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TRANSCRIPTION NO. 89

The hon, members who have spoken before said that the small growers get the correct price from the Board! This is not so. The entire BULK of the profits they make in the home market and in the foreign market / is kept by the bigger growers who DOMINATE this Coffee Board. The price they get is more than what they / pay to the small growers. That is the complaint of the small growers. So, it is not correct to say / that the profits this Board makes are equally distributed to the small growers. Hence, the CONFLICT between the big growers (100) and the small growers is increasing. Therefore, it is necessary on the part of the Government to do justice to / the small growers. The Government thinks that by taking powers for nominating the President of the Board, it is able / to do justice to the small growers. The number of the small growers is 34,000, white the number / of the big growers is 590. Most of the seats reserved for the growers in the last Board / were-MONOPOLISED by the big growers. The majority of the seats were held by the big growers, and the number (200) of seats the small growers got was very MEAGRE. It was not more than four, if my RECOLLECTION is correct. / What the Government should have done was to give equal representation to the small growers. They should have asked the / growers to return their representatives or to give a PANEL of names from which Government could have chosen some. The / choice of the representatives should have been left to the RESPECTIVE organisations. If there was no organisation for the small- growers, t Government should have asked them to organise one separately and then send in their representatives. Our friends said that (300) the representatives of the small growers were there on the existing Board. It is true but I know the practice / of these big growers or big industrialists. Having given membership to the smaller FRY on their organisations, they DON'T allow / them to express themselves. The Chairman or the man who holds SWAY of the Boar 4 sees to it that all / the members agree to what he DICTATES. That is the practice in these associations. We know that. So, it is / better to have a separate organisation for the small growers and ask them To submit their panel of names to (400) represent them on the Board, Representation on the Board should not be governed by the number of acres owned and / and the amount of capital invested but by the number of the growers. If this principle is adopted, the bigger growers/will not be able to run away with what they want. In this connection, I would also say that instead / of NOMINATING the President, the Government should do this. The Government should ask the respective organisations of the big growers, / the small growers, labour and the consumers to send in the names of their representatives and then include Members of Parliament. (500)

Then, the Board constituted in this way should be isked to elect its Chairman. If this procedure is adopted,/ hen the Government can see that no big grower is elected o the chairmanship. In that case, only a man / who can ommand a majority in the Board will be elected and that nan will see to it that justice / is done to all the interests oncerned. But here, the Government, in the name of aking over control of the / industry, wants to FUREAUCRATISE the whole industry. I don't think that ly bureaucratising the Board the Government will be able 600) in any way to help the industry to develop or to bring about better working conditions for the labour. One / nember in the Select Committee said that no representation should be given to labour. That is the ittitude of the growers. / That is the attitude generally of all imployers in this country. But is it JUST on their part to/ feny representation to labour as well as to the cosumers? Certainly, the rights of these people should be recognised, out / personally I don't think that by merely giving representation to labour on the Board the Government can io justice to labour, (700). It is true that the Minister in the Select Committee as well as in his reply to the debate/in the other House said that the working conditions of labour were very PITIABLE and DEPLORABLE and should be improved. / Sir, there was also a petition sent to the Lok Babha by the employees of the Coffee House recommending to/the House that their PETETION should be considered. The employers deny the rights of the workers and they say that / they have made all efforts to develop the industry in all these 13 years. At whose cost? It is (800) at the cost of the workers, by paying them low wages. They have made a huge profit which is expressed in the reply of Mr. Radcliffe to a question of the hon. Minister for Commerce and Industry that se had been / distributing a dividend of 13 1/, per cent in one year. In one year he had given / 20 per cent dividend, in another year 27 per cent and in yet another year he gave 19 per cent / to his shareholders. At the same time, this big dividend is after deducting the expenses including DEPRECIATION, taxation reserve fund (900) and reserve fund to capital invested. Apart from all these, they have made a net profit so as to distribute / an average dividend at 13 1/2 per cent. Can anybody imagine that such an industry should be allowed / to distribute this high dividend at the cost of the poor labour who actually produced this profit? Certainly at the cost of the poor labour and the people, they have got this profit. The coffee houses are getting coffee at / the rate of Rs. 210 per cwt. At the same time, how do they sell coffee there? (1000 words)

Now, there is another aspect of the rubber industry, namely, the rubber producing industry, which has been entirely left out / of the consideration of this Bill, that is, the rubber manufacturing industry. My hon, friend, Mr. R.P. Sinhalhas / rightly pointed out that aspect. We find that Indian rubber production has been consumed by the rubber manufacturing industry in / India. So, here is the question of increasing Indian production. As with the tea trade, the question is of export. / As yet, the structure of the tea trade and the TRENDS of the tea trade are such that it is (100) mainly DEPENDENT on export and whenever there is any loss of export market, there is A HUE AND CRY of / a crisis. But in the case of the rubber industry, all the rubber produced in India is consumed by the / rubber manufacturing industry in India. Rubber is a very important commodity and this industry should also be developed here./There is a deficit in Indian production.So, the Government thinks of allowing import of rubber. If the production of rubber / is increased by 27,000 tons a year, that will be consumed in India. That is all very true. (200) So, my point is that in connection with the development of the rubber industry, we cannot leave the rubber manufacturing / industry out of our consideration. These are closely connected with one another.

Coming to the question of the rubber manufacturing industry, / my friend, Mr. R.P. Sinha, has rightly pointed out that it is also DOMINATED mainly by foreign companies. / The rubber manufacturing industry in India produces various types of rubber goods from tyres to water-proofs and other rubber / materials. They produce tyres and tubes, cables, general mechanical goods including roofing. FOOTWEAR, and so on. But the PREDOMINANT position (300) in the rubber manufacturing industry is occupied by Messrs Dunlop Rubber Company, Messrs Firestone Tyre & Rubber Company, Bata India, etc., and from the figures which have been given in the eport of the Indian Tariff Board, it is seen / that the average total consumption of rubber is distributed among a large number of small industries. Here also, the question / that arises is this. How should we treat these concerns—these big, GIGANTIC concerns? Sir. I have not studied the / condition of labour in these industries of Messes Dunlop, Firestone and Goodyear Company. Therefore, just now I am not in (400) a position to give you the picture of their condition, but the question is that from the price of rubber / in India, in relation to the world price of subber, these people are mostly BENEFITING. It is true that prices / cannot be fixed in such a way that the big concerns will pay one price for the rubber and the / small concerns will pay another price for rubber. Here also, the main question that comes is this. If we want / to develop the small units the quesiton arises of putting some check on the profits made. These big foreign (500)

concerns must go. It is they who are taking all the advantage of the present position in India. About that aspect/I find that there has been no mention in the Bill and there was no INDICATION in the speech / of the hon. Minister for Commerce.

Then, lastly, I would like to say that here also the Government has taken the power to appoint the Chairman and is going to reconstitute the Board. The same remarks which I made in connection / with the Chairman of the Coffee Board are VALID here. If is is the intention of the Government to break (600) the domination of the foreign rubber growers or big rubber growers in the Rubber Board, I think it will be / circulated to hon. Members later on. Let there not be any foreign representation on the Board. If the Government / is not prepared to accept that suggestion, then also, it can take certain other minimum steps. It can increase the representation / of small growers; it can increase the representation of labour. The representation of small growers has been increased by one./but the representation of labour should be increased. I do not suggest the number now. In this manner, if the (700) Government thinks that the RECONSTITUTION of the Rubber Board is essentially necessary in order to EXERCISE its powers for the / development of the rubber industry, then the reconstitution should be on proper lines, not simply by having a nominated Chairman, / not simply by indulging in EYEWASH activities. The Government should do everything to check the big foreign interests and big growers./

Mr. Vice-Chairman, as bas been pointed out, we have a series of similar Bills. Rubber is a cash / crop. and. therefore, I think, the Government should be very careful to see that in fixing the price of rubber (800) the price of the manufactured articles is borne in mind. The hon. Member who PRECEDED me has pointed out that / the rubber manufacturers are mostly foreign firms, and the figures that he has given are really STAGGERING, It has been / pointed out that during the last ten or twelve years the profits distributed are 350 per cent. / That means the original one crore of rupees have received three and a half crores of rupees as profit. It / has also been pointed out that one crore of rupees have become two croses of rupees by means of bonus shares, (900) and the market price of the shares of two crores of rupees is nearly seven crores of rupees. That means that the original one crore of rupees become ten crores of rupees in our country. The foreigners are MULTIPLYING/ their profits. They are expanding their industries and getting a STRONCHOLD on our economy. The hon. Members of this House / give protection. They want Indian industries to develop, but the advantage of this protection is taken by the foreigners. They / set up factories in our country, and if at all some money is brought from outside, it multiplies TEN-POLD (1000 words)

Mr. Vice-Chairman, I accept the principle of the SEPARATION of the Railway Finance from the General Finance. I also / accept the (DESIRABILITY) of this arrangement. It is not only a convenient arrangement but it is based on SOUND principles, / and is CONDUCIVE TO the better administration of the Railways. I also agree that the CONTRIBUTION of the Railways / to the General Revenues should be in the shape of fixed dividends, but I cannot agree that the dividend should be / fixed at 4 per cent and that is the CRUX of the whole report. As a matter of fact, the (100) Committee was INSTITUTED only to gc into that matter whether the dividend payable at the present time, i.e., 4 per cent / was reasonable or not and whether this arrangement should continue. When I say that I do not agree / to the rate of dividend, I wish to submit that enough material has not been placed in our hands to judge whether the dividend which is being fixed is fixed on some sound basis or not. The Committee has not / examined certain vital matters concerning the administration of the Railways and what I find is that the whole arrangement is (200) very SUPERFICIAL. It appears to me that the Railway Administration and the Finance Administration came to an agreement and the Committee did not find it necessary, because of the agreement between the two Ministries, to examine and go into the / VITAL matters which AFFECT this issue. It is not clear how this dividend, if fixed at 4 per cent is / going to REACT on the working of the Railways and particularly on the future development of the Railways, and also / on the present structure of the FARES and FREIGHTS. This question has not at all been examined and we do not know (300) what reaction it is likely to have. These are very vital matters and I think that they need / a THOROUGH exemination before we can come to correct CONCLUSION in this matter.

As we know, there is a pressing / demand for reduction in the Railway fares, particularly for third class passengers. This demand has been made on the / floor of this House, and I think there is great justification behind this demand, and more particularly now when we / find that the prices of agricultural goods have gone down, we will have to take into consideration the question whether (400) the rural population who will get much lesser RETURN for their products now, will be able to pay the same / fares and freights. I also wish to draw your aftention to the fact that the Federation of Indian Chambers of / Commerce had submitted a memorandum to the hon, the Railway Minister asking him for an examination and revision of the / freight structure. I do not know what the position today is, and unless and until we are ENLIGHTENED about that, / unless and until we know where we stand in relation to freights and fares, we are not in a position (500) to take any decision whether the rate of he hon. the Railway Minister, whether in view of this trong demand made by the people through their epresentatives in / both the Houses of Parliament and n view of the changing economy with which we are faced, as can give / us an assurance that he will be able to DISCHARGE his OBLIGATIONS and responsibilities and COMMITMENTS, that he will be / able to pay a dividend of 4 per cent, and yet, he will be able to reduce the freight and (600) fare rates. That is the basic thing.

