

Wednesday
7th December, 1949

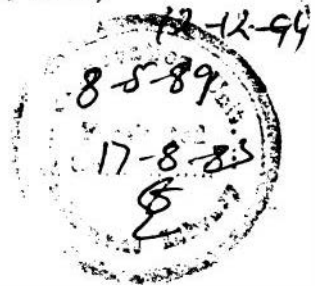
THE
CONSTITUENT ASSEMBLY OF INDIA
(LEGISLATIVE) DEBATES

(PART I—QUESTIONS AND ANSWERS)

OFFICIAL REPORT

VOLUME IV, 1949

(28th November to 24th December, 1949)



SIXTH SESSION
OF THE
CONSTITUENT ASSEMBLY OF INDIA
(LEGISLATIVE)

1949

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CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) DEBATES

PART I—QUESTIONS AND ANSWERS

Wednesday, 7th December, 1949

The Assembly met in the Assembly Chamber of the Council House at a Quarter to Eleven of the Clock, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

LOCAL ADVISERS FOR INDIAN STUDENTS IN U.K. AND U. S. A.

*369. **Shri R. K. Sidhva:** (a) Will the Honourable Minister of Education be pleased to state whether Government have appointed local advisers for Indian students in the U.K. and U.S.A.?

(b) If so, what will be their functions?

(c) What are the names of these advisers?

(d) What will be the expenditure involved in these appointments?

آنریبل مولانا ابوالکلام آزاد : (a) گورنمنٹ نے یو۔ کے۔ اور یو۔ ایس۔ اے۔ میں کوئی خاصی اڈوائزر ہندوستانی و دیارتھیوں کھلئے نہیں رکھا ہے۔ ہاں۔ ایجوکیشنل اور کلچرل کاموں کھلئے ایجوکیشنل افسر رکھے ہیں۔
(b) to (d) . یہ سوال پھندا نہیں ہوتے۔

The Honourable Maulana Abul Kalam Azad: (a) Government has not appointed any advisers for Indian students in the U. K. and U. S. A. Government has appointed Educational Officers in both countries for educational and cultural work.

(b) to (d). Do not arise.

شری آر۔ کے۔ سدھوا : کہا میں جان سکتا ہوں کہ یہ جو کلچرل کام کھلئے رکھے گئے ہیں ان کا کام کیا ہے ؟

Shri R. K. Sidhva: May I know what are the functions of those who have been engaged for cultural work?

آنریبل مولانا ابوالکلام آزاد : مختلف ایجوکیشنل کام ہوتے ہیں۔ ہمیں معلوم کرنا ہوتا ہے کہ کن پرزورستہوں میں جگہ مل سکتی ہے کن میں نہیں مل سکتی۔ اسی طرح کے دوسرے تعلیمی اور کلچرل کام۔

The Honourable Maulana Abul Kalam Azad: There are educational works of various nature. We have to find out in which of the Universities seats can be available and in which not. And so are other cultural and educational works.

Sjt. Kunalhar Chakraborty: May I know whether it is the duty of these advisers to find out the dollar requirements of the students?

آنریبل مولانا ابوالکلام آزاد : یہ انکی خاص کمپنی نہیں ہے لیکن انکمیشنس کی جہسی کچھ ضرورتیں ہوتی ہیں، اور انکی نوٹس میں لٹی جاتی ہیں، انکا وہ ضرور خیال رکھتے ہیں -

The Honourable Maulana Abul Kalam Azad: This is not the special duty assigned to them. But the requirements of the students, of whatever nature, if brought to their notice, are surely looked after.

شری دیپن بلدھو کہتا : کیا یہ کہی طلباء سے ملتے ہیں ؟

Shri Dashbandhu Gupta: Do they ever come into contact with the students?

آنریبل مولانا ابوالکلام آزاد : جب کہی ضرورت ہوتی ہے ملتے ہیں -

The Honourable Maulana Abul Kalam Azad: Whenever necessity arises, they do meet them.

شری آر - کے چندھوا : کیا یہ ہول ٹائم افسر ہیں ؟

Shri R. K. Sidhva: Are they whole-time officers?

آنریبل مولانا ابوالکلام آزاد : ہاں -

The Honourable Maulana Abul Kalam Azad: Yes, Sir.

شری دیپن بلدھو کہتا : کیا ان میں کوئی صاحب ایسے ہیں جو یو - ایس - اے کی کسی یونیورسٹی میں پورے ہوں یا وہاں کے حالات سے واقف ہوں یا وہاں کا کوئی تجربہ رکھتے ہوں ؟

Shri Dashbandhu Gupta: Is there any officer amongst them who received his education in any of the Universities in the U. S. A. and is conversant with the conditions prevailing there or possesses experience in the affairs of that country?

آنریبل مولانا ابوالکلام آزاد : گورنمنٹ نے ان کے لئے یہ کوالیفیکیشن ضروری نہیں سمجھا -

The Honourable Maulana Abul Kalam Azad: Government have not considered it necessary to prescribe this qualification for them.

سردار بھوپندر سنگھ مان - جو یہ رقم کئے ہیں ان پر کیا اخراجات ہیں ؟

Sardar Bhopinder Singh Man: What is the expenditure involved on the employment of these officers?

آریہیل مولانا ابوالکلام آزاد - یہ میں اپنی نہیں بتا سکتا۔

The Honourable Maulana Abul Kalam Azad: I cannot give this information at the moment.

ALLOTMENT OF LAND TO HOUSING SOCIETIES

*370. **Shri B. K. Sidhva:** (a) Will the Honourable Minister of Health be pleased to state whether any land has been allotted to any Housing Society in Delhi since 1st January, 1949?

(b) Has any other society applied for allotment of land and if so, with what result?

(c) Is it a fact that Nav Bharat Co-operative Housing Society has sent a number of reminders to the Ministry of Health to expedite this question and if so, with what result?

(d) What is the reason for this delay?

The Honourable Rajkumari Amrit Kaur: (a) No.

(b) to (d). A number of Co-operative Housing Societies including the Nav-Bharat Co-operative Housing Society applied for allotment of land and some of them have sent in reminders also. The whole question of allotment of land to co-operative societies in Delhi at concessional rates has been examined but it is found that it is not practicable to allot land within the urban area at concessional rates beyond what has been made available for allotment to displaced persons.

I may also say that I have since spoken to Mr. Sidhva, and further avenues are being explored in regard to the allotment of lands for this Society or for other co-operative societies outside urban areas.

Sardar Bhopinder Singh Man: May I know whether the land that is being procured for housing purposes is being acquired from agriculturists or is it land not used for agricultural purposes?

The Honourable Rajkumari Amrit Kaur: I think it applies to both.

Shri Deshbandhu Gupta: May I ask whether it is a fact that about 10,000 acres of land have been notified by the Delhi Improvement Trust for various Town Expansion schemes in the suburbs of Delhi and that all these lands have remained undeveloped during the last ten years: neither the Trust developed the land, nor were Housing Companies or private individuals allowed to develop them? What do Government propose to do in the matter?

The Honourable Rajkumari Amrit Kaur: As far as the land which belongs to the Improvement Trust is concerned about 2,000 acres have been allotted for housing for displaced persons. That is really 80 per cent. of the land that belongs to the Improvement Trust. Out of the remaining 20 per cent., 15 per cent. has been occupied in an unauthorised way again by displaced persons. There is thus very little land today left to the Improvement Trust.

Sardar Bhopinder Singh Man: May I ask whether, in the case of the agriculturists who are being dispossessed of their land, any alternative arrangement is made for them?

The Honourable Rajkumari Amrit Kaur: I believe alternative arrangement is always sought to be made for them.

Shri M. Tirumala Rao: Is it a fact that some of these plots are being allotted to higher bidders most of whom are capitalists from Delhi, in preference to displaced middlemen?

Mr. Speaker: I think these questions were dealt with in the last session, if I remember rightly.

Shri Dashbandhu Gupta: May I know whether during the last one year the Delhi Improvement Trust has prepared any development scheme?

The Honourable Rajkumari Amrit Kaur: If the Honourable Member wants to have that information I will have detailed information provided to him.

Sardar Bhopinder Singh Man: May I know what are the alternative arrangements referred to by the Honourable Minister?

Mr. Speaker: To give lands to those agriculturists whose lands are acquired.

The Honourable Rajkumari Amrit Kaur: If it is at all possible alternative land is given to them wherever feasible.

NEW DESIGNS FOR CURRENCY NOTES

*371. **Shri B. K. Sidhva:** (a) Will the Honourable Minister of Finance be pleased to state whether it is a fact that the designs for new currency notes have been finalised?

(b) If so, what are those designs and when are the new notes likely to come into circulation?

(c) What is the cause for the delay in introducing the new currency notes?

The Honourable Dr. John Matthai: (a) Yes.

(b) The main feature of the new designs is the replacement of the King's Portrait by the Capital of the Asoka Pillar. The new notes are likely to be put into circulation with effect from the 26th January, 1950.

(c) It has not been possible to put the new notes into circulation earlier for the following reasons: (i) The watermark had to be changed and paper with the new watermark had to be obtained from the United Kingdom, (ii) the new designs had to be prepared and approved, and (iii) the large stock of printed notes and of paper of the existing watermark had to be used up before the new design notes could be printed.

Shri B. K. Sidhva: I could not follow the answer to the question when the new notes are likely to be put into circulation.

Mr. Speaker: 26th January, 1950.

Shri B. K. Sidhva: May I take it that new design coins also will be put into circulation on, 26th January, 1950?

The Honourable Dr. John Matthai: They are also under preparation.

Dr. P. S. Deshmukh: Is it contemplated to print over the old notes something to indicate that there has been a change in the Government of India?

The Honourable Dr. John Matthai: I do not quite know what the Honourable Member is driving at. The main change is the replacement of the King's effigy by the Asoka Pillar. There are various other changes which are more or less in regard to artistry of the thing. I have no doubt that if the Honourable Member will see them it will delight his heart.

Shri Kishorimodan Tripathi: May I know the possible date when the new rupee coins will be introduced?

The Honourable Dr. John Matthai: I cannot give the information straight-away.

Shri Raj Bahadur: May I know whether the Government contemplate withdrawing the notes already in circulation after the introduction of the new notes?

Mr. Speaker: Order, order.

Shri R. K. Sidhva: May I know whether a sample of the new design will be laid on the Table?

Mr. Speaker: Next question.

EXPENDITURE OVER AND ABOVE THE BUDGET GRANT

***372. Shri R. K. Sidhva:** Will the Honourable Minister of Finance be pleased to state:

(a) whether it is a fact that large amounts over and above the budget grant have been spent by various Ministries during the last year and this year;

(b) if so, under whose and what authority these payments were made before the supplementary grants were passed by the Assembly; and

(c) what action Government have taken in the matter?

The Honourable Dr. John Matthai: (a) Last year expenditure was incurred by a number of Ministries in excess of the sums provided in the budget but this was regularised by obtaining the necessary supplementary grants from the Assembly before the close of the year. In the current year no Ministry has upto now exceeded the grant placed at its disposal.

(b) In each case sanction to incur expenditure in excess of the budget provision was given by the Finance Ministry after satisfying itself that the expenditure was both unavoidable and justified. This is not inconsistent with the provisions of the Government of India Act, 1935, which only requires that all excesses over budget grants should be covered by supplementary grants before the end of the financial year.

(c) Instructions have recently been issued to all Ministries that no expenditure which has not been provided in the budget should be incurred without the prior approval of the Standing Finance Committee and in anticipation of the voting of funds by the Legislature except in very urgent cases.

Shri R. K. Sidhva: May I know, Sir, whether the Government of India Act says that the amount spent over and above the budget sanction can be used before the supplementary grant is passed by the Legislature? If so, may I know under what provisions of the Act Ministries can spend money without the previous sanction of the Legislature?

Mr. Speaker: This is a question with reference to the Act.

Shri R. K. Sidhva: May I know whether there is any provision to that effect?

Mr. Speaker: The Honourable Member can himself look into the provisions. This is not a matter which is within the special cognisance of the Minister only.

Dr. P. S. Deshmukh: May I know if, along with the approval of the Standing Finance Committee, the consent or approval of the Standing Committee of the Ministry concerned would also be required?

The Honourable Dr. John Matthai: As far as I am concerned, the Standing Finance Committee which advises me on questions of expenditure is duly consulted.

Shri R. K. Sidhva: I wanted to know whether it is within the power of any Ministry to spend money without the sanction of the House before a supplementary grant is passed.

Mr. Speaker: In the form in which the Member puts the question, it becomes a matter of opinion a matter of interpretation. He can ask if such sanction is taken as a matter of fact or not.

Shri R. K. Sidhva: May I know from whom the sanction is taken before the money is spent?

The Honourable Dr. John Matthai: Before the money is spent, in the first instance the sanction of the Finance Ministry has got to be obtained. At present the practice is that—it is only a matter of pure convention—before any expenditure is incurred even after sanction by the Finance Ministry, the matter has got to be placed before the Standing Finance Committee and excepting in very urgent cases it must also be placed before the Legislature in the form of a supplementary grant. If I may say so, there is no constitutional provision which requires the Ministry not to incur expenditure unless the previous sanction of the Legislature is obtained. All that is necessary is that a supplementary grant be obtained before the close of the financial year.

Shri R. K. Sidhva: Is the Auditor General's sanction necessary?

The Honourable Dr. John Matthai: No.

*373. [WITHDRAWN].

RETIREMENT OF GOVERNMENT SERVANTS

*374. **Shri R. K. Sidhva:** (a) Will the Honourable Minister of Home Affairs be pleased to state whether it is a fact that a memorandum has been issued to all Ministries of the Government of India in connection with retirement of Ministerial Government servants at the age of 55?

(b) How many are still in service who have attained the age of 55 and also the age of 60?

(c) What are the reasons for not retiring these incumbents permanently?

The Honourable Sardar Vallabhbhai Patel: (a) The Honourable Member's attention is invited to the reply given to Starred Question No. 930 on the 7th March 1949, and to the Ministry of Home Affairs Office Memorandum No. 26/6/49-Esta., dated 9th December, 1948 referred to therein.

(b) and (c) Presumably the Honourable Member is referring to those who under the rules can ordinarily serve upto the age of 60 and are retained in employment after that age. I have information relating to offices situated in Delhi and New Delhi only. Only ten such persons are in service, having been re-employed on account of their specialised experience. The term of re-employment of five of them is due to expire this month. The cases of others are being reviewed.

Shri R. K. Sidhva: May I know whether the terms of those persons due to expire next month will be continued or terminated? Will they be extended?

The Honourable Sardar Vallabhbhai Patel: No.

Mr. Frank Anthony: What is the reason for the rejection by the Government of the Central Pay Commission's recommendation that the age of superannuation of Government servants should be fixed at 58?

Mr. Speaker: I think the Government did not accept the recommendation of the Central Pay Commission in this regard.

Dr. P. S. Deshmukh: It will be very unfair to the younger people.

The Honourable Sardar Vallabhbhai Patel: The recommendation of the Pay Commission is to the effect that their service may be extended up to 60. The Government did not consider that this recommendation would be in the interests of the efficiency of the service.

LABOUR CONDITIONS IN ANDAMANS

***375. Dr. Mono Mohon Das:** (a) Will the Honourable Minister of Home Affairs be pleased to state whether there is any Labour Officer in the Andaman Islands?

(b) What are the numbers of (i) temporary and (ii) permanent labourers in the islands?

(c) What are their respective salaries under the Government?

The Honourable Sardar Vallabhbhai Patel: (a) There is at present no officer employed exclusively on the duty of looking after labourers in the Andamans. Each Department of the Andamans Administration looks after the welfare of the labourers working under it under the general supervision of the Chief Commissioner.

(b) (i) 1141, (ii) 3087.

(c) The standard rate in the case of both temporary and permanent labourers is Rs. 17 per mensem with usual dearness allowance of Rs. 35 per mensem.

Dr. Mono Mohon Das: May I know whether foodstuffs are made available to these labourers at control rates?

The Honourable Sardar Vallabhbhai Patel: I am not able to answer this question now. I want notice.

Dr. Mono Mohon Das: Have these labourers come from the mainland of India or whether they were born in those islands?

The Honourable Sardar Vallabhbhai Patel: Both.

Shri Mahavir Tyagi: They could be born either here in India or there. They cannot be born in both places.

Sardar Bhopinder Singh Man: What are the different projects on which this labour, temporary as well as permanent, is working?

The Honourable Sardar Vallabhbhai Patel: There are no projects at present.

Sardar Bhopinder Singh Man: I wanted to know the nature of this labour, whether it is agricultural, commercial or industrial.

The Honourable Sardar Vallabhbhai Patel: There is no industry or commerce there. The labour is mostly building, forest and plantation labour.

BRITISH OFFICIALS

***376. Dr. Mono Mohon Das:** (a) Will the Honourable Minister of Defence be pleased to state the number of British Officials in the Indian forces, Land, Navy and the Air?

(b) How many of them are technicians?

(c) How many of them are on teaching staff?

The Honourable Sardar Baldev Singh: (a) to (c). The total number of British officers employed in the three Services is 277. Of this number, about 75 per cent. are employed in technical and teaching appointments. In addition, about a hundred British civilian officers are also similarly employed.

Dr. Mono Mohon Das: May I know whether these officers are serving with the Indian Army in their individual capacity or they have been lent from the British Army by the British Government?

The Honourable Sardar Baldev Singh: The question of my Honourable friend is not clear. Of the officers whose services have been made available to us, some on contract, some belong to the Indian Army and some belong to the British Army. I do not know what his purpose is but all of them are under an agreement with the Defence Ministry.

Dr. Mono Mohon Das: May I know whether the continuance of these officers in the Indian Army depends upon the agreement or upon the sweet will of the British Government?

The Honourable Sardar Baldev Singh: It depends on the terms of the agreement and the extension of the terms of the agreement is up to us, whether an officer is required for one year, two years, five years or more.

Dr. Mono Mohon Das: May I know in what other capacity these British Officers are serving apart from technicians and teachers?

The Honourable Sardar Baldev Singh: These 277 officers who are employed in the armed forces are serving as technicians and in training institutions. There is no other service in which these officers are employed.

Shri Ari Bahadur Gurung: May I know if there are any Americans?

The Honourable Sardar Baldev Singh: No, Sir.

Prof. Shibban Lal Saksena: Are not Indian officers available to replace them?

The Honourable Sardar Baldev Singh: Indian officers with requisite experience were not available and that is why we had to employ some and we had to keep some in order to keep up the efficiency of the armed forces.

Shri Mohan Lal Gautam: Are there any non-British officers employed?

The Honourable Sardar Baldev Singh: I could not say off-hand but most probably not. If however my Honourable friend wants to know I can get him the information.

Dr. Mono Mohon Das: May I know whether these officers are paid salaries according to the rates in the Indian army?

The Honourable Sardar Baldev Singh: According to the contract rates agreed to.

Prof. Shibban Lal Saksena: Is any attempt being made to replace them by Indians?

Mr. Speaker: The answer is obvious.

Shri Mahavir Tyagi: Have these officers been taken by our choice or have they been forced on us?

Mr. Speaker: Order, order.

Shri Arun Chandra Guha: Are there any foreign officers in the regular fighting forces?

The Honourable Sardar Baldev Singh: There may be a few but our endeavour has been not to keep any such officers in the fighting forces.

Shri Ajit Prasad Jain: What steps, if any, are Government taking to train and equip Indian officers to fill up these jobs and how soon do they propose to train such persons?

The Honourable Sardar Baldev Singh: Every possible effort is being made for training officers.

WARDHA SCHEME

*377. **Dr. Mono Mohon Das:** (a) Will the Honourable Minister of Education be pleased to state whether Government have taken into consideration the 'Wardha Scheme of Education' of Mahatma Gandhi?

(b) If so, what steps have been taken by Government in this connection?

انریبل مولانا ابوالکلام آزاد : (a) and (b) : آنریبل میمبر کو سوال نمبر ۳۷۷ اور نمبر ۹ کی طرف دھیان دلایا جاتا ہے جو ۱۷ فروری سنہ ۱۹۴۹ء کو شری کیشو راؤ نے اور ۳ مارچ کو شری بسنت کمار داس نے کیا تھا۔ جو جواب ان کا دیا گیا تھا وہ یہ ہے کہ واردہ اسکیم کا مہون (main) پرنسپل یہ تھا کہ پڑھائی اس طرح کی ہونی چاہیئے کہ بچے کام کاج کرتے ہوئے تعلیم پائیں۔ اس اسکیم کو گورنمنٹ آف انڈیا نے مان لیا ہے۔ بیسک ایجوکیشن کا سسٹم اسی پرنسپل کو دھیان میں رکھ کر بنایا گیا ہے۔ سینٹرل ایڈوائزی بورد آف ایجوکیشن نے جس سسٹم کی سفارش کی ہے اور سینٹرل اور پرائونشل گورنمنٹیں جس سسٹم کو کام میں لا رہی ہیں وہ یہی سسٹم ہے۔ ہاں ایک بات میں (main) واردہ اسکیم کے ساتھ گورنمنٹ کی اسکیم پوری طرح نہیں مل سکی۔ واردہ اسکیم چاہتی ہے کہ پڑھائی کا پورا خرچہ بچوں کی بنائی ہوئی چیزوں سے نکالا جائے۔ مگر ابھی تک جو تجربہ ہوا ہے اس سے یہ بات پوری ہوتی دکھائی نہیں دیتی۔ تمام پرائونٹوں کی گورنمنٹیں بیسک ایجوکیشن اسکیم چلا رہی ہیں۔ انہوں نے اپنے گورنمنٹ پلان میں یہ اسکیم بھی رکھی ہے۔ سینٹرل گورنمنٹ جو انہیں بلاک گرانٹ دے رہی ہے اس کا ایک بتوارا اس کام پر بھی لگایا جاتا ہے۔

سینٹرل گورنمنٹ ایسا لٹریچر بھی تیار کر رہی ہے جو ان اسکولوں کے ٹیچروں کو بچوں کے کام میں لیا جائے گا۔

The Honourable Maulana Abul Kalam Azad: (a) and (b). The Honourable Member's attention is invited to the replies already given to the starred question No. 454 by Shri V. C. Kesava Rao on 17th February, 1949 and to starred question No. 829 by Shri Basanta Kumar Das on 3rd March, 1949.

The following is the gist of the replies given before. The main principle of the Wardha System of Education of Mahatma Gandhi, which is 'lean-

ing through activity' has been accepted by the Government of India. The Basic System of Education recommended by the Central Advisory Board of Education and generally accepted by the Central and Provincial Governments mainly conforms to the Wardha System of Education, the chief point of difference being that it has not yet been found possible to achieve complete economic self-sufficiency as advocated by the Wardha Scheme.

All the Provinces have implemented the scheme of Basic Education and have included it in their development plans for which they receive some block grants from the Centre.

The Centre is also taking steps for the production of literature for Basic School children and teachers.

Dr. Mono Mohon Das: What financial help are the Central Government giving to the provinces in which basic education has been introduced?

آنریبل مولانا ابوالکلام آزاد : میں نے ابوی کہا ہے کہ سنٹرل گورنمنٹ سے جو بلاک گرانٹ دی جاتی ہے وہ اس کام پر بھی خرچ کی جاتی ہے -

The Honourable Maulana Abul Kalam Azad: I have just stated that the block grant which is given by the Central Government is also utilized for this purpose.

Dr. Mono Mohon Das: What arrangements have been made for training teachers to impart this basic education in the provinces?

آنریبل مولانا ابوالکلام آزاد : مختلف پروانوں میں ٹریننگ اسکول کھولے گئے ہیں اور کوشش کی جا رہی ہے کہ ان کی تعداد بڑھتی جائے -

The Honourable Maulana Abul Kalam Azad: Training Schools have been opened in different Provinces and effort is being made to increase the number thereof.

Dr. Mono Mohon Das: What is the number of students in the schools?

Mr. Speaker: It is more or less a provincial subject.

Shri Arun Chandra Guha: Is the scheme adopted by the Government of India, the Sargent Scheme or the Wardha Scheme?

آنریبل مولانا ابوالکلام آزاد : اب جو اسکیم چلائی جا رہی ہے اس کے پوری طرح سارجنٹ اسکیم نہیں کہا جا سکتا - وارڈھا اسکیم کا میں پرنسپل اس میں شامل ہے -

The Honourable Maulana Abul Kalam Azad: The scheme which is now in force cannot be exactly described as the Sargent Scheme. This embodies the main principle of the Wardha Scheme.

Shrimati G. Durgabai: What is the total number of schools based on the scheme which are directly working under this Government and what is the total amount of expenditure on these?

آنریبل مولانا ابوالکلام آزاد : یہ تو میں ابھی نہیں بتا سکتا -

The Honourable Maulana Abul Kalam Azad: I cannot give this information at the moment.

Shri Mihir Lal Chattopadhyay: May I know whether any Central Institute for the training of teachers has been opened by the Central Government?

آنریبل مولانا ابوالکلام آزاد : ہاں -

The Honourable Maulana Abul Kalam Azad: Yes, Sir.

Shri Mihir Lal Chattopadhyay: Where is it situated?

آنریبل مولانا ابوالکلام آزاد : دہلی -

The Honourable Maulana Abul Kalam Azad: In Delhi.

Shri S. V. Krishnamoorthy Rao: Is it the intention of the Government to replace the present system of education by the Wardha System of education and if so, in how many years?

