

[Shri M. C. Chagla]

promise him that I will look into it and see what can be done about it.

There is nothing else I have to answer, Sir, and I ask you to put the motion to vote.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : The question is :

"This House agrees with the Lok Sabha that in pursuance of sub-section (4) of section 3 of the Kerala State Legislature (Delegation of Powers) Act, 1965, the following modifications be made by the President in the Kerala University (Amendment) Act, 1966, by enacting an amending Act :—

Section 3

In clause (a) of sub-section (2) of section 3, for the words 'for the period for which it has been made' substitute the words 'for the period of one year from the date of appointment*.' *The motion was adopted*

**THE KERALA BUDGET, 1966-67—
GENERAL DISCUSSION**

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : We now go to the General Discussion on the Kerala Budget.

SHRI ATAL BIHAR I VAJPAVEE (Uttar Pradesh) : Sir, where is the Finance Minister? Who is to *move* it?

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : The position is this. This is a general discussion on the Kerala Budget. Any Member desiring to speak may start speaking and it is not necessary for the Finance Minister to come at this stage. The Leader of the House is here.

SHRI MULKA GOVINDA REDDY (Mysore) : It should be moved.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : That is not the practice,

SHRI ATAL BIHARI VAJPAYEE : Who is going to reply to the debate? Is it the Leader of the House or the Finance Minister?

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : When we come to the reply stage, we shall see to it.

SHRI BANK A BEHARY DAS (Orissa) : Always in the case of Kerala we get deadlocks.

SHRI S. S. MARISWAMY (Madras) : As the Minister concerned is not present, why not we adjourn the House? This is happening repeatedly.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA) : It is not necessary to adjourn the House. That would arise if no Minister is present.

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI L. N. MISHRA) : I am here, Sir.

SHRI MULKA GOVINDA REDDY : Sir, the proper forum for discussing the Kerala Budget, 1966-67 should have been the Assembly of Kerala. Unfortunately, the Congress Government has created a situation where this question has to be discussed in this Parliament. According to the Constitution, three years is the maximum limit for the continuation of any Emergency Proclamation; according to article 356 of the Constitution. The Proclamation will be in force for a period of six months. When this question was discussed in the Constituent Assembly, it was the considered opinion that in a case where the Government of a State cannot be run in accordance with the provisions of the Constitution, the Government of that state should be run under the advice of the President, under the advice of Parliament. It was felt that in such a case the elections can be held within a period of six months. Instead of taking recourse to that, the Government is trying to take the maximum time to hold the elections in that State. Even now, I am not convinced why the popularly elected Assembly, even without being given a chance to meet, was dissolved and why proper attempts were not made by the Governor to invite any one of the parties, if the Congress Party refused to form the Government, to form a Government and why he did not convene the Assembly so that when that party formed the Government, it would have sought the verdict of the Assembly and if the Assembly had rejected that Government, then there would have been sufficient justification for the Governor to recommend to the President to dissolve the Assembly and for the President's rule to be imposed thereon. There is a provision in this Constitution that to impose the President's rule, the Governor should submit a report that

(ho constitutional Government cannot function in a particular State and particularly in Kerala, when the President's rule was imposed under article 356, the Governor had submitted his report. Last week when this question was debated in this House, we tried to find out from the Minister whether the Governor had again sent up a report that the elections could not be held and that even if the elections were held, no single party could get a clear majority to form a Government. Why is the Government reluctant to place the report of the Governor, if any, before this House? This is a matter which should seriously concern us. This is the third time that we are giving extension to the Proclamation continuously for the last 11 years or more and this is the third occasion on which the President's rule has been imposed on Kerala, because the Congress in Kerala was rejected by the people of Kerala.

SHRI ARJUN ARORA (Uttar Pradesh)
Everyone was rejected.

SHRI MULKA GOVINDA REDDY:
Yes, particularly the Congress which is carrying on the administration in other parts of India.

So, we should try to find out a solution. They might be thinking that if the elections are held now or after some time or even in 1967, no single party will get the required majority to form a Government. Then, should we reconcile ourselves to this position that hereafter Kerala will be ruled by the President through the Governor or should we think of a remedy to get over this awkward situation? It will not be in Kerala alone that such a situation will exist but in many other parts of India also it will be so. I am sure that in 1967, after this dastardly incident that has taken place in Bastar in Madhya Pradesh, the Congress will be defeated and there will not be any other party which will form the Government there. The same thing will be repeated in Orissa and West Bengal. So we must find out a solution meeting a situation like the one that we are now passing through in Kerala.

I therefore suggest that the time has come to revise the method. After 15 years

after the Constitution was promulgated, three General Elections were held and the fourth one is going to be held in 1967. Therefore because of the situation that has arisen in Kerala and because the problem of Kerala is going to be faced by us continuously for some years to come, there is need to revise the entire electoral law in India. Time and again we have heard the criticism that the Congress Party is getting into power with a minority vote and that is not a fair test for democracy. If we are really sincere that the majority of the people should have a major say in the formation of the Government, any party that comes to power should not only have the majority of the elected representatives but also should have the majority of the votes. Therefore I suggest that in order to solve this problem in Kerala and similar problems that might arise in other States, the entire electoral law should be revised. The strength of the parties concerned who are in the field in the election should reflect the votes that those parties get in any general election. Not only will it stabilise democracy but also in serve to eliminate some of the independents who have no policies or programmes and some of the independents do create some problems in many States.

Mr. Vice-Chairman, purposely the Congress did not take up the responsibility of forming a Ministry even though there was co-operation from the Kerala Congress and they did not allow any other party to function and form the Government.

AN HON. MEMBER: And ruin it.

SHRI MULKA GOVINDA REDDY:
There was a desire on the part of the Congress that either they themselves should rule the Kerala State or they should rule it without being in power, through the President or through the Home Ministry which is again under the Congress Government here. They wanted to repeat what happened in Germany. Hitler came to power in a constitutional way and then the constitution was suppressed and this is the trick that the Congress Government wants to play. A similar situation will arise in the other States. The Congress will not be in a position to form Ministries and because they may get a slight majority in the Lok Sabha, they will be able to form the Govern-

[Shri Mulka Govinda Reddy] ment at the Centre and they will suppress popular Governments in other States and try to rule the States through the Home Ministry and impose the Nazi or Fascist rule in the States.