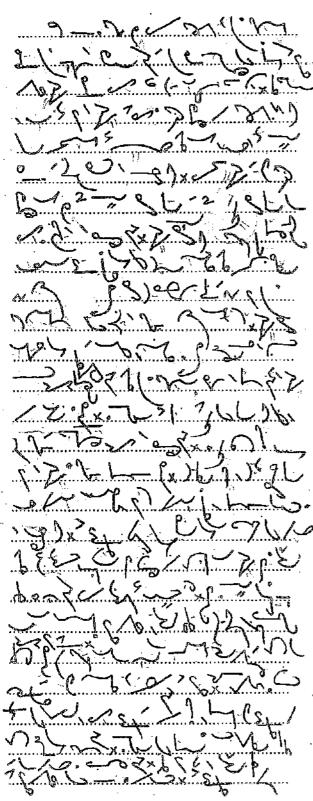
Another important factor which has to be taken into consideration is the development schemes / I wish to submit that there is no new approach in this matter, I find that we are going / about in this matter in the same FRIGID manner and the ASPIRATIONS of the people have not at all been / taken into consideration. The hon. Railway Minister will remember that during the Budget speeches made on the floor of this / House as well as in the other House there have been INCESSANT demands for the development of the Railways. (700) I don't know what he thinks about it and how he thinks that after paying this dividend at 4 per cent / he will be able to meet that demand and he will be able to find a way for the Railways/to expand their economy, as they think it proper as would meet the demands and aspirations of the people./In this connection, I wish to invite your particular attention to the facts. I will be happy if we could pay / even a larger per centage but the fact is that we must be sure that the Railways are, in the present circumstances, (800) in a position to do so and yet discharge their responsibilities and obligations and satisfy the needs and demands / of the people which are LEGITIMATE and justified. Now, when we fix the dividend at 4 per cent, what happens / is that we also fix that of those projects which are to be considered as REMUNERATIVE at 5 per cent because the Railways want a margin of 1 per cent. What actually happens is that when we fix it at / such a high level, because of this percentage, we find that not many new projects are really taken up and (900) we have been very seriously disappointed in this matter. I, therefore, think that in the present circumstances, the Railways cannot / afford to pay a dividend of 4 per cent. May I ask the Railway Minister whether it is not a / fact that even he has not been able to CONTRIBUTE, fully or even he will fall short by about / Rs. 60 crores in his cutribution towards the Plan? Out of the Rs. 400 crores that the Railways have to / contribute, I find from his speech that they are faced with a net SHORTFALL of about Rs. 62 crores. (1000 words)

This question, Sir, in my humble opinion, should be VIEWED from a different ANGLE from which it was looked at / and discussed here yesterday. It is true that it is correct in principle that the Railways whose entire capitalat-charge / is drawn from the General Revenues, should be able to make a good contribution to the General Revenues, but / in applying this principle, care must be exercised. If we are looking at railway systems in advanced countries like the / United Kingdom or the United States of America or any such countries, this principle, no doubt, could be applied (100) ON ALL FOURS, But in a country like India whether it could be applied is a question that should be considered. / It was argued that the Rullways have a long history and because they have long been an established concern, they/should now be able to contribute to the General Revenues. Although it is frue that the Railways are a long-established concern, still the circumstances under which the Railways were run are not being examined here. The Railways, as we / all know, before independence, were run not on a welfare State basis but they were run on the system of (200) STRATEGIC lines. When the railway lines in India were formed, it was not the question of developing economic resources, / it was not the question of linking up industrial centres, it was not the question of linking up the railway system / with PILGRIM centres or centres of DENSITY, that prompted the authorities, the private companies, to start the Railways in India, / but it was the strategic concern of the British Government them that prompted these companies to form Railways. The question / of ARRIVING AT a correct pattern of railway system from the point of view of developing and EXPLOITING the natural resources (300) of the country, from the point of view of developing the backward areas of the country, is still there/ to be examined and to be ATTENDED TO. Well, from this point of view, as anybody can see, there is / much scope for developing the Railways. In fact, there is so much pressure on hom. else Railway Minister for / new lines that one will BE AT A LOSS as to where to find the resources from. They have undertaken / in the second part of the Five Year Plan to construct new lines of 1,500 kilo metres (400) in length. In order to have a perfect railway pattern, to be able to exploit and make use of the / natural resources of the country to the fullest extent, although we cannot DISMANTLE) the railway lines that we have now, / still these lines have to be linked up to FULFIL that REQUISITE of exploiting the natural resources. So, my point in BRINGING OUT these arguments is to show that the Railways have a full development programme on their hands, and / they need funds. They can no longer draw from the General Revenues or the country, as the Railway Finance is separated (500)

from the General Finance. They have to obtain the resources that are required for development either by loan or otherwise./

There is the other need also to be examined in this connection, the need of passenger AMENITIES. Both inside/these Houses of Parliament as well as outside, it has been AGITATED that passenger amenities are required to be given / in a larger and larger number. The second class passengers, before independence, did not get adequate amenities. In fact, the / condition of the BOGIES; the condition of the waiting rooms, the condition of CATERING facilities and the condition of housing, (600) all these things needed much attention. Although the Railways have now taken up the amenifies programme, and according to the / recommendation of the Convention Committee, we are now EARMARKING Rs. 3 crores PER ANNUM for this purpose, still, I think, / it is totally inadequate. The Railway Administration has now recognised the fact that greater and greater passenger amenities are to / be given. But, they are not going, on the right lines. I may make this statement clear by saying that/ they are not following proper lines with regard to the amenities that are to be given.

I will take just (700) one example and point out how they fall short of the requirements. Well, the question of providing waiting halfs for / second class passengers has been a much-MOOTED question, and that naturally gets a top priority in the amenities programme. / Well, the so-called waiting halls that are now provided are like this. The halls are there; the EXIT gate / from the platform opens into the hall, and the entry gate into the platform opens into the hall, so much so / that in fact the hall is only a passage. When people come and go, how can the second (800) class passengers take rest here? That is a question which I have not been able to understand. Secondly, for the passengers, who have to wait for a number of hours in these halls, necessary sanitary facilities should be provided. Now, / the sanitary arrangements may be inside the platforms, where the waiting passengers cannot go. And if they go and commit / NUISANCE outside, the policeman will be there to HAUL them up and PROSECUTE them under the police regulations for committing / nuisance. So, it is not imagined that when passengers are required to wait for ten hours or twelve hours in (900) these waiting balls, they should have some bath-room facilities as we have for first class or for higher class passengers./ That thing has not been VISUALISED. Even for our cattle-sheds in our houses, we have doors and windows, / but here for these second class waiting halls there is neither a door nor a window, nor an ENCLOSURE This, / I say to draw the attention of the authorities to think of these amenities in their proper proportion) Their estimate / of the requirements of funds for these amenities is an UNDER-ESTIMATE. The needs for increasing the amenities are large. (1000 words)



Sir, coming from the South, we are very happy that after a PROLONGED struggle, after a good deal of suffering/by the people and after several movements have been CONDUCTED by the people's representatives, Pondicherry has become one with us, Lthough not still according to law. It is GRATIFYING to know that the people of Pondicherry and the surrounding French / scitlements are very happy about their being reunited with the motherland and it is in the fitness of things that / the Government of India has come and asked for sanction of expenditure there. With regard to PONDICHERRY and other French (100) settlements in the South what the Government of India has been doing and what the Chief Commissioner has been doing / have won the approval of all sections of the people. Pondicherry has been going through very, very difficult times and / there have been uncertain political conditions for the past so many months and it is really surprising how the / law and order situation has been so successfully tackled and how the people after a very long time have been assured of / perfect law and order in that area. Posidicherry has been NOTORIOUS for the disturbances and in the past two months (200) the situation WORSENED because of lack of cooperation between the Administration and the people and it is after a very / long SPELL of time that the people of Pondicherry are enjoying a STABLE Government. The Government of the day and the Chief Commissioner have been doing their best to establish perfect and CORDIAL relations between all sections of the reople. The Chief Commissioner is also trying to give the people of Pondicherry a perfect democratic set-up. So, it is not true to say that he has been doing things which are not in the interests of the people or (300) which are not CONDUCIVE TO democratic functioning of institutions there. All the political parties which have been openly SIDING for the / MERGER have been recognised and it is with them that we have to GET ALONG till elections are held / in Pondicherry, till a final decision is made by the people whether they would be with the Indian Union or not. ATill then, the Government of India have done a good thing in nominating people's representatives to official positions so / that there may be better COLLABORATION between the people and the Government.

It has also been said that they have (400) provided enough money for CARRYING OUT ordinary repairs, and also for medical facilities and other amenities that are necessary to / the people of the place. I would like to REFUTE the allegation that the Government have been PARTIAL to one / political party and are trying to dominate other political parties which also worked for the freedom of the people. The / Government have been taking a non-PARTISAL attitude and have recognised the claims of the people. It is the people / who have to finally decide and the people's representatives have been given the recognition. All the political parties which were (500)

working for the MERGER of Pondicherry with the Indian Union have been recognised and the PREDOMINANT political party of the / day, which did contribute greatly to the merger movement, has been given recognition and that has the approval of the / people. Moreover, it is untrue to say that the police is trying to dominate and is trying to force the / people to SUBMIT by the use of BAYONETS and arms. The police is there to protect the people against the / ONSLAUGHT by undesirable elements in the area. So, the police are doing a very difficult but a responsible job and (600) the people of Pondicherry have no complaint and most sections in the SETTLEMENT fully support the move of the Government. / Pondicherry will be with us soon and we hope that the people of Pondicherry will vote for the merger of / Pondicherry territory with our own.

It was said that at Pondicherry and other places certain political parties which worked for / the liberation movement have been ignored and that they are being SUPPRESSED At is not so. All the political parties, / except the Indian National Congress which was having a branch there, were formerly with the French Government and they did not (700) want freedom. In the gast two months, they voted for the merger, actually the DE JURE transfer of power / from the French Administration. Today, Pondicherry is able to get along well, with the other sections of the people, and / the people have welcomed the merger with great relief. It was the people who were suffering, it was the common man, / it was the worker, it was the ordinary people who had to depend on the mainland for the supply / of necessities. They were put to a lot of difficulty before and how they have got almost all the necessities (800) of life supplied to them at a very reasonable cost. Now, there is free movement of these essential things and / the people of Pondicherry are very happy about it.

There was only one section GRUMBLING about in Pondicherry and that is / by the merchant class. They have made a complaint that with the stopping of licences to import and also / due to the cancellation of many import licences, they have been put to a great loss. They have been the worst / sufferers because they will have to fulfil their contracts. I would like the hon. Minister to consider this aspect that (900) whether the licences that have been granted by the previous Administration can be held valid, of course, subject to the / financial interests of our country, because people also take this opportunity to cheat) the government of India of their legitimate / share of taxes and also the import duty. Similarly, there is one IRKSOME feature which has been the subject of / many a complaint by the people of Pondicherry, and that is, the customs BARRIERS still exist. There are lots of / people who are going to Pondicherry even day and these people are being put to a lot of customs difficulties. (1000 words)

In the course of the discussion, it has been very ably pointed out by a large number of speakers / as to how the rubber industry is in the grip of certain foreign elements and Indian MONOPOLISTS at the top. / We know that there are small planters and producers but the HOLD of the Dunlop Company was also mentioned. So far / as the big industries are concerned, it has been their policy to CAPITALISE the money and to put money in / the reserve Ofund instead of utilising such funds and profits for improvement of the working classes and for the betterment (100) of the labourers. It was pointed out yesterday that the Dunlop Company gave very high dividends. You will be shocked / to know that while the Company had money to declare a dividend of 40 per cent and also to capitalise / a part of the profits, it did not give at all a fair deal to the workers. On the contrary, / they were kept at more or less the same old level, where they had a kind of labour, practically speaking. / Therefore, it becomes necessary to look into this matter. Sir, we are interested in the increase in production and everybody (200) is interested in the increase in production. The production of rubber, coffee or of any other essential commodities or imported / commodities must undoubtedly be increased in the country. But merely by appointing a Board or by taking certain powers into I the Government's hands or INVESTING the Board with such powers, you cannot ensure increase in production. There may be slight? improvement here and there, but materially you cannot alter the situation until and unless you inspire the real producers / by making them see through their own lives' experience that increase of production means a CONSTANT rise in their standard of living, (300) in their material and cultural WELL BEING. Now, that is why, I say that it is very essential, when the Board is really being given certain powers for looking after the interests of the working class, to make these / powers effective and to make them effective would be to ask the Board to work for the increase of the / Wages of the rubber workers or the labourers who work in that particular industry. Now, that is not there./ It is a very unhappy omission and a very sad omission, if the intention of the Bill is good. (400) Sir, as you know, we had been told in the recent days very much about socialism and we are not talking about/socialism in its big aspects here at all. This is not our concern here. But if you at all/really have such feelings, if you think that socialism is something which one has to SWEAR BY, even though the / ideas of socialism were first propagated one century ago, then give some expression to it. But we know that / there will not be socialism at all under you. All that we say is, if you swear by socialism, talk about socialism, (500)

if the Members of that side of the House go to some other Houses and hear lectures very seriously, / they should come here and tell us that they are also going to increase the wages of the workers when / such measures are brought up. Such occasions are good occasions for them to begin to cultivate this thing because you / have yet to learn the ABC of socialism first and you cannot write a book or a poem / or an article straightaway and we do not expect you to do it either. But if you are really sincere (600) about what you are falking, you should try to learn the AFC, that is to say, begin with / giving the workers a fair deal, giving them a living wage and dealing with the workers here in this Bill / you should make provisions for them. I do not suggest to the Minister that in this Bill there should be / provision that so much wages shall be given to the rubber PLANTATION worker or fix a scale and all that / sort of thing. All that I have proposed in this amendment is that the Board should be given that REORIENTATION (700) of OUTLOOK, should be given the direction that the wages have to be increased and that they have to CONSCIOUSLY / work for it. That is all that I demand in this amendment. Sir, we do not like that our workers / should be exploited by the people, and he will not deny because it has been pointed out from that side / of the House also, that huge profits are being AMASSED, they cannot spend the money, the British who are earning out of this industry cannot spend the money. With all their LUXURY and EXTRAVAGANCE, they cannot spend that money here (800) in this country. They send this money ABROAD. Even then, they retain some money in their hands. They would rathe: / keep them in banks idle than give this money to the workers for bettering their LOT, for improving their concitions / which determines, in the final analysis, whether the production of the country would go up or not.

