

AIR CORPORATIONS BILL

Mr. Speaker: We will now proceed with the further consideration of the following motion moved by Shri Jagjivan Ram on the 20th April:

"That the Bill to provide for the establishment of Air Corporations, to facilitate the acquisition by the Air Corporations of undertakings belonging to certain existing air companies and generally to make further and better provisions for the operation of air transport services, be referred to a Select Committee consisting of Pandit Thakurdas Bhargava, Shri N. Somana, Shri N. P. Nathwani, Pandit Munishwar Dutt Upadhyay, Shri Venkatesh Narayan Tivary, Shri C. D. Pande, Shri Mathura Prasad Mishra, Shri Banarsi Prasad Jhunjhunwala, Shri Satis Chandra Samanta, Shri Rohini Kumar Chaudhuri, Shri Ghamandi Lal Bansal, Sardar Amar Singh Saigal, Shri Yeshwantrao Martandrao Mukne, Shri M. Muthukrishnan, Shri T. N. Viswanatha Reddy, Shri C. P. Matthen, Shri H. Siddananjappa, Shri Pannalal R. Kausik, Shri Nityanand Kanungo, Shri Vajjnath Mahodaya, Shri V. B. Gandhi, Shri Shivram Rango Rane, Shri Jaipal Singh, Shri K. Ananda Nambiar, Dr. Svama Prasad Mookerjee, Shri Girraj Saran Singh, Shri Rayasam Seshagiri Rao, Shri M. S. Gurupadaswamy, Shri K. A. Damodara Menon, Sardar Hukam Singh, Shri S. V. L. Narasimhan, Shri Radha Raman, Shri Raj Bahadur, and the Mover, with instructions to report by the 30th April, 1953."

May I know from the hon. Minister as to how long he will take for reply?

The Deputy Minister of Communications (Shri Raj Bahadur): I think about three-quarters of an hour.

Mr. Speaker: Now, according to the programme laid down by the Business Advisory Committee, today is the only day for discussion. So, this goes on upto 1. 15 minus 45 minutes.

Hon. Members rose—

Mr. Speaker: Mr. Bansal.

Shri Bansal (Jhajjar-Rewari): Being a Member of the Select Committee, I was not thinking of participating in this debate, but certain matters of general principles have been raised during the course of the debate, and I think it my duty to consider them here before the Bill goes to the Select Committee for detailed consideration of the clauses.

Shri Punnoose (Alleppey): On a point of order, Sir. If the hon. Member is a Member of the Select Committee and only a few hours are allowed for general discussion, is it fair that he takes up the time of the House and not allow it to be taken by other Members who are not Select Committee Members?

Dr. Ram Subhag Singh (Shahabad South): Yesterday also some Select Committee Members spoke.

Mr. Speaker: I entirely agree with the Member. In fact, I have enunciated this principle that Members who are there already on the Select Committee should not try to get up and catch the eye of the Speaker. Unfortunately, I did not go through all the 34 names. It is a long list, and it was, in a sense, a mistake on my part to have called upon Mr. Bansal to speak. Having been called upon, he may speak, but his speech will be absolutely short, and he will spare more time for other hon. Members. The Members of the Select Committee will do better to hear the suggestions that the hon. Members of the House have to make so that the same may be considered fully in the Select Committee. This is a long-established convention and when hon. Members get up, I naturally take it that they know the convention, and that they get up because they are not on the Select Committee. I am sorry I have made that mistake.

Shri Jaipal Singh (Ranchi West—Reserved—Sch. Tribes): Do I understand then that after Mr. Bansal has completed his speech, no other Member of the Select Committee will be catching your eye?

Mr. Speaker: Yes. No other Member should try to catch my eye. The reason is that the list of the Select Committee Members is so long. Of course, the hon. Deputy-Speaker was there. He invited my attention as I was not here in the House. I did not read the long list. Nor is it possible to remember every name in the Select Committee. Therefore, the best course to effectively carry out the convention is that the Members should not try to catch the eye.

Dr. S. P. Mookerjee (Calcutta South-East): May I ask one question of principle? The Bill proposes to have two Corporations. Now, suggestions have been made here that there should be one Corporation. If the motion for reference to the Select Committee is accepted, will it be open to the Select Committee to recommend one Corporation in place of two, or are we committed to the principle of two Corporations?

Mr. Speaker: The House may give instructions.

Dr. S. P. Mookerjee: That is why I am asking. My name has been proposed for inclusion in the Select Committee. If the position is that the Select Committee will be debarred from considering the possibility of having one Corporation, then I would not like to be on the Select Committee. I would like to speak now, and give my viewpoint before the House.

Mr. Speaker: The House might give instructions if it so likes.

Dr. S. P. Mookerjee: But it depends on the Government. "House" means majority.

Mr. Speaker: If the hon. Member wants to make a suggestion which is not on the merits of the Air Corporations Bill, but an independent suggestion for giving special instructions to the Select Committee, certainly he will have a right to be heard on that point—not on the general discussion of the Air Corporations Bill.

Dr. S. P. Mookerjee: But may I know what the hon. Minister has to say? If he says that this question will be an open one, that the Select Committee may consider it, that may shorten the discussion also.

Mr. Speaker: How can the Select Committee consider unless the House gives instructions?

Dr. S. P. Mookerjee: It is for him to take the initiative. Let me hear the hon. Minister.

The Minister of Communications (Shri Jagjivan Ram): The Bill is before the House and I have placed it for reference to the Select Committee. I would like to press for acceptance of my motion as it is.

Mr. Speaker: His point, as I understand, is a small one. He wants to consider the short point—the Select Committee itself may consider it—as to whether there should be a consolidated Bill in respect of both. That is the only point for consideration.

Shri Jagjivan Ram: But it is a consolidated Bill for both the Corporations.

Mr. Speaker: There is one Corporation or two Corporations?

Shri Punnoose: That is not a question of principle but of organization.

Mr. Speaker: I would not like to decide any question which may afterwards have to be revised. I am keeping the question open even for me,

but if there is any doubt on that point, it is better to clarify it by giving special instructions.

Dr. S. P. Mookerjee: Exactly.

Mr. Speaker: The structure of the Bill proceeds on the basis of two Corporations. It may or may not be a question of principle of the Bill. Opinions on that point may differ and there may be a lot of argument in the House. Therefore, the position is there, to be clarified now.

Shri Jagjivan Ram: There is nothing to clarify. I stand by the Bill as it is at present, and I have made a motion for reference to the Select Committee.

Dr. S. P. Mookerjee: That is not the point, Sir. I am not suggesting that he should refile from the Bill. As you rightly put it, is it open to the Select Committee to consider the proposal to have one Corporation in place of two?

Mr. Speaker: I think I can reserve, in case of necessity, the ruling.

Shri Heda (Nizamabad): Why is it not open to the Select Committee?

Mr. Speaker: Because, the object of the Bill is—at present I do not want to enter into a discussion. Let that point be thrashed out in the Select Committee itself, and if that point is barred or ruled out as barred, the point can be raised as well in the House. Then, of course, the Chair will consider the point and decide.

Dr. S. P. Mookerjee: You said just now there should be special instruction from the House. Then, will you allow us to move an amendment at this stage.

Mr. Speaker: I cannot do so at this stage.

Dr. S. P. Mookerjee: Then, how to consider?

Mr. Speaker: I was suggesting special instructions to the Select Committee to avoid all points of doubt. That was the point. The point may be raised one way or the other. I do not like to commit myself, (nor even my successor who will be in the Chair as I am leaving, very shortly) to be bound to a particular decision.

Shri Tandon (Allahabad Dist.—West): May I contribute an idea in regard to this unnecessary discussion which is taking place? The Select Committee is seized of the Bill as a whole and therefore the question of its powers—as to whether it can touch this clause or that clause does not arise at all. I do not understand why my hon. friend here has given the

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hon. Speaker this trouble of giving a ruling on that point. This requires no ruling. If he is aware of the powers of a Select Committee, he need not put that question at all. The Select Committee is seized of the thing. It can amend every clause of it, only if it is so minded; it can submit them before the House. That, I make any proposals it wants to and submit, is the Constitutional position.

Mr. Speaker: Now, let us resume the discussion. Mr. Bansal will be very short. Only about five or six minutes he will take.

[MR. DEPUTY-SPEAKER in the Chair.]

Shri Bansal: I am sorry this interruption has taken place, but I had the temerity to rise up, because yesterday it was decided by the hon. Deputy-Speaker that he would also try to call upon the Members who are on the Select Committee.

Mr. Deputy-Speaker: The Deputy-Speaker agreed to make exceptional exceptions. As I was observing, the hon. Member did not give any occasion or even time for the hon. Speaker to think whether he should call him or not. Before he called upon him, he started off with his speech. That is what I was noticing, and immediately I told the hon. Speaker that he ought not to call on Mr. Bansal, but it was too late for him. Hon. Members ought not to speak all of a sudden. They ought not to speak until they are called.

Shri Joachim Alva (Kanara): With your permission, Sir, may I appeal to my hon. friend Mr. Bansal not to speak in the interests of the golden principle that Members of the Select Committee should not speak.

Shri Bansal: I am sorry that you have misunderstood me. If you will kindly refer to the records, you will find that I began to speak only when the hon. Speaker called on me.

Anyway, I will come to the point that I want to touch upon. I was very glad that the hon. Minister, while moving the motion for reference of the Bill to the Select Committee, struck a very modest and humble attitude, in regard to this historic Bill. It is quite easy to get into histrionics which would perhaps have pleased my hon. friends on the opposite side very much. But this is an occasion when the Government of India are taking over one of the biggest enterprises in the country, namely civil aviation, and I think it is but proper that

he approached this task in due humility.

The speech of the hon. Minister drew the ire of the hon. lady Member opposite, simply because he had a word of praise to say, of certain air-lines which have really done a remarkable job in this country. Can we forget those hectic days when Kashmir was attacked by the barbarians from the other side, and when the civil aviation of the country, which was completely in private hands, came to the rescue at a moment's notice? Can we also forget that even within a brief period of five or six years.....

Shri Punnoose: On a point of order, Sir. While speaking about the question of Kashmir, he said that barbarians attacked from the other side. I hope that word may not be there, in the records.

Mr. Deputy-Speaker: I do not agree with the hon. Member. Whoever attacks any country is a barbarian.

Shri Bansal: Can we forget that within a short period of five or six years, the civil aviation in the country has more than quadrupled? It is a very brilliant record that any industry can have. In the difficult post-war days this industry was able to find all the capital from private sources, and was in a position to run the services efficiently, so much so, that civil aviation has drawn praise from even other foreign country. The amenities that we offer on board the planes in our country, and the very few accidents that we have had are something remarkable and compare favourably with those of any other country.

A point has been made that this industry has been surviving because the State has been giving huge subsidy to this industry. Apart from the fact that no huge subsidies have been given, it is well-known that in every foreign country, Government have been aiding this industry because it is a difficult industry, and not at all an economic industry, and wherever it has taken root, it has been because the State exchequer has been giving very handsome subsidies both by way of direct subsidies and also by way of special postal rates for the carriage of mails.

The Committee which was appointed by the Government of India to go into the air transport in the country, viz. the Air Transport Inquiry Committee have dealt with this question, and have pointed out that in the United States, in Australia, in the United Kingdom and in other countries as well, not only are subsidies

being paid but special postal rates also are being given.

That being the case, what was the help given in this country? I do not, for a moment, say that enough was not done. But in recent years, whatever was done by Government has been more than neutralised by this heavy expenditure on the cost of petrol. That is perhaps one of the reasons why this industry has remained stagnant during the last two or three years.

The hon. lady Member, Mrs. Renu Chakravarty said that this is not nationalisation, but merely a half-hearted attempt at nationalisation. I was surprised at this. And her only argument was that Government were not taking over these concerns under their departmental control, but were forming Corporations. This question of forming Corporations and running public enterprises through the instrumentality of Corporations has been well recognised in most of the countries, where public undertakings have been nationalised. The one example which is again and again quoted by the self-styled fellow-travelers of Mr. Bevan and Mr. Attlee, is that of the United Kingdom. When the Labour Government came to power there, they nationalised eight industries. I have gone through the records, and I find that in all these eight industries, they have some sort of Corporations, Boards or Authorities. Even in this country, when this question was being discussed, and the Public Accounts Committee went into the question of how controls should be exercised over public undertakings, they came to this conclusion that it will be in the best interests of the country that public enterprises are run as Corporations. I shall quote just one sentence from their report:

"While recognising that the management of industrial and business concerns differs from normal day to day activities of administration, and that special organisation and delegation of authority more in accordance with the speedier business practices may be necessary, it is also the considered opinion of the sub-committee that Government should have the backing of suitable Parliamentary enactments for the setting up of Corporations."

So this is not a new thing, which the Government are doing, when they are setting up Corporations for running these air companies.

Shri K. C. Sodhia (Sagar): What has been our experience of these?

Shri Bansal: The other point that has been raised and has figured very much in the debate is why there should be two Corporations. Cogent reasons were given by the hon. Minister why there should be two Corporations. I have gone into the experience, again, of the U.K. where a number of industries have been taken over. The air companies are being run there by two Corporations.

An Hon. Member: Three.

Shri Bansal: Two Now. The Central Coal Board is supported by eight other Boards—Regional Boards. Similar is the case with transport. The transport is also looked after by one Central Board and they have a number of boards which look after the day to day working of individual regional transport systems.

Shri A. M. Thomas (Ernakulam): But here, are these not two unconnected separate organisations?

Shri Bansal: Then the question of Parliamentary control was raised. On this there has been a very illuminating discussion in the U.K. again and a Select Committee was appointed to go into this question. I will quote Mr. Morrison, the famous Labour leader, who in his evidence before the Select Committee said:

"A large degree of independence for the Boards in matters of current administration is vital to their efficiency as commercial undertakings. Undue intervention by the Minister would tend to impair the Boards' commercial freedom of action. The Boards of socialised industries are under an obligation to submit annual reports and accounts which are to be laid before Parliament. In the Government's view it is right that Parliament should from time to time review the work of the Boards on the basis of the report and accounts presented to Parliament."

I am sure, this kind of control can very well be followed even in this country.

Mr. Deputy-Speaker: Mr. Chettiar.

Shri K. C. Sodhia: I may be given five minutes.

Mr. Deputy-Speaker: After Mr. Chettiar.

Shri T. S. A. Chettiar (Tiruppur): This is perhaps one of the few most important Bills that have come before this Parliament. The real point of view from which this ought to be

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looked at is the matter of efficiently running these services. Apart from their strategic and other importance, the element of safety in air is by far the most important. In the railways, if the engine goes wrong there will be only delay; but in the air-ship if something goes wrong, the danger to human life will be something tremendous. And so what we have to look at in this Bill is how to provide for the most efficient management of these airlines.

There has been this age-long question as to what will be more efficient—State management or private management. Opinions have varied. But the report of our own Committee on State Trading has laid down certain very salutary principles. "It is necessary that the Corporation should be an autonomous body free from both Ministerial and Parliament control so far as its day to day working is concerned. The broad policy within which this Corporation is to work should, of course, be laid down by Government and this policy as well as the results of the corporation's working over a period should be subject to discussion by Parliament. (Interruptions.) "The executive of the Corporation"—this is an important factor, "should with the exception of Government representatives be composed of practical businessmen with considerable standing and reputation in the commercial world and possessing a wide outlook in commercial and economic affairs". It is on this that I would like to lay emphasis. It is commonly regarded that a civilian can manage anything. Sometime back a civilian made the claim that if he was put as the Manager of Tatas, he would manage it as well. Nothing could be as foolish as that. If we have failed in many commercial undertakings as we have in certain respects—it is because we trusted civilians with the management of these matters.

Shri Jaipal Singh: There are many civilians there already in Tatas.

Shri T. S. A. Chettiar: So what I would suggest is this. People who know the job should be put in charge of it. Something was said about Tatas and Birlas. It does not matter to me who they are. If there is a Tata who knows the job and will do it properly, let us have him, but if the Tata is bad, let us reject him. In this matter what is of the utmost importance is that people who know the job should be entrusted with it and not merely administrative officers who may not know the job but may know secretarial procedure.

Now, let us go to the amount involved. In the report that has been given to us it has been said that we require nine crores of rupees. In the Bill four crores and odd are provided for compensation. The rest of the amount, I believe, is to introduce new and efficient aircraft. But the question is: what does the State get in return for this investment of nine crores that we propose to make? We know about the question of railways. On the question of railways there is a resolution passed by this House and by that resolution the Government are getting every year a certain amount; but in the Bill we do not have any provision in which we are told what return do we get on this investment of nine crores of rupees that we are putting into this business. I would like to point out to you, Sir, the resolution on the Railway convention of 1943, and the latest—that of 1949—passed by the Constituent Assembly. It may be said that the railways are working at a profit while the airways are not working at a profit. But the original resolution which was made about the railways in 1939 does contemplate that there are times when the railways do not run at a profit. And so they said even then that when the railways did not run at a profit in a particular year and did get a profit in another year, that should be adjusted towards the loss. I support that point of view that these airways should make a contribution to the national exchequer to make up for the amount that we are investing in this business. It may be nine crores today, but I am sure it will be expanding. That point of view has been entirely forgotten in this Bill.

One part of the resolution which is incorporated in the Bill relates to the Air Advisory Board. Just as the resolution recommended a Standing Advisory Board for Railways, an Air Advisory Board is recommended in the Bill. But the other and the more important part of it—which is important from the point of view of the Indian tax-payer—as to what return we should get out of this investment has not been made clear in this Bill. I hope the Select Committee will look at this point of view. They will say certainly that there will be times when there may not be profits, but we hope there will soon come a time when they will work on a profit.

Some of the reasons for acquiring all these airways are that the overhead charges may go down, efficiency may increase and the operational cost may be less. That should be achieved if we are worth anything and the management is efficient. Today we

are paying to the non-scheduled operators something like 46 lakhs—that was the figure for 1951-52—as subsidy on the petrol we are giving. I hope by the combination of the services into one, certain retrenchments can take place and we will be able to run it at a profit at no distant time.

Now, I come to the next point, the question of taking over the employees. That is clause 20. With regard to labour something was suggested from the other side, but I believe, knowing the hon. Minister as we do, that we can trust a fair deal for labour in his hands. With his background, with his experience and with his record as Minister of Labour, we are, I think, assured of that. And it is that which has made him say in clause 20 that immediately all people will be taken in service. But I tell you, Sir, in working it will be tremendously difficult. In Delhi itself, for example, all the nine air services have their offices. The Deccan Airways have got their offices, the Indian National Airways have their offices, the Bharat Airways have their offices—almost all the airways have their separate offices. I believe one of the first things to be done after this Air Corporation comes into existence will be to combine all these into a central office. How can you give employment to all these administrative people? I can understand in the case of the technical people in these various airlines operating in those various places where workshops are concerned—may be in Calcutta, may be in Lucknow, may be in Bangalore and may be in Delhi—I think near about Delhi we have a workshop. But how will these administrative officers—all of them be taken together when they are combined passes beyond my comprehension.

Shri Nambiar (Mayuram): The industry must grow and we must allow it to grow.

Shri T. S. A. Chettiar: I am afraid it is this sympathy of the hon. Minister for labour, for the employees, that has made him agree to this. I hope better sense will prevail and we will not keep employed in Delhi people on jobs which do not exist. And so this is a matter which must be gone into.

Now, I come to the question of compensation. It is rather too technical for me. I am not in touch with the trade; I am not in touch with the prices of aircraft; I am not in touch with the various workshops and the spare parts and so, I am unable to say anything about it. But, this much I may say; since most of the companies are not paying dividends, it is not possible to

go on the basis of the prices of the shares because in most cases the market prices of shares do not exist. They are not worth much today and so, naturally, you cannot go on the basis of the prices of the shares in the market. If you do not know what the market price is, then you must go on some other standards. The next standard by which we can normally go is the price of the assets. In the matter of assessing the valuation of the assets, we must take the view of expert. Naturally, one statement which the hon. Minister made may be correct—I am not qualified to express an opinion on that because even those assets today when they are sold in the market may not fetch a good price. But, whatever it is, we must arrive at some reasonable conclusions. Take the purchase price, whatever it is, allow depreciation over it. This is the normal procedure that is applicable to other assets in other business and it must be applied to this. But what really matters is what is the original price you fix and what depreciation you allow. These are matters which experts must find out and I hope some power will be given to the Select Committee to summon witnesses on this matter, if necessary, so that the views of some people who know about these things may be obtained. After all what you get in the Bill is not sacrosanct, as the question is a business proposition like paying compensation. This cannot also go on the basis of income-tax returns which are ready-made but which are not for businesses which are being wound up. I should therefore think that power should be given to the Select Committee to summon witnesses, particularly in this matter, if not in other matters.

