SHORTHAND TRANSCRIPTIONS

Volume: 11



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TRANSCRIPTION NO. 221

Mr. Deputy Chairman, Sir, during the fast two Five Year Plans we found improvement in production ALL ROUND. Now, / we are entering the Third Plan and it is only proper that we should carefully PONDER over the whole matter and/ see in what things we are LAGGING BEHIND and what improvements are necessary. My submission is that the Plan is / a huge one. We have had to get foreign assistance. We have taxed our people. Therefore, every rupee of it / must be carefully spent, and that is what is very necessary. Planning at the Centre is very good, very appropriate, (100) but the implementation, the execution of it in the States, is not as it should be. We find that / every year more money under a particular Head is spent HURRIEDLY within the last two or three months and within / the first nine months money is very slowly spent. What happens is, things are not done properly, things are not / done economically and there is a great wastage. The feeling of AUSTERITY, the feeling of economy is not there. / and unless it is there, unless we feel that every rupee should be spent very carefully, the amount that has been (200) allotted will not be sufficient. We probably might require more. Therefore, I would very humbly submit that there should be / a feeling of austerity and a feeling of doing the duty in the proper manner. There should be economy all round. / I think there is wastefulness. That is my general impression. I move about in the villages. I go to /the different blocks, I go to the and towns and I go to the cities. There is not that austerity, /there is not that determination that is essential for the successful implementation of such a huge Plan. Therefore, my submission is (300) that the mind of the Government should be centred round this fact. It should give an impression to all its / subordinate officers that they should be very active, very careful and very economical.

I find that in spite of all improvements, /the prices of foodstuffs are rising every day and if this goes on, there will be no ZEST for the /Five Year Plan among the masses. They want something substantial. I know that roads have been built, I know / that there are schools, there are dispensaries and there are other amenities but that does not help the poor man. (400)

He wants food and <u>primarily</u> he is anxious about that and <u>so.long</u> as things remain as they are, the / enthusiasm which is necessary for the successful of implementation of the Plan will not be there.

We find all round a / feeling of depression among the village people. Those who are landless or those who have small pieces of cland, feel / depressed when they find that there is no food for them and that feeling creates FRUSTRATION and it never helps / to achieve good results. Therefore, my submission is that special attention has to be paid to stop the rise (500) in the prices of foodstuffs and cloth.

Again, in the villages we find that the wages are very MEAGRE. In the towns, / of course, the people get good wages but the labourers in villages are as before. No proper legislation is / there to see that they get proper wages. We find that people are without any occupation in the rural areas. / We thought that within these 10 years, there will be great effort to have cottage industries in the villages. / We find that only in regard to agriculture, there is improvement visible all round but in the villages there is very little (600) of cottage industries. No industrial enterprise is there and therefore I would humbly submit that this aspect of the question/ should be carefully seen to.

Now, what we find in the villages is that the new chemical <u>fertilisers</u> are being / greatly <u>welcomed</u>. This is not so very good because the poor people cannot afford to have chemical fertilisers. COMPOST should / be encouraged more and more, and then they can use their green leaves, cow-DUNG, etc., and they can get / MANURE. That is how things were done before but they were not done properly and so the net result was not so good. (700) But I can assure you that some time back / the YIELD was much better than what it is now. / These chemical fertilisers require a lot of water and there is a general programme of pushing in these / fertilisers even where there is no water. So there is failure. This A aspect of the question has also to be / carefully considered and properly thought out before we supply fertilisers to the poor people.

Now, the question of unemployment is / really creating a great depression. We are having colleges all round. Graduates are coming out of these colleges but when (800) they go from place to place, they find no vacancy. It is because we do not have / the required CURRICULUM, and we only have these ordinary science courses and arts courses. Technical education is not being given that place which it should have. (840 words)

TRANSCRIPTION NO.222 { Speech of hon. Minister of Irrigation and Power }

Mr. Deputy Chairman, I rise to intervene in the debate only because of certain observations made by the hon. Member / from Rajasthan about the Rajasthan Canal. I have got the greatest regard for the hon. Member and I can appreciate/ that whatever he said was only in his anxiety to EXPEDITE the construction of the Rajasthan Canal. He correctly paid / a TRIBUTE to the work of the Irrigation and Power Minstry and he also said that when he saw the /mighty projects under construction, not only he but the other foreign experts too, were WONDER-STRUCK, to put it (100) in his own words, at the progress made by the country in respect of irrigation and power development. It is but / fair that he should have made these observations because the huge task of building mighty river projects in the country, / the various TECHNICALITIES. involved therein, the number of problems the engineers have to tackle and the spirit of team work/ with which they carry on the work are bound to create admiration for the work that they have been doing./ I am grateful to the hon. Member for paying that tribute. <u>It is, therefore,</u> that I want to <u>clarify</u> certain points. (200)

He made out a case that because the Rajasthan Canal was a project of national importance, the Centre should / take over the control of that project and not leave it to the Rajasthan Government. As I mentioned, with great / regard that I have for him I tried to analyse the reasons and arguments for his APPREHENSIONS about the progress/ of the Rajasthan Canal. <u>In the other House,</u> the same apprehension was expressed by another Member from Rajasthan. As opinions / differ about the capacity of that State or about the capacity of the engineers, another Member in that House observed (300) that the progress of the Rajasthan Canal was very satisfactory and he went on further to say that the apprehension, / which the hon. Member had expressed, was not reasonable and had no basis. That is what the other Member from / Rajasthan in the other House expressed. Therefore, I want to know exactly what he wants. I find from the proceedings / that he thinks that the regional interests in that area or in that State are likely to prejudice the construction / and, therefore, the 5 Centre should take over the work. I may assure the hon. Member that the Centre is very (400) closely associated with the execution of the Rajasthan

There is the Rajasthan Canal Control Board and on that formerly / there was no representative of the Ministry. Looking to the importance of the > project, the Joint Secretary of the / Ministry of Irrigation and Power, the Joint Secretary of the Ministry of Finance and a Member or the Chairman of the / Central Water and Power Commission are now associated with the working of the Control Board. Moreover, there is a Committee/ of Direction which gives direction for the construction of the Land project and lays down the policy. That Committee is presided over (500) by the Minister of Irrigation and Power, Government of India. The Chief Minister of Rajasthan and the Chief Minister/ of Punjab are members of this Committee of Direction. Therefore, from the point of view of the day-to-day / execution as well as from the point of view of the policy question, the Centre is very closely associated with the / execution of the project. If the hon. Member wants that the project should be executed by the Centre directly, / it may not be possible. It is not possible because even under the Constitution, we do not directly execute any project. (600) The House might RECALL that the Estimates Committee recommended that the Centre should not directly take up any execution work./ They must work as technical advisers or in overall supervision of the project. They should not take up the direct / execution of any project. But as the project is of national importance, we have a very careful watch on the / execution of the project. We see that in matters of policy the decisions are taken by the Committee of Direction / and the day-to-day execution is taken up by the Control Board.

Then, I went further to analyse the (700) other reason why he wants the Centre to take over the project. He says that the construction of the Rajasthan/Canal is LAGGING BEHIND the schedule by two months for lack of supplies of cement and coal. Now, if the/ construction is lagging behind by two months only, that is not such a GRAVE factor as to cause that sort of / apprehension. Even then, it is not the cause that because the Centre is not in charge of the execution /of the project that the delay, if any, has OCCURRED. The delay in the supply of coal, as everybody knows, (800) was due to difficulties of transport. The delay in the supply of cement was due to short supply. Even then / we have in the Central Water _ and Power Commission a cell which looks after the ... requirements of the river valley projects. (840 words)

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

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TRANSCRIPTION NO. 223. (Speech of hon Defence Minister) Now, I have <u>described</u> in another place at 촜 great length the way promotions are made and one of my colleagues/ on this side yesterday appeared either to have read that statement or in another way has placed before the House/ not on behalf of the Government, much of the material that I would have dealt with. But here what I/want 🤝 to <u>point out</u> is: that these selections are done by well-established procedures, which have been there/ for many years and have not been altered. In regard to the BULK of the officers, there are complaints from some quarters (100) that perhaps Government ought to look more into it. That is to <u>eav</u>, it is not a question of/ too much interference, but of too little interference with regard to the lower levels. But since that point has not been / raised, I do not want to raise this problem myself. But with regard to the higher ranks of the Army,/ it is done by Number One Selection Board, as was pointed out, from Colonels up to Major-Generals,/ where nine officers sit, that is, the Chief of the Army Staff, his deputy, three Army Commanders and four Principal Staff (200) Officers. They mark these people separately on separate papers and discuss them and in the net result of that discussion,/ the differences are IRONED OUT. Besides examination of their records, the personal knowledge of these officers by their present or / previous Commanders, who would be sitting round the table, would be taken into account. Then, it comes to the Government/ and the Government, that is the Defence Ministry, examines them, so far as they can, from the papers, that is/ to say, whether the conclusions are WARRANTED by the PREMISES supplied by the books. And then, it is put up (300) before the Minister after discussion in the Ministry itself as to the PROS AND CONS of this matter.

Normally, / the recommendations that come from the Army Headquarters are accepted and neither in the case that is now spoken about, / nor in anything else have these recommendations been turned down. Although I know that observation, I would like to make it/ clear on behalf of the Government that the Government have the right to turn down these reommendations, because the services/ are under civilian control. It would be a bad day when the Government responsible to Parliament cannot have the last (400) word in this

matter, because it is not merely a question of a soldier being efficient. There may be other/matters to be taken into consideration. I am happy to think that no personalities have been introduced, because if the / Minister were to pursue the same line as those of the critics and DRAG the officer in, it would not be/in his interest. When we go round to the question of seniorities and SUPERSESSIONS, I would like to say that / so far as the lower levels are concerned, that is to say, up to the rank of Lieutenant-Colonel, (500) the proportions of selections have remained much the same. There is a variation of two or three per cent. each/year over the last five or six years, but it is more or less a mechanical process.

When we come/ to the selection of Lieutenant-Generals in the Indian Army, it is done not by the Selection Boards. This is done on the recommendation of the Chief of the Army Staff. The Prime Minister offered in the other House on / a previous occasion for them to come and see the papers, rather unusual, but he, as the Head of the (600) Government, is free to do so. While the offer was open, no one turned up. One person asked to come/ and we arranged it, but nothing happened. In any case, a Lieut.-General is appointed by Government on the recommendation/ of the Chief of the Army Staff. The same process goes through, because, \ while there is no Selection Board, the / Chief of the Army Staff by convention consults the Army Commanders, which is a sort of a selection board of / a smaller type. That recommendation comes before us, and within the available people those who have the minimum qualification come (700) first, those who have good record, particularly outstanding qualities. I would like again to say that we are playing upon/ words. There is no supersession. They are selection appointments. If you take the British Army today, the Chief of the/Imperial General Staff is a person who has been superseded twice before, but he comes up again. In my experience/ there has been no appointment to these offices, which has not been recommended in this way, and it is the good fortune of the Government that they have been able to accept it.