Now, Sir, I / read with great interest the Select Committee's Report, especially the portion of the evidence APPENDED to it, and I would / ask you also, Sir, to re-read if you have already read this interesting document. You see here Mr. T.T. Krishnamachari (900) CROSSING SWORDS with an important representative of the British interests, the British rubber interests in this country. Now, / it is all a WORDY battle.It is a sort of very interesting competition for being smart, one trying to/OVERREACH another in smartness. But, at the same time, out of these discussions it EMERGES that the British interests are / totally UNMINDFUL of the interests of the workers, of the interests of the country as a whole although the British / gentleman who came here to give evidence spoke of national interests and all that. Here, you will find many times. (1000 words)

Sir, the hon. Minister has said that because this Bill is of a COMPLICATED nature, he has come forward with / this measure to extend the BLANKET cover that is to be given by another one year. Sir, in my opinion, the Bill as such is not complicated, but the Government have made it more complicated by getting into certain things / which, in my opinion, are certainly EXTRANEOUS for the purpose of this Bill. Sir, in the course of one year / this Bill has come up before this House three times. This is the third time that this Bill is coming up (100) before the House. The PARENT Bill was introduced in December 1983 and in less than one year two amending Bills were being moved before us. Even at the time when the parent Bill was moved, / it was suggested by several Members, both on this side as well as on the other side of the House, / that it is safe to Bill itself by attaching a ENUMERATE in the SCHEDULE to i:, to specify clearly, provisions / as to what would amount to an office of profit and what would not amount to an office of profit. (200) It was then stated by the then hon, mover of the Bill that it was not necessary to attach any / schedule to the Bill, and that the Bill by itself, as moved, was COMPREHENSIVE enough. Then, Sir, certain difficulties were / felt, and various Members of this House as well as of the other House had ADDRESSED the hon. Law Minister then, / asking him whether their remaining in a particular committee would amount to an office of profit or not. Probably, / looking at the NUMEROUS letters that had been addressed to the hon. Law Minister, he was in a DILEMMA as (300) to what to do. He had come forward with an amending Bill to extend the life till the end of / December 1984. A committee was CONSTITUTED to advise the hon. Law Minister as to which offices / would amount to offices of profit and which offices would not amount to offices of profit. Sir, I am told / by one or two members who had served in that Advisory Committee that only once, only during this session, they / were SUMMONED to meet. I would ask the hon, Minister, Sir, this question : When it was such an important measure, (400) what was the Ministry doing from April 1984 till December 1984, excepting / to come forward before the House with another amending Bill of this nature? Originally, Sir, only four months' time was / asked for, when the parent Bill was moved, and it was stated that within that period of four months they / would come forward with a comprehensive LEGISLATION. Then again, they came forward with another amending Bill, extending the period till / December 1984. Now, between April and December nothing has happened EXCEPTING that the Advisory Committee has been constituted, (500)

and it met once only just to recommend for extending the period by another one year. Sir, nobody, / in both the Houses would oppose this measure, but they can only criticise the way in which the Government is / dealing with this measure, the way in which the Government is sleeping over the matter, a matter which AFFECTS the / very life of a Member of Parliament, not only a Member of Parliament, but also a Member of the State LEGISLATURE. As the hon, the Law Minister has pointed out, Article 102 of our Constitution does not (600) define what is an office of profit except to say that a Ministership or a Deputy Ministership or even a / Parliamentary Secretaryship, and by a later amendment, even a WHIP of the Congress Party would not amount to an office of profit. Only a few instances are specified as to which offices would not amount to an office of profit. Then, Sir, complications had arisen even when the original Bill was moved introducing STATUTORY committees and advisory committees. What a / statutory committee was, or what an advisory committee was, was not at all defined in the parent Bill. So, doubts (700) had arisen in the minds of various Members as to what would amount to a statutory committee or what would/amount to an advisory committee or even whether a Vice-Chancellorship of a University, to which are attached certain PRIVILEGES? like the appointment of so many persons and all that, was defined as not an office of profit, and the / hon. the Law Minister was not able to say what office would amount to an office of profit, what would / amount to a statutory committee or what would amount to an advisory committee. Sir, I have only to point out (800) that an important measure such as this which affects the very existence of the Members of Parliament should have been/ given a very high priority in the matter of legislation. On the contrary, not much attention was given to this. EThe Committee met only once and even then nothing seems to have happened in that Committee. Sir, before the matter / goes to a court of law for the Judges and for the lawyers to INTERPRET what would amount to an / office of profit, it is better that the hon, the Law Minister brings forward in the coming <u>Budget session</u> (900) a comprehensive Bill which will specify in its schedules what are offices of profit. The schedules may be of a positive / character or of a negative character. The schedules might say that the holders of such and such offices would not / be disqualified from being Members of Parliament or Members of State Legislatures, or the schedules might say, in a negative way, that such and such offices are offices of profit, so that the Members of Parliament and Members of the / State Legislatures would know whether to accept an office and whether they would be disqualified by accepting a certain office. (1000 words) 🤿 🧼 🏒 🛴

As you have already pointed out, under Article 323 of the Constitution, the Union Public Service Commission/ submits annual reports and these reports are laid before both the Houses of Parliament, along with any memorandum, if there / be any, from the Government explaining their position as to why they have not accepted the particular advice of the / Commission. Sir, we have so far received three such reports from the Commission and I have gone through these reports. / Sir, the general impression that $\overline{\mathbb{I}}$ have gathered after going through these three reports is that apart from the fact (100) that there have been cases of non-acceptance of the Commission's advice in many important matters, there are, Sir, very / serious irregularities COMMITTED by the Executive Government in the matter of appointments to the civil posts and the civil services. / If you permit me, Sir, I may add that I have found that there are occasions when the Government has / even BY-PASSED the Houses of Parliament in their auxiety to provide for their FAVOIJRETES Sir, under Article 320/ of the Constitution, as you have already pointed out, the recruitments to civil posts and the civil services (200) are to be made by the Union Public Service Commission. There are two basic ideas underlying this system of recruitment / to the civil services adopted in our Constitution. Firstly, we desire that all eligible persons to a particular post should be / entitled to enter into a FAIR and free competition to get that job. Secondly, we want to avoid all / elements of FATRONAGE in the matter of appointments to our civil services. You will find that under the old Regulation which has been kept in force under Article 372 there are several categories of employment and (300) posts which have been kept away from the PURVIEW of the Union Public Service Commission. One of these categories is temporary / appointments/LASTING for less than a year. I maintain from a review of all these reports that the Government has ABUSED this power of temporary appointments. The Government has used it as a SMELD to BESTOW all kinds of patronage. / Sir , if you look at the posts, you will find that on the very face of it, they are not / temporary posts, but that they are likely to continue for more than a year.

Sir, appointments to such posts are (400) made as temporary appointments merely to avoid the Union Public Service Commission. In the name of temporary and emergency appointments, I / find that a large number of appointments are being made. The GLARING examples are the Community Projects Administration and the / All India Radio under the Ministry of Information and Broadcasting. We find, as a matter of fact, such appointments being/made by every Ministry but these are the very GLARING examples and I would like the hon. Minister to tell / this House as to how many temporary appointments are being made every year by the Government and how many of (500) them are continued

even after the end of the year. Sir, they make the temporary appointments and they keep these / appointments going on year after year and they do not also consult the Commission, although, under the Constitution, they are / required to do so. Apart from bringing in an element of patronage in the civil appointments, this procedure acts very / unfairly to the other caudidates who compete from the open market when these temporary posts are made permanent. When the / appointments are regularised by inviting applications by means of advertisements, what happens is this. We cannot prevent these temporary APPOINTEES (600) from competing in such examinations and these temporary appointees who have gained experience at the cost of the tax payer / compete with the candidates from the open market and do better because of the experience that they have gained. /I know it from my personal knowledge that appointments in the temporary CADRE are purposely made in order that a particular / candidate may gain experience and do better at competitive examinations and have a better chance of getting a permanent Government / service; otherwise, he could never have got such a post.

Sir, not only this, but the Commission have also referred (700) to the fact that advertisements are drafted in such a way that it may suit a particular person. On page 9 of the first report, they say, advertisements for posts in the category of technical, scientific or specialised qualifications are / often so drafted by Ministries as to TEND TO restrict the recruitment to the limited circle of persons already holding / the posts advertised or ANALOGOUS posts. One of the main functions of the Commission is to so draft the advertisement / without sacrificing the requirements of the post as to ensure a competitive selection for the post from the widest field. 800) I have looked into the regulations and the method by which the Public Service Commission works in U.K. There, the Ministries merely inform the Service Commission hat they want such a post to be filled with a person of / such and such qualifications. The advertisement is drafted by he Service Commission, and not by the Ministries as is lone here. / Here, Government are auxious to bestow Datronage and therefore it is that they want to avoid going o the Public / Service Commission, and continue to make hese temporary appointments and draft the idvertisements themselves.

I find from the Report that (900) as early as January 1951, the Commission submitted their proposals to the Jovernment as to how the / existing regulations should be emodelled so that each case should come under the unview of the Union Public Service Commission. / Now, he Government has not taken any decision in this matter. These proposals ought to have been placed before / both Jouses of Parliament, as required under the Constitution

o that the Houses will be fully SIEZED OF the problems which are facing appointments and would give their lirections as to how appointments in the civil services hould be made. (1000 words)

Sir, this. volume, the Progress Report for the year 1983-84, is before the House / and Members will have discovered for themselves that this volume is REPLETE WITH diseful information. It consists of a large / volume of facts and figures and it is hardly necessary for me to make a lengthy introduction. This Report is / the basis of discussion now. I would make only one request to hon. Members. They will have a lot to / say about the various aspects of our economic situation and economic progress of the country. We would welcome all that; (100) they are entitled to make an APPRAISAD of the activities. Let it be a critical appraisal and I hope, Sir, / that it will also be a fair appraisal. In doing so, we will have to think not of today, not / of the conditions in which we are functioning but we have to take our minds back to the days when the idea of a Plan took shape, when the proposals that are now before us and the action that has / been taken on them was CONCEIVED OF. What were those conditions?

It will be very easy for all of us (200) to RECALL the days of anxiety through which we were passing then. We were not sure of our food supplies / for the next month, We were, as some people said, LIVING FROM SHIP TO MOUTH We had a certain nervousness about our food supply. We had, on account of FRANTIC demands from all parts of the country, to move food/from one part to another and rush it to places where stocks were low. We had to import large quantities/spending large amounts of foreign exchange. We had also to give heavy SUBSIDIES and, yet, people were not satisfied and (300) they could not be. There were controls and there were difficulties experienced by many people. The quantities consumed then were / low RELATIVELY to what a normal human being must consume. Sir, this was the situation in respect of food and / in respect of other consumer goods also. Cloth was so difficult to obtain even to cover the minimum needs of / an ordinary family. We had difficulties in other directions also, difficulties about transport and so on and then it was those very days that the problem REHABILITATION Of DISPLACED PERSONS was prominent. We had started tackling it but (400) we had not completed that yet. Prices were rising and so many people felt that at those high prices an / average family could not SUBSIST. There were INFLATIONARY PRESSURES and so, anything that we could do to relieve the situation, / to increase production, to spend money making large investments created those dangers of increasing inflation, of a further rise in / prices. That was the DILEMMA.