Now, I have only one thing to add and that is this. Every attempt should be made that we shall have a constitution for the management of these things, such a constitution that will guarantee efficiency. One of the friends who spoke the other day foretold certain things. One is lesser timings, lesser traffic and the other is greater charge or an increase in the fares. But, I hope he will prove a false prophet. I hope, that not only will this amalgamation work more efficiently, but also more economically and that his prophecy will not come true, though in certain respects, in certain places, where the State has undertakings, it is has come true.

One other matter and it is this. From the experience that I have of some undertakings in Madras State, I have found to our cost that the employees are not taking interest in:

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these undertakings. I am particularly speaking of the Bus Transport that the State has undertaken in Madras. What I have been told is this. The care of the buses which was existing before has suffered and the employees have not worked as efficiently as they were working before, with as much devotion as before, because the personal touch was not there. Everything will depend.....

Shri Nambiar: It is not a fact, Sir.

Mr. Deputy-Speaker: It is a difference of opinion.

Shri Nambiar: It is casting aspersions on the staff who do well.

Mr. Deputy-Speaker: It is a matter of opinion. You say it is good and the hon. Member says it is bad. Let the hon. Member go on uninterrupted.

Shri T. S. A. Chettiar: I would like to suggest that it would depend on the devotion with which the workers come to the work and everything must be done to ensure this great, basic and fundamental factor.

श्री कै० सी० सोधिया : माननीय उपाध्यक्ष महोदय, मुझे इस बिल के बारे में बहुत कुछ नहीं कहना है। मैं अपने देश के करोड़ों लोगों की माफिक पैदल चलने वाला हूँ और मैं इस बात को हर्षित नहीं मान सकता कि इस देश की सम्यता का पैमाना यह उड़नखटोलों की लाइनें हैं। महाशय, मैं तो आप का ध्यान सिर्फ इस बिल के आर्थिक पहलुओं के ऊपर दिलाना चाहता हूँ। प्लैनिंग कमीशन ने अपनी रिपोर्ट के ३१वें अध्याय के ५६वें पैराग्राफ में यह लिखा है कि इन उड़नखटोलों की लाइनों के सम्बन्ध में इस देश के आदमियों का दस करोड़ रुपये सन् १९५०-५१ तक खर्च हो चुका है, सन् १९५१-५२ में पौने दो करोड़ रुपये इस पर खर्च हुए हैं। इस प्रकार से आज तक हम ने इस अन्वेषण कुएँ में लगभग १२ करोड़ रुपये शौक दिये हैं। आगे चल कर तीन सालों में हम इस पर दस करोड़ रुपये और खर्च करेंगे। मेरी इस सरकार से, जो कि इस हाउस पर और इस देश पर धूपरी तरह से कब्जा किये

हुए है, यह विनती है कि उस को वह ध्यान रखना चाहिये कि इस देश के करोड़ों आदमियों के पैसों की वह मालकिन है और इन पैसों को वह कैसे खर्च करती है और कैसे उसे करना चाहिये।

मान्यवर, यह सरकार इन दो कारपोरेशनों को तैयार कर के पांच वर्षों के वास्ते बांड की गारंटी देने को तैयार है। बांड की गारंटी में साढ़े तीन प्रति शत की दर से जो रुपये दिये जायेंगे उन का ब्याज और इस के सिवा चार करोड़ रुपये जो पांच साल के बाद दिये जायेंगे उन का ब्याज, दोनों को जब मैं ने जोड़ा तो मालूम हुआ कि ४८ लाख रुपये तो ब्याज के ही होते हैं।

अब जरा आप फाइनेन्शल इम्प्लिकेशन्स को देखिये जो कि बिल के साथ दिये हुए हैं। आप को मालूम होगा कि मिनिस्टर साहब ने यह फ़रमाया है कि हर साल इन दोनों कारपोरेशनों को लाखों रुपये एड की तरह से दिये जायेंगे क्योंकि हाल ही में उन को काम शुरू करना है। सरकार, आप यह तो बतावें कि पांच साल के बाद आप यह पैसा जिस की आप गारंटी देते हैं कितना पा सकेंगे। मतलब यह है कि सरकार साढ़े तीन प्रतिशत के हिसाब से ज़्यादा दे कर के पांच साल के लिये यह कर्जा ले रही है। इस से तो बेहतर यह होगा कि सरकार के खजाने से जो रुपया देना है, अभी दे दिया जाय।

आगे चल कर आप देखिये कि बिल की धाराओं के अन्दर इन कारपोरेशनों को यह अधिकार दिया गया है कि ये १५ लाख रुपये तक का सामान बिना किसी की मंजूरी के बेच सकेंगे और दस लाख रुपये तक का सामान खरीद सकेंगे। सरकार, यह तो बतलाइये कि अगर १५ लाख रुपये का सामान यह बेच सकें और दस लाख रुपये

सामान खरीद सकें, और साल में उन्होंने इस तरह के दस पांच सौदे कर लिये, तो कैसे काम चल सकता है ? वह सारी पूंजी को बर्बाद कर देंगे। आप को यह मालूम है कि पिछले सेशन में एक बड़े सुन्दर कारपोरेशन को, जिस का नाम इंडस्ट्रियल फाइनेन्स कारपोरेशन है, उस को कपड़े को धोने में दस-पांच दिन लगे थे, और उस के धोने में हमारे प्राइम मिनिस्टर और फाइनेन्स मिनिस्टर दोनों को बड़ी तकलीफ उठानी पड़ी थी, और वह धोने का काम आज तक पूरा नहीं हुआ और यह काम हमारी बहन सुचेता कृपलानी जी की अध्यक्षता में बनने वाली एक कमेटी को सुपुर्द किया गया।

मैं आप से कहना चाहता हूँ कि इस कारपोरेशन को बना करके सरकार एक बिज्जू खड़ा करती है जिसकी आड़ में वह मनमानी किया करती है। मैं आप से कहता हूँ कि इस पार्लियामेंट के अधिकार को कम करने के लिए बोर्ड और कारपोरेशन ये दो बहुत अच्छी तरकीबें इस सरकार के हाथ में आयी हुई हैं। मैं आपको विश्वास दिलाता हूँ कि इस तरह से इस देश के लाखों भूखे मरने वाले आदमियों के मुश्किल से कमाये हुए पैसे को निर्दयता के साथ बर्बाद किया जाता है। मैं यह नहीं कहना चाहता कि एयर कारपोरेशन को न रखा जाय। आप एयर कारपोरेशन को खूब अच्छी तरह से रखें लेकिन इसके साथ आप उन लोगों के पैसे का ख्याल रखें जिनके पैसे पर आप गुलछर्रे कर रहे हैं और हम गुलछर्रे कर रहे हैं। सभापति महोदय, मुझे और ज्यादा नहीं कहना है। मैं ने आंकड़े इकट्ठे किये हैं और उन आंकड़ों से मैं इस बात को साबित कर सकता हूँ कि ये दोनों कारपोरेशन इस देश के आदमियों के लिए एक बड़ी भारी तकलीफ साबित होंगे और उन से कुछ अच्छा काम होने वाला नहीं है।

नेशनलाइजेशन की बात को हम देख रहे हैं। नेशनलाइजेशन का मतलब यह है कि हम को उस काम को करने की अक्ल होनी चाहिये लेकिन दरअस्त अमी हमें बड़े कामों को चलाने की अक्ल नहीं है। हम देखते हैं कि प्रत्येक प्रान्त में बसों का नेशनलाइजेशन हुआ है और उस नेशनलाइजेशन के लिए इस सरकार को लाखों गालियां हर स्टैंड के ऊपर रोज मिल करती हैं। इसलिये मैं सरकार से यह निवेदन करना चाहता हूँ कि वह इस बात का ख्याल रखे कि जी भी काम करे उस में पैसे की बरबादी को रोके और उसकी तरफ अच्छी तरह ध्यान रखे। अभी मेरे एक मित्र ने यह सुझाव दिया है कि जो कुछ पूंजी इस काम में लगायी जाय उस पूंजी का कम से कम दो प्रतिशत हमें सरकारी खजाने में इन कम्पनियों से मिलना चाहिए जिसमें कि जो पूंजी लगी हुई है उसका हमें कुछ लाभ मिल सके।

Shri A. M. Thomas: It is a very bold decision that the Communications Ministry has taken, and having taken it the Government has come forward now with a well-drafted Bill for implementing the same. Though it is a mere accident, it is a significant fact that after one hundred years of the growth of our railways, the most important medium for ground transport when we are celebrating their centenary with all pride and enthusiasm, we should turn to our air transport and make it the country's own.

Having watched the proceedings of the House and followed it, it seems to me that the move of the Government has been generally welcomed, in spite of the fact that the Air Transport Enquiry Committee has recommended in favour of a rationalised system of private airlines. One hon. Member remarked that on the basis of priorities, nationalisation at present was not an imminent necessity. I think my hon. friend Mr. Velayudhan referred to it. Critics of this way of thinking ignore the paramount considerations of defence and other emergency factors and forget the fact that this is a public utility concern, though in a way it may be characterised as a luxury service. This point of view does not also give weight to the aspect that already the State is

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vitaly interested in the promotion of this enterprise and the time has come for it to step in.

Criticism was expressed in the Press that the Government has not taken the public into confidence by telling it the over-riding considerations which weighed with the Government to resort to this step, especially in view of the fact that in 1949 the term of the licences has been fixed as ten years. The speech of the hon. Minister fills up this lacuna. The Air Transport Enquiry Committee itself has stated that if the hopes entertained were not justified by the companies, the matter has to be reviewed after five years. The review has been done before the suggested period and there was reason to take an alarming view, as has been pictured by the hon. Minister.

Every Member who has spoken had something to say about the formation of the Corporation.

Mr. Deputy-Speaker: I would ask the hon. Member to resume his seat for a while. I find too much of noise in the House. I am sorry to observe that this happens again and again. Either the hon. Member who is on his legs should be allowed to speak, or if they want to disturb him, let us close the proceedings. I am sorry to make these observations. How long am I to go on doing this like a school-master.

Shri Velayudhan (Quilon *cum* Mavelikkara—Reserved—Sch. Castes): It is because you call the Members by a list you have. Why do you not call anybody who catches your eye?

Mr. Deputy-Speaker: It is improper. When I call the hon. Member it is all right; when I call another hon. Member it is wrong.

Shri Velayudhan: I never wanted to speak.

Mr. Deputy-Speaker: The hon. Member had been pestering me inside and outside that I called him yesterday.

Shri Velayudhan: For the last few days I have not spoken.

Mr. Deputy-Speaker: Order, order. I am calling hon. Members from all sides. I am trying my best to distribute opportunities equally.

Let the hon. Member who was on his legs proceed.

Shri A. M. Thomas: Every Member who has spoken had something to say

about the formation of Corporation and the desirability or otherwise of having two Corporations. The hon. lady Member who initiated the discussion wants it to be run as a regular wing of the Government. Air transport is a highly specialised industry of a special character. It requires personal service and contact with the customer of a more stringent type than we know of in railways and other forms of transport. Several limitations of a State enterprise can be eliminated by setting up a Corporation. The Air Transport Enquiry Committee, an impartial body, has recommended it. We have accepted that principle in undertaking legislation for forming the Damodar Valley Corporation. Countries more advanced than us have done like that. All the same, sufficient safeguards are provided in the Bill. Criticism has even been levelled that the Corporations are merely extensions of governmental machinery and that the autonomy of the Corporations has been reduced to a farce.

Having supported the formation of a statutory corporation, I state with all the emphasis at my command that the formation of two Corporations is entirely unnecessary and unjustifiable in spite of the special pleading of the hon. Minister. A top heavy organisation, as the one contemplated in the Bill, will defeat the very purpose which the Government has in view. A large and costly structure is a cardinal feature of this Bill. The hon. Minister says in the speech that he made yesterday when he commended this Bill for the acceptance of the House:

“Substantial savings would also be possible by reorganisation and rationalisation of the administrative set up, traffic arrangements, workshops facilities, etc., and by cutting out duplicate establishments. The Air Transport Inquiry Committee estimated that if in the place of eight or nine operating units, there were only a single unit operating all the services, the saving would be of the order of about eight per cent. on the existing cost.”

I ask in all humility whether the formation of two Air Corporations in addition to an Air Council which we have in view, is calculated to fulfill the laudable objects that the hon. Minister has in view? The reasons given by the hon. Minister—to say the least—are most unconvincing.

One important point that the hon. Minister has mentioned was that a

change of name would also necessitate immediate revision of the various contracts which had been entered into by the Air India International in most cases with private parties. As a lawyer, I fail to understand the reasoning behind this, because clause 17 provides ample safeguards against these. Clause 17 reads:

"The undertaking of each of the existing air companies which is transferred to and which vests in either of the Corporations * * * shall also be deemed to include all borrowings, liabilities and obligations of whatever kind then subsisting of the existing company in relation to the undertaking."

So all these will vest in the Corporations when they are taken over.

The hon. Minister has stated that the Air India International has got a reputation of its own. As Shakespeare has said: I would put the question: "What is there in a name"? Granting for arguments' sake there is something in a name, can we not retain that name with one corporation? Have we not in the railway administration got different zones? We have got the Central Zone, we have got the Southern Zone; we have got other zones. Can we not have an International Zone with the same name retained in the framework of a single Corporation, I ask? This is a matter which has to be very seriously considered and if economy is one of the paramount considerations that we have to keep in view, I would say that that can be achieved only by the formation of one Corporation. Besides, we lack proper personnel for the Corporations and the formation of two Corporations will create for the Ministry a problem of its own. We would have to incur heavy expenditure for getting efficient personnel and the formation of two Corporations will accentuate that problem. Hence, it is not at all desirable in the interests of the efficient running of the concern.

One of the objects of nationalising public utility concerns is to make them better, cheaper and available for larger sections of the community. This can be achieved only if this top heavy structure is made as simple as possible. My submission is that this Air Transport Council is absolutely unnecessary at this stage, having regard to the nature and volume of air services as at present existing.

I am not one of those who think that the principle of compensation adopted in the Bill is unfair to any party, viewed either from the stand-

point of the company or the taxpayer. It is a just and equitable solution that the hon. Minister has offered, though I would say that in a way it is a rough and ready method he has adopted. The taking over of these companies after valuation of assets has been recommended by the Air Transport Enquiry Committee itself. The assets should be valued with reference to the cost to each company, while taking over. All the same, we have to guard against inflated amounts shown in the books, a danger pointed out by the hon. Lady Member who opened this debate. As it stands the question of compensation has to be decided without reference to the market value. The public is only to gain by that. We need not grudge to pay Rs. 10,000 on intangible assets, since we are getting the benefit of trained personnel and the experience and growth so far gained. Only ten per cent. of the compensation is being paid now, and the balance amount bears only three and a half per cent. interest—a rate which is not too high, having regard to the prevailing interest charges on loans which are even raised by Government.

Before I resume my seat, I would like to mention one point more. My hon. friend Shri Kasiwal referred to the absence of any provision concerned with financial control sub-clause (1) of clause 41 reads:

"The Central Government may, by notification in the Official Gazette, make rules to give effect to the provisions of this Act."

Rules are to be made for the following purpose among others.

In sub-clause (2)(b), it is stated:

"the form in which the budget of the two Corporations shall be prepared and submitted to the Central Government; and the form and the manner in which the accounts of the two Corporations shall be maintained and in which any returns or statistics shall be furnished or submitted."

I submit that these should not be left to the rule-making power of the Government. The extent to which financial control must be exercised by the Government or by this House must be decided by this Parliament when it considers the Bill itself.

Shri Tulsidas (Mehsana West): I was feeling rather hesitant to speak, because I may be told that I am one of the interested parties. I am the Chairman of the Air Services of India. I hold that position on behalf of the Scindia Company.

Mr. Deputy-Speaker: Is he a Member of the Select Committee?

Shri Tulsidas: No, Sir.

Shri Jaipal Singh: On a point of clarification. I hope that no Member who speaks is debarred from being taken as an additional Member of the Select Committee subsequently. It is an important point, because I would personally like to propose Mr. Tulsidas Kilachand, who is one of the very few Members in this House acquainted with this industry, to be added to the list of Members for the Select Committee.

Dr. S. P. Mookerjee: In that case, the speech can be expunged!

Mr. Deputy-Speaker: He is trying to create difficulties where none exist.

10 A.M.

Shri Jaipal Singh: No, Sir. I may open my mouth later on.

Mr. Deputy-Speaker: He ought not to be a Member when he speaks.

Shri Jaipal Singh: Mr. Tulsidas Kilachand is not a Member of the Select Committee now, but supposing he speaks now and his name is proposed subsequently, is he debarred?

Mr. Deputy-Speaker: I am not called upon to give any hypothetical ruling.

Shri Nambiar: This is called talking in the air.

Shri Tulsidas: I pointed out why I felt hesitant to speak. However, when I heard the speeches yesterday and today, and listened to the views of some Members, I felt it better to clear the air at least in regard to some of the points.

The first question that I should like to deal with is the nationalisation of this industry. Everyone knows how this industry came into being in this country. It came into being with the very large support of the public and the private enterprise. It was started in the early days of the war or to a certain extent before the beginning of the war. After the war, when aircrafts were available from the disposals, they were bought at reasonable prices and this industry developed. I have no doubt that the record of this industry, both in this country and outside, is a very good one, and I am sure everyone will agree with me in this.

Then, in October, 1946 the Air Transport Licensing Board was established

for the purpose of issuing licences. If private enterprise had been allowed to function with full freedom, then I am willing to say that the private entrepreneurs ought to get the blame, but this A.T.L.B. issued licences rather indiscriminately looking only to the economic side of the question, with the result that the fate of the industry today is what we see it to be. Anyone who came forward was given a licence.

Then, in 1950 the Air Transport Enquiry Committee was constituted. The recommendations of this Committee were on the lines that they felt that this industry was not required to be nationalised but it should be rationalised. It is regrettable that the different companies did not merge together and to that extent I feel very sorry.

Shri Velayudhan: About this nationalisation and rationalisation, it may have been a spelling mistake!

Shri Tulsidas: The Committee recommended a certain amount of subsidy. Government did not give subsidy to the extent recommended by the Committee. I find that on this question of subsidy, there is a lot of misunderstanding. The feeling here seems to be that the subsidy was given in very large amounts and the companies were functioning merely because the subsidies were given. Any industry, when it is started—whether it be a pioneering industry or an expanding industry—requires help and if it is in difficulties, Government sees to it that protection is given. This is logical, because when we start new industries in the country, a certain amount of protection is required. But protection has not been given to this industry to the extent that it wanted protection. To a certain extent, the subsidy was given and that too came from the revenue which the Government was getting from the excise duty on petrol which these companies had to pay on the fuel consumed by them. This is a very small amount of subsidy, looking to the extent of the revenue the Government was getting as excise from the consumption of fuel oil or petrol.

Then this question of nationalisation cropped up because all these companies were in a very bad shape. They lost very heavily because to my mind they started entirely as a new enterprise in this country and had no experience. They started with a very huge personnel and staff, with huge number of people and had to go on retrenching afterwards, and the companies were in a bad shape. There

was also the other difficulty that on account of air freights being very high, compared to the other transports, there was not so much traffic, whether goods traffic or passenger traffic. Therefore their income also went down. Then the question of nationalisation came in, because these companies require rehabilitation, require more finance for buying new types of aircrafts which would be suitable for this country. The companies could not buy these aircrafts because they were not financially sound, they had no finance and therefore they approached Government for getting financial help in order to buy these aircrafts. And Government thought it fit to nationalise the whole industry.

I do not wish to go into details about the question of nationalisation. Government has taken a decision. Therefore I shall now refer to two aspects of the Bill that we have before us. There is a view here that there should be one Corporation instead of two Corporations. I entirely agree with the Government in this respect that there should be two Corporations; because I do not think that the economy which is expected to be achieved by having one Corporation will weigh to that extent as other questions would weigh with regard to having two Corporations. There is an apprehension in the minds of some people that because of there being two Corporations there may be more expenditure, there may be dual control, the different personnel from the one Corporation may not be able to get a chance in the other Corporation and so on. These are details which can be adjusted and mutually agreed upon between the two Corporations. It is for this reason that an Advisory Council has been provided. I am sure these difficulties can be overcome by mutual adjustment. I do not think there is so much apprehension that these difficulties cannot be overcome. On the question of having two Corporations I feel it is absolutely essential in this country, particularly because our country is very large. We want to develop internally very much; we want to have many lines all over the country. The conditions internally and externally are entirely different. Therefore there should be two Corporations.