There has been some disturbance with regard (800) to the recent appointment of Army Commanders. Army Commanders by convention have been appointed by Government, even without reference to/ the Chief of Staff, by selection of two or three people, but in this case discussions and consultations have taken place, / and I am quite free to say that there is nothing in this appointment which merits criticism. (858 words)

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TRANSCRIPTION NO. 224

Sir, I do not look upon our Plan as an overambitious one. One has to remember while considering it/ that our population is increasing faster than our means of production. We have to meet the challenge of this growing population./ <u>Undoubtedly</u>, birth control is important. But it is not easy to carry out propaganda for birth control in a / population of <u>illiterate</u> people and <u>SUPERSTITION-RIDDEN</u> people.

Then, Sir, unless we plan holdly, we shall not be able to / provide employment for our people. We have to bear in mind that it is essential to provide employment for our (100) increasing population. Even with the Plan carried out, the unemployment figure will stand high, and the question to be considered/ is whether more attention should not be placed upon our smallscale and medium-sized industries. Is it not possible / for us to ensure that all sections of the population get the benefit of the Plan? After two successful Plans / a few industrialists, despite our heavy taxation, own nearly 75 per cent of the total capital of our public companies. / Banking facilities for the common man are few, and even banks favour large business houses because they have more (200) guarantees to give than 🥌 the small people.

We have a large landless population and large numbers depend upon it for / support. What we need, therefore, to plan successfully is greater COHESION, greater EMOTIONAL INTEGRATION and greater national unity among ourselves. / We are wasting time over quarrels that do not touch the common man. Both the Government and the Opposition parties / have responsibilities towards the mass of our people. Is it not possible for all of us, regardless of party LABELS, / to cooperate fully in all those tasks that make for the welfare of the common man? Can we not forget (306) petty party, sectional, communal and group differences? Is it not possible for us to have a national, as opposed to / a mere party, outlook towards the problems raised by the Plan?

Sir, the general elections are coming. It should not divert our attention from the main task of finding solutions on a national hasis to the problems of unemployment, health / and education. These are the things that our people mostly need, and to them we must devote our full attention.

The second thing that I would like to emphasise is that though our national income has increased (400)

TEST and

by 42 per cent, we do not exactly know how it has been distributed. It is not enough to say that the / per capita income has increased. The right question that has to be answered by us is whether it has increased / in terms of real income. For that we have to see whether the price level has kept pace with the / wage level. It is no satisfaction to a man that his nominal income has gone up, though at the same time / the price level has reduced his purchasing power not only for luxury articles but for articles of common consumption. (500) Concessions have been made to industrialists. Perhaps it was INEVITABLE that they should be made. We had to provide INCENTIVES / for capital formation but the Budget, even after the reliefs given, which I gratefully acknowledge, will, I APPREHEND, increase the / burden of the common man. The middle classes are the backbone of any community. There is dissatisfaction ' amongst them because / of the rising prices. It is essential that in-a-mixed economy such as ours, the State should EVOLVE ay machinery of adequate price control. Prices should not be allowed to go beyond a certain level, and there must be (600) a CEASELESS war against HOARDERS and PROFITEERS. They are PESTS of society and should be looked upon as such. Equality of sacrifice demands that those who have more should he made to pay more than those who have less. / The marginal utility of money is greater with people of less income than with big incomes.

The third point that I / would like to point out is that CONCENTRATION of economic power should be discouraged One of our Articles provides that / the ownership and material resources of the country should be so distributed as to SUBSERVE the common good. Another Article (700) provides that there should be 2 suitable legislation for a living wage, fair conditions of work, decent standard of life, / social and cultural activities and full enjoyment and leisure, as also for the promotion of cottage industries on an individual and cooperative basis in rural areas. The progress of the Plan has to be tested in the light of these objectives. / medium-sized concerns should be encouraged so that concentration of wealth may break \(\frac{\chi}{\chi} \) up. We would like / to have the results of the enquiry as to how the national dividend has been distributed early. We should know (800) who are the classes who have benefited most by our Plans. Are they the people with big capital? The spirit of / the Constitution is against the concentration of wealth in single hands and this should be borne in mind by us. (840 words)

A luscious passage for dictation, TEST and speed writing.

TRANSCRIPTION NO. 225 (Debate on President's Address)

Mr. Deputy Chairman, I thank you for the COURTESY. Our country is today CONFRONTED with so many CATASTROPHES, difficulties, problems / and so many subject matters which we have discussed here and which we will be discussing later on. In short,/ our country has been facing so many problems and so many circumstances today. Thanks are due to the President for his / historic and ILLUMINATING Address. He has thrown light ALL ROUND, on all the ASPECTS of things which took place / the year before and which are existing before us today and which we will have to face hereafter. The President's Address (100) has received a... historic reception not only in this House, but it has received a SPLENDID reception outside also / There is no doubt that things which have been discussed in the historic Address of the President are worth taking / inte very serious consideration and after passing the Motion of Thanks, we will go out to act upon that./ It cannot be denied that our country in spite of our limited resources and so many situations which have been created/since ages past, has progressed BY LEAPS AND BOUNDS, invarious aspects and various spheres of life. There is no (200) doubt about it that the President has kindly thrown the correct light over the development of the country in the / various spheres.

It is more than correct and today it stands for us as a guiding and illuminating feature for / our futur. improvement and future development. In view of the present developments, who can deny that our country, with its / limited resources and with all the other limitations, has shown to the world that, whatever it may be, we poor/Indians have got the capacity, hav got the courage and have got the patience to develop our country? In a way, (300) we are passing throug. various difficulties and various limitations. In spite of that, our capacity and our courage has / not bee. DAUNTED We have not been discouraged. We are going on with speed on the road of progress, / on the road of development. The President has rightly pointed out the advance made in the field of agriculture, in the / field of industry and various other fields and thos things have been ENUMERATED with facts and figures. The data has / been given, and now those things ar before us and before the world to be seen and to be examined. (400)

Sir Kailash (Selection

But that is not enough. I would say that our country has suffered so much for centuries past in the /various fields of development and various spheres of life such as education, health, industry, agriculture, social and political aspects and / so many other things. Of course, that requires greater attention, greater energy and greater effort to develop and develop / to that extent till we have at least made up those DEFICIENCIES from which we have been suffering for ages-past./

I expected in the President's Address at least one v thing. The future development of the country, the future progress of (500) the country, cannot be in a greater and greater degree than what we have already achieved, unless we have one / thing and that thing is ℓ our national and EMOTIONAL INTEGRATION: Without such integration we cannot do anything. Let me say/ with regard to what was just being referred to by my various friends in the form of various FISSIPAROUS tendencies / and incidents in Assam and in other places. It is all due to lack of national integration. That much of / national integration has not been developed as yet amongst us, that sort of national and emotional integration which will strengthen (600) our hands, strengthen our spirit, strengthen our soul, strengthen our national stand so that we may correct ourselves if such/cirumstances BEFALL. The fault lies with us. Also, the fault lies with our Government. The fault lies with our organisation / that we did not consider it so important. This question of national integration was not considered so serious as it / deserved. I still say that "all our efforts will become fruitless unless there is national integration. It will be BANKRUPTCY / of administration if we do not pay greater HEED and ttention to the immediate development of national e integration in the (700) country. The country is being ategrated in all spheres, in all aspects of life, except this one thing which has / got its root, where our social nd political life has got its root. That root is not being > seriously / taken into consideration and that sort of _ational integration is not being developed. It was 🍂 developed some time back, in the / time of Bapuil\In the ame of Mahatma Gandhi, that national integration was started. Later on, it was DISINTEGRATED. / We were expected to look after that, we were expected to carry An that development which was started during the time of Bapuji. (800) You should put down all sorts of antirational activities. You should put down all sorts of ussiparous / tendencies and communal background in responsible places. You are to look after the lives of the people of this country. (840 words)

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

(Selection from a talented speech) TRANSCRIPTION NO. 226 (Debate on Railway Budget)

Mr. Deputy Chairman, Sir, I (CRAVE the INDULGENCE of the House and also your indulgence for stating certain obvious facts / which are <u>very well known</u> but <u>which we are</u> often APT to forget. Sir, the Indian Railway system, as the / Hon. House knows, is the biggest in the whole of Asia and it is the fourth biggest in the world./ It is also the biggest nationalised undertaking and nowhere is such a hig experiment made and such a large area / covered. Sir, when we deal with the <u>Budget proposals</u>, we have to <u>bear</u> in mind this FAR-REACHING character and (100) the historic role that the railway system is playing in this vast country. This Budget, as presented to us, has / to be viewed and considered from this larger angle. Though the Budget has taken the usual form of an annual / RITUAL and though it indicates and projects a set pattern, it marks the CULMINATION and the ending of a period / of * achievement and the BUDDING and FLOWERING of another period of achievement.

Sir, we are in a better position today / than before to assess and EVALUATE the results and we can very well draw up a balance sheet of successes (200) and failures, of achievements and SETBACKS, if there are any, so that we may be able to draw up a / plan of further development. During the last five years, efforts have been made by the Ministry of Railways to realise / and fulfil the goals and targets laid down in the Plan. To a considerable extent, I must admit they have been / able tooachieve the goals and targets laid down. All these achievements and developments that have taken place are / really COMMENDABLE and we would not SHIRK on our side to pay COMPLIMENTS to them because they deserve them. But (300) when I look at the other side, when I consider the DRAWBACKS and failures that we saw during these five years, / I feel, Sir, that the progress achieved and the developments that they have BROUGHT ABOUT are not COMMENSURATE WITH the/ needs and requirements of the growing and developing economy. The Minister in his speech has not been able to / assess the extent of demand. of the country for additional transport capacity and he has not been able to give us / a picture. of how this challenge will be met, and met adequately, to remove transport difficulties in the country. (400)

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I would mention some facts and leave it to the judgement of hon. Members as to whether some of the / steps that the Railway Ministry has taken during this period of five years have been able to solve the transport / difficulties. In spite of the two Plans and the additional capacity released as a result of development, the problem of / CONGESTION, which has also been referred to by other hon. Members, is proving a great DETERRENT. It has proved a / great deterrent in the past, it is proving a great deterrent at pesent and perhaps it will prove a greater (500) deterrent HEREAFTER. This problem of congestion has been growing. Perhaps the planners were not able to VISUALISE or ANTICIPATE the / growing demand for transport in the country.