Another thing, Mr. Vice-Chairman, I would like to point out to you is that for reforming the electoral law, we should also take into consideration that the allotment of symbols should be revised. The Congress Party wants to thrive on superstitious beliefs and make the people in India believe that they want to monopolise these things by having the pair of bullocks as their symbol in the general elections. Our people have some faith or some superstitious belief in the bullocks. A majority of the people in India worship the cow, and they want to cash on this superstitious belief of our people and get into power, not by fair means but by foul means. I would, therefore, urge the Government that the time has come that all political parties should protest against continuing this symbol, pair of bullocks, that is being allotted to the Congress Party.

PANDIT S. S. N. TANKHA (Uttar Pradesh): Cow is worshipped, not the bullock.

SHRI MULKA GOVINDA REDDY: Cow is worshipped, but we also worship Nandi, that is, bullocks.

DIWAN CHAMAN LALL (Punjab): How many Muslims are there who do not worship the cow?

SHRI MULKA GOVINDA REDDY : But, unfortunately, we have created a situation in India that you intimidate the Muslims to vote for you. If they do not vote for you, you tell them to go to Pakistan. That is the way Congress propaganda is being carried on.

Mr. Vice-Chairman, I will come to the Budget proposals with regard to Kerala. I am a firm believer in the planned economy of our country. We must have Plans. But, unfortunately, the Planning Commission, which is the super-Cabinet in India today, has not taken all regions into consideration while formulating the Plans. There is regional imbalance in preparing the Plans for the different States. It has been pointed out that during the last three Plans only Rs. 25-79 crores have been spent in

Kerala which included the building of shipyards at Cochin. For the last 15 years this Government has not been able to prepare a plan and take up the construction of the Cochin shipyard which is absolutely necessary if you want to progress. We have only 15 per cent, of Indian shipping. Most of our international trade, transporting or carrying of goods and cargo, is now done by international cargo ships owned by other countries. If only proper steps has been taken and if, as was pointed out, in 1952 itself this proposal was there—the project report was prepared and construction undertaken, we would have been today producing some ships to carry not only the cargo from India and to India, we should also have been having warships which are absolutely necessary in order to defend the integrity and security of our country.

There are some industries no doubt in Kerala, but a proper planning is not there. Kerala is abundant in water resources. The water resources have not been properly tapped to produce electricity so that more industries can be started there. Not only that, the industries that are now functioning there are not working to their full capacity. The Committee on Public Undertakings has something to say. They are convinced that if a thermal station is not installed in the State, difficulties, in so far as industrial production in the State is concerned, are bound to continue. No industry can thrive if it has to stop production for about 100 days in a year. There are several new factories organised in many parts of the Kerala State which are waiting for power to be commissioned. Such a state of affairs, if allowed to continue, is bound to have an adverse effect on the economy of the State. The present power cut is for six months. In an already densely populated State, a lay-off of industrial workers creates further unemployment and several social problems. The Committee feels that a 100 M.G. thermal unit would meet the requirements of the State in full. Hence the proposal is worth reconsideration by the Central Government.

Further, the Plans, when set up, should be on a top priority basis. This is the recommendation of the Committee on Public Undertakings which visited Kerala and examined the position, and then came to the conclusion that a thermal unit of

IOi) M.G. capacity should be immediately installed. It would cost about Rs. 11 crores. In 1965-66, Kerala industries have suffered a loss of Rs. 10 crores. I wonder at the Jogic of the Government of India in not sanctioning and in not installing this thermal unit in Kerala.

Mr. Vice-Chairman, as has been pointed out, there is already growing unemployment. It is a tragedy. In spite of the fact that we have already completed three plans, the unemployment problem is growing day by day. Instead of reducing the number of unemployed, their number is getting increased day by day in one Plan after the other. Now there are nearly 8 lakhs of unemployed people in Kerala, and when some of the industries have to close down for want of power supply, the number will go up further and a new situation will arise. Unless proper steps are taken to solve the problem, the magnitude of the problem may be very serious. Today, in front of the Parliament House some representatives are fasting to bring to the notice of the Members of Parliament and the Government that this unemployment problem should be solved here and now. If the Government cannot find jobs for the unemployed, they should come forward to dole out some doles as is being done in some developed countries and progressive countries. Kerala is the densest in population. Kerala's density is three times the all-India average. So P.M. some efforts should be made to control this explosive population problem in Kerala. Otherwise it is going to create more problems and it may be difficult to solve them.

Madam, I am a Member of the Consultative Committee for Kerala. I visited Kerala two or three times. The question of development of Kerala has come up before this Consultative Committee. With regard to railways, there is a persistent demand that proper care has not been taken and railway lines have not been sanctioned to Kerala. We have time and again pressed inside the Consultative Committee and outside that more and more planning is required to lay out more railway lines. We have pressed that the Mysore-Tellichery line should be taken up so that it will be beneficial for both the States. I trust that the Government will take serious note of what

is happening there. More lines should be undertaken there.

The N.G.Os. in Kerala, because of the high cost of living, have served a notice on the Government that they will have to go on an agitation to get their demands fulfilled. It is not only in Kerala; it is happening in other States also. It is because of the short-sighted policy of the Government and the hopeless policy that is being pursued by the Government, they have failed to maintain the price line, the prices are spiralling, the cost of living is going up and even your targets are getting mutilated. You might spend the required amount but the physical targets that you achieve are not commensurate with the money that you spend. This is so because you have not been able to control the prices and maintain the price-line. If only we maintain the price-line, all our Plans would go ahead according to schedule. But that has been the tragedy since this Government came to power. Mr. Vice-Chairman, as the prices go up, the lot of the poor people, particularly with low incomes, will become very difficult. Therefore the N.G.Os. and other working in Government offices will ask for enhancement of D.A. and enhancement of salaries. We have got to concede their demands because we have to neutralise the rise in prices by giving them more D.A. and more salaries. So this circle goes on and it is a vicious circle. Unless you control prices, you will not be able to solve the problem. One thing I would like to add that in Kerala whenever the salaries and D.A. are raised, they should be raised to the level of the Central Government employees. I know it is a very difficult demand to be met with but the Central Government with all its resources should come to the rescue of the State Governments, and particularly Kerala, to raise the salary levels and D.A. of the non-gazetted employees of Kerala.