Before I proceed further I would like to deal with one matter which was referred to by my hon. friend here on my right with regard to certain amount of retrenchment which the different companies had done during the worst times that they experienced. The hon. Member Shrimati Renu Chakravarty said that it had affected

a very large number of people. I just now mentioned that the companies could never have functioned and could not have continued to function if they had not retrenched some of their personnel. They had very much surplus personnel and therefore the companies had to retrench, even for the purpose of continuing to function.

With regard to the question of there being large vested interests in these companies, I know that in most of the companies there are a very large number of shareholders who are really interested in these companies. I do not think there is any one interest which holds a very large number of shares. There may be one company or so where there may be a large interest holding one large block of shares. But generally most of the shares of these companies are held by the public. And, as I said before, they have given full co-operation with respect to this industry and have subscribed fully and freely so that these Corporations could come in. Therefore, whatever benefit these companies might derive—assumed benefit, I should say, because I do not think there is any benefit even from the question of compensation about which there is some amount of apprehension in this House, but let us assume that there will be some benefit that these industries will get—I can assure you, Sir, that most of the benefit will be to the public which has supported this industry in the initial stage.

I would now come to the point about compensation. I say this word 'compensation' in this Bill is entirely wrong. This is no compensation to the companies. It is paying a price for the things that they buy from these companies; for the assets of the companies they are paying the price. I do not think there is any compensation as such paid according to the Bill. Therefore the word 'compensation' is really wrong in my opinion. And perhaps even according to our Constitution I do not think that compensation is really paid to these companies. There is a restriction, as pointed out by the hon. Minister, that the aircrafts and other things and the different assets which the companies have are not allowed to be sold outside the country. Naturally, because we want these aircrafts and parts, whatever assets the companies have, for working these new Corporations. Therefore it is natural that we do not allow these aircrafts or the spare parts to be sold outside the country. Otherwise I can assure you that if the aircrafts or the spare parts, the assets of these companies, are allowed to be sold outside, they will be sold at much higher

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prices than those at which Government will take them over from these companies.

Then there has been certain criticism with regard to depreciation. Under the Income-tax Act, under the special provisions, a large amount of depreciation was allowed to these companies. But I may say here that most of the companies which had provided for depreciation in their accounts are showing a carryforward of huge losses, and these losses consist mostly of the depreciation. Therefore, benefit has not been derived by the companies by the depreciation which they had to provide for. The hon. Minister himself has pointed out how this depreciation is required to be provided for by these companies and therefore I need not say further in that respect.

It is said that the companies are getting more because they have provided a large amount for depreciation and that they have been given benefit and they have been paid higher prices. Actually, according to the Bill, as I see, the amount which will be paid to these companies will be the written-down value after providing for this depreciation and not taking into consideration the value which these companies would derive if these parts were at all allowed to be sold outside or if these parts were made use of for the requirement and working of these companies. Therefore I personally feel that if we have to be fair to these companies, when we take them over, it is but natural that we should see that proper value is paid for these assets.

Then with regard to compensation, as I pointed out before, in the pioneering stage, most of the industries, whether they are owned by Government or whether they are private owned, are bound to lose very heavily and to that extent no compensation has been paid. There are several companies which were started only seven or eight years back. These companies have really suffered in their pioneering stage a large amount of loss. If the word 'compensation' is really in a literal sense, it can only be considered if a further amount is paid over the assets which you require from a company. I feel that in considering the price of valuation the Minister should also consider how these companies had suffered in their pioneering stage or in continuing their services. I think the Ministry should consider this aspect when the question of compensation comes.

There was a question of inflated amounts. The hon. Member, Mr. Thomas said that there were inflated amounts in these companies. I do not see any balance-sheet of any company with an inflated amount. On the contrary most of these companies have written down their assets with the provision of depreciation.

Shri A. M. Thomas: I only said that the Government may guard against any inflated amount.

Shri Tulsidas: I can assure you that not one company has got any asset which is inflated. It has been provided that Government will only take over those assets which they consider should be taken over. Otherwise it will be a loss to the shareholders who have large interests in these companies. In this respect I would request the Minister to consider this point of view. When you take over assets from a company, you take it over as a going concern. When you take over a going concern, it must be—at least in the sense of business people—good and not bad. Government have to take over good as well as bad things. To that extent.....

Shri T. N. Singh (Banaras Distt.—East): Are not some of them in a tottering condition?

Shri Tulsidas: Most of the concerns here in this country, excepting perhaps one or two, are in very bad condition.

Shri Algu Rai Shastri (Azamgarh Distt.—East cum Ballia Distt.—West): Why are they tottering?

Shri Tulsidas: I had mentioned before what was the main reason for it.

Then with regard to the technical staff—personnel, officers, pilots and so on—to be taken over by these two Corporations, I feel that when these two units are formed, there is bound to be retrenchment. I do not know how far the entire personnel can be adjusted in these two Corporations. If the entire staff of these companies is to be absorbed, then actually there will be no benefit by having one Corporation. When forming one group, it is but natural that we shall have to consider later on the question of retrenchment. I can cite an example. In Delhi today there are seven companies operating on different sides. If there is going to be only one unit operating in Delhi, I do not think the personnel of all the seven companies can be accommodated in that unit. If that be so, what is the purpose of having one unit? The point

is there should be no retrenchment. I do not know how far the the Corporations will be able to carry on with the huge staff which all these companies have. It is mentioned in the Bill that all the staff will be taken over by these two Corporations. I am afraid that later on there is bound to be retrenchment. Otherwise there is not going to be any benefit in having these two Corporations.

There is one point of view and that is "Why do you want this Corporation?" On the one hand we have been telling that we want separate accounts, separate things, etc., on different enterprises for which Government should go into. When the Government comes forward with having two Corporations which are entirely run by Government, we hear on this side or that side of the House "Why have we this Corporation? Why not have a Government Department?" Here again I do not see any reason in it because a Corporation would really give us a complete picture. The Government has complete control over these Corporations. The entire benefit will go to the Government and therefore I do not see any reason for the criticism.

Mr. Deputy-Speaker: Cannot there be a Board like the Railway Board?

Shri Tulsidas: After all when you require people to advise the Government with regard to the working of these Corporations, you invite them as Government nominees. They are not their own nominees and the Government can turn them out or keep them. Therefore, the Boards which are constituted under this Corporation will be the nominees of the Government and they have a right to keep them. It is better to have Corporations, instead of the work being done through Government, Departments.

Even in respect of the Departments or Corporations, there has been a feeling here: "Why should people from outside be invited to this Board? The work must be carried on with the Government's staff." I disagree here because I do not know how many officers Government have in the services who know something about Air Corporations and who have experience of the working of these Corporations. I do not see anything wrong in it so far as they work in a businesslike manner. Here again I feel that these Corporations are not going to work in a businesslike manner. There may be different points of view, good and bad. When you form a particular Board, that Board should be allowed to function independently without any interference. Otherwise,

I do not think the Corporations will function as efficiently as we want to function. Most of the public utility concerns have got Boards and they function independently. There is no interference. We have heard a lot of scandals. After all we have to have a balanced point of view of what is the best way of working. If you appoint a Board, let that Board function independently and if they work efficiently, there is nothing wrong in it. Let it continue. We have got audit. If you are not satisfied with the members of the Board, you can replace them by other people. In this way it can work in a peaceful manner. According to this Bill, there are a number of ways by which this Board will be interfered with. There are a number of clauses relating to the interference by the Government or by the Advisory Councils. There is an Air Transport Council—clauses 29 to 32, power of Central Government to give directions—clause 33, prior approval of Central Government is necessary in certain cases—clause 34, submission of programme of work for each year—clause 35, Corporations to act in mutual consultation—clause 36, Advisory and Labour Relations Committees—clause 39, Central Government's rule-making powers—clause 41, and power of Corporations to make regulations—clause 42. Audit is always there. Therefore, there are many different authorities which will, more or less say, what they have to say and the Board will have to carry on, in spite of their own views, according to the instructions of the different authorities. If you want these Corporations to function properly, I feel it is better to allow them to function without much interference. If that is not done, what you want and expect from these Corporations, it may not be possible for them to do.

Shri K. K. Desai (Halar): I welcome this Bill wholeheartedly. I would like this House to consider the Bill as a great precedent which will lay down for the future certain principles of policy. From that point of view, I think the question of compensation attracts our attention a great deal.

I believe that the compensation as provided in the Bill is more generous and is something which the public and the exchequer should consider one hundred times before agreeing. Therefore, the question of nationalisation of air transport has come before the country in circumstances which require to be very closely examined. For about ten years, private enterprise had been working the air transport in this country. If it had not come in, I have no doubt in my mind that as civil aviation is connected very fundamentally with our defence, the State

[Shri K. K. Desai]

itself would have started civil aviation. When the private enterprise started this, Government thought of giving a chance to private enterprise to develop air transport and civil aviation. It is a matter of common knowledge and experience that earnest attempts have been made by the State to prop up this private enterprise, managing the air transport. Subsidies have been granted. It is said that it has been taken out of the excise duty on petrol. But, after all, it has come from the Consolidated Fund. Rebates are being given. All possible attempts have been made to make civil aviation under private enterprise succeed. But, the Government has ultimately come to the conclusion that it is a sink and it would not be possible to get out of this and it will mean an eternal affair. More and more protection, more and more subsidies, more and more finances and facilities were asked for from the State to prop up these concerns. So, it was very wise on the part of the Government to have come to the conclusion that if such large sums of money have to be paid to private enterprise for the air transport, it could better be taken over so that you will have complete control over it. When such assistance was being given to the air transport companies, there was hardly any control on how they were spending all the money, how efficiently they were managed. Therefore, the decision to nationalise the air services is, in my opinion, none too soon.

What subsidies have been given, we all know. But, there is a greater subsidy which is invisible. If you analyse the passenger traffic that is being carried by these air services.—I am open to correction—I believe I may not be far wrong if I say that 50 per cent. of the travellers or by far more were passengers on Government account: that is, persons who were coming to attend various meetings here, Ministers and Government officials. That was also a sort of an invisible subsidy given to air transport. For the last two or three years, we are carrying our mail by air transport. That is also a sort of a subsidy. If, in spite of all this assistance given, the air services were not able to run on a proper basis, it was time that it was nationalised.

Now, I come to the question of compensation. Somebody on the floor of the House said that it is no compensation. If it is not compensation, what is it? Assuming, the Government say today that they have given enough assistance and subsidy to them till now, and stop it tomorrow, then, all

these companies will naturally go into liquidation, and possibly the shareholders might not get anything. What is proposed to be done? The hon. Minister has tried to justify the method of calculation as laid down in this Bill. He says that the market value of the shares will be unfair, because the market value of the shares has gone down and the shareholders would not get any compensation. What we are now doing is to give full compensation to the shareholders and the risk that they may have taken during the last ten years in private enterprise is being written off at the cost and to the consequence of the exchequer. Assuming that you want to nationalise a particular running concern, what you would do is this. I understand that not only money value of the asset will be paid, but Government will be asked to capitalise the profits which they were making, which they would call compensation. In this particular case, I think, as far as the shareholders are concerned, they would not be at any loss whatsoever. Therefore I say that this is going to set a sort of a precedent for the future. From that point of view, the compensation clauses, as enumerated in this Bill, require to be very seriously considered. The only fairest thing to do is, when so many air companies, in spite of their being heavily subsidised by various ways, have not been able to manage properly, and the share values have gone down—that is a normal business proposition—to purchase these shares in the market at the market value, and not at the value as it has been decided in this Bill. The second concession which the hon. Minister has placed before the House is: the book value of the assets when they were acquired minus depreciation charged at the Income-tax rates. But, a further concession has been granted. Book valuation minus the full depreciation should have been proper basis. It was considered by the Income-tax authorities that a certain percentage of depreciation amount is allowable for the income-tax purpose. That is, if they have made profits, that depreciation amount would have gone tax free. Such an amount is not chargeable for income-tax. But for the purpose of valuation of the asset to be acquired, it would be 60 per cent. of what has been allowed by income-tax in some cases; while 50 per cent. in cases of other parts of the machinery. Is this fair to the exchequer? I would like to ask this straight question. So, what I feel is that the nationalisation as it is now being done is done with a view to save these air companies from a sort

of disaster. Now, when somebody is going out to save somebody who has been caught in the fire, who are they to bargain with the exchequer? Whatever you may get, you get it, and be done with it. Because, it has been found now that they will not be in a position to manage these things properly in spite of so much subsidy, protection, assistance, goodwill and other things that the State can give. Therefore, I would request the Select Committee to go into the question of compensation very carefully because the Select Committee and this sovereign Parliament must realize that whatever they do now in this particular Bill of nationalisation will be quoted and will be considered as a precedent for the future. That is all I have to say about this question of compensation.

I am very glad that the Bill has made provision in clause 20 guaranteeing the employees. It has been said that there ought to be retrenchment because if you do not retrench, even the Corporations would not be able to run this transport efficiently. The only justification for this nationalisation is that under these Corporations the air services will be expanded and civil aviation will be developed. So, I do not think there will be any apprehension or fear about any retrenchment whatsoever.

The hon. Minister, in the course of his speech, has said that the Industrial Relation Committee that is contemplated under this law will not only look into the question of industrial relations, but it will have also scope to deal with other questions, i.e., that particular committee will be able to suggest also ways and means of economy, efficiency and other aspect of administration. But the wording of the clause does not give those powers to that Committee. I think the Select Committee should look into it and see that the intention of the hon. Minister is carried out in the clause.

Criticism has been levelled that the Transport Council at the Centre is not necessary because these two Corporations are already there. I think the Transport Council at the Central level is necessary, because it is very clear from this Bill that the two Corporations are going to look to the details of the working of the Corporations, while the Transport Council will be there on behalf of this Legislature or on behalf of the Government to lay down the policy. And a policy-making body in this public sector is, I believe, necessary.

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Much has been said about having two Corporations. I have got an open mind on this question of having two corporations. It should not be considered from the point of view of any sentiment or anything else of that type. Whether there should be one, two or three corporations should be decided entirely from the business point of view. If with two corporations we are able to carry on better, there shall be two. If one corporation will conduce to efficiency, economy and better transport, it should be done in that way. But we should not bind the Government to one corporation or two, and it should be looked at from the point of view of the problem before us, and not from any sentiment or any other ground.

With these few words I support wholeheartedly this Bill and I hope the Select Committee and the hon. Minister will consider the one or two points which I have made with regard to this Bill, particularly because it is going to set a precedent for the future.

Shri Raghuramaiah (Tenali): I, of course, support generally the main principles of the Bill, but there are one or two points which I would like to bring to the notice of the Select Committee as many of my predecessors have done.

One of them relates to the question of the two Corporations. My friend, Mr. K. K. Desai has just now said that it should be left to the future whether there should be one Corporation or two Corporations. I do not think there can be any dispute about a proposition like that, but the point is when we are laying down the law now for the time being, we must be convinced that there is absolute necessity for two Corporations, and that the same job cannot be done by one Corporation. It is a matter which the Select Committee should, bearing in mind the present state of affairs, decide for itself, and only if it is convinced that the work cannot be done by one Corporation, should it recommend two Corporations. My own feeling is rather one of apprehension in this matter. I am one of those. I regret to say, who are not convinced by the reasons advanced in favour of starting two Corporations. It is said, for instance, that the Air India's reputation is very high and that any change in its nomenclature would affect the prospects of Indian air business outside this country. I am not for a moment suggesting, and I do not think any Member of this House is anxious, that the name of the Corporation, even if it be one, should be anything other

[Shri Raghuramaiah]

than Air India International. Assuming that the name remains Air India International for which there can be no legal or constitutional objection, what makes it difficult for the other undertakings also to come under the control of the same Air India International? I do not think it is seriously suggested that a Corporation which deals with air travel outside this country will not be competent to deal with air travel within this country. It is a suggestion which I will find very hard to accept. I should have thought that the experience and the special knowledge gained by a Corporation in running airways all over the world would enable it to run the undertakings in this country more efficiently. In fact, even the Bill contemplates the appointment of the same Directors in the two bodies, and the same Chairman. I do not therefore really see any justification for—unless, of course, some more compelling reasons are placed before the Select Committee—for having two Corporations. In a matter like this when we are taking over a public utility undertaking in this country, when we are already being accused of having a top-heavy machinery in so many aspects of our administration, I think the least we can do is to start with a clean slate so that hereafter at least we can see that there is no waste which can be avoided. And, of course, later on if experience shows that we need two Corporations, we can go ahead with them.

The other point about which, I must say, I am equally surprised, is compensation. The quantum of compensation, I entirely agree with some of my predecessors, is more than what these undertakings deserve. It has been said that they have been running at a loss and that this Government has been giving them subsidy. If that is so, what is the necessity or justification for going all the way out to give them an extra solatium of Rs. 15,000 or Rs. 20,000 per aircraft. Admittedly, they have shown greater depreciation and their written down value is low. When they showed depreciation for income-tax purposes, obviously they got the benefit of it, and this Government found it acceptable to agree to that amount of depreciation. Now why should we be so very sympathetic or so very considerate as to go out of the way and admit that that income-tax depreciation is wrong, that the very basis of it is wrong, and then accord them Rs. 20,000 or Rs. 15,000 extra?

It is wellknown that they have been running at a loss. It is admitted that

their shares have been selling at a low rate, or some of their shares are not in the market at all. If that be the case, I think they will be jolly glad to give us their aircraft and their undertakings. They should give us as a matter of fact something in return for relieving them of a great bother, and for want of a proper expression in English, I would say, Sir, they should give us something like a *gratitudo* for having relieved them of their trouble and worry.

In a matter of public expenditure like this, when we are taking upon ourselves the running of a public utility undertaking, we have to be very very cautious, and I do not want anything to be done by this House or by the Select Committee, which will lay the foundation for a scandal of the type we have been constantly accused of late albeit without justification. It is time that we start afresh, and as I said, with a clean slate in all these matters.

There is only one other aspect that I would like to deal with. Mr. Kilachand's support for the compensation clauses embarrasses me; and I feel intrigued. Where certain vested interests are finding the basis of compensation acceptable, I think we should get wise and examine it more closely and see whether this compensation is justified at all.

I would only emphasise in the end that there is no question of any of us not supporting the Bill, but that we are anxious that the Government should see, as also the Select Committee, that every care is taken to ensure that national interests are well protected, and that we are not burdened with anything which we may regret afterwards.