Today, a very <u>critical</u> situation is created in spite of all developments. / Goods <u>are not being</u> lifted from the <u>ports</u>; complaints have been received about this. There is a lot of congestion at / the various ports and there has been considerable delay in moving goods from port areas.

Complaints have also been heard / that ORES are not being moved from the mining areas and the internal trade is put to a very severe (600) strain. Reference was made to coal transport. Some of the reports which have appeared in today's papers are very disturbing / We are told that the crisis is very deep in the U.P. areas and, as a result of PAUCITY / of coal, many industries, perhaps even the Railways there.

many industries, perhaps even the Railways there, and the normal life in certain of those areas in U.P./ have suffered considerably. It is amazing that the Minister of Steel, Mines and Fuel while replying to questions / this morning was trying to SHIELD the Railway Minister. He was saying that the difficulty in lifting coal was not entirely (700) due to paucity of wagons, It was due to some other reasons. But he went on to say that the / local authorities had to RESORT TO road transport to move coal from those mines. If that is so, I do not know why, / if the wagons had been made

and ultimately it is / not economic. So, we can very well say that there is a sort of FRICTION or lack of coordination between the two wings. (800) It has also been BORNE OUT clearly that transport of goods or ores

available in the past and if they are made available today, / there was necessity to move coal from the COLLIERY by road transport. Road transport is costlier

has suffered because there / has been wagon shortage. \
If there has been no shortage, at least there has been

If there has been no shortage, at least there has becoming them. (840 words)

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

A select passage for Test by Railway Recruitment Boards

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TRANSCRIPTION NO. 227 (Debate on Railway Budget)

Mr. Deputy Chairman, Sir, the Railways are very important from the point of view of those who believe in the / ever-increasing part that the public sector should play in the life of this country. The Railway Minister, to the / efficiency of whose administration I wish to pay a TRIBUTE, says that the Railways have a DUAL role to play. / Well, Mr. Deputy Chairman, I would say that greater importance should be placed to their character as a public utility service. / I do not say that no importance should be placed to their commercial utility side, but greater importance should (100) be placed to their public utility service. The Railways, therefore, should be model employers in this country. They should set / the pattern for employers in this country, and that is the pattern that should he followed by the private sector also. /

Now, Sir, even private companies can ru commercial concerns but it is the belief of socialists that the State / alone can run them in a manne CONSISTENT WITH public welfare. Therefore, the supreme CRITERION by which the Railwa, administration / should be judged is the utility so far as the public is concerned. Therefore, I think the Railways should (200) be RESPONSIVE to public needs.

They should have the public welfare at hear.

I am glad to find that non-official / agencies are being associated with the Railways in a number of ways.

There are a number of committees / that have bern ENUMERATED by the respected Railway Minister. They provide the Railway administration with non-offic help and cooperation. /

I say, Sir, that if <u>nationalised</u> industries are make an appeal to the country, their public utility work <u>must become</u> increasingly clear to the public. Wheth from the public <u>point of view</u> the Railways <u>contribute</u> more or less to the (300) General Revenues, should a matter of less CONCERN than their efficient running.

Now, Sir, I listened with interest to / the speech of my friend, in which he CATALOGUED the GRIEVANCES of Railwaymen and suggested various methods in which the / administration can be more responsive to the / administration. I fully agree and support those recommendations. Then, Sir, / it is a matter of grand concern that house rents in some places are very high, and the Railway employees should be given / house rents at low rates.

Also, I think there is need for an increase in 1 Railway checking staff. (400) If the Railway checking

staff is increased, ticketless travel will go down provided that you make it worthwhile for the / Railway staff to carry out their duties. I say that some reward should be given to those members of the /checking staff who successfull/LAUNCH-PROSECUTIONS against ticketless travellers. I think, Sir, if they have a PROSPECT HELD OUT to / them that in case they are able to catch ticketless travellers, they will be given some reward, they will be / more active.

Then, Sir, there is no room for SELF-COMPLACENCY so far as as our second class travelling facilities (500) are concerned. I gratefully recognise that the Railway Minister is doing his best but I think that this can be / improved and should be improved. There should be more janta trains for second class passengers. I find, Sir, that there is / going to be a provision for more fans for first class passengers. Well, I do not GRUDGE that facility / to the first class passengers, but I would like more facilities to be given to our second class passangers because it / is they who contribute most to their revenues. It is HEART-RENDING to see our <u>overcrowded</u> trains and we <u>ANTICIPATE</u> (600) that there will be an increase in our railway traffic As a matter of fact, I think that when our / women get fully EMANCIPATED; they will be travelling much more in our Railways than they are doing today. You go / and see the Western countries. There, you find that the greater number of passangers are represented by women. It is / not so in this country.

I would say one or two words about CATERING in our Railways. I am not / one of those who wish to be very gritical of catering. I think the standard of catering is not bad. (700) On the whole, it is fairly reasonable but the number of waiters in our platforms requires to be greatly increased. / I myself had ordered dinner at Delhi station and had gone without food. It is because the waiter / is not able to bring food in time. This has happened several times. This needs to be looked into. At one time, / we used to have a number of waiters running all over a station. That is not so now. The number/has gone down. If the air-conditioned travellers and the first class passengers find it difficult to get food, (800) much worse must be the case with the second class passengers.

A complaint which I have often heard from many second class passengers and many people of moderate income is that the charge per kg. of his gage is too high. (840 words)

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TRANSCRIPTION NO.228 Debate on Railway Budget

Mr. Deputy Chairman, I read the speech of the hon, Railway Minister with very great interest and I fully associate / myself with the SENTIMENTS expressed by Dr. Kunzru that the speech makes us very happy. The Railways, being our PREMIER, national undertaking, have had to SHOULDER many ONEROUS and heavy responsibilities during the last 40 years of planning and development, / and it must be said to the credit of the Railways tha. they have ACQUITTED themselves very CREDITABLY, The hon. / Railway Minister has referred to many things in his speech and the credit goes to the Railway Administration for suc... achievements. (100) I need not NARRATE those achievements here because they have been referred to by many hon. Members of this House / and they are found in the Railway Minister's speech also. Those of us here who have been lucky to / visit the various installations and workshops as members of the Public Accounts Committe or the other Committees can BEAR WITNESS / to great progress that is being made all round towards saving foreign exchange and making the Railway Ministry a / model for other Ministries to EMULATE. His speech is a frank assessment of achievements and OMISSIONS and the hon. (200) Railway Minister deserves to be congratulated for not having hidden the DRAWBACKS that have come to his notice. Apart from the / achievements, there are many things which have been pointed out by some h ... Members of the Opposition on this side / which, according to them, leave much to be desired and have to be COPED WITH. The hon, Minister himself / has stated in his speech that much LEEWAY ** s to be made. He himself has said that the evil of / ticketless travel has not shown any apprecia DECLINE. This is a very big Department with its RAMIFICATIONS far and wide (300) and it is beyond human control that such evils can be minimised OUTRIGHT: But I hope that efforts will bo, continued to be made to keep the evil of ticketles: travel under eheck which, of course, is a range difficult task. / Similarly, the administration admits that the loss of Railway property is causing serious concern.

With these general remarks, / I would i y like to come to some specific points. One of the important points which has been criticised by House / is in regard to the declaration of the Railway Minister that there will be no revisio passenger fares. (400)

But two minor <u>adjustments</u> have been made in this Bill. One is that the special surcharge at present LEVIED has / been raised slightly and the other is that the minimum distance charged for coal has been altered slightly. / With regard to the first item, very small revenue is being expected which is of the order of about Rs. 50 lakhs / per annum while in regard to the second item regarding coal even a figure has not been given because / it is stated to be a very small item. Beyond this, this year no change has been made in regard to (500) freight rates as well as passenger fares. There have been many comments on this point and some of my friends / on this side ATTRIBUTED it to this being probably the Budget speech in the year before the election. I am sure / Shri Jagjivan Ram will not put the interest of the party above the country, and he must have had / very COGENT reasons for not ENHANCING the fares and freight rates. We will be very pleased indeed to know his / point of view as to what he has to say in the matter. But we know very well that already (600) taxes in the country are very heavy all round. This view might be behind the mind of the hon. Minister / to decide that this year the fares and freight rates should not be raised. But ALL THE SAME, we will be / interested to know his point of view. We do hope that his example will be followed by the / hon. Finance Minister also when he presents his Budget before long and the country will indeed be very grateful to him / as the travelling public is grateful to the hon. Railway Minister for his Budget proposals this year. (700)

Sir, I come to the question of Railway finances. The Railway Minister himself has made such a nice case in regard to the / raising of fares and freight rates. Therefore, it is all the more surprising that, on the one hand, he makes / a very strong case for raising the fares and the freight rates and, on the other, he has not taken / this step at all. But looked at purely from a financial angle, the finances of the Railways make a little / unhappy REVELATION: These points have been discussed in detail by many of the hon. Members of this House and (800) I need not go into them but I will refer to them only in a brief way. We will SHORTLY be / entering into the Third Five Year Plan. A large amount will be EARMARKED for the Railways during the Third Plan. (840 words)

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A SELECT passage for Grade C & Grade D Exams.

Sir Kailash Chandra's 'SHORTHAND TRANSCRIPTIONS', F-35, East of Kailash, New Delhi TRANSCRIPTION NO. 229 (Debate on General Budget)

Mr. Deputy Chairman, Sir, we are discussing the Budget for the year 1961-62 which / is the first_ year of the Third Five Year Plan and therefore it is appropriate that the Finance Minister has / given. a BIRD'S EYE VIEW of what has been achieved during the first two Plans. The economic reviewalso gives / a comprehensive view of our achievements as well as of certain SHORTCOMING here and there. I would, therefore, congratulate the / Finance Minister and his Ministry for placin; before us a realistic picture as has EMERGED during the last ten years (100) and the approach which the Finance Minister thinks we should adopt towards the Third Five Year Plan. This is not / an ordinary Budget for one year or for two years. This. Budget should be looked at from the point of / view of the beginning of our next journey towards the Third Five Year Plan. The Finance Minister has been bold / because there is nothing secret about the Budget in the plan period. The Third Plan as it has been presented / in the draft form is before the people. There, it has been ENVISAGED that in order to see the (200) Plan through, about Rs. 1700 crores would have to be raised in the country both at the State and / at the Central level. So, the taxes which have been imposed in this year's Budges were not something which came suddenly.

