

SHRI BHUPESH GUPTA: If the mind has been properly expressed, the voice has been rather harsh.

THE VICE-CHAIRMAN (PANDIT S. S. N. TANKHA): The question is:

"That the Bill to prevent the infliction of unnecessary pain or suffering on animals and for that purpose to amend the law relating to the prevention of cruelty to animals be referred to a Joint Committee of the Houses consisting of 45 members; 15 members from this House, namely:—

1. Shrimati Lakshmi N. Menon
2. Shri Jai Narain Vyas
3. Dr. M. D. D. Gilder
4. Shri K. Madhava Menon
5. Shrimati Chandravati Lakhanpal
6. Prof. N. R. Malkani
7. Shri Amolakh Chand
8. Shri Tajamul Husain
9. Shri Onkar Nath
10. Shri V. C. Kesava Rao
11. Dr. H. N. Kunzru
12. Shri Lalji Pendse
13. Shri Dahyabhai Patel
14. Shri Niranjan Singh
15. Shrimati Rukmini Devi Arundale

and 30 members from the Lok Sabha;

that in order to constitute a meeting of the Joint Committee the quorum shall be one-third of the total number of members of the Joint Committee;

that in other respects, the Rules of Procedure of this House relating to Select Committees shall apply with such variations and modifications as the Chairman may make;

that this House recommends to the Lok Sabha that the Lok Sabha do join in the said Joint Committee and communicate to this House the names of members to be appointed by the Lok Sabha to the Joint Committee; and

that the Committee shall make a report to this House by the first day of the next session."

The motion was adopted.

## THE ROAD TRANSPORT CORPORATIONS (AMENDMENT) BILL, 1959

THE MINISTER OF STATE IN THE MINISTRY OF TRANSPORT AND COMMUNICATIONS (SHRI RAJ BAHADUR): Sir, I beg to move:

"That the Bill further to amend the Road Transport Corporations Act, 1950, as passed by the Lok Sabha, be taken into consideration."

As the House is aware, many States have nationalised road transport in the past few years. The nationalised road transport services are run departmentally or are operated by public limited companies or corporations. The Government of India, some years ago, decided as a matter of policy that in the interests of rail-road co-ordination it would be desirable if the nationalised services were to be run through statutory public corporations in which the Railways, the State Government and, where possible, the private operators could have financial interest. Under the Constitution the formalities in regard to the incorporation and functions of the corporations have to be defined by Central legislation. This was done by means of the Road Transport Corporations Act of 1950. This is an enabling measure empowering the State Governments to incorporate, if they so choose, regulate and wind up Road Transport Corporations.

The Act was amended by the Road Transport Corporations (Amendment) Act, 1956, with a view to overcoming the administrative difficulties which had arisen on account of the territorial changes brought about by the reorganisation of States under the States Reorganisation Act, 1956.

Under the Road Transport Corporations Act, some of the State Governments have since established road transport Corporations for their States with a view to providing an efficient and economical system of road transport services. I would like to give the names of the States and the services run:

	<i>State Government concerned</i>
Kutch State Road Transport Corporation.	Government of Bombay.
Saurashtra State Road Transport Corporation	
Bombay State Road Transport Corporation.	
PEPSU Road Transport Corporation.	Government of Punjab.
Andhra Pradesh State Road Transport Corporation.	Government of Andhra Pradesh.
Bihar State Road Transport Corporation.	Government of Bihar.

The Government of Mysore have taken a decision to set up a Corporation in the near future. Similarly the Punjab and the Himachal Pradesh Administrations have decided to introduce this system of Corporation on the inter-State route known as the Pathankot-Manali route. And this is very important.

Certain difficulties have, however, been experienced by the Corporations set up so far under this Act in the efficient discharge of their duties and functions. Some of the important amendments proposed in the Bill are as follows:

(i) Under clause (c) of section 12 a Corporation is authorised to empower its Chief Executive Officer or General Manager, subject to such conditions and limitations, if any, as may be specified, to exercise such powers and perform such duties as it may deem necessary for the efficient day-to-day administration of its business. The present

scheme of delegation of powers is considered restrictive as it does not enable the delegation of powers and functions to persons other than the Chief Executive Officer or the General Manager. Unless specific provision is made for delegation of powers in favour of other officers also, even petty acts like the purchase of a few gallons of petrol by them can be held under objection. It is, therefore, proposed to amend clause (c) of this section so as to enable delegation of necessary powers and functions also to officers of a Corporation other than the General Manager or the Chief Executive Officer.

(ii) In view of the all round expanding economy of the country, Road Transport Corporations like other organisations require additional capital for their development projects. The State and Central Governments are not always in a position to meet the increased financial requirements of these Corporations. Section 26 of the present Act, which at present empowers these Corporations to raise capital for working expenses does not authorise the raising of capital for capital expenditure. Therefore it is proposed that the Corporations may be empowered to borrow money in the open market for meeting expenditure of a capital nature as well.

(iii) Section 30 of the Act is being amended to enable the Corporations to utilise their profits also for financing their expansion programmes with the approval of the Central and State Governments. Hitherto any balance left over was diverted to road construction alone, but the expansion of road transport as such was not provided for. The amendment seeks to remedy this shortcoming.

(iv) Under section 33, the accounts of a Corporation are to be audited by an auditor appointed by the State Government. There is no obligation on the part of the State

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Governments to get their accounts audited by the Comptroller and Auditor-General of India. Since the Central Government has financial interest in Corporations set up under the Act, it is considered desirable that the accounts of the Corporations are also audited by the Comptroller and Auditor-General. Section 33 is being suitably amended to achieve this object.

The Bill has got 13 clause and I believe, Sir, that this Bill should not raise much controversy.

DR. R. B. GOUR (Andhra Pradesh): It is a very unlucky number.

SHRI RAJ BAHADUR: We are not so superstitious about numbers on this side of the House. I think the hon. Member opposite might take care of his numbers which are fast dwindling

Thank you very much, Sir. I commend this motion for acceptance by the House.

DR. R. B. GOUR: May I ask for some clarification? I would like to know the percentage of nationalisation, the extent to which it has been proceeded with and the passenger transport under private transport today—since the decision to nationalise road transport was taken by the Road Transport Advisory Council.

SHRI RAJ BAHADUR: If the hon. Member wants information in terms of mileage or in terms of passenger miles, I think I will not be able to give it off-hand, but the other relevant information I have already given in full. I have indicated to him the sectors or the services which have been nationalised and converted into Corporations. But there are others which are run departmentally or as public limited companies. There are three systems obtaining. I think I will require suitable notice for that if he wants specific figures from me about the quantum of nationalisation. Moreover, Sir, every State has undertaken

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nationalisation of road transport, but some are fairly advanced like the Bombay State or even U.P. and some are still lagging behind. In Himachal Pradesh we have goods and passenger transport both completely nationalised. In Bombay also to some extent they went forward with the nationalisation of goods transport but in Himachal Pradesh it is completely nationalised.

THE VICE-CHAIRMAN (PANDIT S. S. N. TANKHA): Motion moved:

"That the Bill further to amend the Road Transport Corporations Act, 1950, as passed by the Lok Sabha, be taken into consideration."

SHRI AMOLAKH CHAND (Uttar Pradesh): Mr. Vice-Chairman, Sir, this Road Transport Corporation Act which was passed in 1950 is now being tried to be amended to meet some of the difficulties which the Corporations have found in their daily working. That is what I could understand from the speech of the hon. Minister.

DR. R. B. GOUR: Don't take the speech so seriously.

SHRI RAJ BAHADUR: Take the Bill seriously.

SHRI AMOLAKH CHAND: I am sorry, if you had spoken earlier, I might have taken them seriously and replied to the arguments but now I have to explain the Bill and give my own estimate of what the amendments are and whether they are worthwhile etc.