श्री हेडा (निजामाबाद) : उपाध्यक्ष महोदय, राष्ट्रीयकरण के जहाँ तक सैद्धांतिक पहलू का सवाल है, मैं समझता हूँ कि इस भवन में कोई ऐसा सदस्य नहीं है जो कि उसको मानता न हो। हम सब लोग चाहते हैं कि राष्ट्रीयकरण हो, पर यह राष्ट्रीयकरण जिस प्रकार से हो रहा है जिन कारणों के तहत हो रहा है और उसके पीछे जो भावना काम कर रही है वह अगर हम देखते हैं तो कुछ शंकाएँ दिल के अन्दर पैदा होती हैं और शंकाओं की कुछ ध्वनि यहाँ सुनाई भी दी:

गई है। मुझे सब से बड़ी शिकायत जो है, वह यह है कि जौ के साथ घुन भी पीसा जा रहा है। मंत्री महोदय ने अपने भाषण में यह बताया कि कुछ कम्पनियां ऐसी हैं जिन्होंने बहुत अच्छी तरह से काम किया, और बहुत ज्यादा कम्पनियां ऐसी हैं जिन्होंने ठीक तौर पर काम नहीं किया। एक कम्पनी की तो उन्होंने इतनी प्रशंसा की कि उसके नाम पर एक कापरिशन का नाम रखना जा रहा है और वह यह समझते हैं कि उसकी साख को बनाये रखने के लिए कापरिशन का नाम उस कम्पनी के ऊपर रखना चाहिये। मैं कहना चाहता हूँ कि जब कोई कम्पनी इतने अच्छे तरीके से काम करती हो तो उसका राष्ट्रीयकरण उन दूसरी कम्पनियों के साथ जिन्होंने अच्छी तरह से काम नहीं किया है, उचित नहीं है। मुझे ऐसा लगता है कि जो अच्छा काम करता है, और जो अच्छा काम नहीं करता है, बुरा काम करता है दोनों को साथ साथ देखा जाता है और साथ साथ पीसा जाता है, इसीलिए मैंने कहा कि आज जौ के साथ घुन भी पीसा जा रहा है। अब समय आ गया है कि जब हम एक अच्छे उद्योगपति और एक ऐसे उद्योगपति में जो अच्छा नहीं होता है, उन दोनों में अन्तर करना शुरू कर दें। यह दुर्भाग्य का विषय है कि हमारे देश में बहुत बड़ी तादाद ऐसे उद्योगपतियों की है जो कि उद्योग के जरिये से व्यापार को अपने कर्जों में रख कर बहुत ज्यादा धन कमाना चाहते हैं। उनकी भावना यह नहीं है कि कम्पनी, उद्योग कर के और इस तरह देश की समृद्धि कर के कुछ कमायें। यह राष्ट्रीय भावना उन उद्योगपतियों के दिल में नहीं रहती। कई कम्पनियां ऐसी हैं जिनके मैनेजिंग डाइरेक्टर्स एक नई कम्पनी का निर्माण करने की बात सोचते हैं, बाजार में एक अफवाह फैल जाती है और जिसके फलस्वरूप शेयर्स के भाव बढ़ने लगते हैं,

तब वे लोग अपने कोटा से ज्यादा शेयर्स अपने लिए रिजर्व कर लेते हैं और मार्केट में बड़े हुए भावों पर बेच देते हैं, और फिर कम्पनी का कोई कारोबार नहीं करते। मार्केट में शेयर का भाव गिर जाता है तब खुद शेयर्स खरीद लेते हैं और इस तरह लाखों करोड़ों रुपया कमा लेते हैं। ऐसे उद्योगपतियों को मैं उद्योगपति नहीं कहता, वे तो व्यापारी और स्पेकुलेटर्स हैं, टंडन जी तो यहां तक फरमाते हैं कि ऐसे उद्योगपतियों को बेईमान कहना चाहिए और वास्तव में बात भी ऐसी ही है। ईमानदार उद्योगपति वह होता है जो कि न तो ज्यादा शेयर्स खरीदता है और न अपना शेयर कभी बेचता है। ईमानदार उद्योगपति तो अगर उसके शेयर्स का भाव मार्केट में फेस वॉल्यू से कम हो जाय, तो उसको रात भर नींद नहीं आनी चाहिये और अपना शेयर उसे कभी बेचना नहीं चाहिए। इसलिए मेरा कहना है हमें बुरे और अच्छे उद्योगपति के बीच में फर्क करना चाहिये, और इसमें जो दोनों तरह के उद्योगपतियों को लिया जा रहा है और पीसा जा रहा है, यही मेरी इस सम्बन्ध में सबसे बड़ी शिकायत है।

दूसरी बात में यह अज्रं करूंगा कि जो कुछ दिया जा रहा है वह कम्पेनसेशन है, मुआविजा है, प्रतिफल है या नहीं, इस झगड़े में नहीं जाना चाहिए। मुझे तो दिखाई देता है कि वास्तव में यह कम्पेनसेशन नहीं है, क्योंकि जो चीज हम ले रहे हैं, उसकी हम कीमत दे रहे हैं, हां यह बात अवश्य है कि चूंकि राष्ट्रीयकरण कर रहे हैं, इस लिहाज से उनकी पूरी पूरी चीज खरीद रहे हैं। बहरहाल जो भी हो, मैं एक बात का यहां खतरा महसूस कर रहा हूँ कि जो भी प्रतिफल या मुआविजा इन कम्पनियों को दिया जायगा वह इन कम्पनियों के पास बांड्स की तौर पर पड़ा रहेगा। मैनेजिंग डाइरेक्टर्स तो इन

[श्री हेडा]

कम्पनियों के द्वारा कोई काम शुरू करें या न करें उसमें अपना काम कर लेंगे, लेकिन बेचारे शेयर होल्डर्स की तो दुर्गति जरूर होगी, उनको तो अपने शेयर्स का कुछ मुआविजा या उसका वाजिब पैसा उनको अभी तो चापिस नहीं मिलेगा, इस लिहाज से शेयर होल्डर्स की हालत बहुत खराब होगी। अगर परसुएशन और समझाने बुझाने से काम नहीं चलता और हृदय परिवर्तन नहीं हो सकता और जैसा कि उन्होंने बतलाया भी कि नहीं हो पाया, तो गवर्नमेंट की सेवा में मेरा मुझाब है कि क्यों न वह इस बात पर सोचे कि कंपलसरी तौर पर यानी इनएक्टमेंट के जरिए से कानून के जरिए से लिक्विडेशन कंपलसरी कर दिया जाय, और सारी कम्पनियों को लिक्विडेशन में डालकर एसेसर मुकर्रर कर दिया जाय और शेयर होल्डर्स को मुआविजे का जो भी परिमाण आवे, वह गवर्नमेंट उनको फौरन दे देवे। पांच साल तक मैनेजिंग डाइरेक्टर्स अपने पास से चलाते रहेंगे और अपने आप को जो कुछ भी मासिक लेना है, वह लेते रहेंगे या और शायद कोई दूसरा काम शुरू करेंगे। मैं चाहता हूँ कि यह सारी चीजें इस प्रकार की जायें, जिसमें गड़बड़ी न हो, जिन लोगों ने इन कम्पनियों के अन्दर अपना पैसा लगाया है वह इस भावना से कि सिविल एवियेशन डिफेंस के वास्ते काम आ सकता है, और यह देश के लिए भी लाभदायक होगा और खुद के लिए भी लाभदायक होगा, इन भावनाओं के तहत उन्होंने यह काम हाथ में लिया।

कम्पेन्सेशन के सिलसिले में एक बात और कहना चाहता हूँ और वह यह है कि जैसा मैं ने पहले अर्ज किया वह सब के साथ यानी जो अच्छे तरीके से अपनी मशीनरी आदि को रखते हैं और जो अच्छी तरह नहीं रखते हैं उन दोनों के साथ एक तरीके से बर्ताव

किया जा रहा है। मान लीजिए कि दो बलग अलग कम्पनियां हैं, पहली कम्पनी वाला एक ऐयरोप्लेन पांच लाख में खरीदता है, दूसरा आदमी दूसरी कम्पनी के लिए जिसकी नीयत उल्टी मुल्टी होती है, वही ऐयरोप्लेन सात, आठ लाख में खरीदता है। पहला आदमी अपने प्लेन को अच्छी तरह से मनुटेन करता है और उसकी मार्केट वैल्यू आज तीन, चार लाख के लगभग रहती है, लेकिन जो आदमी सात, आठ लाख का प्लेन खरीदता है, लेकिन वह उसको ठीक ढंग से नहीं रखता है, और नतीजा यह होता है कि उसकी मार्केट वैल्यू दो लाख भी नहीं रहती है, हाँलांकि इनकमटेक्स के लिहाज से जो भी डिप्रीसियेशन होगा, उसको निकालकर एक ही हिसाब से दोनों को दिया जायगा, और अच्छे और मेहनती उद्योगपति और वह उद्योगपति जो मेहनती नहीं हैं, उन दोनों के साथ एक सा बर्ताव किया जायगा, नतीजा यह होगा जो उद्योगपति मेहनती नहीं है वह नफ़े में होगा और जो उद्योगपति मेहनती है और अच्छी तरह दक्षता से काम चलाता है, वह आदमी नुकसान में रहेगा, मेरा ख्याल है कि ऐसा नहीं होना चाहिये और इसके लिए कोई बीच का रास्ता निकालना आवश्यक है।

एक कारपोरेशन हो या दो कारपोरेशन हों, इसके बारे में काफ़ी कहा गया है, मैं समझता हूँ कि इतनी लम्बी, चौड़ी बहस इस मामले पर नहीं होनी चाहिये। मंत्री महोदय ने इस बिल में एक बहुत बड़ी होशियारी और दक्षता की बात बतलाई है कि नाम के लिए दो कारपोरेशन्स रह सकते हैं, पर वास्तव में एक भी बनाया जा सकता है, दोनों का एक ही चेयरमैन रह सकता है, एक ही सदस्य दोनों के रह सकते हैं, हाँ नाम के लिए अगर मंत्री महोदय चाहें तो दो कार-

पोरेशन्स रह सकते हैं, पर वास्तव में वह एक बनाये जा सकते हैं और इस तरह कोई ज्यादा खर्चा भी न होगा। लेकिन अगर जरूरत पड़े काम बढ़ जाय और यह महसूस हो कि एक के बजाय दो कारपोरेशन्स रहें तो इस से ज्यादा ही लाभ होगा और दो कारपोरेशन्स पूर्ण स्वतन्त्र रूप से रह सकते हैं। लेकिन पूर्ण रूप से स्वतन्त्र रहते हुए भी वह आपस में कोऑर्डिनेशन रख सकते हैं।

में समझता हूँ कि सरकार की नीयत सिर्फ मीजूदा कम्पनियों को लेने की नहीं है बल्कि इस व्यापार को, सिविल एविएशन को और अधिक तरक्की देने की है और यह काम दो कारपोरेशनों के जरिये ज्यादा अच्छे भी हो सकते हैं। हमारा देश दूसरे देशों के समान छोटा नहीं है, वास्तव में हमारे देश में कई स्थान ऐसे हैं जहाँ जाने के लिये हज़ार और पन्द्रह सौ मील का सफ़र करना पड़ता है। तो हमारा देश भारतवर्ष इन्टर्नली भी इतना लम्बा चौड़ा है कि उस के लिये अनेक स्वतन्त्र कारपोरेशनों की जरूरत है। साथ ही हमें इन्टर्नेशनल फ़ील्ड में भी बढ़ने की आवश्यकता है। अगर हो सके तो हमें जितना पैसा भी हो बचाना चाहिये, लेकिन अगर पैसा लगाने की जरूरत हो और उस के लिए एक एअर सर्विस कारपोरेशन्स बनाने की आवश्यकता हो तो उसे भी करना चाहिये। मैं समझता हूँ कि जो प्राविजन इस बिल में रखे गये हैं और मैं आशा करता हूँ कि प्रारम्भ में भले ही दो कारपोरेशन्स हों लेकिन वह एक कारपोरेशन्स के तौर पर काम करेंगे और जैसे जैसे काम बढ़ेगा वैसे वैसे यह दोनों कारपोरेशन्स अलग अलग काम करने लगेगी।

में यहां एक और आशंका का इज़हार करना चाहता हूँ जो कि मेरे दिल में उठ रही

है। वह आशंका यह है, और माननीय मंत्री जी की स्पीच पढ़ने के बाद वह आशंका और भी बढ़ती है, कि जगह जगह यह कहा गया है कि जो मीजूदा एअरोप्लेन्स हैं वह ठीक तरह के नहीं हैं। नये प्लेन्स खरीदने की आवश्यकता है। और इस का नतीजा यह होगा कि जैसे ही दोनों कारपोरेशनों के जरिये से सारा मामला गवर्नमेंट के हाथ में आ जायेगा वैसे ही बहुत सी खरीददारी होगी। बहुत सा रुपया लगाया जायगा और बहुत सा रुपया उस के अन्दर फंस जायेगा तथा रेट्स एंड फ़ेअर्स भी बढ़ जायेंगे। मेरे नुस्ते निगाह से वास्तव में हुकूमत एक इन्तहान देने जा रही है और वह इन्तहान यह है कि आज जितनी दक्षता और योग्यता के साथ हमारा काम हो रहा है उस से ज्यादा योग्यता के साथ और इस से कम खर्च में वह हो सके। और हमारे एअर फ़ेअर्स रेलवे के फ़र्स्ट क्लास फ़ेअर्स से ज्यादा नहीं होने चाहियें। अगर हम इस दृष्टि को सामने रखते हुए काम करें तो मैं समझता हूँ कि यह हुकूमत इस इन्तहान में कामयाब होगी, वरना इस बात का खतरा है, जैसे कि हमने कई जगह जो प्राइवेट मोटर ट्रान्सपोर्ट का बिज़िनेस था, उस को नेशनलाइज़ करने के बाद देखा कि उस के भाव बढ़ते चले गये हैं, कहीं यहां भी वैसे ही भाव न बढ़ जायें। यह ठीक नहीं होगा। मैं आशा करता हूँ कि हमारी हुकूमत इस पर भी ध्यान देगी। अगर वह इस चीज़ को सामने रखेगी कि भाव न बढ़ने पावें, तो मुझे आशा है वह अवश्य सफल होगी। मैं आशा करता हूँ कि यंत्री महोदय इस सम्बन्ध में जवाब देने के समय कुछ कहेंगे।

एक और सवाल भी है जो थोड़ा नाजुक है और पेचीदा भी है। यह सवाल स्टाफ़ के रिट्रेन्चमेंट के बारे में है। आप उन्हें मजदूर कहें या न कहें यह सवाल अलग है, क्योंकि वह बड़े बड़े इन्जीनियर्स हैं, बड़ी बड़ी सन्बन्ध

[श्री हेडा]

माने वाले लोग इस समय इन कम्पनियों में मौजूद हैं। बहरहाल जो भी कर्मचारी हैं उन के रिट्रेन्समेंट का जो सवाल है उस का हल यही हो सकता है कि यह कारपोरेशन अपने काम को बहुत ज्यादा विस्तार दें। अगर वह काम को विस्तार नहीं देते हैं और पूरा स्टाफ़ रख लिया जाता है तब तो वह कारपोरेशन ठीक तरह पर काम नहीं चला पायेंगे, वैसे तो जैसे पहले काम होता रहा है जब उस से ऊंचे उठ कर काम किया जायेगा लेकिन अगर हमने अपने काम को विस्तार नहीं दिया और उस के अनुसार आदमी नहीं रखे गये, सारे आदमियों को यों ही रख कर काम चलाने की सोची तो उस से हमारा काम आगे नहीं बढ़ सकता है। हमें आशा है कि बहुत जल्द, अगले बजट अधिवेशन तक हुकूमत इस के लिये एक अच्छी योजना बनायेगी। अगर आवश्यकता पड़े तो पांच या दस करोड़ रुपये और लगा कर इस को बहुत बड़े पैमाने इन्टर्नेशनल स्फिअर में दूसरों के साथ प्रति-योगिता कर के, दूसरों के साथ प्रतिस्पर्धा कर के योजना को आगे रखेंगे और जैसे आप ने एक कम्पनी की तारीफ़ की है वैसे ही खुद भी अपने उद्योग को सारी दुनिया को सराहना के योग्य बनाने की दृष्टि से अगर उस को चलायेंगे तो आप को अवश्य सफलता मिलेगी।

इत आशाओं के साथ मैं इस बिल का समर्थन करता हूँ।

11 A.M.

Shri N. R. M. Swamy (Wandiwash): There has been a good deal of controversy over this Air Corporations Bill—whether we should have a single Corporation or double Corporations. I wish to say in this connection that these Corporations as contemplated in this Bill appear to be two legal entities and one is independent of the other. These two Corporations cannot function very properly if really they have to function in the interest of the country.

In the Statement of Objects and Reasons we find that the development of the air transport industry on an

economic basis could be achieved only by having a single agency in charge of all scheduled air transport operations.

[SHRIMATI AMMU SWAMINADHAN in the Chair.]

If really a single agency has to be established, there cannot be, as we find from the provisions of the Bill, two agencies. If, as stated in the Statement of Objects and Reasons, through one single agency we can achieve expansion and development of air services, I do not see any reason why under the provisions of the Bill two agencies have been created—a Corporation for the international services and one for the internal services.

I acknowledge the services rendered by the workers, from top to bottom, as regards the work of the airlines.

From the composition of these Corporations, I notice that the same person can be the Chairman of both the Corporations and the same persons can be appointed as members of both the Corporations. Even the General Manager of one Corporation can be a member of the other Corporation. If this is so, there is no reason why there should be two Corporations. There can be one Corporation; otherwise it will lead to difficulties.

Then the Corporation is already heavily manned. There shall be not less than five members and not more than nine members. If the workers are not given a fair chance of representation in the working of these Corporations, I do not think they will be able to do service properly.

As regards the expenses, I have to say something. The previous speaker referred to other countries where there are one or two Corporations like these. But such comparisons are not at all fair and sometimes they do seem odious. In other countries there are 21 to 30 thousand workers in a single Corporation, but here we have only about 9,000 workers in all. So instead of having two Corporations, one Corporation will serve the purpose.

As regards the fuel, I find that the Americans charge us a great deal—much more than what they charge the Australians. Therefore, they should be persuaded to charge us only what they charge for others. We must have some agreement with them to this effect.

As regards spare parts, we pay very heavily for the same. We must manufacture these spare parts in India itself

so that we can expand these air services a great deal. (*Interruptions*).

Mr. Chairman: Order, order. May I ask hon. Members not to carry on conversations so much because I do not think the speaker can be heard. On every side I see Members carrying on conversations. I would repeat what the Deputy Speaker has already said this morning about not carrying on conversations.

Shri N. R. M. Swamy: If these two Corporations are done away with and we have only one Corporation, then the Air Transport Council need not be constituted at all, because the Air Transport Council is intended to deal with matters of common interest to the two Corporations and any important matters that may be referred to it by the Director of Civil Aviation or the Director of Posts and Telegraphs. If we have one Corporation, the Air Transport Council can also be done away with.

As regards the Labour Relations Committee, there is bound to be one because it has to continue in the interest of the workers. The workers also should be represented on that Committee.

I find in clause 18 that nobody should run any air services apart from these two Corporations and that contravention of this would be punishable to the extent of three months imprisonment or to a fine which may extend to Rs. 1,000. I remember some years back there was a very eminent doctor in Madras, Dr. Rangachari. He had his own aeroplane so that in times of emergency, when the lives of patients were in danger he used to rush to their rescue in his aeroplane. Provision should be made for such exceptional cases; even private people should have facilities for running such a service in times of emergency. So also with regard to lawyers; they should also be allowed to run their aeroplanes if they have any. They should not be subjected to all the rigours of these. Therefore, I say that these two categories of persons, the lawyers and the doctors who have their own planes should be allowed to render service for a national cause by allowing to run their own planes for the relief of men in distress and danger, and should be exempted.

As regards previous approval of the Government for the acquisition of properties, I should like to say this. I find that if they acquire any property exceeding Rs. fifteen lakhs, or enter into a lease for over five years or dispose of any property worth more

than ten lakhs they have to get the previous sanction of the Government. I really see in this certain loopholes. I wish to say that any purchase whatever, whether it may be worth fifteen lakhs of rupees or ten lakhs or five lakhs or even less, may only be made with the previous sanction of the Government. If the limit is given, then certainly they can purchase piecemeal and yet make huge purchases to the extent of 20 or 30 lakhs of rupees. Therefore, such provisions need not be there, and, as a matter of fact, for any purchase they should get the sanction of the Government before making such purchase.

As regards compensation, I wish to say a few words. I do not at all disagree with the scheme that has been set up in this schedule as regards payment of compensation. We are not bothered about whether it is really compensation or whether it is really paying the price of the articles that we purchase from the companies. But, still I wish to say that there should be a Technical Committee or Body which should sit and assess the value of each property and aircraft and then the money should be paid. If there is any difficulty or any disagreement, certainly they can refer the matter to the Tribunal and it must be settled. Instead of that to pay on the basis of the schedule would cause difficulty because it is not workable.

As regards taking over the employees of the companies who have already been appointed before 30th June, 1953, as employees of the Corporations, I wish to say that a Committee should be appointed to see whether there has been no nepotism. As a matter of fact, soon after the introduction of this Bill, I was told that many have been employed. I question the *bona fides* of those appointments. I wish to say that a Committee should be appointed to scrutinise whether there was any necessity or reasonable necessity for these appointments by these companies. Only such of those persons who have been appointed *bona fide* should be retained and the services of the rest should be dispensed with.

In regard to the constitution of these Corporations, some persons are mentioned; there are to be not less than five and not more than nine members. Since it is the people's Corporation and since it is the people's money, I wish that only top-ranking people should be appointed and the appointments should not be swayed by party politics. If they were to follow party politics in appointing these men, the Corporations will not work because it may lead to

[Shri N. R. M. Swamy]

some difficulties later on. Therefore, we should appoint persons who have got a very good knowledge of these air services.

One reason given by the hon. Minister for retaining the name 'Air India International' is that it has earned a goodwill and that by a change in the name it may jeopardise the business. He seems to be orthodox and sentimental as regards these names. I would only say that he can have the name Air India International. There should be only one name and still you can work it out. Of course, Air India International has done yeoman service. They have not had accidents as we find in other countries and it is due to the workers who have done magnificent service. If he really wanted that this name Air India International has to be retained and worked as a separate entity, I can only respectfully tell him that this is a matter where he should not be persuaded by sentimental conservatism. He can simply put these two names and still work out. If there is one single Corporation, he can have two zones as we have in the railways six zones. He seems to start with disintegrating. When we want amalgamation, he shall not go on disintegrating. In that event, he can have two zones under one single Corporation and still do magnificent service. We insist that there should be only one single corporation. I think he would accede to the demand made by the House and by many of the hon. Members even on his own side.