Mr. Vice-Chairman, the last thing I would like to bring to the notice of the Government and this august House is that there is food scarcity, particularly rice scarcity in Kerala. In February there was the Kerala *Bundh*. The quantum of rice given to the Kerala people was reduced and there was a hue and cry. Even in the Consultative Committee, all Members both

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from Kerala and outside were urging that the Kerala people are used to rice eating and it is very difficult for them to get rice and the Government of India should provide more rice to Kerala. Before the zonal system was imposed they were getting rice on Central account and on trade account, whatever rice they wanted. But after the zonal system was introduced, it was very difficult for them to get the necessary rice. So the zonal system has come in the way. Even though the Food Minister has promised that he would consider this question very seriously and very shortly, no decision appears to have been taken in this connection. It is therefore necessary that the zonal system should be immediately abolished if you want that the people of the States concerned should get the quantum of rice that they require. Reports have reached me that the Government have used repressive measures to collect levy from the farmers. Even though some people have suffered because of repression, the Government have failed to collect the necessary levy from the farmers. I am all for giving incentives to the farmers. You must give them minimum remunerative prices. If you want to collect surplus rice or surplus foodgrains from the farmer, you must be prepared to pay the market rate. If the Food Corporation of India is strengthened properly and if it is given the choice of buying the surplus foodgrains from the farmers at market rates, the traders will be obliged to bring down the prices. If necessary, the Food Corporation should subsidise them and sell them at a lower rate. The price of foodgrains in any part of India, particularly in Kerala, has gone up very high. The Food Minister says it is available; but at what price is it available? Is it within the reach of the common man to buy rice at that rate—Rs. 1.50 or Rs. 2 per kilo? Therefore there should be rethinking on our food policy, particularly the purchase policy of foodgrains from the farmer. You must give all incentives to the farmer to produce more. Kerala is doing its best in food production but unfortunately you cannot expect more food production from Kerala. Situated as they are, they are producing more cash crops which earn as good foreign exchange. Mr. Vice-Chairman, we have not done well by

Kerala and we have not treated the people of Kerala properly. There is lopsided planning. We should therefore see that something more positive is done so that the people of Kerala thrive and thrive well, thank you.

SHRI PALAT KUNHI KOYA (Kerala); Mr. Vice-Chairman, speaking on this Budget, I do not wish, or find time, to go into all the pros and cons of it. I think it is prepared according to the resources which are available to us. During debates on Budgets, it is customary for Members to compliment on the assets, point out the defects and bring to the notice of the Government the urgent needs of their respective States and induce them to satisfy the demands. My State of Kerala, as many hon. Members are aware, is a small State in this huge country, with more than one and a half crore of people are pressed into an area of about 500 square miles. It is deprived of planned industries and commerce and agricultural facilities or facilities for employment. It is without enough supply of foodgrains and without political stability. This is the picture and this State has been called the problem State of India. I do not wish to waste my time trying to argue and establish who is responsible for bringing this part of India to this deplorable state. In my view, if responsibility is to be fixed on anybody, both the people and the Government are equally responsible. However, there is no use crying over spilt milk. Instead, let us try to mend matters.

I place the following facts before this august House. Of course, I know all these demands are not new. These facts have been brought forward here and in the other House before on several occasions by many hon. Members from Kerala and also from outside Kerala. Apart from political manoeuvrings and some unreasonable charges levelled against my party and the Government, hon. Members from all parties were found to be unanimous about the demands of Kerala and an abundance of sympathy for the State has also been found in them. I am thankful to them for their sympathy. However, apart from some speeches here and some speeches there, nothing tangible has been done to solve the problems by the authorities as yet. That is why I am trying again to bring some

tacts to the limelight. It may be a repetition and it might be state. But I have to do it.

[The Vice-Chairman (Shri Akbar Ali Khan in the Chair)]

First of all, let me take up the matter of food. Sir, the matter of food in Kerala we all know very well. We had a crisis last time and everyone knows what things had happened there. Fortunately, somehow we could get over that. Even today the food situation there is not very bright. Of course, we are getting some grains there, both rice and wheat, and we are fairly satisfied. But what about the soaring prices? That is the trouble that is giving headache to the people of my place. Before bringing in this rationing and these controls, the prices prevailing in the open market—it was open market there—were found to be about Rs. 73 or Rs. 80 per quintal. At that time the Government and the people cried that prices were very high and they must be brought down. Now, after introducing this ration and Awe controls what is the position? Let us examine the present position. When we do that we find that the prices have come to a higher level. Though we were crying for more rice, we are getting only rises in prices. This is really giving us a very big headache because, as everyone knows, food is a matter which nobody can brush aside. It is a most needed stuff which every living being needs. What is happening there is something wonderful. There are controls and check-posts all over. All movements of foodgrains from one State to another, even from one district to another district have been stopped. There are check-posts. But still I do not know how, lorries and lorries of foodgrains are coming to the towns early in the morning. It has become an everyday sight. If you go to Kerala and if you have the good luck to get up before five in the morning, you will find lorry-loads of rice coming to towns like Calicut Telhcherry and Cannanore. I learn that some 20 to 50 lorry loads of rice come Calicut every day. There are many check-posts, as I have already mentioned. I do not know how it is happening there. You can have plenty of rice in the market provided you are prepared to pay Rs. 130 or Rs. 140 per bag. The quality of the rice in the open market is far better than what is being issued from our ration shops.

I am told that even imported rice is finding its way into that market. We enquired about this as to how this is coming in. When there is shortage and scarcity of rice how are they getting all this rice in the open market? The reply was very simple. "This is the lucky season for black-marketeers and smugglers. They are making use of this opportunity." The Government has done this, controls, with the best of intentions. But somehow all these Government barricades have got their own loopholes and there is no use complaining against the Government or its top functionaries. It is said that each and every check-post is getting huge amounts from smugglers every day.