Now, we know that this parent Act which is going to be amended now was passed in 1950 with a definite object of nationalising the road transport system in India. Now, in 1948 a similar Act was passed but there were some clauses to which objection was taken by private operators and the Supreme Court held that some of the provisions of that 1948 Act were *ultra vires* and as such the parent Act which is now to be

amended was passed in December 1950. Now I would have liked the hon. Minister to have told us how this Act has worked for the last 9 years. Dr. Gour asked a question as to how far nationalisation has been in progress during these 9 years and the hon. Minister has replied to that. As far as I know from the parent Act, the Bombay Corporation was in existence from 1949 and if we look into Section 47 of the 1950 Act, we find that there are special provisions relating to Bombay. What I find is that during these 9 years Bihar has decided to have a Corporation only in 1959 and Mysore is contemplating it. I would have liked to know how these Corporations were working and whether their working is satisfactory and if their working is satisfactory, I would have liked to know why in the other States like West Bengal, Uttar Pradesh and the other 11 States, Corporations could not be created.

DR. R. B. GOUR: Rajasthan is a very good example of non-nationalisation.

SHRI, AMOLAKH CHAND: Dr. Gour will get his chance. I am not aware about Rajasthan, although I know that private operators are operating there and as the Minister comes from Rajasthan he would give better answer to you on that point. Now, I wanted to know what were the difficulties with the State Governments in running this road transport through their Government officers instead of Corporations? Because, the main idea of the 1950 Act was to provide for the incorporation and regulation of road transport corporations. Now, I would have liked to know what were the difficulties in their way. If you see page 16 of the Masani Committee Report about nationalisation of road transport, they say:

"Corporations so far formed do not include private operators or any other member of the public. Two-thirds of the capital is being provided by the State and one-third capital is being provided by the Railway Ministry."

Then they go on further and state:

"Out of the 18 States, 17 States have nationalised part of the passenger services."

Himachal Pradesh, as the Minister pointed out, is the only State which has nationalised both passenger and goods services, but again you will find that Tripura is another State in the Union Territories where they have neither nationalised road transport nor the goods traffic. I would like to know from the hon. Minister as to what are the reasons why no such step has been taken in Tripura, which is now a Union Territory. As you might know, Tripura is not well connected with other parts of India. There is a railway station about 30 miles from Agartala. We, members of the P.A.C., had occasion to go to Agartala. Tripura is the only State where there is no nationalised transport and there we did come to know that people had great difficulty and I would like to take advantage of this occasion to point out to the Minister that he should do something for the amenities of the passengers who have no option but to go in the buses operated by private operators. Now, I have tried to go through this Bill and I was surprised to find that more powers are going to be taken by the Centre than was thought of in 1950 and certainly the Minister ought to have explained for the advantage of the Members to understand. While speaking about clause 5 amending section 26 of the principal Act, he said that it is for giving more capital to the Corporations to implement their needs. Now the provision in the Bill says:

"With the previous approval of the State Government and the Central Government a corporation may also borrow money in the open market for the purpose of meeting any expenditure of a capital nature."

If you look into section 26 of the parent Act, you will find under the heading 'Borrowing Powers':

[Shri Amolakh Chand.]

"A Corporation may, with the previous approval of the State Government, borrow money in the open market or otherwise for the purpose of raising its working capital."

There is no mention of the Central Government there. My objection is that the hon. Minister has not explained to us why it has become necessary in this amendment to bring the Central Government into the picture. If you look at the other amendment that follows in clause 6 you again find this:

"and out of the balance such amount as may, with the previous approval of the State Government and the Central Government, be specified in this behalf by the Corporation."

The point I want to raise is whether it is the idea in this amendment to give up the scheme that was followed in the parent Act. If you examine the parent Act, you will find that the Corporation is to be managed so to say or is to be looked after or financed primarily by the State Government. But by this amendment in this Bill what you are doing is this. First of all there will be the Corporation. The Corporation's needs would be communicated to the State Government and if the State Government agrees to the proposals made, then the State Government has to send them to the Central Government for approval and only after that can any work be done. So instead of giving more power to the State Government by this amendment, you are taking away the powers which the State Government had in the daily administration as far as the financial side is concerned.

THE VICE-CHAIRMAN (PANDIT S. S. N. TANKHA): That is because borrowing power is being given. Since the power of borrowing is to be exercised by the Corporation, the Central Government must come in.

SHRI AMOLAKH CHAND: What you have pointed out, Mr. Vice-Chairman, would have been all right, but as I pointed out while reading out section 25 of the parent Act, it is stated there that as far as borrowing is concerned, the Corporation is guided by or it acts with the approval of the State Government and not of the Central Government. The whole point that I want to make is that in the parent Act wherever you have got financial powers, they have been vested in the Corporation subject to the approval of the State Government. But by these amendments now proposed, the present scheme would be that the Corporation would have to get the approval from the State Government and the State Government would have to go to the Central Government. If the wording had been "State Government or Central Government" the position would have been quite different.

THE VICE-CHAIRMAN (PANDIT S. S. N. TANKHA): That would have created a confusion. If the word "or" had been used and if the Corporation had to take the permission of the State Government or the Central Government, then it would have created confusion as to whom they were to approach for permission.

SHRI RAJ BAHADUR: May I interrupt the hon. Member for one minute and explain the point?

DR. R. B. GOUR: The hon. Minister can reply at the end. Otherwise nothing will be left.

SHRI AMOLAKH CHAND: I am sorry I have not made myself clear on this point.

DIWAN CHAMAN LALL (Punjab): We want to know what the Minister has to say. One hon. Member may object, but we would like to hear the Minister explain this point.

SHRI RAJ BAHADUR: Sir, with your permission I may say that section 26 as it stands does warrant or authorise the Corporations to borrow

in the open market for working expenses. But when it comes to a question of capital expenditure we now introduce an element of permission of the Central Government because all expansion projects have to be controlled by the Planning Commission and they have got to be regulated. That is one point. Secondly we also know that expansions or extensions take place in the public sector. These are national Corporations and they often come to the Central Government for loans; they invariably do. And when we have to give them loans, then the Central Government should be in the picture about their actual finances, the actual needs for capital expenditure, etc. Therefore, it has been considered necessary to draw a distinction between working expenses on the one hand and capital expenditure on the other. So long as the Corporation confines itself to borrowing for working expenses, the Central Government does not come into the picture. As soon as it goes in for expansion or for capital expenditure and comes for loans to the Central Government—and it normally does come to the Central Government—then the Central Government has to come into the picture. Apart from all this, the general market conditions are there, conditions of the money market, borrowings, etc. and these have got to be taken into account. That is a very important consideration and the Finance Ministry keeps these in view. Otherwise we may disturb the money market. Therefore, all these considerations are there.

As regards section 30 it provides that after meeting all the expenses incurred on the various services and the contributions to the various funds etc., whatever balance of revenue is left, the same is earmarked for the expansion or extension of roads at present, not for road transport, although "road" ultimately may facilitate the expansion of the road transport facilities as well. This section as it is at present worded only permits

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the balance of the profits left with the Corporation to be spent for road extensions or for the extension of the road system, and not for the extension of the road transport system. We give them the new power now that it may be spent for the expansion of the motor transport or the road transport system also and when that kind of extension comes in, again the same considerations come in which I have referred to in connection to section 26. That is why the Central Government comes in.