What is the position now? When we judge of ourselves today, we should not think of today. On the basis of conditions today, we determine the future and our future performance but so far as the (500) past is concerned,

it is these conditions that determined our present. What is it that we find today? / Our major HEADACHES have been relieved) Nobody can say that food is SCARCE;) nobody can say that cloth is not to / be had. In the matter of transport, we have greatly improved and our position in several other directions has also improved. For these things, it is not necessary to give any figures; the thing is there in the air and / it is part of everybody's experience in the country that the difficulties and the anxieties have, more or less, gone (600) and that we can BREATHE freely and can think of the future with confidence. The chief difficulty both in industry / and in agriculture was, of course, that there was not enough production. We were faced with the SPECTACLE of high prices / and scarcity of food, etc. Also, our industries were not running full capacity; existing capacities were not being utilised; / in the case of several industries, we were using only a part of that capacity. Therefore, agriculture was the KEY // to the whole situation. We must produce more raw materials in order to run our industries well. Sir, this is (700) what we started doing. We came to the conclusion that we must do everything possible in the course of the five years that we had before us to BRING ABOUT an increase in agricultural production to the maximum possible extent. We MADE UP our minds that we will free ourselves from the necessity of importing food from outside countries; we /wanted to be relieved of this DEPENDENCE. Sir, we have succeeded in that, but for doing that we had also / to decide that the major part of our resources should be applied to this sector and we decided to increase (800) irrigation facilities, major and minor. We decided to make programmes for giving more fertilizers; MANURES, improved seeds and RECLAMATION of / waste land. In all these directions we have spent some money and we have achieved results in physical terms and / those results are very HEARTENING. In the field of irrigation for example, we can LEGITIMATELY take a measure of pride / in what has been achieved already. By the end of this year, the area irrigated by projects is expected to exceed five million acres. The river valley projects which had been begun before the Plan are now making rapid progress. (900) Work on the new river valley schemes which were included in the Plan for the first time, such as the / Chambal, the Kosi and the Tungbhadra has also begun. On the Kosi, PRELIMINARY work has been completed and construction is / about to begin. Some Members were anxious about Kosi. Estimates of about 7 or 3 crores of rupees have been / sanctioned and all preliminary work has been completed. I may tell them that in a few days construction will be / taken in hand. At the Kosi Project, we also hope to witness the heartening spectacle of large scale public participation. (1000 words)

Sir, as is well-known, in 1982 when we passed the Delimitation Commission Act, the CONSTITUENCIES / were formed on the basis of the CENSUS figures ARRIVED AT at the last census in 1981. The CENSUS authorities at this time worked in a manner which was SLIGHTLY different from the way in which / the work was carried out in 1971. At the time of the census of 1971, / as we are aware, all castes and sub-castes were mentioned in the census figures. But (100) at the time of the census of 1981, naturally, in view of the change in our policy, / what they did was that they did not ENUMERATE all the castes, but only enumerated such castes as were ordered / to be enumerated generally as had to be given some special representation under the Orders issued by the President under / Article 341. As we are aware, Article 341 provides that in the / present circumstances, the President shall determine the Scheduled Castes and the Scheduled Tribes towhom for a period of ten years (200) special representation has been given. And under Article 341 (2), if at all / there is to be any change in these in the list, then it is only Parliament that can make that change. / At the present moment, the position is that at the time of the census of 1981,/there was an Order giving the lists of the Scheduled Castes and the Scheduled Tribes for whom special representation / was to be given. Therefore, at the time of the Census of 1981 they tried (300) to collect information only about those cases which were mentioned in that Order, for the purpose that they may be given the special representation on that basis. But it appears at the present moment, at the time of the actual taking / of the census information, certain people mentioned their castes a little incorrectly. For instance, if a person belonged to some / sub-caste, at the time of mentioning it to the ENUMERATOR, he gave it as Harijan. Now, Harijan is neither / a caste nor is it recognised. So, probably, at the time of the census of 1981, (400) such people were OMITTED, though they really belonged to the castes enumerated in the Order. Similarly, there were / certain SYNONYMS of castes, and in that case also, people of the same caste for whom the protection was intended, / on account of their giving the wrong description to the enumerator in respect of the name to which they did / not exactly belong, they were also excluded. Therefore, in the 1951 census register which was prepared on the basis of the information thus supplied, certain castes were omitted. After the passing of the Bill, (500) as we are aware,

under Article 81 of the Constitution, the membership has to bear a certain proportion to / the figures of population of the last census. It was, however, found as, for instance, in the case of Andhra Pradesh, / though there is a general increase in the population as a whole, there was a decrease in the population of the Scheduled Castes and the Scheduled Tribes. This was so GLARING that it was brought to the notice of the / authorities concerned, and the census authorities there, from whatever information they had, corrected these figures because in respect of these (600) they had certain slips or certain other papers giving the information from which they could get the correct figures. / That could be corrected because the final Delimitation Orders were not passed at that time. So, in respect of Andhra Pradesh and / Gujara: where the final Order was not passed, the census authorities corrected these figures and the Delimitation Commission took that/ into account and they did their work. But it was found in respect of certain other States also that such / corrections were made. But the Delimitation Orders were not passed. Therefore, we first intended to bring forward or introduce a (700) Bill in the Lok Sabha only in respect of those States where the Delimitation Commission had not passed its final Orders, with the provision that if the Census authorities were to make a change in respect of the figures of / population of the Scheduled Castes and Scheduled Tribes, then they could, in their final orders, take these figures into consideration / and delimit the constituencies on that basis. However, when the Bill was introduced, it was brought to the notice of / the Government that in many of the States, final orders had been actually passed by the Delimitation Authorities, and it (800) was therefore necessary in order that there should be UNIFORMITY in the principles followed in respect of this matter that / there should be some provision brought in spite of the fact that final orders are passed by the Delimitation Commission,/ that could be reopened, but only for this limited purpose, wherever the census authorities had to correct these figures and / place it on a proper basis. The Delimitation authority should in that case, reopen that matter and determine the matter / on the basis provided by the Census authorities. Therefore, the scope of the Bill to that extent was widened. The Bill which is now before the House is in this form. So far as the delimitation of constituencies is concerned, / whether it is Andhra Pradesh or Gujarat or whether in respect of other States, the Delimitation Commission, will be <u>authorised</u> to/reopen these matters if the Census authorities had to change the figures of population. Therefore, the Bill before the House is a very simple one to that extent. It only enables the Delimitation Commission to take into account the corrections/which may be made by the Census authorities. It is primarily the Census authorities who are to do it now. (1000 words)

Sir KailashChandra's 'SHORTHAND TRANSCRIPTIONS', F-35, East of Kailash, New Delh

TRANSCRIPTION NO. 99

The Textile Enquiry Committee says that we are getting much less cloth than we had even under a foreign Government/in the year 1938-39. Only one conclusion car be drawn from this statement of / the Textile Enquiry Committee in its report I have great respect for his intelligence and I know that the meaning/of the report will not have been lost on him. What I was saying was that Indo-Pakistan trade is / very important. In the entire scheme of our import-export trade, that does not feature much The market that we (100) LOSE there is being taken by the foreigners, especially the U.S.A. and U.K., and the market Pakistan / loses in our country is being taken up to a great extent by these two countries, and if you see / the line of trade, the fall in the Indo-Pakistan trade has given rise to our trade with one or other / of the foreign countries with regard to certain commodities. Our import and export policy does not take initiative to / see as to how the trade could be developed with Pakistan. I am aware of the political difficulties that are (200) in the way of the Ministry. At the same time, it is the duty of the Ministry to take initiative/and BRING HOME the fact that unless and until we put our trade between these two countries, where normal I and natural economic ties have been DISRUPTED, on a proper footing, there will always be disadvantages on our side and certain / other INTERLOPERS will come in and take advantage of that situation in order to ruin our economy and that precisely/ is what is happening today if you carefully look into the developments in that connection.

> There is, yet, another problem (300) of our relations with U.K. that CALLS FOR a separate treatment. In the old days the hom. Ministers and / their leaders and their CAMP FOLLOWERS were all complaining against the PREFERENTIAL treatment that was then called Imperial Preference-the / various agreements that were arrived at UNILATERALLY) for FLEECING, India's economy. Times have changed and no longer are we supposed / to be in the British Empire; we are a Commonwealth country and a Republic. But what about those preferences?/Have they all been abolished? Who are DERIVING all the benefits out of them? That is a point which needs (400) clarification Whenever we raise that point, we are toki that we are deriving more benefits because of these preferences than / the United Kingdom but whenever we read their papers—their London Times, Economic Section and all other papers EMANATING form / the city of London - we find that they tell their own people that they are happy, that they are having / this kind of relationship with us and they are gaining by such preferences. Now, are we to understand that we are / both gaining as a result of these preferences? I don't think so. The position is not at

all so. (500) 10 3- 1x - 6 01)x

On the contrary, as a result of these preferences, India stands to lose. That position, I think, has not been / altered to the satisfaction of our country and the hon. Ministrerwill perhaps clarify that position when he speaks. / If these preferences work to the DETRIMENT of our economy, the time has come when we must give them up. / We need not GO IN FOR such preferences, and I am sure that the policy which is required has goe to be / adopted in the interests of our entire economy, not merely in the interests of our foreign sector and not merely (600) in the interests of any particular sector.

Reference has been made to STERLING BALANCES, I don't know how much of I the sterling balances is left at the moment. It would not exceed 740 crores. It may be / much less. A large part of our sterling balances had been EXPENDED WITH A VIEW TO meeting the DEFICITS in / the LALANCE OF PAYMENTS. It was thought at the end of the war that these balances which had ACCUMULATED there/would be utilized for financing certain developments in our country, for developing the economy in our country, in particular for (700) importing machinery that we DIRELY required. After the TERMINATION of the war, the REVERSE process took place. I would only / mention what Sir Winston Churchill, the Prime Minister at that moment, has written in his War MEMOIRS: He is very/bitter about India's claims on sterling balances. He says that he does not like at all that India should make / demands on the sterling balances. He thought that he had saved India and, therefore, India had no right to claim / the sterling balances. This is how he has written, although he does not use the same BLUNT words but he (800) makes it very clear. Here is the British Prime Minister who would not like a PENNY out of the sterling / balances to be paid to India but circumstances have compelled him to do so many things. Similarly, he has been forced to accept a position where sterling balances had to be paid under certain agreements in instalments and we all / know that. But you see that large CHUNKS of the sterling balances had been spent for meeting the deficit / in the balance of trade. A much bigger amount has been spent for meeting the deficit in the balance of payments (900) including such items as pensions. You know we have a TAPERING ANNUITY, out of which pensions are paid, and that / money is paid ~ from the sterling balances. Therefore, it is a SCANDALOUS thing that these balances had been spent not / for the development of the economy of our country, but for meeting certain LIABILITIES which we might have just/as well avoided and liabilities which we should not even recognise, for instance, the liabilities with regard to pensions and all / that. It is no use trying to explain the position in great details regarding the sterling balances in our country. (1000 words)

Sir, it is usual in all purliamentary systems of Government for the President, at the opening of a session, to / address both Houses of Parliament. It has been criticised as being merely a NARRATION of facts which have happened during / the past year. But that is the usual thing, as hon. Members know, which happens in most of the Parliaments / which work under parliamentary systems of Government.

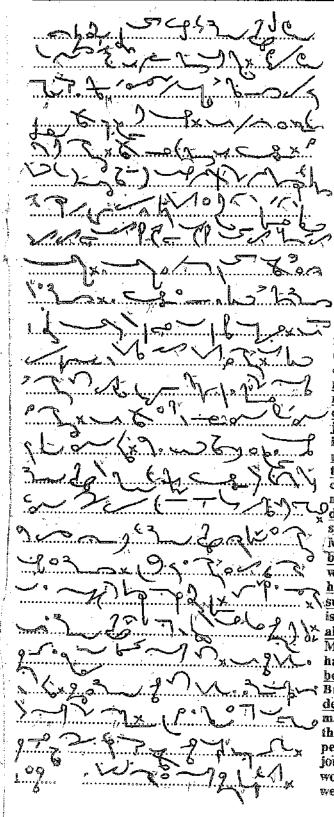
I am sure that the hon. Members are aware that India has always / stood for peace, and, ever since her independence, has done what she could to preserve peace in the world. (199) Both in Korea and in Indo-China, our efforts led to a cease-fire, and for the first time, with the settlement of the Indo-China problem, there was no shooting war anywhere in the world. But now again there are / war clouds, especially in the Far East. As has been emphasised by the Prime Minister time and again, PATIENCE and / tolerance are necessary to solve the TANGLE in Formosa. Our Government have recognised the Chinese People's Republic as the Government / of China and have recognised the Chinese claim to the Cairo Declaration. If the Cairo Declaration is to have any (200) value, then it is fairly certain that Formosa is part of China. But at the same time, one cannot forget / the fact that things have got to be tackled patiently, if this problem of Formosa is to be solved in / a peaceful manner. That will take time, and it is towards that END. I am sure, that our Prime Minister / is working so that there will be no clash in the Far East with regard to the question of Formosa. / This has been prominently mentioned in the Address of the President. We hope that patience will be exercised by both (300) the sides to solve this question, and there will be no incident which might lead to serious consequences.