آنریبل مولانا ابوالکلام آزاد : گورنمنٹ پوری کوشش کر رہی ہے - لیکن ابھی یہ کہنا مشکل ہے کہ کتنی مدت میں یہ کام پورا ہو سکیگا اسلئے کہ فائینڈیشنل وقتوں کی وجہ سے بہت سے راستے بند ہو چکے ہیں -

The Honourable Maulana Abul Kalam Azad: Government are doing their best. But it is difficult to say at present how long it will take to complete this task because due to financial stringency so many avenues have been closed.

श्री एच. वी. कामथ: दिल्ली प्रांत में इस स्कीम के अनुसार कितनी शालाओं में बुनियादी तालीम दी जा रही है।

Shr. H. V. Kamath: What is the number of schools in Delhi Province in which basic education is being imparted in conformity with this scheme?

آنریبل مولانا ابوالکلام آزاد : میں یہ تعداد ابھی نہیں بتا سکتا -

The Honourable Maulana Abul Kalam Azad: I cannot give this number at the moment.

MATERNITY AND CHILD WELFARE HOMES

*378. **Shri Satis Chandra Samanta:** (a) Will the Honourable Minister of Health be pleased to state how many Maternity and Child Welfare Homes are there in the centrally administered areas?

(b) How many are managed by Government?

(c) How many are under private management?

(d) How many receive aid from Government?

(e) What is the amount spent by the Government of India for this purpose during the year 1948-49?

The Honourable Rajkumari Amrit Kaur: (a) to (e). A statement is laid on the Table of the House (See Appendix X, annexure No. 1.).

Shri Satis Chandra Samanta: Do Provinces and States receive any subsidy for maternity and child welfare?

The Honourable Rajkumari Amrit Kaur: They run their own health schemes out of the block grant given to them by the Central Government.

Shri Satis Chandra Samanta: Do the Central Government directly help any maternity and child welfare institutions in the provinces and states?

The Honourable Rajkumari Amrit Kaur: The provinces are autonomous as far as health is concerned.

Sardar Bhopinder Singh Man: In the centrally administered areas are there any maternity and child welfare homes situated in the rural areas?

The Honourable Rajkumari Amrit Kaur: I would have to have notice of that question.

Shrimati G. Durgabai: How many of these centres are going to be affected by the economy cuts of the Government?

The Honourable Rajkumari Amrit Kaur: None of the existing centres are going to be affected but of course all schemes of future expansion will naturally be affected.

Shri R. K. Sidhva: Has any maternity and child welfare centre been opened in any village in the centrally administered area?

The Honourable Rajkumari Amrit Kaur: Yes.

Shri Deshbandhu Gupta: In view of the fact that the population of Delhi has almost doubled, do Government contemplate to open more centres?

The Honourable Rajkumari Amrit Kaur: I have already expanded facilities for maternity and child welfare in the Irwin Hospital, the Safdarjung Hospital and also in some municipal hospitals.

Shri Deshbandhu Gupta: Is that sufficient?

BUDGET DEFICIT

*379. **Seth Govind Das:** Will the Honourable Minister of Finance be pleased to state:

(a) whether the report of a deficit of Rs. 45 crores in the budget of the current year is correct;

(b) if so, the causes of this deficit and to what extent it has been due to market disparities in the estimates and the actuals of the budget; and

(c) the steps Government have taken to meet the deficit and which of the new undertakings or grants for extension have been suspended?

The Honourable Dr. John Matthai: (a) and (b). The Honourable Member should await my Budget speech.

(c) Government have decided to enforce a reduction of five per cent. in the establishment expenditure and ten per cent. in Travelling Allowances and Contingencies in the proportionate grant for the rest of the year and a reduction of 20 per cent. of the budget grant in the provision for development expenditure. It is not possible to give details of all undertakings and grants affected by these general orders.

† Answer to this question laid on the table, the questioner being absent.

INCOME-TAX

†*380. **Seth Govind Das:** Will the Honourable Minister of Finance be pleased to state:

(a) whether there is any proposal to bring the integrated Indian States at par with the rest of India so far as the levy of income-tax is concerned;

(b) the time by which the integrated States will come in line with the rest of India in respect of income-tax; and

(c) the steps that are being taken to achieve this end as soon as possible?

The Honourable Dr. John Matthai: (a) The Indian Income-tax Act and other laws relating to Taxation on Income have already been applied to the integrated States.

(b) The income arising in the State up to the date of merger, i.e., the 1st August 1949, will be assessed at the rates in force in the state immediately before the date of merger and the income arising thereafter will be assessed at the Indian rates.

(c) Does not arise.

EXAMINER OF CAPITAL ISSUES

†*381. **Seth Govind Das:** Will the Honourable Minister of Finance be pleased to state:

(a) whether it is a fact that the office of the Examiner of Capital Issues is being abolished; and

(b) if so, what steps Government propose to take to safeguard money being used for production of comparatively unessential goods?

The Honourable Dr. John Matthai: (a) The reply is in the negative.

(b) Does not arise.

GANDHI MURDER TRIAL

*382. **Shri Mahavir Tyagi:** Will the Honourable Minister of Home Affairs be pleased to state the total expenditure incurred on the Gandhi Murder trial?

The Honourable Sardar Vallabhbhai Patel: The total expenditure incurred so far in respect of the Mahatma Gandhi Murder Case amounts to Rs. 9,64,338/3/-.

Shri Mahavir Tyagi: How much of the amount goes to lawyers?

The Honourable Sardar Vallabhbhai Patel: Rs. 3,86,213 to the principal lawyer who was in charge of the case, viz., the Advocate General of Bombay, Rs. 1,36,343/12/- to Mr. N. K. Pettigara who was assisting the principal lawyer. To Mr. J. C. Shah, another advocate from Bombay who was assisting, Rs. 1,03,283. That is all for the lawyers.

Shri Deshbandhu Gupta: How much of this will return to the Government in the shape of income-tax?

The Honourable Sardar Vallabhbhai Patel: That question will probably be answered by the Honourable Finance Minister.

Shri Raj Bahadur: What are the other heads under which expenditure has been incurred in this behalf and the amount under each?

The Honourable Sardar Vallabhbhai Patel: Contingent charges Rs. 21,308, lodging and board Rs. 22,017, payment of establishment Rs. 25,057. Police (Sardar Kartar Singh) Rs. 10,800. Mr. Jwala Prasad Rs. 38,604, pay of Special

† Answer to this question laid on the table, the questioner being absent.

Judge Rs. 26,487, additions and alterations for the building in the Red Fort Rs. 41, 800 and Police Rs. 1,52,200.

Shri R. K. Sidhva: May I know whether besides this any consultation fees were paid to any lawyers?

The Honourable Sardar Vallabhbhai Patel: No, there are no separate charges of that nature. This includes the whole thing.

Shri L. Krishnaswami Bharathi: The Honourable the Home Minister said that the principal lawyer got over Rs. 3 lakhs and odd. May I know what is the basis of the remuneration—is it on daily basis?

The Honourable Sardar Vallabhbhai Patel: The usual basis for lawyers of standing.

RASHTRIYA SWAYAM SEWAK SANGH

†*383. **Shri R. L. Malviya:** Will the Honourable Minister of Home Affairs be pleased to state:

(a) whether any undertaking was given by the R.S.S. Chief to the Government that the organisation will eschew its violent policy;

(b) whether any correspondence has passed between the Sangh and the Government on the subject; and

(c) whether the Sangh has agreed to stop giving military training to its members?

The Honourable Sardar Vallabhbhai Patel: (a) and (b). The attention of the Honourable Member is drawn to the Press Communique dated the 12th July, 1949 issued by the Ministry of Home Affairs.

(c) There is no question of the Sangh agreeing to stop giving military training; no such training can be given by any non-official organisation except with the permission of the Government.

HYDERABAD ADMINISTRATION

†*384. **Shri R. L. Malviya:** (a) Will the Honourable Minister of States be pleased to state whether the Government have reached any decisions regarding the future of Hyderabad administration?

(b) Is there any possibility of a responsible ministry functioning in Hyderabad in the near future?

(c) Has the Communist violence been brought under control in Hyderabad?

The Honourable Sardar Vallabhbhai Patel: (a) and (b). As the Honourable Member is aware, we have replaced the Military Governor by a senior Civilian officer. This officer and the present Members of the Hyderabad Government will function as a Council of Ministers. The elections to the Constituent Assembly of the State are likely to be held by March 1950 and it is not possible to say anything about any further change until after the election when the matter will be reviewed.

(c) As a result of the firm and determined handling of the situation by the Administration, the trouble has been localised and on the whole is well under control.

† Answer to this question had on the table, the questions being about

PRIVILEGE TICKET ORDER

†*385. **Shri R. L. Malviya:** (a) Will the Honourable Minister of Home Affairs be pleased to state why the Privilege Ticket Order was withdrawn by Government?

(b) What is the amount of economy estimated by this withdrawal?

The Honourable Sardar Vallabhbhai Patel: (a) As a temporary economy measure, necessitated by the present acute financial stringency.

(b) The concession has been in operation only for a year and it cannot be estimated on one year's expenditure alone, how much Government has saved on this account.

ECONOMY COMMITTEE

*386. **Shri Basanta Kumar Das:** (a) Will the Honourable Minister of Finance be pleased to state what posts, if any, have been retrenched in different Ministries following the recommendations of the Economy Committee?

(b) In what other respects have their recommendations been given effect to?

(c) What will be the estimated annual savings from the implementation of their recommendations?

The Honourable Dr. John Matthai: (a) to (c). Detailed consideration of the recommendations of the Economy Committee by the Standing Committees of the Legislature attached to various Ministries and by the Standing Finance Committee revealed that there would be inordinate delay in giving effect to them. Meanwhile as the financial position deteriorated, it was found that in order to effect greater economies expeditiously it would be better to impose lump sum cuts on the budget provision of each Ministry. Accordingly each Ministry was asked to cut its expenditure on travelling allowance and contingencies by ten per cent. on pay and allowances by five per cent. and its capital expenditure by 20 per cent. The estimated saving on account of these cuts is about Rs. 40 crores in the year 1949-50.

Sardar Bhopinder Singh Man: When will the Report of the Economy Committee be made available to the Members of the House?

The Honourable Dr. John Matthai: I will see to it that it is done as early as possible.

Shri Mohan Lal Gautam: May I know which of the Departments accepted the recommendations of the Economy Committee *in toto* and which of them rejected the recommendations *in toto*?

The Honourable Dr. John Matthai: The proposals of the Economy Committee in regard to all the Ministries were under discussion concurrently by the Standing Finance Committee and then the Committee felt—and I plead guilty—that better progress would be made by adopting a somewhat different procedure.

Shri Deebanandhu Gupta: May I know whether it is contemplated to reduce the size of the Cabinet also as a measure of economy?

The Honourable Dr. John Matthai: I am afraid that question should be addressed to the Honourable the Prime Minister.

† Answer to this question laid on the table, the questioner being absent.

Shri S. V. Krishnamoorthy Rao: May I know what was the cut recommended by the Economy Committee?

The Honourable Dr. John Matthai: It was a variety of proposals that were contained in the recommendations of the Economy Committee. As far as I can recollect, the total saving in the first year would be somewhere of the order of Rs. 8½ crores.

Shrimati Benuka Ray: Can the Honourable Minister inform the House as to the total amount of cut taken by the Defence Ministry?

The Honourable Dr. John Matthai: No, Sir.

EARNINGS IN FOREIGN EXCHANGE

*387. **Shri Kishorimohan Tripathi:** (a) Will the Honourable Minister of Finance be pleased to state the ways and means by which the total earnings both on Government and private account in foreign exchange, particularly dollar are ascertained?

(b) Have Government come across any instance where Indian exporters have not given correct account of their earnings in foreign exchange, particularly dollar, or where Indian importers have misused the quota of foreign exchange made available to them?

The Honourable Dr. John Matthai: (a) The total earnings of foreign exchange both on Government and on private account are ascertained by means of statistical returns which are furnished periodically to the Reserve Bank of India by the banks authorised to deal in foreign exchange.

(b) Yes; cases of this kind have come to Government's notice and action is being taken against the offenders under the Foreign Exchange Regulations Act, 1947 (VII of 1947).

REDUCTION IN PRICES

*388. **Shri Ajit Prasad Jain:** Will the Honourable Minister of Finance be pleased to state:

(a) the steps, if any, taken to reduce the price of essential commodities in pursuance of the eight-point programme laid down by the Government in connection with devaluation of the rupee;

(b) the names and the percentage of reduction of prices of essential commodities; and

(c) the decrease in the price of (i) foodgrains, (ii) sugar, (iii) cloth, (iv) iron and (v) cement?

The Honourable Dr. John Matthai: (a) to (c). In regard to reduction in prices of foodgrains, sugar and cloth, I would invite the attention of the honourable Member to the press Communiques issued by the Government on the 27th and 28th October, 1949, copies of which have been placed in the Library of the House. As regards iron and steel, the price of pig iron has been reduced by about seven per cent. and a proposal to effect a similar reduction in the statutory selling price of steel is now under consideration. No reduction could be made in cement prices. Coal prices have been reduced by about four per cent. and in addition a rebate of 12½ per cent. on railway freight has been granted on all coal consumed by the cotton textiles, paper and cement industries.

Shri Ajit Prasad Jain: What has been the overall effect on the cost of living index figures as a result of these reductions?

The Honourable Dr. John Matthai: It is a little too soon for these reductions to be reflected either in the Wholesale Prices Index or in the Cost of Living Indices.

Shri Ajit Prasad Jain: May I know whether there has been any reduction in the cost of trading?

The Honourable Dr. John Matthai: I do not quite know what the Honourable Member means.

Shri Ajit Prasad Jain: The charges of trading, I mean.

The Honourable Dr. John Matthai: In regard to these essential commodities, as I told the House during the Devaluation debate, Government propose to get this reduction in the retail selling prices effected by means either of a reduction in the firm or factory and/or a reduction in incidental charges or by both. It is very difficult for me to give precise figures in regard to each category in respect of incidental charges.

Shri Ajit Prasad Jain: It was stated that the Government wanted to make an overall reduction of about ten per cent. When is that target hoped to be achieved, and how?

The Honourable Dr. John Matthai: As regards foodgrains, the matter has been under discussion with Provincial Governments and I think the decisions so far reached amount to a reduction in various parts of the country from three to fifteen per cent. If you make a weighted average for the whole of India my impression is it would come to somewhere about eight or ten per cent.

Shri M. Tirumala Rao: Have all Provincial Governments agreed to implement the policy of the Government of India in regard to the reduction of prices on foodgrains? If not, what are the Provinces which have differed materially from the Central Government?

The Honourable Dr. John Matthai: It is very difficult for me to give a precise answer to that question, but I am not aware of any Province which has not agreed to the Central Government's proposals to some extent or the other.

Shri Deshbandhu Gupta: May I know whether Government is satisfied that there will not be any shortage of cloth hereafter and that the present level of prices will be maintained?

The Honourable Dr. John Matthai: I am afraid that question should be addressed to my honourable colleague the Minister for Industry and Supply.

Prof. Shibban Lal Saksena: May I know what other steps Government propose to take for reaching the ten per cent. target?

The Honourable Dr. John Matthai: The matter is under constant review.

Shri Arun Chandra Guha: Have Government taken care to see that in reducing the prices of foodgrains the procurement price is not so cut down...

Mr. Speaker: Order, order. It is a suggestion for action.

Shri Ajit Prasad Jain: May I know whether Government propose to provide sanctions for reduction of prices by legislation or leave the matter to gentleman's agreement between Government and producers?

The Honourable Dr. John Matthai: So far it has been by agreement and I personally think it would be possible for us to continue that arrangement.

PORTRAIT OF SUBHAS BOSE

*389. **Shri H. V. Kamath:** Will the Honourable Minister of Defence be pleased to state:

(a) whether the attention of Government has been drawn to a news item with the caption "They can't bear it" which appeared in *The Nation* of Calcutta, dated October 15, 1949;

(b) whether the allegation made therein regarding the removal of the portrait of Netaji Subhas Chandra Bose from the premises of the Ishapur Ordnance Factory of the Government of India is correct; and

(c) if so, what action has been taken by Government in the matter?

The Honourable Sardar Baldev Singh: (a) Yes.

(b) and (c). The allegation is not correct. The portrait was not removed "mysteriously" but shifted to another place in front of another room, about five yards away, in the same building.

Shri H. V. Kamath: Is a uniform policy pursued by Government with regard to the portraits of all our great men or is any invidious distinction made in the case of Netaji Subhas Chandra Bose?

Mr. Speaker: I think it infers so much.

Shri H. V. Kamath: Is it a fact that early this year, sometime in February 1949, an order was issued by Headquarters, Bombay Sub Area, directing all Units that photos of Netaji Subhas Chandra Bose be not displayed at prominent places in Unit Lines, Canteens, Quarter-guards or Recreation Rooms; there is no objection to its being displayed at some obscure corner of a barrack in lines. Is it a fact.....

Mr. Speaker: Order, order.

The Honourable Sardar Baldev Singh: Sir, as far as this question is concerned I would require notice. But I think I have already made the position quite clear to my honourable friend when he asked for this information privately. And may I add that the Government have got the highest regard for the sacrifices of Subhas Chandra Bose and no action of anybody, in giving orders to remove his photo arbitrarily, will be tolerated. But where military discipline is concerned, there are certain orders. For instance, in regard to messes etc. the photos of military officers are generally hung there.

Shri H. V. Kamath: Is the Honourable Minister in a position to assure the House that no attempt on the part of Government officers, to belittle or decry the personality and achievements of Netaji Subhas Chandra Bose will be countenanced or tolerated by the Government?

Mr. Speaker: Is it not covered by that answer?

Shri H. V. Kamath: If you, Sir, think it is covered, then of course I don't press it.

Shri Jaspal Roy Kapoor: May I know from what particular paper Mr. Kamath is quoting?

Shri H. V. Kamath: I shall give it to my friend later.

PRE-FABRICATED HOUSES

*390. **Shri H. V. Kamath:** Will the Honourable Minister of Health be pleased to state:

(a) the name of the person who was deputed to England by the Government of India to investigate and make a report on the possibility of setting up a factory in India for the manufacture of pre-fabricated houses;

(b) whether he was also authorized to negotiate with a British firm in that connexion;

(c) what were his previous qualifications and experience regarding pre-fabricated houses;

(d) how long did he stay in England, and the basis and contents of his report;

(e) the name of the British firm with whom he concluded the deal; and

(f) whether a similar plan for the manufacture of pre-fabricated houses had been earlier submitted by him to the Government of Mysore, and rejected by the latter?

The Honourable Rajkumari Amrit Kaur: (a) Dr. O. H. Koenigsberger, formerly Government Architect and Town planning officer, Mysore State Government, and now Director of Housing under the Government of India, Ministry of Health.

(b) and (e). The then Finance Minister Shri Shanmukham Chetty conducted on behalf of the Government of India negotiations, with Messrs. Structural and Mechanical Development Engineers Ltd., Slough, United Kingdom, and Dr. Koenigsberger assisted him. As a result these negotiations an agreement was concluded by Government with the firm referred to.

(c) He is a Doctor of Engineering of the Berlin University and has specialised in the subjects of housing and town planning. He had experience of planning schemes for pre-fabricated houses in Germany. Since then, he has kept himself in touch with developments in the mass manufacture of houses in different countries.

(d) He stayed in England for 25 days from the 7th June to 1st July, 1948. His report is based on inspections of pre-fabricated housing estates and factories in England and Scotland, study of plans for the mass manufacture of houses and housing components and discussions with Departments of the Government of the United Kingdom which are concerned with the housing problem. The report contains (i) brief particulars of the various methods of pre-fabrication adopted in England, (ii) recommendations for the erection of a pre-fabricated housing factory in India with drawings, specifications, etc., and (iii) a draft agreement with a British firm selected for the supply of the pre-fabricated housing plant and machinery for consideration of the Government of India.

(f) Information has been called for from the Government of Mysore and will be placed on the Table of the House in due course.

Shri H. V. Kamath: When Dr. Koenigsberger was deputed to England for investigating and making a report on this matter, was he authorised by Government to conclude a deal and submit any draft agreement with any firm in England?

The Honourable Rajkumari Amrit Kaur: No, Sir, everything was referred to the Government of India.

Shri H. V. Kamath: Is it not a fact that Dr. Koenigsberger submitted a draft agreement with Messrs. Structural and Mechanical Development Engineers Ltd., Slough, and that agreement was then taken up by Government?

The Honourable Rajkumari Amrit Kaur: Dr. Koenigsberger went with the then Finance Minister and the then Finance Minister felt that this British firm would be a useful firm to have an agreement with and therefore a draft agreement was prepared there but it was referred back to the Government of

India and no action was taken until the Government of India had looked into the matter and finally taken a decision on it.

Shri H. V. Kamath: What is the position—did the Finance Minister submit this draft agreement or Dr. Koenigsberger?

The Honourable Rajkumari Amrit Kaur: The Finance Minister was deputed to look into this matter and Dr. Koenigsberger was deputed by the Government of India to go with him. At that time the question of housing here was very important for displaced persons. Dr. Koenigsberger had been here and after a decision by the Government he was deputed to go to England with the Finance Minister.

Shri H. V. Kamath: Were any changes made by Government in the draft agreement submitted by Dr. Koenigsberger to the Finance Minister?

The Honourable Rajkumari Amrit Kaur: I am not in a position to answer that.

Shri H. V. Kamath: Was Dr. Koenigsberger in Mysore Government service at the time he was deputed to England?

The Honourable Rajkumari Amrit Kaur: He left Mysore Government service to come to the Government of India.

Shri H. V. Kamath: Was it before or after he was deputed to England?

The Honourable Rajkumari Amrit Kaur: I cannot tell the exact date.

Sjt. Rohini Kumar Chaudhuri: Was any attempt made with the British firm to send their representative here for negotiations instead of sending our officer there, so that the whole matter could be discussed here before sending an officer?

The Honourable Rajkumari Amrit Kaur: No.

Shri B. K. Sidhya: May I know whether this British firm, with whom the deal has been concluded and who are putting up a factory in Delhi, have got a similar factory of their own in the U.K. for manufacturing pre-fabricated houses?

The Honourable Rajkumari Amrit Kaur: Yes, Sir, they have a factory in the United Kingdom and are doing extensive work there.

Shri Mohan Lal Gautam: Did the representatives of the Government who went to England to negotiate this, take any help from the representatives of the Indian Embassy there?

The Honourable Rajkumari Amrit Kaur: Yes, Sir.

Shri H. V. Kamath: Is it not a fact that that British firm submitted a similar scheme of pre-fabricated houses to the Mysore Government in 1947 and that Government rejected that scheme?

Mr. Speaker: Order, order. The question has been replied to that the information is being called for from the Mysore Government.

Shrimati G. Durgabai: May I know whether the terms of the agreement include terms also for giving training to Indians, and if so, has the training actually started and how many are being trained?

The Honourable Rajkumari Amrit Kaur: Training is being given to Indians. I could not tell the Honourable Member how many are actually under training at the moment.

Shri H. V. Kamath: Is it a fact that in spite of the fact that Dr. Koenigsberger's report stated that prototypes are expensive and give little indication of the cost of the ultimate product such prototypes were ordered in this country and work is proceeding?

Mr. Speaker: The Honourable Member seems to go on arguing on this matter.

Shri H. V. Kamath: This is a fact, Sir.

Mr. Speaker: An argument also is a fact sometimes.

Sjt. Rohini Kumar Chaudhuri: Sir, my last question was not understood. I want to know, in order to avoid the expenditure of sending people from here to England, why attempts were not made to persuade that firm to send representatives so that negotiations could be carried on here?

Mr. Speaker: It is a matter of inference, argument and a suggestion for action, all combined.

NATIONAL FESTIVALS

*391. **Lala Raj Kanwar:** Will the Honourable Minister of Home Affairs be pleased to state the names of National Festivals which Government observe or propose to observe in the country?

The Honourable Sardar Vallabhbhai Patel: Only one: Independence Day.

Lala Raj Kanwar: May I know whether Government will consider the feasibility of observing Dusserah and Diwali as National festivals?

Mr. Speaker: Order, order. It will not be a legitimate question—it is a suggestion for action.

Lala Raj Kanwar: May I know whether Government spends any money on the illumination of public buildings on the occasion of Dewali?

The Honourable Sardar Vallabhbhai Patel: Government do not propose to spend nor have Government in the past spent any money on that.

OSMANIA MEDICAL DEGREE.

*392. **Dr. V. Subramaniam:** (a) Will the Honourable Minister of Health be pleased to state whether it is a fact that the Osmania Medical Degree (Hyderabad, India) is not recognised by the Indian Medical Council, while the British Medical Council have recognised it; if so, why?

(b) What are the Universities, which grant Medical Degrees in Modern Medicine in India?

(c) How many students received Medical Degrees in India in 1946, 1947 and 1948?

The Honourable Rajkumari Amrit Kaur: (a) The Medical Degree of the Osmania University (Hyderabad-Deccan) is not recognised by the Medical Council of India. This degree is also not recognised by the General Council of Medical Education and Registration of the United Kingdom.

(b) and (c). A statement showing the Universities and other authorities in India which grant medical degrees in Modern Medicine and the number of persons who were awarded such degrees in 1946, 1947 and 1948 is placed on the Table of the House. (See Appendix X, answers No. 2.)

*393 [WITHDRAWN.]

† Answer to this question laid on the table, the questioner being absent.

HOLD-UPS AND DACOITIES IN DELHI

*394. **Pandit Mukut Bihari Lal Bhargava:** (a) Will the Honourable Minister of Home Affairs be pleased to state the number of thefts, burglaries, day light robberies and dacoities in the Provinces of Delhi and Ajmer Merwara during the last 3 years and the current year, and the extent of the loss of life and property resulting therefrom?