When the discussion started this morning, Dr. Syama Prasad Mookerjee wanted an assurance to be given by the sponsors of the Bill and Tandonji said that when the Bill has been referred to the Select Committee, the Select Committee can certainly reshape or modify the Bill. But, I find that on a previous occasion when the Preventive Detention Bill was introduced, the Prime Minister himself said that they can introduce any amendments in the Select Committee, but, as a matter of fact, when it was being discussed in the Select Committee it was not allowed to be done.

Shri A. M. Thomas: It was a case of an amending Bill. But this is a substantive Bill.

Shri N. R. M. Swamy: Even in an amending Bill that was not allowed. I do not know whether they will allow in a substantive Bill of this nature. That is the reason why Dr. S. P. Mookerjee wanted the assurance. After all we are all interested in the interests of the country as a whole and there

should be only one Corporation. We have nationalised our railways, we have nationalised our roadways and this is the first time that we are nationalising our airways. You must yield to the pressure that we are putting forth from this side of the House as well from their own side. There is a good deal of controversy about this double corporations or single corporation. From the Statement of Objects and Reasons I find that there should be one single agency, but the provisions in the Bill go counter to the Statement of Objects and Reasons. I think he will concede that there should be one Corporation.

Shri Raghavachari (Penukonda): Madam, I thank you for the opportunity of expressing what I feel about this Bill. So far, the discussion is going on a beaten track. I have been listening to several speeches; one or two questions that they have raised is about the compensation and one or two Corporations. Beyond that, it has not been much of a controversial Bill. But, what I wish to stress before this House is not only those two questions, but I want the Government and the Members of the Select Committee to consider how this venture, with which they are so busy, affects the tax-payer of this country. When we take all the circumstances under which this venture is embarked upon, it almost looks to my mind like, "where Angels fear to tread, we are rushing in". I am not against the need for an organisation of this kind or concentrating it in the hands of a rich capitalistic State so that it may be efficient and useful. But the question is when we find that the companies are now working at a loss, you must acquire their business and then run it at a profit, and all the people who are in employment now must continue to be in employment in the new venture also. These companies are not functioning efficiently now and you want to acquire them and run them. Now, nationalisation is a thing to be desired, but in trying to nationalise, I wish you had taken more useful activities, which would help larger sections of the population and where greater help could be given to the workers. For instance, you could first concentrate on a thing like coal. But you have taken the air transport, where even the capitalists have failed to make profit. The volume of labour to be benefited is also not much. This is the thing you want to try first and get your impressions as to how you can run affairs of this type. I am not against Government taking over the industries and it is possible that air transport serves a great national interest and while ordinary

capitalists may not be able to manage it, it may be in the national interest to take it over. But Government should consider first the impression that such taking over would create. This nationalisation, I am afraid, will hamper or mar their reputation. They are not taking it over with the intention of effecting economy or improving its utility. Government seem to be more anxious to be generous and favourable. It is here that I come to the word "compensation" even the use of which my hon. friend Mr. Kilachand objected to. The first principle that should guide the State in acquiring any property is its market value. The Minister himself said that the shares of these companies have no market value. They are not even quoted. The Income-Tax Act lays down certain criteria for calculating depreciation. The Minister has altered even those percentages and has added something more. Naturally, therefore, the taxpayer has to examine the activities on which you are going to embark. Is it worth while to pay at this rate, when circumstances do not justify it? The Select Committee should carefully scrutinise the principles of compensation. The commonsense principle would be not to pay a pie more than what a thing would fetch.

Shri Jaipal Singh: Fetch where? In India or outside?

Shri Raghavachari: In India, not anywhere else. I am referring to the market price. The way in which Government have had meetings with the owners who come and agree, makes it look as though the capitalists or the erstwhile owners, welcome this. It is a godsend to them. The very fact that they welcome it must make it suspicious. If it is not generous and favourable, would they welcome it? This makes me nervous. The principle should not be one of generosity, fairness and trying to give something more. There is no need for such a thing. This matter should be strictly looked into.

As I have said, the affairs of these companies have not been managed with profit and Mr. Kilachand has pointed out that if you retain all these employees, it will be impossible to make a profit. That is the capitalist way. Even though we may not follow it, still we must think of the investment we are making. The only way in which an improvement can be brought about is by managing affairs economically. You are starting with two Corporations; two agencies; two sets of officers. It is all duplication. From past experience, we know that

when Government takes over a concern, the scales of pay will be very generous and the consequence will never be a profit. It will be almost on the side of extravagance. We have experience of the ventures and adventures of Government. If a capitalist takes over, he would run it cheaper. In this case, we are taking over a thing which the capitalists themselves could not run profitably. Unless you cut down the expenditure, it cannot make profit. More than one Corporation is bound to result in enormous wastage. You give the example of the U.K. Everything need not be copied from there. We do not know the volume of traffic there. I think it is unnecessary to have more than one Corporation. Better start with one; gain some experience, and if it proves profitable, then open new branches and expand the activities. That is how I feel on this question of the number of Corporations.

To me, it appears the Bill is unmindful of the qualifications of the people who are to man these bodies. Nothing specific is mentioned. Government retains absolute freedom to appoint the best men. But when you have no qualifications specified at all, and leave it to Government entirely past experience makes me suspect. It would be more advantageous to insist on some qualification which should be conformed to. Therefore it is essential that certain provisions are made in the Bill so that indiscriminate choice may be checked.

The only other thing that I wish to submit is the provision for representation of labour on these Committees and Boards; I would certainly wish that the representatives are really the chosen representatives of labour rather than somebody whom the Government might choose to nominate. Then only labour will have confidence and there will be some opportunity of having their point of view effectively considered, in these matters.

Therefore, without taking much more time of the House I would press upon the Government and the Members of the Select Committee to be very very careful in fixing the principles on which compensation should be paid. I am afraid the proposals by the Minister in his speech are very generous, and generous to the extent of a fault.

श्रीमती मनिबन पटेल (कैरा—दक्षिण):
श्रीमती जी, मैं ने कल भी मिनिस्टर साहब की स्पीच सुनी थी और जाब सबेरे भी

[श्रीमती मणिबेन पटेल]

उन की सारी स्पीच में रीर से पढ़ गयी । परन्तु यह दो कारपोरेशन बनाने की बात मुझे अभी तक समझ में नहीं आई, इसमें जो दलीलें दी गई हैं वह सारी की सारी दलीलें एक कारपोरेशन के बनाने के लिये भी दी जा सकती हैं । और अगर ऐयर इंडिया इन्टरनेशनल ने इतना अच्छा काम किया है और हमारी इतनी प्रतिष्ठा बढ़ायी है तो उसी को अगर हम यह कारपोरेशन का सारा काम दे दें, तो हमारा काम बहुत ज्यादा सरल हो जायगा, क्योंकि वहां जो काम शुरू होगा वह एक प्रतिष्ठा और अच्छे नाम की बैकग्राउण्ड में शुरू किया जायेगा और इकोनामिकली भी यह ठीक रहेगा ।

दूसरी बात जिसकी तरफ मैं आपका बसन्त का ध्यान दिलाना चाहूंगी वह कम्पेनसेशन के बारे में है । सारी कम्पनियों का तो सरकार द्वारा राष्ट्रीयकरण किया जा रहा है, परन्तु उसमें शेयरहोल्डर्स का क्या हाल होगा इसके बारे में कुछ सोचा गया है क्या ? मैंने यह जानने की बहुत कोशिश की कि इन सारी कम्पनियों में शेयर होल्डर्स की संख्या कितनी है, लेकिन मुझे इसका अभी तक कोई अन्दाज़ पूरा नहीं मिल पाया है, परन्तु इतना तो निश्चित है कि सब कम्पनियों के शेयरहोल्डर्स मिलाकर काफी अधिक होंगे और मैं तो चाहूंगी कि उनकी संख्या चाहे अधिक न भी हो, और फ्रैंज कर लीजिये भी नहीं क्यों न हो, तो भी किसी शेयरहोल्डर को नेशनलाइजेशन करके हम को बर्बाद करने का कोई अधिकार नहीं है, नेशनलाइजेशन आप भले ही करें, लेकिन उसके करने में यह ध्यान रखना चाहिये कि शेयरहोल्डर्स बर्बाद न हों । आखिर यह शेयरहोल्डर्स कौन हैं, ज्यादातर यह कम्पनियों में जो शेयरहोल्डर्स होते हैं, यह मध्यम वर्ग के लोग होते हैं, इसलिए इनके हितों की रक्षा करना और

भी हमारा फ्रैंज हो जाता है । आज कल उद्योगपतियों को गाली देने अथवा भला बुरा कहने की हवा चल रही है, आप अगर गाली देना चाहें, तो दे सकते हो, परन्तु जो अधिकतर मध्यम वर्ग के शेयरहोल्डर्स हैं वह जो कम्पनियां फ्लोट होती हैं और उनमें लोग पैसा डालते हैं, तो आखिर जब लोगों को उन कम्पनियों और उनके डाइरेक्टर्स पर विश्वास होता है कि यह ठीक तरह से काम करेंगे, तभी वे अपना पैसा उनमें डालते हैं और जब तक हम जो लोगों का उनके प्रति विश्वास है, उसको हटा न सकें, तब तक अकेले गाली देने से हमारा काम नहीं चलेगा, जो शक्ति और विश्वास लोगों का उन कम्पनियों के प्रति है, वह शक्ति और विश्वास लोग हम में करवे लगे, तब तो यह आपका सब करना ठीक है, अन्यथा आप का काम चलने वाला नहीं है और मुझे ऐसा लगता है कि जिस ढंग से कम्पेनसेशन दिया जायगा, उससे जो पंचवर्षीय योजना में प्राइवेट सेक्टर का स्कोप रखा गया है, वह काम आगे बढ़ नहीं सकेगा, क्योंकि लोगों का यह सोचना स्वाभाविक है कि आज हम एक काम शुरू करते हैं और उसमें अपना पैसा डालते हैं, कल सरकार उसको अपने हाथ में ले लेना तय कर ले तब हम को उसमें से एक कौड़ी भी नहीं मिलने वाली है, इसलिए मेरी सरकार से और प्लिकेट कमेटी से विनती है कि कम्पेनसेशन के बारे में गम्भीरतापूर्वक विचार किया जावे और कोई ऐसा रास्ता निकाला जाय जिससे शेयर होल्डर्स बर्बाद न हों और उन के साथ न्याय हो सके । वाम तौर पर देखा जाता है कि जब कभी कोई कम्पनी लिक्विडेशन में होती है, तो जो कम्पनी के मालिक, डाइरेक्टर होते हैं जिनके नाम पर कम्पनी चलती है, उनको कोई ज्यादा धक्का नहीं लगता है, बल्कि उच्च

ज्यादातर मध्यम वर्ग के शेररहोल्डर्स ही बर्बाद होते हैं, हर कम्पनी में मध्यम वर्ग के शेररहोल्डर्स की तादाद ही ज्यादा होती है, इसलिये मेरी बिनती है कि सरकार को इस तरफ़ काफ़ी ध्यान देना चाहिये और उनके हितों की रक्षा का कोई न कोई रास्ता अवश्य निकालना चाहिये। टेकनीकल दृष्टि से मैं कम्पेनसेशन देने के बारे में कुछ नहीं कह सकती। मशीनरी आदि के बारे में, टेकनीकल चीज़ों की क्रीमत आदि के बारे में तो आपको सलाह नहीं दे सकती, वह तो जो टेकनीकल आदमी होंगे, वह आपको इस बारे में बतला सकेंगे, परन्तु आपको इतनी सावधानी अवश्य रखनी होगी कि सरकार द्वारा इन चीज़ों के खरीदने में किसी प्रकार का डिस्क्रिमिनेशन न हो, क्योंकि अगर किसी को ऐसा लगा कि उसके बारे में डिस्क्रिमिनेशन किया गया है तो इससे सरकार की प्रतिष्ठा को बहुत धक्का लगेगा, इसलिए कम्पेनसेशन देते वक्त किसी भी प्रकार का डिस्क्रिमिनेशन नहीं होना चाहिए, इसके लिए सरकार को पूरी सावधानी रखनी चाहिए। होना तो यह चाहिए कि जिस तरह जब हम मकान लेते हैं, ज़मीन लेते हैं या और कोई चीज़ पबलिक यूटिलिटी की लेते हैं, तब आसपास के मकान या आसपास के ज़मीन के दाम देखकर लैंड एक्वीज़िशन ऐक्ट के मुताबिक़ लेते हैं, उसी तरह यह उचित है कि हम जब कम्पनियों से एरोप्लेन मशीनरी इत्यादि लें, तब बाज़ार में क्या दाम है, उसको स्थाल में रखते हुए देना चाहिए।

दूसरी बात यह है कि आप कम्पनियों को ले लेवें, उनकी चीज़ों मशीनों, आदि को ले लेवें, वह तो समझ में आ सकता है लेकिन लिक्विडेशन में ले जाने से तो शेररहोल्डर्स को नुक़सान पहुंचाया जाय और उन को उनका पैसा न मिले, यह समझ में नहीं आता। दूसरे आप उनकी मशीन और स्पेयर पार्ट्स लें, तो यह

तो समझ में आने वाली चीज़ है, लेकिन सरकार स्क्रेप भी ले, यह समझ में नहीं आता। स्क्रेप वह क्यों लेना चाहती है। हम उनसे स्क्रेप लेकर क्या करेंगे। ऐयर कारपोरेशन बनाने का मतलब यह है कि लोगों को अधिक सुविधाओं मिलें और इस इंडस्ट्री को हम इसलिए नेशनलाइज़ करने जा रहे हैं, क्योंकि हम इसे इसेन्शियल इंडस्ट्री मानते हैं, हम ज़रूरी चीज़ें तो लें, परन्तु स्क्रेप लेने की मुझ कोई ज़रूरत नहीं मालूम देती। हम स्क्रेप को कम्पनियों के पास ही रहने दें और वह अगर उसके जरिए अगर कोई काम करना चाहें, तो हम उनको करने दें, इससे हमारे ऊपर किसी प्रकार का बोझ नहीं पड़ेगा और शेररहोल्डर्स से हमें यह भी नहीं सुनना पड़ेगा कि हमने कोई ग़लत चीज़ की जिसके कारण शेररहोल्डर बरबाद हुए, इसलिए यह बहुत आवश्यक हो जाता है कि हम जब नेशनलाइज़ेशन करने जा रहे हैं और उसके लिए कम्पनियों को जो कम्पेनसेशन देने जा रहे हैं, वह सब इस ढंग से होना चाहिए कि कोई यह न कहे कि हमने इस को ठीक प्रकार नहीं किया या किसी के प्रति अन्याय किया है, कम्पनियों का माल खरीदते वक्त और उसकी क्रीमत चुकाते वक्त भी सरकार को पूरी सावधानी से बर्तना चाहिये और यह भी समझ लेना चाहिए कि जब आप यह सब काम कम्पनियों के हाथ से लेने जा रहे हैं और इस काम को खुद सरकार शुरू करने जा रही है, तब ऐसा न हो कि आप टिकट के दाम बढ़ा दें और यह कहें कि हमने चूँकि मशीनें नई ली हैं, इसलिए टिकट का दाम बढ़ाना ज़रूरी हो गया है, यह सब सोचकर आप को इस काम में आगे बढ़ना चाहिये। मैं तो कहूँगी कि अगर आज मशीन के दाम ज्यादा हों, तो आप आज इस काम को न लीजिए, थोड़े दिन के लिए रुक जाइये, लेकिन अगर आप आज काम अपने हाथ में ले रहे हैं और इस इंडस्ट्री

[श्रीमती मणिबेन पटेल]

को नेशनलाइज कर रहे हैं तो आपको सब चीज सोच समझ लेना चाहिये और आप पर यह फ़र्ज़ हो जाता है कि आज कम्पनियाँ जिस ढंग से चल रही हैं सरकार द्वारा लिये जाने पर यह सर्विस ज्यादा अच्छी तरह चले और लोगों को ज्यादा सहूलियत व आराम मिले और साथ ही टिकट के दाम भी न बढ़ने पावें इन सब के लिए आप को इन्तज़ाम करना होगा। ऐसा न हो कि जिस तरीके से आज हमारी रेलवेज़ में वेंगन्स मिलने में बहुत कठिनाई होती है और कहीं २ पर थर्ड क्लास के टिकट मिलने में कठिनाई होती है और टिकट लेने के लिए लोगों को दो दो घंटे तक लाइन में खड़ा होना पड़ता है इस प्रकार की कठिनाइयाँ इस इंडस्ट्री में न हों। साथ ही टिकटों के दाम भी न बढ़ें और पब्लिक को आज की अपेक्षा सरकार के प्रबन्ध में ज्यादा आराम व सहूलियत मिल सके इन सब बातों को ध्यान में रख कर आप इस राष्ट्रीयकरण के काम को अपने हाथ में लें यही मेरी सरकार से बिनती है।

Shri Syamannandan Sahaya Muzaffarpur Central): I consider it a bad policy which the Ministry of Communications have undertaken. The process, the policy and the rumours about nationalisation of industries have been a matter of controversy not only in this country but outside. Therefore, any Government, particularly a new one as ours, does require a great deal of consideration and thought before undertaking nationalisation of a venture like the one which is proposed in the present Bill but whether one likes it or not, the fact would remain that there are certain lines of industry which, sooner or later, will have to come under the administration of the Government—we may call it nationalisation or we may not and airlines certainly will be one of them. We, however, should not forget that the nationalisation of airlines and the manner in which we are able to conduct it, will be a great factor for undertaking other nationalisations in the country. The responsibility therefore of the Ministry of Communications in this matter is very great for

it will show the trends in which Government undertakings could be run. Airlines particularly have a bearing not merely on communications but as someone pointed out, it may have a great deal to do with defence. Therefore, the proper running of airlines, the proper maintenance of air machines is a factor which deserves the most earnest consideration of the Government and this will be looked forward to with anxiety as well as prayerful hopes by the public at large. The Minister for Communications, however, has earned the reputation for undertaking difficult tasks in which God has helped him to success. We can therefore prayerfully wish that his new venture may also succeed.

The anxiety, however, of people like us who do not disagree with the policy he has undertaken but who still keep themselves abreast of conditions prevailing in other lines, in other departments, in other spheres in which Government administration is running, makes one at times feel nervous and if I say a word or two now, it should not be taken as a depreciation of the attempt but only as a warning lest we may not come to trouble. In this connection one is certainly reminded of the railway management where we find, year after year, proposals coming up to this House for increasing the fares. Those who had the privilege of travelling in higher classes—leave the poor third class passengers alone—know to what depths the conditions of the carriages have gone down. We have been going round the Centenary Exhibition here looking at the past 10 years and to the present and while the third class bogies give us some hopes, one also feels sometimes a little worried lest we may not go back to the condition 100 years before. I will therefore draw the pointed attention of the Minister for Communications that in the discharge of his onerous duties which he has undertaken, he ought to keep in view how other similar administrations are being run. The position of the airlines, however, is very different in the sense that it is not merely a case of deterioration in your efforts, it is a question of life and death and I do not know whether the hon. Minister for Communications has had any information with regard to it, but one of the lines which was taken over by the Government has not had much good reputation. In fact at one time in this House I said what the public thought about a particular airways. I said that "if you travel by other airways, you see the world but if you travel by the Deccan Airways, you see the next world also."

Shri Jagjivan Ram: Coming back, also.

Shri Syammandan Sahaya: Now after having seen it, no coming back. When I say this I fully appreciate the troubles in the beginning of any undertaking. I do not necessarily mean to suggest that things will not improve but on an occasion like this, it would be desirable to lay a pointer. In the matter of running of airlines, various considerations have to be kept in view. I know the hon. Minister for Communications has great experience of airlines, not merely of their good run but sometimes also of their disasters and I have no doubt therefore that he will be very careful himself but even so, I may point out to him that one of the most prime needs in running a good airline is first to see that it has got good ground engineers. So much, if I may suggest, does not depend upon the pilot. He must therefore see to it that very good and efficient and able ground engineers are maintained at different points. In selecting them, if we are not able to find Indian nationals for this work, I personally feel that you will be well advised even to import outsiders, for after all, in the beginning of undertakings like this, you might have to take assistance from outsiders also.

