

[Shri Raghubir Sahai]

the hon. Minister will consider making a suitable provision in this Bill. My humble submission is that it should be permissible for the prosecution to adduce evidence with regard to the general reputation of the public servant who is charged with the offence of either taking bribe or who has accumulated property disproportionate to his resources. I do not wish to be very long in my remarks, but I would request the hon. Minister to take the suggestion seriously.

Mr. Deputy-Speaker: It has been brought to my notice by Mr. Ramaswami that the inclusion of section 165A here is a little too premature. It is only just now that this House passed and made 165A a substantive offence. The Council of States has yet to pass it; it has to receive the assent of the President; then alone will it become law. Till then I am afraid this Bill has to stand over.

Dr. Katju: I would like to leave this matter entirely in your hands. I should have thought that both these connected Bills might go to the Council of States. But if you think that there should be a substantive section 165A almost of a cast iron nature, then these sections cannot be taken into consideration.

Mr. Deputy-Speaker: After all it is no good assuming that this will be accepted by the Council of States. Are we to pass legislation which will become infructuous? The President may not give assent to it—then there will not be section 165A.

Dr. Katju: Then, it may stand over, Sir.

Mr. Deputy-Speaker: Then this Bill, will stand over for consideration to some other date, until after the other one is passed.

INDIAN TEA CONTROL (AMENDMENT) BILL

Mr. Deputy-Speaker: The House will now take up the Indian Tea Control (Amendment) Bill.

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): I beg to move:

“That the Bill further to amend the Indian Tea Control Act, 1938, be taken into consideration.”

It may be explained that the Indian Tea Control Act of 1938 has been brought into being pursuant to the In-

ternational Tea Agreement which was signed by the producing associations in India, Ceylon, Indonesia and Pakistan (or undivided India in those days) with the aim of equating the world supply to the world demand of tea in the interest of avoiding a serious situation which threatened the tea industry in the early thirties. The main object of the agreement was to regulate the acreage under tea cultivation and export of tea from a producing country. Recognising the usefulness of the agreement brought about by the co-operative effort of the producing interests, the Governments of the countries had lent support to the agreement and agreed to facilitate its implementation by means of necessary legislation. The legislation in the case of India was the Tea Control Act of 1938.

The Indian Tea Control (Amendment) Bill, which the House is now asked to consider, does not seek to amend the provisions of the parent Act, either by way of relaxation or tightening up of the provisions relating to regulation of acreage under tea cultivation or export of tea. The provision of this Bill merely seeks to amend such provisions of the parent Act as have been found to be administratively defective, judged by the experience gained during the course of the administration of the Act during the many years that have passed since 1938.

The Indian Tea Licensing Committee, to which is entrusted the administration of the majority of the provisions of this Act came to be constituted as far back as 1938 and has not been reconstituted till now. The tea producing interests in certain cases, namely, Assam Valley, Cachar district in Assam and Tripura, South India excluding Travancore-Cochin, Kangra, Dehra Dun and Bihar are required to return after election under section 3 of the Indian Tea Control Act three representatives as members of the Indian Tea Licensing Committee. The holding of elections for the purpose was considered very difficult if not impossible during the war and section 3 of the Act had, therefore, to be amended in 1943. As a result section 3(2) of the Act allowing the members of the Committee to continue to hold office for the duration of the war came to be incorporated. Such a provision apart from its being in the nature unnecessary has proved liable of being misused and that a member representing certain interests may cling to office even though the interest concerned may no longer wish him to continue as its representative. There is no gainsaying that the tea producing interests should be allowed to be repre-

sented on the Indian Tea Licensing Committee from time to time by persons of their own choice and to achieve this object, it is necessary to provide for the periodical reconstitution of the committee. Clause 2 of the Bill seeks to amend the Act with this object in view.

Clause 3 is a corollary thereto and is designed to frame rules to regulate the term of office of nominated or elected members of the Indian Tea Licensing Committee. It is felt that the provisions sought to be incorporated under clauses 2 and 3 are desirable and at the same time are innocuous.

Coming to clause 4, as I said before, the International Tea Agreement lays down the permissible tea acreage as on the 31st March 1950 for all tea-producing countries which are parties to the agreement. It also prescribes that during the period of its currency, namely 1st April, 1950 to 31st March 1955 the area under cultivation may be extended up to 5 per cent. of the permissible tea acreage as on 31st March 1950. An additional area of about 10 per cent. of the permissible acreage may be planted with tea only if the acreage has become unsuitable for tea plantation and has therefore to be abandoned.

Section 26 of the Act, as at present emerged, requires a permit from the Indian Tea Licensing Committee, if tea has to be planted on land only by way of extension thereto, but not by way of replacement of existing tea acreage. The Indian Tea Licensing Committee has been issuing permits also in cases of planting of tea on land by way of replacement. It is felt that it is expedient to continue this practice. In order to ensure strict observance of the obligations undertaken by us under the International Tea Agreement to bring the legal provisions into line with the existing practice, it is sought to amend section 26 in clause 4. This is merely a question of confirming the existing practice and does not carry with it any innovation.

These broadly, are the two points covered by this Bill and so far as the merits of the two amendments suggested. I do not anticipate anybody can take any serious exception, as in one case all the Members of the House will agree that the Indian Tea Licensing Committee should be reconstituted from time to time and in the other case it is merely a question of giving legal sanction to a practice already being followed.

I concede, that there may be other questions relating generally to the administration of the Tea Licensing

Act or the way in which the Tea Control Board has been carrying on its work which might merit justifiable comment from Members of the House. But that is a different matter altogether. I venture to submit that the Bill before the House does not contemplate any serious departure from existing practice. I, therefore, hope the House will give its approval to this motion.

Mr. Deputy-Speaker: Motion moved:

"That the Bill further to amend the Indian Tea Control Act, 1938, be taken into consideration."