SHRI AMOLAKH CHAND: I am very grateful to the hon. Minister for this explanation, but it does not convince me and that for this simple reason. As I suggested, either it would have been the State Government or the Central Government. Now when these Corporations are being floated under the Central Act, their administration is being looked after by the State Government. When there was any extension or when there was borrowing or more expenditure and money was needed, the original idea was—and that is what I have gathered from the parent Act—the States would contribute some finance, the Central Government would contribute some and the private operators of the place would also contribute something. That is the impression I got after reading the Masani Report on page 15. That is why I submitted that it would have been much better if the hon. Minister had given all this information also to us.

My point now is, how does the Central Government come into the picture? The hon. Minister referred to the money market and so on. Well, the State Governments do float loans for their working.

THE VICE-CHAIRMAN (PANDIT S. S. N. TANKHA): Not without the permission of the Central Government.

SHRI AMOLAKH CHAND: I don't know, I think they can, to some extent. Only they have to inform the

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Centre. Anyway, even if the State Governments have got to take loans, the scheme in the original Act was that in all financial matters, the State Government was the final authority. What will be the position now? I will not have worry if the State Government and the Central Government can function swiftly, quickly and efficiently. If that were the position, I would not have minded. But seeing things as we do, we know the position. There will be a proposal from the Corporation. The proposal has to be okayed by the State Government. Then it has to be okayed by the Central Government. What I submit is that by these amendments the better functioning of the Corporations would be hampered to some extent. That is my personal view but I may be wrong. That is what I could find after going through the amendments. The idea seems to be to have more control of the Centre on these Corporations.

Now I come to another amendment, the one in clause 4. What Government wants to do is to authorise the issue of passes to the employees of the Corporations and other persons either free of cost or at concessional rates and on such conditions as may be deemed to be fit to impose. I can understand the issue of passes to the employees who may have to travel but what about the other persons? Who are they? If the General Manager wants to give a pass to somebody, what is the criterion to guide him? These are very ambiguous powers and would result in losses to the Corporations because passes can be given either free of cost or at concessional rates. There should be some rules to govern the issue of free or concessional passes. If you give a pass to a party of students or a party of amateur artists, I can understand it and this is being done by the railways.

DR. R. B. GOUR: Passes are given to the families of employees also.

SHRI AMOLAKH CHAND: But that would be given in the name of the employee, the employee and his family. Here it is the employee, including his family, and other persons. Who are these other persons?

THE VICE-CHAIRMAN (PANDIT S. S. N. TANKHA): I suppose you know that it is contemplated by the Uttar Pradesh Government to allow Members of their Legislatures to use these buses free of cost. If such a provision is not provided in the Bill, how will those persons be entitled to use the buses?

SHRI AMOLAKH CHAND: You have said about the intentions of the Uttar Pradesh Government. Probably they have not yet passed such a measure.

THE VICE-CHAIRMAN (PANDIT S. S. N. TANKHA): There is every likelihood of its being passed in the near future.

SHRI AMOLAKH CHAND: I myself have travelled in some State bus on a pass as a Member of Parliament, as a special favour and so, I know something about this and that is why I say that the move of the Uttar Pradesh Government to give free passes to Members of the State Legislature would be under their Salaries and Allowances Rules; the Members would not be at the mercy of the Corporation.

SHRI P. N. SAPRU (Uttar Pradesh): But do they give to Members of Parliament also?

SHRI AMOLAKH CHAND: No and they have not given any pass to the Members of the State Legislature also. I am going to tell you about another State where they have given free passes to the Members of the State Legislatures but not to the Members of Parliament.

THE VICE-CHAIRMAN (PANDIT S. S. N. TANKHA): There must be some provision in the law to permit the giving of such passes.

**SHRI AMOLAKH CHAND:** To my mind this can only be possible under an Act of the State Legislature.

**SHRI JASWANT SINGH** (Rajasthan): Mr. Vice-Chairman, the hon. Member just now said that he travelled in a State transport on a free pass, as a Member of Parliament. How did he do it? That is what I would like to know.

**DIWAN CHAMAN LALL:** He said that he got it as a special favour.

**DR. R. B. GOUR:** Sometimes Congressmen travel free.

**SHRI AMOLAKH CHAND:** If you are connected with some State Government and if you happen to go there, well, they issue a pass to you to travel in that State.

**SHRI JASWANT SINGH:** But not as a Member of Parliament.

**SHRI AMOLAKH CHAND:** Being a Member of Parliament, I visited a State, other than the State which I represent. I got a pass and I travelled free. That is what I said.

What I want is that the words "other persons" should be specifically defined as to who the "other persons" would be. Some category of people must be mentioned. Otherwise, you would be giving unnecessary powers of issuing free passes in the name of any person.

There is the other provision about the grant of refund in respect of unused tickets and concessional passes. This is a proper amendment. Previously there were difficulties. Suppose I purchase a ticket and then later on ask for a refund. No refund is permissible under the rules and the authorities would simply say, "No refund can be given. Kindly wait here for some time and if somebody else turns up, you can give the ticket to him and take the money from him". I welcome this provision as also the other provision which provides for the Auditor-General look-

ing into the accounts of these undertakings. These Corporations, as I said earlier, are financed by the State Governments and supplemented by the Central Government. There are some shares which can be purchased by private persons but as far as my knowledge goes, the Corporations have been financed by the State Governments and the Central Government, that is by the Government of India in the Railway Ministry, not the Transport Ministry.

[MR. DEPUTY CHAIRMAN in the Chair.]

This provision for the Auditor-General to look into the accounts is a welcome one because up till now the State Transport Corporation's accounts were not put up before the State Legislatures. Because of this provision, such accounts will henceforward be put up before the respective State Legislatures and the Members thereof would be entitled to look into the accounts.

I come now to clause 11 which seeks to omit section 41 of the parent Act. If you look at the original provision, section 41 bears the heading, "Corporation to be deemed to be a local authority and provision as to third party risks". I am not sure but probably this has been done because under the new Motor Vehicles Act, this third party risk is covered. I do not know whether that is the reason because the hon. Minister has not explained this in detail. If that is not the reason, then this leads one to think as to what would be the responsibility of the Corporation regarding the accidents involving vehicles run by the Corporation.

Another point in regard to which the hon. Minister has not taken the House into confidence and which probably he might like to do now is regarding the road accidents involving these Corporation vehicles. You always read some news about some road transport bus or truck killing some persons, injuring some persons and so on. We would like to know as to how far safety measures are being



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taken, measures in the interest of the passengers.

I now come to clauses 12 and 13. There is nothing much to be said about these two clauses.

Clause 4, proposed section 19(1)(e), provides for the grant of refund in respect of unused tickets and concessional passes. You will find the same thing repeated in clause 13, proposed section 45(2)(e), "the grant of refund in respect of unused tickets and concessional passes under section 19". I cannot exactly follow as to why it is necessary to repeat the same wording in two places instead of making it applicable to both the cases.

Anyway, Sir, these are my suggestions. I support the Bill.

DR. R. B. GOUR: Mr. Deputy Chairman, Sir, I think there are certain features of this Bill that have to be welcomed but at the same time though I would like to reserve some of my comments for the promised debate on the Report of the Road Transport Reorganisation Committee, certain things I would like to say today.

Now, originally this Act was meant to regulate nationalised transport and at the same time to give an incentive to nationalisation of transport. That is why at the very outset I enquired from the hon. Minister as to how the nationalisation of transport has progressed during this period, and more particularly after the enforcement of this Act. Now, long back during the First Five Year Plan period or so the Transport Advisory Council had laid down by a Resolution—and I would now like to know whether the Government have accepted that Resolution or whether they would now like to modify that Resolution—that by and large the passenger transport should be nationalised by the end of the Second Five Year Plan. That was the Transport Advi-

sory Council Resolution long back and the only thing that the Council recommended to the Government was that the goods transport might not be touched for the present. Obviously we felt that goods transport need not be nationalised but the question of completing the nationalisation of passenger transport during the Second Five Year Plan has to be very seriously enquired into and we have to see why that could not be done. What are the factors that are deterring the nationalisation of passenger transport, that are preventing its nationalisation? Which are the forces that do not want nationalisation and is it a fact that the Government is supporting those forces in any way or has succumbed to those forces? In my own State of Andhra Pradesh we heard our Chief Minister—not a very lovable person otherwise—had taken a decision to extend nationalisation to certain sectors in Andhra. But I understand—I would like the hon. Minister to contradict me because I want to be contradicted on this point—that the Central Government advised the State Government in Andhra Pradesh to go slow with that nationalisation. Was such an advice given by you and if so what were the grounds for giving such an advice? Are you interested in slowing down the pace of nationalisation of road transport? That is one question I would like to ask.