SHRI P. K. KUMARAN (Andhra Pradesh): Toll-tax?

AN HON. MEMBER: *Buksheesh*. SHRI

PAL AT K(NHI KOYA: *Buksheesk*

or whatever you may call it, that is money. The Opposition may ask the question "What is your Government doing"? I may ask them another question. Government can entrust only men there to man all these things, and that too ordinary men. Can you expect Government to bring angels to guard all these affairs. So what happens is this. This responsibility is given to some people whose remuneration is not more than Rs. 100 per month. What will happen to the man? He is an individual and he is a human being. What will happen to him if he is going to get Rs. 100 a day for nothing? We cannot forget that and we cannot expect the District Collector, or D.S.P. to go and stay at the check-post. Of course, it may be more lucrative for them to do that. But I do not think they will go. So things are going on like this. The checking is something terrible. They do not leave out anything and without any scruple they do it. But they will not do it provided they are given some money, at least Rs. 5 per car or lorry.

AN HON. MEMBER: For not doing it?

SHRI PALAT KUNHI KOYA: If you give that, then they will not examine loads. They know exactly what are the things that are being carried in those lorries. Generally many lorries come with non-contraband goods. Even then they stop them and ask the drivers to remove these things, whether they be bottles or whether

[Shri Palat Kunhi Koya] they be timber or other articles. They will ask them to take them out and this happens both at the prohibition check-posts and in other check-posts. So the driver and the lorry owner will have to wait there for two to three hours. You will find long queue of lorries standing at these check-posts. To avoid this trouble they pay a fixed sum at all check-posts, at least Rs. 5. And they know that if articles can be allowed to go out, they will get Rs. 5 per lorry. Otherwise merchants' agents go there and pay them in advance and give the numbers of their lorries, I am told. I do not know how we can stop this; the Government must do something to stop this. And they can never expect any officer from Kerala to check this and get hold of these corrupt fellows; that much I can say.

Personally I am against all controls. Controls in my view will breed corruption and other malpractices. Secondly, it will retard the man who produces because he is always afraid, he is always suspicious of his remuneration. So in these two ways it is not good to have controls. But circumstances sometimes compel the Government to introduce controls. And until and unless the Government can operate them properly it is of no use. If the Government cannot see that these things are worked properly then what is the meaning of having this nuisance, this control and others? Better lift it. The problem is of food; people want to eat and live. Leave it to producers, merchants and the people, if the Government cannot manage it properly. The people will know how to deal with them if they find that these fellows, who are hungry for money, interfere in the poor people's food like that. So, something has to be done about these. We asked for rice, more rice and better rice and we got a State Food Minister instead. It is just like giving a cow which has no milk to a man who asks for milk. What could the poor Minister do? He could not give enough rice to Kerala and he has become silent now. And there is another problem; we have to find fodder for it.

AN HON. MEMBER: Fodder for whom?
(Interruptions)

SHRI PALAT KUNHI KOYA: For the cow. Anyway, we are thankful that we got at least half a Minister. When we are

discussing the Kerala Budget, we find the House empty; even concerned Ministers are not here. And I am told that when this debate took place in the Lok Sabha also there were only 14 Members in the House of 500.

SHRI M. RUTHNASWAMY (Madras). Lucky.

SHRI PALAT KUNHI KOYA: I am not entering too much into these things. All I say is, do something for that State. There are plenty of resources there to develop but nothing has been done tangibly. I do not say that nothing has been done: my friends there may say so but I do not say so.

SHRI P. K. KUMAR AN: Because you belong to the Congress Party?

SHRI PALAT KUNHI KOYA: Not because of that; we too have the right to criticise and our criticisms are constructive. But when you criticise, I think, you should give some compliments also on good things done, but I have never come across any compliments from the Opposition as yet. That is bad and if.

SHRI P. K. KUMARAN: Compliments for the destruction caused?

SHRI PALAT KUNHI KOYA: You may take it like that and I expect it from you but that is not the case.

Sir, we have potential resources. The Kerala coast is full of small harbours. Many ports were functioning there properly. There was, for instance, Alleppey and Cochin which of course has become a big port now: then there was Beypore, Ponnani, Calicut. Tellicherry, Valiapatam and so on. All these were navigable and were used by country crafts. They were carrying on transport of goods from here to foreign countries even. Now almost all these ports have become silted and not even big *pathemaries* can come in. We have been crying for years to see that these minor ports are improved. We want you to see that some dredgers are sent there and periodical dredging is done so that these ports could be used. They can be used for fishing enterprises also. We have plenty of fish near these ports and fish is a foreign exchange earner also. Everybody knows what *chemmeen* is. They are prawns. Prawns have earned a lot of foreign exchange and a picture in Malayalam

by that name has also got one prize here. So by catching fish, we get money and by writing on that also we have made money. I remember some ten or fifteen years back, when the Norwegian people first came to Beypore to show the local people how to carry on deep sea fishing, I myself happened to meet one of their officers, Mr. Good John or somebody like that. He wanted me to introduce him to some of the local people. He wanted some of the local fishermen to join them and learn this fishing and they were prepared to give them some wages also. In the first instance, I tried my best to get half a dozen of them but they all refused. They were against it because they were saying that the mechanised fishing would ruin them. Because of the sound of the engine and the propellers, fishes would be driven away far into the sea and so it was not practicable. That was the old notion and with such old notions you cannot progress much. Somehow I tried my level best again and got some ten persons. They used to go with these Norwegians and after two or three weeks they began getting Rs. 5 to Rs. 6 a day.