Shri A. V. Thomas (Srivaikuntam): I have great pleasure in supporting the motion before the House. As one interested in tea cultivation I would like to point out to the House that the tea industry at the present moment is facing a serious crisis and it is very necessary now that the International Tea Control Agreement should be reviewed and enforced fully. The countries that did not subscribe to the original Tea Agreement should also be brought in now and the question of restriction of tea production and also of obtaining a fair price for tea should be gone into. The cost of production of tea has gone up considerably and it is impossible now to get in the markets even the cost of production. The prices ruling now are much below the cost of production. It does not end there. Producers have difficulty in selling their tea even at current ruling prices. Matters have reached a very serious stage and immediate attention is called for to set matters right.

Out of our production, only about 20 per cent. is consumed in the country and for the balance of about 80 per cent. the industry has to look for outside markets. Other countries have come into the market, and it is very difficult now—I would say almost impossible—for Indian tea producers to place their tea in outside world markets and get a reasonable price.

I am not a scare-monger, but I would like to bring to the notice of the House the very serious plight in which the tea industry finds itself today. Heavy burdens have been laid on this industry from various directions—the labour, the State Governments with their agricultural income and sales taxes and the Central Government with their taxes, etc. There was a spell of prosperity for the tea industry for a few years and the industry was able to bear all these burdens. But for some time now, with the steep decline in prices, it is not able to bear these burdens, and if effective steps are not taken immediately to redress some of the grievances or to give relief to the industry I am

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afraid the industry stands in great peril. It may even come to the stage of many gardens and estates closing down, and I need not tell the House what the consequences of this will be.

As I said before, 80 per cent. of the tea has to be sent to outside markets. That means a large amount of foreign exchange; foreign currency is made available by the exports. Other countries, especially those countries who have not been in the market or who have been in difficulties in the past, like China, have now come to the market and they are able to place their tea in the market at much lower prices than we can. If once we lose the markets of the world which we have been holding for a number of years, it will mean that it will be difficult—and I would say almost impossible—to regain the lost markets.

I request that the Departments concerned go into these questions and give effective remedies to the industry as quickly as possible. I suggest that the export and import duties be cancelled. Also, the new Labour Plantation Acts etc. may be kept in abeyance for some time till the tea industry recovers and is able to stand on its feet.

The planting community is a hard-working community. They can face any difficulties. In fact they have faced many difficulties before and have gone through various slumps. They appeal to the Government and others concerned only when they are hemmed in with difficulties from all directions and are unable to carry the burden. Such a time has come now, and I therefore request that attention may be given to the various points I have mentioned.

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There is also another important thing. As I said before, the International Tea Agreement should be reviewed as quickly as possible and our Government should try to do their best to get all the tea-growing countries of the world to come into the scheme. This saved the tea industry once before and I am sure if it is done again it will again save the industry from ruin.

Shri K. P. Tripathi (Darrang): The Bill which has been brought before us seeks to bring within the purview of the Government the question of replacement of tea areas. You know that in tea gardens there are several types of cultivation. Firstly, there is infilling. That is, some plants which die have to be infilled. Secondly, in an area where the plantation has been

uprooted, new plantation is made. About these two matters there was provision previously. There is the third point also, namely, you uproot the tea plants from one place and plant the same in another. In this case there was formerly the provision that if the planter increases the plantation by two per cent. he need not take any permission; he could do it himself. Now the Government of India by this amendment want to bring this also within their power so that if anybody wants to plant anything by way of replacement he shall have to take the permission of the Tea Licensing Committee. I think it is a step in the right line.

You know that there were tripartite conferences previously and in those conferences we discussed the question of plantation labour. We were surprised to find that the plantation labour in India was kept in the lowest rung, almost in semi-slavery conditions. It will be remembered that there was a Committee set up for inquiring into the conditions of labour and Dr. Lloyd Jones carried out an investigation. In his investigation report he writes that the condition of plantation labour is terrible. He says that even children amble like old men. I do not know of any enquiry report anywhere in the world where it is said that children amble like old men. And the number of deaths among women during child birth is tremendous. The number of children who die after birth is also very large. For all these reasons the condition of plantation labour was considered to be very bad and therefore the tea industry in utter abashment agreed to improve the condition of its labour. This House will remember that in October last an Act was passed called the Plantations Act. Under that Act there are certain obligations on the tea industry.

Mr. Deputy-Speaker: Are they all relevant here? This is only an amending Bill. With respect to an amending Bill only those sections are relevant which are touched upon by the clauses of the Bill and not the other substantive provisions of the Act, except in cases where the clauses of the Bill necessarily lead to the amendment or modification of any other section which is intimately connected therewith. The other sections are not relevant. Therefore I do not think the general conditions etc. of labour on the tea plantations come within the purview of this Bill. This is only an amending Bill.

Shri K. P. Tripathi: I am just going to connect it, Sir. I was just saying that this was the condition of plantation labour. Then the question arose

with regard to hospitalisation and the industry agreed to undertake that responsibility. There were some gardens which were uneconomic in nature. Now, how could these uneconomic gardens take upon themselves the responsibility for starting hospitals? We tried to find out several methods; but we could not succeed. It was thought that the gardens should combine, or in the alternative, the gardens should be allowed to expand. The smaller gardens should be allowed to expand at a faster rate than in the case of the bigger gardens. So long, the expansion was allowed on the basis of percentage, so that, the bigger gardens were allowed a bigger percentage and the smaller gardens were allowed only a smaller percentage of expansion. If you admit that the conditions of labour should be improved and hospitals have to be started, then, these uneconomic units must be allowed to expand at a higher rate than the economic ones. Hitherto, there was no legislation for plantations. Once we have conceded that there must be legislation either by way of the Minimum Wages Act or the Plantation Act, a heavy responsibility is saddled upon the industry. Therefore, it is for the Government to see that these uneconomic holdings become economic.