(b) What is the extent and value of the recovered property and what percentage does this bear to the total loss suffered by the public?

(c) In how many cases were the thieves, dacoits, etc., traced and arrested and how many prosecutions were launched and what was the number of convictions or acquittal?

The Honourable Sardar Vallabhbhai Patel: (a) to (c). A statement giving the required information is laid on the Table of the House. (See Appendix X, annexure No. 3).

Pandit Mukut Bihari Lal Bhargava: May I know whether the number is on the increase?

The Honourable Sardar Vallabhbhai Patel: No.

STERLING BALANCES

*395. **Shri B. P. Jhunjhunwala:** Will the Honourable Minister of Finance be pleased to state:

(a) whether the attention of the Government has been drawn to the statement made by Mr. Attlee, the British Prime-Minister, in the House of Commons on the 27th October, 1949, and published in the *Hindustan Times* of 29th October 1949, while dealing with the questions of sterling balances, when he said, "We have to cut it down as much as we can"; and

(b) whether there has been any communication since then on this question?

The Honourable Dr. John Matthai: (a) Yes.

(b) I would refer the Honourable Member to the statement which I made on this matter in the course of my speech on the motion for consideration of the Sterling Balances Agreement on the 29th of November, 1949.

Shri B. P. Jhunjhunwala: In view of the fact that such assurances have been given in the past several times and in spite of them the British Chancellor of the Exchequer or the Prime Minister or Mr. Churchill go on repeating some thing to the effect that the sterling balances should be scaled down, has any attempt been made by our Government so that this question may not be raised in future?

The Honourable Dr. John Matthai: I must ask my honourable friend to have a little more confidence in himself. If the question is one of reducing the releases from the sterling balances in future, that would be a matter of bilateral agreement and we would have a good say in the matter. If, on the other hand, it is going to be a partial repudiation of sterling balances, the House may rest assured that Government would know how to handle the situation.

BRITISH INVESTMENTS IN INDIA

*396. **Shri B. P. Jhunjhunwala:** (a) Will the Honourable Minister of Finance be pleased to state whether Government have got an estimate made of the total British investment in India, and if so what is its total value?

(b) What is the total amount of other foreign investments in India?

The Honourable Dr. John Matthai: (a) and (b). As the House is already aware, the Reserve Bank of India has undertaken a Census of Foreign Liabilities and Assets of India as on 30th June, 1948. It was originally anticipated that the final results of the Census would be available by June, 1949. Owing however, to requests to extend the date of the submission of returns up to the 30th March, 1949, and the time required for enacting parallel legislation in the States and Unions, the preliminary results are now likely to be available only after the end of December, 1949. It is not possible therefore at this stage to estimate the amount of either British or other foreign investments in India.

Shri Kishorimohan Tripathi: Is any enquiry being conducted to know the investments of Indians in foreign countries also?

The Honourable Dr. John Matthai: It is not part of this enquiry.

HOARDED CURRENCY NOTES

*397. **Shri B. P. Jhunjhunwala:** Will the Honourable Minister of Finance be pleased to state whether the Reserve bank has got any estimates as to the value of currency notes in hoarding in the whole of India and if so, how much is it?

The Honourable Dr. John Matthai: No, Sir.

STANDING FINANCE COMMITTEE

*398. **Shri Ajit Prasad Jain:** (a) Will the Honourable Minister of Finance be pleased to state whether it is a fact that the Standing Finance Committee at its meeting on the 25th/26th March 1949 decided to have a comparative statement showing the expenditure incurred annually at present by the Government of India on their Diplomatic and Trade Missions abroad and the expenditure incurred in three years—year by year—during the pre-independence period?

(b) Has the comparative statement referred to in part (a) above been prepared, and if so, do Government propose to place a copy of the same on the Table of the House?

The Honourable Dr. John Matthai: (a) Yes.

(b) Copies of two statements as circulated to members of the Standing Finance Committee are placed on the Table of the House. (See *Appendix X, annexure No. 4.*)

STANDING FINANCE COMMITTEE

*399. **Shri Ajit Prasad Jain:** (a) Will the Honourable Minister of Finance be pleased to state whether it is a fact that the Standing Finance Committee at its meeting on the 25th/26th March 1949 decided to set up a sub-committee to examine in detail the Defence Estimates for 1949-50?

(b) Was the Sub-committee referred to in part (a) above set up?

(c) What are the findings of the Sub-committee?

The Honourable Dr. John Matthai: (a) Yes.

(b) A memorandum was circulated to the members of the Standing Finance Committee in May, 1949, suggesting the formation of a sub-committee for the examination of Defence Estimates. As, however, the Committee was busy at that time with the examination of the Economy Committee reports, no action could be taken in the matter. Thereafter the members were pre-occupied with the work of the Constituent Assembly and had also to consider several important civil expenditure schemes. The matter was again taken up in September 1949, but as the Rules of Procedure of the Legislature under the New Constitution and setting up of an Estimates Committee were then under consideration, it was felt that the matter should be deferred till a decision on the setting up of an Estimates Committee was taken.

(c) Does not arise.

Shri B. Das: How long will it take for the Government or the Standing Finance Committee to reach a decision that there should be an Estimates Committee in the House?

The Honourable Dr. John Matthai: It is not a matter for the Standing Finance Committee.

Shri Ajit Prasad Jain: May I know whether the idea to set up a sub-committee has been abandoned or it is still under consideration and the sub-committee will be set up?

The Honourable Dr. John Matthai: It has been for the time being dropped pending a decision on that wider issue.

Shri B. Das: Will the Defence estimates for 1950-51 be placed before the sub-committee of the Standing Finance Committee before the Honourable the Finance Minister incorporates them in the Budget estimates?

The Honourable Dr. John Matthai: My reply covers that point.

Shri B. Das: It does not cover it. We do not know one way or other how Budget estimates will be shaped?

Mr. Speaker: He is arguing. Next question.

MEDICAL OFFICERS

*400. **Sjt. Kuladhar Ohalika:** (a) Will the Honourable Minister of Health be pleased to state the number of I.M.S. and I.A.M.C. officers released after the World War No. 2?

(b) How many of them have been re-employed by the Government?

(c) Is it a fact that the medical officers, who served during the last War, were given the assurance of employment in other medical services, such as State or Railway medical Services?

(d) What facilities have been provided for rehabilitation of the released medical officers in civil life?

The Honourable Rajkumari Amrit Kaur: (a) (i) I.M.S. 8,680 and (ii) I.A.M.C. 2,270.

(b) (i) I.M.S. 807 and (ii) I.A.M.C. 889.

(c) No assurances were given to medical personnel who served during the last war about their resettlement but they were told that some appointments

would be reserved for them in the Central and Provincial Medical and Public Health Services.

(d) Rehabilitation of the released medical officers in civil life is a Provincial responsibility. Necessary assistance to the released personnel has been provided through the Provincial and State Medical Employment Bureaux which were established in the various Provinces and States for the purpose of assisting demobilised personnel in securing employment under Government as well as under semi-Government and non-Government institutions.

Sjt. Kuladhar Chalhha: What exactly does the Minister imply in telling foreign countries that we are short of medical men when there are so many people unemployed?

Mr. Speaker: He is arguing.

Dr. Mono Mohon Das: May I know the number of licentiates employed in the war and the number released? May I also know the number who have received a chance of continuing their studies in the M.B.B.S. course?

The Honourable Rajkumari Amrit Kaur: I could not give off-hand the actual number of licentiates that were released, but as many as wanted to take advantage of the shortened course that has been arranged for them at the Lake Medical College in Calcutta and now in other provinces also have been given the chance and I think I am right in saying that over a thousand have already taken advantage of that course.

Dr. Mono Mohon Das: May I know if there are many others left who want to take advantage of this course, but they did not get the facilities?

The Honourable Rajkumari Amrit Kaur: It is not right to say that they do not get the facilities, but sometimes applications are more than we can cater for, but they are taken as far as possible and now in many of the provinces also, further facilities are going to be made available to them.—

Sjt. Kuladhar Chalhha: Is it a fact that the Honourable Minister made a statement in foreign countries that we are short of medical men when there are so many unemployed?

Mr. Speaker: That is again a matter of argument.

MEDICAL APPOINTMENTS

*401. **Sjt. Kuladhar Chalhha:** Will the Honourable Minister of Health be pleased to state the number of medical appointments under her control remaining vacant at present in spite of advertisements?

The Honourable Rajkumari Amrit Kaur: Five.

Sjt. Rohini Kumar Chaudhuri: When are they going to be filled up?

The Honourable Rajkumari Amrit Kaur: According to an injunction issued to all the Ministries, posts cannot be filled up unless we get the sanction of Finance for them. Some of them have been held up on that account. One particular post in the Lady Hardinge College has been held up only until the re-organisation of that College takes place.

Shri Raj Bahadur: May I know what are these appointments?

Mr. Speaker: Order, order.

BORDER RAIDS

*402. **Sardar Bhopinder Singh Man:** (a) Will the Honourable Minister of Defence be pleased to state the number of raids by Pakistan nationals across the frontier between April, 1949 to date?

(b) What was the loss in life and property due to these raids?

The Honourable Sardar Baldev Singh: (a) About 65 upto the 15th November, 1949.

(b) Persons killed or wounded 69, cattle lifted or killed 440, and value of property (other than cattle) lost Rs. 40,000.

Sardar Bhopinder Singh Man: May I know whether Government propose to arm the civilian population of the border to stop the recurrence of these raids?

The Honourable Sardar Baldev Singh: Steps have already been taken by the Provincial Government to arm such civilians as are considered necessary who are capable of protecting the borders.

Sardar Bhopinder Singh Man: Were there any abductions also during these raids?

The Honourable Sardar Baldev Singh: I have no information. The question does not ask for information on that point.

Shri Mahavir Tyagi: Were any raiders arrested?

The Honourable Sardar Baldev Singh: I have not got any information. Most probably, some may have been arrested.

Mr. Speaker: The question hour is over.

(b) WRITTEN ANSWERS

COURSES OF STUDY IN DELHI SCHOOLS

*403. **Shri Damodar Swarup Seth:** Will the Honourable Minister of Education be pleased to state:

(a) whether Government are aware that the courses in Zoology, Botany and Science prescribed for the final year in Higher Secondary Schools of the Delhi Board are required to be taken up by the Higher Secondary Schools right from the 9th class;

(b) whether Government are aware that the courses referred to in part (a) above are all in English;

(c) whether Government are aware that practically all the middle schools have no arrangements for teaching of the subjects referred to in part (a) above and that the standard of English in the middle classes is far lower than the standard used in the books prescribed for these subjects for the Higher Secondary Classes; and

(d) whether the Principals of the Higher Secondary Schools are fully empowered to change the subjects of such of their students who may be found weak in Botany, Zoology and Science for the reasons alluded to in part (c) above?

The Honourable Maulana Abul Kalam Azad: (a) Yes. The Higher Secondary Examination is a three-year course commencing from the IXth Class and students are required to take up the subjects from that class.

(b) Yes, the courses referred to above are all in English. This is due to the fact that suitable books on these subjects are not available in modern Indian languages. The students can, however, answer the questions on these subjects set for the Higher Secondary Examination in modern Indian languages.

(c) Yes, there are practically no arrangements in the Middle Schools for the teaching of Science Subjects like Zoology, Botany, Physics, etc. as such, though some elementary everyday science is taught. It is also correct that the standard of English in the Middle Departments is lower than that used in the Science Books prescribed for Higher Secondary Classes. But in view of the fact that the students of the Higher Secondary Classes are allowed to answer questions in the modern Indian languages, no real difficulty arises.

(d) The principals of the Higher Secondary Schools cannot on their own give permission to the students to change over, but can do so with the approval of the Board of Higher Secondary Education, Delhi Province.

POLICE OFFICERS

***404. Shri Damoder Swarup Seth:** Will the Honourable Minister of Home Affairs be pleased to state:

(a) the total number of officers of the rank of Inspectors and above, employed in the Delhi Police including Special Police Establishment of the Home Ministry, and the number drawn from each province; and

(b) the names of the gazetted officers out of those referred to in part (a) above who have been in Delhi, continuously for more than three years in one capacity or the other?

The Honourable Sardar Vallabhbhai Patel: (a) and (b). A statement giving the required information is laid on the Table of the House. (See *Appendix X, annexure No. 5.*)

TAXATION IN KUTCH

***405. Prof. K. T. Shah:** (a) Will the Honourable Minister of Finance be pleased to state from what date the Income Tax Act is made applicable to and the tax levied upon assesses in Kutch?

(b) Have any precautions been taken, or safeguards adopted to see that the sudden application of the Income Tax Act to this Centrally Administered Area of Kutch does not cause hardship to the taxpayer?

(c) Have any arrangements been made to explain the rules and regulations for this tax to the people?

(d) Has any representation been made by any public organisation, or individuals affected in Kutch by this Taxation, and if so, what response has been made by Government to such a representation?

The Honourable Dr. John Matthai: (a) The Indian Income-tax Act, 1922 was extended to Kutch on the 26th August 1949 by the Taxation Laws (Extension to Merged States) Ordinance, 1949;

(b) In extending the Taxation Acts to the Merged States, the Ordinance amended the Income-tax Act and the Business Profits Tax Act by including a provision which empowers the Central Government to make an exemption or reduction in rate or any other modification in respect of income-tax or business profits tax in favour of any class of income or class of persons in order to avoid any hardship or anomaly arising as a result of the extension of the Acts to the Merged States. An order under section 60A of the Income-tax Act and section 23A of the Business Profits Tax Act has been issued which broadly speaking provides *inter alia* that the tax chargeable on the income arising in the Merged State upto the date of merger would not exceed the tax that would have been payable at the rates of tax in force in the Merged State immediately prior to the date of merger. If there was no income-tax in a State—and Kutch is a

state which had no income tax—No tax would be payable on such income arising in the state upto the date of merger as would not otherwise be taxable in India.

(c) The instructions explaining the concessions given in the order under section 60A of the Income-tax Act and section 28A of the Business Profits Tax Act are being circulated to all Chambers of Commerce.

(d) Representations have been received recently from the Anjar Merchants Association, from All-Kutch Income-tax relief Conference and from a number of individuals. They urge that the application of the Income-tax Act to Kutch be postponed indefinitely till this area has developed industrially. Concessions have been ordered by Government under section 60A of the Income-tax Act, as already stated in the reply to part (b) of the question.

CURRENCY IN KUTCH

*406. Prof. K. T. Shah: (a) Will the Honourable Minister of Finance be pleased to state whether Government are aware that before the merger of the State of Kutch in the Union of India, and its constitution into a Chief Commissionership, a different currency was in use in that area, with a fluctuating rate of exchange with the Indian Rupee?

(b) If so, what arrangements have been made to convert into Rupees the accounts of the Kutch assesses to the Indian Income Tax?

(c) Is any relief proposed to be given to these assesses on account of the variations, during the year of assessment, in their currency in terms of the Rupee?

The Honourable Dr. John Matthai: (a) and (b). A silver kori currency with a fluctuating rate of exchange (with subsidiary copper coins) was in circulation in Kutch till the 25th April, 1949, when it was demonetized. Facilities for the exchange of koris at the rate of 800 koris per rupees hundred were granted in treasuries and sub-treasuries in Kutch with effect from the first March, 1949 and were extended for a period of six months after the 25th April, 1949.

(c) Does not arise as the kori currency is no longer legal tender.

CULTIVATED LAND IN KUTCH

*407. Prof. K. T. Shah: (a) Will the Honourable Minister of States be pleased to inform the House what is the total land under cultivation in Kutch, during the years 1947-48, 1948-49, and 1949-50 (estimates)?

(b) Is it intended to introduce a new system of Land Revenue Settlement in Kutch, and if so, what steps have been taken for the purpose?

The Honourable Sardar Vallabhbhai Patel: (a) The total area under cultivation in 1947-48 was 5,66,635 acres; in 1948-49, 2,58,000 acres; and in 1949-50, 8,17,365 acres.

(b) Yes. Funds have been allotted, the work of Survey has commenced, and a settlement Officer with necessary staff will shortly be appointed.

Wednesday, 7th December, 1949

**THE CONSTITUENT ASSEMBLY OF INDIA
(LEGISLATIVE) DEBATES**

**(PART II—PROCEEDINGS OTHER THAN QUESTIONS
AND ANSWERS)**

Official Report

Volume VI, 1949

(28th November to 17th December, 1949)

Sixth Session
of the
CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)
1949



GOVERNMENT OF INDIA



PRINTED IN INDIA BY THE MANAGER
GOVT. OF INDIA PRESS, NEW DELHI, 1951

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CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)
DEBATES

(PART II—PROCEEDINGS OTHER THAN QUESTIONS AND ANSWERS)

Wednesday, 7th December, 1949

The Assembly met in the Assembly Chamber of the Council House at a Quarter to Eleven of the Clock, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.

QUESTIONS AND ANSWERS

(See Part I)

11-45 A.M.

MOTION FOR ADJOURNMENT

PURCHASE OF THE *Blitz* FOR THE ARMY AND WITHDRAWAL OF PRESS PERMIT OF THE *Nation*.

Mr. Speaker: I have received notice of an adjournment motion from Prof. K. T. Shah, Shri Sarangdhar Das and Shri Damodar Swarup Seth which reads as follows:

"That this Assembly do adjourn to discuss a definite matter of urgent public importance, viz., the issue of a circular by the Headquarters, Bombay Sub-Area, General Staff, prohibiting the use of Government funds for purchasing the *Blitz* for any mess or club of all ranks of the Armed Forces in India and the violation of Civil Liberties in the shape of the withdrawal of the Press permit by the Government of West Bengal from the newspaper, the *Nation* of Calcutta since the 3rd December 1949, thereby denying freedom of the press."

I might point out to the hon. Members that the adjournment motion is bad, as it does not follow the provisions of rule 33, sub-rule (ii) which says that not more than one matter can be discussed on the same motion. The hon. Members have mixed up two matters and, therefore, I need not go into the other parts, or other arguments on which also the motion falls through.

CINEMATOGRAPH (SECOND AMENDMENT) BILL

The Honourable Shri E. E. Diwakar (Minister of State for Information and Broadcasting): Sir, I beg to move for leave to introduce a Bill further to amend the Cinematograph Act, 1918.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill further to amend the Cinematograph Act, 1918."

The motion was adopted.

The Honourable Shri E. E. Diwakar: Sir, I introduce the Bill.

TAXATION LAWS (EXTENSION TO MERGED STATES AND AMENDMENT) BILL—contd.

Mr. Speaker: The House will now proceed with the further consideration of the motion moved yesterday by the hon. Dr. John Matthai relating to the Taxation Laws (Extension to Merged States and Amendment) Bill.

श्री ठाकुर कृष्ण सिंह: स्पीकर महोदय, कल मैं इस भवन के सामने इस बिल के बारे में यह कह रहा था कि हमें इस पर राजनीतिक दृष्टि से, वैधानिक दृष्टि से और आर्थिक दृष्टि से विचार करना चाहिये। मैं दृष्टान्त के तौर पर टंहेरी गढ़वाल रियासत का वर्णन इस भवन के सामने कर रहा था जिसको अगस्त सन् १९४९ से यू० पी० गवर्नमेण्ट ने एक्स्ट्रा टेरिटरी (extra territory) के बतौर अपने अधीन ले लिया था। लेकिन इसके अलावा और जो ६ मर्ज्ड (merged) रियासतें हैं उनकी हालत इससे भी खराब है। मैं उनका भी प्रतिनिधि हूँ।

टंहेरी गढ़वाल में, जैसा कि मैंने कल वर्णन किया था, अगस्त सन् १९४९ के पहले, जब कि यू० पी० सरकार ने उसका शासन ले लिया, बहुत तरह के टैक्स थे। उनको मैं आज भी दोबारा कह देना चाहता हूँ कि वहाँ पर प्रोफेशन टैक्स, कस्टम्स ड्यूटी, चुंगी ड्यूटी, मौजूद थे। और जब हमारी विधान सभा वहाँ पर इन्कम टैक्स लगाने पर विचार कर रही थी तो यह सवाल उठाया गया था कि जब तक वहाँ पर यह टैक्स मौजूद हैं तब तक इनकम टैक्स नहीं लगाना चाहिये। और यहाँ के कर्मचारियों ने भी यह सवाल उठाया था कि उनकी तनखाह यू० पी० के कर्मचारियों से कम है। यह जो सवाल उठाया गया इसकी वजह से वहाँ इनकम टैक्स नहीं लगाया गया। मैं बतला देना चाहता हूँ कि जो मर्ज्ड स्टेट्स हैं उनकी आर्थिक हालत कैसी है।

टंहेरी रियासत युक्त प्रान्त के उत्तर में है। एक तरफ तो तिब्बत है और दूसरी तरफ शिमला की छोटी छोटी रियासतें हैं जो हिमाचल प्रदेश में मिल गई हैं तीसरी तरफ जिला देहरादून है और चौथी तरफ जिला गढ़वाल है। वहाँ पांच लाख की आबादी है और पांच लाख आबादी में क्या व्यवसाय है और क्या उनकी हालत है यह मैं वर्णन कर दूँ। वैसे तो उनकी बहादुरी के बारे में आप लोगों ने बहुत सुना होगा कि किस तरह गढ़वाली सिपाहियों की बड़ी बड़ी लड़ाइयों में प्रशंसा की गई, किस तरह हजारों गढ़वाली सिपाहियों ने आजाद हिन्द फौज में अपने प्राणों को अर्पण कर दिया। आज यह प्रदेश आजाद हिन्द फौज के सिपाहियों से भरा हुआ है पर उनको यहाँ फौज में कोई जगह नहीं मिलती है। पेशावर में हमारी गढ़वाली रेजीमेण्ट ने फायरिंग करने से इन्कार कर दिया था, उनके बारे में भी आपने सुना होगा। स्वतन्त्रता की लड़ाई में भी गढ़वातियों ने अपना काम किया। सुभन जी ने स्वतन्त्रता की लड़ाई में अपने प्राण बलिदान कर दिये। नागेन्द सकलानी और मौलूसिंह गोली के शिकार हुये उनके बारे में आपने सुना होगा। इतने बहादुर होते हुये भी जब ये सिपाही अपने घरों को आते

हैं तो वहाँ दरिद्रता देखते हैं, अपने नंगे बच्चों को देखते हैं, अपने वहाँ गन्दगी देखते हैं और उन सब परेशानियों को देखते हैं जो कि इन्सान को हो सकती हैं।

जब तक वह रियासत विलीन नहीं की गई थी तो वहाँ तरह तरह के टैक्स मौजूद थे और तरह तरह के ऐसे कानून थे जिनसे लोगों को परेशानियाँ होती थीं। अब अगर हम फौरन ही पहली अप्रैल सन् १९४९ से, जैसी कि इस बिल की मन्शा है, इसको जारी कर देंगे, तो मैं समझता हूँ कि वहाँ की जो आर्थिक दशा है उसको देखते हुये वहाँ वालों के दिलों में यह शक पैदा हो जायगा कि हमारे विलीन होने से हमको कोई फायदा नहीं हुआ। हमने उनको तरह तरह की बातें कहीं थीं कि विलीन होने से तुमको यह लाभ होंगे और वह लाभ होंगे, लेकिन विलीन होने पर अभी तक उनके सामने कोई उनके विकास का प्रोग्राम सामने नहीं आया है। वहाँ पर लोग सोचते थे कि विलीन होने पर उनको बहुत से फायदे होंगे और उनकी तरक्की होगी। वहाँ जो चांदी की खान है उसके बारे में या जो ताँबे व लैड (lead) की खानें हैं उनके बारे में कोई बिल भवन के सामने आयेगा। लेकिन वह क्या देखते हैं कि आपके इनकम टैक्स आफिसर चले आ रहे हैं और पूछ रहे हैं कि बतलाइये आपकी पिछले साल क्या आमदनी थी, आपके एक्साइज इन्स्पेक्टर घरों में चले जा रहे हैं और लोगों के पास जो दस, बीस सेर तम्बाकू अपने इस्तेमाल के लिये है उसके लिये कहते हैं कि इस पर हम एक्साइज ड्यूटी लगायेंगे। तो इस तरह से उनको परेशानियाँ हो रही हैं। मैं यह नहीं कहता कि आप वहाँ पर सेप्टल टैक्सेज न लगायें। यह तो लगाने चाहियें: मगर मैं चाहता हूँ कि वह टैक्स आहिस्ता लगाये जायें। जो आपके इनकम टैक्स आफिसर और एक्साइज इन्स्पेक्टर जायें उनको इस तरह काम करना चाहिये कि वहाँ लोगों में बिलबलाहट पैदा न हो। और वहाँ के लोग यह न सोचने लयें कि हम तो यह सोचते थे कि हमारा विकास होगा और हम लोगों के लिये हमारी गवर्नमेंट सब कुछ करेगी, लेकिन इसके बजाय हम देखते हैं कि हमारे ऊपर टैक्सेज लगना शुरू हो गये हैं।

इस लिये सिलेक्ट कमेटी के मम्बरों से मेरी यही प्रार्थना है कि वह इस बिल पर आर्थिक दृष्टि से और राजनीतिक दृष्टि से भी विचार करें। हमारे फाइनेन्स मिनिस्टर साहब इसके लिये बघाई के पात्र हैं कि उन्होंने वहाँ के लिये कुछ कन्सेशन (concession) रखे हैं ऐसे लोगों के लिये जो कि कोई नया व्यवसाय करना चाहते हैं।

