Government. I do hope that before long the Government would be in a position to muster the necessary amount of personnel for conducting an enquiry but at the same time, the limitations of going into the cost structure have to be recognised before even the enquiry starts. We might know what the cost structure is. We cannot but adjust our cost structure to the prices that will be available for this commodity in the expert market. So it becomes a matter of presumption when we are not sure whether this industry will support a high wage structure. It might or might not but the factors on which it is dependent are not the factors which are under the control of this Government or for that matter, anybody unless the industry is subsidised.

One factor must be recognised in this connection and I do hope hon. Members here who are interested in the tea estates side of the question will not forget it that since 1931, this industry had an uninterrupted period of prosperity and unfortunately if we did not build up reserves both for purposes of wage equalisation and also for meeting losses, there must be something radically wrong sometime and more than anything else, this fact demands that Government should become a conscious and deliberate partner in this industry rather than abdicate their rights in favour of one or the other types of interests, vested interests, that are engaged in the industry. Of course, there are other various factors that have also been mentioned in this report. The point which my hon. friend Shri Debeswar Sarmah said may not be

correct. Immobility of tea labour, if it is immobile according to him it may do some harm. These are all facts which you have to face. This is roughly the position today in regard to the industry.

I shall conclude by saying that hon. Members, who have their own particular angle in regard to the composition of this Board, in regard to its objectives, and in regard to what Government themselves should do, should realise that the changes are not being made to satisfy the *amour-propre* of any individual or Minister. It is not being done for today, it is being done for the period in the future. We cannot afford to repeat the mistake that the industry has committed during a period of 21 years of prosperity. When adversity came they are all completely unprepared.

The other factor is that 80 per cent. of the industry is in the hands of the people who are not sons of the soil. I have no intention of disturbing their position by a stroke of the pen because often times it happens that when any estate is sold, somebody in Bombay buys it for a price he is asked to pay and he looks to the returns of the last five years together and pays Rs. 75 lakhs or any other amount as the case may be, but when adversity comes, when prices come down, when he is not interested he is merely a speculator and he would like to make money by trying to sell it for Rs. 80 lakhs but when the prices go down he is not interested, he writes it off as loss. Whether the Income-tax Department will allow it to be set off against his other income or not is a different matter. That is not the type of people we want in the industry.

As regards participation by foreigners, the process of change has to be gradual. I have no intention of really discriminating against the foreigner in this industry provided they do play the game. The last Chairman of the Indian Tea Association and his Deputy were positively obstructive. We have at the present moment a Chairman who came and saw me the other day. He looks to be a reasonable man, at any rate realistic. He sees there is no point in fighting with the Government. Of course, vested interests are not always like that and do not realise it very often and if, at any time, vested interests fight the Government, it is they who suffer and not the Government itself. I do believe it is possible to obtain their co-operation for the changes that we want to effect for the betterment of labour, for better production and also for the establishment of a name for the Indian tea which we are fast losing merely because of better propa-

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ganda and better sentimental support for the Ceylon tea. So while I ask the House to face the problem squarely and recognise the presence of the foreign element in the industry I would also beg of them not to stress on the point because the mere elimination of the foreign element does not produce something which is better instead, we have to recognise this fact. I would like you to know the circumstances in which we are placed and see that the national industry is improved and at the same time that our labour gets a fair and square deal. This Bill is one step towards that end.

I now come to the reorganisation of the Tea Board. Amendments have been tabled by hon. Members which I think are quite correct from their individual point of view. I take no exception to that point of view. At the same time the amendments merely reiterate the position which has been explained at the beginning. The format of this Bill is something totally different. The Board is going to be nominated by the Government and the Board will be an Advisory Body. Government is withdrawing its own representatives from the Board. We are not going to dominate the decision of the Board. Government would also exercise its power to the extent necessary. We do propose consistent with our obligations to the industry and to the economy of the country, to exercise such control from time to time as is necessary. I am not asking the Government to absolve itself of that responsibility. If Government had to undertake that responsibility, they must have the power. I will tell this House of an instance of how a Board can flout the Government. I have been trying hard to see that coffee prices are reduced. I have put the Coffee Board on the map. The Chairman of the Board came to see me the other day. I told him very frankly that I felt that the Coffee Board was not co-operating and that the Government has to see to it that the consumer does not suffer. Well, he went away promising to do his best. I sent my Joint Secretary after him. He came to a working arrangement for the time being with the Board. I see this arrangement is being sabotaged by the Marketing Committee by putting new conditions on bidders at auction. When you want to put coffee on the auctions naturally you want more people to buy coffee and the prices to come down but they have got a very different way of getting round Government's intentions by raising the deposit to be made at an auction. Suppose it is rupees ten per cwt. all along.