It will be remembered that recently some tea gardens have served notices that they are going to close. I am told that some uneconomic units in Kachar have already closed. What is going to happen to these units? These smaller and uneconomic units should be allowed to expand so that they may be able to shoulder the responsibility as soon as the rules which are being framed are put into application. So, I feel that this provision is a step in the right direction. I draw the attention of the Government to this fact that when they grant permission, they should bear in mind that their permission should not be on the old percentage basis where the bigger gardens win and the smaller gardens lose, but smaller gardens should be allowed to expand at a quicker rate than the bigger ones, so that all the units may be brought up to a proper level.

Mr. Deputy-Speaker, you have allowed the hon. Member on the other side to speak about the level of prices, and the conditions in which the industry finds itself. I do not know how far that is relevant. If that point is allowed to be raised, then, I have certain things to say with regard to that also. It will be remembered that recently the prices have gone down. The indus-

try came forward to the Government and asked for an Enquiry Committee. It is stated that a Committee has been set up also. I do not know what is going to be its work. On this Committee labour has not been represented. If this Committee makes submissions, which go against the interests of labour, I hope labour will be consulted and nothing shall be done against the interests of labour unless labour agrees. With regard to prices, I submit this. I find that the world retail prices of tea are constant. There has been no fall in the world retail price of tea. There has been only a fall in the purchasing price of tea at Calcutta and the wholesale prices. Every one knows that this tea industry is controlled by monopoly interests, and it is quite easy for these monopoly interests to combine among themselves and create a fall in the market, so that Government may be forced to reduce the export duty or withdraw the Minimum Wages Act or to scrap the Plantation Act. I hope Government will not be stampeded into taking any such action. I do hope that this Government will set up an Enquiry Committee to enquire into the question of prices. For this purpose, while I was in the ILO, I had discussions with the delegates from other countries, particularly Ceylon and Indonesia who along with India are producing the bulk of the tea for exports. All of them are very much concerned that the prices should be stabilised. What action has this Government taken for the stabilisation of prices? I feel that the Government of India should take a lead in this matter and convene a conference of all these countries which are interested in the production of tea and export of tea for the purpose of finding out a way for the stabilisation of prices. It will be remembered that when there was a crisis in the tea industry in 1933, there was created the International Tea Committee, which came forward to take stock of the situation and save this industry. Today, this crisis is there. The International Tea Committee sits mute. It is taking no action. Why is it so? If there was a real crisis in the industry, would this International Tea Committee have sat like this? I beg to submit that they would have taken urgent steps; but, no steps have been taken. I think it is because the tea industry wants that the export duty should be reduced, and therefore they are putting pressure upon the Government without trying in their own way to stabilise the prices. I therefore request the Government of India to take immediate steps to convene a conference of those countries which are interested in the export of tea, where we may make an attempt to stabilise the prices of tea. If you do not stabilise

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the price of tea, you are not going to do anything for labour. If you want to bring about uniformity in the conditions of labour in the tea industry or any industry whatsoever, you require stable prices. A stable price level is not going to come unless you make an effort for that. Therefore, I request the Government to consider this aspect of the matter and if possible to convene such a conference as quickly as possible.

The other point that I wish to urge is this. After the war, there has been an attempt to increase the supervisory costs. Recently, in the Minimum Wages Committee I was surprised to find that only 17 per cent. of the cost was labour charges. In an agricultural industry, is there anywhere in the world such a condition in which only 17 per cent. of the cost is labour charges, I ask. The balance is mostly supervisory cost. It is mounting up like anything. The pay of the managers has been increased by 30 to 50 per cent. They get car allowance, car maintenance allowance, child allowance, marriage allowance, free house, free water, free electricity, etc. The number of managers is being increased every day. Where formerly there was one manager, a number of assistant managers have been appointed: not men who know the thing, but young striplings are brought out from England as novices for the purpose of being trained as managers. In this way, the supervisory cost is mounting up. Therefore, I requested the Government and I request the Government even now to set up a Committee or an investigation commission to enquire into the cost structure of the plantations. Unless and until there is an enquiry into the cost structure of the plantations, it is not possible for the Government or for anybody to say what the cost should be. I feel that the cost structure of plantations is very important and the sooner there is an enquiry into the matter, the better. Once there is an enquiry, Government will be in a position to find out what should be done, if the industry comes forward and says that the cost is too much, and that labour charges have increased. I hear that there is an investigation going on with regard to the Minimum Wages Act and that there is a move that the Minimum Wages Act should be scrapped. There is a system of issuing rations to labour at concession prices. I hear that the industry says that this system of rationing should be scrapped. But there is no proposal as to whether there should be any cut in the supervisory costs. It will be remembered that there was an investigation made

into the uneconomic gardens of Kachar. In that, we were asked by the industry to share the losses. But, while there was a profit, we were never called upon to share the profits.

And actually, you will be surprised that we had to agree to share the loss in 20 tea gardens which had given notice of closure. And that loss we are bearing even now. We were told that within six months an enquiry committee would be set up and this loss would be taken off our shoulders. The enquiry committee was set up. It also reported, but the loss continues, and we are sharing the loss. Therefore, I am extremely sorry to point out all these facts to the House, and I am extremely sorry to say that Government has not tackled the question from the point of view of labour. There was a conference in Lucknow of the INTUC at which a resolution was passed that Government should set up enquiry commissions to enquire into the cost structure of tea, jute and textiles. Government have not set up any enquiry commission with regard to tea. Whether they have set up enquiry commission in regard to the other two I do not know. Plantation is an industry in which foreign capital abounds, and the interlocking devices are such that from the production to the distribution stage at Calcutta and from the distribution stage at Calcutta to the distribution stage at London, practically the same people are the proprietors in one form or another. Therefore, if the price level in India is reduced and the retail selling prices of the world remain constant, their profit increases. Therefore, in certain circumstances their profit increases even if they do not get any profit from the production stage. Such an extraordinary situation prevails. Therefore, this Government should not sit with its eyes closed with regard to what manipulations might take place in the industry. The only way in which this can be done is to find out the facts, and the facts must be found out. For that purpose, you must send a commission to enquire into the cost structure, you must send a commission to find out the international cost and price structure so that you may be posted with the facts. If you know them, then only you will be able to put pressure on the big firms who have monopoly interests.