Now things are changing. At Beypore you can see more than 30 to 50 boats owned by private parties. At Calicut, there are hundreds and hundreds; at Ernakulam, there are 500 or 600 of them and many of them belong to private parties. That industry has come to stay and it is increasing and there are now many fishermen's co-operative societies registered in Kerala and they are working perfectly well. Now I hear something about the formation of a Kerala Fishing Corporation which has taken shape. It is going to retard the progress of these poor fishermen there. I have not gone deep into this aspect of Corporation but we are getting letters and representations, saying that when this Corporation starts working, it will override the co-operative societies, the Fisheries Department itself, and it will become a monopoly of another type. Our programme is to have more co-operative societies and make them work efficiently and they are progressing. They have understood only now that these co-operative enterprises are paying and they can be worked successfully. But here we find something else is coming in and throws the people in doubt and uncertainty. I have received letters from the sea-coast people of Kerala that the number of fisher-

men who are engaged—there are about 20 lakhs of them—in these co-operatives are not getting chances to get into the freezing plants and all that and because the Fisheries Corporation is in the offing, they have not started doing anything as yet. Almost all these storages are silent and they are going to lose their jobs. When we want jobs for the people in Kerala, we cannot oblige them. Then, what is the fun of doing all these things? Corporations are good. It may be done with a very good intention. There is a saying in Malayalam:—*"VelukanThechathuPandai"* It means that somebody who had used powder to become fair, contracted white leprosy. So, I am afraid it may end up like that. So, we must be very careful. Before forming such corporations, is it not proper that they ought to have ascertained the opinion of others? At least the member of the Consultative Committee and fishermen societies should have been consulted. Nothing has been done. So, I ask the Government to look into this and see that it does not become detrimental to the interests of the ordinary fishermen and their societies. In Kerala, we have plenty of these people, very nice people, but they are illiterates. They have had no chance to go to school and study. Our fishermen, who are living on the coast of Kerala, are very good navigators. They had a name long before, but unfortunately their chance has gone and they are left without job. Why should not the Government make some arrangements to recruit them in the shipping industry? They can take them in the Navy and in the merchant navy also. These children must be given such a training. In all these centres, Government must make some arrangements like that. They are the most backward class in the coastal area. They are very strong, very good, very nice and very enterprising. The only thing is we must take care. Another matter, Sir, Malabar is a part of Kerala. Kerala is a part of India, but Malabar is another 'Kerala' in Kerala. Nothing substantial has been done for the improvement of that part. Even if we ask some of our hon. Members who belong to the other side of Malabar to say something, they forget it. They do not remember that such a place, Malabar, is existing,

IShri Palat Kunhi Koya]

because we were once a part of Madras. Now we have come to Kerab I am not complaining if they are not remembering 'us. We ha/c Palghat district, Calicut district and Cannanore district, where nothing has been done. There are very good possibilities of having some good industries with our own raw materials. We can have very good wood-based industries in Calicut. Kallai is the second largest timber centre in the world after New York. So , we have got a chance to build up a wood-hased industry. You can have rubber-based industries there. You can have the cashew ind ustry there. From t he cashew fruit, you can extract alcohol. There is 'ample scope for a distillary. So many other things you can do. Even our long request ' for an airport there is still kept in abeyance. Unless and until! the Government comes out to take care of these people and give them work, give them all these facilities, the troubles in Kerala will never end. ft is not due to politics or due to politicians alone that there is no political stability there. It is all 'politricks" and no politics, which are seen there. You change the word 'polities'. Add the letter V and it becomes "politrics*'. That is the present politics.

Now, Sir, there is one level-crossing at Kuttippuram. It is in the heart of that town. There is a road through which hundreds of cars and hundreds of lorries pass to Guruvayur and other places. A level-crossing there is hindering traffic very much. You can see lorries after lorries, cars and bullock carts stopping there. So, when the gate is closed there must be some overbridge at Kuttippuram and at Tirur also. Tirur also is a place where a railway gate in the heart^of that town is paralysing Traffic. I do not wish to say anything further. I request the Government to take suitable immediate action.

Thanks.

SHRI LOKANATH MISRA (Orissa): Sir, we have been talking about all these things, but the hon. Minister does not listen to the speech.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): I think you arc listening to the speech.

SHRI L. N. MISHRA: Yes, Sir.

SHRI LOKANATH MISRA: Reproduce what he said.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Mr. Niren Ghosh.

SHRI MULKA GOVINDA RBDDY: Sir, on a point of order. We have been seeing in this House that whenever the Minister-in-charge of the particular Bill or Resolution is there, some Members go there and try to distract his attention. This should be prohibited and you should take a stiff attitude with regard to this. We have been seeing is not only today. We have been seeing it all along. Whenever the Ministers are there, their attention is distracted. The Minister should havo the guts to tell the Member that he will have some opportunity to talk to him after the end of the sitting.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : Opposition members also go there.

SHRI MULKA GOVINDA RBDDY: Whether it is the Opposition or the Congress, it should be prohibited.

SHRI NIREN GHOSH (West Bengal): Mr. Vice-Chairman, as has been said a little white ago by the Education Minister, Kerala is a problem State. I do not know whether it is a problem State or a crisis State or what State it is, but I know one thing and I want to place it before the House, through you. It is this. Kerala is providing a classic example of the way in which the ruling party is surely and steadily extinguishing democracy in India. It will not be, I think, out of the point to recall what happened after the 1957 general elections. It is well known. Still I only point out to you, Sir, that as desired by the Central Cabinet, the Governor appointed by the Centre makes a report in the way desired by the Central Cabinet, saying that it cannot be ruled in the ordinary way, that the rule has broken down. After a dirty conspiracy, you unleash a sort of factional and one-sided struggle and after that the President's Rule is proclaimed. In the combined Madras State, as hon. Members of the House are perhaps well aware, the Congress were not in the majority. Shri Rajagopalachari was then a member of the Congress. He was called in and nominated to the Upper House and he was asked to form a Ministry. After that, by putting pressure, by bribing and corruption they

termed the Ministry. (*Interruption*) After 1957, they threw out the Ministry.