Anybody who wants a cwt. coffee has to deposited rupees ten and now they say Rs. 5000 is the limit so that you eschew all the small people. Only big people will come in to start this game of snakes and ladders and the growers and bidder can come together to raise the price to Rs. 350/- per cwt. If the Coffee Board or the Marketing Committee thinks that the Government is a fool they are mistaken. They should recognise that Government may be fooled for sometime, it will not be fooled for all time and Government do propose to indicate that it is the master of the situation because Government have a responsibility towards the consumer, towards the national economy of this country and no vested interests, however powerful, can rig up the market and thwart Government's wishes. If the vested interests think that they can defeat the hands of Government they are mistaken. I am not going to accept the position in which I am going to hand over this industry to the vested interests. If I do that I can scrap that Board. Tea is more important both as an industry, a means of providing labour, providing national income and foreign exchange for us, and I cannot afford to sit tight with folded hands and leave it to be operated by vested interests in the manner they choose.

That again brings me to the question of this Board. I do not propose to interfere in it excepting when the final veto is to be exercised. If need be, I do want to know that the people who come in there are people who help and not hinder progress. I do not want a man like the late Chairman of the Tea Association or the late Deputy Chairman of the Tea Association who says, "Government have taken away our right of spending money on propaganda; and let us reduce the cess". There can be no improvement by people adopting such an attitude, a thing which we cannot tolerate in an industry which is of such importance so far as we are concerned. I am prepared to give this assurance to hon. Members who have tabled amendments. Government are not in a position to know "Who is Who". Suppose I want to put a planter in the Board from Assam. My knowledge is limited. I must refer to the Assam Government. They will know all about it. I do propose to recognise any representation made by any relevant Association in this matter. That is also the point of view of my hon. friend the Leader of the Communist Group as indicated both in his minute of dissent and in his amendment. It is said that an Association, whether it be of labour or of employers, must have some representation. I

agree. I will not say that I will give the choice to them but I propose to put it in the rules and say that the Government must take into consideration, before nominating persons, the representation of the relevant Associations for labour so much so that if there are five or six seats and four are recognised labour associations, each recommend a panel of three people, the Government will if possible select one from this panel. There might be some grounds when a particular name may not be suitable. In any event, it will not be without a consideration of the names. Similarly, recommendations of the Tea Associations might be considered. The Assam Tea Association, the Assam Valley Tea Association, the Cachar, the Darjeeling, the Nilgiris and the Munnar Estates—their representation will be considered. In point of fact, unless Government becomes omniscient and knows everything about every part of our work, which we do not, we have to accept a panel or individual names that have been sent by the Associations. I am prepared to give an assurance that I shall put it in the rules that representations of the relevant associations should be taken into account by the appropriate Government not only in the case of this Board, but in every Board that I constitute.

The other point raised in the amendments is that there must be previous consultation with the Board. The constitutional position is quite all right. Where we deal with a dignitary like the Chief Justice of the Supreme Court, Government of India makes a reference before taking a decision and naturally, the Chief Justice is consulted. We do so in regard to the Election Commissioner. But, there, the consultation is more or less of such a nature that the recommendation made by the Election Commissioner is final. We do not propose to give the Board any such final authority. All that it would mean is a procedure, the *modus vivendi* to be followed would be merely to delay action in an emergency. Normally, the Board must be consulted. The Government cannot act in abstraction. In my room No. 150, North Block, I cannot determine the fate of the tea industry without consulting the Board. In fact, we have established more or less a close liaison with the Board, practically two or three days a week, and sometimes oftener on the telephone. We probably spend quite some money to get information from them. This information which I have given, I obtained from the Tea Board yesterday. Connection is maintained. Consultation is possible. But, the trouble is this. In the Board, there are members from the various parts of the