He has, therefore, to make a bold and courageous effort not TO PLAY TO THE GALLERY but to be realistic / and practical, if we have go to see the Third Plan also through. I have been saying on the floor / of the House that the tax burden has been more or less increasing from o year to year. I do not (300) want to repeat what I said last year. But it is clear from the Economi Survey, as well as from / his speech, that during the last ten years the tax revenue of the country both Central and of the States, has increased./-Most of it has clearly come out of either excisduties at the Central level or sales tax at the / State. level. We are also not to forget that when development takes place, industrial centres and population increase, the / municipalities and the corporations have to LEVY various taxes. Their revenue generally comes out of what is called OCTROI DUTY.(400)

Now, somebody has got to FOOT THE BILL of development and this bill, more or less during the last ten / years, has been footed generally by the people. In this context, one has to analyse the situation and find out/whether these taxes have come out of nothing or whether these taxes have come out of something more which has / been put into the pockets of the people as a result of the development that has taken place in our economy. / The Survey says that the national income has gone up by about 40 per cent. The PER CAPITA income (500) has gone up by 20 per cent. How that has been distributed among the various sectors of the society is / a matter which is under investigation and I hope before long the Committee will be able to place before us / statistics regarding the distribution of the national income. There is one thing which comes to my notice and it is this. / When we are having a planned economy, it must be based on actual statistics. Our statistical APPARATUS in this/country is really defective. Probably, it is in the course of making. If we point out the defects to the Government (600) and the <u>Planning Commission</u> as we see them, they might create a better apparatus, so that from vear to year / we will know exactly where we stand. As the hon. Finance Minister has stated in his speech, production has / increased more or less according to our expectations. Industrial production has increased — more or less according to our expectations. Industrial / production has gone up during the last ten years ு by about 66 per cent. Agricultural production has gone up / by one-third. But if you look at the industrial production from a wider view, it gives a better picture. (700) From the index figures of industrial production that have been supplied, one finds that there are in this country certain / established industries like jute, textiles, etc. If the rate of production in new industries _like the steel industry, the increase / in electricity and certain other things are taken into consideration, we <u>will find</u> that the production has gone up by/about 100 per cent. Now, actually this is the achievement as far as the two Plans are concerned. Therefore, in / trying to criticise or make comments on this year's Budget particularly, one has TO TAKE STOCK OF the situation 800) as it exists as a whole.

Certain trends have been <u>visible</u>. The trends how that, <u>PRIMA FACIE</u>, during the last ten years / certain concentration of wealth <u>has taken place</u>. The Jovernment has recently appointed a Committee which will <u>look into</u> it. (840 words)

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Sir Kailash Chandra's 'SHORTHAND TRANSCRIPTIONS', F-35, East of Kailash, New Dellai

A judicious choice for any Shorthand Test anywhere

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TRANSCRIPTION NO.230

(About Universities)

Sir, as a teacher I am pleased to note that to Government have appointed an old teacher, Dr. Kothari as / the Chairman of the University Gran. Commission. We are proud of his SCHOLARSHIP and of his DEVOTION to duty / and we feel that under his abie guidance, the University Grants Commission would be able to RENDER increasing service to the / CAUSE of education in this country. I am glad to know from the <u>Education Minister</u> that the University Grants Commission / and the Education Ministry and functioning HARMONIOUSLY but I wish to point out that in the last Report of the (100) University Gran Commission, the Commission pointed out certain difficulties in CARRYING OUT its responsibilities. I not know what steps / were taken afterwards to remove those difficulties and to ensure to the Univers. Grants Commission AUTONOMY which is its due. / 💂

Sir, we are holding conferences of the Ministers ... Education and conferences of the Vice-Chancellors of the Universities and / I feel that we should also how conferences of the Chairmen of the University Granss Commissions of various States. / In spite of that JURISDICTION, we are holding conferences of Vio Chancellors of Universities and we are dealing with various educational questions. (200) If there are University Grants Commissions in certain States and if they are not functioning properly, it is the / duty of t** Education Minister at the Centre to deal with that problem also in the conference of the / Ministers Education of the various States, if they find some difficulty in having a conference of the Chairmen of the / University Grants Commissions of the various States. I do submit that the Universities are not functioning as AUTONOMOUSLY as / perhaps the Education Minister wished them to function. I know that in the last Report of the University Grants Commission, (300) it was said that freedom is VITAL to good education and democracy and I know that our Education Minister today / alrepeated the same idea in other words. But I am afraid that interference in university education is rath increasing. / The bureaucratic spirit is TENDING to DOMINATE the university life much more than it d' when we were under the / British regime. Universities in certain States are tending to be instruments of ti Government's policies. INTRA-PARTY CONFLICTS at Government / level and often conflicts between ti... State Governments and the Union Government in certain cases cause difficulties in the administration. (400)

I do know that for the present state of affairs teachers and students are to an extent responsible, but / I beg to submit that the higher authorities are, in no way, less responsible for the present state of affairs / in our Universities. Without mentioning names, we know that proper care is not taken in the appointment of Vice-Chancellors. / If the system of election has failed, selection by Government has proved no better, so far as the cries of the / Vice-Chancellors are concerned. In many universities, the Directors of Education are chosen as Vice-Chancellors, and I have reason (500) to believe that their selection is in general RESENTED by the professors of the Universities concerned. I do admit that / some of the Directors of Education might be fit even to be in charge of universities, but I do feel / that if the Government wish that persons in charge of Ax secondary education should also take interest in university education, / it is proper to appoint them as university professors before they are appointed as Vice-Chancellors of Universities. I have in / mind a person like Dr. Amarnath Jha, who belonged to the Provincial Education Service. He served as a University professor, (600) had experience of University education, and then when he became the Vice-Chancellor of the University, he discharged his duties / as Vice-Chancellor ADMIRABLY well. I wish to point out that personal character, wide human sympathy, interest and understanding of / university education, capacity for leadership, faith in the democratic ideals, reputation for learning, and confidence of the authorities are absolutely necessary / in a good Vice-Chancellor and proper care should be taken in DEVISING ways and means for selecting proper / persons as Vice-Chancellors of Universities.

I welcome the new pay scales of teachers of the Central Universities. I do (700) wish to point out that there is a great need for the AMALGAMATION of the grades of lecturers and Readers. / Most of the teacher // conflicts are due to these two grades of lecturers and Readers, and greater HARMONY will PREVAIL / among teachers in case the two grades, subject to certain efficiency bar, are AMALGAMATED. I do feel that there is no / MARKED difference in the abilities of teachers of Central and State Universities and there is need for equalisation of / the pay of teachers of State _/ Universities. Whoever may be responsible for the difference in pay, the country would suffer (800) if there is no equalisation of pay, because DISAFFECTION would continue and this will tend to spoil the university life / and standards. I wish to point out that John some system of transfers should be encouraged by the University Grants Commission. (840 words)

TRANSCRIPTION NO.231 { Sub: Separate constituencia for Scheduled Castes and Scheduled Tribes }

Mr. Deputy Chairman, Sir, I welcome the Bi which has been moved by the hon. Minister. This is a Bill / which has got the CONSENT of the importanorganisations of the <u>Scheduled Castes</u> and of the Scheduled Tribes and as such / it is IN THE FITNESS G. THINGS that we should try to RESPOND to the desire of those organisations / and their representatives. Sir, the SENTIMENT of those organisations is quite understandable because in the arrangement, as it exists at present, / those members of the Scheduled Castes and the Scheduled Tribes who want to take advantage of the reservation made (100) for them in the Constitution in order to represent certain CONSTITUENCIES in the legislatures, are LABOURING under a DISTINCT disadvantage. / The disadvantage is that a double-member constituency, by its very nature is an UNWIELDY constituency and except in certain / urban areas, the constituency covers a very wide are: and it becomes very difficult for any member to approach / each and every voter, as he should, and t" convey them his ideas, his policies and his programmes, and to CANVASS / his vote.

Sir, it is a well-known fact that the larger the constituency, the greater the expenditure for any (200" candidate who wants to get the votes of the ELECTORATE in that constituency. The members of the Schedule. Castes and / the Scheduled Tribes are not so PROSPEROUS or have not got enough resources to manage such large constituencies, and, therefore, / what happens in the ultimate analysis is that this member of the Scheduled Castes or the Scheduled Tribes has to /ENLIST the cooperation of the candidate who stands for the general seat, and even the newspapers normally describe the candidate / from the Scheduled Castes and the Scheduled Tribes as rathera RUNNING MATE of the candidate who is fighting for (300) the general seat. It is a very undesirable thingbecause THEREBY, the special protection, which the Constitution has given and / which this Parliament has extended, would not be available to the members of the Scheduled Castes and the Scheduled Tribes/and they will have to enlist the support of the general constituency candidates. It is perhaps because of that and / because of the lack of resources and because of unwieldiness, the constituency should BIFURCATED.

Again, Sir, there is a / provision that after the DELIMITATIONS, a chance will be given to the various parties concerned to make any representation. (400)

Sir, this Bill is a very welcome measure. At the same time, one cannot OVERLOOK the fact that, when these/constituencies are bifurcated, especially because of the provision in sub-clause 3(b), it requires that the Commission should reserve / the single-member constituency in a manner in which there would be greater CONCENTRATION of population of the Scheduled Castes / or, as the case may be, of the Scheduled Tribes in the constituency which is reserved for them. That being / the case, a certain amount of separate constituency principle does not INCORPORATE as a result of the BIFURCATION. (500) One has, therefore, to be CAUTIOUS that once this bifurcation takes place, it does not go further in the direction of separate / constituencies and ultimately does not result in separate representation, as was existing during the British days. -It is very / difficult, Sir, to give any suggestions regarding the <u>precautions</u> that <u>might be taken</u>. Ultimately, the only solution of this COMPLEX/ problem is to raise the status of the Scheduled Castes and the Scheduled Tribes so that their separate identity may / completely disappear and they may become PART AND PARCEL of the Indian community as such. Till we reach that stage (600) wherein they become an honourable section of our community, enjoying the same status as other sections of the community not only / in law but also in fact, this type of protection will become necessary, and as long as this protection / is necessary, certain risks will have to be taken with regard to the separation and reservation of constituencies for these weaker sections of our community. Therefore, while the risks are there, this particular Bill is in response to the wishes / of the people concerned and, therefore, has to be welcomed Sir, one word more regarding the amendment of

my friend (700) and I have done. That amendment seeks that before the delimitation takes place, a committee should be appointed to advise / the Election Commission in the manner in which this delimitation should take place. I am afraid, Sir, I am not / in agreement with the suggestion made therein. Ultimately, we have to trust the Election Commission as an IMPARTIAL body. / They will be guided by the instructions that have already been given in this Bill and will do its best to /act according to these instructions. If we do not trust the Election Commission, democracy in this country will not be able to (800) FLOURISH at all. Therefore, it is desirable that the question of delimitation should be left to this impartial / and AUTONOMOUS Commission, the Election Commission, which is in charge of election matters at the Centre and <u>in the States</u>. (840)

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

TRANSCRIPTION NO.232 (new) (Re. Child Labour

Mr. Vice-Chairman, Sir, thank you very much for having given me this opportunity even on the first day to / speak on this Child Labour Bill. Sir, I support the Bill. The Bill seeks to give more benefits to the / child labour which is being employed in our country.