The second point on which I would like to draw the attention of the Minister, through you Madam, is the question of landing grounds. Now, no machine can be made fool-proof. Therefore, one of the things which all air companies and airlines must have in view is to have as many landing grounds as possible so that on the detection of the slightest trouble, there may be a landing ground nearby where the plane could land. I am sorry to say this but I must bring it to the notice of the hon. Minister and also to the notice of the House that a large number of airfields constructed during the war, and beautiful ones too, are going into disrepair and have been neglected. I do not know who is to be blamed. If I refer to the Government of India they say it is under the State Government. If I refer to the State Government, they say it belongs to the Government of India but in any case, the Government of India in the present circumstances, constituted as it is, has certainly a great deal of control, both statutory as well as on account of party affiliations, on State Governments and the very first thing that I would like the hon. Minister for Communications to do as soon as he takes over these airlines is to take over these airfields wherever they may be and try to keep them in a state of

good repair. It would not necessarily involve them in a large expenditure. Some of these air fields have vast extent of lands within their area. Some of that could well be utilised even for agricultural purposes, and the runway could be maintained beautifully even with the income of the rest of the area comprising the landing ground. I would like to draw the particular attention of the hon. Minister to this and I hope he will take note of it. In Bihar alone, as he must be aware, there are several air fields which are going into disrepair. They were constructed so well and even today, they could be taken over, and properly maintained.

Another matter to which I would like to draw the attention of the hon. Minister is this. If these lines have to be run properly, the officers and the authorities must develop, if I may say so, a service mentality and not an officer mentality. I have had occasions to notice that as soon as the administration of a company or industry is taken over by the Government, the officers and authorities develop a kind of an officer mentality, and they slowly begin to lose their service mentality. The department must see to it that that service mentality is maintained, because, without it they will not get the custom which they should in order to run the company on a sound and profitable basis.

A great deal has been said in this House about setting up two Corporations. I really do not know whether two Corporations will be very costly. But, if I were in a position to decide the matter, I would certainly have two Corporations will be very costly, reason, for the simple reason that there will be a kind of competition for efficiency. We will be able to know which Corporation has been functioning in what manner. Then there is certainly a difference between inland communications and communications beyond India. Therefore, personally I feel that it is a wise step. I do not know who advised the hon. Minister of Communications; but I must congratulate him on this decision. It is a first class decision. In fact, if a company is to be run well, there ought to be a certain method, a certain system by which one company may feel that it is going down or coming up well, so that there may be a healthy competition started. Otherwise, it will all become a departmental show. If anything goes wrong, there will be an attempt to hush it up rather than put it forward. Therefore, personally, I feel that this two-Corporation business is a healthy system and it should certainly be introduced.

[Shri Syamnandan Sahaya]

We have heard a lot about compensation in this House. The fact is that nothing pleases one better than if he could have everything free and paid for by someone else. If the hon. Minister can have it, I do not grudge him that. But, I have gone through the compensation clauses in this Bill and I do not know where and how compensation arises. You are taking over a running concern. You are paying for the assets of the company, assets which are tangible assets.

Shri Vittal Rao (Khammam): No.

Shri Syamnandan Sahaya: It is very easy to say 'No'. You start an industry tomorrow and then we will see how you do it. I said at one meeting that the best thing that an industrialist can do in this country is to start a pin factory and a nail factory, hand over the nail factory to the Government and hand over the pin factory to labour to run it and see how they run it. Then, they can come forward and say. After all, it means a great deal of risk, a great deal of experience to run a concern. It is not easy to run these companies. Instead of saying a word of gratitude for what they have done, you do not even want to pay for the machines which they possess. (An Hon. Member: Have they not made profits?) That, I do not think, is the right attitude to take. What I was suggesting in this connection was.....

Shri T. N. Singh: Is it your contention that there was no profit motive in starting these companies?

Shri Syamnandan Sahaya: Well, I wonder if we have no profit motive in drawing an allowance of Rs. 40 for coming here. If there is profit motive, there is also profit motive there. (Interruptions)

Mr. Chairman: May I ask the hon. Member not to carry on arguments with other hon. Members, but to finish his speech?

Shri Syamnandan Sahaya: It was a kind of provocation which I could not resist. In any case,.....

Shri T. N. Singh: On a point of order, Madam, is it open to an hon. Member to make a sweeping allegation against the profit motive of the whole House here.....

Shri Syamnandan Sahaya: I did not say profit motive; you said so.

Shri T. N. Singh:in the manner in which the hon. Member has said?

Mr. Chairman: Order, order. I do not think he made a sweeping charge at all. I do not think there is any point of order in this. I rule it out.

Shri Syamnandan Sahaya: I say that an industry is not worth starting which has no profit motive. An industry must be started with the fullest assurance that it is going to make a profit. What is an industry worth if it is going to be started with a losing motive? There should be profit motive. But, if the purpose is really to deprive the rightful owner of what he has to get, deprive labour and the shareholders and to deprive the country, then such a profit is mischievous and should be prevented. To start an industry without profit motive, well my hon. friends will say something.

Shri Gidwani (Thana): Does that follow that we should come here with a profit motive?

Shri Syamnandan Sahaya: I have been asked by the Chair not to listen to what you say.

Now with regard to these compensation clauses, I find that the provision is that the Government should pay the written down value of the machines. Let us scrutinise how compensation is going to be paid. Government are not going to permit any of these machines or even the spare parts not used so far to be sold in the market. They will vest in the Government immediately. After that, the Government will sit down and see what price they can fetch. The price that is considered to be proper is the written down value of these machines. I submit that as a Member who spoke just before me said, if you want to take over a concern, at least try to see what market value it fetches. But, the provision of the Act does not even say that they may be given market value. It says written down value of the assets; even if the assets are more valuable, that will be the amount payable. I will ask my hon. friends here to consider this question. Whenever something like that happens, there is a furore here. Perhaps rightly so and my hon. friends have reason to think in the manner they are doing. I am not challenging the sincerity of purpose which they have. But, I am asking them, is our country sufficiently advanced industrially? Do we not still require the help of the private sector to have more industries in this country? Say that we do not want the private sector; delete your Five Year Plan where it deals with the

private sector. You are at perfect liberty to say that you would not have it today. But, if you say that private sector is required, may I ask you to consider.....

Mr. Chairman: May I ask the hon. Member to confine himself to the subject? We have very little time. He has already taken 16 minutes and I am going to ring the bell.

Shri Syamnandan Sahaya: I shall finish in two minutes. We should also consider what effect this type of nationalisation or this type of urge by the House for not paying any compensation will have, if you want industrialisation by the private sector. If you do not want it, perfectly all right; say so; there will be no difficulty and no difference of opinion.

There are two more things that I wish to place before the House. One is with regard to retrenchment. The hon. lady Member who initiated the debate said that there should be no retrenchment. If we say there should be no retrenchment, there should be no increase in fares and that the companies should be run properly, then, personally, I feel that the hon. Minister with all his experience will be hard put to it to run the concern economically. Yes; retrenchment for the sake of retrenchment should not be undertaken. But, personally, I feel that if the Government find that there is a surplus staff in some categories, they will be hard put to it to say that there should be no retrenchment. These limitations should not be placed by the House on the body which is running the Corporations because they will handicap them and interfere with the proper working.

Then, the other thing to which I would refer before I sit down is this. A certain reference was also made to men like Tata and Birla being associated with this Corporation. It is a difficult task to run an airline. It is not like a sugar mill or a cotton factory or a jute mill. You would not be better advised than to have the advantage of men of experience. I do not really insist on Tata or Birla. You can get people from outside if you like, but in the initial stages, the Government will be well-advised to have the fullest assistance and advice, and even the guidance of men who know the subject.

Mr. Chairman: Before I call upon the next speaker, may I remind the House that the hon. Minister is going to reply at half past twelve. So, we have not got very much time, and if all the Members who are going to

speak hereafter will cut short their speeches and speak within a few minutes as possible, more Members will have a chance to speak.

Now I call upon Dr. Jaisoorya.

Dr. Jaisoorya (Medak): This is one of the rare occasions on which I am inclined to support the Government. Namely, the idea is very nice; but I am very worried, after having seen the magnificent series of failures of the Government in public ventures. They have been very successful in their failures. I must say, viz., the Housing Factory which went down the drain; then they took over the Road Transport, and the Corporation started showing losses where it was a highly profitable concern before. So, I have a feeling that somewhere something is wrong. There is the old saying that whatever Midas touched turned into gold. My feeling here is that whatever this Government touches turns into dust.

Shri Jagjivan Ram: You keep yourself aloof!

Dr. Jaisoorya: That apart, my only worry is this. This air transport is a very delicate mechanism. We have seen that in all countries; none of them has been a financial success. They have to be subsidised by the Governments. Even in America, where, in Detroit, every five minutes a plane takes off and a plane lands, two huge companies have been forced to merge for financial reasons. Now, I have never been able to agree with our Government's thesis of building a house, i.e., you first build the roof, then you build the walls, without design, and then by the time you come to the foundations, there is no money left. I find you are nationalising the air when you should nationalise the land.

That apart, there is another trouble. This Government is asking this House to sanction, to stand security for all sorts of loans. We form a Corporation and Mr. Kilachand says, "You must leave to the corporations perfect liberty to waste our money." For instance, we have the Indian Finance Corporation. I thought Indian businessmen were very shrewd businessmen, but we found to our surprise that the money went in the wrong channels. Similarly, here, I notice to my surprise, under clause 7: "Functions of the Corporation.—(1) Subject to the rules, if any, made by the Central Government in this behalf." That means we may make the rules, or we may not make the rules, but we have got to find the money.

[Dr. Jasoorya]

The original development of the air concerns in India was not so altruistic as my hon. friend from Bihar thinks. The profit motive was there, but it was a very haphazard growth. After the war, there was a lot of surplus going about, and everybody started a Jupiter Company or a Meteoric Airway Company. All sorts of companies were started as soon as they got a few pilots and a few ground personnel etc. Then they found that it was not an easy proposition. Therefore, now, there is a debacle and the Government is asked to save it. It is a fact that the airways have to be maintained not so much for profit through civil aviation, but because of strategic importance. I, therefore, agree, we must have them. What I am worried about is the almost ineradicable tradition of this Government to bungle things. That is what is worrying me—not the question of taking over. Please do take it over. But, having seen our officialdom developed to a very high degree of inefficiency by the British, and after seeing their magnificent record, I am very doubtful if you can avoid adding this also to the magnificent series of failures. You have lost so much money on the Hirakud Dam. The Tilaiya dam is sinking. Well, we have lost money there. We can lose money here also. We are used to that, to seeing that picture.

12 NOON

A lot has been talked about compensation. Either we buy at market value or at book value. We may not use the word "compensation". Goodwill there is none because most of them are bankrupt. So, there is no goodwill to be bought.

Shri Syamnandan Sahaya: I did not say goodwill.

Dr. Jaisoorya: The question is this: if we take now at market value, the "Dakota-wallas" will get nothing; Mr. Tata will get a huge lot. If you take at the book value, then at least whether it is junk or whether it is serviceable or not, the shareholders or the "Dakota-wallas" will get something. Therefore it comes to one form of compensation or other. I have not been able to understand—of course, I am not an expert—how you have arrived at it. First of all, these Dakotas have a limited life. All air planes have a limited life, owing to strain, stress etc. At that time a large amount of spare parts were bought up haphazard. We know from the Shroff Committee Report that the South Indian Railway alone had brown packing paper enough for 300 years, and key-points or point-keys—whatever you call them—

for 150 years. So, everybody started buying haphazard. What is exactly needed and not needed for rational and efficient running I do not know. We have not got a copy of the Stores Report. Now, we have agreed to buy up, lock stock and barrel, including the mice and cats, everything at certain fixed rates. This is not the way to do it. If you want to pay compensation, you pay. We have got to give something. If you are going to buy at market value, a proper assessment of what you need and what you do not need will have to be made. An expert Committee will have to assess it.

First of all, I am doubtful whether any large amount of unused spare parts are there or not. I do not know. A large amount of these spare parts have been reconditioned. The reconditioning has not been done by the factories or to factory specifications, but as we allow things to be done in India. In any case, it is going to be a loss to us. Do not let us talk too much about buying up a grand show. It is not so. We say it is necessary. We must have this communication of air lines. We are going out of charity to buy up these losing concerns. With that the whole thing is over. Nothing more is needed.

First of all, Government always promises there is going to be no retrenchment. They said that in the case of the Vizagapatam Shipyard. They took over the Vizag Shipyard, and now it is a failure. Within six months afterwards, they manufacture a philosophy to explain away and to justify retrenchment. Mr. Kilachand was honest enough to say that from the very beginning you must have retrenchment. The hon. Minister, I know, has a very big heart.....

Shri Nambiar: Very big?

Dr. Jaisoorya: Yes, very big. but there is always a little snag. "The Corporation, under circumstances, if thought necessary, may be compelled" etc. So, that is a commitment. I do believe you should have no excess personnel. I do believe you should have a proper basis, because we are dealing with people's property and people's money. It cannot be wasted. On the one side, the workers will be reduced, and on the other, a hierarchy of officials with high pay and inefficiency will be increased. That is all I find in this Bill. In the days when the railways were run by companies, a huge division like the N.S. Railway was managed by five men very efficiently. After it was taken over by

Government, there are 30 men. Managers, General Managers and Deputy Managers, and the efficiency is gone. It worries me why a Government concern invariably becomes more expensive to work than a private concern. It need not be so. It is because of the type of men we appoint. Some man because he was able to sign a few files and do some administrative work, is chosen to become General Manager of any specialised concern. They have done the same thing in the case of the Shipyard, and all these other concerns. There is no use of putting in charge of them men who are not fit for this kind of thing. We will have to develop special type of men for these things.

Then I come to the question of control. After all, it is our money that is involved. And we want to know how our money is going to be used. We had the Damodar Valley Corporation and similar other projects, and we have had sanctions being given without proper estimates. These are the things that are worrying me, that our money is not properly looked after, there is no concurrent or pre-audit. After the damage is done, we say 'Oh! we made a mistake' three years later, or that 'Three miles of this thing we had built, but it was not necessary', and so on. The Tilaiya Dam is sinking. We do not know the reason.

Shri A. M. Thomas: Please do not give a wrong picture of the Tilaiya Dam. People who have gone there and seen it can certify that the report is incorrect.

Dr. Jaisoorya: I am quoting from *The Times of India*. The Tilaiya dam is sinking. It came in the *Times of India* of last Sunday. You are not an expert.

Shri Nambiar: Contradict the paper news.

Shri T. N. Singh: That news has been contradicted by the D.V.C. authorities more than once.

Dr. Jaisoorya: In spite of it, these things happen.

Mr. Chairman: May I suggest to the hon. Member not to waste time like this?

Dr. Jaisoorya: What I want is that there should be a proper assessment and a proper pre-audit. I do not care how much you spend, but I want to know whether you do these things with a clear mind on the matter. I am not expecting a public utility concern to make profit. A public utility concern should not make a profit, but
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I do expect that the money that is being used will be used in the proper way. I do not mind a loss. A public utility concern should be prepared for losses. I only want to know whether this would not be another white elephant that has been added to the other white elephants.

Shri Achuthan (Cranganur): At this late hour, I do not want to make a very lengthy speech. I welcome this Bill. In fact, I do not know what considerations prevailed upon the Government in the past to see that a fair trial is given to these private concerns, to see whether they could survive. But now at any rate, Government have come to the conclusion that the role of private enterprise is beyond redemption, and so the earlier they take over, the better. That is the position with regard to the nationalisation of railways also. One difference, I notice here, and that is that this industry has got immense possibilities of expansion. Anyhow, within the next ten or twenty years, we can see the planes flying over us just like the cars or trains that are passing now. A stage will then come when the country will become air-minded, so to say, and the distance and time which we are now experiencing may shrink down to such a level that within a short time, a man who wants to go to a distant place can reach that place, do his business there and then return too. The nationalisation of this industry, according to me, is a very salutary measure, and my congratulations are due to the Government spokesmen in this respect.

With regard to the question of corporations, I have my own strong views in the matter, that there is no necessity to have, in the beginning stages, two corporations. Once we begin with two Corporations, it will be difficult for us at a later stage, to retrench or even to amalgamate these two Corporations. Moreover, how can one visualise after some ten or fifteen years, whether the national or international airlines will be of more importance. At that time, when the Government find that the one is more important than the other, they can very well say 'Oh, at the initial stages, we have done something wrong. We want to rectify it now, and so let us have two Corporations'. But to start with, for the country's sake, have only one Corporation. With regard to this question, the hon. Minister in his reply today can show how his mind is working after hearing the valuable speeches from different sections of the House.

There is one other reason also why there should be only one Corporation. If we have two Corporations, one for

[Shri Achuthan]

national and the other for international air-lines, a feeling may automatically come that the international one is superior to the national one or that the national one is inferior to the international one. The employees in the national one may think 'Oh! we have no opportunity to manifest our skill and knowledge'. The hon. Member from Bihar stated that there should be a sense of competition between the employees in these two Corporations. I do not understand how there can be any competition, if men are not placed in equal positions. 'National' means within India, while 'international' means throughout the world. But how can there be any sense of competition between the employees of the two such Corporations, unless they are placed on the same level?

When the hon. Member was speaking about compensation to these companies, he was referring to the allowances received by the hon. Members who have been elected by the common man of the country. I had a feeling of doubt as to whether he was not making his speech with some profit motive. I am sorry for certain things that he said. He said that 'if you want to probe into the next world, you should be carried by the Deccan Airways'. But I would say that this moment when we are going to acquire these air companies must be a good omen for the country to say, that even though many accidents have happened in the past, there will be no accident hereafter in this country, in any of our airlines.

With regard to the compensation to be given, I feel that Government must have a miserly attitude. Government themselves say that these air companies have been losing concerns, and that they have been subsidised by Government. My hon. friend the capitalist Member, Mr. Kilachand was very glad and said 'Whatever is offered, we shall take, along with the interest, and we shall invest it in some other profitable enterprise.' I welcome that attitude. I invite the industrialists to give up this idea of air transport or civil aviation, and invest their money in other profitable private ventures, so that the country may be better in due course.

I would like to say one word with regard to the tribunal. Instead of the compensation being settled between the Government and the parties concerned, the whole matter can be entrusted to the tribunal. Let both parties say what they have to, before the tribunal, as regards the valuation of these

articles, spare parts, etc., and let the tribunal finally say what is the amount to be paid. I think that would have been a far better method to adopt, because in the near future or the distant future, our Government will have to take over some other private industries also, and such methods have to be adopted in the future.

As regards the personnel of the tribunal, I feel that the inclusion of one more High Court Judge would have been advisable. Instead of one High Court Judge, let us have two such, and let us not grudge in that matter. Let us adopt the attitude of grace and magnanimity in regard to these cases.

With regard to labour matters, much has been said on both sides, and there can be no difference on that point. We want to have rationalisation, efficiency and also economy. But we cannot go to the extent of saying that there can be no retrenchment. For the time being, hon. Members opposite may not run after these employees of these companies, but they are watching the movement. When Government think of having some rationalisation, then they will run after them and say 'You must begin this strike or that strike'.

Shri Nambiar: Why are you afraid of strikes? Let us see that they are not retrenched. Let us have peace.

Shri Achuthan: I do not think that any Government in any country would like to see any one of its employees remaining unemployed. That is the policy of the Government not with regard to this industry only but with regard to every other industry as well. But that should not give false hopes to these employees that under no circumstances will the Government like to retrench them. If they are retrenched, they will be given alternative employment, or given encouragement to join other industries which will be coming up here and there, and get employed. So, let us not grudge retrenchment, in the interests of the country.

With regard to the provision for the Labour Relations Committee, I welcome the proposal. Hereafter Government must see that the real representatives of labour are taken into confidence, and that proper measures are taken to see that their welfare is attended to foremost at the hands of the Government.

That is all I have to say. I welcome this Bill which seeks to bring

into existence a nationalised concern. I hope it will have a good future.

Mr. Chairman: Seth Govind Das. I would remind the hon. Members that the time is very short and it will be good if one or two members more can speak.