Last year the Ceylon Government tried to have only an increase of 4d. in the pound, and he had to go to England to fight for it. Whether he succeeded or failed I do not know. In this way, by begging you are not going to succeed. In the business world, begging never succeeds. You

have to go upon facts. I do not know why Government should be squeamish about all this. Why should they not come forward and set up an enquiry commission, a fact finding commission, and if the facts are found out, then if the industry has a real case it will be able to put before the world: "Here is a real case. We want a reduction of export duty" or whatever it is. Then, the Government will be in a position to decide. Without knowing the facts, to set up a two-man committee simply for the purpose of penalising labour which is not drawing even minimum wages is extraordinary. I have not heard of any enquiry committee being set up to find out whether minimum wages should be reduced. Absurd! So I request Government to think over the same and not give effect to any such report which may advocate reduction in the wages and other things. I hope the Government will take stock of the situation and set up the committees and commissions which I have suggested, call a conference of the tea-producing countries as I suggested, and in the meantime, of course, I support the Bill which is proposed. I have made my submission with regard to the way in which this can be dealt with, viz., the tea gardens which are uneconomic should be given preference so that all the tea gardens may come to an economic level.

Shri Venkataraman (Tanjore): The amendment which the hon. Minister has moved to the Tea Control Act in so far as it deals with the term of office of the membership of the Committee is quite welcome. But, in so far as it seeks to amend Section 26 of the Tea Control Act, I want that this House as well as this Government should take note of the great implications which lie embedded in this amendment.

We entered into the International Tea Agreement in or about 1933 and the participating countries in the International Tea Agreement were India,—then India included Pakistan—Indonesia represented by Netherlands, and Ceylon which is the next important tea-producing country. Now, the tea industry in these countries was all controlled by the European capitalists, and they wanted to have the highest price possible. In fact, they wanted to ensure to themselves a monopoly in tea, so that they said unrestricted expansion of the growth of tea should be prevented at all costs so that the price may be kept at a high level. Since other countries did not grow much tea at that time, they were able to control not only production, but also prices. Since then, every five years we have been extending the life of this Act, and we extended the life of the present Act some time in February, 1950. And this Act, i.e., the

Tea Control Act, will be in force till 1955.

Now, what are the conditions of this Tea Control Act? No tea-planter in India can expand his acreage except at the rate of one per cent. each year of the total acreage, that is to say no planter in India can increase his acreage beyond 5 per cent. of the total acreage in the whole course of five years. Then, as regards replacements, only 10 per cent. of the total acreage can be replaced in the course of these five years. i.e., 2 per cent. per year and 10 per cent. in the whole course of five years. If the tea-producing countries of the world were all members of this International Tea Agreement, perhaps some of our planters also would have got some benefit under it. But, unfortunately you find today that a large number of countries which are growing tea are not members of this International Tea Agreement. For instance, in Africa in Nyasaland and Tanganyika, they are expanding their acreage by very fast strides. Last year, or a little earlier, the Government of India itself circularised a note to the tea-planters in India stating that they must take note of the possible competition from Africa in view of the increased production of tea from those countries. Now China produces tea. The U.S.S.R. produces it, though it is less than her needs, and the result is there are other countries which are increasing and expanding their production while we in India are limited, circumscribed and prevented from expanding our acreage. We are prevented from finding employment to our labour. We are prevented from growing more, and bringing more acreage under tea cultivation. During the years 1938 to 1950 we all know that there was a seller's market in tea, and there was absolutely no need for the Tea Control Act, and yet you see, our Government and also other countries like Ceylon and Indonesia were bound by this agreement and they were prevented from increasing their acreage. If my information is correct, some of the European planters have sold their tea estates in India, and they have transferred their assets and they are extending their acreage in East Africa, in Tanganyika. Nyasaland and other parts of Africa. This naturally works out as a great hardship to this country. Many of the large plantations which are in the hands of Europeans do not very much care for extending the acreage in this country because they have the wide world to exploit, while the small Indian planter who wants to extend his acreage is prevented by reason of this International Tea Agreement from extending his acreage, so that it works as a great hardship on the small planter

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who has facilities, who has land in his possession and yet he is prevented from increasing his acreage.

This is a very serious matter, and the Government ought to take note of the situation early enough to see whether we shall continue still to be members of the International Tea Agreement, which puts a ban on our expansion of production, while it gives free scope for expansion in other parts of the world. As a corollary to this International Tea Control Board, there is another organisation known as the International Tea Marketing Expansion Board. We in India contribute to the International Tea Marketing Expansion Board one-half of the total revenues of that Board. Our contribution annually is Rs. 50 lakhs. But what do we get in return? The International Tea Marketing Expansion Board does propaganda for tea as such. In spite of our spending as much as Rs. 50 lakhs, people in Australia or Europe do not know that India even produces tea, while the other countries like China or East Africa get the benefit of the propaganda done by the International Tea Marketing Expansion Board at our cost. Let us realise this. If these Rs. 50 lakhs are spent on propaganda for Indian tea then Indian tea would gain a very great market. After all, as you all know, advertising has come to stay and that is the only means of getting a market. In Australia I have seen advertisements of the kind 'It is good tea because it is Ceylon tea' etc. but nowhere did I find any advertisement about Indian tea, notwithstanding the fact that we produce one half of the world's production of tea. I say this, because we are spending from our resources very much by way of a contribution to the International Tea Marketing Expansion Board, without ourselves doing any correct propaganda for our tea, in the world. Therefore, Sir, it is a matter for urgent consideration by this Government, to see whether we should continue to be members of the Tea Marketing Expansion Board, and by making our contribution to them, allow them to do propaganda for tea grown in China or in East Africa or in other parts of the globe, which are not parties to the International Tea Agreement, and thereby suffer as a consequence in our own markets for Indian tea. The matter is so serious and important that the Indian tea producer has to awake, arise, and bestir himself to see that his tea is established in the market, before other brands of tea are established in the market. Nobody knows about Indian tea, notwithstanding the fact that the Darjeeling tea or the high-