Sir, I would like to submit that in our country even / a hundred years ago when Britishers were ruling us in 1881 when Lord Ripon was ruling / our country, a Bill was introduced. In that, children below the age of seven years were not allowed to work. (100) But in 1934, there was an amendment brought. The hours of work were considered as five hours / for the child labour. They brought several other legislations—the Factories Act, the Plantation Labour Act and so many / other Acts for the purpose of protecting the interests of the child labour.

Sir, there are about 16 million child / labour x in our country. Of them, 10 million are employed in the urban sector and 6 million in the rural sector. / Even, in that, the agriculture sector alone is absorbing more than 78 per cent of the child labour (200) in our country. If we see the commerce and industry sector, the child labour employed there is more, compared to / what it was ten years back, in spite of the welfare measures taken by the Government. In spite of our / saying that the child labour should be minimised, we find there is a SPURT in their employment. The child labour / could not be CONTAINED because of the socio-economic conditions.

I would like to submit the very SALIENT points which have been given in the Bill itself by the hon. Minister. When the hon. Minister became the Labour Minister here, (300) he went to the State of Tamil Nadu, especially to Sivakasi, and saw that more than 50,000 children are being / employed with WRETCHED conditions, There were no safety g measures for them. Health HAZARDS were there and the children were not / given vocational training. Proper attention was also not given to them. This Bill seeks to prohibit the child labour in / particular HAZARDOUS industries and regulates the employment of children in other industries. A Schedule has been given for the purpose of / giving employment to the children with <u>lighter</u> conditions. The children who are employed in such conditions should be given protection. (400)

I would like to submit further that the children who are being employed are coming for work because of ABJECT poverty. / We cannot all of a sudden ELIMINATE the child labour for the simple reason that about 40 per cent / of the total population is living below the poverty line. Therefore, the children who are coming from the rural areas / and also from the urban sector are actually helping the family, though they do not go in for education. / In such a condition I would like to tell the hon. Minister that in the organised sector this legislation will work well, (500) but if you go to the unorganised sector like the construction industry and also the agriculture sector, this will not work. /

I would like to suggest to the Hon. Minister that he should see that this Act is to be / enforced with full strength because the child labour is EXPLOITED by the employers for the simple reason that / they can be paid low wages and made to work for 14 to 16 hours or according to their WHIMS / and FANCIES. Now, they have to give minimum wages as is required under the Act.

Then, I would like to (600) stress upon the point , that the children's health is not given due consideration. If we go to the restaurants, tea / stalls or factories we see their wretched conditions. In other areas, we find that the children are not given the / benefit which an employee is being given. That being so, bringing in this legislation would help improve the working conditions / of the children who are helping their families by working in factories, PLANTATIONS and in agriculture. Sir, the Bill gives / ample opportunity to the children who are employed in the agriculture sector, especially for the purpose of getting more wages, (700) because wages as defined under the Minimum Wages Act will apply in this case also. On the whole, we find / this Bill as a social legislation which actually gives benefit to the children who have been exploited by the employers / in various fields.

The last point I would like to make is with regard to safety measures and health conditions. / The hon. Minister has given these items under the general category as has been given in the Factories Act and said that the / same measures would apply here also. But I would like to suggest that the Child Labour Bill, 1986 (800) should have a separate clause dealing with safety measures and health conditions which can be enforced effectively / by the authorities concerned. I hope our hon. Minister would consider this proposal for effective implementation of this Bill. (840 words)

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TRNASCRIPTION NO.233

Sir, when one sees the estimates of the Railways, one feels that the estimates are too much in regard to the / foreign exchange COMPONENT. I should congratulate the Railway Ministry for having spent less than the estimated amounts. But, Sir, / efficiency does not mean moreexpenditure. You may spend less and still you may feel very happy about it. / Efficiency does no?" mean only a measurement in terms of money. Delays, inefficient administration, late running of trains, losses, delay in / moving the passenger and goods traffic, all these contribute to a SETBACK to national development as well as efficiency. (100)_

Sir, so much has been said about coal and about the failure of the Railways to transport coal. Coming from / a place with the largest production of rice, I can say with great emphasis that in. Andhra, for WANT of / wagons, rice could not be transported to the South and to other places. especially Kerala. Not only rice, but / with regard to articles like JAGGERY, CHARCOAL, timber FIREWOOD and other things, there was a heavy BLOCKADE in Andhra as far as the / Railways were concerned.

Sir, while talking about coal, many honourable Members referred to Bihar and West Bengal. But (200) I would like to mention a word about the coal mines of the South. For want of wagons about, 7,00,000 tonnes / of coal continued to lie at the PITHEADS and all this could not be moved to the South where / there was a great demand for coal. The coal production in the COLLIERIES wasaccording to the Plan. It was not / as if the Railways did not expect or that the colliery produced~ something more than the expected allotment. / But the Raiways fell short of it.

In this connection, Sir, I would like to point out that when there was (300) an UPROAR in Parliament in February over the shortage of wagons on the South-Eastern Railway, instead of trying / to solve the problem in a more practical and in a good way, immediately the Railway Minister said that he had / SWITCHED OFF 150 wagons serving the colliery belonging to the Central Railway to the South-Eastern Railway. / If you want to solve a 🛌 problem, it is not by creating another problem. The hon. Deputy Minister seems to be / very doubtful, but I can tell him that 150 wagons were removed from the Central Railway. (400)

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Yesterday, the Railway Minister, while answering one of the questions regarding the movement of coal, said that it was not / always the Railways' fault. I do agree that it is not always the Railways' fault. The whole difficulty is / that there is no co-ordination between his Ministry and the other Ministries. He also suggested that they would like to divert / some of the coal to road and WATERWAYS. I do welcome that suggestion. From today's papers, I find that the / World Bank, the Planning Commission and the Railway Ministry had a meeting with shipping companies who are willing to supply (500) 24 more ships to transport a million odd tonnes of coal to the South. In this connection, I would suggest / that transport by water costs Rs.37 more per tonne.

Secondly, the coal supplied through ships is not / graded properly, in the sense that it gets mixed up. When they supply it to industries, the LATTER do not / get the proper quality and what they get is not up to the mark. These things should be taken care / of while DIVERTING more and more coal towards the South through waterways.

Sir, I have to say another thing. (600) In the Neogy Committee, it was suggested that the Railways should consider the question of their contribution to the General Revenues. / I do not say that the contribution from the Railways to the General Revenues is not good. It is quite/welcome, but what I would suggest is that the Railways can ill afford this much. Now, that they have increased / their dividend, they are not in a position to divert to that extent to the General Revenues. If they have / increased their dividend, it does not mean that the Railways are PROSPEROUS. But what I feel is that the Railways (700) would do well to think twice about paying more because they have got any amount of work to be done / in their own Department. The dividend was increased on the understanding that there would be no change in the rates / of freights. But the Railways are not in a position to increase their freight rates because they have to face / severe competition from other means c of transport. Moreover, an increase in the contribution to the General Revenues may affect national / development. Therefore, I suggest that they should (1x reconsider the decision about their contribution to the General Revenues. (800)

Sir, the Railways, are a CURIOUS combination of a commercial concern and a public utility ORGAN. On the one side, they have to / spend more and more on the comforts of the nation and, on the other, contribute more and more to the national development. (840 words)

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

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TRANSCRIPTION NO.234

Mr. Deputy Chairman, Sir, the Bill before the House is for the abolition of two-member constituencies and for setting / up single-member constituencies. <u>In other words</u>, the present doublemember constituencies are proposed to be BIFURCATED as single-member / constituencies with reservation of seats or constituencies for the Scheduled Castes and Scheduled Tribes. Now, Sir, a very CRUCIAL moment / in the history of our young democracy has come. Wherefrom has this reservation arisen? Is not reservation REPUGNANT to the / very principle of democracy? Still we have URECONCILED ourselves to this reservation. A reservation might be in any form; (100) it might be in the form of constituencies; it might be for the Scheduled Castes and Scheduled Tribes. It is a / fact of history that in our society there are people who are called <u>weaker sections</u> and they go by the he/ name of Scheduled Castes and Scheduled Tribes. I do not know whose fault it is but ANYWAY in our society, / we find a section of people who are said to be weak. Certainly, they are weak. Their cases deserve / to be considered and should be given topmost priority but there is a lot of MISAPPREHENSION when we talk of reservation (200) of seats. Is a single member of the Harijan community or Scheduled Castes going to solve the problem of the / entire Harijan population?

Self-reliance, self-respect and things like that are talked of. How do they come? Will they / come only by making a single man a member of the Assembly or Parliament? Will that give self-respect To / the entire community ? On the other hand, I would believe that self-respect, self-reliance or self-confidence, whatever you call it, / can come more by education, more by economic UPLIFTMENT, more by spread of culture, more by MINGLING with (300) other classes of people and these are the measures that are called for at present in order to uplift the / weaker sections of the people. Anyway, they are there. Millions of rupees are spent on the UPLIFT of these people / and I am sure, never before in the history of this country such a lot of good to these people / was done as is being done within these 20 or 30 years of our independence. I am sure, all these / differences would disappear and India will EMERGE as a COHESIVE nation but in the meanwhile, something has to be done. (400)

Then, it was thought that it was the best arrangement that could be thought of and it was then thought / that at the end of 10 years, this reservation would be DONE AWAY WITH and there would be only FULL-FLEDGED / democracy functioning. Now, at the end of 10 years, we have come to the conclusion that instead of these doublemember constituencies, / we shall have to set up single-member constituencies with reservation of seats for the Scheduled Castes and / the Scheduled Tribes. I should think that it is a great RETROGRADE step that we have taken. It is not an (500) advance that we are making in our democratic set-up. I am sure that this has happened on account of the / pressure of certain sections of the people who lay and night HARP ON self-reliance, self-respect,

Now, let us consider if this system that is being thought of by this Bill is going to create any VESTED INTERESTS. / Let us also consider if a spirit of SEGREGATION will be created by the step that we have taken. / These are the NEGATIVE aspects of the step that we are now proposing. If vested interests are going to be (600) created, if a spirit of SEPARATISM is going to be created in this country, if PERPETUATION of segregation is / to take place, let us reject this Bill here and now. We have paid very heavy cost in the name of / reservation of seats. Our country was divided. HAD it not been for this principle that was introduced, however UNWITTINGLY, our / country

would not have been divided today.