country. If I want to consult the Board on a particular matter, I have got to pay travelling allowance to people who come from all parts of the country; it may not be very necessary in some matters for people to come from all parts of the country. Not merely do I propose to consult the Board on every important issue, but I have asked the Chairman of the Board to see if he cannot constitute regional boards so that members of the Board plus some other people from the locality may be consulted. We will thus save this expenditure of somebody from Nilgiris or the Anamalai coming to Calcutta. Somebody from Assam coming to Calcutta. Decentralisation in regard to consultation is a very vital necessity if the Board is to act efficiently. We do propose to go on these lines. But, to make it a statutory obligation to have prior consultation merely means that I have to go through a procedure, a formality. I do not believe in a formality in a matter of this nature. Because, the advice given is not mandatory. I do not propose to accept it as mandatory. I think trying to fetter the hands of the Government in this manner by insisting previous consultation, because it was there in the previous Act, is meaningless in this sense that I do not want a whittling down of the powers that the Government propose to exercise on an occasion when it is necessary.

There are one or two other matters in which perhaps I might be able to meet the hon. Members who have proposed amendments, subject to the House agreeing. I think one point on which Mr. Jaipal Singh has appended a minute of dissent was this right that has been conceded to any member or officer of the Board to go and inspect the estate. There is no question of preventing an officer of the Board from going and inspecting an estate. An officer of the Board or the Government will have to inspect and you cannot stop them from going to an estate to inspect it. It is not a matter where the Criminal Procedure Code governs the officer's actions, where you have got to have a warrant from a magistrate before you go and search. It is the normal day-to-day work of the officer of the Board to go and visit an estate. If you propose to make these estates rather live ones, these officers will have to go and see them. Perhaps, objection has been raised to a member going and inspecting on his own. This is the recommendation of the Select Committee. I honour everything that the Select Committee has done, unless it be that I want to move one or two amendments because they are of a drafting nature. We had certain doubts in regard to certain wording; certain improvements

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have been suggested. Except matters of that nature, I recognise that the Select Committee's decision is binding morally on me and on the Government. But, it is a matter for the House to decide whether, when a member goes, he ought to be authorised by the Chairman of the Board or not. If the House so feels, I do not mind accepting any amendment suitably framed for this purpose.

My hon. friend Mr. A. V. Thomas made a suggestion in regard to the postal despatch of tea. It was originally three pounds. By a notification, we have raised it to ten pounds. I shall be quite happy to raise the quantity statutorily and in this regard some amendment could be accepted. But, on the basic questions regarding the composition of the Board and prior consultation, I am afraid Government is not in a position to accommodate hon. Members except in regard to this assurance that representations of the Associations will be taken into account and will be considered before the Board is nominated. It is the intention of the Government to make this Board largely autonomous and to allow it to function without let or hinderance except where Government will lay down a particular line of policy in an emergency. I hope I have explained to hon. Members of this House the changes made in the Select Committee and also the general position of the tea industry, and the Government's aims and ambitions in regard to this matter sufficiently, to curtail the discussion on the points which I venture to submit I have adequately dwelt on.

1 P.M.

**Kumari Annie Mascarene** (Trivandrum): May I ask, on a point of clarification Sir, .....

**Mr. Deputy-Speaker:** At this stage?

**Kumari Annie Mascarene:** May I know what the hon. Minister has to say in regard to clause 3 part (m) with regard to our Trade Commissioners' attitude during the crisis that we had just passed through? I mean, the Trade Commissioners' attitude towards the crisis in the international market I refer to clause 3 (m).

**Shri T. T. Krishnamachari:** I thought I knew this Bill by heart. That is only a definition clause:

"standard export figure" means such quantity as the Central Government may, by notification.....

**Kumari Annie Mascarene:** With regard to the international trade.

**Shri T. T. Krishnamachari:** I would like the hon Member to speak on it.

**Kumari Annie Mascarene:** Because I do not know what the Trade Commissioners had done in the past. It is not in the Bill.