आप जानते हैं कि वहाँ पर के लोग क्या काम करते हैं। आप लोगों को कभी मंसूरी जाने का मौका मिला होगा तो वहाँ पर लोगों को आपने रिखा चलाते हुये देखा होगा। वहाँ बहुत गरीब लोग हैं, अपनी गाय, भैंस और बकरी चराकर व कास्तकारी से वह अपनी गुजर बसर करते हैं। अगर किसी के भाई ने मंसूरी में रिखा या

[ठाकुर कृष्ण सिंह]

कुली का काम करके, एक दो हजार रूपया कमा लिये और उसने धर में छोटी दुकान से एक दो हजार कमा लिये तो क्या आप उनसे कह सकते हैं कि तीन हजार से ज्यादा आप लोगों की आमदनी हो गई है आप इनकम टैक्स दीजिये ? इस दृष्टिकोण से आप फिर विचार कीजिये। इस काम में आप जल्दबाजी से काम न लीजिये। पहली अप्रैल सन् १९४९ ई० से जो आप ये टैक्सेज वहां पर लागू करना चाहते हैं वह ठीक नहीं है, मैं समझता हूँ कि उनको पहली अप्रैल सन् १९५१ से लागू करना चाहिये।

यह कहा जाता है कि कुछ पूंजीपति, कुछ कंपिटलिस्ट और कुछ इण्डस्ट्रियलिस्ट टैक्सेज से बचने के लिये रियासतों के अन्दर चले गये हैं और वह इस तरह से ना-जायज फायदा उठा रहे हैं। अगर आप उन लोगों पर टैक्स लगाना चाहते हैं और उन से टैक्स वसूल करना चाहते हैं तो मेहरबानी करके इस तरह का कानून बनाइये जिससे वहां की गरीब जनता को परेशानी न उठानी पड़े। एक माननीय सदस्य ने यह कहा है कि इन रियासतों में बहुत लूटमार होती थी। लेकिन मैं उनको विश्वास दिलाता हूँ कि इन रियासतों में करखन उतना नहीं था जितना कि हम और जगह पर पाते हैं। किसी रियासत के मर्ज (merge) हो जाने के बाद एक आदमी एक पेशकार के पास गया। पहले वह पेशकार दो रूपया घूस लेता था अब वह १० रूपया लेने लगा। उस आदमी ने पूछा कि पहले तो आप दो रूपया लिया करते थे और अब १० रूपया क्यों लेने लग गये तो उन्होंने यह जबाब दिया कि अब हमारी रियासत बड़े प्रान्त में मिला दी गई है। मैं देहरी गढ़वाल में शिक्षा मन्त्री, जंगलात और इण्डस्ट्री का मन्त्री रह चुका हूँ। वहां पर मैं जानता हूँ कि किस तरह से वह लोग वह आशा लगाये बैठे हैं कि उनकी रियासत बड़े प्रान्त में विलीन हो जाने पर उनकी हालत हर प्रकार से अच्छी हो जायगी। हमारे सयुक्त प्रान्त के प्रधान मन्त्री जी ने भी हमको हर प्रकार से विश्वास दिलाया कि हमारी रियासत की हर प्रकार से मदद की जायगी। जो विकास का काम प्रजा मण्डल शासन ने अपने हाथ में लिया था उनको पूरा करने के लिये भी उन्होंने हमको विश्वास दिलाया है। इस लिये मैं आशा करता हूँ कि उस रियासत के विकास के लिये हर प्रकार का प्रयत्न किया जायेगा जिससे वहां के लोगों की हालत हर प्रकार से सुधर जाय।

एक बात की और मैं और आपका ध्यान दिलाना चाहता हूँ यह है वहां को राजनी-तिक और आर्थिक स्थिति में इस बात को फाइनेंस मिनिस्टर साहब के सामने रखना चाहता हूँ। आपको मालूम है कि वहां लोग बहुत गरीब हैं। ऐसी दशा में वहां पर लोगों को भड़काया जा सकता है जिस तरह से आजकल कम्यूनिस्ट कर रहे हैं। इस के साथ ही साथ इस रियासत की सीमा तिव्वत से मिलती है और वहां पर आग स्थिति क्या होने वाली है वह कोई नहीं जानता। इस तरह की स्थिति न तो हमारे देश के लिये

ठीक है और न हमारी रियासत के लिये ठीक है। इसलिये मेरी प्रार्थना है कि इस राजनीतिक और आर्थिक दृष्टि का ख्याल करके वहां पर हर तरह से वहां की जनता की दशा सुधारने के उपाय करने चाहिये ।

दूसरी वैधानिक अड़चन जो पैदा हो गई है उसको मैं फ़ाइनेन्स मिनिस्टर साहब के सामने रखना चाहता हूँ । पहली अगस्त से पहले जो आमदनी होती थी वह इस बिल से इन्डियन यूनियन में आमदनी समझी जायेगी क्या यह वैधानिक दृष्टि से ठीक समझा जायेगा कि रियासत में जो आमदनी हुई थी उसको वहां की आमदनी समझ कर उस पर टैक्स लगा दिया जावे ? मैं जानता हूँ कि कुछ साहूकार लोग और कुछ अमीर लोग टैक्स से बचने के लिये रियासतों में चले गये हैं लेकिन मैं समझता हूँ कि सबसे बड़ा प्रश्न तो वहां के लोगों का है। जैसा कि मैंने आपसे कहा कि वहां के लोग लकड़ी, छोटी दुकानदारी, रक्षा और कुली का काम करते हैं और इससे वह अपना जीवन बसर करते हैं। मैं आपको यकीन दिलाना चाहता हूँ कि वहां पर कोई बड़ा कंपिटिबिलिटी नहीं है। मैं इस रियासत की हालत को अच्छी तरह से जानता हूँ। वहां पर थोड़े बहुत मोटर चलाने वाले और छोटे कारोबार करने वाले हैं। ऐसी हालत में वहाँ पर जिस तारीख से वह रियासत संयुक्त प्रान्त में पूरी तरह से विलीन की गई है तब से जो आमदनी हुई हो उसी पर टैक्स लगा सकते हैं। मैंने अभी हाल ही में स्टेट्समैन पत्र में पढ़ा था कि पहली दिसम्बर सन् १९४९ ई० से यह स्टेट बिल्कुल संयुक्त प्रान्त में मर्ज (merge) हो गई है। इसका मतलब यह हुआ कि वहां पर जो टैक्सेज के कानून हैं वह सब पहली दिसम्बर, १९४९ को खत्म हो गये हैं। और केन्द्रीय व प्रान्तीय कानूनों के मुताबिक वहां पर टैक्सेज पहली दिसम्बर, १९४९ से लागू हो गये हैं। वहां के लोगों की कमर पहले ही करों से टूट चुकी है। यह अपनी आर्थिक हालत को अभी तक नहीं सुधार सके हैं अगर उन पर नये टैक्स फ़ौरन सक्ती से लगा दिये जायेंगे तो वह उनके लिये हानिकारक होगा।

मेरी फ़ाइनेन्स मिनिस्टर और सिलेक्ट कमेटी के मेम्बरों से यह प्रार्थना है कि पहली अगस्त सन् १९४९ ई० से पहली दिसम्बर सन् १९४९ ई० तक का जो समय है वह उसको टैक्स लगाने समय एक्सक्लूड (exclude) कर दें। मुझे आशा है कि वहां की जनता को हर प्रकार से सहायता मिलेगी। वहां की जनता विलीनीकरण के बाद सरकार से बहुत आशा रखती है कि वहां पर हर प्रकार के विकास में सहायता चाहती है। अगर वहां पर नया टैक्स फ़ौरन सक्ती के साथ लगाया गया तो वहाँ की जनता को परेशानी होगी। इतना कहने के बाद मैं अपना भाषण समाप्त करता हूँ।

(English translation of the above speech).

Thakur Krishna Singh (United Provinces States): Sir, yesterday I was saying in regard to this Bill that we should consider it from the political, constitutional and economic standpoints. For the sake of example I cited before this House the case of Tehri Garhwal State which the U.P. Government took over as an extra territory since August, 1949. In the six other merged States, however, the conditions are still worse. I am their representative as well.

In Tehri Garhwal, as I described yesterday, taxes of various kinds were levied before August, 1949, when the U.P. Government took over its administration. I want to restate today that there were profession tax, customs duty, octroi duty etc. When, however, our Constituent Assembly was considering the levying of income-tax there the contention was raised that the income-tax should not be levied so long as all those other taxes were there. The officers there also raised the question that their salaries were lower than those of officers in the U.P. In view of this question having been raised income-tax was not made leviable there.

I want to describe the conditions obtaining in the merged States. Tehri State is situated in the north of the United Provinces. On one side of it is Tibet and on the other lie the small Simla Hill States which have merged in the Himachal Pradesh. On the third side is situated Debra Dun District while on the fourth side lies the District of Garhwal. It has a population of five lakhs. Let me describe the living conditions of these five lakhs of people and the occupations they pursue. You should of course have heard a good deal about their heroism. The Garhwali soldiers have been praised for the part played by them in great battles. Thousands of Garhwali soldiers laid down their lives fighting in the Indian National Army. At present that territory is full of soldiers belonging to the Indian National Army but they find no place in the Army here. You must also have heard how at Peshawar our Garhwali regiment refused to carry out firing orders. The Garhwalis also played their part in the fight for independence. Sumanji sacrificed his life in the fight for freedom. You would have heard about Nagendra Baklani and Molu Singh who came to be killed by firing. Despite their bravery, however, when these soldiers come back home the sight that meets their eyes is one of poverty, they see their children going naked, they find their places filthy and are also faced with all such difficulties as could befall man.

Until the time of its merger this State had various kinds of taxes and various such laws as caused hardships to the people. If now we make this Bill applicable with effect from the first April, 1949, as intended thereby, I think that, in view of the economic conditions prevailing there, the people there would come to entertain the notion that they have not gained anything by the merger. We had represented to them how various kinds of benefits would accrue to them in the wake of merger, but, after the merger, no programme for their amelioration has yet come up before them. The people there thought that the merger would bring them lots of benefits and lead to their progress. They looked forward to the introduction in this House of some Bill pertaining to the silver mine or the copper and lead mines that are there. On the other hand, they find your Income-tax Officers coming along and saying, "Tell us what was your income during the previous year?" Similarly, your Excise Inspectors are getting into people's houses and claiming to charge excise duty on the ten or twenty seers of tobacco which a man has kept for his personal use. Harassment is thus being caused to them. I do not say that you should not levy the central taxes on them, for these should be levied, but I do wish this levying were done gradually. Your Income-tax Officers and Excise Inspectors who go there should go about their business in such a way that there may be no outcry from the people. The people there may not start saying

that whereas they thought they were going to make progress and that their Government was going to do everything for them what they find, on the other hand, is that taxes have started being levied on them.

Hence, I would request the members of the Select Committee to consider it not only from the economic but also from the political point of view. Our Finance Minister deserves to be congratulated inasmuch as he has proposed some concessions for such people there as would like to start some new industry.

You know what occupations are followed by the people there. If you have ever been to Mussoorie you would have seen men drawing rickshaws. The people there are very poor. They make their living by grazing cows, buffaloes and goats and by carrying on cultivation. If a man's brother earns one or two thousand rupees by rickshaw-pulling or working as a coolie and he himself makes one or two thousand rupees out of a small shop at home would you say to them, "You people have come to have an income exceeding three thousand rupees; you should pay income-tax". You should reconsider the matter from this point of view. You should not act hastily. The proposal to make this taxation applicable there with effect from the first April, 1949, is not proper. I think it should be made applicable with effect from the first April, 1951.

It is alleged that some wealthy people, some capitalists and some industrialists have moved into the States with a view to evade the taxes and are thereby deriving unlawful gain. If you intend levying the tax on them and making recoveries from them you should so frame the law that the poor people may not have to suffer harassment. One hon. Member has stated that a lot of fleecing was done in these States. Let me, however, assure him that there was not so much corruption in these States as we find in other places. After the merger of a certain State a man went to a *Peshkar* (Reader to a judicial or revenue officer). The *Peshkar* who formerly used to accept two rupees by way of a tip had now started taking ten rupees. The man said to him, "Formerly you used to accept two rupees; why have you started charging ten rupees now?" He replied, "Now our State has been merged with a big Province". I have been Minister of Education as also of Forests and Industries in Tehri Garhwal. I know how people there are nursing the hope that with the merger of their State in a big Province their condition would improve in every respect. The Premier of the United Provinces also assured us in every way that our State would be helped by all means. He has also held out to us an assurance for the completion of such development work as had been taken in hand by the Praja Mandal Administration. Hence, I hope that every kind of effort will be made for the development of this State so that the conditions of its inhabitants might improve in every way.

I wish to draw your attention to one thing more and that is the political and economic condition of that place. I wish to put this before the Finance Minister. You know the people there are very poor. In such circumstances the people there can be incited in the way the Communists are doing these days. Besides, this State has a common border with Tibet and nobody knows what situation might develop there tomorrow. Such a state of affairs is not conducive to the good either of our country or of our State. Hence I submit that considering the political and economic points of view we should take all sorts of measures to improve the lot of the people there.

Secondly, a constitutional difficulty has arisen which I wish to place before the Finance Minister. Income which accrued prior to the first August will, 1950 according to this Bill, be deemed as having accrued within the Indian Union. Will it be deemed proper, from the constitutional standpoint, that such income as had accrued within the State should be regarded as income earned here and the tax levied thereon? I know that some *Sahukars*

(Thakur Krishna Singh)

and some rich people have moved into the States with a view to evade tax but I feel that the main question concerns the local people. As I have stated the people there do wood-cutting, petty shop-keeping, rickshaw-pulling and the coolie's job and thereby make their living. I want to assure you that there is no big capitalist there. I am fully conversant with the conditions obtaining in this State. There are a few people who ply motor vehicles or carry on small trades. In such a case tax can be levied only on such income as has accrued since the date on which that State came to be merged fully with the United Provinces. Just recently I read in the 'Statesman' that this State had come to be merged completely with the United Provinces with effect from the first December, 1949. This would mean, that all taxation laws already in force there ceased to operate on the first December, 1949, and that taxes in accordance with the Central and Provincial laws have become leviable there with effect from the first December, 1949. They people there have already had their back broken by the burden of taxes. They have not yet been able to improve their economic condition. If new taxes are immediately imposed on them with severity this would be hard to them.

I request the Finance Minister and the Members of the Select Committee that they should exclude from the assessment of tax the period from first August, 1949, to the first December, 1949. I hope the people of that State will be given every kind of help. The people there have set high hopes on the Government consequent upon the merger. They want to be helped to develop in every way. If the new tax is imposed on them immediately, with strictness, the people there would feel troubled. With this I close.

Shri Kishorimohan Tripathi (C. P. and Berar States): Sir, generally I welcome these proposals which extend to the merged States the very important taxation Acts, among which are the Indian Income-tax Act, the Business Profits Tax Act and the Taxation on Income (Investigation Commission) Act, 1947. These merged States cover a very large area and contain quite a large population. Most of these States have merged into the Provinces of C. P. and Berar, Orissa, Madras, Bombay and the United Provinces. The main objective in bringing over this political change by a system of merger was to establish unity in the country and also to see that the people in these parts achieve the same amount of progress and prosperity in due course as people in the rest of India. The latter is the ultimate objective, but like the rest of India these merged States are also passing through a period of transition, and a period of transition is always a period of difficulties and hardships. The people in these States are of course therefore, experiencing today very great hardships. The highly centralised system of administration in these States has given place to a democratic administration, of course as we find it in India today. The result has been that the advantages of the highly centralised administration which the people in those States were getting have been lost to them, and simultaneously with that no advantage, which they were expecting to get from the changed system of administration, especially in the economic field has accrued to them. The burden of taxation, with the imposition of certain of the provincial taxes on the population has increased. Any proposal for further taxation is therefore looked at with alarm by the people of those States as was rightly pointed out by Thakur Krishna Singh.

I know from experience that in most of these States there are certain industries which need development. New enterprises are being undertaken and there are businessmen who have during the last so many years amassed huge profits and yet paid no taxes on those profits. Among some of the C. P. and Berar States, if Taxation on Income (Investigation Commission) Act is administered

the Government will come across quite a large number of cases where income-tax has been evaded or where the Income-tax Officers have under-assessed the income. I hope the Government will take notice of my hint. The Business Profits Tax also, if applied to these States, will bring into the coffers of the Government quite a large revenue. In some of the States which I represent, (the C. P. and Bihar States), business and trade are almost on a par with those in the province into which they have merged. But the question arises as to what will be done with the revenue thus collected by the application of these taxation measures? Will these earnings be used separately for the betterment of the people in those States or whether the earnings from the Business Profits Tax and Income-Tax will be allotted to the provinces into which the States have merged? I for one will request the hon. the Finance Minister to see that all revenues accruing from the imposition of these taxation measures to the Centre are allotted to the respective provinces into which these States have merged with instructions to see that these revenues are used for the betterment of the people of the States concerned.

There is a certain amount of misapprehension as to the scope of these proposals. As far as I can see as a layman, these proposals do not in any way touch the common man nor are they going to increase his burden of taxation. These are proposals of direct taxation and the burden will necessarily fall on a class of people who have amassed huge profits from the common man. We should therefore be very thankful to Government for the extension of these taxation measures to our States. But much will depend on how these proposals are administered.

After the merger, a feeling is growing among the people in the States that the general tone of administration is deteriorating. It is rightly said that corruption has increased and that the general behaviour of the executive that has come from the Provinces is rather very offending to the people who are looked upon as conquered people. In the circumstances, if these taxation proposals reveal these weaknesses in their administration, they will not be welcomed by the people. I hope the Central and Provincial Governments will see that the sense that is growing in the people of the States that the change-over has not been very healthy will not be allowed to grow and that these proposals are administered in such a way that partiality, nepotism and favouritism which today have given a bad name to our administration will not come up. With these words I commend the proposals to the House.

ठाकुर लाल सिंह : श्रीमान् अध्यक्ष महोदय, मैं भोपाल रियासत से आया हुआ हूँ जिसका एडमिनिस्ट्रेशन (administration) अभी हाल ही में सेंटर ने ले लिया है। यहाँ भी उसी प्रकार की स्थिति है जैसे कि हमारे टिहरी और गढ़वाल के आनरेबिल मेंबर ने अभी हाउस के सामने उपस्थित की है। भोपाल एक राज्य था और यहाँ की जनता ने अभी गत वर्ष काफी लड़ाई लड़कर और प्रयत्न करके उसको मर्ज करने में बहुत बड़ा हिस्सा लिया है। लेकिन मैं अभी ही देखा कि भेरे यहाँ आने के कुछ दिन पहले ही वहाँ इनकमटैक्स (Income tax) के विषय में बहुत दावेदारी मच गयी और वह इस किस्म का था। रियासत पहली जून को मर्ज हुई लेकिन पहली अप्रैल से यानी उसके कुछ महीने पहले से ही उससे एक और टैक्स मांगा जाने लगा जो उन्होंने वहाँ पहले नहीं दिया था। रियासत के लोगों ने यह भी समझा था कि वहाँ हम कस्टम्स टैक्स (Customs tax) देते हैं, एक्साइज (excise) देते हैं और कई तरह की परेशानियों में मुब्तला हैं और मर्ज (merge) होने के बाद हमारी स्थिति जय दा

[ठाकुर लाल सिंह]

अच्छी हो जायगी और हमको सेंटर से काफी रूपया मिलेगा जिससे कि रियासत डेवलप (develop) की जायगी। लेकिन रूपया तो कुछ मिला नहीं और उसके बजाय इस किस्म के टैक्सों का सवाल पहले ही आ गया। इससे उनको ज्यादा मुसीबत इस लिये हो गयी कि पहले इस किस्म के टैक्स का फैसला भोपाल में ही हो जाता था लेकिन अब उनको इसके लिये नागपुर जाना होगा।

यह भी एक उनके लिये काफी परेशानी की बात होती है। तो मैं यह प्रार्थना करूंगा कि दिक्कतें वही हैं जो अभी बतलाई गई हैं। लेकिन इसमें दो बातें जरूर बढ़ा दी जाय। एक तो यह कि टैक्स पहली अप्रैल से न लगा कर, अगर किसी किस्म का टैक्स लगाया भी जाता है तो पहली जनवरी सन् १९५० ई० से शुरू किया जाय, दूसरे उस कमेटी में जो बनाई गई है या तो मर्ज्डस्टेट्स (merged States) के कुछ आदमी बढ़ा दिये जायं या कम से कम उनसे काफी मददवा ले लिया जाय और उनकी राय के बगैर कोई बात न की जाय। इतना ही कह कर मैं समाप्त करता हूँ।

(English translation of the above speech).

Thakur Lal Singh (Bhopal State): Sir, I come from Bhopal State. The responsibility for administration of that State has been taken over by the Centre recently. The conditions obtaining there are almost the same which have been pictured before the House by the hon. Member hailing from Tehri Garhwal. Bhopal was till recently a state whose masses, by their hard struggle and great efforts, have played a notable part towards its merger. Despite this I noted a strong resentment prevailing there against the levy of income-tax. It happened only a few days before I came here and was of the nature as follows. The merger of the State took place on first of June, but a new tax which was not paid by the people before was levied with a retrospective effect from 1st April, i.e. a few months before the merger itself. They had thought that with merger many of their troubles such as the payment of the customs tax, excise duty and many other harassments of the type will come to an end; that their conditions will improve and enough funds will be made available by the Centre towards development of the state. But not only that no funds were forthcoming, question of levying of such taxes was raised instead. The people had to face greater hardship inasmuch as they had to go to Nagpur now whereas, prior to this time, decisions regarding such issues could be taken in Bhopal. This is, no doubt, very much inconvenient for them. I will, therefore, submit that difficulties experienced are those which I have just mentioned. One or two additions, however, are quite necessary. The first is that the taxes, if at all to be levied, should come into force with effect from 1st January, 1950 instead of having a retrospective effect from 1st April. Secondly the Committee formed to this end should have more representatives from the merged states or should consult them more adequately and not to take any decision without their consent. I conclude with this much.

Sri Sarangdhar Das (Orissa States): Sir, I am very happy to support this Bill. I am rather surprised that it has taken so long for the Government of India to bring these laws into operation in the merged States which were merged under the Extra-Provincial Jurisdiction Act in the beginning of January

1948. So two years have passed by and in the meantime all kinds of laws have been operating there. However, I am glad that Government has realised the necessity of collecting income-tax in those States. There are several other acts which are now being applied to the States. Among them, offhand, I have picked out a few that are very useful and in the absence of which in the States the common mass of people, workers, labourers, miners, and others are being exploited and I hope that with the application of these Acts that exploitation will now cease. For instance, the Indian Mines Act, the Workmen's Compensation Act, the Factories Act, the Trade Unions Act, etc. These were not applicable there. The Rajas were ruling those States at that time—I am speaking particularly of Orissa and C. P. States—and although the Political Department used to send them suggestions to apply these Acts, they used to keep them in their Books but never apply them. Thereby the Rajas helped the industrialists and capitalists to exploit the people there and not only that, although this is a matter of the past, still it will be interesting for the hon. Members and for you, Sir, to know that by keeping these laws in abeyance, the Rajas of these States were getting some private money from these exploiters. However, that time is gone, and we are now going to have these Acts applied there. Among the social laws, the Hindu Inheritance Laws and the Child Marriage Restraint Act, these were also being evaded in the States. Not only that, up till two years ago, people from the provinces used to go and have their children married in the States in order to evade the Child Marriage Restraint Act. It will not be possible now. So, from every point of view, the application of these Acts in the merged States is very appropriate, but there is one thing I do not understand and I hope the Select Committee will take this into consideration and that is the matter of monopolies. I know that in the provinces there are no monopolies in hides and skins, forest produce, tamarind, etc. These items of produce are not sold, not auctioned to the highest bidder as monopolies, meaning thereby that the primary producers can sell these commodities anywhere and to anyone they choose. But in these States all kinds of monopolies existed and the producer was compelled to sell only to the monopolist. Consequently, taking advantage of the situation, the monopolists were dictating the price and wherever it exists now, they give much less price than the primary producers can obtain across the border in a district of the provinces. Particularly in Orissa and C.P., the people are very much disturbed now over *kendu* leaves out of which beedies are made. These leaves are obtained not so much from the forests, which belong to the Government.....

Mr. Speaker: I am afraid that line of argument will be beyond the scope of the Bill. That question is not included in the Bill at all.

Sbri Sarangdhar Das: I am just pointing out that, whether it is covered by any of these Acts or not, if monopolies do not exist in the provinces, then it should be repealed in the States also. Otherwise, it seems to me that there will be still some laws which are not applicable to the States.

Mr. Speaker: I do not mean to suggest that the argument is not sound. My only point is that it will be beyond scope of the Bill. This Bill is restricted to certain financial matters, taxes on income and such other taxes, and therefore the argument of the hon. Member will not be relevant to the present discussion.

Sbri Sarangdhar Das: I spoke of these because of the Schedule of Acts, some hundred of them, going with this Bill.

Mr. Speaker: What Schedule is he referring to? I do not find any schedule in this Bill. That is a different Bill altogether. I invite the hon. Member's attention to this Bill. He is perhaps speaking with reference to some other Bill. Has he any remarks to offer with reference to this Bill?

Shri Sarangdhar Das: With regard to the application of the Income-Tax laws, I support the Bill and I offer the same remark that it should have been applied long ago as soon as the States were merged, and any tax evasion that the capitalists or any others may be found guilty of inside the province by their taking shelter in the States, should now be located and due assessment should be made on their incomes whether they have been made during the last one or two years or prior to that during the war years.

