

Initial constitution of a Service, departmental candidates holding the posts or holding lines on the posts which are encadred in the new service are considered for absorption. The posts included in a Service at the time of its initial constitution cannot, therefore, be deemed vacant, to which reservation could be made.

(f) The question of amending the existing rules to provide for reservation for Scheduled Castes and Scheduled Tribes at the initial constitution of the Services when departmental candidates are considered, would not arise in view of the position stated in reply to part (e) above.

— — —

12.00 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

Imposition of Import Deposit Scheme by Britain

श्री शिव चण्ण भा (मधुबनी) : अध्यक्ष महोदय, मैं अबिलम्बनीय लोक महत्व के निम्न-लिखित विषय की घोर वाणिज्य मंत्री का ध्यान दिलाता हूँ और प्रायंता करता हूँ कि वह इस बारे में एक वक्तव्य दें :-

ब्रिटेन द्वारा आयात जमा योजना लागू किया जाना और इस पर भारत सरकार की प्रतिक्रिया ।

THE MINISTER OF COMMERCE (SHRI DINESH SINGH) : Mr. Speaker, Sir, The Government of the United Kingdom announced on Friday the 22nd November, 1968, a series of measures designed to make an impact on imports into Britain with a view to improving their balance of payments prospects. The Import Deposit Scheme forms a part of the aforesaid measures. The main provision of this Scheme is that importers of goods accounting for about 40% of Britain's total imports would be required to deposit 50% of the value of the imported goods with the Government for a period of six months. Broadly speaking, this Scheme covers manufactured

goods including textiles, but excludes raw materials, food, feeding stuffs, oils and oil products. Tea, Jute yarn, fabrics, jute bags, coir yarn, mats and matings are among the items excluded from the Scheme.

I fully appreciate the concern of the House on the possible effects of this scheme on our exports to the United Kingdom. The details of the Scheme have since been received and an assessment is being made of the impact which this Scheme would have on our exports so that appropriate steps could be taken to overcome the adverse effects. I may, however, inform the House that our High Commissioner in London has expressed the concern of the Government of India to the British Government and our interest in securing further exclusions from the operation of this Scheme.

I had an opportunity to discuss this matter with the Right Honourable Mr. Michael Stewart, the British Foreign Secretary, during the course of his recent visit to Delhi in connection with Indo-UK bilateral talks. I pointed out to him the need for taking further steps to secure that the trade interests of the developing countries are not adversely affected. On the question of cotton textiles, it was pointed out that since the volume of our exports is limited by voluntary restraint arrangements it would not, in my view, be right for the Import Deposit Scheme to be applied to this item. The British Foreign Secretary told me that this matter would be further considered by Her Majesty's Government in the light of our discussions. I also requested him to exempt handloom textiles and some other industrial raw materials and intermediates from the operation of the Scheme.

Our High Commissioner has been apprised of our discussions in New Delhi and instructed to continue his efforts. He will also be examining the steps necessary to be taken at the trade level to see that the promotional efforts to introduce our new industrial products into the United Kingdom are not jeopardised.

I can only assure the House that we will do our best to secure that our exports to the United Kingdom do not suffer a decline.

श्री शिब चंद्र झा : अध्यक्ष महोदय, हिन्दी में एक कहावत है, "रस्सी जल गई पर एँठन नहीं गई"। वही हालत अंग्रेजी साम्राज्यवादी की है। अंग्रेजी साम्राज्यवाद जल गया जल रहा है, लेकिन उसकी एँठन अभी नहीं गई है। हिन्दुस्तान को बदकिस्मती यह है कि वर्तमान हुक्मरानों की नितियों के कारण उस एँठन से समय-समय पर हिन्दुस्तान को तफलीफ होती है और नुकसान पहुँच जाता है। ब्रिटेन ने अपने यहाँ इम्पोर्ट डिपॉजिट स्कीम लागू की है, जिस के मातहत ब्रिटेन के इम्पोर्ट करने वाले बाहर से जो कुछ मगायेंगे, ने उसकी पचास परसेंट रकम जमा करेंगे। इस का नतीजा यह होगा कि हिन्दुस्तान जैसे विकासशील देशों के एक्सपोर्ट को बचा लगेगा।

हाल ही में यूरोप में एक गम्भीर मानिटरी क्राइसिस पैदा हुआ था। पहले ड्यूबोईस का प्रश्न था और उसी भगवट में फ्रैंक के डीबैल्युएशन की बात आई, लेकिन डीगाल ने फ्रैंक का डीबैल्युएशन रोक दिया। आज पश्चिमी यूरोपीय पूँजीवाद का गड़, ब्रिटेन जिस का एक भाग है, ज्वालामुखी के कगार पर खड़ा है, उसमें एक भयंकर जलजला घाने वाला है। इसलिए ब्रिटेन ने अपने बचाव के लिए यह रास्ता अख्तियार किया है। ब्रिटेन की इस स्कीम के अन्तर्गत कुछ टेक्स्टाइल गुड्स भी आते हैं। क्या यह सही नहीं है कि टेक्स्टाइल गुड्स के सम्बन्ध में हिन्दुस्तान के ब्रिटेन के साथ लम्बे एग्रीमेंट्स हैं और क्या ब्रिटेन ने अपने इस कदम से उन एग्रीमेंट्स को नहीं तोड़ा है? क्या गैट एग्रीमेंट में यह व्यवस्था नहीं है कि विकसित देश विकासशील देशों के एक्सपोर्ट को बचावें और क्या ब्रिटेन ने अपने इम्पोर्ट ट्रेड पर यह रेस्ट्रिक्शन लगा कर गैट एग्रीमेंट के टर्म्स को नहीं तोड़ा है। मैं यह जानना चाहता हूँ कि क्या सरकार ने श्री माइकल स्टुअर्ट का ध्यान इन बातों की ओर दिलाया है; यदि हाँ, तो इस सम्बन्ध में उनकी क्या प्रतिक्रिया है।