**Mr. Deputy-Speaker:** How can the hon. Member expect all the opinions of the Trade Commissioners, as part of the Bill?

**Kumari Annie Mascarene:** They are there to look after our industries.

**Mr Deputy-Speaker:** Certainly; the hon. Member can speak on it.

Motion moved:

"That the Bill to provide for the control by the Union of the tea industry, and for that purpose to establish a Tea Board and levy a customs duty on tea exported from India, as reported by the Select Committee, be taken into consideration."

**Shri A. V. Thomas** (Srivaikuntam): As a background, I would like to give some figures regarding the acreage of tea and the quantity produced in India. There are about 780,000 acres under cultivation of tea and the quantity of tea produced is about 620 million pounds. The world consumption is about 1200 million pounds so that our country is able to supply over 50 per cent of the requirements of the world. As stated by the hon. Minister, this is very important industry to our country because the average sale proceeds, although it varies from year to year, is somewhere about 100 crores of rupees. The tea industry had got into difficulties last year and that matter was brought to the notice of this House. The Government, as the hon. Minister said, did send out an one-man commission to enquire into the difficulties of the tea industry and also to give relief to the industry in order that the industry may get out of the difficulty. But, what happened? A tax gatherer was sent to see whether the tax could be reduced. The one-man committee was a tax gatherer's committee. What could the industry expect of it? When the industry cried for bread, what was given was stone. That was how the industry was treated.

The industry again got into further difficulties but fortunately there was a silver lining and the prices moved up a little here and there. No doubt, the one-man committee did recommend certain concessions, which, of course, could not save the industry, and in

consequence, as it is very well known, quite a number of estates had to close down, and thousands of labourers had to be denied work. To a certain extent, we are out of that crisis, but we are not entirely out of the woods as yet. It is really very interesting to hear the Minister explain his ambitions and schemes for the betterment of the tea industry. I welcome it. But in trying to do that, the industry, I suggest, should have been consulted. Even in the question of bringing up this Bill...

**An Hon. Member:** Oh!

**Shri A. V. Thomas:** ... the industry was not consulted nor the consumer nor anybody else. The whole thing appears to have been done in a great hurry and it was just sprung on the people. What we ask is, and what we still claim is, that an industry which has built up such a great asset and which is of great importance to this country should have been at least given an opportunity of being consulted when it was proposed to do something for that industry. It is something like a sick man calling a doctor, and the doctor coming round and saying, when it is some trouble in the stomach, "I will have to take out your leg or hand". That is what has happened in this case. We even now do not know what the Ministry has in mind to help us, and to improve this industry. Of course, we have differences of opinion but what is the difficulty in getting the industry or those who are interested in the industry, and taking their opinion?—I will not say advice, because Government do not care to accept advice under the present circumstances. They could have asked them what is best for them. I do not say everything that the industry asks for need be given to them, but you could have consulted them and found out their point of view and explained your views and then, of course, you could have done something and asked for the co-operation of the other side also.

We have the Five Year Plan where the word "co-operation" comes over and over again—the co-operation of the public, the co-operation of the industry and the co-operation of the people in any other sphere of life. What is the co-operation here? I hold a big stick here and I say "You shall do this, and you shall not do this". From the hon. Minister's speech this morning, we heard they are determined on certain things, and would not give up an inch. They stick to their rights, or what they call power. It is power that stands in the way of consulting the industry or the people. I am sorry to say that. That is how I look at it. The hon. Minister may have different ideas. I know

the hon. Minister personally. I have great admiration for him, and I must also admit that perhaps my presence here in this House is due to him. I give him all that credit, but that does not prevent me from disagreeing with his views and the way in which this Bill is being rushed through without the advice and without the co-operation of that great planting community.

Of course, the hon. Minister spoke a lot about labour. Well, we are more interested in labour.

**Shri Punnoose (Alleppey):** Hear, hear!

**Shri A. V. Thomas:** That is because without labour we are nowhere. Labour is our great asset.

**Shri B. S. Murthy (Eluru):** Hear, hear!

**Shri A. V. Thomas:** If we do not treat them well—well, I do not think Government is going to do much more for them than what we will do voluntarily. That is our business. Without labour we are lost. So the Government need not take credit for what they are going to do. It is we, the industry, who will do it.