As far as spending of the amounts collected is concerned, the previous speaker stood for speaking them in these particular areas. I am not one to advocate such narrow localism. But at the same time, I would request the Government of India to bear this in mind, that these State areas are certainly much more backward than the old provincial areas and whenever any additional taxes are collected from those areas it should be remembered that more money than ordinarily spent *per capita* in the provinces should be allocated to these State areas. This is my only request; otherwise I would not say that the money should be particularly spent in that area alone.

श्री लक्ष्मी नारायण साहू : माननीय वाचस्पति जी, अर्थ सचिव जी ने जो विधि हम लोगों के सामने पेश की है मैं उसका स्वागत करता हूँ। इसका स्वागत करते हुए मैं दो एक बात कहना चाहता हूँ। वह विभिन्न मज्ड (merged) या सम्मिलित हुई स्टेट्स में प्रयोग करने के लिये हम क्यों चाहते हैं? हम यह इस लिये चाहते हैं कि कुछ ज्यादा पैसा मिल जाय और उस पैसे से हम साधारण लोगों का ज्यादा मंगल कर सकें।

एक बात जो सब से पहले मैं कहना चाहता हूँ वह यह है कि जो स्टेट्स सम्मिलित हुई हैं मैं विलीन नहीं कहूँगा क्योंकि विलीन का अर्थ मरने का होता है, वहाँ के साधारण आदमियों को बहुत दुःख पहुँच गया है; इसीलिये जो कुछ आईन हम अभी बनायेंगे या रियासतों में लागू करेंगे, उसमें हम लोगों यह देख लेना चाहिये कि इससे यहाँ की प्रजा को जीवन धारण करने का अच्छा मौका मिलेगा या नहीं। मैं कहूँगा कि इस आईन से जो कुछ पैसा हम को मिले वह सब वहीं उन रियासतों में ही खर्च होना चाहिये और उसके सिवा केन्द्रीय सरकार को और पैसा वहाँ लगाना चाहिये। जब तक वह नहीं होगा तब तक वहाँ के आदमियों के लिये बहुत खराब होगा।

[At this stage Mr. Speaker vacated the Chair, which was then occupied by Shri S. V. Krishnamoorthy Rao (one of the Panel of Chairmen)].

दूसरी बात मैं यह कहना चाहता हूँ कि इसमें जो एग्जम्पशन (exemption) दिया गया है नया बिजनेस (business) करने वालों को तो यह वहाँ के ही लोगों को दिया जाय और बाहर के बिजनेस मैन (business men) जो वहाँ जाकर नया बिजनेस करना चाहें उनको यह सुविधा न दी जाय, क्योंकि अगर बाहर वालों को वह सुविधा दी जायगी तो रियासतों के आदमी कभी उठ नहीं सकेंगे।

वह तो बड़े बड़े आदमियों के नौकर बनकर रहेंगे और उनकी अवस्था कभी अच्छी नहीं होगी।

में एक बात और कहना चाहता हूँ। रियासतों में राज्यों के अमल से तरह तरह के टैक्स (taxes) लगें हुए हैं, कोई ६०, ७० या ८० तरह के टैक्स हैं। अब अगर उन पर दो चार और टैक्स लगा दिए जायेंगे तो लोग कहेंगे कि देखो गवर्न-मेण्ट आफ इण्डिया ने हम लोगों पर और भी टैक्स लगा दिए हैं और वहाँ आन्दोलन शुरू हो जायगा कि गवर्नमेण्ट हम को मारे देती है। इसीलिये मैं अर्थ सचिव को अभी के लिए नहीं पर आगे के लिए कहूँगा कि वह सोचें कि जितने टैक्स कम हो सके उतना वहाँ के लोगों के लिए अच्छा होगा, क्योंकि ऐसा करने से वहाँ के आदमियों को मालूम हो जायगा कि यह गवर्नमेण्ट आफ इण्डिया जो हमारे देश में स्वतंत्र होने के बाद चली है वह हमारे ऊपर इतना टैक्स नहीं लगाती है जितना कि राजा लोग लगाते थे। राजा लोग ऐसे टैक्स लगाते थे जैसे मैरिज (marriage) टैक्स और दूसरे तरह तरह के टैक्स लगाते थे।

मैं इसीलिए चाहता हूँ कि हम लोगों को यह जरूर याद रखना चाहिए कि रियासतों के आदमियों की हालत बहुत खराब है, इसलिए नए टैक्सों से जो पैसा आवे उसको वहाँ खर्च करना चाहिए। और यह भी देखना चाहिए कि इतनी स्टेट्स तो मर्ज कर दी गई हैं लेकिन कच्छ एक छोटी सी रियासत है उसको क्यों नहीं मर्ज (merge) किया गया। यह मेरी समझ में नहीं आता है। कहते हैं कि उसके मर्ज होने से वहाँ के आदमियों की हालत बहुत खराब हो जायगी क्योंकि वहाँ की इका-नामिक कन्डीशन (economic condition) अच्छी नहीं है। जितनी स्टेट्स मर्ज हुई हैं उन सबकी हालत खराब हो गई, तो फिर उनको क्यों मर्ज किया गया? इसलिए कच्छ रियासत को भी मर्ज करके जितना पैसा मिल सके लेना चाहिए। और जो बिजनेस मैन रियासत में पैदा हुआ होगा उसी को कन्सेशन (concession) दिया जाना चाहिए। बाहर के बिजनेस मैन चाहे वह नया काम ही करें, उनकी यह सुविधा नहीं देनी चाहिए।

(English translation of the above speech).

Shri Labhinarayan Sahu (Orissa: General): Sir, I welcome the motion moved by the hon. Minister of Finance. Welcoming this motion I wish to say a few things. Why do we want to extend this Bill to the merged or integrated states? We want to do so simply for the reason that we may get some more money whereby we may be able to accord more benefits to the common people.

The first thing that I wish to say at the very outset is that the people of the states that have been integrated, I do not like to use the word merged because merger means extinction, have been highly inconvenienced. Therefore, before passing the laws that we wish to enact and impose upon states we should think

[Shri Lakshminarayan Sahu]

over whether by such enactments the people of these states will get better opportunities of subsisting life or not. I say that the additional money that we may get from this enactment should entirely be spent in those very states and besides this money the Central Government should spend even more. Unless this is done the conditions will remain bad for the people there.

[At this stage Mr. Speaker vacated the Chair, which was then occupied by Shri S. V. Krishnamoorthy Rao (one of the Panel of Chairmen)].

The second thing that I wish to say is that the exemption, which has been promised therein to the people establishing new businesses should be given to the people of those places only and the outsiders who wish to establish their business there should not be given this exemption. Because if the outsiders also would be given this exemption then the states people will never be able to stand on their feet. They will ever remain slaves of the monied people and their condition would never get better.

I wish to say one thing more. Since the sovereignty of the Rajas in the States a number of taxes have been in force; there are some 60 to 70 different kinds of taxes. If a few more taxes are imposed on them then the states' people will clamour that the Government of India have imposed upon them more taxes and then an agitation will be launched that the Government is crushing them. Therefore I warn the hon. Minister of Finance, not for the present but for the future, that the lesser the number of taxes the better it would be for the people there. Because by doing so the people there will come to know that this Government of India, that has assumed power after the country became independent, do not burden them with so many taxes as was done by the ex-Rajas. The ex-Rajas used to realize such taxes like marriage tax etc.

Therefore I wish that we must remember that the condition of states people is very bad; so the additional money realized from these taxes should entirely be spent there. Besides this, it should also be taken into consideration that when so many states have been merged then why the small state of Cutch has not been merged? I cannot understand this anomaly. It is said that by its merger the condition of the people there will deteriorate still more because the economic condition of the state is not sound. The economic condition of all the merged states has deteriorated then why these states were at all merged? Therefore merging the Cutch State we should realize as much money as possible; and concessions should be given only to those businessmen who are *bona fide* residents of the said state. The businessmen not belonging to the state, if they start new businesses, should not be granted those concessions.

Shri Prabhu Dayal Himatsingka (West Bengal: General): Sir, I beg to support the motion of the hon. Finance Minister. I would have liked if he had taken courage and introduced a Bill dealing with certain other matters of income-tax law. As you know, in recent years, the working of this legislation has brought about an amount of demoralization which perhaps has not been done by any other single piece of legislation relating to any other department of the Government or any other single act.

So far as the Bill introduced is concerned I welcome the provisions in clause 10 (1) (i) granting certain concessions to new industries that might be set up. But clause 10 (2) which follows is likely to introduce complications, unless the provisions are made clear clause 10 (2) provides that where an existing business is transferred the Income-tax Officer, with the previous approval of the Inspecting Assistant Commissioner, may fix the price that will be taken into account in allowing depreciation. When a party sells such an existing concern the

vendor will be liable to tax on the difference between the written down value and the price that he obtains and if he be liable to tax on the amount of the difference I do not understand the logic of the purchaser not being given the benefit of that amount. If the purchaser is going to be given the benefit of a reduced amount, as may be fixed by the income-tax officer, in such a case the vendor also should be given that benefit. You cannot be allowed to charge the seller the income-tax on the amount of the difference and yet not allow the benefit thereof to the purchaser who has paid a higher price on account of the appreciated value in the present circumstances. Therefore that clause ought to be made clear so that the complications that are likely to arise may be avoided.

[At this stage Shri S. V. Krishnamoorthy Rao vacated the Chair, which was then occupied by Mr. Deputy-Speaker (Shri M. Ananthasayaram Ayyangar)].

Then, Sir, clause 12 promises certain concessions to newly established industrial undertakings,—to businesses which will come into production in the course of three years. This clause also ought to be made clearer. As it stands, the benefit may not be available to an existing undertaking which may double its capacity. If an existing undertaking doubles its capacity by ordering new plant, etc., it should be made clear that such an undertaking also will be entitled to the benefit of this provision.

Then there is clause 32 which gives certain exemptions and immunities to persons who give certain information. I hope that this clause may not encourage disloyalty amongst the employees and may not give cause or occasion to enable them to blackmail their employers. A number of cases, I am sure, must have come to the notice of the hon. the Finance Minister himself where employees who have been dismissed have tried to take advantage of certain information they might have and tried to use them for the purpose of blackmailing. I am sure that if encouragement is given to such kind of disloyalty the effect will be much worse than the benefit that may be available in certain cases. Therefore it should be so circumscribed that it may not be used for the purpose of blackmailing.

Having said so far regarding the provisions of some of the clauses, may I also draw the attention of the hon. Minister to the position as to how the Act is being applied in certain Provinces? The instructions that are given from time to time, or are supposed to be given from time to time, by the Central Board of Revenue have created, and always create, a number of complications for the Income-tax officers and, therefore, for the assesses. On a previous occasion I mentioned the instance of demonetised government notes. I gave instances when in certain Provinces at any rate all the amounts of such notes which were encashed after a particular date have been taken into account as profit, irrespective of the fact as to whether or not there was a cash balance sufficient to cover the amount of the notes. I sent certain instances to the hon. the Finance Minister and I am sure the facts communicated to him must have been conclusive as to how the instructions are being misused. But his Department, to which naturally the hon. the Finance Minister sent the information communicated by me to him, have just tried to explain away their responsibility. It may be very well and very easy to explain these things, but the effect of such cases should be taken into consideration by the Department as to whether or not they are directly affecting the income, and the Income-tax that is consequently realised by the Department. It is very easy to realise certain amounts in excess of what should be done, but it has a very bad and demoralising effect on business and it does bring about a certain

[Shri Prabhu Dayal Himatsingka]

amount of discontent and uncertainty as to how the Department is going to act. Therefore it is up to the Department to see that cases which are brought to their notice are not explained away even when they know that there is sufficient ground for taking action. Similarly, at the present moment, what is happening is that the Income-tax officers only take up the big cases, that is, cases where the income-tax assessment is above, say, Rs. 25,000 or the income is over a certain amount, because they are expected to dispose of a number of cases of certain amounts.

The Honourable Dr. John Matthai (Minister of Finance): May I suggest that these matters are not strictly relevant to the provisions of the Bill? They cover the general administration.

Shri Prabhu Dayal Himatsingka: I admit that they do not relate to the clauses of the Bill before the House, but I will not have an opportunity of drawing the attention of the hon. Minister as to how the Income-tax Act is being applied, how it is causing havoc and how instead of helping the Government to realise more revenue they are acting.....

Mr. Deputy-Speaker: How is general discussion on the Income-tax Act or the Investigation Commission relevant here except insofar as what the hon. Member may speak with reference to the provisions of the Bill so as to enable the Select Committee to come to any particular conclusions? I think the hon. Member need not digress upon all those points. If he has any more, he may refer to particular provisions of importance instead of going into detail or any general principles relating to this matter.

Shri Prabhu Dayal Himatsingka: Sir, I bow to your ruling. But what I was saying was this. Take clause 10(2). Here you make a provision that certain concessions will be given. But if the Department does not act up to the provisions of the law and if they try to act on certain private instructions given by the Central Board of Revenue, can I not bring that to the notice of the hon. the Finance Minister that even when you make certain provisions your Department do not act up to them and they just try to twist them and act in a manner which they are not entitled to?

Mr. Deputy-Speaker: It may not be strictly relevant for this reason that if the hon. Member brings to the hon. Minister's notice any particular cases relating to general administration certainly the hon. Minister will take action.

Shri Prabhu Dayal Himatsingka: Very well, Sir. Then as regards the clauses I have given my suggestions as to how they should be improved and how certain of the clauses should be made clear so that any doubt that may arise on account of the present draft may be removed.

The Honourable Dr. John Matthai: Mr. Deputy-Speaker, as the matter is going to be examined thoroughly by a very representative Select Committee of the House I do not think it is necessary for me to deal in detail with the various matters which have been raised. What I propose to do in the brief time that I may take over this is to deal only with some of the more important matters. My hon. friend Mr. Biswanath Das yesterday asked me why this law was not applied earlier to the States, particularly in his part of the country. The real reason is that although those States were taken over for Central administration through the agency of the Provinces they were not really 'merged' in the technical sense. They did not become merged States until quite recently.

With regard to the general question of allocation of Income-tax, this is not a matter on which I could possibly express any opinion at this stage because,

as the House knows, the whole question of the distribution of the divisible portion of income-tax is now under examination by Mr. Chintaman Deshmukh who has been specially appointed for the purpose of arbitrating on that issue, and till his award is published it is not possible for me to make any statement on the particular issue; and even that would be a provisional arrangement pending a final decision by the Finance Commission to be set up under the new Constitution.

There has been a good deal of reference to the manner in which the concessions referred to in the Bill should be administered. The Bill gives Government powers in regard to merged States to grant modifications in cases of special hardship. On the one hand the suggestion has been made that it should be applied fairly strictly, on the other hand it has been suggested that it should be applied with a certain amount of liberality. What Government proposes to do is to take a middle course in this matter.

I think Dr. Deshmukh yesterday raised the question whether any agreements made by the Princes with industrialists would be taken into consideration. That is one of the matters which would necessarily be taken into account and in the instructions that we have issued to Income-tax Officers under the order promulgated under this Ordinance we have already asked them to collect information regarding these special agreements so that they might be taken into account by Government in order to determine what concessions might reasonably be given.

The hon. Member from Tehri-Garhwal yesterday raised the question whether what I said in reply to my hon. friend Mr. Tyagi was consistent with the provision in the Bill which extends these Acts to merged States with effect from the 1st of April. As I said yesterday, it does not in the least vary the statement I made to Mr. Tyagi because our intention is that the Indian rate should apply only to income earned after the 1st of August. It is necessary for technical reasons to provide that the Acts concerned would be effective from the 1st of April because these Acts refer to assessment years. But what we propose to do in this matter is that a rebate would be given in respect of the income between the 1st of April and the 1st of August and therefore that income would be excluded from the assessment altogether. The hon. Member may rest assured that the position is quite safe from his point of view.

The rest of the suggestions made have been with reference to the concessions provided in the Bill for new industrial undertakings. These have been in force for a whole year and I personally feel there is no need for making any changes in regard to these provisions which, within the framework of these concessions, have on the whole worked reasonably well.

My hon. friend Mr. Himatsingka made various suggestions as to how the Income-tax Department should do its work. Most of the matters which he raised this morning are matters on which he has made representations to me and he knows these are matters into which I have been looking. He has said some hard things about the Income-tax Department. The Income-tax Department has an extremely thankless task. In view of the huge accumulation of arrears that we were faced with some time ago, it was necessary for me, really at the instance of the House to issue strict instructions to our officers to see that these large arrears were reduced as quickly as possible. Having issued these instructions to them and having got them to put more energy into their work. I cannot at this stage turn round and tell them, "You have been too energetic. You had better slow down now". If I did that, it would demoralise the whole Department. I shall see to it that while every pie that is due to Government is collected promptly, at the same time better relations would be cultivated between the Income-tax Department and the public.

Shri Klabhouchan Tripathi: What about allocation of the revenues?

The Honourable Dr. John Matthai: I think my hon. friend Mr. Tripathi is thinking of allocations in a different sense. I think what he wants is that whatever tax is collected in the merged States should be used for the benefit of those merged States. It raises an issue on which I am not in a position to say anything now.

Shri Mahavir Tyagi (U. P. : General): One point seems to have missed the attention of the hon. Minister. My friend Thakur Krishna Singh, ex-Minister of Tehri-Garhwal State, had raised a point that the idea was rejected by the State legislature there because those in the service of that State were being paid less than people in India because there was no income-tax. Now, with the income-tax levy they will be unduly burdened. Either their pay should be raised because till now their pay was assessed on a no-income-tax basis or...

The Honourable Dr. John Matthai: My hon. friend is aware that under the Bill the Central Government would have power to take special circumstances into account in order to see that suitable modifications are made. He cannot expect me to give a decision in regard to a specific case here.

Thakur Krishna Singh: There is another difficulty. The old taxes were in force from 1st of August 1949 to 1st of December, 1949. So, I think this an idea to the House of the extent of unemployment that prevails with all the 1st of December 1949 and the old taxes were collected up to 1st December.

The Honourable Dr. John Matthai: That would be so.

Mr. Deputy-Speaker: The question is:

"That the Bill to extend certain laws relating to taxation on income to certain areas administered as parts of Governor's Provinces or as Chief Commissioners' Provinces and further to amend certain laws relating to taxation on income be referred to a Select Committee consisting of the Honourable Dr. B. R. Ambedkar, Shri M. Ananthasayanam Ayyangar, Prof. N. G. Ranga, Shri S. V. Krishnaoorthy Rao, Pandit Hriday Nath Kunzru, Prof. K. T. Shah, Shri R. K. Sidhya, Shri B. Das, Shri B. P. Jhunjhunwala, Shri V. Ramaiah, Shri B. N. Munavalli, Shri R. L. Malaviya, Shri G. S. Guha, Pandit Thakur Das Bhargava, Dr. Mono Mohon Das, Shri Deshbandhu Gupta, Shri Mahavir Tyagi, Shrimati G. Durgabai and the Mover, with instructions to report on or before the 16th December, 1949 and that the number of Members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The motion was adopted.

INDIAN MERCHANT SHIPPING (AMENDMENT) BILL.

The Honourable Shri K. G. Neogy (Minister of Commerce): Sir, I move:

"That the Bill further to amend the Indian Merchant Shipping Act, 1923, be taken into consideration."

The Bill, as hon. Members are aware, is intended to enable Government to set up Seamen's Employment Offices at ports in India. It would interest the House to know that the seamen that are recruited at Indian ports constitute a very large proportion of the total sea-faring population of the world. In the case of the U.K. shipping, it is estimated that fully 25 per cent. of the seamen that operate the British shipping are recruited at Indian ports. The total number of seamen that are recruited at Indian ports, has been variously estimated at between 55,000 and 60,000 but the total seamen available for recruitment at these ports have been estimated at between two and three lakhs. That gives an idea to the House of the extent of unemployment that prevails with all its attendant evils.

If has long been recognised that the fundamental problem of the Indian seamen or rather the seamen recruited at Indian ports is that of organisation of recruitment itself. The methods of recruitment that have prevailed have been in operation for the most part of a century without any material change. As the House is aware, the welfare of the seamen has been the subject matter of discussion now and again at International Labour Conferences. The earliest Conference of which I am aware was the one that was held at Geneva in the year 1920, where the question of the employment of seamen came up for direct consideration. The Geneva Conference adopted a Convention, called "The Placing of Seamen Convention, 1920", seeking to regularize and improve the different methods of recruitment that prevail in various parts of the world. I would give very brief extracts from two relevant Articles of that Convention.

Article 2 ran as follows:

"The business of finding employment for seamen shall not be carried on by any person, company or other agency as a commercial enterprise for pecuniary gain....."

I have not given the full Article 2. That is not necessary for my purpose. Let me add that the system that has been obtaining in India falls within the mischief of this particular Article.

Article 4 ran as follows:

"Each member which ratifies this Convention agrees that there shall be organised and maintained an efficient and adequate system of public employment offices for finding employment for seamen without charge. Such system may be organised and maintained either—

- (1) by representative associations of shipowners and seamen jointly under the control of a Central Authority; or
- (2) in the absence of such joint action, by the State itself."

This Convention came up for consideration at the hands of the Government of India in 1921 and the Government placed their recommendations before the two Houses of the Central Legislature, to the effect that the Convention should not be ratified by India. That Resolution was adopted by both the Houses of the then Legislature and therefore, the Convention was not ratified. In the Resolution that was placed before the Legislature by Government in that connection, it was added—although recommending that the Convention should not be ratified—that "an examination should be undertaken without delay of the methods of recruitment of seamen at different ports in India in order that it might be definitely ascertained whether abuses exist and whether those abuses are susceptible of remedy."

May I respectfully suggest that we might perhaps stop here, because I have to continue on a different point.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

*The Assembly reassembled after Lunch at Half Past Two of the
Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.*

Clock.

INDIAN MERCHANT SHIPPING (AMENDMENT) BILL.—contd.

The Honourable Shri K. O. Neogy: Sir, before the House adjourned I had mentioned that in 1921 the Government of India while deciding not to ratify the Geneva Convention of 1920 had agreed to have an enquiry made into the system of recruitment of seamen and also the alleged prevalence of abuses in that connection. A Committee was appointed by the Government of India to undertake this enquiry under the Chairmanship of Mr. Clow who later became Sir Andrew Clow and was a Member of the Executive Council of the Government of India. That Committee criticised the prevalent system in somewhat scathing terms so much so that the Government of India in their resolution, which was published in the Gazette stated that "the Government of India decided to treat as confidential the first three paragraphs of the report which described the existing system and the abuses to which it is liable." In summarising the principal recommendations of the Committee that resolution observed as follows:

"The Committee are unanimously of the opinion that the system has led to grave abuses which no mere amendment of details would satisfactorily remove. They (the Committee) have come to the conclusion that it is imperative to introduce an entirely new system which does not involve the employment of intermediaries. It is clear that if brokers and ghat serangs are no longer to be employed, arrangements must be made to carry out the duties at present entrusted to them. The Committee point out that this can only be effected by the organisation of employment bureau."

Now, in a sense, it is this suggestion of an employment bureau that was made by the Clow Committee in 1922 that I am virtually seeking to incorporate in this Bill after a lapse of twenty-seven years. It appears that the Government of India did not take much serious notice of the recommendations of the Clow Committee and did not take any effective action for the purpose of removing the abuses complained of. Sir, I wanted to give a historical background of this proposal in order that the House may appreciate the issues that are involved in the present measure.

Now I should like to tell the House very briefly something about the exact system that prevails. The system was the same in the case of Bombay and Calcutta ports. These are the ports where the recruitment actually takes place, but the Calcutta system was modified in the year 1941. Now under the Bombay system what happens is that the choice of seamen is largely left in the hands of the shipping companies or their recruiting agencies. In Bombay the serang and the butler are first of all chosen on behalf of the shipping concern and it is left to the serang and butler who are called senior ratings to recruit the subordinate ratings of their own choice.

Very recently a responsible officer of the International Labour Office, Dr. Maud studied the system in India and in referring to the Bombay system, he has given a graphic description of the conditions under which actual recruitment takes place. Referring to one of his experiences, he said: "The Writer arrived outside the Bombay Shipping Office to find an excited vociferous mob engaged in a free fight in which the Police had to intervene after a few broken heads had been suffered." That is the Bombay system.

The Calcutta system, as I have already stated to the House, has been changed since 1941 and it now goes by the name of the 'Open Muster' system.

On this also Dr. Maud has an illuminating observation to make. He said: "the new method is known as the 'Open Muster' system" and then he observes: "it is certainly 'open' and it might be called 'muster' but it most definitely is not a 'system'". That is the Calcutta system. What happens in Calcutta is that on any particular occasion when the selection for recruitment has to be made, all those who are willing to be considered stand in the open, in different lines, and agents of the shipping concerns pass through those lines to look at the papers which these people hold in their hands indicating their records of service and they are then selected. Now here again what Dr. Maud said would be found to be interesting. He refers to a case where a selecting officer had written on his palm in indelible pencil the numbers of certain discharged certificates, the holders of which had paid a bribe in advance to ensure being picked. The trick was discovered and the officer narrowly escaped lynching. This is a characteristic of the Calcutta system.

Now in Calcutta we have, just as we have in Bombay, what is called a 'maritime board', the maritime board being representative of the interests of shipping as also of labour organizations. Government have no part to play in connection with this Maritime Board except in an advisory capacity, if our officer's advice is taken. Now in Calcutta this Maritime Board was organized at the instance of the Calcutta Liners' Conference, and at the request of the Conference, the Government agreed to co-operate in its working and this co-operation consists in merely tendering advice by the Shipping Officer and nothing more than that. The legitimate function of the Maritime Board is to settle the general terms of employment of seamen and not to be responsible for actual recruitment of individual seamen. Sir, it is, of course, possible where labour is efficiently organized to have the task of recruitment of seamen to be entrusted to such bipartite organizations, organizations on which the representatives of the employers as also representatives of efficient labour organizations could find a place, and that is the system that is to be found in certain countries of the world, particularly in the United Kingdom and in the U.S.A. But there are other maritime countries like France, Italy, Netherlands, Norway and Sweden, where the system of employment Bureau under Government auspices has been introduced.