SHRI RAJ BAHADUR: Does the Member mean that we generally advised the Andhra Pradesh Government that they should not go for nationalisation? I question that.

DR. R. B. GOUR: There was no general nationalisation in Andhra Pradesh. Nationalisation of private transport was to take place only in one or two districts. Therefore the point is that certain pressure was brought to bear on the Central Government and of course even on the Andhra Pradesh Government that this nationalisation must not take place. Is that a fact or is that not a fact? Finally, we also know that the Sup-

reme Court struck down that nationalisation because of certain other factors—technical details and all that—even though there was also a dissenting judgement of the Supreme Court in that respect. Therefore we know that in so many States nationalisation is not at all on the agenda. Rajasthan is one such State. Perhaps there was one small tiny area where road transport was nationalised; otherwise we do not know whether nationalisation is on the agenda in Rajasthan at all. We do not know when we will get nationalised transport in Tripura. We do not know whether there will be extension of nationalisation of road transport, of passenger transport. Let us not talk of goods transport. Let us achieve first complete nationalisation of passenger transport; we can come to goods transport later. And we ought to have completed the nationalisation of passenger transport if the Transport Advisory Council Resolution had been taken seriously. But there seems to be some impediment.

Now, we want nationalisation not merely because the State Governments should earn certain revenue out of this nationalisation but also because the private sector neither keeps the vehicles in proper order nor is it in a position to give passenger amenities, nor can it have workshops for maintenance and all that. There are cases of one bus being owned by ten owners; of course there are also cases of ten buses owned by one owner. So there is complete anarchy in ownership in private transport and it is creating very serious problems relating to amenities and safety of passengers. The other day we had an opportunity of reading the Public Accounts Committee's Report on the Himachal Pradesh road transport and it was said that vehicle failures were very serious; the percentage was very high. I think if there was an opportunity to compare the vehicle failures in private transport, it will be higher still. That is why for the safety of the passengers, for the better upkeep of vehicles, for a proper development

of the routes and for proper running of the transport, nationalisation is necessary. The road is the artery for the villages. Therefore this problem has to be looked into and enquired as to why nationalisation is not proceeding at the pace at which it should. And I would like the hon. Minister to throw a little light on this aspect. My own feeling is—and I am sure many people will share that feeling—that in the States a lot of political pressure is brought to bear by individual M.L.As. who have something or other to do with transport. In many States that is the position; in my own State that is the position, and that is why nationalisation is not progressing. Sir, here is a serious conflict between the policy that you have laid down and the practice that your own State Governments are following because of this political pressure. Here the amenities for the passengers is not the question; the revenue for the State is not the question; **better upkeep** of the vehicles is not the question but it is the profits of those individuals who have come to acquire a lot of political power in the States that is behind this. It is because of them that nationalisation is not progressing. What is the remedy for it? Sir, we have a lot of things to discuss and I have asked the Transport Ministry to discuss this question in the Consultative Committee also.

Now, it is quite good that the audited accounts shall be laid before the State Assemblies and we will have some opportunity for discussion. Earlier when it was a department we used to discuss the Budget of the Transport Department but when the corporation came in, nothing could be done because there was nothing before the Assembly and there was no control or check. But now with this proposed amendment we will have opportunity of discussing these matters on the floor of the Assemblies in the various States. But the problem which I thought my friend, Mr. Amolakh Chand, would raise is this. Sir, he knows it; he knows a lot but he has spoken very little and that is why I

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plead with Mr. A. P. Jain that Congress members should be protected from the cruelty of their whips. Sir, many State Governments . . .

SHRI AMOLAKH CHAND: Sir, on a point of personal explanation I may say that there was no briefing by the whip as far as I am concerned and the allegation that Mr. Raj Bahadur has made is not correct at all.

SHRI RAJ BAHADUR: I did not make any allegation. My hon. friend there seems to know much more about Mr. Amolakh Chand than perhaps what Mr. Amolakh Chand knows about his own self.

DR. R. B. GOUR: Sir, many State Governments are opposed to this Corporation, because the moment the corporation comes into existence, they have to pay income-tax over the income. If it was a department the entire income could be used by the State; it would be a revenue-earning department. Therefore many States do not want this. For example, I do not think there is a Corporation in the Madras State today. The State Government in Madras, I am told, is not for a Corporation because that will entail the question of income-tax. Therefore, when transport is a State subject, why don't you envisage a certain provision? It may be necessary to amend the Income-tax Act. Do something to see that the entire income derived from State transport is utilised for the development of the roads and for things like that. You give us a part, a share of the income-tax, but it is only a share. The bulk of it you keep for yourself. Therefore, this is a very serious hindrance to a department becoming a Corporation. We know, Sir, which this Act was originally passed . . .

SHRI AMOLAKH CHAND: A department cannot become a Corporation.

DR. R. B. GOUR: Today road transport is a department. If you want to

make it into a Corporation, then the Corporation will have to pay income-tax to the Central Government, whereas a department need not. If it is a Corporation the Central Government is encroaching on its revenues. You may give away a part of it but you do not give away the whole of it. We have to fight with the Central Government. You are taking away the income-tax. It is required for the expansion of road transport. Ask the Railway Ministry to subscribe to the capital that they want or some such thing. You do it. Therefore, this is one of the hindrances. Here you are saying that for capital investment you can borrow the money but with our permission. But you have yourself taken it away. Therefore, this is another point that has to be looked into from the financial aspect. Why is it. After all in those days when it was a working department, generally the revenue was accruing to the department.

Then, Sir, about the functioning of these Corporations themselves. Well, in fact I thought that the hon. Minister, dynamic as he is and communicative also as he ought to be, should have given us a certain idea as to how these various Corporations are functioning. Are they functioning properly, or has their functioning itself entailed so much red tape and difficulty that there are people who have begun to fear the very idea of a Corporation? This tendency is developing in Madras, let me tell you. The difficulty is this. Earlier when it was a department, it was a red tape then. Now the Central Government wants to come in for everything. So, this is point number one. Number two is, the Corporations also must be business like corporations competing in the open market. I want the public sector to compete with the private sector and defeat it. Now what is the position? You are trying to deal with the public sector as if it is a pampered child, and at the same time people begin to feel as if it is something very difficult to face or very difficult to defend.

Under the original Corporations Act certain people could be nominated to the corporations. We know that the Transport Reorganisation Committee itself had told us as to how those various nominations had been made and how those things functioned. I can tell you about Andhra Pradesh. Gentlemen will be nominated there who are non-officials. Non-official gentlemen will be nominated who hardly know anything about transport and much less about business. A gentleman who did not know what public life was a few years ago suddenly became a politician. A gentleman who could not run even a Municipal Corporation when he was the Mayor has been made a member of the corporation. What will he do? I sympathise with him. Partisan interests should not be taken to such an extent that all sorts of people are nominated just because they have joined the Congress.

**SHRI JASWANT SINGH:** The hon. speaker referred to that gentleman as Mayor of a Corporation. So he knew something about public life.