grown tea of Nilgiris is the best in the world; people know only of Lipton's Tea or Brooke Bond's Tea. All this happens because our Government and our commercial establishments are not doing correct propaganda in favour of our tea. (Interruption). That is exactly my complaint, that it is the European interests in tea that are getting the benefit out of the vast expenditure of Rs. 50 lakhs which we are making as contribution to the International Tea Marketing Expansion Board, and by our being a member of the International Tea Control Board.

My submission to Government is that our tea industry is a very great national asset. Fortunately we have got an acreage which can absorb even all our labour now suffering in Ceylon, if only we are permitted to expand the acreage. If however we are going to deny ourselves by restrictive clauses by which we cannot expand our acreage, and by which even the replacement of tea should be limited to 2 per cent. per annum, then we are doing great injury to our economy. It is very necessary that the Government should examine the position between now and the time when the International Tea Agreement expires, and make up their mind not to renew it. There is so much to be gained by that. I know that several arguments will be advanced by the European interests in tea, that whatever I am talking is all nonsense. When I did the same thing in 1950, one of the papers which is inspired by European interests said that these people are all talking something about which they do not know. Yes, I am talking something about which they do not know. The European interests have been thinking that the Indian interests do not know what they have been doing and what they have been trying to do to trade in the name of Indian tea under the International Tea Agreement. I say, that unless the Government musters up courage and realises the consequences of the continuance of this agreement, it will injure our economy sooner than later.

There is one other difficulty which is connected with this. Last time, when we were discussing the Industries Development and Control Bill, the predecessor of my hon. friend Mr. T. T. Krishnamachari, said that he would very soon introduce a Bill in this House to take over the control of tea in the Industries Control and Development Bill. The original Bill, as it was introduced by my hon. friend Dr. Mookerjee had tea as one of the items in the schedule. It continued to be in the schedule. even when it went to

the Select Committee. Afterwards that Bill was dropped and a fresh Bill was brought forward in the light of the suggestions made by the Planning Commission. Even in the new Bill brought forward before this House, it was again mentioned in the schedule, as one of the items for control and development, but at the Select Committee stage, it was dropped—for what reason, I do not know.

Dr. S. P. Mookerjee (Calcutta South-East): The majority of the members of the Select Committee were in favour of coffee.

Shri Venkataraman: But I did enter my caveat then, and even in my dissenting minute, I have put this matter specifically. My point, is this, Tea is so important for our national economy that it ought to come under the Industries Development and Control Bill, and should be subject to the control of the Government. Once it comes under the supervision and control of Government, they will be able to understand and realise the several implications of the agreements which these tea interests are prevailing upon them to enter into. The Central Tea Board, as it is constituted today is dominated by tea interests from the European section, which is always giving such advice to the Government that will help them only. If once the tea is taken over by the Government and is kept under their control and supervision, under the aegis of the Government, then they would realise that this agreement is working to their detriment, and that therefore they ought to do something in the matter immediately. As the Bill has now been brought, I would have wished that it had not been brought at all, particularly clause 4. It is unnecessary to carry out our obligations under the International Tea Agreement in such a meticulous fashion as the hon. the Minister is anxious to do. I do not know why when such an agreement is not working to the benefit of our country—I do not know how far it is being honoured in other countries—we should continue it. I want to ask the hon. the Minister, if he has got statistics to show whether the other countries which are participating in this agreement, have not extended their acreage beyond what they have agreed to. Have any figures been supplied by any authority? Who is the authority under the International Tea Agreement, to check up whether the countries which are parties to the agreement, do not expand their acreage beyond what is allowed under the Act? Nothing of that sort! We merely meet once in five years, and at that time even, the representatives are mainly from the

European section of the industry. They come together and agree to extend the agreement for another period. Thus they present this Government with a *jait accompli*, which the Government have been so far only registering. I am very anxious that at this time, when he seeks to implement the International Tea Agreement to see that the acreage is not extended beyond 10 per cent. of replacement, the hon. the Minister will devote some time to these thoughts and find out whether it is after all worth while continuing to be member of the International Tea Agreement, and make up his mind by the time the new agreement has to be entered into.

Shri Damodara Menon (Kozhikode): I agree heartily with the criticism of my hon. friend Mr. Venkataraman with regard to section 26 of the Act, and the amendment which the hon. the Minister wants to put in on that section. The hon. Minister said that he is seeking to introduce this amendment because he considers it necessary for the purpose of ensuring a strict observance of our obligations under the International Tea Agreement.

Now, as my hon. friend, Mr. Venkataraman pointed out, the Minister has not shown how this agreement is working to India's advantage. I come from a part of the country where there are a large number of tea estates and where there is also a large acreage of virgin land which can be utilised for further expansion of our tea industry. This International Agreement is not working to our advantage at all. Now it has been made clear by my friend that there are countries which do not come under this International Tea Agreement and they are expanding their tea gardens as they like, and so long as there are countries which do not come under this agreement, I do not see any point in our keeping ourselves strictly within this agreement. This amendment is now introduced with a view to see that our obligations are strictly observed. I do not know, why we should embark upon such a strict observance now. I want to know from the hon. Minister whether as things stand now, he finds any difficulty. I know, as conditions stand now, some expansion is being permitted and we have not gone far astray from our obligations. Therefore, I do not see why we should now seek to bring forward this amendment.