Our agreement/with China on Tibet, which formed the basis of the joint statement by China's and our Prime Ministers regarding Panch Shilla, must form the main principle through which international TENSION can be EASED and finally peace established. I am glad, Sir, that recently the King of Laos has accepted the idea of the five principles put forward in this declaration.

It is usual, in the present time of atomic age, to talk about the dangers of the use of atom (400) for warlike purposes. The question is whether the new instrument in the hands of men is going to be used / for the benefit of humanity or for the destruction of humanity and human civilisation, as we know it today. Both / the United States oand the Union of Soviet Socialist Republics possess atomic weapons, and the United Kingdom Government has now / planned to manufacture HYDROGEN, bombs for their security. As the Prime Minister has pointed out time and again, our country / is not interested in the production of atomic weapons, but we are immensely interested in the use of atomic energy (500) for peaceful purposes.

There is no doubt whatever that in the interests of human civilisation these weapons should not only / be BANNED but destroyed. The question is, who is going to take the risk? There have been appeals, that as / the U.S.A. was the first nation to manufacture these dangerous weapons and use them, therefore, they should set / an example by destroying the bombs in their possession. STOCK-FILLING of atomic weapons would lead to a dangerous situation / and somebody, therefore, ought to make a start in the matter of the destruction of these weapons. If moral standards (600) are to be the guiding factor, it will be a great help to humanity. If this step can be taken / if only there is courage to do so, the U.S.S.R. will have TO FOLLOW SUIT, but unfortunately / there is the FEAR COMPLEX. Most nations want to protect themselves and want to guard themselves against any surprise attacks / by the other side. So, the armaments race goes on. They forget that this MENTALITY will EVENTUALLY lead to war. They think that NEGOTIATIONS can take place only when one can speak from strength, but they forget that two can (700) play at this game. So long as this view is held, the armament race will go on and tension must / certainly increase. The Conference which meets in London in a few days' time on DISARMAMENT, I hope, will find a / solution. The complete banning of nuclear weapons must be the first step that any conference should STRIVE at and I / hope that under proper international supervision this step will be taken. But connected with this, is the question of the / reduction of CONVENTIONAL) armaments. There must be a realistic approach to this problem. The U.S.S.R. today possesses (800) so much strength that it should be the first to agree to reduce its land army in the interests of/the good relations that should exist between nations. One hopes that it will understand this position and take steps to / get this done.

I am glad that the Atomic Energy Commission of the United Nations has recognised that India has a part to play in this field and has asked our leading NUCLEAR scientist. Dr. Bhabha, to preside over the / Conference proposed to be held at Geneva. The U.S.S.R. has promised to show how she has been (900) able to set up a nuclear plant producing electric power, but great steps have been taken in this connection also / in the U.K., and the recent report on atomic power, placed as a White Paper before the House of Commons, / shows that by about 1980 there will be about 12 to 13 stations working in various / parts of that country to produce electricity and power for peaceful purposes. This is a great step, and our country / will benefit by the steps that are being taken, because our intention is to use atomic power for peaceful purposes.



Mr. Deputy Chairman, there is no dispute in regard to the question that the working (OURNALISTS had been suffering for / long and that they need legal protection in their profession. As they were suffering, Government appointed the Fress Commission and / as a result of the recommendations of the Press Commission we are here discussing this Bill today to safeguard their / interest. Now our aim is to protect them from their employers. This Bill gives them protection under the Industrial Disputes Act. As the operation for so many years of this Act was in the hands of the Labour Department or (100) the Labour Ministry, that department and that Ministry are fully aware how it should be operated as there have been / lot of difficulties and lot of differences of opinion between one court in one State and the other court in / the other State in regard to one item and one INTERPRETATION? The interpretation is required to be INCORPORATED in this Bill, / as to what is meant by a 'workman'. The Industrial Disputes Act has given the definition of the term / 'workman', but it has been interpreted by different courts in different States in different ways. Now again, we are dealing (200) with two parties, and one party is the employer. In the definition of the 'employer' also, we do not find / if we can properly put the directors or the managers as the employers. Now, this Bill has tried to exclude / certain staff and certain people doing certain jobs. Sir, the intention of this measure is to safeguard the interests of / the working journalists by bringing them under the purview of the Industrial Disputes Act by which they will be provided / with certain machinery where they can go for the REDRESS of their GRIEVANCES. Sir, we must make sure that working (300) journalists may not be defined as 'employers' instead of as 'workmen'. If, as we say here, an employer is / one who is employed in a MANAGERIAL) or administrative capacity, there is bound to be difficulty. I will CITE an / example. Now, a working journalist might get two typists in his office and he may have three peons. He may / be actually a supervisor acting on behalf of the Manager also. Now, he is performing two jobs; he himself is / working and he is also performing the work entrusted to him by the Manager or the Managing Director, If such (400) a person has got any grievance, he goes to this machinery that is to be appointed under this Bill and / he is entitled to get relief. But as he is PARTIALLY employed as Manager, he may be denied that right. / Therefore, I am afraid that whatever we may try to do, we must be very specific in this matter. I/ think we should say that the working journalist means a person whose PRINCIPAL AVOCATION is that of a journalist, etc., etc., / and then they are also termed as workmen under the Industrial Disputes Act. Otherwise. we will be faced with (500) that sort of difficulty, as other

trade unions are experiencing in their day-to-day work in the APPELLATE TRIBUNAD for the Industrial Tribunal or in other courts. I hope that the Minister in charge of this Bill will consult / the Labour Minster who is an expert in this matter as to how to safeguard really the interests of these / people by putting a proper definition for the working journalists.

Now, I have got another point. Really this should have / been brought forward by the Labour Department as they have been operating the Industrial Disputes Act. Under the Industrial Disputes (600) Act, we have got some machinery which has got TO COME INTO BEING when there is a dispute. Now, under / the existing-Industrial Disputes Act the appropriate Government has got to order in writing to this machinery. As the working / journalists are spread over throughout the country, I am not clear in my mind whether for the purpose of the / working journalists this Industrial Disputes Act will be operated by the Central Government or by the State Governments. Both the / Central and the State Governments have their own machinery. From the Chief Labour Commission to the RECONCILIATION Officer, (700) the Government of India has got a set of machinery throughout the country and again the State Governments have got their own / Labour Commissioner and other office s. I want that that also must be specifically provided in this Bill as to whether / they have got to go to the Central Government or to the State Governments for the redress of their grievances.

Now, the tribunals are not permitted to undertake any case as soon as it is referred by either of the / parties unless it is specifically ordered by the appropriate Government. Now, my own opinion is this that for the time being (800) it should be operated by the Labour Ministry of the Central Government. Neither the Information and Broadcasting Ministry nor / the State Governments should operate this because it is a new thing incorporated by the Central Government and the / Government of India knows what for they are coming forward with this piece of legislation. I want that the Information Ministry / should hand over this business to the Labour Ministry which should operate this through its own machinery.

Sir, anyone who / knows anything of journalism in this country will welcome the protection that this Bill gives to working journalists. (900) There is no doubt that their present lot is a hard one and that it is difficult sometimes even for the / best of them to discharge their duties honestly, but the remarks made by my hon. friend make me anxious to / understand the scope of the Bill. My hon. friend spoke of the protection given to editors who expressed their views/freely even though they may be UFIPALATABLE to the PROPRIETORS of their papers. Sir, is it really the object of/the Bill to make the working journalists to decide the policy of the paper to which they are now attached? (1000 words)

(back of 101)

Sir KailashChandra's 'SHORTHAND TRANSCRIPTIONS', F-35, East of Kailash, New Delhi

TRANSCRIPTION NO. 102 (new)

Madam, I rise to support the Railway Budget presented by Sari George Fernandes for the year 1990-91. Shri George Fernandes has his association with the Railways for the last 40 years as a labour leader. / As a labour leader, most of his energy was concentrated in making demands on behalf of the workers of the Railways. / Now he has been put in a position to look after the affairs of the Railways as also the well-being / of the workers who are working with the Railways. Since he is AT THE HELM OF affairs, since he was (100) a labour leader and his words carry weight with the workers, I hope, under his STEWARDSHIP, the workers of the / Railways would perform better, would do their jobs better and would see that the Railways perform better. In this way, / not only would the Railways satisfy the people who travel, hut also the functioning of the Railways in general would/improve The Indian Railways are the biggest NETWORK in the whole of Asia and the second largest in the world. / Not only the Indian Railways are big in size, but their problems are also big in proportion to their size (200) and the thing: that the people want the Indian Railways to do for them are also big. Sir, Mir. Fernandes, on the 2nd of February, had come out with a Status Paper wherein he has given the current position of / the Indian Railways, the problems tha

INNUMERABLE demands, including the demand for providing employment on a large scale in the Railways to the unemployed. I hope that in this discussion on the Railway Budget, the PARTICIPANTS would offer some constructive, useful and practical suggestions.

Mr. George Fernandes when he had to prepare (300 and present this Budget, had very little time to do that probably less than a hundred days. But even within / tha short period, Sir, he has come out with some new ideas, with a new approach, with regard to the / functioning of the Railways. He has laid emphasis in the Budget of

and also the

the Indian Railways are facing

modernisation, on ENERGY CONSERVATION and of COMPUTERISATION; wherever / it is necessary Though he has expressed his helplessness in providing more jobs to the unemployed in the Railways, he/has tried to generate jobs outside the Railways with the help of the Railways. It may relate to AFFORESTATION and (400 things like that. He has extended the computerisation of booking from the present four METROPOLITAN cities to five more cities / among which Bangalore is included.

Whenever an air accident takes place, the

COMPENSATION that is paid is very high. / What Mr Fernandes has done is 'that in the case of the railwa' accident also, he has raised the amount of / compensation from the present rate of one lakh rupees to two lakhs or rupees. In accidents, whether it is the rail / accident or ai accident, the less of life is the same and any life lost can never be recovered. (500) por the less of life is the same and any life lost can never be recovered.

Another thing that is to be welcomed is that he is going to provide more accommodation and more seats to / the Second Class passengers by gradually withdrawing the First Class A.C. coaches and the First Class coaches. I hope / while withdrawing these facilities and extending them to the second class passengers, the existing comforts and facilities of the second class / would further improve. I hope in all second class CARRIAGES, ushion seats are going to be provided. Socialism is / not levelling down but socialism is levelling up. When we withdraw facilities from the higher level, the facilities for the (600) lower level should be improved so that the travelling comforts for the lower level improve.