**DR. R. B. GOUR:** He was made a member of the Transport Corporation. You know how people become Mayors of Corporations. See Hyderabad, for instance. Just because he was a Mayor he was not a capable person. In the party he had a majority.

**SHRI JASWANT SINGH:** He has public experience.

**DR. R. B. GOUR:** If you want to take that experience into account, then he should not be given even a restaurant to run. Not only that. For example, the leader of the opposition is absent even though he is the President of the Transport Employees Union there, a recognized Union, a very well functioning Union, but not at all represented on the Transport Corporation. Here is a corporation which discusses things about the transport industry and you have nominat-

ed M.L.As. or whoever they are who do not know anything about the industry. And employees who deal with the entire thing, who are there on the spot, who know many things about it, they are absolutely not represented on the Corporation. This is a very serious thing. You must make a statutory provision to see that in all these Transport Corporations representatives of employees are there. Make him an elected representative, I have no objection, as you have in the Provident Fund Board of Directors. See that they are there because they are men on the spot. They will impart expert knowledge to the Corporation. They will give you the practical difficulties and also the solutions for those difficulties.

Nowadays, we have been talking of workers' participation in management. This is the position in these Transport Corporations having well organized unions. And transport workers are not ignoramuses, they are literate people. They are not being given representation on the Corporations. Then what will happen to your co-operation between the management and the workers in the public sector? Neither are these Corporations business-like Corporations. I can understand a business-like board of directors or a private sector concern dealing with its employees and refusing workers' participation in the management. Here it is public sector. It is your State policy that workers' participation in management should be there, and you want the co-operation of the employees in doing everything. It is a State policy to encourage workers' participation in management. But here even consultation is denied. I was referring to Himachal Pradesh. Referring to Himachal Pradesh, the Public Accounts Committee says that there is a serious number of vehicle failures. Why is it so? Is the maintenance not proper? Is the workshop properly equipped? The workers know it. If the worker is represented on the Corporation, he will tell you as to how

[Dr. R. B. Gour.]

these things could be tackled. He is a technical expert so far as the workshop is concerned, so far as the maintenance of the buses is concerned. I can give you examples, when the so-called technicians have failed and when spare parts were to be stored in Transport undertakings they did not know the thing. They had stored all sorts of spare parts. Spare parts which are not used have been purchased more, and those which are frequently used and which are more in requirement are less in store. The result is that prices have gone up in the market abroad and we are in a soup. The worker knows which spare parts is required more, where the wear and tear is greater. You need not invite technical experts from the U.S.A. for all these things. The mechanic will tell you, the driver will tell you, the fitter will tell you, but you do not have their representative there. You have all sorts of lawyers and non-technical personnel there. These corporations are stuffed with these people whereas representation of workers, men on the spot, is not there. I do not want you to give me any representation, because I do not know anything about the transport industry. But I say, let the trade-union there, the workers there, be represented on it.

**SHRI SONUSING DHANSING PATIL (Bombay):** On a point of order, how is it relevant—this workers' participation? Is this relevant as far as the amending Bill is concerned?

**DR. R. B. GOUR:** I do not know. I think he is more interested in the dowry and other Bills to be introduced in the House; it may be so. But the point is this. You want these corporations to develop as industrial undertakings. This won't be possible. You have appointed an Auditor—the Comptroller and Accountant General. Why? Because the finances must be strong; they must be properly checked. I therefore say that this thing also should be done. Today the pro-

blem with these corporations is that in no corporation are the workers and the trade union represented.

As regards the other things, about the passes, I do not have much grudge, and I think Mr. Amolakh Chand who is unfortunately not here, has not read that amendment in clause 4 along with the amendment in clause 13, because under the original section 45, it will be regulated. Section 45 gives powers to have regulations about all these things and this will be there—the issue of passes—and the other persons under section 19 will be regulated under regulations under section 45. Therefore, there I have not much objection, because these passes are given under agreement with the unions, not only to the workers, but also to their families—mother, wife, son and such near ones. Then the question of passes for students and other categories of persons and government servants, all these things are there. Therefore that could be regulated and will be regulated under section 45. On that score, I have no grievance. But my general grievance is this. In so far as the present amendment goes, to bring in the Comptroller and Auditor General into the picture is good because in that case he will have control over finances. Today the Assembly has no control over the corporations; tomorrow it will have. But that is not enough.

Lastly, Sir, I think, just because the State Corporation is allowed to borrow in the open market, permission from the Central Government should not be necessary. The explanation given by my friend, the hon. Minister for Transport and Communications, is not satisfactory, because today more and more the public sector is growing; State Governments are there in the picture, not only in purely public sector undertakings, but also in undertakings where the State is a partner with the private shareholders. But this is not necessary. Any ordinary company, any Corporation, can go into the open market for borrowing. There are general laws, rules and regulations governing the borrowing of money.

That should be enough for such public undertakings, such autonomous corporations, just like any other company, any other corporation, any other industrial undertaking is free to borrow in the open market. And at the same time it cannot absolutely be a free-lance in the open market because of the rules and regulations, etc. governing all these things. You should allow even the Road Transport Corporations of the various States to do it. Otherwise, this will be more and more as a sort of thin end of the wedge for Central intervention in State Government undertakings. Now, this means that the Finance Ministry wants overriding powers under all sorts of pretexts. I do not think the Finance Ministry asks an ordinary concern when it goes to borrow in the open market that it should take its permission. When this is not applicable to ordinary concerns, to ordinary companies even in the public sector, why should it be particularly made applicable to the Road Transport Corporations in the public sector? That is my point. Therefore I agree with my friend, Mr. Amolakh Chand, that prior permission from the Central Government even for borrowing, even though it may be for capital expenditure, should not be made necessary.

Thank you, Sir.

**श्री पा० ना० राजभोज (मुम्बई) :** उपसभापति महोदय, मुझे इस बारे में ज्यादा कहना नहीं है। ड्राइवर, क्लीनर आदि जो गरीब लोग हैं जिनमें हर जाति के लोग होते हैं, उनका सम्बन्ध इस से है, इसलिए मेरा यह कहना है कि उनको ठीक तरह से रिप्रिजेंटेशन मिलना चाहिये।

सड़क यातायात के सिलसिले में काफी चर्चा हुई है। मेरा ख्याल है कि रेलवे मंत्री जी ने अपने बजट के भाषण में बताया था कि पिछले साल रेल को गुड्स ट्रैफिक से कम पैसा मिला क्योंकि सड़क यातायात से उसको मुकाबला करना पड़ा। इसके माने यह समझ कर कि रेल और सड़क में कुछ लड़ाई

है लोगों ने इस प्रश्न पर विचार किया और अभी भी इसका हल हुआ नहीं है। यह बात बताने का कारण यह है कि जब तक यह संशोधन से निगडित है, तब तक हमारे श्री पाटिल साहब और श्री राजबहादुर साहब बधाई के पात्र हैं क्योंकि १९५० का जो कानून है उसके महत्व पर हमको बोलने का अवसर मिला है और यह बिल नॉनकॉन्ट्रोवर्शियल है, ऐसा मैं मानता हूँ। १९५० का कानून बनाने का महत्व और कारण यह था कि राष्ट्रीयकृत सड़क यातायात कार्पोरेशन द्वारा विकसित हो। उसके पहले सरकारी विभाग द्वारा यह यातायात होने की वजह से शिकायतें, रिस्वतवोरी और पक्षपात आदि अष्टाचार की अवसर मिलता था। इसलिए यह कानून बना है। ट्रांसपोर्ट मिनिस्ट्री ने जो काम किया है वह चाहे जिस स्टेडर्ड से जज किया जाय तो भी अच्छा है और मालूम होता है कि हमारे मंत्री महोदय एक प्रकार के काफिडेंस से आगे बढ़ रहे हैं और काम कर रहे हैं।