Our industry must expand and our economy must also expand and if we are really wedded to this agreement and we see that virgin land that can be brought under tea cultivation is left as it is today, I am sure our country

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will suffer. Therefore, while it must be our effort to see that we get out of this agreement as early as possible, let us not now introduce a further amendment to this Act with a view to restrict our expansion in this respect.

Another point I want to bring to the notice of this House is this. The Central Government wants to regulate the term of office of the members of the Tea Licensing Committee. That is a good idea. I want to know, when we are reviving this power and giving it to the Central Government to make rules with a view to regulate the term of office of the members of the Board, whether these rules will be placed before the House for its consideration. Now, I do not know whether—the hon. Minister has not made it clear—there is any definite term of office fixed for the members. It would be good if we fixed a three-year term for the members of the Board. When rules are made, I hope the hon. Minister will bear this in mind. I would also suggest that the rules when they are made must be placed on the Table of the House and they must be subject to the approval of the House.

Shri Nambiar (Mayuram): This is a Bill which while I went through surprised me, because this is an action on the part of the Government to support the European interests without any regard to the conditions of the plantations owned by Indians or the plantation labour. It is so glaringly stated in the Statement of Objects and Reasons that "it is now considered necessary for the purpose of ensuring strict observance of our obligations under the International Tea Agreement that this matter also should be subject to the permission of the Tea Licensing Committee". This means that even the limited expansion of the tea industry should be brought under the direct purview, supervision and control of the Tea Licensing Committee. What is this Tea Licensing Committee? Of course, according to the Act of 1938, the Tea Licensing Committee is a permanent body—so far as this Act continues. Now he moves that there may be a limitation of the term of office of the members nominated or elected. I have gone through the Act and I have seen what exactly the Tea Licensing Committee is. In section 3, it says that this Tea Licensing Committee contains or comprises entirely of the tea industrialists and plantation owners. Even the Government have not got any voice in that. The Government can constitute the Tea Licensing Committee. The Tea Licensing Committee consists of one member to be nominated by each of the following bodies:

The Indian Tea Association, Calcutta, the Assam Branch of that Association, the Surma Valley Branch of that Association, the Planters' Association and so on and so forth. We find that these associations are dominated mainly by European planters. Therefore, the entire expansion, control, prices, etc. concerning the tea industry is handed over to this Committee and this Committee is dominated by the European interests which are monopolist. These people have got the right to decide whether there should be expansion or not. And what little expansion is allowed under the original agreement, even that is being removed by the Bill. That clearly shows that this is a blank cheque given to the European interests in India to do whatever they like.

Coming to the actual situation from the angle of the ordinary layman, I ask: Are we getting enough tea in this country? The price of tea is such—we of course from the South take a lot of tea—that we feel we are taxed more for it. Therefore, from the point of view of the ordinary man in the street, the price of tea is already very high, and in India, as one of the hon. Members on the other side who supported the Bill very eloquently stated, only 20 per cent. of the tea is consumed by Indians and 80 per cent. by foreigners. Even granting that this 20 per cent. is consumed by Indians we can say that we do not get enough tea in this country. There are very many parts of the country where tea is never used at all today. Though there is a lot of scope for this industry to grow, lakhs and lakhs of plantation labourers, as my hon. friend from Assam just now said, are living under inhuman conditions.

I know, for instance, that the tea planters of Nilgiri Hills and Annamalai Hills where I had occasion to go and meet them, are living in very very pitiable condition. They do not even have hutments for plantation workers. There I saw that they could not have even one meal a day and for even that they had to depend on the tea planters who were very much interested in their own profit and not interested in the plantation labour. That being the case, when there is scope for better expansion, when there is scope for better conditions of living for plantation labour, the whole thing is to be handed over to these monopolists. The fact that we here are to hand over these things and ask them to decide is a most absurd proposition. Therefore, as other hon. Members have suggested just now—Mr. Venkataraman and others—the entire matter requires the immediate attention of the Govern-

ment. The matter must be inquired into—the scope of expansion of the tea industry in this country, the condition of labour, the prices that we can reasonably be expected to pay and the markets that could be found out elsewhere. All these things should be taken into consideration and after further investigation a Bill should be brought to regularise the whole thing and to support the industry *in toto*.

Unless and until that is done, unless and until the interests of lakhs and lakhs of plantation labour, men, women and children are safeguarded, it will be most unfortunate on the part of Government to give some more powers or additional authority to the Licensing Committee when there is not even an attempt to reconstitute that Committee. I could have understood if the amending Bill had brought forward some other provision to amend section 3 whereby a rearrangement was sought to be made of representatives of the tea industry on this Committee. As you go through the section you can see that the Indian tea planters have got very little representation in that Committee. There may be two or three from South India and one from somewhere in the North but the rest of the members of the Committee would be Europeans and they dominate the whole Committee. I cannot understand the blatant, open nature of this thing when, let alone the workers, even the industrialists of this country are not allowed to expand their industry. Of course, as regards the workers I do not expect much from this Government—I do not expect it from practice, not from theory because they do not do anything even though they may talk much.....

An Hon. Member: You also talk much.