Having found that position, let us be careful of what we do now. / Now who, in this world, will GIVE UP an advantage gained, whether rightfully r WRONGFULLY gained? We have seen it (700) in the nature of man not to give up a right that he has earned. On the other hand, he / wants to DERPETUATE it. Then, as the lady Member said, who knows what will happen after 10 years? Of course / now, there are big PROPHECIES that after the end of 10 years they are going to do away with the/single member constituencies with reservation of seats but who can PREDICT the future? Will the same Scheduled Caste BRETHREN not / insist on their rights to have a separate vote and a separate constituency? What guarantee is there? Why do you (800) introduce this MALAISE into our system? So, I would utter a very respectful, MILD warning here that what we do / today might do a great mischief tomorrow. What MATTERS most is our attitude to the weaker sections of the community. (840 words)

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TRANSCRIPTION NO. 235

When the House rose last evening I was in the midst of an argument concerning the PROPRIETY OF EXEMPTING Government / companies from the provisions of Company law. I wish to make it clear that where Government owns 100 per cent / of the shares in a company, obviously many of the rules applicable to ordinary companies cannot be applied. Indeed, / the well-known authority on modern company law, summarised the position thus:

"It will be appreciated that the absence of shares/and shareholders automatically renders large and important branches of company law totally inapplicable; rules relating to the raising and maintenance (100) of share capital, the control of directors by members, protection of minority shareholders, company meetings and the like can have / no RELEVANCE. As we have said earlier, the KNOTTY problem of the relationship between the management and the members is / solved by the abolition of the

LATTER." But the approach of our Joint Committee to this problem is difficult to appreciate. / Government companies are put in a PECULIARLY PRIVILEGED position. Last night, I happened to PERUSE the MINUTES of the / Fourteenth Meeting of the Joint Committee which considered this question. The recommendations submitted by the Finance Ministry miss the point. (200)

There have been exemptions suggested for certain types of companies, but I do not think that any purpose will be / served by having any of the Government companies other than those in which Government has 100 per cent shares brought / within the purview of the exemption clause at all. We have to bear in mind that a Government company, / in which 51 per cent of the chares are held by the Government, is not a company which is the / EXCLUSIVE property of the Government. It is one in which the Government has a technical majority holding of the shares (300) and, in theory, the Government, according to the provisions of the Bill, is given powers to REVOKE all othe safeguards/-provided in the Companies Bill. Let me read out briefly the particular section which covers these exemptions. I want to / ask only a few questions of those who have taken a prominent part in the DELIBERATIONS of the Joint Committee. / What is it that you seek to achieve by granting such an exemption? The Government can, if it necessary, / cheerfully decide one fine morning to exceed the overall limit of <u>managerial</u> REMUNERATION laid down in clause 190. (400)

Sir:

Of course, such a DISPENSATION will be said to be in the national interest and we would then have to / RECONCILE ourselves to this change.

Under clause 234, Government has to entertain complaints from shareholders. / But exemption from this provision can be made. Government companies after all are run by people of VIRTUE. How can we / ever entertain any complaint against Government directors? Indeed, the BLANKET power that has been given CONFERS ON the executive full / and complete authority to DISPENSE WITH any or all the provisions of the Companies Act, except two provisions to which (500) specific reference is made. Of course, the argument would be put forward that Government would not be unreasonable, that it will not / exercise these powers. I fail to understand the validity of this argument. If you do not choose to / exercise these powers, then why should Parliament give these powers to people who might not use them at some future date? / After all, a STATUTE is in existence until it is amended, and at any moment changes can occur. Some / day, a rash Finance Minister might come to this House and dispense with all these ELABORATE safeguards which are meant (600) to protect the interests of shareholders. I think it is morally UNJUST and constitutionally improper to confer these blanket powers/ on Government. Have the legal consequences of such powers being given been examined? I have GRAVE doubts whether this / particular provision is IN CONFORMITY WITH Article 14 of our Constitution. We • C have after all a written Constitution which assures / equal protection under law. On what grounds of 6. LEGALITY can we distinguish between shareholders in a Government company and shareholders / in a private company? I believe the courts would have something to say on this classification of categories which has (700) been attempted by the Joint Committee. How can we STRIP them of their rights? The shareholders ?..... have already been stripped / of their virtues by the Government which does not trust them and now we are called upon to deprive them / of their rights in Government companies. Even in a corporation — State Corporation— although it is true that shareholders have limited rights, / where an INFRINGEMENT of the STATUTORY powers by the corporation occurs or where there is an infringement of their rights, / the AGGRIEVED individuals have a right to go to courts of law. Under this peculiar provision, if it is (800) held to be valid, it will mean that the Government, if it so MINDED, can deprive shareholders of all / their rights. If is in the fitness of things that the shareholders should be given a fair deal in future. (840 words)

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

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TRANSCRIPTION NO. 236 Grievances of the Railwaymen

Mr. Speaker, I have already submitted in my speeches on the general discussion that the grievances of the staff are / MOUNTING and there is growing DISCONTENT. I have to add that the staff are not well treated. The concessions which were / enjoyed by them during the last 5 years are being withdrawn by the Railway Administration one after the other. / I can quote certain instances. With regard to pass facilities, I can say that the quantum of passes already issued / are now reduced. For instance, persons who were drawing Rs. 300 on or before 3rd May, 1968 (100) are considered to have qualified for second class passes whereas those who are getting that pay after that day / are disqualified for second class passes. With regard to the Privilege Ticket Orders, there is CURTAILMENT, Another factor is / the retired railway employees were getting passes and that is now being reduced to the minimum. Only those ~ who have / put in 30 years' service are given one set of passes in 5 years with regard to class IV staff. O/ So also with regard to class III, the concessions they were previously enjoying are being curtailed. ~ With regard to the (200) workshop or LOCO-SHED men who are entitled to take half a day OFF 🦟 previously, that right has now been deprived / and the Railway Board have said that even if these men take half a day's leave, that will be treated / as equal to one day's leave. This is also a curtailment of their rights.

With regard to GRATUITY, there is / a new INNOVATION made now. Even if a railway servant retires after putting in 30 years of service, his gratuity / may be proportionately reduced according to the WHIMS and FANCIES of the administration by seeing his service record. This is (300) a very wrong thing and it is a new attack

on the railwaymen.

The railwaymen enjoyed medical facilities not only / for themselves but also for their wives and children, and even their DEPENDANTS got the facilities. Now, the right of medical / treatment in respect of the dependants is denied, and I do q not know the reason for it.

I do not understand / the difference between matriculation and non-matriculation qualification in the case of the running staff. They do the same / work, but why should there be difference in the pay? A driver who has passed matriculation gets (Rs. 20 more. (400) Last year, when I raised this

question, the Railway Minister said that knowledge of Hindi or other VERNACULAR is / to be encouraged. In spite of that assurance, the matriculation qualification is still insisted upon, for which there is no justification given. /

With regard to the Payment of Wages Act, the Railway Board refuses to accept certain sections of the Act. / Whenever a Railway servant is suspended, on REINSTATEMENT he is given full pay for the period of suspension. / In fact, that was the judgement of the Bombay High court - any curtailment of full pay during the period of suspension (500) is ULTRA VIRES and is against the Payment of Wages Act. There is a specific case Manage in which this judgement / has been given, and in spite of that, the Railway Board refuses to give full pay for the period of suspension. / I have brought many such cases to the notice of the Railway Board. Not only that, but I can also / quote an instance with regard to the curtailment of annual increments. For imposing punishment, annual increments are cut and / this is quite in violation of the Payment of Wages Act. The Railway Board must also consider this point. (600) A third violation is reduction to a lower scale. I can quote the instance of an instructor who was reduced to / the station master's category. He was getting a basic pay of Rs. 1000 and as a punishment it / has been reduced to Rs. 700. I may, in this connection, bring to his notice the case of one / Mr. M. Thomas, an instructor in the Transportation School, whose pay was reduced from Rs. 1000 to / Rs. 700 as a punishment.

The rule which is quoted is an old rule which obtained in 1941 (700) before the Railways were taken over from the company and before the new rules came into force. / Such reductions of salaries are also a violation of the EXPRESS provisions of the Payment of Wages Act.

Apart from this, / there are several instances of withdrawal of concessions and major curtailment of the rights of the railway staff. Previously, / the loco-sheds were governed by the Factories Act. If the staff work after five o'clock in the evening / when routine working hours are over, they are entitled to an over-time allowance, and the staff in these sheds were (800) getting this allowance. Now, very cleverly the loco sheds have been removed from the operation of the Factories Act. / This real grievance of the staff was brought to the notice of the Railway Minister during the course of the debate. (840 words)

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Beautiful language for dictation and speed writing

TRANSCRIPTION NO. 237 (Speech of hon. Finance Minister)

The very informing and very useful debate that we have had on the Motion has, I am sure, given Government / a great deal of food for thought. Many suggestions have which I have been thankful to find are / very been made largely in accordance with Government's own ideas on the problems which DEVALUATION has thrown up, and I have no doubt / in my mind that, when we set up a suitable machinery for bringing about increased possibilities of consultation between the / Government and Parliament in these matters, we should be able to push things forward to a satisfactory stage. (100) I am glad that my hon. colleagues, the Ministers of Food, and Supply, and Commerce and Industry have been able to participate / in this debate, because most of those ISSUES which have been raised in the course of the debate are issues / which are concerned with the Ministries which they represent and they are naturally able to speak with fuller knowledge / about them.

I wish in the little time that I have at my disposal this evening to confine myself to certain / broad considerations which honourable members have raised in the course of the discussion. I am fully in agreement with the (200) suggestion made by various speakers that what we need today at the stage that we have reached is not so / much more proposals as more willingness, ability and readiness to implement proposals. The question of implementation is really the most / vital question that we have to face today. The more I think of the economic problems with which the country / is faced today, the more I feel that at bottom they are not really economic problems in the sense of / technical economics, but they are really problems of administration. A You look at any of these problems which are causing us (300) worry and anxiety in these days. You will find that deep down they resolve themselves into problems of efficient / and honest administration.