यह अफसोस की बात है कि कई राज्यों ने अभी तक कार्पोरेशन की स्थापना नहीं की है। उसके विलम्ब के अनेक कारण हो सकते हैं जैसे कि उनको इन्कम टैक्स देना पड़ता है और अन्य कर देने पड़ते हैं, किन्तु राज्यों पर इस बात की छाप पड़नी चाहिये कि यह कार्पोरेशन स्थापन करना रोड ट्रांसपोर्ट की तरक्की के लिये आवश्यक है। मैं विश्वास करता हूँ कि मंत्री जी इस बात पर राज्यों से अधिक सम्बन्ध रखेंगे। साथ साथ यह भी बताना जरूरी है कि कई राज्यों में दो तीन कार्पोरेशन्स हैं। जैसे कि बम्बई राज्य में तीन कार्पोरेशन्स हैं, एक मौराष्ट्र का अलाहिदा, दूसरा कच्छ का अलाहिदा, और तीसरा बम्बई का अलाहिदा। इनका एकीकरण आवश्यक है। रोड ट्रांसपोर्ट ने बम्बई में काफी तरक्की की है और यदि अन्य राज्य उसका सबक लेंगे तो सड़क यातायात रैड टैपिज्म इत्यादि सरकारी विभागों के दोष टाल के कमिशियल लाइन पर चलेगा।

[श्री पा० ना० राजभोज]

और उसका उद्देश्य सफल होगा। मुझे यह भी लगता है कि जिन राज्यों में यह कार्पोरेशन स्थापित किया गया है उसके सम्बन्ध में हमें संक्षिप्त रिपोर्ट मिलनी चाहिये थी ताकि हम समझ सकते कि यह कार्पोरेशन कैसा वर्क कर रहा है।

इस बिल के सिलसिले में मेरे दो चार प्वाइंट्स हैं जो मैं बताना चाहता हूँ। क्वाज २ में चीफ एग्जिक्यूटिव ऑफिसर या जनरल मैनेजर भी कार्पोरेशन का सदस्य बन सकता है। उसके अनुभव का उपयोग करने के लिये यह ठीक हुआ है लेकिन मेरी प्रार्थना यह है कि उसमें वर्क्स के प्रतिनिधि भी लिये जा सकते हैं। 'वर्क्स पार्टिसिपेशन इन मैनेजमेंट' का तत्व यहां पर भी लागू किया जाये। दफा ४ में नौकरों को पास मुफ्त में या कंसेशन में देने की योजना की गई है और वह ठीक है। रेलवे में नौकरों को और उनके कुटुम्बजनों को मुफ्त में पास दिये जाते हैं। बम्बई में और उत्तर प्रदेश में एम० एल० एंज० को भी पासेज दिये जाते हैं। मेरी मांग यह है कि एम० पीज० को भी यह पास मिलना चाहिये और यह कंसेशन दिया जाना चाहिये। जैसे कि हम लोगों को रेलवे का पास मिलता है वैसे ही पार्लियामेंट के जो मेम्बर्स हैं उनको इसके लिये भी पास मिलना चाहिये ताकि वे जहां जाना चाहें जा सकें। यह अफसोस की बात है कि यह एक स्माल फेवर भी एम० पीज० को जो कि जनता के प्रतिनिधि हैं, नहीं दिया जाता है। कम्युनिटी डेवलपमेंट मंत्रालय कहता है कि हमें उनके कार्यक्रमों में ज्यादा से ज्यादा दिलचस्पी लेनी चाहिये और विकास-केन्द्रों में हमें जाना चाहिये, किन्तु यह कंसेशन भी नहीं दिया जाता है। दिल्ली में भी हम लोगों को यह कंसेशन नहीं दिया जाता है। मैं मंत्री महोदय से प्रार्थना करूंगा कि इस बात पर डी० टी० यू० का ध्यान खींचने की आवश्यकता है।

अगली बात यह है कि सबसे महत्व की दफा ५ और ६ है। उसमें कार्पोरेशन को खुले बाजार में कर्जा लेने का अधिकार दिया गया है। मैं यहां मन्त्री जी को यह बताना चाहता हूँ कि उसका उपयोग कैपिटल वर्क्स में होगा और यह एक अच्छी बात है। इससे मध्यवर्ती सरकार पर तथा जनता पर कर का बोझ कम हो गया है। यह कर्जा मध्यवर्ती सरकार और राज्य सरकार की राय से ही लिया जायेगा इसलिये इस अधिकार के दुरुपयोग का भी खतरा नहीं है और दूसरा एक फायदा यह भी होगा कि इससे इन्वेस्टमेंट का एक नया चैनल खुलेगा। इससे लोगों को सुरक्षित स्थान पर पैसा लगाने की सुविधा प्राप्त होगी।

देश भर में बस-यातायात बढ़ गया है और मेरे ब्याल से उनका, मोटर ट्रांसपोर्ट का, नेशनल एक्सचेंजर को कांट्रीब्यूशन भी समाधानकारक है। लेकिन मेरा यह भी कहना है कि केवल यह अधिकार देने से ही सरकार का उत्तरदायित्व पूरा नहीं होगा। कार्पोरेशन को विदेशी मुद्रा देने का सवाल तो उनके ही हाथ में रहा है और रहेगा इसलिये इस मुद्रा को रोड-ट्रांसपोर्ट के लिये और विशेषतः सड़क के इन्तजाम के लिये देना आवश्यक है।

उपसभापति जी, मुनाफे को कैपिटल पूंजी में लगाने के बारे में जो दफा है वह अत्यन्त महत्व की है। अब तक प्रवासियों को सुविधा देने पर तथा कामगारों के कल्याण की योजना पर खर्च करने की बात १९५० के एकट की दफा ३० में मुकर्रर की गई थी परन्तु इस संशोधन से इसमें एक्सपैंशन प्रोग्राम का एक नया आइटम डाला गया है। किन्तु, मेरे खयाल से उसकी आवश्यकता नहीं है क्योंकि सड़क यातायात में मुनाफा एकानामी करने से ही पैदा हो सकता है और यह एकानामी एफिशियेंट सर्विस होने से हो सकती है। किन्तु, जब तक कामगारों की तरक्की नहीं होगी तब तक एफिशियेंसी नहीं आयेगी इस लिये मैं कहना चाहता हूँ कि इस नये आइटम

को डालने से हो सकता है कि एक्सपेशन की वजह से बैलफेयर आफ लेबर और प्रवासियों की सुविधा खतरे में आ जाय। दूसरी बात यह है कि खुले बाजार में जब कर्जा लेने का एक तरफ अधिकार दिया है तो फिर प्राफिट को भी एक्सपेशन प्रोग्राम के काम के लिये उपयोग में लाने की क्या आवश्यकता है। डेवलपमेंट के लिये रेवेन्यू का उपयोग नहीं करना चाहिये।

अन्त में मैं यह कहूंगा कि कर्जा लेने का जो अधिकार दिया गया है उसको देहातों में रोड-मरिंस बढ़ाने के लिये, रास्ते सुधारने के लिये और विलेज एकानामी का सुधार करने के लिये उपयोग किया जाये।

इस बिल के बारे में यही मेरे खास खास विचार हैं जो कि मैंने प्रकट किये हैं और मैं चाहता हूँ कि मंत्री महोदय जो इन बातों को अपने ध्यान में लाकर उन पर अमल करने की कोशिश करें। धन्यवाद।

**SHRI JASWANT SINGH:** Mr. Deputy Chairman, Sir, I rise to give my full support to this Bill which has been brought before this House. The point before me is this, that as far as I can see, the Centre is not much concerned with the provisions of this Bill; it is mostly the States for which we are legislating; only for the Union Territories perhaps the Centre may directly be responsible and they may be concerned with the provisions of this Bill; otherwise, we are legislating for the corporations in the various States.