Shri Nambiar: I say I am prepared to be corrected if you improve yourself, but not if you simply sermonize and do nothing. Even the Minimum Wages Act which has been passed is not implemented in the Annamalais and the Nilgiris. When I went there the workers represented to me that in anticipation of the implementation of the Minimum Wages Act the planters are taking action now to curtail whatever rights the workers have got. In view of this and in view of the popular feeling existing in the matter among the Congress Members, I would suggest that the whole matter be left as it is for the moment and a new piece of legislation brought up later taking into account all these points. We are prepared to give facts and figures concerning tea plantation labour, and about the scope of expansion. We are also prepared to help the Indian tea

interests so that if the foreign monopoly could be fought out or purchased or liquidated *in toto* we will be the first to agree to that and do away with that monopoly. The Indian tea industry should thrive for the benefit of the Indian working class, for the benefit of the Indian people. Therefore, I oppose this Bill and request that the question may be reconsidered.

Shri Borooah (Nowgong): I beg to move:

“That the question be put.”

Mr. Deputy-Speaker: The question is:

“That the question be put.”

The motion was adopted.

Shri T. T. Krishnamachari: I am very grateful to the hon. Members who have participated in this discussion, particularly for the support that the Bill got from the majority of the speakers. The Bill, as I have explained at the outset, falls into two parts. The first part is almost unexceptionable. There is nobody in this House who would agree to the perpetuation of the present Tea Licensing Committee. A question was raised as to the period during which the new Committee would function. Well, there is a limit as it is because the Act itself would lapse by 1955 and no Committee can possibly function for more than three years. In any event we are considering this question. The hon. Member from Malabar, Mr. Damodaran said that the rules must be placed before the House. The House would certainly know about the rules, but it is not a very material point; as we are going to reconstitute the Committee and the period during which they will function may be two years or may be three years but not more, it is not a very important point.

On the question of amendment to section 26 there has been a certain amount of misapprehension. It is not that this Bill seeks to impose any fresh liability in regard to extension so far as tea-planting areas which have gone under disuse are concerned—that is already there. The old section permits replantation only up to a point. What is now sought to be done is that for this replantation a licence must be taken. There are both advantages and disadvantages about it. But actually, if we do not give legislative sanction to an established practice which is in vogue now, very possibly if advantage has not been taken of this concession in the two years that have now elapsed, advantage may not be taken of that concession during the remaining three years also. So I think it

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would operate to the benefit of the parties concerned by giving a legislative sanction to an established practice.

With regard to the moot question that was raised by several hon. Members, that is whether it is right for us to be participants in this International Tea Agreement, it is a very different question altogether and by the House accepting this particular measure which is a very innocuous measure it does not, I can assure the House, commit itself to any principle of being tied down to this international arrangement to which we have been parties all along. I can give that assurance categorically. At any rate, I as a member of Government do not feel tied down to this arrangement.

Shri Sarangadhar Das (Dhenkanal—West Cuttack): Why do you not repudiate it?

Shri T. T. Krishnamachari: Well, I have my own views on this matter and so long as I am here I can decide when and how to do it, and the hon. Member Mr. Sarangadhar Das from Orissa—if he comes over to this side then he may be able to use his influence to have it done earlier.

Shri S. S. More (Sholapur): On a point of order, can we not, Members of the Opposition, influence Ministers in charge of the different Departments?

Shri T. T. Krishnamachari: It is not a point of order, Sir, I am not yielding. The hon. Member can use his influence both in the House and outside the House and it all depends.... (*Interruption*).

Mr. Deputy-Speaker: I do not find there is any point of order. Hon. Members in the Opposition must constantly attempt to influence the Government and ultimately gather opinion, and if the Government does not yield, and if they gather sufficient strength, take over the Government.

Shri S. S. More: But I do object to the way of speaking like that.

Mr. Deputy-Speaker: Certainly the Opposition is entitled to place its viewpoint before the Government and the Government is bound to consider the viewpoint. Not that the Opposition can dictate to the Government—certainly the Opposition is entitled to give advice to the Government and the Government will choose its own time—both are right.

Shri T. T. Krishnamachari: I am obliged to you, Sir, for your interpretation, but there is no question of anybody being high and mighty. The

question really is that we have to choose our own time. So long as advice comes to us we are certainly examining that advice and if the advice is suitable we will certainly choose the time and place for accepting that advice and implementing it.

Going back to this question of our position in regard to this International Tea Agreement, the points raised, as I said, have a great amount of validity and I cannot commit myself and the Government now to a sort of breaking the agreement because I do believe that there are two sides to the question. We have certain advantages in being participants to this agreement, we have also certain disadvantages, and it is not a question of there being unilateral advantages to any party—a traffic in one way only. But the position will undoubtedly be considered. I can give that amount of assurance.

The point my hon. friend, Mr. Venkataraman mentioned about the payment of Rs. 50 lakhs for the purpose of advertising, is the next point I will take up. Well, supposing a well-organised body which produces a particular type of article advertises that article, you find that incidentally other people who are less organised who also produce that article also stand to benefit. That happens in trade. There may be one person advertising a particular article and another person getting the advantage because the article being popularised it benefits articles of other makes also. So, even if we advertise Indian tea, it would not altogether make people discard either Ceylon tea or Indonesian tea or Chinese tea—that is inevitable. But the force of the argument of my hon. friend, Mr. Venkataraman and others is one which has to be acknowledged and we have to review the position but as hon. Members both on this side and on the other know, we have to take some time to review this question.