What we seek to do in this Bill is to authorize Government to establish Government organizations for the purpose of recruitment of seamen. It is not the intention of Government to exclude the possibility altogether of bipartite arrangements to function. If Government are satisfied that in any instance, for instance either in Bombay or in Calcutta at any time it is possible to leave the responsibility of recruitment to these bi-partite organizations, Government might be content to watch the situation from a distance or with giving advice, apart from exercising some kind of general supervision and control.

What is essential at the present moment in the circumstances that prevail in the recruitment of seamen is to weed out the unsuitable. I have already indicated that a very large volume of unemployment prevails in this profession. The first essential is to weed out the unfit by medical examination, not merely by medical examination but also by finding out actually how many of them whose names appear on the rolls are really bogus persons, because I am told that many of these seamen whose names still appear on the rolls are no longer in the land of the living. Then there is an idea also of undertaking a scheme for the training of ratings. That would benefit the new entrants in the future. Now all this depends upon an effective supervision and control on the part of Government and it is for the purpose of providing a machinery that could be entrusted with this task that I have made this proposal in this Bill for the appointment of seamen's employment offices.

[Shri K. C. Neogy]

As I have already stated, there is no desire to exclude the bi-partite organizations that may be found to be sufficient for the purpose of advising or even of undertaking the actual work of recruitment on behalf of the employment offices, but everything would depend upon the conditions that might prevail at the time as regards recruitment and also the efficiency with which these labour organizations would function. Sir, this is the object of this Bill and I hope that the House will not find it difficult to accord its approval to it.

Mr. Speaker: Motion moved:

"That the Bill further to amend the Indian Merchant Shipping Act, 1923, be taken into consideration"

Sjt. Kuldhar Chaliha (Assam: General): Sir, the hon. Mr. Neogy has given in full detail the entire history of this covenant and also this Bill. He has taken very great pains to trace the history from the Geneva Convention down to the present day and he has also given a description of Clow Enquiry Committee. But that was as far back as 1922 and I do not know what the recommendations of this Committee really are, and he has not been good enough to give us a summary of those recommendations, but yet what he said was that if the present Bill is passed, all the defects would be removed. But I am sorry I have a suspicion about the whole thing. It seems we are depriving by this measure the freedom of the individual to choose any occupation he likes. If they have to go to an employment bureau and get themselves registered for employment on payment of some fees, we may find ourselves in a vicious circle. Probably all the corruption and bribery which now exist will reappear under this method also. I know of some cases in which very intelligent young fellows ran away from their homes, got themselves in touch with some captains for service in ships, ultimately becoming efficient seamen and sailors. I know of one such man who went to Bombay under an assumed name and after service in some ships became the captain of a small ship. If we have the system proposed by the hon. Minister for selecting seamen, we will be depriving our youths of their originality for certain things and also their ability for leadership. I do not think we can approve of the system prevalent in Bombay or elsewhere. Whatever it is, the system advocated twentyseven years ago should not be adopted now. Sir Andrew Clow was not a liberal statesman. We know he was a great reactionary. We know him as Governor of Assam. We know his views and as such his recommendation should not be adopted. He was not sympathetic to labour and his recommendations for labour would not be beneficial to it.

Sir, before coming forward with a Bill of this kind I feel that the hon. Minister should have appointed a small committee to go into the question of amending section 26 of the Merchant Shipping Act. People in Bombay should have been consulted. The hon. Minister gave the names of three countries where such employment bureaus existed. But may I point out that in other advanced countries there are no such employment bureaus? What is the reason for it? They must have cogent reasons for not having them. In such circumstances why should our hon. friend, who is known to be intelligent and capable, come forward with an amending Bill of this kind? He has presented certain facts to us, but not important facts justifying the passing of a measure of this kind. Unless we have the views of a duly appointed enquiry committee or the views of the Governments of West Bengal or Bombay, we should not agree to this measure. He has not told us what the views of those Governments are.

Shri R. K. Sighva (C. P. and Berar: General): The ports are not within their jurisdiction.

Sjt. Kuladhar Chaliha: But those Governments would have their views in matters like this. I am surprised that Mr. Sidhva has spoken like that. He ought to have his own views on matters presented to him. My submission is that this Bill will deprive our young men of the fundamental right of choosing their own vocation and compel them to go through certain bureaucratic formalities for getting employment. I have some experience of Act VI regarding the agency for recruiting labour for tea plantations and the abuses there. My hon. friend Mr. Neogy was once upon a time an advocate for the abolition of that Act. He was then a non-official Member of this House. I do not see any reason why he should change his views now and bring into existence a system which he disliked. At any rate, Sir, we should have the opinion of the Seamen's and Sailors' Committees on this measure before we agree to it.

Sir, if Government open some training centres for our boys to become seamen I would support this measure. For the reasons advanced by me I have suggested an amendment to the Bill.

The Honourable Shri K. C. Neogy: Then what will remain of the Bill?

Sjt. Kuladhar Chaliha: But I say, you are depriving a man of his right to select his own occupation. Why are you rushing with this legislation?

Mr. Speaker: The hon. Member is repeating himself.

Sjt. Kuladhar Chaliha: They ought not to have come with a legislation of this sort. They should withdraw it.

Prof. N. C. Ranga (Madras: General): I am surprised that my otherwise very cool-headed friend has warmed himself up so much.

The Honourable Shri K. C. Neogy: Because of the association of this piece of legislation with the name of Governor Gow.

Prof. N. C. Ranga: I do not think there is any justification for such severe criticism of this Bill. In various other countries, not only in regard to this small matter, but in regard to general employment, what is known as compulsory labour exchange is being established. Last year, when the I.L.O. met at San Francisco, it considered this matter and made recommendations to all the countries to establish labour exchanges for all employment so that every worker would be assured of a job and would be provided with the necessary training and he need not have to depend upon the sweet will and pleasure of this or that employer. I am glad that at least in this regard the Government propose to bring in compulsory registration at an employment exchange. I do not think there is any need to be afraid of this employment exchange.

The hon. Minister has already stated that the I.L.O. representative himself has testified to the existence of evils in the existing system. Even if this employment exchange were to indulge in a certain amount of red-tapism and corruption, that cannot come to even a tenth part of the corruption, etc. that now exists, as between the snipping authorities on the one side and the recruiting agents on the other.

Secondly, Sir, there has been a tremendous amount of unemployment and people who got into it some time ago have made the profession a caste profession, a traditional profession so much so that they have made it a sort of vested interest. Many others wanted to get into it, especially during the war, but what happened? These others could not get in because the others who had gone in before had established themselves there and would not allow any chance to the new people to get an entry in this industry.

Sjt. Kuladhar Chaliha: That happened in Calcutta.

Prof. N. G. Ranga: In Bombay also. Because the prospects there are better than on land and other unskilled employments, more and more people are anxious to get into this industry. We are now going to develop our merchant navy and our Navy and we must make sure that we have a large enough body of people from whom we could go on recruiting the requisite number of people and the right sort of people. How are you going to do it if you are not going to control this evil, this evil of tradition, this evil of caste, this evil of corruption?

Thirdly, Sir, there is no reason why we should grow so very angry with Mr. Clow. It may be true that when he became a Governor, he became a bad man. I do not know. I leave it to the experience of Mr. Chaliha. But when he was Labour Member here and earlier when he was Labour Secretary for a number of years. I had the honour of working with him in this House and I can testify to this that Mr. Clow was considered to be one of the best friends of Indian labour and labour in general.

Shri B. Das (Orissa: General): Better speak for yourself.

Prof. N. G. Ranga: Of course, I am speaking for myself, not for Mr. Das, because Mr. Das has always been the friend of the employers. On that Committee with Mr. Clow was associated Mr. N. M. Joshi whose labour credentials even Mr. Das would not question. It was a unanimous report. They made this report so many years ago, some 27 years ago. It was not the fault of Mr. Neogy that he has come forward with this Bill to give effect to their recommendations at this late hour. On the other hand we should give him credit that at least now he has come forward with this Bill even though all these years so many of his predecessors had neglected their duty. Now we are going to develop our merchant fleet and our Navy and therefore we are anxious to put more and more people, the right sort of people, there, and we do not want mere unskilled people to be sent in. Therefore the Government is taking upon itself the responsibility of starting a training centre to train as many of these people as possible, making them skilled. This will also save the seamen from the evils from which they have been suffering all these years. Sir, I have great pleasure in supporting this Bill.

The Honourable Shri Jagjivan Ram (Minister of Labour): I would not have intervened in the debate but for the warmth with which Mr. Chaliha has raised so many points which are not relevant to the proposals contained in the Bill. Mr. Chaliha said that employment offices or the appointment of Employment Officers will deprive the individual of his choice of occupation. Sir, it is very difficult to understand how Mr. Chaliha reaches that conclusion that by the recruitment of seamen through the Employment Officers or the Employment Offices they will be deprived of their choice of occupation. In the first place, only those persons who are working as seamen or who are willing to work as seamen will be employed by the Employment Offices, and so the question of depriving them of their liberty of choosing their occupation does not arise at all.

Secondly, I do not want to go into those details which have already been covered by my colleague the hon. the Commerce Minister. The one point that I would like to stress is that the analogy of the Arkati (Indenture labour) system or of indentured labour does not arise at all. As a matter of fact, when Mr. Chaliha rose to speak on this motion, I was surprised as he comes from a province which has no proximity to the sea, and my apprehension was justified when he brought his knowledge of the recruitment of labour for the plantations of Assam to bear upon the recruitment of seamen.

Shri B. K. Sirdhva: His wider knowledge.

The Honourable Shri Jagjivan Ram: His description of the recruitment of plantation labour held good some one or two decades ago, but those conditions have ceased to exist even among the plantation labour since we appointed a Superintendent or Controller of Emigrant Labour to administer the Emigrant Labour Act. I am sure Mr. Chaliha is well aware that there have been effected so many changes and improvements even in the recruitment of the labour meant for the plantations. His analogy of indentured labour does not hold good at all in this regard.

Then he raised the question whether the Governments of Bombay and West Bengal were consulted in this matter and Mr. Sidhva has given him a reply, but I may mention one or two things for his information. When some time ago a bi-partite organisation was set up for the recruitment of seamen, Dr. Suresh Banerjee was Labour Minister of West Bengal and he approached the Commerce Ministry and the Labour Ministry as well in this respect. He was insistent that Government also should be represented on that organisation, and since then we have been thinking whether we can evolve a scheme by which the Government will have an effective voice in seeing that right sort of people are supplied to the industry. After examining the schemes prevalent in different countries, the Commerce Ministry came to the conclusion that it will be in the best interests of not only the seamen but also in the national interests to have the Employment Exchange system here. If I may inform the House, Sir, a very large percentage of those, who are known as seamen are not only unsuitable or unfit for employment but a very large proportion of them are not Indian nationals. Therefore it has become necessary that some sort of rational scheme should be brought into being to see that suitable persons are engaged in this profession and the corruption, bribery and nepotism that is going on is ended. I think I have given some information on the points which were raised by my friend Mr. Chaliha, of course based on his experience of plantation labour which has not got much relevancy to sea labour.

Shri B. Das: Sir, I wholeheartedly support the measure which the hon. Commerce Minister has introduced. The main points which I desired to touch have already been covered by the hon. Shri Jagjivan Ram. My reasons are from the security point of view. I am not interested in what Sir Andrew Clow did or what Mr. N. M. Joshi did. My friend Prof. Ranga gloats upon the continuity of the labour policy of Sir Andrew Clow and even of my old friend Mr. Joshi. But I hope sometime when he thinks quietly he will find that the labour policy of Sir Andrew Clow has done industry and industrial development in the country the greatest harm. But that is not the point under discussion.

Since the partition of India some of us have been very agitated about the seamen that are being employed in the Indian Merchant Shipping or in the Royal Indian Navy. Most of them come from Pakistan. They are from East Bengal, the home province of the hon. the Commerce Minister. Today one does not know whether a seaman is an Indian national or a Pakistan national. There are many who are now ushered in as nationals under the citizenship article of the Constitution which we have adopted and these people are not Indians. They may be Indian-born but their allegiance or loyalty is to another country. It is high time that the Government adopt the system of employment exchange bureaus, by which we would know the nationality of the seamen whom we are recruiting. There are seamen from Janjira who are mostly Muslims but there are also other people from other parts. The people of Chittagong, for reasons of race, classify themselves as Indians. But the moment the stage of earning is over they become very loyal and faithful citizens of Pakistan. That is a problem which we will have to solve and avoid the consequent dangers. We do not want Quislinga either in the Indian

[Shri B. Das]

Navy or in the Indian mercantile marine. With the employment bureau functioning we would know the nationality of every prospective seaman who is registered. There are Hindus in Bombay Presidency and there are people in my own province of Orissa who will prove able seamen. Somehow the British mercantile marine and the foreign merchant ships had never allowed Hindus to enter as seamen. There were prejudices and other reasons against them but today we should have a larger horizon and a broader view point. Are we going to employ Pakistan seamen who might temporarily call themselves Indians and who might later do sabotage both in our merchant shipping as also if possible in the Indian navy? These facts compel me to support the measure. The hon. Labour Minister knew this, he knows it and even hinted at it and I am sure he will help the country so that we develop and train the right type of seamen.

I am glad my friend Dr. Keskar is here. However much friendliness we might show to the neighbouring territory of Pakistan we will have to safeguard ourselves against the possibility of Pakistan seamen under the guise of Indian seamen doing sabotage. In case Pakistan declares war against India this is quite possible. I am not very happy over Pakistan's attitude towards us today. So for security reasons and also for the safety of Indian bottoms engaged in trade and commerce I am glad to support the measure.

I am glad to hear from my hon. friend Mr. Jagjivan Ram that the old indentured labour system has been put an end to. But I would remind my hon. friend Mr. Chaliha that it was Orissa labour that was maltreated in the tea gardens of Assam for years. It was they who were sweated and it was their lifeblood which enriched the English planters of Assam. Mr. Chaliha may have his suspicions but he will agree with me that Republican India should be strong and healthy in commerce and trade and our security should be fool-proof. In the Indian navy we must have seamen who are patriotic nationals and not those who only seek employment under the guise of being Indian nationals. I know that it will be a hardship to many people in Chittagong district, who are today employed as seamen all over the world. They go by the name of Indians. Up to now we had no registration office for nationalisation or citizenship. U.K. was the largest recruiting place for the employment of Indian seamen in foreign bottoms. I would be glad to hear from my friend Mr. Neogy that they have in mind this point of nationalisation and citizenship and that wrong notions of citizenship will be set right by these employment exchanges.

श्री लक्ष्मीनारायण साहू : वाचस्पति जी, इस प्रस्तुत विधि में जो कारण दिये गये हैं, उस कारण को देखते हुए मैं समझता हूँ कि इसका परिवर्तन हो सकता है। पहले हम देखते हैं कि सीमेन (seamen) ज्यादा हो जाते हैं और शिप्स (ships) उतने नहीं हैं। जब ज्यादा शिप्स होंगे, तब सीमेन उसमें खप जायेंगे। इस लिये हम लोगों की शिपिंग (shipping) ज्यादा होने से जितने सीमेन मिल जायेंगे उसमें खप जायेंगे। हम लोगों को यह नहीं करना होगा कि जहाँ सीमेन यूनिजन कायम है उसको तोड़ के यह नया रेजिस्ट्रेशन करना। सीमेन यूनिजन की तरफ से जब हम लेबर (labour) को ठीक करेंगे, सब आदमियों को जहाज में भेजने के लिये काम करने के लिये जब भेजेंगे, तो उसमें क्या हर्जा है। सरकार चाहे तो उनका प्रतिनिधि सीमेन यूनिजन (Seamen union) में रखदे। जो यह डर होता है

कि हिन्दुस्तान के टुकड़े हो जाने के बाद सी (sea) में, जहाज में, जो काम करते हैं, उनमें ज्यादा तादाद इण्डियन नेशनल की नहीं है, सीमेन यूनियनस जो हैं, उनके जरिये से हम उसको ठीक कर सकते हैं। जब गवर्नमेंट को इतना शुबहा होता है कि इण्डियन नेशनलस उसमें न रह कर बाहर के आदमी भी रह सकेंगे, तो सीमेनस यूनियन जो हैं, उसमें गवर्नमेंट के प्रतिनिधि भी जब रहेंगे, तो काम ठीक तौर से चलेगा। मुझे यह भय होता है कि गवर्नमेंट पूरी तौर से जब इसका प्रबन्ध कर लेंगी, तो उसमें जो लोग काम करेंगे, उनकी स्वतन्त्रता कुछ नहीं रहेगी। इस लिये मुझे बहुत भय होता है जैसी कि विधि अभी वाणिज्य मन्त्री ने हमारे सामने रखी है, उस विधि को जैसी है, वैसी पूरी हम लोग पास न करें। मैं तो चाहता हूँ कि इम्प्लोयमेंट एक्सचेंज (employment exchange) आफिस है, लेकिन उससे कुछ जनसाधारण को फायदा होगा, मेरी समझ में नहीं आता। यह सब देखते हुए मैं सोचता हूँ कि परिवर्तन थोड़ा करने से अच्छा होगा।

एक बात अभी आई कि सीमेन (seamen) ठीक काबिल नहीं हैं और उन लोगों को ट्रेनिंग की जरूरत है। तो यह तो सबको पसन्द है। जब सीमेन की ट्रेनिंग का बन्दोबस्त होगा तो जो सीमेन का काम करेगा वह ट्रेनिंग में जाना जरूर चाहेगा। इसमें तो किसी को मतभेद नहीं हो सकता है।

मैं इस बारे में और ज्यादा नहीं कहूंगा। इतनी उम्मीद करता हूँ कि जब नान-आफिशियल (non-official) सीमेन्स यूनियन है तो उसके जरिये से सब सीमेन को चुनेंगे और सीमेन भेजेंगे। इसमें क्या हर्ज है यह जरा वाणिज्य मन्त्री मुझे समझा देंगे तो जो मेरा सन्देह है वह दूर हो जायगा।

(English translation of the above speech)

Shri Lakshminarayan Sahu (Orissa: General): Sir, keeping in view the causes set forth in the proposed scheme. I consider it is capable of alteration. In the first instance it is observed that seamen exceed the number of available ships. The moment the number of our ships is increased, it will become possible to absorb all the available seamen. The fresh registration of seamen should not be necessary at places where their unions exist. Such a course will be only at the expense of those unions. No harm will come if the channels of various seamen unions are availed to bring the labour to do the right thing or send all of them abroad for work. The Government, should they so desire, can have their representatives in the unions. The fear regarding the majority of seamen being of non-Indian nationality as an aftermath of Partition can be eliminated through these unions. Whenever the Government are apprehensive of the presence of non-Indians in spite of the Indian nationals in them, they can have their own representatives therein and the whole matter will have a smooth sailing. I rather fear that, should the Government make arrangements to this end workers of the unions will lose their freedom of action. I entertain grave fears about the proposed scheme in the form it has been put before the House by hon. the Minister of Commerce

[Shri Lakshminarayan Sahu.]

and wish it not to be passed in its entirety. I doubt if the Employment Exchange Offices can do any material good to the common man or at least I don't understand it. Taking all this into consideration I am of the opinion that it shall be better to effect only minor changes.

Another point has just been made. This is that seamen being not well qualified need training. All would welcome this suggestion. Once arrangements to this effect are complete, all those people working as seamen will surely like to undergo training. There can be no difference of opinion in this matter.

I will not like to say more in this connection. I don't see any harm if the seamen are selected or sent to sea by the non-official unions. I hope hon. the Minister of Commerce will kindly explain the matter so that my doubts are removed.

Prof. N. G. Ranga: Sir, the question may now be put—

Mr. Speaker: I will allow Mr. Naziruddin Ahmad to speak a few words.

Mr. Naziruddin Ahmad (West Bengal: Muslim): Sir, it is somewhat surprising that some very ordinary common-sense remarks of my friend Mr. Kuladhar Chaliha should make some big guns in the House like Professor Ranga, Mr. Jagjivan Ram and Mr. Das to discharge their bullets. What my friend Mr. Kuladhar Chaliha said was that there is corruption, and he mentioned some instances of corruption. This argument was controverted by the absurd argument that his experience was confined to tea labour and did not extend to seamen. But corruption is a class by itself, it is a classical institution. It does not depend upon the particular place where it is practised. It is a very general trade which thrives in any atmosphere and a man who has studied corruption in one place is certainly competent to express his opinion in other spheres.

Sir, I quite agree that there is corruption. The head-breaking system and other things mentioned by my hon. friend are perfectly true. But what you are going to do is that corruption should not be practised by non-official agencies, that there should be a government controlled agency to do that for them. I submit that there is a grave risk of corruption being introduced in the labour offices which you are going to set up because human nature is after all what it is and you cannot simply eliminate it by transferring the scene of action. The men who practise it are there and the effect of this would be to introduce the system of corruption in employment offices. (*Interruption.*) What is going to be done is, as Mr. Kuladhar Chaliha suggests, that it would be a legalised form of corruption. I submit that a better way of expressing it would be that the hon. Minister is trying to 'nationalise' corruption. Corruption which is a thriving business is going to be taken over by Government and run on superior lines. I express my misgivings in this regard and I hope the hon. Minister will try his best to avoid the risks which are inherent in it.

The Honourable Shri K. C. Neogy: Sir, I would not have thought it necessary to intervene once again in this debate, particularly after the speech made by my hon. colleague the Minister of Labour as also the speech made by my hon. friend Prof. Ranga. I am particularly impelled to make a few observations in view of certain remarks that have been made particularly by the two hon. Members from Orissa. In the first instance I should try to remove certain misapprehensions which seem to prevail in their minds. I want to assure them that so far as the Indian Navy is concerned there is no Pakistani national among the ratings or among the officers. Again, in the next category of shipping which may be described as Indian-owned shipping, Pakistani seamen do not certainly form the majority. But in the remaining number of seamen, that is to say, those who are employed on ships other than those that are owned by Indian shipping concerns, they constitute a very large

majority. According to the long-established conventions prevailing all over the world, nationality does not determine the right of recruitment at any port in any part of the world. We are not therefore entitled to say that a Pakistani national, because he is a Pakistani national, has not the right to be recruited in the ports of Calcutta and Bombay by any shipping company that wants to recruit him. I should like to make that position very very clear. And it is not with the object of discriminating necessarily against the Pakistani seamen by the provision of a government machinery that I have brought forward this Bill. He may be a Pakistani, he may be Australian, he may be Chinese—Chinese seamen are recruited in America for instance—anybody who has qualifications of a kind that fit him out for this job and who satisfies the other conditions would be entitled to be recruited in the ports of India irrespective of his nationality. That is the only point in regard to which I wanted to make the position clear.

Mr. Speaker: The question is:

"That the Bill further to amend the Indian Merchant Shipping Act, 1923, be taken into consideration."

The motion was adopted.

Mr. Speaker: We will not take the Bill clause by clause.

The question is:

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

श्री लक्ष्मीनारायण साहू : वाचस्पति जी, मैं इस बारे में ज्यादा नहीं कहना चाहता हूँ। मैं इतना ही कहूंगा कि मेरे नाम में दो अमेंडमेंट हैं। एक यह कि बिल के तीसरे क्लॉज को ओमित (omit) कर दिया जाय, दूसरे यह कि बिल के तीसरे क्लॉज में प्रपोज्ड नये सेक्शन २५ ए के सब सेक्शन ५ के क्लॉजबी का पार्ट २ को ओमित (omit) कर दिया जाय।

(English translation of the above speech)

Sri Lakshminarayan Sahu: Sir, I do not want to speak much on this issue. I say that two amendments stand in my name. First is the effect that clause 3 of the Bill be omitted. The second amendment seeks that in clause 3 of the Bill, part (ii) of clause (b) of sub-section (5) of the proposed new section 25A be omitted.

Mr. Speaker: I wanted to have the position cleared about his amendments. Of course, his first amendment is out of order. I will call upon the Members who want to move amendments to clause 3.

Shri S. V. Krishnamoorthy Rao (Mysore State): Sir, I have given notice of a few amendments.

The Honourable Shri K. C. Hoogy: I am prepared to accept third amendment of the hon. Member. I have given notice of the very same amendment.

Mr. Speaker: Is the hon. Member going to move his first amendment?

Shri S. V. Krishnamoorthy Rao: Yes, Sir. I think it is necessary.

Mr. Speaker: I will leave it to him. If he wants, he may move it.

Shri S. V. Krishnamoorthy Rao: I will move it after hearing the hon. Minister.

Mr. Speaker: But unless the amendment is there, how can that be done?

Shri S. V. Krishnamoorthy Rao: I shall move all the four amendments. I move:

(i) "That in clause 3 of the Bill, in sub-section (1) of the proposed new section 25A of the Indian Merchant Shipping Act, 1923, for the words 'thinks fit', the words 'deems necessary' be substituted."

(ii) "That in clause 3 of the Bill, in sub-section (3) of the proposed new section 25A of the Indian Merchant Shipping Act, 1923, for the words 'to be entered', occurring in line 4, the words 'for entry' be substituted."

(iii) "That in clause 3 of the Bill, in sub-section (3) of the proposed new section 25A of the Indian Merchant Shipping Act, 1923, for the word 'seamen' occurring in two places in line 5, the word 'seaman' be substituted."