श्री दिनेश सिंह : जितनी ग्रहम बातें हैं, उन सब की ओर मैंने उनका ध्यान दिलाया।

श्री शिब चंद्र झा : मैंने यह भी पूछा है कि इस बारे में उनकी प्रतिक्रिया क्या है।

SHRI NARENDRA KUMAR SALVE (Betul) : As soon as this import deposit scheme was announced by the U.K. Government, the spokesman of the Commerce Ministry rushed to make a statement. They do rush sometimes it where angels fear to tread. The first statement made was that in evolving this scheme, the U.K. Government was guilty of violating the GATT agreement. The second statement he made which has been reiterated now, is that we have been making representations to the U.K. Government. Our attitude of making representation is like the attitude of the favourite wife. When rich men in the olden days had more than one wife, the favourite wife got in return for preferential love certain favours from her husband. Now, despite the slightly optimistic picture which the Commerce Minister has sought to paint today, we find from the press that M. Stewart has made the following statement :

"There has been a difference over the question of how Britain's import deposit scheme should operate, the Indian view being not exactly like ours."

This is diplomatic language; in simple language, it means "go to hell". Then he said :

"75 per cent of Indian exports were exempted from the import deposit scheme. If Britain had exempted Indian textiles too, a wide range of items from the developed countries too would have had to be exempted. And, this would have made a large dent in the import deposit scheme."

He does not speak of the GATT agreement. Now I am asking a question and a specific question at that. Would the Minister be kind enough to say whether the Government stands by its position taken earlier that the import deposit scheme constitutes a violation of GATT and, if so, my second question is this. I know that in international

[Shri Narendra Kumar Salve]

trade one has to view things with a certain amount of pragmatism and realism. We cannot expect charity, favour and benevolence from other countries. Therefore, my question is, if it is a violation of the GATT agreement, what steps are you going to take to ensure that the British Government honours its commitment. My third question is, assuming that we fail in our representation etc., are we going to revoke the agreement we have entered into in August 1968 in terms of which we agreed voluntarily to curtail our export of white sheets and other sheetings which were finding a lucrative market in Britain as a result of which British goods were being hit. Then he said in a statement that this is being done at the request of the British Government. Now, are we going to retaliate in this manner?

SHRI DINESH SINGH : First of all, I am not aware to which statement the hon. Member is referring to when he says that we have said that this is a violation of the GATT agreement. So far as the question whether it is a violation of the GATT agreement or not is concerned, I would not like to go into it in the House just now. It is a matter which we wish to take up when the question arises, because we are hoping at this stage that it would be possible to find adjustments without recourse to GATT. Therefore, I would not like to commit government at this stage as to what our views are on this matter, so far as GATT is concerned.

SHRI NARENDRA KUMAR SALVE : I would clarify the position. I had expected this answer and so I want to keep the records straight. I apprehended that this stand might be taken. As I have already submitted to you, sometimes these commentators and spokesmen rush when the angels fear to tread. I have with me a cutting of *Times of India* where it is stated :

"commenting on the scheme at the concluding session of the Advisory Council on Trade in New Delhi today, the Commerce Secretary, Mr. K.B. Lall, expressed the hope that Britain would not take any action in violation of its commitments under GATT.

Under the General Agreement on Trade and Tariffs, member-countries of the developed world are not to take such measures to overcome their internal difficulties as may hit the export trade of developing countries."

SHRI DINESH SINGH : I was present at the meeting of the Advisory Council on Trade and what the Commerce Secretary has stated was that there was a statement by the United Kingdom Government where they said that the internal measures that they may have to take to tide over their economic difficulties would, so far as possible, not affect the trade interests of the developing countries. That is why I do not want to go into it in greater detail except to say that we are doing our best to persuade the British Government to operate this scheme in such a way that the export interests of the developing countries are not adversely affected.

SHRIMATI SUCHETA KRIPALANI (Gonda) : GATT is not a mere statement of ideas and pious hopes.

12.14 hrs.

PAPERS LAID ON THE TABLE

Annual Accounts of Cochin Port Trust

THE DEPUTY MINISTER IN THE MINISTRY OF TRANSPORT AND SHIPPING (SHRI BHAKT DARSHAN) : On behalf of Shri V. K. R. V. Rao. I beg to lay on the Table a copy of the Annual Accounts of the Cochin Port Trust for the year 1966-67 and the Audit Report thereon, under sub-section (2) of section 103 of the Major Port Trusts Act, 1963. [*Placed in Library, see No. LT 2556/68.*]

Citizenship (Amendment) Rules, Notifications under All India Services Act, and Report on the incidents at Indraprastha Bhawan

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI VIDYA CHARAN SHUKLA) : I beg to lay on the Table :

- (1) A copy of the Citizenship (Amendment) Rules, 1968 published in