Another INNOVATIVE idea that / Shri-George Fernandes has thought of amidst the CONSTRAINT of resources is financing the West Coast rail way line which is popularly / called the Konkan Railway line. This railway line was INITIATED when Prof. Madhu Dandavate was the Railway Minister about 127 years ago. Once that Government went out of power, this scheme got put into cold storage. Of course, in the / last year's Budget, Shri Madhavrao Scindia had made some provision for construction of the line from Mangalore to Udipi, (700) but the construction work did not start. Now, Shri George Fernandes has come out with a novel idea of associating the / States which are going to benefit out of it, viz., Maharashtra, Goa and Karnataka by raising certain CONTRIBUTIONS from these / three States, by raising certain contributions from the public and certain contributions from the Railways as well as from the / General Exchequer. If this scheme had not been thought of and if this had not been taken up in the / normal course and under the normal procedure, this railway construction would have taken 15 years to complete. Now that a (800) new method of financing this project has been initiated, the Railway Minister has promised that construction of this railway line / is going to be completed within five years. I wish that this scheme succeeds, not that it succeeds / for the sake of the Konkan Railway, but this would open up a new ERA for taking up other essential constructions where / those projects could not be taken up because of shortage of funds. I hope the Railway Minister who is a / person of many ideas, many innovative ideas, would also think in terms of, if possible, self-financing schemes. (900) Every year costs go up. Any project that is done today is cheaper than it would be tomorrow. He, in his / Status Paper, has asked whether the money should come from the Central Government or whether it should come from the Railway Finance Corporation or from market borrowings where it is going to cost a little more. In any case, I / personally feel that these projects, important projects, should not LAG BEHIND on the ground of funds not coming from the / Central Government or State Governments. Even if it is costly, the money should be borrowed from the Railway Finance Corporation. (1000 words)

Mr. Deputy Chairman, I think that it will be generally agreed that a Bill of this type is almost unavoidable / at the present stage. There differences about some measures and also about the extent to which the Government / proposes to go. That some FISCAL control would be necessary at this stage when we are having development programmes on / a very large scale, a good part of which would be financed through DEFICIT FINANCING, will, UNCONTESTED. J I think the fact that in the Second Five Year Plan the greatest emphasis has been placed on heavy industries (100) especially on the production of certain types of CAPITAL GOODS, LENDS further force to an argument of this type. / I am aware that the Second Five Year Plan has also provided that there will be an expansion in consumption, but / I have no doubt that the greater emphasis on capital goods will result in at least a temporary shortage in / consumer/goods and this may lead to further Inflationary Pressures.

To a certain extent, such pressures have already been felt./ The recent rise in prices is a kind of warning of the kind of situation that may develop, unless we are (200) careful from the very beginning. Therefore, I would say that this measure of the Government, in so far as / I can understand it, has a TWO-FOLD aim—on the one hand, to increase the capacity of the Reserve Bank / for creating money by note issue and, on the other hand, to put restrictions on the creation of credit / by private banks.

The first aim is intended to ensure that the money that is required for the economic development / of the country will not be lacking. The second is to see that UNREGULATED creation of credit by private scheduled (300) banks will not create a situation whereby inflationary pressures would become too great. To that extent, everybody would agree that / a Bill of this type is unavoidable.

I have, however, a few questions to ask of the hon. the / Finance Minister, and I have no doubt he will be able to meet the doubts which I have in my / mind. My first doubt is whether there is not an undue measure of fear about these inflationary pressures. In the / Second Plan, there is an uncovered gap of Rs. 400 crores, and there is also a proposal to have (400) Rs. 1200 crores of deficit financing, and so we may say that deficit financing would be of the order / of Rs. 1600 crores, because after all the uncovered portion has to be met somehow or the other. / I do not know whether sufficient credit has been taken of a possible adverse trade balance which is bound / to develop during the first two or three years of the Second Five Year Plan. We are going to industrialise / on a fairly heavy scale, and as we import machinery on a large scale, an adverse balance of trade is (500) bound to develop. This adverse

balance of trade will, to a certain extent, act as a check against any inflationary / pressures. Then again, there is the question of production of foodgrains and other materials within the country. Our economy is / an expanding economy at the moment, and I think that by the end of the first year of the Second Plan / or some time during the second year of the Second Plan, many of the measures which were undertaken during / the First Plan will start YIELDING results. Many of the major irrigation projects will give full dividends, and the production (600) of foodgrains in the country is bound to go up. As the production of foodgrains goes up within the country, / it will again be a check on inflationary pressures. Also, some of the industries which were established during the First Plan / will start yielding results.

From this point of view, I would also like the bon. Finance Minister to consider / whether the PATTERN of deficit financing which has been adopted in the Second Five Year Plan is sound or may / require some modification. To my mind, it appears that the decision to put the maximum amount of deficit financing (700) in the first year of the Second Five Year Plan is not appropriate. Perhaps, it would be a wiser thing to / put the maximum amount in the second year of the Second Five Year Plan because by that time the factors / which I have mentioned just now will have come into operation. There will be more production of foodgrains within the / country. Some of the results of industrialisation during the First Five Year Plan will begin to be felt and as / there will be a larger volume of commodities of every type in the country, a larger DOSE of deficit financing (800) in the second year of the Second Five Year Plan may prove a more SALUTARY measure than the decision to / have the largest dose in the first year.

There is another reason why I am a little APPREHENSIVE of having / the biggest dose of deficit financing in the first year of the Second Five Year Plan. If once the inflationary / process starts, if once there is any disturbance in the PSYCHOLOGY of the market, the results are difficult to FORESEE. / If therefore, in the first year of the Second Plan, we proceed a little more CAUTIOUSLY and have the biggest (900) dose in the second year and perhaps a little less in the third, and then start tightening up and reduce / the deficit financing, you will have three years, the third, four h and the fifth of the Second Plan both to / watch and to take such/remedial measures as may be necessary. This is a suggestion-which I would tike the / hon. Finance Minister to consider. I am mentioning it here because I think it has a definite RELEVANCE to the / proposal he has made for currency expansion by DOING AWAY WITH the ratio between the gold BULLION and the SECURITIES, (1000 words)

In recent months, we have seen how SPECULATION took place in regard to certain foodstuff and other agricultural commodities. The / Reserve Bank BULLETINS issued recently tell us that lots of money were advanced by a number of SCHEDULED BANKS in / order to BACK UP the speculative operations and buyings of certain concerns. Similarly monies had been advanced for speculative purchasing/with regard to other commodities. Such things are happening. But the point is that these speculations go on MERRILY / in this country supported by those very elements who control the stock exchange and the financial world of our country. (100) I should like to know, to what extent this is going to be stopped. It is said that we are in /a bad situation and in order to give a proper direction to the planned development of the country it is / essential to direct the investments, and speculative investments in particular. How much this measure CONFORMS TO these, I should like to know from the Government. It appears to me that not very much will have come out of this measure, / NOTWITHSTANDING the fact that Government is armed with these powers. It is of vital importance today that we should have (200) proper control of our investments that are taking place or CORNERING) of shares in some cases. If we are / at all serious about the planned development of our economy in general and our industry and commerce in particular, <u>I am</u> afraid, the powers that are being taken by the Government under this Bill are not at all sufficient for ensuring / such developments as would enable the Government to direct investment and control transfer of shares etc. IN CONFORMITY WITH THE / interests of planned economic development. This is what I find from the reading of this Bill and even from hearing (300) the speech that has been delivered by the hon. Minister. I have also read the other speech he had made / in the other House. That does not throw much light on the subject, I am not surprised because when the / whole thing was being discussed and MOOTED) by the Government, the approach of the Government suffered from certain DEFICIENCIES. That is to say, they were not so much SUPPRESSING wholesale the speculative keen on operations as on getting a certain/measure of control over them. Today, the time has come for making up one's mind with regard to the speculation (400) business as a whole. This is the most important thing.

With regard to investment it has been said very ELOQUENTLY / in these documents that after all a person should have an opportunity of investing his funds, and therefore, he should / have a chance of going to the market and buying some shares. I can understand it but what is the / protection against his being cheated by certain people who have taken command of the stock exchange? What is the guarantee / against that? Blank transfer is there, it is not abolished. Forward trading is there. Contract is provided for it is not abolished. (500)

Also, there are other ways and means of cheating the common man. As we find today the column / man goes in for investment. Very GENUINELY he goes in for investing because he wants to save some money for / bad days. Now what is the protection in this Bill which would save his money? I find that there is / no such effective GUARANTEE. I should have thought that in considering this whole scheme of measures, the Government would be / interested in seeing as to how the heart of speculative operation could be crushed; namely, the MONOPOLISTS who control the (600) stock exchange today. It is essential to HOUND them out of the field ALTOGETHER In Calcutta, they not only put / up an outward show but they have built UNDER-WORLD's and I suppose that underworld exists even today. / A police raid took place. Telephone system and the whole PARA HERNALIA was discovered which showed that certain big men in / the stock exchanges were carrying on SUB-TERRANEAN business. This is a new type of under world we have in our country / in order to cheat the common man, in order to EVADE taxes, in order to carry on PROFITEERING and blackmarket trades. (700) Lots of things CAME TO LIGHT that day and the newspapers gave a lot of publicity. We CAME ACROSS 7 certain very big people. Some of them are very well-known PATRONS of the Congress Party, the ruling Parry, / who were HAULED UP in this fashion. What has happened to them, we would like to know when we discuss such a measure. They are the kings in the speculation world; they are the TYCOONS of that field. I would / like to know what has happened to such people. What are you going to do with these speculators? Will they (800) be allowed to operate openly or secretly in the field under this fashion, or are you really thinking of taking / some action against them, not merely for APPREHENDING those people who have gone underground and started underground business in this/manner but also the possible recruits to that under-world, I would like to know. This is what the Government should / tell us. It is no use trying to bring in all <u>technical</u> questions, explaining one clause after another. This is / important but what we would like to know from the Government is how you are going to check these elements (900) who sit on top of the country as far as the stockexchange is concerned. These are very big and / powerful people and they need to be SUPPRESSED with a heavy hand in the interests of our economy. I find / the hor. Minister PILOTING this Bill is completely INDIFFERENT to that aspect of the matter. There have been cases, where a / person - a SPECULATOR, so to say - goes in for heavy purchases at one time. The heavy pressure BOOSTS up the prices. / Then he starts selling it, thereby realising the money he had spent for buying certain shares in the market. (1000 words)

Sir KailashChandra's 'SHORTHAND TRANSCRIPTIONS', F-35, East of Kailash, New Delhi

TRANSCRIPTION NO. 105

This Bill has been introduced in this House IN PURSUANCE OF THE recommendations of the Press Commission. Hon. Members might / remember that the Commission has DEVOTED some part of its observations to this question of having a schedule which will REGULATE the price of newspapers according to the pages that they contain. Some of the points that the Commission have / made are RELEVANT here and might help hon. Members in considering the Bill more carefully and also examining the grounds / on which this recommendation has been so EMPHATICALL'S made by the Press Commission. The Commission says in para 205 that (100) in the present newspaper industry of this country, papers of long standing which have been able to / build up a large and STABLE volume of advertisement revenue are in a very ADVANTAGEOUS position as compared to others / who have just entered the field. It is true that such economic advantages and HANDICAPS exist in a number of / industries but their presence in the newspaper is not, in our opinion, CONDUCIVE TO the EVEN and healthy development of the Press. Newspapers serve as media for the free exchange of information and of ideas. The proper functioning of democracy (200) requires

I have just given a few extracts, from the Commission's report in order to explain the UNDERLYING idea of / the Commission. The main aim of the Commission's recommendation is to see that a fair price is GUARANTEED to independent / small papers and thus enable them to RESIST competition from bigger and richer papers. It is also to protect such / papers against unfair price competition such as exits in other industrial commodities like cornering, price-cutting, etc. It is the Commission's (300) CONTENTION that though such practices might be tolerated within a certain limit in other industries, it should not be so / in the press industry where we have the medium of expression of public opinion and where cornering by a person /-or a group of persons of this medium would mean the passing of this medium into the hands of a / few persons and their MONOPOLISING the medium of public opinion and THROTTLING the expression of opinion by others who would like to place

their views before the public. This, in their opinion, would be practically amounting to a denial of (400) the freedom of expression and it is in that light that they have made this recommendation. The Commission have said / that they have examined many schemes as to how it would be

that every individual should have equal opportunity, in 50 far as this can be achieved, to put forward his / opinion.