Sir, we have seen that all the States do not have the corporations. Some run road transport departmentally and in some of the States there are the corporations. No doubt some of the big States have corporations while some other big States run this motor transport departmentally. Dr. Raj Bahadur Gour referred to this point and said that they were not doing so because they were afraid that if they made it into a corporation, they would

have to pay income-tax. In this connection I would point out that under article 289 of the Constitution the Central Government is authorised to impose income-tax on the State Government undertakings also. Of course there is this point that they have to legislate separately for each item; it is a constitutional procedure, but it is not that by running it as a department or by running a business or trade departmentally the States are exempt. It is not so. The provision is in article 289 where it is definitely stated that any State doing a business or running a trade is liable to income-tax. But it is true that the general impression is that if these things are run as a corporation, they will be liable to income-tax and that if they are run departmentally they will not be liable to income-tax. This is not the correct position. Dr. Raj Bahadur has laid stress on it, but I would like to point out that even trades and businesses run departmentally are liable to income-tax.

Sir, all the States do require resources; they have got to incur large expenditure, but in a concern like this—the road transport; it is a very big concern—there are complaints. Here Dr. Raj Bahadur spoke of nationalisation and the slow methods that are being followed, and so on and so forth. But in a matter like this we have to see to the comfort of the people, to their convenience, whether the State is in a position to give all the comforts that private business can give to the public, and according to the resources of the various States they are taking steps, either to run it departmentally or run it by forming a Corporation.

Sir, another point that arises in this connection is this. It is true that it is one of the sources of revenue to the various States, but at the same time we have to see that in a matter like this we should have uniformity all over the country; otherwise, if there will be different conditions, if the rules and practices will not be uniform all over the country, there may arise



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complications which will not go to the smooth running of a big business like this, and the people at large will not get all the conveniences that they expect. After many many centuries we have a national Government; for the first time we have a Central Government which exercises control over all the country, and if in a concern like this there is no uniformity of rules and practices, people would have inconveniences and therefore, on this ground alone I would submit that through some means or other the Centre should apply some pressure to be brought on the States so that they have Corporations in the various States. At present, through a misapprehension or for some other reason, as I said a little while ago, in some States, big and small, there are no Corporations and road transport is run departmentally both in big States and small States. But the point is not whether they will have to pay income-tax if they formed Corporations, and not pay the same if they ran it departmentally. The point is this, that they want resources, and the Centre goes always to the help of the States when they need money, by way of loans, by way of outright grants, by way of subsidies, and so on 4 P.M. and so forth. Therefore, the question of income-tax, or the lack of resources is not the prime consideration for having different types of road transport in different States. According to me, the main question is that in a proposition like this there should be uniformity of rules and practices. Whenever funds are needed by the States the Centre should help them and provide them with loans, grants and so on and so forth. Therefore, I would submit to the hon. Minister that measure should be adopted by which pressure is brought to bear on various States to form corporations, wherever road transport has been nationalised, in the interest of uniformity of rules and procedure.

SHRI H. P. SAKSENA (Uttar Pradesh): Sir, may I request the hon.

Shri Jaswant Singh, through you, to explain as to why he is so much enamoured of corporations. He appears to have a special love for corporations. What is it that he expects from these corporations?

SHRI JASWANT SINGH: I have explained my point in great detail. As a matter of fact, I took special pains to explain as to why I am in favour of corporations.

MR. DEPUTY CHAIRMAN: You were already there. It is too late in the day for him to explain.

SHRI H. P. SAKSENA: I was all the time here, but I did not hear any specific reasons.

SHRI JASWANT SINGH: I am only sorry for my friend. Either he has not heard me properly, or he was absent-minded for the time being when I was speaking on this point.

SHRI H. P. SAKSENA: Absent-mindedness and I never go together.

SHRI JASWANT SINGH: Sometimes there are exceptions. Maybe, at this moment it is an exception. However, in a nutshell I will repeat. In regard to the argument brought forth by Shri Raj Bahadur Gour that income-tax will be levied if it is a corporation and it will not be levied if it is a department, I feel income-tax is not the prime question because income-tax can be levied even if a transport system is run departmentally under the provisions of the Constitution. Then, if it is a Corporation the public can also have representation on it. In the Corporation all the advantages of a department are also there. Above all, throughout the country there should be uniformity, which is the prime consideration. For all these reasons I am in favour of Corporation. In the absence of uniformity there will be corporations in some States and departments in other States which may create confusion and difficulties in future. I do

not see any particular advantage in having road transport run departmentally or through corporation, but I am in favour of uniformity throughout. On the whole I see advantage if it is run through a corporation.

Then, Sir, I will come to certain provisions on which I want a little clarification though I lend my full support to this Bill.

Again, Mr. Raj Bahadur referred to the absence of representatives of workers on these Corporations. I have not been able to see . . .

SHRI RAJ BAHADUR: I presume whenever the hon. Member says Raj Bahadur, he means Dr. Gour.

SHRI JASWANT SINGH: Yes. I ment Mr. Gour sitting next to me, and not the hon. Minister. They happen to have the same name which creates some confusion.

Mr. Raj Bahadur Gour referred to the representation of workers on the corporations. Sir, here in Section 6, an amendment is suggested to say that the Chief Executive Officer or the General Manager of the Corporation could also be deemed to be chosen as, or for being, a member of this Corporation, and in this connection he referred particularly to the reasons as to why representatives of the workers have been omitted. As the main Act is not before me I cannot say whether representatives of the workers are disqualified for appointment on the Corporation. But I dare say that whenever necessity is felt for a representative of the workers to be appointed as a member of the Corporation, there should be no difficulty. If any public man can be appointed as a member of the Corporation, there should be no difficulty for a workers' representative to be appointed as a member, unless, of course, he is an employee of the Corporation. Here, these two officials are servants of the Corporation and are disqualified as such. Therefore, a provision has been made here that they would not be disqualified to be the members of the Corporation. I would, in this connec-

tion, like to have a little clarification from my hon. friend, the Minister. I should like to know the advantage in making them members of the Corporation. As officers, I do feel, there is necessity at times on technical matters for their help. Whenever the meeting of the Corporation takes place, they can always attend. The only drawback would be that they would not be able to vote when voting takes place. As experts on technical matters they should always be at our back and call to help us. Only they would not have the voting power. If they are given the power to vote, my fear is that unnecessarily at times they are liable to come in clash with public men in regard to certain matters. So, personally, I feel that by giving them voting power and making them members you are likely to create some difficulty at some date. Otherwise, in regard to technical matters they are always there. Personally I think that it is not much use bringing them as members.

Then, Sir, in regard to section 19, much discussion has already taken place in respect of passes, and both the speakers—Mr. Amolakh Chand and Dr. Gour—who preceded me have spoken at length. I would only like to know whether this is being done or not on the analogy of the Railways. I do not know the actual position in regard to the Indian Airways Corporation—whether the employees and their families get free passes or not. But in any case I do know that as far as the Railways are concerned, the employees and their family members do enjoy the privilege of passes. This might have been done on this analogy. But I do not know what the actual position is in regard to the Airways Corporation. If this privilege is being given there, I have certainly no objection to it. But I would like to know whether this is actually being done. It is a big concern.