सेठ गोविन्द दास (मंडला-जबलपुर—दक्षिण) : श्रीमती जी, मुझे आज उस समय का थोड़ा सा स्मरण आता है जब आज के कई वर्ष पहले इस उद्योग के राष्ट्रीयकरण के सम्बन्ध में पुरानी व्यवस्थापिका सभा में सरदार मंगल सिंह ने एक प्रस्ताव उपस्थित किया था। उस को कई वर्ष बीत गये। इसी के साथ मुझे सन् १९२३ का वह समय भी याद आता है जब कि हमें स्वराज्य नहीं मिला था और पहले पहल हम कांग्रेसवादी पंडित मोती लाल जी नेहरू के नेतृत्व में यहां आये थे और उस समय यातायात के सम्बन्ध में जो रेलें राष्ट्रीय नहीं हुई थीं उन के विषय में भी इसी तरह के प्रश्न उठाने जाते थे। यह वर्ष की बात है कि आज हम स्वतन्त्र हैं और हमारे हवाई यातायात के राष्ट्रीयकरण के सम्बन्ध में श्री जगजीवन राम जी को यह सौभाग्य प्राप्त हुआ है कि वे इस विषयक को यहां उपस्थित करें।

मैं इस राष्ट्रीयकरण के पक्ष में तो हूँ परन्तु कई बार मेरे मन में कुछ दूसरी बातें भी उठा करती हैं। हम सभी अंगरेजी में यह कहा करते हैं कि 'फ्रस्ट थिंग्स फ्रस्ट' अर्थात् पहली चीजें पहले आनी चाहियें। मैं म हूँ कि अगर इस पर थोड़ी गम्भीरता से विचार किया जायगा तो आज देश की जो परिस्थिति है, लोग भूखों मर रहे हैं, लोगों को कपड़ा नहीं मिलता है, रोज़मर्रा की चीजें नहीं मिलती हैं, ऐसी स्थिति में क्या इस उद्योग को ऐसा माना जा सकता है कि यह एक ऐसा उद्योग है, जिस को हमें तत्काल अपने हाथ में लेना चाहिए। मैं तो यहां तक कहूंगा कि सुरक्षा और सरकारी कामों के लिए कुछ हवाई जहाज

रख कर शेष हवाई यातायात इस देश में बन्द भी कर दिया जावे तो कोई बड़ी भारी हानि न होगी। आखिर हवाई जहाजों से कितने लोग यात्रा करते हैं? देश की आम जनता को उस से क्या लाभ है? चीन देश में कोई हवाई यातायात नहीं है। मैं ने अभी वहां जा कर देखा।

जहां तक जयसूर्य जी का कथन था वहां तक तो उन के कथन को सुन कर मुझे गोस्वामी तुलसीदास जी की एक चौपाई याद आ गयी :

जेहि गिरि चरन धूरत हनुमंता ।
सो चलि जात पाताल तुरंता ॥

उन का सारा भाषण में समझता हूँ इसी चौपाई के अन्तर्गत आ जाता है।

कुछ माननीय सदस्य : इसका मतलब तो समझा दीजिये।

सेठ गोविन्द दास : इस का अर्थ यह है कि हनुमान जी जिस समय सीता जी की खोज के लिये लंका जा रहे थे उस समय समुद्र में जो जो पहाड़ मिलता था और जो उन के मार्ग में रोड़ा बन कर आता था उन के वह उस पर पर रखते ही फ़ौरन पाताल चला जाता था। तो जयसूर्य जी का बोलना कुछ इस प्रकार का था कि सरकार जो कुछ काम हाथ में लेती है वह सब का सब पाताल चला जाता है। मैं इस से सहमत नहीं हूँ। मैं इस को नहीं मानता कि जिस काम को सरकार हाथ में लेती है वह नष्ट हो जाता है। अभी हमें स्वराज्य मिले केवल पांच वर्ष हुए हैं और स्वाभाविक बात है कि हम को पूरा अनुभव नहीं है। पूरा अनुभव न होने के कारण हमारी कुछ चीजें असफल हुई हैं पर इस का वह अर्थ नहीं है कि सब कुछ सदा असफल होता रहेगा।

फिर एक बात और मेरे मन में आती है। यह जो गति की तीव्रता सारे संसार में हो गई

[सेठ गोविन्द दास]

है क्या आखीर में यह मानव समाज के लिये कल्याणकारी होने वाली है। जब मैं अभी न्यू यार्क में गया तो मैंने देखा कि अमरीका की जो गति की तीव्रता है वह वहाँ के उद्योग धंधों तक ही सीमित नहीं है। वहाँ पर सभी जगह मुझे वह दिखाई दी। न्यू यार्क में तो मालूम हुआ कि जैसे आगे लग गई हो और लोग यहाँ से वहाँ भाग रहे हों। तो मैं यह मानता हूँ कि कम से कम अपनी वर्तमान परिस्थिति में यदि हम दूसरी चीजों को हाथ में लेकर इस तरह की चीजों को अभी निजी उद्योग धंधों के रूप में छोड़ दें तो यह कोई बुरी बात नहीं होगी। खैर यह प्रश्न तो इस लिये नहीं उठता कि विधेयक हमारे सामने आ गया है और हम राष्ट्रीयकरण के सिद्धान्त के विपक्ष में नहीं हैं। इस लिये हम इस का समर्थन ही करते हैं।

अब मैं इस विधेयक के सम्बन्ध में दो एक बातें संक्षेप में कहूँ। यहाँ पर इस सम्बन्ध में बहुत कुछ कहा गया है कि दो कारपोरेशन नियुक्त होने चाहियें या एक। मैं यह मानता हूँ कि यदि हमें आर्थिक दृष्टि से इन चीजों को कम खर्च पर चलाना है तो जहाँ भी हम खर्च घटा सकते हों वहाँ घटाने का प्रयत्न अवश्य करना चाहिये। यह मानना होगा कि यदि एक के स्थान पर दो कारपोरेशन रहते हैं तो ऊँचे के स्तर का जो खर्च है वह अधिक होगा। यह जो कहा गया जैसा कि मेरे मित्र श्री श्यामनन्दन सहाय जी ने कहा कि दो कारपोरेशन होने से एक तरह की होड़ होगी। इस से मैं सहमत नहीं हूँ। इस बात को जो हमारी सिलेक्ट कमेटी नियुक्त हुई है उस पर छोड़ देना चाहिये वह देखे कि दो कारपोरेशन रखने से कितना खर्च होता है और एक कारपोरेशन कर दिया जाय तो कितना खर्च होता है और हमें हर स्थल पर यह बचत करनी चाहिये।

मुआवजे के सम्बन्ध में यहाँ कुछ बात कही गई है। मेरा यह मत है कि मुआवजे के विषय में हमें इस पर अवश्य ध्यान देना चाहिये कि किस चीज की इस समय, क्या कीमत है। मुमकिन है कि एक चीज लाख रुपये में ली गई हो और अब वह घिस घिसा कर एक रुपये की भी न रही हो तो हम उस के लिये एक लाख रुपया क्यों दें? इसी प्रकार यदि कोई चीज जिस समय खरीदी गई थी उस समय अगर वह दस हजार की थी और आज अगर वह बीस हजार की हो गई है तो हम दस की जगह बीस हजार क्यों न दें? कम से कम इस मामले में मैं श्री तुलसीदास जी से सहमत हूँ कि कम्पेन्सेशन शब्द का जो उपयोग किया गया है वह उपयोग ही ठीक नहीं है। मैं आप को बतलाता हूँ कि मेरा किसी एअर कम्पनी में कोई शेअर नहीं है न मेरे कुटुम्बियों या मित्रों का ही कोई शेअर है लेकिन मैं यह अवश्य कहता हूँ कि यदि हम मुआवजे की नीति को स्वीकार करते हैं तो इसे स्वीकार करने के पश्चात् हमें इस बात का ध्यान रखना चाहिये कि हम सब के साथ न्याय करते हैं अन्याय नहीं।

एक बात और तुलसीदास जी ने कही उस से भी मैं सहमत हूँ। वह जो बार बार आलोचना होती है कि हम बाहर के आदमियों को न लें इस का अर्थ मेरी समझ में नहीं आता अभी मैं ने चीन में देखा कि वहाँ पर बराबर जो बाहर के लोग हैं जिन का सरकार से कोई सम्बन्ध नहीं है वे यदि ऐसा समझा जाता है कि कुछ सहायता किसी काम में पहुँचा सकते हैं तो उन को बुलाया जाता है और उन के हाथों में काम को सौंप दिया जाता है। जो हमारे साम्यवादी मित्र चीन और रूस के दृष्टान्त देते हैं मैं उन से कहूँगा कि वह इस बात को देखें चीन में जो सरकार

के बाहर के लोग हैं जो सरकार के कर्मचारी नहीं हैं ऐसे लोगों को बुलाया जाता है या नहीं। मैं यह नहीं मानता कि जितने सरकारी कर्मचारी हैं वे ही ईमानदार हैं बाहर के सब के सब बेईमान हैं या जो सरकारी कर्मचारी हैं वे ही निःस्वार्थ हैं और बाहर के सब के सब स्वार्थी हैं। इस लिये मैं चाहता हूँ कि हमें जिस की सहायता प्राप्त हो उस की सहायता लेनी ही चाहिये चाहे वह सरकार के आदमी हों या बाहर के।

इन सब बातों को मद्दे नज़र रख कर मुझ आशा है कि यह काम चलाया जायेगा और अगर इस उद्योग का राष्ट्रीयकरण होता है तो इस बात का ध्यान रक्खा जायेगा कि हमारे जयसूर्य जी के कथन के अनुसार कहीं यह काम भी पाताल न चला जाय और हम इस की उन्नति न कर सकें।

अन्त में मैं आप का ध्यान इस तरफ़ भी दिलाना चाहूँगा कि हम जो शिकायत नित्य सुनते हैं कि सरकारी कर्मचारियों में भ्रष्टाचार बढ़ गया है इस पर भी ध्यान रक्खा जाय और इन सब बातों पर ध्यान रख कर हम अपने ऊपर जो एक बड़ी भारी जिम्मेदारी ले रहे हैं इस को ठीक तरह से निभावें।

Shri Vittal Rao: I have heard the Minister's speech. There has not been any convincing suggestion why he is not nationalising straightaway, that is owned by the Government, managed and run by the Government. While we have the railways managed and run by the Government, the Posts and Telegraphs Department managed and run by the Government, why these air services are not being nationalised fully? For overhauling these machines we have to go to the Hindustan Aircraft Factory, the periodical overhauling of the machines is being done there. The Hindustan Aircraft Factory is a Government Body, it is owned by Government and then we have got some airways like the Deccan Airways where 51 per cent. of the shares are held by the Government. When all this is there, why this hesitation to nationalise fully.

Another thing is, there has been a talk of retrenchment. Of course, the

Minister has given an assurance that nobody will be retrenched. But, the other day, I was reading the magazine *Commerce* wherein a threat has been given regarding the Corporation itself, that the assurance that the Minister has given is transgressing the autonomy of the Corporation or the rights of the Corporation. This is in the *Commerce* dated April 4th. What does it say?

"If, however, the Government is sincere in introducing this particular directive, then, as previously stated, the Corporation's autonomy in respect of labour policy at least will have been seriously infringed. One thing is certain; the Corporation will have one or other considerable labour difficulty to contend with at their very inception, if not retrenchment. This clearly affords substantial reduction of salaries to keep the wage and salary bills within the economic limit."

I do not know the name of the author. It is put down as 'Rudderbar'. I am sure he will be one of the members of, or is likely to be in, the Air Corporation.

Now, what we want is, in order to improve the services, there should be development. There is a lot of scope for development. For example, we have got the hop to Bangalore, there is a next hop to Mysore about 90 miles. Like that, we have got feeder lines; we can easily stop this retrenchment and thereby we can make proper utilisation of the aircraft. Now-a-days this aircraft utilisation is far less. So, by increasing our services, we can avoid retrenchment.

Then, I come to the question of compensation. The computation of compensation is very high. I will only quote one example. The Indian National Airways' share of rupees ten is worth in the market only rupees two and annas eight. Now, you do not want to take it at the market value of the shares. You want to have the real value of the machinery available. This machinery was sold for a song. Each Dakota from the Disposals was sold for about Rs. 40,000. After reconditioning it cost them one lakh of rupees. Then the whole system of air transport service has been highly subsidised. For example, I have got the actual figures in the balance sheet for Deccan Airways. The other day the Minister denied that the companies were carrying on air mails only with a view to subsidise them. I have got the figures here. For freight-Ton miles, 5,33,638, flown they get hardly eight lakhs of rupees; whereas for air mails, for

[Shri Vittal Rao]

6,31,724 Ton miles flown 18½ lakhs of rupees.

Shri Raj Bahadur: On a point of personal explanation, Sir, that was in a different context. The point made was that we allowed them to carry air mails only with a view to subsidise them. That was not wholly so. That was for the speedy and expeditious transport of air mails also.

Mr. Chairman: The hon. Member may be short; the Minister wants to speak very soon.

Shri Vittal Rao: In any case, it has been subsidised. One more thing. They are going to get compensation. They got a lot of profit in many ways. For example, they insured their aircraft and other things. These people who are running the air services had their own interest in the insurance companies. So, they were greatly profited. They are not going to lose if we say that the compensation should be decided by a Committee constituted of experts and after full consultation with the employees who will be able to give us ins and outs of the industry. Then only we can arrive at the proper compensation to be given.

I wanted to say some thing more but I have not got the time. Why this fear of nationalisation? There have been, for example, men like Sir Gurnath Bewoor, who was one of the Managing Directors of the Air India International. Then you have got Mr. Bakhie in one of the Companies. They were people who had Government experience; they went there and they gave their experience and these services were run. Why should we hesitate to nationalise? It is probably due to our Government's predeliction to those classes.

[Mr. DEPUTY-SPEAKER in the Chair]

Shri Jagjivan Ram: It gave me great pleasure to see that the Bill has been welcomed from all sides of the House. If there have been some discordant notes here and there, that was also I presume with a view to see that when we assume this responsibility, we discharge it properly. It is rather too late in the day to discuss why this industry should be nationalised. Even those hon. Members who have agreed that the industry should be nationalised have posed a question whether this is the opportune time for its nationalisation or not, or whether it deserves the priority which is given in comparison with the other pressing needs of the country. One hon. friend went to the extent of saying that because it is a losing industry, because the Government knows it is a losing industry, it

should not be nationalised. That argument might apply to that type of industry which might be engaged in producing some unimportant kind of consumer goods. But, we cannot apply it to this industry. It is not an industry which we can see as a silent spectator losing day by day and ultimately going to the dogs. It is not to be looked at from the point of view that this service provides some luxury to the aristocratic classes of the country, but it has to be looked from this angle as well that it is a service which has got to be maintained in the interests of the defences of the country, in the interests of the maintenance of law and order in the country, in the interests of supply of goods and services in cases of emergency and natural calamities.

सेठ गोविन्द दास : अगर हम को सुरक्षा के लिये जरूरत है तो उसके लिए तो हम अलग रख सकते हैं।

Shri Jagjivan Ram: I am not yielding, Sir.

Mr. Deputy-Speaker: Let us hear the Minister.

Shri Jagjivan Ram: Then, I have not looked at my hon. friend Seth Govind Das as yet. He refers to a question of priority. I will look at that and take notice of him a little later.

It is very difficult, human nature as it is, to break away from a *status quo*. And, whenever any proposal comes, which wants to break away from the *status quo*, persons who are advanced in life, persons who are advanced in their way of thinking, persons who have formed some sort of set ideas, it is very difficult for them willingly to fall in line with the change.

Seth Govind Das: After which age?

Shri Syamnandan Sahaya: Whose knowledge is rooted in antiquity.

Ch. Ranbir Singh (Rohtak): About the age, say after 50.

Shri Jagjivan Ram: When it is not agreeable with their temperament to break away from the *status quo*, they bring forward a number of pleas.

Dr. S. P. Mookerjee: Like continuance of a separate Air India International.

Shri Jagjivan Ram: I will come to my hon. friend a little later. If he will have some patience, he will hear me on that point also.

So, one question that has been raised is about priority: whether this is the opportune time. Another question is: why should we take over a losing concern? Now, as regards the question of the opportune time, would my hon. friends wait for some time and see that we liquidate the air services and the air transport in our country, and then, once again start from scratch and invest more money? I do not think that would be the wiser course. This is the most opportune time when we have to replace our aircraft. At least we have to place the order for the replacement of these aircraft. We have to take a quick decision in this matter. We are not manufacturing our own aircraft in this country. That will be a happy day indeed for our country when we will manufacture our own aircraft. But that will take some time. The condition in the world today is such that even if we place the order today, it takes years before we get the aircraft. So, we have to take a quick decision. There is no question of priority here, and if hon. Members will devote a little of their attention, they will agree that it cannot brook any further delay and this industry has to be nationalised immediately.

I was rather amazed when friends from that side asked: why not have complete nationalisation? Perhaps, they have been accustomed to slogans only. (Shri Vittal Rao: Yes.) I do not know whether they know what nationalisation is, or not. If this is not nationalisation, then what is nationalisation? Is only a slogan nationalisation? I do not know what nationalisation is if this is not nationalisation. (Shri Nambiar: Why should there be this Corporation then?) Where is the private interest in it? If my hon. friend will be a little patient, which he is not usually, he will see the point. What is the difference? Where is the private interest in it? Are we going to allow any private individuals to subscribe to the capital of this Corporation or undertaking? Is the capital not entirely subscribed by Government? If we take any non-official in the Corporation, has he got any interest in the profit or loss of the industry? I am afraid my hon. friends have not cared to go through the Bill. They have been carried away by the slogan of nationalisation that they always raise. (Shri Vittal Rao: What a reply.) If this is not nationalisation, then I say that they have not understood what nationalisation means, and I would request them in all humility and earnestness to try to understand whether this is nationalisation or not. I do not want to labour this point any more.

Now, I come to this question: why a Corporation? What is the harm if there is not a Corporation? That is the question posed. They say: why not run it just like the Railway Board? Or, why not run it departmentally? Why not put the Secretary of the Communications Ministry in charge of this undertaking?

Shrimati Renu Chakravartty (Basirhat): Or maybe yourself.

Shri Jagjivan Ram: Maybe. Why not? If my Secretary is there, I am there. Perhaps, the lady Member does not know that Ministers function through their Secretaries.

Seth Govind Das: How many things can the Minister do?

Shri Jagjivan Ram: As I pointed out earlier, during my opening speech on this Bill, there are certain advantages in managing these undertakings through Corporations. We have been progressively assuming responsibilities of several undertakings, and we have been following two patterns—either managing them departmentally or through limited companies. We have found certain difficulties, in both of them. Now we are trying to develop a pattern for the management of all governmental undertakings which is likely to stay ultimately and that is the pattern of statutory Corporations, where the Corporations, subject to statutory control and direction of the Government, will have comparatively more freedom in the management of their business. Those who have the slightest knowledge of the working of business concerns will agree that business management requires greater freedom than what we have in our Government departments. Of course there should be enough of control by the Government. It should be seen that in matters of policy and broader details we can issue instructions and directions to the corporation, we exercise enough of vigilance and control to see that its funds and finances are not being wasted. Subject to such controls a fair measure of freedom will have to be given to these corporations so that the business can be managed efficiently and without any hindrance and impediments. That is why we have decided upon these Corporations. But I fail to understand their criticism and I still hold that it is cent per cent. nationalisation—unalloyed nationalisation, if you like to call it.

A number of minor points have been raised. But the two very important points which have been raised by quite a number of hon.

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Members of this House were regarding the principle of compensation and on the question whether there should be only one Corporation or whether there should be two Corporations. I will come to them a bit later.

Comparison has been made with the Railways and it is asked: why not manage it exactly as the Railway Board? To that point I think I have given a reply briefly.

The other question was about efficiency. Many Members have alluded to the lack of efficiency or lack of honesty in the railway departments. I am not here to speak on behalf of the Railway Ministry. But I would only like to point out that it has been admitted on all hands that the efficiency and regularity of the railways have tremendously increased since the war years. There have been occasions in this House also when Member after Member has paid glowing tributes to the Railway Minister for stepping up the efficiency of the Railway administration. But one thing I must say. Any means of transport which functions on the ground can afford for some time to neglect the repairing or overhauling of the machine but any system which functions in the air can do so not only at the risk of the passengers but at the risk of the personnel engaged in it. Therefore, to presume that the services or the management will neglect the upkeep of the aircraft is to presume a thing which will go beyond human nature. Nobody wants to risk his life himself and our ground engineers or pilots, as I have said yesterday, are a fine lot of people. They will never fly with a machine which is not properly maintained, which is not properly repaired or the worn-out parts of which are not properly replaced. I am saying these things because even if there is some slackness on the part of the management, those who are directly in charge of those machines will not allow the repairs or replacements to suffer even for a moment. So the comparison in that respect with the railway or with the road transport or I will say even with the river transport does not hold good.