My hon. friend Mr. Tripathi, whose interest in plantation labour is very well known to me and is one which is very greatly valued by labour and by Members of this House, has made some useful and interesting suggestions. At the same time, I would like to disabuse him of one impression that he has got, namely that the small committee that is now enquiring into certain aspects of the demands made by the tea industry can do the things he suggests. Two officers of Government are going round and seeing things for themselves. I can give him this assurance that neither will the Committee make recommendations, nor will the

Government accept them even if they are made, which would jeopardise the position of labour even to the tiniest extent. The Committee is not commissioned to go into the wage question at all. It merely wants to see how the friction that is now obtaining in certain aspects of the industry can be eased. Of course, there is a demand from the plantation industry—as Mr. Thomas who is interested in the industry and who is a pioneer so far as plantation industry in South India is concerned has put it—for abolition of the duties. The tea interests do not like excise duties. They do not like export duties. That is always the case. No industry likes duties. They feel that if you remove excise duties and export duties trade will just flow in from other countries. Well, that just does not happen actually. Very possibly, if you remove export duties the quantum of tea that is bought from India will be much the same and the Government would lose the revenue from export duties. This is a matter which the Government has to decide ultimately, because after all if Government gets revenue from an industry, the needs of that industry have to be met. The industry cannot be killed. So the obligation to find out whether the excise duty or export duty is operating to the detriment of a particular industry or not is ours. This committee would perhaps advise us on that matter and also on other ancillary matters, but I can assure Mr. Tripathi that we do not at all intend in any way to make the position of labour worse than what it is. If we can possibly do so, we will make it better.

My hon. friend Mr. Nambiar said something about the Minimum Wages Act being applied. It has been applied in Assam, and it will be applied in South India, in spite of the fact, as he put it, that we are only paying lip service to the needs of labour. As the hon. Member would see, we are here to do real service to labour when the time comes and opportunities afford themselves, and I think opportunities will afford themselves sooner than my hon. friend there expects.

I do not want to go further into this question at this moment because a number of points have been raised that do not bear any strict relevance to the motion before the House. I would assure the House that nothing is sought to be done by this Bill either to the industry or to the control exercised by the Indian Tea Licensing Committee. It merely regularises the position. It may hold some advantages to the industry incidentally.

I have been asked: Why could not the Government find out what other participating countries are doing? Why do you not follow suit? I think that that is an argument which would not be seriously suggested to any Government. Any Government which is party to an agreement must observe that agreement. If it feels that that agreement is detrimental to the country's interests, then they must give notice to say that they are no longer for the continuance of the agreement. Unless we do that, we cannot say that we adopt or take advantage of loopholes here and there to augment the interests of any particular section by methods which are palpably unfair. An individual or an industry may adopt that course—certainly not the Government, and certainly not a Congress Government.

I hope that the House will accept the motion for consideration.

Shri Raghabachari (Penukonda): I rise to a point of order, Sir. I submit that it is not competent for this House to consider this Bill which seeks to prevent people from growing tea or expanding their plantations. I want to draw your attention to Article 19 of the Constitution which says:—

“All citizens shall have the right—

(g) to practise any profession, or to carry on any occupation, trade or business.”

Agriculture and growing of tea are trades and occupations. The exception as given in sub-clause (6) reads:—

“Nothing in sub-clause (g) of the said clause shall affect the operation of any existing law in so far as it imposes, or prevent the State from making any law imposing, in the interests of the general public

I want your kind attention to be given to the words “in the interests of the general public”. It has been interpreted and repeatedly urged in this House that the present arrangement is not in the interests of the general public but that it is in the interests of the European trade. The hon. Minister also fairly concedes that position and says that he may have to examine his own inclination in that way. So, this sub-clause (6) does not help. The only other Article to which we can turn is Article 253, which says:—

“Notwithstanding anything in the foregoing provisions of this Chapter.....”

the word “this Chapter” is very important—

[Shri Raghabāchari]

"...Parliament has power to make any law...for implementing any treaty, agreement or convention with any other country or countries or any decision made at any international conference, association or other body."

There has been an international agreement and therefore we want to pass this law. This is to be the argument. But let me point out that the word "this Chapter" used in Article 253 must be borne in mind. That Chapter relates to the powers as between the Union and the States and if any particular State has a certain law and the Indian Union has, under an international agreement, entered into some kind of obligation, then the law of the State cannot take away Parliament's power to pass any law, in conformity with such international agreement. Therefore, the scope of that Chapter is not for giving extra powers to the Parliament but to govern the relations between the Union and the States. In this Bill, it is clearly stated that so long as this Act remains in force no one can plant tea in any new land. I submit that this is opposed to the fundamental rights guaranteed by the Constitution.

Shri T. T. Krishnamachari: Surely, the Chair does not want me to offer any reply. It is a question of interpretation of Article 19(6). Competent persons will certainly interpret it, and the Act which this House may pass may ultimately become *ultra vires*.

Shri S. S. More: It is a very important point of law which has been raised and some consideration will have to be given to it. It is better we adjourn now.

Shri T. T. Krishnamachari: Without attempting to unduly influence your decision, I may submit that the Chair is

aware that in a matter like this where a question of competence is sought to be raised with the support of a provision in the Constitution, the question of declaring it *ultra vires* or not is usually left—at least that has been so on previous occasions—to the competent authority to decide.

Mr. Deputy-Speaker: I have no objection to adjourn the House now. We can sleep over this point of order till tomorrow. But I may say that the question raised is not a novel one. The Industries Control Bill was passed by us. There were provisions in it for licensing, registering etc. and it could be said equally about that Bill that licensing imposed some restriction. Likewise, reference is made here to Article 19(6). It does not mean that the 360 million people of India are affected. Only a section of the public is affected. I am not going into the question whether the interests affected are European or otherwise. Whoever is interested, so long as they are a section of the public carrying on business, the application to them of this Bill will not be opposed to any fundamental rights under Article 19(6). Further, in all such matters, the Chair has never taken the responsibility of ruling out any particular Bill. It leaves it to the House. This matter may be considered by the House and if the House wants, let it throw out this Bill. Let it not consider merely whether it offends legally and technically any fundamental right guaranteed by the Constitution, but let it consider independently of that whether this Bill is or is not in the interests of the country as a whole. I leave it to the House. There is no point of order here.

The House then adjourned till a Quarter Past Eight of the Clock on Wednesday, the 16th July, 1952.