

Mr. Deputy-Speaker: These are the only amendments. Shri A. K. Sen?

An Hon. Member: There should be a joint session.

Mr. Deputy-Speaker: Perhaps all the consequences laid down in the Constitution will follow.

An Hon. Member: They can agree not to press.

Mr. Deputy-Speaker: I have not to declare what should happen. I cannot announce when the joint session will meet. The House will now take up the next item.

16.53 hrs.

IMPORTS AND EXPORTS (CON- TROL) AMENDMENT BILL

The Minister of Commerce (Shri Kanungo): I beg to move:

"That the Bill further to amend the Imports and Exports (Control) Act, 1947, as passed by Rajya Sabha, be taken into consideration."

Sir, as hon. Members will have noticed from the Statement of Objects and Reasons, the Bill aims at extending the life of the Imports and Exports (Control) Act, 1947, by another six years, i.e., upto 31st March, 1966. The need for control of the foreign trade of the country cannot be over-emphasised and such a need is greater today than ever before and is likely to continue for many years. While the export trade is liberalised to the maximum extent and control is exercised only in respect of a few commodities, particularly in short supply in the country, the import trade has to be closely controlled to put the limited foreign exchange to the maximum national advantage.

The import and export trade of the country is now intimately linked with the execution of national plans and to emphasise this aspect, the extension of

the Bill is proposed for a period of six years, i.e., to synchronise with the currency of the third Five Year Plan. While the need for a certain measure of import and export control will remain with us for a much longer period than six years, the extension proposed is considered sufficient for the present thus providing the House with opportunity for further review at subsequent stages. I have no doubt that hon. Members will agree that this measure is necessary in the national interest.

Opportunity has been taken to make a few minor amendments in the Act in the light of the experience gained over the last few years. These amendments have become necessary to bring the existing practice in these matters in strict conformity with the position in law. Contravention of any condition of a licence granted under the provisions of this Act, or the orders formulated under it, which can be a serious matter and against which appropriate administrative measures are always taken commensurate with the seriousness of such contraventions, has now been directly brought within the penalty provisions of this Act.

As I have stated in the beginning, the Bill has been debated upon and passed by Rajya Sabha, and I hope this House will whole-heartedly give its full support.

Sir, I shall not take any further time of the House, and I beg to move that the Bill may be taken into consideration.

Mr. Deputy-Speaker: Motion moved:

"That the Bill further to amend the Imports and Exports (Control) Act, 1947, as passed by Rajya Sabha, be taken into consideration."

Shri Bimal Ghose (Barrackpore): I have nothing against this Bill, but I would take this opportunity to make certain observations. The context in which this Bill was first passed has changed. There were import and

export regulations during the war, and then in 1947 this Act was first passed with a view to meet the position that has arisen just after the war, particularly because of the fact that certain industries were started at the time of the war and it was necessary to give them some measure of protection. Later on, the context had changed, and today foreign exchange is uppermost in the minds of everyone. We have to conserve our foreign exchange, and for that it is necessary that at least our import trade should be controlled. Export trade control is also necessary to some extent, when it is considered that certain commodities should not be permitted to be exported in the national interest. But, primarily, the object of this Bill is to control imports. Therefore, the controlling of import trade has the effect of giving protection to many of our industries. That is not the main purpose of import control, but that has been the effect; and the effect of this indirect protection is that it might introduce certain amount of rigidity in our economy and assist the establishment of industries which might not really be economical.

One advantage of giving tariff protection to industries is that there is a

Tariff Commission which goes into the case of such industries and also reviews the progress made by the industries from time to time. It is a very important thing to see whether the industry concerned is being run efficiently or not and whether it would be in a competitive position in some future years. Since these industries are not given protection on the recommendation of the Tariff Commission, I was wondering whether the Government cannot devise some procedure by which a machinery would be set up to review the progress of industries, which are indirectly receiving the protection.

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

Shri Bimal Ghose: Yes.

Mr. Deputy-Speaker: Then he might continue his speech the next day.

17 hrs.

*The Lok Sabha then adjourned at
Eleven of the Clock on Wednesday,
February 24, 1960/Phalgun 5, 1881
(Saka).*