(iv) "That in clause 3 of the Bill, in sub-section (4) of the proposed new section 25A of the Indian Merchant Shipping Act, 1923, for the words 'to be entered', the words 'for entry' be substituted."

Of course the hon. Minister has accepted amendment No. 7. The second and the fourth amendments are identical. I have moved them to make the meaning quite clear. Now it reads "shall receive or accept to be entered". "Entered" refers to seamen. But as it is, it may be construed as referring to the officer who receives them. If the clause were to remain as it is then the words "any seamen" should come before "to be entered"; or, my amendment "for entry" has to be accepted. If, as I stated, "any seamen" is interposed between "accept" and "to be entered", then, however, it would make the meaning clear.

Mr. Speaker: He has practically dealt with the last three amendments.

The Honourable Shri K. C. Neogy: The second and the fourth go together, in a sense. I am prepared to accept the third.

Shri S. V. Krishnamoorthy Rao: Then I am not going to press the second and the fourth amendments.

Mr. Speaker: All right. I will place the third amendment before the House.

The question is:

"That in clause 3 of the Bill, in sub-section (3) of the proposed new section 25A of the Indian Merchant Shipping Act, 1923, for the word 'seamen', occurring in two places in line 5, the word 'seaman' be substituted."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, I move:

"That in clause 3 of the Bill, in sub-section (3) of the proposed new section 25A of the Indian Merchant Shipping Act, 1923, the words 'in existence' be omitted."

In the context these words are absolutely unnecessary. The context is:

"Where there is in existence at any port a Seamen's Employment Office....."

I want to remove the words 'in existence', and then it would read as follows:

"Where there is.....at any port a Seamen's Employment Office....."

If we say:

"Where there is.....at any port a Seamen's Employment Office....."

the word 'is' implies its existence. It inevitably implies that it is really in existence. You cannot have a Seamen's Employment Office which is never in existence. So, the words 'in existence' are unnecessary.

The Honourable Shri K. C. Neogy: Sir, to my mind there is hardly any difference in substance, but it seems to me the wording as it stands reads somewhat better. That is all that I can say.

Mr. Speaker: I need not express any opinion on that, but it appears that the wording seems to be necessary because it means that when this particular section comes into operation, the office is in existence. That is the force of it, as I see from the language. Anyway, if it is not a very material matter, does the hon. Member press his amendment?

Mr. Nasiruddin Ahmad: No, Sir.

Mr. Speaker: Then I need not place it before the House. Then next amendment. Dr. Mono Mohan Das is not present. Next amendment.

Shri Lalshminarayan Sabu: वाचस्पति जी, मेरा संशोधन वह है (Sir, I move):

"That in clause 3 of the Bill, part (ii) of clause (b) of sub-section (5) of the proposed new section 26A of the Indian Merchant Shipping Act, 1923, be omitted."

Mr. Speaker: Amendment moved:

"That in clause 3 of the Bill, part (ii) of clause (b) of sub-section (5) of the proposed new section 25A of the Indian Merchant Shipping Act, 1923, be omitted."

What is the reaction of the hon. Minister to this amendment?

The Honourable Shri K. C. Neogy: Sir, the object appears to be to prevent any fee being levied by the Employment Office. While I give the assurance that there is no intention on the part of Government to make any profit out of it, I should like to state that the fee would be required for the purpose of meeting the expenses of the organisation that will have to be set up. I may mention to the House that even at the present moment there is a fee charged by the tripartite organisations like the Maritime Board, at the rate of one rupee, as far as I know, per head of seamen on each occasion when recruitment takes place. The legality of the levy is being questioned; that is to say, it is contended that it is not authorised by law, but we feel that Government should be able to raise sufficient revenue from the fee to be charged to the seamen for the purpose of running the necessary establishment to be set up. From that point of view I am not in a position to accept this amendment.

Mr. Speaker: The question is:

"That in clause 3 of the Bill, part (ii) of clause (b) of sub-section (5) of the proposed new section 26A of the Indian Merchant Shipping Act, 1923, be omitted."

The motion was negatived.

Mr. Naziruddin Ahmad: Sir, I move.

"That in clause 3 of the Bill, in the *Explanation* to the proposed new section 25A of the Indian Merchant Shipping Act, 1923, after the word 'unless', the word 'so' be inserted."

The Honourable Shri K. Santhanam (Minister of State for Transport and Railways): It is there at the end.

Mr. Naziruddin Ahmad: Yes, in that case I don't press it.

Mr. Speaker: The question is:

"That clause 3, as amended, stand part of the Bill."

The motion was adopted.

Clause 3, as amended, was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Shri K. C. Neogy: I move:

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

Mr. Speaker: Motion moved:

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

Shri M. Ananthasayanam Ayyangar (Madras: General): Sir, I had no intention to intervene but I wanted to intervene earlier immediately I heard my hon. friend Mr. Naziruddin Ahmad saying that possibly you are substituting one corrupt institution for another corrupt institution. I entirely disagree with him. If he thinks that in a country even the Government becomes corrupt and it is impossible to correct the Government, then I think he may as well give up that country and go to some other place.

Mr. Naziruddin Ahmad: I did not say that the Government itself was corrupt.

Shri M. Ananthasayanam Ayyangar: The Seamen's Employment Office is going to be appointed by the Government and every possible step will be taken so that there is absolutely no corruption. In human institutions it may generally be said that there may be scope for corruption here and there. We are only progressively trying to curb that practice. My friend is an advocate but merely because some murders are still committed we cannot cancel the Penal Code. So, I welcome this measure. I would welcome this principle not only for this but for all kinds of labour. Organised labour is the only salvation to the security of any country. It must be there. Both horizontally and vertically labour should be organised everywhere. I would like that there should be an employment exchange for each industry or factory. There is provision in this Bill for the appointment of Advisory Boards. I am sure in the Advisory Board the employer and an expert seaman and also other technical persons will find a place. There are ample provisions to safeguard against corrupt or malpractices. No unnecessary or incompetent person will be thrust on an employer, nor would it be left to the freaks of an employer to choose one man and throw out another. This provides against a man being thrown out at the whim of an employer. This Bill is intended to prevent a poor man who is driven by hunger to seek employment from being exploited. I am sure there is absolutely nothing wrong going to happen under this Bill. On the other hand, there is everything to gain by it. I would like this Board to look into the punishments of the men also from time to time. One of the functions which can be properly assigned to it is that. At the time of employment, an individual may come to the employer through the employment exchange, but if the employer does not want him, he can easily throw him out. Gradually,

therefore, the powers of the employment exchanges ought to be increased for the purpose of safeguarding the career of the man employed. Otherwise, the man would not really have a sense of security.

There is one thing more that I would urge. This Board should be in the hands of the Labour Ministry. It should not be a wing of the Commerce Ministry. All labour must be organised in one Department. They are the better people to do it. They are looking into it from time to time. Therefore, it must be under the general supervision of the Labour Ministry. Sir, I support the motion.

Mr. Speaker: The question is:

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

The motion was adopted.

MERCHANT SHIPPING AND LIGHTHOUSE (AMENDMENT) BILL

The Honourable Shri K. C. Neogy (Minister of Commerce): Sir, I move:

"That the Bill further to amend the Indian Merchant Shipping Act, 1923 and the Indian Lighthouse Act, 1927, be taken into consideration."

This measure has been necessitated by an act of administrative decentralisation that has been undertaken by Government for the purpose of facilitating the executive work of an administrative character pertaining to problems of Indian shipping. This office and this officer have been in operation for about six months now. What has been happening is that due to the fact that certain statutory functions have to be necessarily performed by the Government of India under the provisions of these two laws which I seek to amend, the decisions which could otherwise be taken by this officer have to be referred to the Commerce Ministry for purposes of formal endorsement. The Commerce Ministry does not exercise any power in regard to those matters. It is not necessary that it should do so. The Ministry is concerned more with policy questions and these matters of administrative detail had better be left to the organisation that has been set up, and this can be only done by way of delegating the authority of the Government of India to this officer, but I should like to point out that this delegation is not an absolute delegation. Under the wording of the relevant clause, the powers should be exercisable 'also by the Director-General of Shipping', that is to say, whereas the Government of India would be authorised under the various provisions of law to exercise these powers, under this delegation the Director-General also would be entitled to exercise those powers. This is needed merely in the interests of administrative efficiency and I do not think I need take the time of the House any more.

Mr. Speaker: Motion moved:

"That the Bill further to amend the Indian Merchant Shipping Act, 1923 and the Indian Lighthouse Act, 1927, be taken into consideration."

Shri B. Das (Orissa: General): It must have gladdened the soul of my friend Mr. K. C. Neogy that he has crowned into success the shipping policy that he as one of the most prominent Members of this House has been advocating for the last twenty-five years or more. We welcome the Director General of Shipping. We welcome this delegation of power and I hope our Director-General of Shipping will have the patriotic instinct to understand our demands for the last twenty-five years and will see that soon we have got a glorious Indian Merchant Shipping excluding all foreign Shipping from the coast of India, I am very glad. I support this measure.

Mr. Speaker: I do not think any reply is called for. So I will put the motion. The question is:

"That the Bill further to amend the Indian Merchant Shipping Act, 1923 and the Indian Lighthouse Act, 1927, be taken into consideration."

The motion was adopted.

Mr. Speaker: We will now take the Bill clause by clause.

Shri B. K. Sidhva (C. P. and Berar: General): I beg to move.

"That in clause 2 of the Bill, in the proposed new section 4A of the Indian Merchant Shipping Act, 1923, for the word 'Director-General' wherever it occurs the word 'Manager' be substituted."

My point in suggesting this change is this. The Director-General may mean a very great liability to the State. Surely, his salary will be very high. I do not know what his salary will be. The work is not to that extent as to justify the designation of the post as Director-General. There is nothing wrong in the word "Manager". It is a shipping concern and I do not think you should have a Director-General for it. I would like to know from the hon. Member what salary this post carries. If it is a reasonable amount I have no objection. I find that the Director-General of Posts and Telegraphs and the Director-General of Industries and Supplies are paid more than Rs. 3,000.

The Honourable Shri K. C. Neogy: Here also it is Rs. 3,000.

Shri B. K. Sidhva: There you are. That is why I move this amendment.

Mr. Speaker: What is the position about the amendment?

The Honourable Shri K. C. Neogy: I think there is a serious misapprehension about the status and functions of this officer. He is not the Manager of Indian shipping in the sense of a private concern or a Government concern. He has to deal with all manner of questions relating to shipping that arise with reference to various shipping interests all over the world. He could not be called the "Manager" of Indian Shipping. As a matter of fact, the designation is no real test as to the salary of a particular officer. There are Managers whose pay is Rs. 6,000 or even more in some cases.

The Honourable Shri Jagjivan Ram (Minister of Labour): In the Railways, they get Rs. 3,500.

Shri B. K. Sidhva: He is a General Manager. However, I do not press my amendment.

Mr. Speaker: So I am not placing it before the House.

The question is:

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 3 was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Shri K. C. Neogy: Sir, I move:

"That the Bill be passed."

Mr. Speaker: The question is:

"That the Bill be passed."

The motion was adopted.

INDUSTRIAL DISPUTES (BANKING AND INSURANCE COMPANIES)
BILL

The Honourable Sri Jagjivan Ram (Minister of Labour): Sir, I move:

"That the Bill to provide for the adjudication of industrial disputes concerning certain banking and insurance companies, be taken into consideration."

[At this stage Mr. Speaker vacated the Chair, which was then occupied by Shri S. V. Krishnamoorthy Rao (one of the Panel of Chairmen).]

Sir, early this year a large number of disputes were threatened in the banks in the various parts of the country and though banking concerns do not come within the jurisdiction of the Central Government a large number of representations were sent to me and to my Ministry requesting us to intervene in the matter. We had consultations with the Provincial Governments and we thought it proper that some steps should be taken to avoid the threatened disputes in the banks which if materialised would have led to serious economic consequences. As at that time we had no power we could not do anything in the matter. Since then some amendment in the Constitution was made by which authority was taken by the Central Government to the effect that if Parliament so authorised certain items which till then fell within the Provincial List may be taken up by the Centre. After that an ordinance was promulgated by which banking companies and insurance companies which have branches in more than one province became the responsibility of the Centre. After the promulgation of that Ordinance a tribunal was set up to which the disputes, or threatened disputes practically in all the banks in the country were referred. That tribunal is proceeding with its work. The period of the ordinance was to expire on the 31st of October. So it was again extended. The extended period of the ordinance will expire after six months. So it was thought proper that this opportunity may be taken to have a regular Act to replace that ordinance. The measure is a very simple one and I do not want to take the time of the House in making a long speech on it. I hope the House will accept my motion.

Mr. Chairman: Motion moved:

"That the Bill to provide for the adjudication of industrial disputes concerning certain banking and insurance companies, be taken into consideration."

Shri Harihar Nath Shastri (U. P.: General): Sir, I desire to say only a few words on this measure. I regret I cannot see eye to eye with the hon. Minister in regard to the advisability of the promulgation of the ordinance which is now proposed to be converted into an Act. I do appreciate the motive behind it, that is to say, to ensure uniformity in regard to the working conditions in various banks of the country, but I must say that the circumstances in which this ordinance was promulgated were, to say the least, not very creditable.

Sir, with your permission. I would in a few words state the circumstances under which this ordinance was promulgated. Some time back—probably at the beginning of the year 1946—certain disputes arose in a number of banks in the United Provinces in regard to wages and other conditions of work. That dispute was referred by the Provincial Government to the then Labour Commissioner, Mr. B. B. Singh, and his verdict was enforced by the Provincial Government. After that there was a dispute in regard to the interpretation of the award of the Labour Commissioner. There were serious difficulties and the matter was referred by the Provincial Government to an eminent judge of the Allahabad High Court, Mr. Bind Basni Prasad. The Learned Judge took about five or six months to go into the whole dispute and while he was on the verge of pronouncing his judgment this ordinance was promulgated. I have no reason to believe—and it has also been accepted just now by the hon. Minister.

[Shri Harihar Nath Shastri]

though not in so many words—that the banking concerns of the United Provinces as also in certain other provinces made out a case that if the Learned Judge of the Allahabad High Court had been allowed to pronounce his award and if that had been accepted by the Government, it would have led to serious repercussions. They could somehow prevail upon the Government of India to withhold their consent or to stand in the way of the United Provinces Government to enforce the award.

Since this ordinance has been promulgated a large number of disputes that have been piling in the United Provinces and also in certain other provinces have remained in the cold storage, except for one dispute in regard to the payment of dearness allowance in the United Provinces. A large number of complaints have remained unredressed and by taking advantage of the situation, by taking advantage of the inability of the Government of India to handle the situation of all the provinces simultaneously, the banking companies have—at least I am personally aware of two or three provinces—victimized a large number of workers and their cases even today have remained unredressed.

The working of the ordinance raises a very vital question and that is whether the Central Government should interfere in the day to day administration of the labour affairs in the various provinces—whether it will be possible for it to manage the affairs and to control the situation. But that again is a subject that I do not want to deal with at the present moment, and I leave my detailed observations in regard to that subject to a later date when a very comprehensive measure is coming up before this hon. House. But at this moment when this Bill is coming up before the House, I think it is my duty to just express my views in a few words as to what I feel and as to what a large number of employees and organizations connected with the banking concerns have felt in this matter.

Shri E. K. Sidhva (C. P. and Berar: General): Sir, this Bill relates to large classes of people who work in banks and in insurance companies and this class is known as clerical workers. Unfortunately so many labour Acts that we have enacted have not worked successfully amongst this class of people, and their working hours are not regulated amongst the various offices in the principal towns, particularly in the commercial companies, Indian or European, where they are working. I know of offices where the clerks have to work right down from half past nine to half past eight, although in some cases the Shop Assistant Act apply in the provinces but generally they are not successfully operated on. Although the Act has been passed there is no proper machinery to see that the Act is regulated correctly in this class of work. Generally the Act vigilantly looks after the labour class or other class of people but the workers who are known as the lower middle-class are being absolutely neglected. I would request the mover of this Bill not to forget this class of people. I congratulate him for bringing this motion, although it is beneficial to the employers. To a certain extent bankers and insurance companies are essential services as it was known in the Defence of India Rules.

The Honourable Shri Jagjivan Ram: Not under the essential services?

Shri E. K. Sidhva: It is not at present. I was talking of during wartime; it was treated under the Defence of India Rules as an essential service. Now my hon. friend Mr. Harihar Nath Shastri told us now "Why should Government interfere in the day-to-day labour work of Provincial Governments?" With due respect to him, I do not agree with him although he is the President of the All India Labour Association—that there should be provincial legislation. If any good is to be done to the labour class and this clerical class; there should be one Central Act and if that is the intention of the hon. Minister, I will congratulate him but I will tell him that he should not be misled that it is the

function of the Provincial Governments and, therefore, they should be allowed to function in this labour matter. There have been complaints from the various labour centres, I can tell you from my experience and they want a Central law which should govern uniformly all the provinces and if any good is going to be done to this clerical class, there should be really one Act. At present one Provincial Government has got one Act which is quite contrary to the others and discontent naturally exists. One Provincial Government enacts a little liberal Act and another a conservative Act. There is competition and discontent and the strikes are the order of the day. If you want to avoid all that I would request leaders of labour to fight for one Act from the Centre, if they want to do some good to them. While I do not agree with my hon. friend on that matter, I feel that the lower middle-class or the clerical class should not be ignored and I, therefore, support this motion notwithstanding strikes which have occurred in the past. In Calcutta the banking business for a number of days was at a standstill and in Bombay the Empire Life Insurance Company went on strike for nearly 2 months. Although the Bill is of a limited kind, I do not see any justification for making any further remarks, but having heard what the leader of the labour organizations had said, I thought it my duty to express that it is not correct to say that the labour class is satisfied with provincial laws. I also feel that the hon. Minister should always bear in mind that whenever he wants to bring relief to labour organizations, he should not forget this clerical class and when proper machinery is set up these commercial organizations should not be ignored. The employers flout these Acts in most cases even though they are applicable and also they are not regulated. My difficulty is that it may be a provincial subject. One Provincial Government likes to do it and another Provincial Government does not like to do it and, therefore, I feel it necessary that there should be a central and uniform Act. With these words, I support the motion.

Sjt. Rohini Kumar Chaudhuri (Assam: General): Sir, I do not think that this Bill is as simple as it looks or that it is as good as my hon. friend, the labour Minister would like to make it out to be. I see in this Bill an increasing attempt on the part of the Central Government to withdraw the powers from the Provincial Governments as far as possible. Now, Sir, I submit the only reason which has prompted the Government to bring forward this Bill is to have a sort of uniformity of action by any industrial concern which has branches in different parts of India and one instance which has prompted the hon. Minister to bring this Bill is what happened in the United Provinces. I would like to contend that these reasons which he has put forward are most unconvincing. Wherever any industrial dispute occurs it is the Provincial Government which is most directly concerned. It is the peace of that province which is broken, when industrial disputes break out in a violent form. Therefore, it should be left to the Provincial Government to take action as early as possible, so that the dispute might end, so that there may not be a serious breach of peace and tranquillity of that province. If this is left to the Centre, it is the experience of many in this House that the Centre may not be able to take action as quickly as it might be necessary to do. The hon. author of this Bill says in the Statement of Objects and Reasons: 'A bank with branches in several Provinces had, therefore, to deal with a number of Provincial Governments and a number of agencies including tribunals set up by them for the settlement of disputes arising in its establishments. It was only to be expected that under such an arrangement it would be difficult for an organisation with country-wide establishments to maintain any principle of uniformity in the matter of wages, allowances and other terms and conditions of employment of its staff.' I would ask the hon. Minister whether uniform allowances, uniform salaries, uniform wages and uniform terms and conditions can be maintained throughout India. Take for instance, the case of a bank which has its establishment both in Assam, Simla and other places. Can you pay the same wages for a man

[S]t. Robini Kumar Chaudhuri]

in Calcutta as you pay to a worker in Calcutta or for a worker in Assam or in distant place in India? Even the Government has got special hill allowances when people work in the hills. They pay hill allowance for working in the hills. These allowances will be different in different places. Similarly as regards hours of work, you cannot ask people to work in very cold regions as much as you can ask them to work in places like Madras or Calcutta. So, if there is any dispute in regard to wages or hours of work and allowances, there will be difference in the different provinces of India. You cannot have uniformity in regard to these. I submit therefore that the ground put forward is not a convincing ground.

Then, as I said, these disputes could very easily be settled if the appropriate Government is allowed to take action taking into consideration the circumstances that prevail there. Otherwise, the disputes will linger and even affect the other concerns as well. Therefore my submission is that we should not be misled by one instance that has come to our notice in the United Provinces and try to interfere with the working of the Industrial Disputes Act all over India.

With these words I would ask the hon. Minister to consider the points I have raised and give me a reply which may persuade me to support him.

Shri L. Krishnaswami Bharathi (Madras: General): Sir, I move:

"That the question be now put."

The Chairman: The question is:

"That the question be now put."

The motion was adopted.

The Honourable Shri Jagjivan Ram: Sir, I do not propose to give any detailed reply to the allegation that has been impliedly made by my hon. friend Mr. Harbhar Nath Shastri. His allegation was that this Ordinance was promulgated at the instance of the Bank owners. I refute that charge. He said: 'I will say it was done in the interests of the employers of banks and insurance companies.'

He has raised the question of the tribunal that was set up by the United Provinces Government. I do not want to examine that allegation in any detail, because that examination may lead to certain remarks which may go against the United Provinces Government. As the United Provinces Government is not represented here, I do not want to make any reference to that. The only thing that I will point out to my friend Shri Harihar Nath Shastri is that he should ascertain the date on which the Bank dispute in the United Provinces was referred to Mr. B. B. Singh and then look to the dates on which B. B. Singh's award was made and was referred to Justice Prasad for clarification. Again he should look to the date on which the clarification was made. If he will find out these dates he will draw his own conclusion whether the dispute was resolved expeditiously and whether the Award was enforced promptly or not. I leave it to him to do so. I do not want to draw any inference on that point. But, as I said in the very beginning, I receive very large number of representations even to-day, not from employers, but from employees of concerns which fall purely within the provincial sphere. Having no jurisdiction and no power in regard to this matter I have to send up those representations to the Provincial Labour Ministers.

Shri B. K. Sidhva: What was the complaint?

The Honourable Shri Jagjivan Ram: There are many complaints about wages, dearness allowance, service conditions, etc.

Shri R. Sidhva: They are not satisfied with the provincial law?

The Honourable Shri Jagjivan Ram: They ought not to have come to me. But they have come and sometimes when I return from office one hundred or two hundred people are found collected near my gate. When I enquired I found that they came from Hathras, Meerut, Ghaziabad and so on where they were working in oil factories, textile factories and so on. All of them were purely within the provincial jurisdiction of the United Provinces. Sometimes the labour leaders who lead those deputations of one hundred or two hundred men are also fully aware that the establishments to which they belong were beyond my jurisdiction. All the same they come, and when they come, having no power, I direct them to the provincial Governments, but sometimes the provincial Governments themselves request me to intervene. What am I to do? I will give a concrete example for the information of my hon. friend Shrijut Rohini Kumar Chaudhuri. Plantation is purely a provincial subject and the Plantation Labour concerns three provincial Governments mainly viz. Assam, West Bengal and Madras. But many of my hon. friends like Shri Harihar Nath Shastri are aware that in spite of the fact that it is purely within the provincial jurisdiction. I have been dealing with plantation labour questions at the instance of the provincial Governments themselves. I have not tried to encroach upon their jurisdiction. I have no legal power in this matter. All the same, I have been dealing with this subject at their request. They feel, the labour leaders feel and the workers also feel that the matter has been handled to their satisfaction by the Centre.

Shri R. K. Sidhva: Quite right. Therefore the Centre should have this Act.

The Honourable Shri Jagjivan Ram: I do not propose to take the credit for me. But sometimes I am placed in this dilemma. Having no legal jurisdiction I receive requests from the employers and employees to intervene in certain matters and I have to do so. In this Bank matter, as I said at the very outset, the position was growing precarious. Not only there were disputes in the United Provinces, but there were difficulties in other provinces as well. I presume my friend Mr. Shastri is aware that there was growing discontent among the bank employees in the various provinces. At that time the jurisdiction was not assumed by the Centre by the promulgation of any Ordinance. The power and jurisdiction were entirely in the hands of the provincial Governments. I should like to know from my friend Mr. Harihar Nath Shastri whether he ascertained how many of the provincial Governments referred these disputes to tribunals for adjudication. Did I stand in their way? Was there an Ordinance standing in their way? I do not have full freedom to do whatever I liked in regard to those disputes. When I found that there was a growing demand on behalf of the workers as a whole I consulted the provincial Governments. And the ordinance was promulgated in general agreement with them. I will just give some figures in order to indicate the immensity of the work. The number of bank disputes which had been referred to the Central Tribunal is 205 and the issues in dispute that have been referred to them are 38. It has been complained that many cases are pending before them. The number of cases of victimisation disposed of by the Tribunal is 142 and the pending cases are 217. The Tribunal is meeting and trying to expedite the cases. It has been further complained that the disputes or the resolution of disputes are being delayed. I may say for the information of the House that we have engaged more staff than what the provincial governments were maintaining for bank disputes. After the promulgation of the Ordinance, the Central Government appointed 7 additional Conciliation Officers and 14 Inspectors which strength is greater than the combined strength of the staff maintained by the provincial governments for bank and insurance company disputes. On that score also, I do not think there has been any delay or there is any room for any grievance on behalf of the employees that

[Shri Jagjivan Ram]

their disputes are being delayed because the matter has been taken up in the hands of the Centre. Of course, the primary consideration for taking up this question in the hands of the Centre was that there should be some uniformity. Mr. Chaudhuri said that there cannot be uniform wages in different parts of the country. Obviously not. But there should be some uniform principle. When we say that there should be uniformity in wages, dearness allowance and time of work and other conditions of service, we certainly do not mean that there should be uniform wages in different parts of the country or uniform wages in different categories of banks, but we certainly do mean that there should be some uniformity in the principle on which the wages will be fixed, the salaries determined or dearness allowance paid. Suppose this question is dealt with by nine or eleven different authorities, then there may be eleven different principles on which the wages will be fixed and the dearness allowance determined. In order to avoid that anomaly, it was thought proper that the whole Bank question should be dealt with by one Tribunal which will go round the country, see the conditions of the workers and will lay down certain basic uniform principles on which their wages, dearness allowance, conditions of service, hours of work, etc. will be fixed.