My friend, Mr. Alva said that we have enumerated quite a number of functions for the Corporations but the production of aircraft has not been enumerated there. I may point out to him that Hindustan Aircraft is already engaged in that work and we do not want to duplicate that. A Government undertaking has already taken that work and let us hope and see that our experts in the H.A.L. will expedite the

production of our own aircraft in that factory.

My friend, Mr. Sodhia perhaps, has raised the point that we are going to sink this money in this Corporation and what return Government is likely to get? Perhaps he is not aware that in all the nationalised undertakings which we are managing as private limited companies or Corporations, our intention is to charge income-tax from them as from private industry. Apart from that, we will be charging interest at the usual rates from the Corporation also.

Seth Govind Das: If there is a loss?

Shri Jagjivan Ram: It will be written off.

Dr. S. P. Mookerjee: If the Finance Minister agrees.

Shri Jagjivan Ram: When we find that there is going to be no profit at all—of course, it is a sort of a public utility service—we have to consider whether to write it off or not but if, in a particular year, there is loss—if such a contingency should arise which I hope will not—it will be carried forward and the Corporation will have to pay it. We are bound to make profit though our motive is not to make profit. Our motive is to give best service. As I said yesterday, in all these public utility services, our efforts would be to see that the services should not be a burden on the public exchequer. It should not be a burden on the taxpayer but it should earn its way.

Dr. S. P. Mookerjee: It should contribute income-tax also.

Shri Jagjivan Ram: Of course, it will. The question has been raised that as soon as Government takes over any commercial undertaking, it is bound to go down and my friend Seth Govind Das tried to fall in line with Dr. Jaisoorya. I think it was a strange thing when Seth Govind Das tried to corroborate.....

Seth Govind Das: I only said that I did not agree with him.

Shri Jagjivan Ram:Dr. Jaisoorya. When he named Tulsidas I thought he was referring to my friend Mr. Tulsidas Kilachand. But, he meant Tulsidas, the writer of the *Ramayan*, and quoted a couplet from there.

Dr. S. P. Mookerjee: He was thinking of the *Pushpaka viman*.

Shri Jagjivan Ram: He quoted:

“जेहि विरि चरन देह हनुमता,
चलेउ सो गा पाताल तुरता ॥”

But, my friend forgot another couplet.

Seth Govind Das: I did not agree with him.

Dr. S. P. Mookerjee: Let us have the couplet.

Shri Jagjivan Ram: I said, he forgot another couplet which follows very soon:

“गिरि पर चढ़ि लंका कपि देखी,
कहि न जाइ अति दुर्ग विरोधी।”

Seth Govind Das: You have made it all right.

Mr. Deputy-Speaker: Hon. Members would like to know the meaning.

Shri Jagjivan Ram: I am coming to that. It is not that every mountain on which Hanuman climbed, went down. It did when he so desired. When he had to prepare to defeat Ravana, when he had to prepare himself to conquer evil forces, he just climbed up a mountain and surveyed Lanka, the capital of Ravana. That mountain did not go down, did not sink. It provided a base for him to fight evil forces. I wish Seth Govind Das had remembered this couplet.

Seth Govind Das: I fully agree with you.

Shri Jagjivan Ram: I am presenting this couplet not only to my hon. friend Seth Govind Das, but also to my hon. friend Dr. Jaisoorya and say that this will be the base to fight the elements which have up till now brought disrepute to the Government. We will show that we can manage efficiently and make it a success.

Dr. S. P. Mookerjee: The Bill is the mountain and the Government is Hanuman here.

Shri Jagjivan Ram: My hon. friend may presume himself to be the mountain.

Seth Govind Das: On a point of personal explanation, Sir.

Mr. Deputy-Speaker: The hon. Minister is not giving way.

सेठ गोविन्द दास : मैंने जो कहा था, मैं समझता हूँ शायद माननीय मंत्री जी ने मेरा अभिप्राय नहीं समझा। डाक्टर जयसूर्य का भावण तूलसीदास जी के कथन में आजाता है, मैंने कहा था, परन्तु मैं उन से सहमत नहीं हूँ, मैंने यह भी कहा था।

Shri Jagjivan Ram: I am glad, Sir. I will go a step further. Apprehensions have been expressed that as soon

as this service is nationalised, there will be a tendency to raise the rates of fares and freight, that the number of frequencies may be curtailed, that efficiency may go down, etc. I can only assure them that it will be our earnest endeavour to see, unless some abnormal circumstances arise which are entirely beyond our control, that the rates of fares and freights are not raised, that frequencies, instead of being curtailed are increased and that efficiency is increased. In the matter of nationalisation, I would go a step further and say that even if after nationalisation, there is a likelihood of efficiency suffering slightly, it is worth trying as a great social measure.

Then, I come to the question of employees.

Shrimati Renu Chakravartty: What about having two Corporations?

Shri Jagjivan Ram: I will come to that.

About the employees, apprehensions have been expressed and naturally too, that after the integration of the air companies, there is a likelihood of a certain category of staff being surplus to the requirements of the Corporations. Then, an apprehension has also been expressed that whatever assurance has been given will not be fulfilled. I want to make it clear what assurances have been given. The provision in the Bill and the statements which I have made on more than one occasion are to the effect that our intention is that the Corporation takes over these companies as going concerns. And when the Corporation takes over these companies as going concerns on an appointed date, in order that there is no dislocation in the services, we take over all the employees of those companies. So, on the day the Corporation takes over from the companies, there is no retrenchment. But after taking over, the Corporation will have to integrate all the companies, they will have to integrate the staff as well, and after the process is completed—it may take six months; it may take nine months, it may take even longer—it may be found that certain categories of staff are surplus to the requirements of the Corporation. Now, if the Corporation is to run economically, if it is to maintain a reasonable rate of fare and freight, if it is to maintain efficiency as well, nobody will advise that the Corporation should carry on with a staff surplus to its requirements. There are however, two alternatives: either we retrench the staff surplus to the requirements of the Corporation, or we find some additional avenues of employment for

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them. I will be the last person to follow the first alternative. I will try my utmost to expand the activities of the Corporation in order to absorb the staff which is found surplus to the requirements of the existing routes. That is the one assurance I can hold out at present. Expand we will have to, and we will have to run new routes. We will have, in course of time, and as early as possible, to run a number of feeder services to connect even centres of lesser importance with our trunk routes. We will have to increase the activities of our workshops so far as repairs and manufacture of small parts of aircrafts are concerned, and we will try by increasing the activities of the Corporation to absorb the staff that may be found surplus to our requirements. As I have said, it pricks one's conscience in the present state of our society when we have to throw anybody on the streets. And I will try my best to see that those who are found surplus to the requirements are absorbed either by expanding the activities of the Corporation or in some other governmental activities or undertakings.

Mrs. Renu Chakravartty raised—perhaps she or somebody else—the point: what about the awards given by the tribunals in respect of the employees in certain companies? As I have said, we are taking over these companies as going concerns and we do inherit those awards also. So, the Corporation will inherit the liabilities or privileges of those awards of the tribunals.

My friend Dr. Satyanarain Sinha, and of course, Mr. Alva also, raised the question of the Curtiss Commandos. My friend Mr. Alva raised many other things which concern directly the Defence Ministry, and not the Communications Ministry. So I will not take notice of those points.

1 P.M.

Shri B. Das (Jaipur-Keonjher): I hope the Defence Ministry will take notice of them.

Shri Jagjivan Ram: About the Curtiss Commandos, perhaps, as you are also aware.....

Shri B. Das: Will you pass it over to the Defence Ministry to take action on them?

Shri K. K. Basu (Diamond Harbour): You communicate to them.

Shri Jagjivan Ram: The Curtiss Commandos have a long-drawn-out history, and perhaps you are aware of their

position. In recent times, it has been examined on more than one occasion, whether it can be utilised by the Defence Ministry or the Communications Ministry. Up till now, the Communications Ministry did not directly possess aircraft, excepting a few which are necessary for our training centre. On all the occasions when this question was examined, it was found that they were not required by the Defence Ministry, and the Communications Ministry was not in need of aircrafts. Apart from that, the question was examined whether it will be economical to get these aircrafts repaired and run them. In the first place, I am not an expert. So, we have to go by the advice we get from our experts. We are told that all these aircrafts are not fit for passenger traffic, and that they can be utilised only for freight service.

Shri Joachim Alva (Kanara): They flew over the China hump during the last war.

Shri Jagjivan Ram: As I have said, we have to go not by the advice of my hon. friend Mr. Alva, but by the advice of the experts.

Shri Vittal Rao: Who are those experts? Can we have a list of those experts?

Shri Jagjivan Ram: And this opinion is not held by our own experts only, but by experts who came from outside the country also. It is the advice of the experts that these aircrafts are not fit for passenger traffic, and that they can be utilised only for freighter service. They are about 70, and their book value, perhaps as you are aware, Sir, is rupees seven and a half crores. There is a large number of parts also. I understand their book value is rupees two and a half crores, but that is only the book value. On one occasion,—again I say, you are aware Sir,—there was an offer of Rs. 50,000 for all these aircrafts, and spare parts.

Mr. Deputy-Speaker: Rs. 35 lakhs.

Shri Jagjivan Ram: It was Rs. 50,000 at the initial stages. Then it came to Rs. 35 lakhs, but then again, the contract did not materialise. Again, a few months back, when world tenders were invited, no tender was given by any party, and the only tender which came, came perhaps after the expiry of the appointed date. On that occasion also, I got this question examined by the experts of the Civil Aviation Department. Then also, I was advised that we are not interested in these aircraft. I rang up my

friend the Minister of Works, Housing and Supply on another occasion and requested him to delay the disposal of these things till I had the question thoroughly examined. After I received the advice of my experts, I said 'You can go ahead'. We were afraid moreover that if we delayed the matter, we may not get even that amount. Again, a few days ago, some Members of Parliament brought this matter to my notice, and said 'Can we not take these planes and get them renovated and reconditioned so that they may be used by the Corporations?'. It is too early for us to decide whether all these 'planes' will be required by the Corporations or not. After the amalgamation of the companies and integration of the services and routes, my idea is that we will have quite a number of Dakotas which will be surplus to our requirements and which we can utilise even for freighter service. But all the same what I can say on the present occasion is this ...

Shri Syamnandan Sahaya: Or expanding lines.

Shri Jagjivan Ram: I have already got a note from my friend, the Deputy Minister of Works, Housing and Supply. Within the next two or three days I will get it further examined and if we find that we can advantageously utilise these aircraft after they have been repaired, we will do the needful in the matter.

Shri Joachim Alva: Is not the price of these Curtiss Commandos three or four times outside this country?

Shri Jagjivan Ram: I do not want to go into great detail about this question, but if my friend, Mr. Alva, has some curiosity, I can satisfy it. I have got enough of information on this point. We must not forget that these are very old type of aircraft which are not being manufactured now. I am told if we want any spares and stores, we cannot approach certain firms or manufactures and indent these from them, but we will have to hunt out throughout the whole of America to find spares and stores. We have some spares with us also. So there are some obvious difficulties. My friend says that they fetch very good price. Well, the proof of that is that we invited tenders on a world-wide basis and till the appointed date there was not a single tender for these spares and aircraft. That proves how much they are in demand in the world. But all the same, as I said, I will get this question further examined and do the needful in the matter.

Then a few Members raised the question as to why we should leave

non-scheduled operations in private hands. They are perhaps apprehensive that this may be a channel through which the custom of the Corporation or the scheduled services may be affected. There should be no apprehension on that point because even if you allow private operators to operate non-scheduled services, it does not preclude the Corporation from undertaking non-scheduled operations. Wherever the Corporation will find that we are in a position, or it will be advantageous for the Corporation, to undertake non-scheduled or charter operations, it will do so. Thus there is no question of our revenue being affected, because usually we do not allow any large number of charter flights between any two points on which there is a scheduled service or on which the Corporation will be running a regular service. The charter flights will be mostly between points which there is no regular service of the Corporation. Even there my idea is that the Corporation will have to engage itself greater and greater in non-scheduled or charter operations also.

Now, I come to the question of compensation. There have been two sets of opinion. One is that we have been very generous and liberal; the other is that we are not even fair and it cannot be said that it is compensation. I may tell you, Sir, that during all these times that we have considered this question of principle of compensation,—I mean with my friend, the Finance Minister—we have been very careful in the matter to see that we are fair. We determine principles of compensation in such a way that it will not produce serious adverse repercussions on future investments in private industry. That has been one consideration also. But due to that consideration, we have neither been generous nor tried to pay something more than what the companies deserve on the basis of their assets.

My friend has raised the question that these aircraft were purchased from the disposals at a very cheap rate. But my friend forgets that that very cheap rate is going to be taken into consideration while assessing compensation for those aircraft. We are not taking market value into consideration. If an aircraft was purchased for, say, Rs. 40,000 and Rs. 60,000 were spent in reconditioning it and making it 'flyable', only these two things will be taken into consideration while determining the compensation or price of the aircraft today. So it does not matter if they were purchased very cheap. Their value will be assessed today on the basis of that price which was paid by the company. The whole principle involved in this question is

[Shri Jagjivan Ram]

that a person has spent something out of his pocket, he has enjoyed the fruits of it to some extent and

Shri Vittal Rao: To a great extent.

Shri Jagjivan Ram: Whatever it may be. Then there is reduction in its value in the shape of depreciation. We find out what is the remainder and we pay for that. That is the principle that we have adopted and we felt that we tried to be fair, not to be unfair; but we have not tried to go out of our way to prove that we are generous to them. I do not want to say anything more on this point, because if the Members will go into detail, they will find in the schedule that we are not trying to pay more. Seth Govind Das raised the question that we should pay the market value. I do not agree with him. We cannot pay the market value of the assets; we can proceed only on the basis of what amount one has spent in acquiring a particular asset, what has been the reasonable depreciation in that asset and what is the residuary value of that asset, and we pay that residuary value.

Seth Govind Das: Suppose today it has become absolutely useless; then also will you pay?

Shri Jagjivan Ram: Then, it will not deserve anything. If it is absolutely useless, then it will have scrap value.

Shri Syamnandan Sahaya: There is even scrap value here.

Shri Jagjivan Ram: There is provision for that.

Shrimati Renu Chakravartty said that on this basis an aircraft even in a period of 20 years will not be reduced to zero. Perhaps, she will calculate once more and find out that it is not so.

We have, of course, provided something for those engines and air frames which have been renewed and made air-worthy recently. Unless we provide some incentive for the companies, a good number of aircraft engines will go out of order and when the Corporation takes over these things, we will find that we have to make a large number of engines and air frames air-worthy and we will have to spend a large amount and it will take time. Therefore, we have provided some amount as an incentive, so that when we take over the engines and aircraft, we find that they are air-worthy and we start operating them.

Then many questions have been raised as to why there should be two Corporations.

Dr. S. P. Mookerjee: Two Corporations will take two minutes.

Shri Jagjivan Ram: It will take two minutes. In other countries also, it has been mostly the practice to run internal services by a separate Corporation and external services by a separate Corporation or company, or whatever it may be. Our pattern is mostly like Australia where there are also two separate Corporations to run the internal and external services. It has been said that in that case the expenditure will increase. I do concede that the expenditure will increase to some extent. When I say to some extent, I say that it will be, compared to the assets and services involved, not a very appreciable amount. If I may give an indication, we got this point examined in great detail and we found that if we had two Corporations instead of one, the expenditure would go up by rupees six lakhs more. The extra expenditure would be of that order if we had two Corporations. Now, that is not a consideration which should deter one from having a separate Corporation for the external services. I do not want to repeat the arguments which I advanced yesterday and which have been repeated today by some other hon. Members, but I would like the House to appreciate only this point, that in the external services, we have to maintain a certain standard and a certain reputation, because we have to compete with other nations as well and compete with airlines belonging to other countries.

Shrimati Renu Chakravartty said that there would be a split among the workers. I could not follow exactly what she meant by that. She also said: the international service will be a profitable one and the internal one will be a losing one. I do not know how and I do not know, further, why the internal service should be a losing concern for all times to come.

Shrimati Renu Chakravartty: I did not say "for all times to come".

Shri Jagjivan Ram: Maybe for a year or two.

Shrimati Renu Chakravartty: Exactly.

Shri Jagjivan Ram: It may be so even knowingly because we will have to start certain routes in the country that we know from the very beginning are not economic routes. In that case, the internal air Corporation may lose for some time. By having both these bodies together, it is said that the profit made by the international air Corporation may be used for making good the

loss incurred by the internal air Corporation. That should not be the consideration. I am convinced and I still hold that in the interests of both the Corporations, in the interests of the early expansion of the activities of the internal Corporation, so that it may devote more and more time and attention to the development of new route patterns and to the development of new stations and to the opening out of new feeder lines etc., in the interests of all these things, the internal Corporation should be kept aloof from the international Corporation, and the international Corporation should not be mingled with the internal Corporation. Both should be allowed to function separately, so that they can function efficiently and the international Corporation may maintain the reputation and name that it has earned for the country.

Shri Vittal Rao: How about fifth freedom Traffic?

Shri Jagjivan Ram: About this freedom of air traffic, I think Mr. Alva who raised that point was working under some misapprehension. No foreign airlines are allowed to carry passengers between any two points in the country.

The question has been raised as to why there should be a Transport Council and an Advisory Committee. In one sentence, I may answer that point. The Transport Council will be to advise the Government and the Advisory Committee will be to advise the Corporations. The Labour Relations Committee, as is obvious, will be to promote good relations between the authorities of the Corporation and the employees of the Corporation.

I think I have tried to deal with all the points that have been raised here. There are a number of points of a minor nature regarding the qualifications of the Directors etc. We will consider them in the Select Committee and try to make improvements.

An Hon. Member: And the taking over of landing grounds.

Shri Jagjivan Ram: All these will be considered in the Select Committee.

With these words, I commend the motion to the House.

Shri Joachim Alva: May I seek only one clarification from the hon. Minister? Is it the intention of the Government to appoint Directors

from the ranks of the workers who are running these airlines for us?

Shri Jagjivan Ram: No. That is not the intention at present. My intention has been made quite clear, namely, that I will have on the Board of Directors a member who has some experience of labour matters and who has sympathy for labour, but I am not going to take a representative of workers as such.

Shri Joachim Alva: Not even of the pilots and other workmen?

Shri Jagjivan Ram: No.

With your permission, Sir, I have to suggest a few additional names for the Select Committee. I wish to add the following names:

Shrimati Vijaya Lakshmi Pandit;
Shrimati Sushama Sen;
Shrimati Renu Chakravartty;
and
Shri Sarangadhar Das.

Mr. Deputy-Speaker: I shall put the motion to the House. I hope that the additional names suggested are acceptable to the House as a whole.

Hon. Members: Oh, yes.

Mr. Deputy-Speaker: The question is:

“That the Bill to provide for the establishment of Air Corporations, to facilitate the acquisition by the Air Corporations of undertakings belonging to certain existing air companies and generally to make further and better provisions for the operation of air transport services, be referred to a Select Committee consisting of Pandit Thakurdas Bhargava, Shri N. Soman, Shri N. P. Nathwani, Pandit Munishwar Dutt Upadhyay, Shri Venkatesh Narayan Tivary, Shri C. D. Pande, Shri Mathura Prasad Mishra, Shri Banarsi Prasad Jhunjhunwala, Shri Satis Chandra Samanta, Shri Rohini Kumar Chaudhuri, Shri Ghamandi Lal Bansal, Sardar Amar Singh Saigal, Shri Yeshwantrao Martandao Mukne, Shri M. Muthukrishnan, Shri T. N. Viswanatha Reddy, Shri C. P. Matthen, Shri H. Siddanjanappa, Shri Pannalal R. Kaushik, Shri Nityanand Kanungo, Shri Vajinath Mahodaya, Shri V. B. Gandhi, Shri Shivram Rango Rane, Shri Jaipal Singh, Shri K. Ananda Nambiar, Dr. Syama Prasad Mookerjee, Shri Girraj Saran Singh, Shri Rayasam Seshagiri Rao, Shri

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M. S. Gurupadaswamy, Shri K. A. Damodara Menon, Sardar Hukam Singh, Shri S. V. L. Narasimban, Shri Radha Raman, Shrimati Vijaya Lakshmi Pandit, Shrimati Sushama Sen, Shrimati Renu Chakravartty, Shri Sarangadhar Das, Shri Raj Bahadur and the

Mover, with instructions to report by the 30th April, 1953.'

The motion was adopted.

Mr. Deputy-Speaker: I have to appoint a Chairman for this Committee. Pandit Thakurdas Bhargava will be the Chairman.

The House then adjourned till a Quarter Past Eight of the Clock on Wednesday, the 22nd April, 1953.