I do not want to go into further details. In recent times, again, as has been said by my hon. friend, Mr. Mulka Govinda Reddy, an elected Legislature was not allowed to meet even. It was not given an opportunity to decide whether it could form a Cabinet and run the Government. Again, how was it done? I want to say this. The Governor behaved in a partisan manner. Again, the Governor submitted a report to the Centre, as desired by them, saying that no Party or a combination of Parties was in a position to form a stable Ministry. So, even the Assembly will not be given a chance to discuss the issue and say whether it can come to any conclusion whatsoever. It is a strange thing. It is a strange thing which democracy is run in India by the ruling party. They speak that it is the biggest democracy in the world. It is becoming the biggest authoritarian State in the world or it is in the process of becoming so. For the third time, the Presidential rule has been extended in Kerala after that election. Every time the Congress Party there makes a sounding, makes an assessment as to whether, if the election is held, it can form a majority singly or in conjunction with others. When it is found that the opportune moment has not yet come, then the report is given that there is no point in holding another election because that election will not elect members who would be wise enough to form another Ministry. Why is that so? Because they think that in that election the Congress Party will be again defeated. It seems that only the Congress Party has the divine mandate to rule this country. If they are in the minority, those who are in the majority must not be allowed to form a Government and run the State. That is how thrice it has been postponed.

Again, I want to draw your attention to this point that as yet I do not know when the next general election will be held and whether the emergency would be lifted by that time. A sort of trickery is being practised on us. They say that they will not apply the emergency and the D.I.R. to many places of India, that it would be limited to some border States and then also it would be restricted. But would emergency be lifted from the rest of India? No. Legally

it can not be done. So emergency remains; D.I.R. remains, hanging like the Sword of Damocles all over the country, and under that Sword of Damocles the next general election is perhaps going to be held, and you call it democracy. Shakespeare wrote a drama on Julius Caesar and it was said there: "et tu Brute"—"thou too Brutus". So, in this way all the democrats can point to the Congress and say that you are the killer of democracy in India. Nowhere in the world would such a situation be found wherein the emergency and the D.I.R. would continue. When they find that they get defeated in the election after pouring lakhs of rupees and calumnies over the A.I.R., still they will not lift the emergency, they will not learn any lesson and it would continue in this fashion. Now the husk is there, content is gone. If election is to be held even on the basis of the existing electoral law, I would say that it should be held on the basis of proportional representation. I can say that if elections in India are held on the basis of proportional representation, in more than 60 to 80 per cent of the parts of India, in the major part of India, in the majority of States, Congress would be in a minority, and the Communist Party should come up based on the verdict of the people, should be able to form the Government and run the Government. Because they know that if democracy is allowed its free run, Congress rule will be ended for ever, they will never accede to proportional representation.

DR, M. M. S. SIDDHU (Uttar Pradesh): Do not live in a world of make-believe.

SHRI NIREN GHOSH: Try and see what happens.

DR. M. M. S. SIDDHU: There are places there is proportional representation.

SHRI NIREN GHOSH: Where?

DR. M. M. S. SIDDHU: Graduates constituency.

SHRI NIREN GHOSH: Learn a bit more and tell me things. I do not know: whether it is wise for the ruling party to conduct the affairs of the country in this manner, whether it is wise for them, for their future; but I do not want to tender any advice to them. It is for them to ponder and decide. If the people of our country come to the conclusion that they cannot

{Shri Niren Ghosh]

decide the fate of the country in a democratic way, that they cannot decide the fate of any State in a democratic way, in a peaceful way, the people should draw their own conclusion and that will not be good for the country as well as for the ruling party, because we in the Opposition want a change by peaceful and ' democratic methods if that is possible. If that is not possible,) do not know what the people will do. We will try our utmost to the bitter end to bring about changes through .democratic and peaceful methods. I would only ask the ruling party not to deny us that opportunity.

Shri Ajit Prasad Jain was sent there as Governor, a seasoned politician and one time member of the Congress High Command to gear up the State in favour of the Congress. Unfortunately, the Kerala Congress and Mr. Jain fell out. Shri Jain, even while being a Governor, indulged in electioneering, propaganda as to who should become the Prime Minister of India, throwing all decency of his office, formalities of his office, to the winds. So that is how things are being carried on in Kerala. I can say that in the i\ext general election also the Congress Party will not be able to get a majority of elected members and the Congress Party will not be able to form a Government there. Whatever happens, Kerala is never going to be ruled by the Congress Party. You may rule it under the Presidential dictate but you will be never able to 'rule it through elections because you will never win the elections.

Then, as regards the N.G.Os., my friend has already touched upon the point. It is a serious case. Almost 2 lakhs of them arc agitating for a long time on their issue. So I draw your attention to that.

Next I want to touch upon another point as regards police verification in Kerala. There are thousands of cases where persons are being denied the opportunity of service on the flimsy pretext of police verification. You do not know what sort of verification it is, but thousands are being denied their job on the basis of police verification reports. Even if they are given the job, it is terminated. It has become a terror. There is terrific unemployment. The Mala-yalees are a gifted people; they have branched

out in all walks of life; but the doors of Government service are being barred t<> them through this device.

Now as regards the last point, I would only say that the coming months arc going to be lean months—July to August. Naturally, it is the responsibility of the Centre at least in respect of Kerala—also in respect of other States. Food is going to become again a very acute problem in those months, July, August and September, and I would ask the Government to give appropriate thought to the problem while the time is there and I would appeal to them not to throw that State, and other States also, into turmoil, but see that food is given. After 20 years of rule, the people of this country will not take it that they would die out of hunger or starvation because you cannot give food to the people. There was a time when they listened, they endured, they starved and they died. They gave you chances. Now it is beyond endurance and so I would request you that particularly as regards Kerala the rice quantum should be increased. Trade and commerce is also being neglected there. Particularly, industries can be set up there. It is almost an agricultural hinterland. India is an agricultural country, it is not an industrial country. But even in this very backward country, Kerala is such a State where then-is only a sprinkling of small industries here and there and nothing else. So proper attention should also be given to that.

SHRI D. THENGARI (Uttar Pradesh):
Sir, the feeling obtaining in Kerala thai that State is discriminated against is not without justification. Under the rule of the Centre, Kerala is certainly becoming poorer and poorer, day by day. Industries, propos ed or licensed for the State, are shifting elsewhere because of official delay and apathy. Administrative inefficiency has caused substantial amounts of grants, voted for essential services, to be surrendered unutilised. Unemployment has been on the increase and by the end of the Fourth Plan, the number of educated unemployed is estimated to be as high as one million. Steps have not been taken, as explained by my friend, Shri Koya, to bring about overall uniformity between the Malabar region and the rest of the State; so that people in that region say that even if Yasco de

Gama were to reappear, he would not miss any lane or by-lane in Calicut.