Shri R. K. Sidhva: Leave, pension, provident fund, etc.

The Honourable Shri Jagjivan Ram: There are 38 issues. I do not want to tire the hon. Members of this House by reading those issues. Those issues are very wide and practically everything is covered by them. When we say that uniformity should be enforced, we certainly do not mean that the employees will get the same salary in Madras and Shillong. Certainly we do mean that some uniform principles should be followed in fixing salaries either in Madras, or in Shillong or in Simla. Sir, whenever there is any subject transferred from the provincial list to the Central List, there is some protest and there is bound to be. Similarly in this case also, some voices have been raised here and I am not surprised at that. But we have to see that whether in the ultimate analysis, the result has been beneficial to the economy of the country or not. I will leave it at that. Personally I feel, Sir, that this step was necessitated more in the interests of the employees than in the interests of the employers and also more in the interests of the economy of the country than anything else. And when the economy of the country comes into the picture, the interests of the employers and of the employees, both, will have to be subordinated to the interests of the economy of the country. With these words, Sir, I commend the motion for the acceptance of the House.

Shri R. K. Sidhva: What are his views, Sir, about one uniform Act?

The Honourable Shri Jagjivan Ram: It is desirable and, as has been pointed out by Mr. Harihar Nath Shastri, I am proposing to bring in comprehensive legislation either in this session or the next one.

Mr. Nasiruddin Ahmad (West Bengal: Muslim): Why not abolish the provinces altogether? The whole thing has become a farce.

The Honourable Shri N. V. Gadgil: It is worth considering.

Mr. Chairman: The question is:

"That the Bill to provide for the adjudication of industrial disputes concerning certain banking and insurance companies be taken into consideration."

The motion was adopted.

Mr. Chairman: The question is:

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Clauses 3 and 4 were added to the Bill.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in sub-clause (1) of clause 5 of the Bill, for the words 'shall have abated', occurring at the end, the words 'shall abate' be substituted."

It says:

"Pending before any tribunal or other authority, then on the aforesaid date such reference shall be deemed to have been withdrawn and all such proceedings shall have abated."

The best way of putting it would be 'all such proceedings shall abate'. I do not see the force of this grammatical acrobatics "shall have abated". I do not see how this draftsmanship can be allowed to stand. It should be either 'shall be deemed to have abated' or "shall abate".

The Honourable Shri Jagjivan Ram: I do not accept the amendment.

Mr. Chairman: Do you press your amendment?

Mr. Naziruddin Ahmad: Yes, Sir.

Mr. Chairman: The question is:

"That in sub-clause (1) of clause 5 of the Bill, for the words 'shall have abated', occurring at the end, the words 'shall abate' be substituted".

The motion was negatived.

Mr. Chairman: The question is:

"That clause 5 stand part of the Bill."

The motion was adopted.

Clause 5 was added to the Bill.

Mr. Chairman: There is an amendment by Mr. Lal Mohan Pati, Mr. Damodar Swarup, Mr. Lakshminarayan Sahu and Mr. Chaliha to clause 6.

श्री लक्ष्मीनारायण साहू: मान्यवर वाचस्पति जी, मैं क्लॉज ६ में वह संशोधन लाना चाहता हूँ :

"That in sub-clause (1) of clause 6 of the Bill, after the words 'the Central Government may' occurring in line five, the words 'if an appeal is preferred against the said decision' be inserted."

इसको जोर देने का मतलब यह है कि सेंट्रल गवर्नमेण्ट अभी तो पावर (Power) ले लेती है और प्राविन्स को एक दम नालायक बना देती ।

आनरेबिल श्री जगजीवन राम : कभी नहीं, कभी नहीं ।

श्री लक्ष्मीनारायण साहू : श्रीमन्त्री जी ने कहा कि उनके ऊपर इतना काम बढ़ जाता है कि शायद वह इतना भार ले सकेंगे या नहीं । मैं कहता हूँ उनके ऊपर इतना भार और बोझ हो जाता है कि वह उसको उठा सकेंगे या नहीं, इसमें भी जरा डर है । इस लिये मैं चाहता हूँ कि प्राविन्सों से यह चीज छीन लेना ठीक नहीं है

[श्री लक्ष्मीनारायणसाहू]

में देखता हूँ कि एक आर्डिनेन्स बना दिया जाता है और फिर बाद को उसको एक दम जल्दी से कानून बना दिया जाता है। यह बात मेरी समझ में नहीं आती। आर्डिनेन्स तो जब किसी वक्त में अस्तु, विधा होती है तब लागू किया जाता है। यह चीज तो थोड़े समय के लिये होती है मगर उसको लक्ष्य बना कर उसको कानून बना दिया जाता है, यह ठीक नहीं होगा। लेकिन मैं देखता हूँ कि ऐसा होता है।

इन्श्योरेन्स कम्पनीज (Insurance companies) के बारे में एक सुविधा होती है इस लिये प्रान्त उसको लेना चाहते हैं और इस बारे में मैं कह सकता हूँ कि इन्श्योरेन्स कम्पनीज को ऐसा कर देना चाहिये कि हर प्रान्त में जो इन्श्योरेन्स कम्पनीज है वह प्रान्त में ही काम करेंगे तो अच्छा है। दूसरे आदिमियों का ग्रास लेने से गड़बड़ी पैदा होगी। यह ठीक है कि जैसा कि रोहनी कुमार चौध रीजी ने कहा कि हर प्रान्त में जो श्रम की अवस्था है, जितनी कम्पनियां वहां चलती हैं उसको ठीक करना सरल नहीं है। उन सबकी अवस्था देख कर केंद्रीय सरकार सब ठीक कर लेंगी, इस बात का बहुत कम विद्वान होता है। ऐसा करने से क्या फायदा होगा। जो बड़े बड़े प्रान्त हैं उनका ठीक है लेकिन जो छोटे छोटे प्रान्त हैं उनमें असुविधा होगी। तो मैं श्रम मन्त्री जी से कहता हूँ कि मेरा यह संशोधन ग्रहण करके इस असुविधा को दूर कर देंगे और सोच समझ कर इसके बारे में फ़ैसला करेंगे। इसलिये मैं इसके बारे में ज्यादा नहीं कहना चाहता हूँ।

मैं इतना कहना चाहता हूँ कि कम से कम इसमें यह जोड़ दिया जाय :

'If an appeal is preferred against the said decision.'

(English translation of the above speech).

Shri Lakshminarayan Sahu (Orissa: General): Sir, I move:

"That in sub-clause (1) of clause 6 of the Bill, after the words 'the Central Government may' occurring in line five, the words 'if an appeal is preferred against the said decision' be inserted."

I wish to emphasise this point for the reason that the Central Government assumes power and categorically brands the Provinces to be worthless.

The Honourable Shri Jagjivan Ram: Never, never.

Shri Lakshminarayan Sahu: The hon. Minister of Labour has just now said that they get so much overburdened with work that it is doubtful if they would be able to shoulder the added responsibility or not. I say that they do get so much overburdened with work that it is apprehended if they would be able to shoulder the added responsibility or not. Therefore I wish that it is not proper to take away this responsibility from the Provinces. I see that a certain ordinance is issued and after a very short time it is suddenly turned into a law. I am not able to follow this procedure. Ordinances are generally promulgated in special circumstances. Ordinances are meant for short periods, but it is not proper when a law is passed on the basis of the same ordinance. But I see that such procedure is being adopted.

The Insurance Companies offer some advantages and so the Provinces want to take them over. In this connection I can say that it would be better if it is made obligatory for the Insurance Companies to do business in their respective Provinces only. Usurpation of other's share will naturally cause a lot of confusion. As Shri Rohini Kumar Chaudhuri has said it is not easy to set right the labour conditions prevailing in the Provinces or to improve the state of affairs of the companies operating therein, and I very much doubt if the Central Government would be able to set the matters right. What benefit will accrue by doing so? This may be quite good for the bigger Provinces but difficulties will have to be faced in the smaller Provinces. I hope that by accepting this amendment the hon. Minister of Labour would be able to eliminate all these difficulties and so he should pass judgment after carefully considering over the matter. I do not wish to say more on this point.

I wish to say that at least the words, 'If an appeal is preferred against the said decision', be inserted in the clause.

Mr. Chairman: Amendment moved:

"That in sub-clause (1) of clause 6 of the Bill, after the words 'the Central Government may' occurring in line five, the words 'if an appeal is preferred against the said decision' be inserted."

The Honourable Shri Jagjivan Ram: Sir, I may inform hon. Members that under the Industrial Disputes Act as it exists at present there is no provision for any appeal. Moreover, the power that we propose to take under section 6 is practically not to be utilised. It existed in the Ordinance. At that time it was thought that it might be necessary in certain cases to use this power but at present practically all the awards by the provincial governments have been enforced and those which were to be reviewed are being reviewed by the tribunal. I think the amendment of my hon. friend Mr. Sahu does not fit in at all in the framework of the Industrial Disputes Act and therefore I am not prepared to accept it.

Mr. Chairman: The question is:

"That in sub-clause (1) of clause 6 of the Bill, after the words 'the Central Government may', occurring in line five, the words 'if an appeal is preferred against the said decision' be inserted."

The motion was negatived.

Mr. Chairman: The question is:

"That clause 6 stand part of the Bill"

The motion was adopted.

Clause 6 was added to the Bill.

Clause 7 was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Shri Jagjivan Ram: Sir, I move:

"That the Bill be passed."

Mr. Chairman: Motion moved:

"That the Bill be passed."

Shri Harihar Nath Sastri: Sir, there were a few words which emerged out of the speeches made just now during the consideration stage of the Bill. Let me assure the hon. Minister that I do not dispute the motive behind the

{Shri Harihar Nath Shastri}

Government in promulgating the ordinance. I do feel, as I did even then, that it was conceived by the hon. Minister in the interests of the workers and nothing short of the interests of the workers could be expected from the hon. Shri Jagjivan Ram. I take this opportunity to assure him and to express my belief that the manner in which the hon. Minister has handled the labour portfolio of this country has done credit not only to him but it has immensely enhanced the prestige of the Government as a whole.

I want to say one thing more. I am not against any Central Act being passed. Mr. Sidhva has misunderstood me if he meant to say that.

Shri R. K. Sidhva: I did not misunderstand him. He deliberately said that when the Central Act comes up he will reserve his remarks. He was not in favour of it and said that he would reserve his remarks more elaborately to a later occasion.

Shri Harihar Nath Shastri: That was in regard to a particular point.

Shri R. K. Sidhva: I am glad you want a Central Act.

Shri Harihar Nath Shastri: What I was against in the ordinance, which I want to express at this moment, was that the ordinance made a provision that all awards or disputes pending before any tribunal on which any award was going to be pronounced would be annulled and they would have no force. I think that there is full justification to institute an enquiry into the working conditions of an important industry like banking and it was up to the Government to set up a tribunal or set up a committee of enquiry. In no enquiry committee I have come across in the last 24 years since I have been in the Trade Union Movement have I seen a procedure, according to which any action taken by any provincial Government in the interests of the employees has been set aside. That is all that I objected to and I feel that the Government without introducing that particular provision could have proceeded with the setting up of the tribunal and instituting an enquiry on an all-India basis, which would have resulted in the all round improvement of the banking concerns and in the conditions of the employees too. That is the only point that I objected to and I thought, and I do still hold, that it would have been proper if those Governments which had undertaken any enquiry or which had any disputes in their hands had been allowed to proceed with them and allowed to enforce the awards. That is all that I have to say.

Shri Prabhu Dayal Hlmatsingka (West Bengal: General): Sir, I would not have risen to speak but for the remarks that were made by my hon. friend Pandit Harihar Nath Shastri. We all know the circumstances under which this Ordinance was promulgated. There were certain cases pending in the United Provinces and certain awards made affected certain banks in such a manner that working became impossible for them. The awards in favour of certain employees were that they were to be paid so much. In certain Provinces they were getting much more while in certain others they were getting much less. Confusion was created on account of the award. After all, the employees of Banks are employees whether they are working in one Province or in another. Similar difficulties were going to be created in other places. Therefore in the interests of all concerned and in the interest of the proper working of institutions which are of an all-India character, and which would be very much affected if different awards are made in different Provinces, it became absolutely necessary for the Government of India, in the interests of labour and in the interests of employers, to take upon themselves to legislate in a manner which would take into consideration all factors and which would enable an award being given which will be applicable to all the employees in

a uniform manner. That was the justification for it. And I congratulate the hon. Minister of Labour for having brought in this legislation.

The Honourable Shri Jagjivan Ram: Sir, I just want to say a word. There may be some misapprehension that as a result of the promulgation of this Ordinance many awards were abated. Not a single award has been abated. The only award that was abated was the B. B. Singh award which was modified by Justice Bind Basni Prasad in the United Provinces. Even in that case I am surprised to hear from my friend Mr. Harihar Nath Shastri that the whole of the award was abated. As he is aware, there were more than one hundred issues that were adjudicated upon by Mr. Justice Bind Basni Prasad. Out of 112 issues—I am speaking from memory—on which the award was given, only six or seven items were abated to be reviewed upon by the Central Government. All the rest were left to the U.P. Government to be enforced. That is the only information I wanted to give to the House. No other award in any other Province abated or has been referred to the Central Tribunal for review as a result of this Ordinance.

Sjt. Rohini Kumar Chaudhuri: On a point of information, may I draw the attention of the hon. Minister to clause 5 by which all the disputes which might have been referred to a tribunal by the Provincial Governments shall be deemed to have been withdrawn and abated after the passing of the Ordinance? And may I ask him whether those disputes which were referred to tribunals before April 1949 are still pending or have they been withdrawn and settled by any tribunals set up by the Government of India?

The Honourable Shri Jagjivan Ram: 'Abating' does not mean pending. Once the proceedings abate there is nothing more pending. As I have said, the disputes in all the banks having branches in more than one Province have been referred to this tribunal—all the issues and all the points of dispute that were pending between the employers and the employees in any of the banks in any part of the country have been referred to this tribunal. So no dispute is pending. All the disputes have been referred to the Central tribunal.

Mr. Chairman: The question is:

"That the Bill be passed."

The motion was adopted.

EXPLOSIVES (TEMPORARY PROVISIONS) BILL

The Honourable Shri N. V. Gadgil (Minister of Works, Mines and Power): Sir, I beg to move:

"That the Bill to provide for the exemption for a limited period of operations affecting ammunition, explosives or inflammable substances from certain restrictions and for the regulation of those operations, be taken into consideration."

Sir, at this late hour, when the House is in a calm atmosphere, it seems somewhat incongruous that I should ask the House to discuss a Bill which relates to ammunition, explosives and dangerous cargo.

Mr. Naziruddin Ahmad (West Bengal): Muslim: It will ginger us up.

The Honourable Shri N. V. Gadgil: And I hope it will not lead to an explosion due to my friend Mr. Naziruddin Ahmad.

The handling of ammunition, explosives and dangerous cargo at docks is not allowed at major ports under the present rules which are framed under the Indian Explosives Act. During war time it was felt necessary that there

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should be a certain relaxation of these rules and that was made possible by the promulgation of certain rules under section 33(1) of the Defence of India Acts. Probably most of the members are aware that later on there was a great explosion in the Bombay dockyard in the year 1944. A Committee was appointed and the recommendations of that Committee were embodied in certain rules that were promulgated under the Defence of India Act. After the war was over, it was necessary for the continuance of such power, and an Ordinance was issued for the continuance of these provisions. That Ordinance expired in the month of March 1947. In March 1947 a Bill incorporating those very provisions was introduced in this House and this House enacted it. That Act came to an end in the month of March 1949 and the present position is that a good deal of ammunition still remains to be destroyed. It is for this purpose that this Bill has been introduced and a motion for its consideration has now been made.

The Bill is exactly a reproduction of the Act of 1947. Nothing new is introduced in it. There is a clear case for having such power inasmuch as a large quantity of ammunition still remains to be destroyed. The only change is that in the Act of 1947 two major ports were contemplated, namely Karachi and Vizagapatam. Obviously Karachi cannot be included now. Therefore the field of operation is now confined to the major port of Vizagapatam.

There should not be any opposition to this Bill. But I find from the Order Paper that certain amendments which are of a verbal character are likely to be moved by my hon. friend Mr. Naziruddin Ahmad. There are two amendments in the name of my hon. friend Mr. Sidhva which relate to compensation. I might inform him that all these operations are done by the Military personnel. If there is any injury or loss of life then all those cases are governed by the rules framed by the Defence Department under their conditions of service. Normally no non-military person is engaged. But if there is such a case then there is the Workmen's Compensation Act to the extent to which it applies. And to the extent to which it does not apply I understand it is the practice of the Defence Department to grant compensation *ex gratia*. But so far, a case of that nature has not occurred. I therefore would like to request my hon. friend Mr. Sidhva not to move or press his amendment because it is hardly relevant and in the second place it is not necessary, Sir, I move.

Shri Suresh Chandra Majumdar (West Bengal: General): May I know why this ammunition should be destroyed at all instead of handling it over to the military for future use?

Mr. Chairman: Motion moved:

"That the Bill to provide for the exemption for a limited period of operation affecting ammunition, explosives or inflammable substances from certain restrictions and for the regulation of those operations, be taken into consideration."

Shri Suresh Chandra Majumdar: Sir, may I know why this ammunition should be destroyed at all?

The Honourable Shri N. V. Gadgil: This aspect of the question was thoroughly gone into and it was found that to turn the ammunition into something of a peaceful character was more expensive, and as time has progressed it has deteriorated so completely and has become so dangerous that the sooner we dump it in the sea the better.

Shri B. K. Sidhva (C.P. and Berar: General): Sir, this Bill is harmless and I welcome it, but there are one or two points which, as the hon. Minister

was stated, require to be clarified. He has touched on the point of compensation, and has referred to the disastrous explosion of Bombay; the Act of 1947 was more or less enacted on account of that explosion. But nothing in that Act provides that any ship bringing ammunition should discharge or load in midstream far from the harbour. That is why I have suggested an amendment to that effect. The cause of the Bombay disaster was that the ammunition was discharged in the harbour as a result of which a number of lives and most of the property around the harbour were destroyed. So, in this case while Government want to destroy this useless ammunition, I want to see that it is destroyed in midstream and not near the harbour or in the docks.

Then, my hon. friend the mover stated that compensation would be payable either under the Workmen's Compensation Act or under the orders of the Defence Ministry. The Defence Ministry have no particular Act regarding compensation; they go only by their whims and *ex gratia* they sometimes give very meagre sums where a whole family might have depended on the breadwinner who loses his life and that compensation is not at all sufficient. Therefore, in my amendment I want to make it very clear that in an event of injury without the fault of the person, proper compensation should be paid.

These are the only two points which I desire should be incorporated in the Bill. We had the experience of negligence in the Bombay explosion. Nobody knew that such an explosion would take place. Steamers always used to discharge ammunition at the harbour. As regards compensation, in connection with loss in that explosion, I think there is a conflict between the Port Trust and the Defence authorities with the result that people who suffered did not get sufficient compensation while some of them have not got it at all. The Defence Department said the Port Trust should pay and the Port Trust said that Defence Department should pay. I don't know the ultimate result of that conflict but it went on for more than a year. Therefore, we should see that in destroying such useless ammunition we should see that innocent people are not subjected to their wrong actions. Whether my amendment is germane or not, I want to know from the hon. Minister how he is going to protect the lives of people if the ammunition is discharged at the harbour. He has not made it clear; if he states that it is going to be discharged in midstream, I have no objection. We don't want innocent people to suffer because of the negligence of the Port Trust authorities or the Military authorities. At the same time, from the experience we have as regards compensation, I hope my hon. friend who has the interest of the people at heart will certainly accept my amendment and make the provision very clear.

The Honourable Shri N. V. Gadgil: If my hon. friend were to read sub-clause (ii) of clause 2 he will find that when a declaration is made the conditions are laid down in the interests of safety for regulating the loading, unloading, handling, storage or conveyance of ammunition, explosives and inflammable substances to which the declaration relates. For the information of my hon. friend, I may tell him that after the Bombay explosion these rules were made and precautions are being taken. As a matter of fact, quite a large quantity has already been destroyed although quite a large quantity still remains. I may state that dumping is done at a place 250 fathoms deep. That will give my hon. friend some idea as to the distance from the shore where the ammunition is destroyed.

As regards compensation, I will only repeat what I have already stated. All these operations are done by military personnel and in case of injury or loss of life their conditions of service govern such cases. I don't think any person not belonging to the military has ever been engaged on this task, but if he is engaged then the extent to which the Workmen's Compensation

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Act applies will apply. Otherwise, the military has always shown that where on account of its fault some personal damage has ensued, such damage has always been made good.

Shri R. K. Sidhva: How many people were affected by the last explosion and how much compensation was paid to them?

The Honourable Shri N. V. Gadgil: How can I give that information now?

Mr. Chairman: The question is:

"That the Bill to provide for the exemption for a limited period of operation affecting ammunition, explosives or inflammable substances from certain restrictions and for the regulation of those operations, be taken into consideration."

The motion was adopted.

Mr. Chairman: The question is:

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Clauses 3 and 4 were added to the Bill.

The Honourable Shri N. V. Gadgil: Sir, I move:

"That in sub-clause (1) of clause 5 of the Bill, for the word 'for' occurring in line three, the word 'by' be substituted."

It is a mere misprint.

Mr. Chairman: The question is:

"That in sub-clause (1) of clause 5 of the Bill, for the word 'for' occurring in line three, the word 'by' be substituted."

The motion was adopted.

Mr. Chairman: The question is:

"That clause 5, as amended, stand part of the Bill"

The motion was adopted.

Clause 5, as amended, was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Shri N. V. Gadgil: Sir, I move:

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

Mr. Chairman: Motion moved:

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

Dr. B. Pattabhi Sitaramayya (Madras: General): Sir, I want to say a few words. This measure is only for the destruction of the ammunition. Why the ammunition should be destroyed is a matter that perhaps does not fall within the province of the hon. Member who has moved the motion. Whether he is moving it on behalf of the Defence Minister or on behalf of his own Department is not known.

The Honourable Shri N. V. Gadgil: The position is that the Ministry of Works, Mines and Power deals with the explosives. The Chief Inspector of Explosives is under this Ministry and the Bill is moved at the instance and request of the Ministry of Defence.

Dr. B. Pattabhi Sitaramayya: I now gather that where the explosives have to be destroyed to no purpose, then it falls within the hon. Member's jurisdiction, while when they are to be used in order to carry on a war, it goes to the Defence Minister. I have lately complained in some other connection that a number of Lancasters were ordered to be destroyed. These were war aeroplanes which are brand new and which have been brought together and which have been stored.

The Honourable Shri Jagjivan Ram (Minister of Labour): But they are not explosives!

Dr. B. Pattabhi Sitaramayya: You do not mean that I cannot argue a case. They are also parts of an explosive mechanism in that they carry explosives. They were war aeroplanes and when a certain intelligent officer looked into the matter it was found that even the brand new parts were not assembled; that they were lying innocently and inoffensively in some corner in Madras, and then it was discovered that the order was absolutely wrong and they have been stored. This is the latest experience in the process of destroying war materials which had been obtained at great expense. Now, the munitions are being destroyed. I think it stands to reason that munitions as they stand do not keep and they become damp squibs. Therefore, they may have to be destroyed. Really when they become damp squibs, they need not be destroyed. If they are live rockets or dynamic things, then they had better be preserved for any contingency of a war which we may presently have. Fortunately the British people when leaving munitions here have also left the conditions and possibilities of war in which we may have to utilise the munitions. Therefore, I do not know whether it is strictly within the province of this Bill or otherwise to consider this point.

Shri R. K. Sidhva: They will explode automatically.

Dr. B. Pattabhi Sitaramayya: They will not. That is entirely a wrong idea. They are not like Mr. Sidhva who explodes automatically. The longer the munitions stand, the less capable of explosion they become. That is the essential factor of munitions. So they cannot explode automatically. The spark must be applied to them. Now, my only point is this. Care must be taken to see that there is no use for them, because it may be to the interest of certain persons to destroy the existing munitions and order new ones, as it may be to the interests of our own country not to depend upon useless material in a time of emergency. I do not know whether it is even relevant to raise this issue, but as the House may not be possessed of the knowledge of such things that are happening in Madras and everywhere in the stores of the Military Department, I just wished to bring this to your notice.

The Honourable Shri N. V. Gadgil: I have noted what the hon. Dr. Pattabhi has said, assuming that it was all relevant.

Mr. Chairman: The question is:

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

The motion was adopted.

The Assembly then adjourned till a Quarter to Eleven of the Clock on Thursday, the 8th December, 1949.