Now, the question of administration is bound up very closely with the other idea which has been suggested / by several honourable speakers, namely, the idea of co-ordination. When honourable members speak of co-ordination, they are thinking apparently only of Government at the highest level that we here represent I beg to suggest to the House that / from the point of view of co-ordination, what is more important is co-operation at a much lower level than that we represent. (400)

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As far as the Centre is concerned, there has been a suggestion made from various quarters of the House that / what we seem to be suffering from, as far as the Central Government is concerned, is lack of co-ordination / between the various Ministries. For some months now, we have been working with an Economic Committee of the Cabinet in / which all the Ministers who are economic side with concerned the administration meet often, sometimes twice a week, / to consider jointly the economic problems that affect them all. And since I am, perhaps, very directly concerned with the working (500) of that Committee, I think I have some right to say that we have made a certain measurable degree of / progress in the matter of co-ordination at the Centre. But as my honourable friend, Dr. Shyama Prasad Mukherlee mentioned, the question / of coordination is equally important as between the Centre and the States. Some of our greatest difficulties arise / from the fact that under the kind of of Constitutional system under which we are working today, policy is laid down by the Centre; / but the execution of the policy is in the hands of State Governments. If there is not enough coordination, (600) if there is not sufficient attempt on the part of the two agencies of Government to get together and work / out their problems jointly, we shall not be able to make the progress that we all desire. I do hope/in the days which are immediately ahead of us, as soon as the Constitution has come into force, we probably / shall have at our disposal a more effective machinery for this purpose.

Sir, in the speech which I made on / the Motion before the House I placed before honourable Members the programme that the Government have in mind in order to (700) meet the difficulties created by devaluation. If I may take the most important of the difficulties that we have to face, / the most important directions in which Government have to move, I would

mention three particularly.

Now, I come to / the main Bill. It goes without saying that a change is needed in the PATENTS law because our last Act / is of 1911. when this country 1911 is a period industrially not / at all developed. It is very necessary to see how our law should be modified in order that the patents law (800) is not DETRIMENTAL to consumer interest and is not REJUDICIAL to the industrial development of the country. If the law / stands against these two, then it has to be changed. Therefore, an attempt has been made to change the law. (840 words)

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Sir Kailash Chandra's 'SHORTHAND TRANSCRIPTIONS', F-35, East of Kailash, New Delhi For pleasurable dictation TRANSCRIPTION NO. 238 (Speech of hon. Finance Minister)

The third point I think that we have got to keep in mind, to which my honourable friend, Dr. Shyama Prasad, / has referred, is the question

of increasing the productive capacity of the country. That, of course, goes to the / root of all the problems with which we are faced, and in the circumstances in which we are placed, I have no doubt / that all the agencies of Government concerned with production would do their best to

meet this difficult situation. /

Suggestions have been made by honourable Members to the EFFECT that there should be a suitable machinery which would (100) enable Government to take into confidence representative elements of the House so that the proposals which Government have in hand / might be formulated and might be implemented with their assistance. Government have decided to appoint a committee, an AD HOC committee, for the purpose of considering what measures should be taken to meet the problems created by / devaluation and also to determine whether adequate progress is being made in the matter of implementing these proposals from time to time. / Government have accepted the proposals made by honourable Members to that effect and I hope, with the approval (200) of the Deputy Prime Minister to make a very early announcement of the composition and TERMS OF REFERENCE, of the Committee. /

There are just one or two other matters that I want to refer to. There has been a great / deal of reference during the debate to the question of our relation to <u>STERLING</u>. Although honourable Members like Prof. Ranga/were prepared to admit that formally now there is no such thing as a link between the rupee and the / sterling, circumstances are such that there appears to be a link, which we are not able to get away from, (300) and I have no doubt that what he has at the back of his mind is that since all this trouble / arises from the fact that the greater part of our trade is with the sterling area, it is necessary that / we should reorganise our trade in such a manner that the sterling area will not dominate our foreign trade / to the extent that it does now. The difficulty about that is this. As Pandit Thakurdas Bhargava said in his speech yesterday, you cannot get away OVERNIGHT from the COMMITMENTS which history has made for us during the last many years. (400)

It is a very difficult thing to build up trade connections, but it is a quite easy thing to destroy them. / Rightly or wrongly, for purely ACCIDENTAL reasons or by historical developments, it so happens today that most of our trade / connections are with the countries in the sterling area, and I think it would be a mistake from the point / of view of our own interests to do anything which will destroy these long standing trade connections which are of very / great help to us. What we might do in order to achieve the kind of objective that honourable Members have in mind, (500) is not to reduce or to destroy the trade connections which we have in the sterling area, / but to build up new connections in other areas, so that the existing trade connections that we have in the sterling / area would not be so large a proportion of our total 1. foreign trade. That is really the direction in which / we ought to move.

There is one other point I want to raise. That is a point which Mr. Munshi / mentioned that the circumstance which seems to stand in the way of increasing production in the country, of helping progress (600) on saving and investment is the way in which the Income Tax administration of the country is doing its job. / I have been in very close touch with the subject because of representations I have had from various quarters and / my own feeling is that the officers of our Income Tax Department, engaged as they are in an extremely / thankless job are trying to do their best in order to BRING ABOUT a better TRADITION in this matter. /

I have for sometime felt that one of the difficulties of our Income-tax administration is that we have not yet been (700) able to establish /... anything like a satisfactory LIAISON between the Income-tax administration and the public with whom / that administration deals. In other countries, I think there has been a great deal of development by research in the / matter of CULTIVATING satisfactory relations between those who collect income-tax and those who pay it. It is one of / my objects at present in regard to the question of income tax that we should have some kind of organisation / which will give our officers in the Income-Tax Department the right attitude with regard to the question of dealing with the public. (800 words)

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TRANSCRIPTION NO.239

Sir, if I intervene at this stage of the debate, it is not for the purpose of saying much on / the factors which led to devaluation because that is a matter which has already been dealt with by the / Finance Minister, but I would like to confine my remarks mainly to one aspect of the problem which has been / emphasised by more speakers than one, and that is with regard to the effects of devaluation on production in India. / It was some comfort to find that in some matters at least, we had support from strange quarters - I mean (100) my honourable friends, the previous speakers, who very ably justified the large imports of capital goods which have come to / this country in the course of the last year.

So far as the effect of devaluation on production is concerned, / let us remember that it is not devaluation alone but two other important factors that have come to play / during the last few months. One is our decision to restrict imports which was announced almost a few days before the / announcement of devaluation which had a RESULTANT effect on the prices of commodities in India, especially on those commodities (200) which were being imported in large BULKS during the last one year. Secondly, the rise in the cost of production of essential / commodities in this country for which reason unfortunately we have not been able to check the rise in the / cost of living. Over and above these, devaluation has come.

Now, Sir, the question which has been asked " by many speakers / is what steps Government proposes to take for the purpose of controlling rise in prices in India and for the / purpose of increasing production FOR, after all, let us not forget that if we want to import less and export (300) more, we will have to produce more in India. If we want to import less and, at the same time, / serve the essential economic needs of the people, we will have to produce more in India. I am not 🛫 going / to take your time in disclosing the large number of schemes which Government has prepared in the course of the / last two years some of which are ready to be implemented. Now, it will be a very serious matter not / only for the Government but for the House and the country as well if several schemes have to be <u>postponed</u>) (400)

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One of my honourable friends said in the course of the debate today that many of these schemes are developed/in a HAPHAZARD manner. I join issue there. We have heard a lot about the need for greater co-ordination./ I am aware that there is room for greater co-ordination not only amongst the different Ministries but also between the Centre/ and the States and, if I may say so, between the Government <u>and the members of this</u> House, and if / I may add a little further, between the Government and the people of this country. In fact, I feel (500) more and more today that there is considerable CLEAVAGE between the Government and the people because of lack of information on the part of the people of the steps which Government has taken in the course of the last two years / in spite of tremendous ODDS and difficulties. Here, if I may say in all HUMILITY, is a responsibility which Members / of this House, particularly those belonging to the great Congress organisation, have to take upon themselves. You have to go / to the people and have got to INSPIRE them to the needs of the situation to explain to them what (600) Government has done so that you may get the largest possible response from the people. That gap has come into existence. \to Let us not throw BOUQUETS at each other and say that Government should do it and vou should not. / But the fact, remains that the gap is there and the question is how that gap can be filled up / and people's enthusiasm can be fully ROUSED.

So far as Government's schemes are concerned, I might very briefly ALLUDE to / one or two schemes so that the House will be able to realise how their non-implementation may adversely affect (700) the economic conditions of the country. The House is aware that we have entered into a contract with a well-known / Swiss firm for the manufacture of machine tools. It is a big scheme which will cost India nearly Rs. 150 / to 280 crores. We are importing today about Rs. 80 crores worth machine tools. The Prime Minister pointed out / yesterday, and quite rightly, that this is one of the basic industries which must develop in this country if we / are going to progress industrially. How far that scheme will be affected now is more than what I can say (800) because we have to settle the question of priorities and decide which are the schemes with which we will go ahead. / The same principle applies with regard to the production of steel. After considerable efforts, we have completed our labours. (840 words)

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

Authentic passage for TEST for Grade C and Grade D Exams.

Speech of hon. Finance Minister,
Shri T.T. Krishnamachari, in the Lok Sabha

TRANSCRIPTION NO. 240

Sir, I rise to move: "That the situation <u>arising</u> out of devaluation of the rupee in terms of the dollar / be taken into consideration."

The subject of this Motion is ADMITTEDLY one of GRAVE importance to the country, / and I am aware that as Minister of Finance, there is a special responsibility which rests upon me in this matter. / I feel, Mr. Speaker, that the best way in which I can discharge this responsibility to the House and to the / country is by placing before the 'House a true, clear, UNVARNISHED picture of the situation as I see it. (100)

First of all, I would like to ACQUAINT the House with the circumstances which led step by step to the situation / with which we are now faced. I would like to take the House back to about four months ago when, / on account of the severe DRAIN upon the dollar resources of the countries included in the sterling area, there began / RUMOURS in Europe, and particularly in America, that it would be impossible for the pound sterling, which stands as the / master currency of this area, to maintain any longer its exchange value. These rumours became so strong that it was necessary (200) for the <u>United Kingdom</u> to get into consultation with other countries primarily concerned with the dollar currency, that is, / U.S.A. and Canada, regarding the measures necessary for REMEDYING this situation.