Ours is a socialist Government. Sir I do not know the precise meaning of the technical term 'socialism' but if it has anything to do with equality, I must accept that this Government is really socialistic, in that it robs all sections of the population equally alike without discrimination. Therefore there is a rising tide of discontent among all sections of our population.

The entire population of Kerala is extremely disturbed because of the major crisis of power-cut. Formerly it used to affect only the industrial consumption. Since January this year even domestic consumption is being affected by the power-cut. I can hardly overstress the need for a major thermal station for Kerala. In the absence of such a major thermal station, we are incurring huge losses. The fertiliser factory there has suffered a loss, during the last four years, of nearly Rs. 10 crores. The expenditure on the thermal station, I am sure, would be more than compensated. I request the Government to shake off its indifference and procrastination in this matter. Apart from power-cut, the paucity of raw materials, particularly that of iron, is a great handicap in the way of small-scale industrialists. The Government must come forward to do the needful and remove this obstruction in the way of the progress of the small-scale industries there.

The millions of fishermen of Kerala have not received from the Government the protection that they deserve. The Fisheries Corporation cannot be treated as a substitute for fishermen's co-operatives. The latter should be encouraged and subsidised. A law should be passed enabling the fishermen to become owners of their own boats and appropriate relief should be granted to them during the off-season period. Development of the Cochin Port also deserves top priority.

The general wage-level in Kerala is low. The wages have no relation whatsoever either with the productivity of labour or with the cost of living obtaining today. The wage structure in Kerala presents a picture of anarchy.

The Kerala' Labour Department is not being helpful to labour. It is paying scant

regard to tripartite meetings and national labour conferences in the name of economy.

The provisions of the Kerala Land Reforms Act regarding land ceiling have not been implemented. Consequently, the surplus land has not been made available for distribution among the landless labourers who are the worst sufferers. They are not being given the minimum wages or alternative rural employment during the off-season period.

In the North Malabar region, particularly Tellicherry and Cannanore, there have been unlawful encroachments on the private forest areas, due to the connivance of the Devaswam managers. The Government should take over those private forests and help the forest workers to organise their own co-operatives.

The kisans are grumbling over the complicated procedures of agricultural income-tax assessment, procurement levy, restriction on the inter-district movement of foodgrains, inadequate supply of loans, seeds and other materials and the anti-peasant lacunae in the Land Reforms Act.

Sir, it is regrettable that while the State of Kerala is full of industrial potentialities, they have not been utilised and developed fully by the Government. It has not given proper direction to the private sector. It has also failed to conduct efficiently the affairs of the public sector undertakings. The record of this failure is too long to be narrated here. I may, however, by way of illustration, state a few facts here. This is not an exhaustive enumeration of the Government's mistakes of commission and omission which, if narrated, would be too long. Sir, to take the first example, the Kerala Ceramics Ltd., Kundara is an illustration of the Government's policy of procrastination. Out of the total amount representing the share-capital of Rs. 1 crore, only Rs. 8,58,100 worth of shares have been issued. Even after two years of the formation of the company, the Government's sanction for the issue of the remaining shares has not been received.

There has further been the mistake of basing the entire expansion programme with export as the mainstay without carrying out any market studies. In view of the inevitable competition with traditional ex-

(Shri D. Thengari] porters of high-class crockery, the mass scale production by foreign manufacturers and the practice of the foreign manufacturers to spend large sums on product design and development, the present policy of the company seems to be unrealistic and is leading to yet another financial disaster. The company is depending too much on foreign collaboration. It is not making any effort to develop something Indian. The Indian tradition in porcelain manufacture is an ancient one and it deserves revival with adaptation to modern needs. The neglect of this aspect of the matter is capable of being interpreted as a symptom of the lack of patriotism. This policy should be reversed.

The Travancore Titanium Products, Limited, Trivandrum, provides us with an example of Government's lack of confidence in Indian technicians and its tendency to lean heavily upon foreign collaboration, even when the same is uncalled for. The TTP had already suffered because of British Titanium Products' financial interest in the company. Further negotiations for foreign collaboration were entirely uncalled for.

Further, it is necessary that import substitution should be coupled with Indian technical know-how, wherever it is available. Indian technical personnel should be afforded the fullest opportunity.

It is surprising that this company has not so far utilised modern concepts of programme and performance budgeting. This should be done at the earliest.

There has been a shortfall in the production of the Trivandrum Rubber Works Limited, Trivandrum. The reasons ascribed by the management for the shortfall are not convincing. True, power-cut is a problem common to all the Kerala Government companies. But the plea that non-availability of materials affected the production of Travancore Rubber Works, is convincing. 5 P.M.

Actually, the company had not planned the procurement of raw materials in time, in the context of its scale of operation anticipated in the ensuing years, nor had it introduced modern methods of materials-management. The development of materials, required by the company, indigenously should have also

been encouraged. It would have avoided shortages of required materials.

The Travancore-Cochin Chemicals Ltd., Udyogamandal, incurred a loss of Rs. 11.09 lakhs during the year 1963-64, by selling hydrogen chloride gas and hydrochloric acid at rates lower than their costs. The company had entered into a 6-year contract with Messrs. Hindustan Insecticides Ltd., Udyogmandal, for the supply of chlorine at Rs. 250 M.T. as against the actual cost of production of Rs. 430 during 1963-64.

As a matter of fact an ancillary industry to manufacture chlorine-based products could have been located at Alwaye or near about, and it could be possible to build up an export-oriented industry as, for instance, the manufacture of Benzene Hexachloride. There should be other such chloride-based products which have good export possibilities. The recommendations of the Tariff Commission are valuable, and the D.G., T.D. and the Ministry of Commerce should make a detailed study in this respect in consultation with other manufacturers.