possible to ensure the largest amount of freedom / of expression and they felt that this was probably one of the most effective ways by which we can ensure / freedom of expression. I would like here to mention that when othe Commission's report came out, the Government had discussions / regarding those recommendations; and the recommendation regarding price pageschedules was also one of those important recommendations which were discussed with (500) a number of

organisations which were concerned with the newspaper industry. The All India Newspaper Editors Conference, the Indian Federation (of Working Journalists, the Indian Eastern Newspapers Society, the Indian Language Newspapers' Association and also a large number of individual/newspaper editors and PROPRIETORS were consulted. This discussion took place many times and the PROS AND CONS of this question / were thoroughly discussed. We found that the majority of the members were very much in favour of some such legislation / and restriction. There is no doubt that some of the papers were against it. But that was to be expected. (600) Afterwards came the debate in Parliament on the Press Commission's Report, and Government found that in the discussion in both the Houses, there was a very strong opinion-I would say a strong majority opinion--that some such legislation on / the lines of the recommendations of the Press Commission should be undertaken by the Government, Here, I would like to / mention one or two things regarding the question of the Price page schedule and the pros and cons of the advantages / or disadvantages of a schedule. The points in fayour of the schedule might be considered briefly. It will tend to (700) EQUALISE: competition and also prevent the emergence of monopolies. Secondly, it will also relax the control of big advertising interests / on newspapers, and in that sense generally make them more independent. Thirdly, the creation of monopolies and the cornering of / large numbers of page papers by one or two or three groups IMPINGES on the Fundamental Right of freedom of / expression, and by trying to restrict such practices we will in reality be giving greater scope for freedom of expression /that we can now. These were the main things which we had in view in the discussions with the newspaper (800) interests. However, in discussing the details of the price page schedule, a number of points CROPPED UP and we had also / before us all the arguments that could be put forward against the schedule. We certainly carefully considered all of them. / One of the noints which was brought forward was that this was something quite new and was therefore likely to / create a very unfavourable press and unfavourable reactions regarding our country in the international world. It might be even spread/abroad that India is restricting the freedom of the Press. Now, regarding this point, I do not think it will (900) be correct to say that no such restriction exists. Even today, and formerly on a greater scale, in Great Britain to the pricepage schedule existed and exists. No doubt the object of it might be quite different. The object is to / give a more equitable distribution of NEWSPRINT, but the control by a statutory corporation of the distribution of newsprint only / to papers if they follow certain price-page regulations is there and has been functioning for the last fifteen years or more. In this country, during the war and immediately after, we had the schedule for a number of years. (1000 words)

Sir KailashChandra's 'SHORTHAND TRANSCRIPTIONS', F-35, East of Kailash, New Delhi

TRANSCRIPTION NO. 106

Before the Joint Select Committee, us also in the Lak Sabha, very strong arguments were advanced and it was said / that something more should be done than what had been proposed at present in the case of LINGUISTIC minorities. / This, they wanted done by the INSERTION of a particular provision in the Constitution. It would be clear to hon. Members / when the Constitution (Ninth Amendment) Bill is taken into consideration. The States Reorganisation Commission have also dealt with this question/and have suggested that the minorities should not be allowed to develop a SEPARATIST TENDENCY; they should not ask for (100) a state within a state or something else INCOMPATIBLE WITH their citizenship of that particular State. Still, it is essential, / especially where there are linguistic minorities, that some proper safeguards should be EVOLVED. For that purpose, certain provisions have to / be included in the Constitution. Now, some Members of the Joint select Committee, in particular, were not happy; they desired that / something more should be done and, in particular, were auxious that these safeguards should be STATUTORIL & recognised, that is, / either they should be placed in the States Reorganisation Bill itself or in the Constitution.

That question was considered by (200) the Home Ministry and we have already sent out to the various State Governments a circular, a copy of which / was placed before the Joint select Committee-This circular has been published along with the Report of the Joint Select Committee. / In that, hon. Members will find that certain safeguards have been suggested regarding middle or high schools, regarding concessions in / respect of administrative matters, etc. It was suggested that the Governor ought to have some powers of making enquiries into / these matters. The Governor also will be making enquiries in the light of the amendment that has been proposed in (300) the Constitution (Ninth Amendment) Bill. It was further CONTENDED that it would not be sufficient unless we have got statutory / safeguards. So far as these statutory safeguards are concerned, it was considered that it would not be advisable, in the / interests of the linguistic minorities themselves, to have these safeguards. What is most important is that though certain rights have / to be safeguarded to the minorities, they have to develop a sense of ONENESS and HARMONY, with the rest of / the population and the rest of the population also should not believe that these people have got SEPARATIST TENDENCIES. If (400) certain statutory safeguards were introduced, it was felt that they would lead rather to the WORSENING of the good relations/ between the linguistic minorities and others than to any improvement. Therefore, all that could be done was to send out / a circular to the State Governments pointing out broadly the main features of such safeguards with the

desire that they should protect or safeguard the interests of the minorities to the extent possible subject to the reservations that I have already pointed out. It was also suggested that just as we have in the case of the Scheduled Castes and (500) the Tribes, a Commissioner

appointed by the Government who goes to the various States, finds out the position and then / makes a recommendation or a report which is considered by the Government of India, the State Governments and others. there / ought to be a separate officer for the purpose of finding out the position so far as the linguistic minorities / are concerned. On behalf of Government, an assurance was given that this question would be duly considered by the Government / of India and if they find that the appointment of such an officer would be useful to the interests of (600) the linguistic minorities, then such an officer would be appointed. However, I would point out that so far as statutory / guarantees are concerned, I would desire that these guarantees should not be insisted upon because, after all, we have to / develop a sense of oneness. In any State and every State, there are bound to be linguistic minorities and their / attempt ought to be to completely HARMONISE themselves with the majority community. The majority community has also to be generous / so far as the LEGITIMATE rights of these people are concerned. So, this process of mental approach towards each other (700) would perhaps be HALTED or at least adversely affected if such guarantees are given. We would then think more and / more of the guarantees and of the enforcement of these guarantees through the courts of law or otherwise. This will / result in the relations getting EMBITTERED and will be harmful to the ultimate interests of the nation. This is what might / be found, to a certain extent, in the States Reorganisation Bill. This question will be considered at a greater length / when the Constitution (Ninth Amendment) Bill comes before the House for consideration.

So far as the services are concerned, some (800) attempts have been made to lay clown the general principles. There are only two all-India services, namely, the <u>I.A.S.,</u> and the <u>L.P.S.</u> These are the only two all-India services and what has been decided is that / there would be fresh CADRES so far as the new States are concerned and officers would be transferred from one / cadre to another after taking all the relevant circumstances into account, e.g., the requirements of the States and also / the work that these officers had carried on. That process would be completed after the work is started. The work (900) has to go on and the process would be complete as early as possible. So far as the State services / are concerned, certain principles have been laid down. One such principle is that in the case of a whole State / merging with another bigger State, all the officers at various levels will be carried over into that State. The difficulty/arises when you have to deal with the question of the transfer of certain portions of a territory to one / State and another portion to other States, as in the case of Andhra Pradesh and as in the case of Maharashtra. (1000 words)

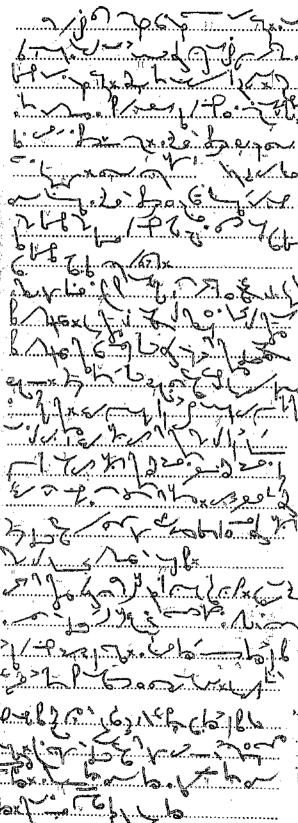
Sir KailashChandra's 'SHORTHAND TRANSCRIPTIONS', F-35, East of Kailash, New Delhi

TRANSCRIPTION NO. 107

Mr. Deputy Chairman, I have to thank hon. Members for the kind words that they have said about the Government/in the course of the discussion this afternoon. This is an occasion of more than ordinary SIGNIFICANCE. The political history / of India had many VICISSITUDES and this particular day will be remembered as placing another MILESTONE in our progress towards / an IDEAL State. There have naturally been many STORMS and we have had to pass through considerable stress and strain. / Yet, it is a great pleasure to me to TENDER my FELICITATIONS to the hon. Members of the House. During (100) the last ten and a half months the country had been RESOUNDING with the ECHOES of the States Reorganisation Commission, / the proposals made by it, the various claims put forward by individual groups and Government and the comments and criticisms / made by INNUMERABLE persons from the press, from the public platforms, from the floor of the Legislatures and ultimately from the / floor of the two Houses of Parliament itself. It is a matter of gratification, I would submit, almost one / of /UNIQUE character, that in spite of all the vicissitudes through which this Bill had to pass, ULTIMATELY the (200) form which it has ASSUMED and which represents the fruits of the collective wisdom of the two Houses of Parliament, / has the support, almost the UNANIMOUS support, of both the Houses. I would like hon. Members just to place before themselves the picture of the new map of India. So far, we had a large number of States; perhaps there / were 20 States, besides some other territories, but now we will have only 14 States and four territories, besides the / Andamans, the Nicobars and the Laccadives. The citizens of this country will be living in the States and only less than (300) two per cent or just near about one per cent will be living in the Centrally ADMINISTERED areas. It is / worth considering now whether we have not really succeeded in EVOLVING a scheme of which we all can well be / proud. If hon. Members will consider the case of each

individual State, they will find that almost UNANIMITY had been / reached, except in the case of Ahmedabad in Gujarat. If you take one State after another, you will find that / almost all people in the country have now accepted the scheme that is contained in this Bill. If you take (400) the various States, you will see that Tamil Nadu, Andhra, Kerala, Punjah, Rajasthan and other States have VIRTUALLY accepted the scheme, / contained in this Bill. It is unfortunate that there has been some amount of difference in Ahmedabad in regard to the / BILINGULAL State of Bombay, which was introduced in this Bill with the unanimous support of the Members of the /Lok Sabha and, I hope, with the backing of most of the Members of the Rajya Sabha, if not of /all of them. I do not want on this occasion to enter into petty CONTROVERSIES. This is too big an (500) occasion to admit of any TRIVIAL) points by way of debate or otherwise. It is my confirmed opinion that the / country has succeeded in achieving results which will prove to be of an ENDURING character and which will take it / forward on the road to progress, prosperity and to absolute security and safety. The unity of India will indeed be / helped by the RATIONAL distribution of the territories of the country. There has been a long-standing HANKERING on the parti of large MULTITUDES, that their areas should be reorganised. It was but proper that the Government should have appointed (600) a States Reorganisation Commission to deal with that matter. The Commission worked very hard and made their recommendations. We are / obliged to the Commission for the thought that they BESTOWER on the TICKLISH and KNOTTY problem. Well, there were certain / matters to which the Government had to give further consideration, though they had always been auxious to translate into CONCRETE / form what EMANATED from the Commission. Whatever changes have been made have been, I believe, for the better and they / have made the entire scheme more acceptable.

The Bill that was placed before the House was certainly placed with the (700) approval of and at the instance of the Cabinet. All that was done was done in the regular way. I do not / want to go into details, nor do I consider it necessary to make any RETORT about what might / have been said because, as I said, this is too SOLEMN an occasion for such an operation. I may also / observe that we have no fault to find with anyhody. Everyone, whether individuals or those who had an opportunity of / working together, tried his utmost, tried to the maximum extent he could, to achieve what he thought to be in (800) the best interests of the country. Well, some things had not been as perfect as one would have liked them / to be. We tried to improve them to the extent we could, and we respected public opinion and we were / guided by it. So far as the bilingual Bombay State is concerned, I believe that everybody a cepts that it is / an ideal solution for Bombay. Without being unfair, no one can find fault with Government for having agreed to accept / a proposal which, I think, 99 per cent in the country is considered to be the best solution to this (900) very ticklish and almost INSOLUBLE problem which had engaged the attention of this and also of the other House continuously) /for days and days and for weeks and weeks. I am glad that today the scheme that we have has / the backing, the goodwill, the blessing and the support of the entire people in the country. There may have been / some errors, there may have been some ABERRATIONS. Well, that is unavoidable in human affairs; but after all, man learns / by mistakes, and wisdom is ultimately the result of the lessons learnt from a series of mistakes that are committed. (1000 words)



Sir, our Constitution has also emphasised this COMPOSITE character of our culture. The language which is going to be the / official language of the Indian Union-it has been laid down in the Constitution-will reflect the DIVERSITY of our / composite culture. There is no attempt anywhere at establishing UNIFORMITY: From this point of view, the attempt to re-organise the State, recognising the differences which exist, is a move in the right direction.It is a wise and a STATESMANLIKE move. / The ESSENCE of STATESMANSHIP is not to do something according to a formula. Something may be ideal on paper (100) but when we face certain facts, the essence of statesmanship is to face those facts and to recognise the differences / or the diversities or the difficulties which exist and then to find a solution in which these difficulties, these diversities / and these differences may be RECONCILED.