Reference was also made to the fact that about 80 per cent of the holdings are held by non-Indians. They are here. We cannot turn them out in a day. If you want to turn them out, do it

**Shri N. M. Lingam (Coimbatore):** We do not want to turn them out.

**Shri A. V. Thomas:** You can do it also, but then give them a fair deal. There is one thing nobody likes in our country, viz., for other people to dominate over things here. We will not tolerate it here.

**Sari Punnoose:** Who?

**Shri A. V. Thomas:** Even in the case of industries, it has been said that they dominate. It is said that they dominate in planting associations. I can tell you I have been in this planting industry practically all my life. I have been fighting these Europeans in the pre-independence days. And I know how they have changed nowadays. They always give credit and always consider that under the changed conditions, the interest of this country is paramount and I am happy to say—there may be some black sheep here and there—on the whole they have been behaving like gentlemen. It is true sometimes when they feel about things, they may speak pretty openly, do not hide things

[Shri A. V. Thomas]

and do not say "Yes, Sir", and "No, Sir". They speak out their minds, but then we have to take it. If the shoe pinches, it pinches. There must be some cause for it; there must be a nail pricking somewhere. However, I do not wish to go into it, but one important thing I would like to point out. It has been stated that Europeans in this country have about 80 per cent. of the holdings in their hands, but then the property is here, the land is here, and the bulk of the money is spent here. At the same time, we should not forget a very important factor, that about 60 to 70 per cent of the tea produced in India goes to that country, the United Kingdom. When we are as a general principle calling for capital from foreign countries, we cannot sort of turn them out. With one voice we shout to them to come here with their money, and with the other try to turn them out. We will have to be careful how we deal with the future. We will have to look not only to the immediate future, but to the distant future also. The proverb is there that a known devil is better than an unknown angel. We know these devils. They have been with us for a pretty long time, but what I say is we should not be taken in by the allurements of any other nation.

I would, in this case, refer to the Indian Tea Market Expansion Board which was functioning for the expansion of tea sales. We had an organization in England and we had our own representatives, and the tea propaganda in other countries including America was controlled by that body. The propaganda was being controlled from the London office, and we had our representatives on that Board, but it has come to our knowledge that although our representatives were on the Board, very seldom they attended the meetings. But then, things were carried on all right, but what happened a little while ago was that some American gentlemen came round in all their finery and drama. They came with their maps, papers, coloured charts etc., and what happened? A separate arrangement was made with America at a very much higher cost to ourselves. Previously, the control

was in the hands of a body. Now, although India is represented on that American Sale Propaganda Committee, we get only—when I say "we" I mean Ceylon, India and Indonesia—50 per cent representation. The contribution to be made by ourselves is somewhere about Rs. 21 lakhs. Ceylon pays Rs. 16 lakhs, and Indonesia a very small amount. That means, under the new arrangement made the three producing countries pay somewhere about two-thirds and the American tea merchants pay one-third, whereas previously for every dollar or every rupee we paid the American body put in another dollar or rupee, and the propaganda was carried on. So, we have not got a better deal at all. It is that.....

**Mr. Deputy-Speaker:** Is the hon. Member likely to take some more time?

**Shri A. V. Thomas:** Yes.

**Mr. Deputy-Speaker:** Very well. He may continue it the next day.

I would desire to announce to the House that in pursuance of the desire of the hon. Minister of Commerce and Industry, the Industries (Development and Regulation) Amendment Bill which has already been reported by the Select Committee, and which stands on the Order Paper for the 4th, may be given preference to this, and this may be taken up after the Industries (Development and Regulation) Amendment Bill, and continued after that Bill is disposed of. I hope I am giving sufficient notice for hon. Members to be prepared, as both of these Bills are important.

**Shri M. S. Gurupadaswamy (Mysore):** May I know the reason for this alteration?

**Mr. Deputy-Speaker:** It is already fixed for the 4th, but this is taking time, and is naturally likely to take time.

*The House then adjourned till a Quarter Past Eight of the Clock on Monday, the 4th May, 1953.*