Regarding the Plantation Corporation of Kerala, Ltd., Kottayam, it is worth nothing that the target for planting rubber during the Third Plan period was originally fixed at 20,000 acres. Subsequently, it was reduced to 15,000 acres. The reason given was paucity of land. But paucity of land is not a new or an unforeseen development. Having once approved the programme for planting 20,000 acres, the Government should have ensured that the required land was released to the Corporation in time. On the contrary, there have been a number of instances of delays in the release of land.

Again, proper care was not taken in selecting the pieces of land. For example, in regard to Vettilappara Estate, the Management Consultant has observed:

"It is unfortunate that a large plantation Corporation, such as PCK, should have undertaken to develop at all, in the first instance, an estate like 'VetWappara'. It is not only poorly located across the river in relations to the main estate in the Kaladi group, but is also unfavourably spread over a large geographical area in bits and pieces, too small to be effectively maintained and managed as an integral part of a group of large estates."

This is only one of the many examples of lapses and misjudgments.

Sir, in case of the Traco Cable Co. Ltd., Fmakularo, the Committee on Public Undertakings, in its report, stated that "the financial position of the promoters should have been verified by the State Government before recommending their case and at the time of issuing the industrial license in 1958. In its absence, a valuable period of 4 years (upto 1962) was lost in raising the necessary capital, by which time the factory was originally expected to be commissioned. It will also be seen that the State Government which had originally agreed to participate in the share capital of the new company to the extent of only 25 per cent, and had no intention of running it as a Government concern, was compelled to take over a larger liability than anticipated."

Regarding the Kerala PREMO Pipe Factory, Ltd., Trivandrum, the Committee has said :

"Even five years after the setting up of the factory, it is not being run to its full-rated capacity. The factory was no doubt given by the Indo-Norwegian Foundation as a gift, but the productive resources should have been fully utilised. It was expected of the management to study the pattern of demand for pre-stressed concrete pipes at the very beginning and to arrange production accordingly. It is surprising that despite the many advantages, which the use of prestressed concrete pipes offers, over cast iron pipes, the company has not been able to promote their sales. It is also surprising that the State Government did not insist on its full productive capacity being utilised. What is worse, the policy of restricting production of pre-stressed pipes to the orders received has been followed all these years and, in order to utilise the available capacity, the production of RCC pipes had to be taken up."

Though there is a large variety and number of undertakings in the public sector, the Industries Department has not yet organised a well-equipped and suitably staffed technical planning cell to concentrate on the broader technical and economic aspects of the projects. The Committee has said that such a cell should be entrusted

with the task of examining the projects from the point of view of their technical feasibility, economic soundness, etc., studying the various stages of their execution and co-ordination at the policy and administrative levels. Setting up of such a cell would have contributed to the speedy implementation of the industrial projects and to their efficient working. Nothing has been done in this direction so far by the Government.

The Committee on Public Undertakings was not generally impressed with the manner and circumstances under which most of the public sector undertakings were established in the State.

A proper study has not been conducted to find out what the shortcomings of the companies, which were to be taken over, had been, and how best they could be set right.

In so far as new industries were concerned, a proper techno-economic feasibility study was not usually conducted before the venture was undertaken, or before expansion took place, with the result that some of the undertakings are not economically viable.

Kerala, Sir, abounds in important industrial raw materials. It has good transport facilities by road, rail and waterways. It has a major port. And it can boast of a literate and intelligent labour. In view of these industrial potentialities of Kerala, one cannot but conclude that the present industrial backwardness of the State is mainly due to the wrong policies of the Government.

I should like to quote specifically yet another case of the Governmental procrastination. As per the recommendations of an expert committee, the tan factories directly managed and run by the Department of Industries and Commerce, Kerala, were converted into five joint stock companies, all the shares being owned by the Government of Kerala on the 24th February, 1964. This had a far-reaching repercussion on the service conditions of the staff members working in the erstwhile Malabar area under the three establishments of (i) Kerala Soap Institute, (ii) Government Oil Factory and (iii) Government Hydrogenation Factory, all situated at Kozhikode (new formed into a company under the name and style of

[Shri D. Thengari] "Kerala Soaps and Oils, Ltd'.) which were all previously run by the Department of Industries and Commerce of the Madras Government and then by the Kerala Government. Most of the staff members were recruited as Government servants by the Public Service Commission—this is important—and ruled by the Madras Service Rules or Kerala Service Rules and are all allotted personnel.

The original G.O., according to which the joint stock companies were formed, allowed option to the staff members to work under Government or the newly formed company. But a later G.O., which clarified the above G.O., indirectly refused the option to the staff members.

Some staff members filed a writ petition to quash the latter G.O. Upon this, the High Court observed:

"It will be open to the petitioners to file representations before the Government stating their grievance and the Government will pass appropriate orders after taking into consideration all relevant circumstances."

The matter is now pending with the Kerala Government. The service conditions of the staff members have not so far been defined, even though two full years have elapsed after the formation of the joint stock company.

Then, Sir, the grievances of the N.G.O.s are there. These 2½ lakhs of N.G.O.s in Kerala are, for the first time, forced to

resort to direct action. These demands it is needless to stress, are thoroughly justified and would receive moral and substantial support from all the Central Labour organisations. It would be in the fitness of things if in the State which is directly under the Centre, the disparity between the emoluments and the dearness allowance of the Central Government employees and the State Government employees is done away with. Thank you.

**MESSAGE FROM THE LOK SABHA
THE KERALA APPROPRIATION (NO. 2)
BILL, 1966.**

SECRETARY: Sir, I have to report to the House the following message received from the Lok Sabha, signed by the Secretary of the Lok Sabha:—

"In accordance with the provisions of Rule 96 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to enclose herewith a copy of the Kerala Appropriation (No. 2) Bill, 1966, as passed by Lok Sabha at its sitting held on the 11th May, 1966.

The Speaker has certified that this Bill is a Money Bill."

Sir, I lay a copy of the Bill on the Table.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN).The House stands adjourned till 11 a.m. tomorrow.

The House then adjourned at ten minutes past five of the clock till eleven of the clock on Friday, the 13th of May, 1966.