The present Bill takes a further step in that direction but my regret is / that this Bill did not form part of the States Reorganisation Bill. If the proposals contained in this Bill had/been presented as a part of the general proposals in the States Reorganisation Bill, perhaps this extra attention which has (200) been paid to the particular problems discussed in this Bill would not have been given. So much time and attention/would not have been consumed over this question if we were dealing with a larger number of problems. When we / look into the TOTALITY of the situation in India, we look at the problems in a general way but when / we ISOLATE one particular problem from the general totality of the picture and look at only one ISOLATED problem, there / is always a risk, there is always a danger, that we might EXAGGERATE the importance of some particular items. (300) One of the reasons why there has been so much discussion over this rather small Bill, as the hon. Home Minister / described it, is because it has been isolated from the ganeral picture of the reorganisation of Indian States.

With regard / to the particular proposals which have been made, Sir, I To not wish to speak at length at this late stage. / These are, in essence, the result of discussions and, shall I say, if not complete agreement, at least the / reduction to a minimum of the differences which existed between the different groups. The various demands and COUNTR-DEMANDS of (400) the different States, that use of the term 'State' in this connection is somewhat unfortunate. If we had talked of / Provinces instead of States, there would have been less of feeling on this issue, but, be that as it may, / these demands of the different States have been before the , country for a number of years. After a great deal of discussion over this particular Bill, we have come to what may be regarded as more or less agreed settlements. / The Bengal Government had made certain demands; the Bihar Government had made certain demands. Perhaps in a case like this, (500) it would have been better if these demands

had not been made PUBLICLY in that particular manner. It might have been / better if the Governments had discussed it among themselves, but, whatever that be, the States Reorganisation Commission took into consideration / all the recommendations, all the demands, all the claims and counter-claims of the different States, and they made /certain recommendations with regard to the transfer of certain territories from Bihar to Bengal in the northern region and certain/territories from West Bengal to Bihar.

So far as the territories in the north are concerned, unfortunately, as the hon. (600) House Minister stated today also, there was a defect in the proposal of the States Reorganisation Commission, but my hon. / friend, Pandit Kunzru, who is absent today, made very clear in his speech before the House that that mistake had arisen because the Commission had been given certain defective maps. The idea of the Commission shroughout was to suggest / the redistribution of the territories in the northern region in such a way that West Bengal may become one COMPACT State. / They had made the particular recommendation which her made partly because one of the rivers in that region is continually (700) shifting its channel, and partly because defective maps had been used. And Pandit Kunzru, in his speech before this Mouse, / left no doubt in the matter that if the correct maps had been before them, they would have framed their / recommendations in a manner which would have ensured that West Bengal was one compact State. As regards the needs of the / compact State, I do not have to add anything after what was said by the hon. Home Minister to-day; / for administrative purposes it is essential that a State must be a compact unit, because otherwise, with regard to the problem (800) of LAW AND ORDER, with regard to the problem of movement of goods, particularly with regard to the SMUGGLING of / materials and goods from India into Pakistan in this border region, a State divided into two different units with another / State INTERVENING) in between would face all kinds of difficulties.

Now, Sir, my hon, friend who spoke hast also agreed/that there should he a compact State of West Bengal, but he asked why should the boundary of this compact / State be 200 yards to the West of the National Highway? Now, Sir, it is obvious that, if you are (900) going to make it a compact State, that area which connects the two DISJOINTED parts must be of such / a size that it is a practicable proposition. You can THEORETICALLY give only 100 yards all along the Pakistan / frontier, but obviously such a transfer of territory would not serve any purpose whatever. Now, a suggestion has been made / that the National Highway with an area of about 200 yards to the west of it would be the boundary line in order to ensure proper arrangements for the MAINTENANCE of the road and also for the proper vigilance. (1000 words)

Sir KailashChandra's 'SHORTHAND TRANSCRIPTIONS', F-35, East of Kailash, New Delhi

TRANSCRIPTION NO. 109 There are many important records that are left in the hands of various organisations of the country, such as the / municipalities, the corporations, the different commercial organisations of the country, the Chambers of Commerce, e.c. As has been mentioned by / some hon Members here, some are also lying in private hands. The Government of India cannot be held responsible for / the management and preservation of these records until Parliament passes the necessary legislation declaring these records as records of national importance. / Under these circumstances, we presume that the Resolution of the hon. Member covers only those records which lie in (100) the custody of the Government of India, the ARCHIVES of India, and the different Ministries of the Central Government. It / is true that some of the records are also lying with the State Government on loan. Sir, these records, in my opinion, / can be divided into three groups. The first group is the records which are owned by the Government of India, / which are created by the Government of India, by the different Ministries of the Government of India. The second / group is the records which have been presented to the Archives of India as are the Bhopal records. The records (200) of the Bhopal Government, the former Bhopal Government, have been presented to the Archives of India; and the third category is of those records which are purchased by the Indian Archives. There is, of course, the fourth variety, as has been / pointed out by my hon. friend, the mover of the Resolution, that a large number of records of the / Central Government are lying with the State Governments. These records have been given on loan to the State Governments because they are connected with the administration of those States. They are necessary for carrying out the day-to-day administration (300) of those States. That is why, it has not been thought proper to take away those records from the States. They are lying with the States, but the PROPRIETORSHIP, the ownership rests with the Government of India. Sir, one thing / I may impress upon this House. Although all these records are properties of the Government of India, they belong to / the Government of India and they are managed by the Government of India, although, legally speaking, they are managed by / the Government of India by executive action, factually speaking, they are not so. There is the organisation to which a (400) reference has been made by my hon, friends, the Indian Historical Records Commission. This Commission is there to give its/guidance and expert advice to the Government of India for the MAINTENANCE of these records. Sir, my hon, friend, the I mover of this Resolution, is thoroughly ACQUAINTED with this organisation because he happens to be a member of that

corganisation because he happens to be a member of that corganisation./

Sir, the Indian Historical Records Commission is a body set up by a Resolution of the Government of India in / the year 1919. The functions and authority of the Commission have been made clear in the Resolution (500) itself.

This Indian Historical Records Commission which supervises and guides the activities of the Archives of India and the / management of Indian Government records is a consultative and advisory body, but the vast majority of members of this body/are drawn from sources other than the Government of India. The present constitution of the Indian Historical Records Commission is: / The Minister of Education, the Secretary of the Education Ministry, the Director of Archives and five members nominated by the / Government of India. In addition to that, there are 25 representatives of the 25 State Governments of this country. (600) There are 27 representatives of the 27 universities of India. There are 12 representatives of the twelve top-ranking research / institutions of this country. Actually, Government servants, if we can call them, are only three, the Minister of Education, / the Secretary of the Education Ministry and the Director of Archives. Five members are nominated by Government. The rest are / drawn from other sources. This is the body, Sir, that has been appointed under the Resolution of the Government of / India to give expert advice for the management of these matters. Sir, this body has got two other ADJUNCTS, the (700) Research and Publication Committee which looks after the research and publications of the Indian Archives and the Local Records / Sub-Committee which looks after the TRANSFERENCE of records from their parent bodies, that is, their creative agencies, the different Ministries / of the Government of India, to the Archives. Then, this body, the Local Records Sub-Committee, also looks after indexing / and CATALOGUING of the records and, thirdly WEEDING of the records also. So, what I am labouring to impress upon the / hon. Members of this House is that in every step, every activity of the Indian Archives, the Government of India (800) is guided by some expert bodies.

Sir. the Indian Historical Records Commission meets once in every year and they / survey SCRUTINISE and examine in great detail the activities of the Archives of India. Perhaps, the ground they have covered / during the last few years, the subjects upon which they have made recommendations, will convince this honourable House about the / interest that is taken by this body. Sir, the Indian Historical Records Commission have advised the Government of India during / the last few years about matters relating to the regional survey committee, establishment of record offices in India, classification of (900) historical documents, and inspection of records, preservation of archives. These are only a few of the many aspects of the / activities of the Indian Archives that have been surveyed and upon which recommendations have been made by the Indian Historical / Records Commission during the last few years. Sir, I do not want to say that all the recommendations that have / been made by the Indian Historical Records Commission have been implemented by the Government of India, but what I day say, Sir, is that, BARRING, a few which could not be implemented either on financial grounds or for other reasons.... (1000 words)

Sir KailashChandra's 'SHORTHAND TRANSCRIPTIONS', F-35, East of Kailash, NewDelhi

TRANSCRIPTION NO. 110

Mr. Vice-Chairman, I wish to make a few observations of a general nature on the Appropriation Bill. I know / that this is an Appropriation Bill and not the Finance Bill but perhaps it is PERMISSIBLE to make a reference / to the policies which UNDERLIE this Bill.

reference / to the policies which UNDERLIE this Bill.

The Bill, in its broad feature is, having regard to all the circumstances / that prevail in this country, a reasonable measure and deserving all the support of this House. We were left behind, / two hundred years back, in the struggle for life. The industrial revolution BYPASSED us. We are now in the atomic (100) age and we have, somehow or other, if we wish to exist as a decent country in the world, / to make up for lost time. We have to provide for our people a higher standard of living and that higher / standard of living we can provide only by increasing production, and increased production involves increased expenditure. You cannot have increased / expenditure without heavy taxation, and it is INEVITABLE therefore that the tendency to tax more and more should increase with / the expansion of State's activities.

We wish to USHER IN a socialist economy. Let us be

We wish to USHER IN a socialist economy. Lef us be clear as to what (200) we mean by a socialist economy. We have heard a great deal about the private sector and the public sector. / Well, we have got a mixed system of economy and I suppose we have to be fair to the private / sector. But there is just one thing about it that you must be clear about. In a socialist economy the / direction of investment and the control of investment must rest in the hands of the State. In a socialist economy / the public sector must dominate the private sector. All this is vital for a socialist economy. I was glad for (300) that reason to find, as an ordinary citizen, who was engaging bimself in legal studies, that we have nationalised life insurance. /I hope we shall maintain and continue that policy. I can see no alternative to expansion of State activity / in all directions that concern the common man. It is only in some such way that we shall be able to / provide employment to our hungry millions. Of course, it does not mean that every tax is a good tax. / As one who rather likes to be described as a socialist I have a little objection to indirect taxation. (400) I think the better way to deal with the problem of taxation is to tax those who are in a position / to bear the burden of taxation. We find the richer classes always saying that the taxation is very heavy. / Even if the taxation was moderate, they would say it was heavy. But it is EXTRAORDINARY that when once a tax / of a direct nature has been LEVIED, the industry is able ultimately to adjust itself to the conditions imposed by the tax and therefore, we have to do a little DYNAMIC thinking in these matters. It does not (500)

mean that every item of taxation is a right item. Personally, I agree with my hop. friend that a tax on salt for a tax on foodgrains is not perhaps an ideal tan. It is not a right tax and it so build be / levied, if it has to be levied at all, with extreme moderation, but my general point of view is / that I would favour more direct taxation and less indirect taxation. May I just say that planning needs trained personnel? / We cannot in the twentie h century compete with the advanced countries of the world without trained personnel and it is (600) for that reason am a little worried as one who has been connected with education for well over 35/years in my State, about the rapid fall in our university standards. Now, I speak with some knowledge of / this question. I have been connected as an Examiner with many Indian Universities. I know them; I am in contact/with our young men and it is very painful for me to find that they are not able to express / themselves today in any language whatever. It is not as if they are able to express themselves very well in Hindi (700). I should be happy if they were able to express themselves well in Aindi, but the DISTRESSING feature is / that the vast majority of our students are not well up in their studies and the TRAGEDY is that / they are not able to express themselves in any language properly.

Of course, there is overcrowding in the universities. I am I not complaining against this overcrowding, and I think, education is the birth-right of every student. I VISUALIZE a time/when education in all its aspects will be as free as the air that we BREATHE, The only thing that (800) we should require or we should demand is the capacity to profit by higher education. Higher education must not be made / too expensive for the poor. After all, the unfortunate section of the community has a right to a better deal, but what I am worried about is the fall in standards. We cannot ignore the claims of expansion / and there has been a considerable expansion of secondary education in our State. I think it is right that there should be / this expansion. The question, however, is how are we going to reconcile the claims of expansion with the claims (900) of efficiency. I am all infravour of DIVERSIFICATION of our educational system, but by mere diversification of education, / you will not be able to solve the problem of inemployment among the educated unenaployed. You will merely SUBSTITUTE a class / of specialist unemployed for the general unemployed today. Howare you going to tackle this problem? I think it is /unnecessary for us to insist upon uniformity of standards in all our higher educational institutions in the country. The view / has also been put forward by the Ministry that there should be uniformity of standards in all the universities. (1000 words)