The House is aware that some time / last June I was expected to proceed to London to discuss the question of the sterling balance with the British / Chancellor of the Exchequer. I was due to have started from Delhi somewhere about the 20th June, the official delegation / from the country having gone there a little earlier. Then a message came from the Prime Minister of the United Kingdom (300) to our Prime Minister that in view of the severe strain upon the resources of the sterling area, the / Government of the United Kingdom felt it necessary to summon a conference of the Finance Ministers of the Commonwealth countries / to discuss this problem. That conference was scheduled to take place some time in the first week of July and, / in consultation with the Prime Minister, therefore, I decided to postpone my visit to London until early in July. / The Commonwealth Ministers Conference took place about the end of the first week of July in 1958. (400)

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We sat for three days and we considered the measures which should be taken by the countries included in the / sterling area to increase our dollar resources and to reduce our expenditure of dollar. Various resolutions were framed at this / conference and the whole idea of the Conference was that the resolutions passed at that Conference were to provide the / basis on which the British Chancellor of the Exchequer, so to speak the Managing Agent of the Sterling area, was / to hold talks later in the year, sometime in September, with the U.S. Treasury and with the Canadian Government. (500)

It is an important point to remember, and I should like to lay some stress on it, / that the Commonwealth Ministers' Conference prepared the BRIEF on which the Washington talks were to be based and I want further / to draw the attention of the House to the fact that in the whole of that brief prepared by the / Commonwealth Ministers' Conference, there was no reference to the subject of devaluation. That subject was not discussed at the Conference. / There was not even so much as a reference to the subject

at the Conference.

Then came the talks in (600) Washington in September. The talks at Washington are between the British Chancellor of the Exchequer, the U.S. Secretary of / the Treasury and the Minister of Finance of the Canadian Government. The Commonwealth countries were not represented in this Conference. / The understanding was that the British Chancellor of the Exchequer would argue the case for the sterling countries on the / short note prepared by the Commonwealth Ministers' Conference. I may say, INCIDENTALLY, that in view of the great importance of these talks in relation to our finances and the general economy of our country, the Government of India felt it (700) necessary to direct Mr. Chintaman Deshmukh, who is now our representative in matters of external finance in Europe and America, / to proceed to Washington, some time before these talks began, so as to be present there in the capacity of / an informal observer. From public statements which have been made, I understand that before the British Chancellor of the Exchequer / and the British Foreign Minister went to Washington, apparently a decision had been taken to devalue the POUND sterling. /

The next stage to which I want to carry these preliminary observations is that the first information that we received here (800) regarding the decision of the U.K. Government to devalue the pound sterling was contained in a message which was sent by Mr. Attlee to Pandit Jawabarlai Nehru. We had to see the REPERCUSSIONS of devaluation of

the British currency. (840 words)

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

The authoritative passage

TRANSCRIPTION NO.241 Statement by hon. Finance Ministermade in the Lok Sabha

At the instance of the Prime Minister, we had a Cabinet meeting to discuss this whole matter and it was / held at 10 p.m on Friday, the 16th ... September, the day on which we got this message. The Prime / Minister fixed the meeting for 10 o'clock at night, because Mr. Rama Rao's PLANE was expected to reach here / about 8 o'clock in ~ the evening and it was thought that his presence at the Cabinet meeting would help / me and my ~ colleagues in coming to a decision on this very difficult subject. Unfortunately, the plane which brought (100) Mr. Rama Rao was delayed by about eight hours. He did not arrive here till early in the morning on Saturday. / In the meantime, we discussed this question at the meeting of the Cabinet on Friday night and having reviewed the / subject from all angles, we came to the conclusion that in the circumstances there was no solution possible for the / Government of India except to DEVALUE the rupee to the same extent as the pound sterling. I should like to say / before I proceed any further that although the British Chancellor of the Exchequer had CATEGORICALLY denied that there was (200) any intention on the part of the U.K. Government to devalue the pound sterling, it OCCURRED to me / from such indications as I gathered in London that the possibility of the pound sterling being devalued. was not ALTOGETHER to / be dismissed. Therefore, we arranged that our technical advisers in the Government of India here and our technical advisers in / the Reserve Bank should at once SET ABOUT an EXHAUSTIVE and detailed examination of this whole problem, which they did. / The result of this examination was that in case the pound sterling was devalued, we should devalue the rupee to (300) the same extent. That same advice was given to me by Mr. Chintaman Deshmukh. In that opinion, the Governor of / the Reserve Bank fully CONCURRED. 3

We held another meeting of the Cabinet on Saturday morning at which the Governor of / the Reserve Bank was present and the members of the Cabinet, therefore, had an opportunity, so to speak, of REASSESSING / the position in the light of the account which the Governor of the Reserve Bank brought to us of the / whole position. We came to the conclusion that the best course was to devalue the rupee to the same extent. (400)

ack of 240)

Sir Kaila

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The meeting of the <u>International Monetary Fund</u> at Washington to consider the general revision of the exchange values of the / currencies of all the member countries was being held on Saturday, the 17th, the day on which we came to / our final decision. But I was informed by Mr. Chintaman Desmukh that he was able to get the International Monetary Fund / to postpone the examination of our case until Sunday so that we might have a little more time / to > examine the position. At 3 p.m on Saturday, on the decision arrived at by the Cabinet, I sent a (500) cable to Washington to say that we would propose to the International Monetary Fund / that the rupee should be devalued / in the manner that we decided on. I wanted at that time to inform our neighbours, Ceylon and Pakistan, cf / our decision to make this proposal to the International Monetary Fund. But I could not very well do it on / Saturday because Saturday was a business day, and I thought, in view of the great DELICACY and secrecy attaching to / this particular matter, that the earliest time when I could send a message safely to our neighbours was Sunday morning. (600) On Sunday morning, therefore, I despatched two telegrams, one to the Ceylon Government and the other to the Pakistan Government, /informing them that we were making this proposal \(\zeta \) to the International Monetary Fund.

I would like to make a reference / to Ceylon in this connection because, my friend, the Finance Minister of Ceylon, immediately after devaluation was decided on — both / of his currency and of ours made a statement in this Parliament to the effect that he had not been / consulted by the Indian Government. I want to place before the House the facts in this connection. Two days before, (700) we received the message from Mr. Attlee, because of the RUMOURS which started all over the world regarding the possible / decision of the U.K. Government. The High Commissioner of Ceylon came to see me on the 14th, that is, / as I said, two days before we received this message from Mr. Attlee. And he said, there were all these / rumours about devaluation and in view of the CLOSE currency relations between Ceylon and India, he thought it was necessary / that the two countries should act in consultation with each other. I entirely agreed with the view that he put (800) before me and I told him two things. First of all, the matter had not been formally and officially considered / by our Cabinet, in view of the conclusions reached in the expert investigations that had been going on for long. (840 words)

A rarely available passage

TRANSACTION NO.242

Statement by hon. Finance Minister in the Lok Sabha.

There is just one word that I want to say with regard to the procedure adopted by the U.K. Government. / I do not wish in the least to complain because I am fully aware of the difficulties which CONFRONTED / the U.K. Government in this matter, because one of the matters which I presume ultimately led to this decision / of the U.K. Government was that because of these wild rumours FLOATING about the world, there was a vast/movement of sterling from the U.K. to other countries and probably events compelled them to act in the way they (100) did. They were faced with a very difficult and a very DELICATE situation. I Pmake the fullest allowance for / that fact. NEVERTHELESS, I feel that if arrangements had been considered in time, it would have been possible for the / U.K. Government to take the Commonwealth Ministers more fully into their confidence than they APPARENTLY did. I say that / for this reason, that in the Commonwealth Ministers' Conference which was CONVENED for the very purpose of discussing the dollar / situation, there was no reference whatever to the subject of devaluation and if, as I understood it, the 🗻 resolution passed (200) by the Commonwealth Ministers' Conference provided the brief for the Washington talks, then the decisions reached at Washington by the / representatives of the U.K. Government, in my opinion, exceeded the brief that the Commonwealth Ministers gave the British / Chancellor of the Exchequer., I cannot help thinking that in a matter which so VITALLY affects the whole economy of every / country in the sterling area, steps should have been taken to arrange for a secret meeting of the Finance Ministers /of the_ Commonwealth countries before this decision was SPRUNG upon them regarding three matters: the need for devaluation, the extent (300) of devaluation and the time of devaluation. Lam quite aware of this. that any such conference would have intensified / the rumours that were already FLOATING about but if I had 🗻 been in Sir Stafford Cripps' place what I would / have done would have been something like this. Here was the Washington conference discussing this matter on the brief prepared / by the Commonwealth Ministers' .~ Conference. It could have been arranged that a report should be made by the Chancellor of / the ... Exchequer to the Commonwealth Ministers' Conference of the results of the talks which he held on the brief we prepared. (400)

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But that could have been made the OSTENSIBLE INCIDENTALLY, object of the conference. would have enabled Sir Stafford Cripps / to ACQUAINT us really with the circumstances that led to this final decision.

Let me say again that I make / this statement because I feel we have been placed in a position which led not merely to inconvenience to ourselves also inconvenience to our neighbours, Ceylon and Pakistan, and I think every effort should have been made to avoid / the inconvenience

that was caused in that way.

Now, I proceed to tell the House what PRECISELY are the reasons (500) which led us to take the decision we did. I want to make perfectly clear that although I feel / LOGICALLY on the basis of economic facts, there was a case for devaluation both of the pound sterling and of / the rupee. I should have liked to face this problem and to come to my decision regarding the problem after / a good deal of more deliberation than I was allowed time for. I feel that in this matter I have had / to act not on CONVICTION born of LOGIC necessarily but, so to speak, by the compulsion of events. (600) I am not happy that to make a decision in those circumstances. Nevertheless, since the pound sterling was / devalued, I felt, and my colleagues entirely agreed with me, that there was no other course open to us. / I say that for this very good reason. Nearly 75 per cent of the export trade of this country is / with the countries in the soft currency areas. Therefore, when sterling was 75 devalued if we did not devalue, the result / would , o have been that our export trade to these countries would not merely have greatly DIMINISHED but in course of time (700) in certain important directions might have been WIPED OUT altogether Lancashire PIECEGOODS competing with our PIÈCEGOODS in the markets / of the sterling area, Ceylon tea competing with our tea in the same area, East African groundnuts competing with our / groundnuts, South African MANGANESE competing with our manganese, and so on. The position was really serious and we could not / afford to take the risk involved in keeping the value of the rupee at a higher rate when it was / . A likely to lead to these extremely grave consequences for the country. It is not merely that our export trade would (800) have suffered, the DWINDLING of our export trade would straightaway)have reacted upon our import trade because the only way / in which we can pay for our imports is by earning foreign exchange by our exports to the Western Countries. (840 words)