Then, Sir, in regard to the amendment of section 26 also, much discussion has taken place on this point,

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and a point has been sought to be made by Dr. Gour as well as by Shri Amolakh Chand as to why the Central Government has unnecessarily been brought in. Sir, here there are, as far as I can see, two points involved. One is that loans could be raised for running business. That is the present provision of the principal Act. And consent of the State is required for raising such loans. Now provision has been made for raising loans for an expenditure of a capital nature. I would like to know from the hon. Minister whether for raising loans for running the business the consent of the Central Government also will be necessary or the consent of the State Government only will be sufficient. For raising loans for an expenditure of a capital nature both the consent of the Central Government and the State Government will be necessary. Objection has been raised by Dr. Gour as well as by Mr. Amolakh Chand. When he was speaking I was not present here but from the trend of the speech of Dr. Gour I could feel that Mr. Amolakh Chand also raised objection to the consent of the Centre being obtained for raising loans for an expenditure of a capital nature. Sir, personally speaking, I do not see any objection in regard to the Centre coming in for this kind of permission, because the Centre will have to see—there will be as many Corporations as the number of States—that uniformity is maintained. The States will have to go in for Road Transport Corporations, and if all these Corporations raise loans for their expansion programmes as well as for running their business, then practically every month or many times in a year loans will have to be floated throughout the country, and my fear is that the money market will be disturbed. The Centre as well as the States will have to go in for loans, and if these Corporations also go in for loans of all kinds—for running their business and for capital expenditure—then, Sir, to a certain extent, the money market of the country will be disturb-

ed, and to that extent the Centre has the responsibility to see that the market is not disturbed and that normal conditions do prevail. But I personally see no harm whatsoever in regard to the Centre coming in and being consulted, because the Centre would be more helpful to the corporations in the matter of raising funds. Otherwise, it is quite possible that they might need money at short notice and they might have to go in for loans at an exorbitant rate of interest in the market. The Centre on the other hand, can use its influence in getting money at a cheap rate of interest and it can also guarantee loans. So personally I feel that there should be no objection whatsoever in regard to the Centre coming in. If I had any say in regard to the realm of the Corporation, I would always welcome the help of the Centre in a matter like this.

Then, Sir, in the Statement of Objects and Reasons it has been stated that "Since the State and Central Governments are not always in a position to meet the increased financial requirements of these Corporations, section 26 of the Act is being amended so as to authorise the Corporations to borrow money in open market for meeting expenditure of a capital nature also." Well, Sir, I am not in agreement with what has been stated here. But as I submitted a little while ago, I totally agree that it would be in the interest of the Corporations if the Centre is consulted in a matter like this.

Then, Sir, there is one point in regard to the amendment of section 30. The expansion programme of the Corporation is to be met from profits with the previous approval of the State Government and the Central Government. Of course, I am not a financial expert. I know very little about financial matters. But I can submit that in principle it is wrong that capital expenditure should be met from ordinary revenues. I have no objection if the savings are available from ordinary revenues. But in

principle it is not quite correct that expenditure of a capital nature should be met from ordinary revenues. Of course, you can raise loans, and loans would be paid off earlier and easily. But, Sir, there is one thing which I would like to know. I have not been able to know what is actually meant by expansion programme—whether it is buying of buses or making of roads or something else. I have just mentioned by the way that to meet expenditure of a capital nature from profits is not a sound financial proposition. I have not been able to understand what exactly is meant by expansion programme of the Corporation.

About the Comptroller and Auditor-General and about accounts coming within his purview well, there cannot be two opinions, and I also support it. I hope the hon. Minister would enlighten me with regard to some points that I have mentioned.

With these few words, Sir, I lend my full support to this Bill, and I hope that this Bill would go a long way in running this road transport business in a satisfactory manner. Of course, much leeway has to be made still, because road transport has to face many difficulties. On the one hand, there is objection from our Railways. Then, Sir, we have not got sufficient money or funds whereby we can expand road transport. But whatever it is, I hope that in course of time, it would become a big enterprise, and with this amending Bill becoming an Act, I have every hope that this enterprise would become a nationalised enterprise with good prospects.

SHRI D. P. SINGH (Bihar): Mr. Deputy Chairman, Sir, as I view this amending Bill, I feel that it is more or less a non-controversial Bill and we can hardly take any exception to the different clauses of this Bill. Certain points which have been raised by the various speakers should have perhaps been taken note of, before they

were raised, by the Government, by the Minister concerned and certain other clauses should have been there inserted in the amending Bill in order to remove the objections which were advanced. But so far as this particular Bill is concerned and the provisions therein are concerned, there can hardly be any objection.

There are two or three clauses of this Bill which I particularly welcome. I should like to state those first. So far as the introduction of the Comptroller and Auditor-General of India is concerned, I very much welcome this provision. It is a well known fact so far as my State of Bihar is concerned, that the finances of the State Transport undertaking there were in a terrible mess. Now that undertaking has become a Corporation. I do not really understand why it continued to be a State undertaking for such a long time when the Act was there since 1950. I think the Corporation in Bihar should have been set up much earlier. I really cannot understand why the Government waited for such a long time and the Corporation came into being only a few months back. As I have said it is a well known fact that the finances of the Bihar State Buses Undertaking were in a terrible mess. The buses run by the State were completely worn out in the course of a few years. Everyone knows, that if one cares to read the newspapers of Bihar, one will find that many accidents have been taking place of late on the roads of Patna and elsewhere and one of the reasons given, and generally believed to be true, is that the buses are not in a good condition, that the brakes, do not work properly and therefore accidents take place. On the main roads of Patna accidents take place. All that has been happening because of inefficient running of the whole thing. I hope that after the Corporation has come into existence they will be better run but that hope also becomes somewhat dim when I find that even when the Corporation came into being, the Transport Board that has been constituted has, for its Chairman, a gentleman who may be

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a very estimable gentleman and a respectable gentleman, but I do not know why he was made the Chairman as he has no experience of this kind of work at all. Not only that. He is also a Member of the Bihar Legislative Council. He is also Treasurer in the Bihar University. Saddled with all these responsibilities, I don't think he can discharge his functions satisfactorily. Even under the Corporation, what I say is this that things are not being managed in a manner that might fill us with some kind of hope that possibly things will be better in the near future.

A great deal has been said on the floor of the House by Dr. Gour—I say I am particular and I am not making the mistake of my predecessor and other speakers about the representation of the workers on the Corporation. Now that we talk so much about the participation of the workers in the management and all that, and the Indian Labour Conferences have been emphasising that point again and again and the Second Five Year Plan also makes much of it I do not quite see why some statutory provision cannot be made to have workers on the Corporations either through their unions or through some other method. I personally think that it will be for the good of the Corporation that the workers are associated. They will develop a sense of responsibility. Those arguments are there. We are familiar with them. I therefore suggest that if it is not possible at this stage to make some kind of a statutory provision for the inclusion of representatives of workers on the State Corporations, another amending Bill may be brought later on to serve that end.

I am unable to agree with Dr. Gour that the previous approval of the State and Central Governments should not be necessary for the Corporation to be able to raise a loan in the market. I personally think that people will have much greater confi-

dence—apart from the arguments which have already been advanced and I do not want to repeat them—in subscribing to those loans if they feel that the State and the Central Governments have given their approval to those loans being floated in the market. So, I personally think that it is a very salutary provision and deserves to be welcomed instead of being condemned. Sir, a word about passes. I think it should be possible to put in something here to enjoin upon these Corporations that they should grant free passes to M.L.As., if not for M.Ps. I do not want to say that M.Ps. also should be granted passes, lest there should be misunderstanding in this House and in the country. But so far as M.L.As. are concerned, just as we have this facility as Members of Parliament to have railway passes, similarly the M.L.As. also should have passes in the buses in the States to which they belong. Even if it is not possible to put in any such clause directing or enjoining upon the Corporations to give passes, I think the Government may tender some kind of an advice to the Corporations to the effect that this practice which has been adopted in Bombay State for instance and which is going to be adopted in U.P. should be extended to other States also. I say this not only because I think the M.L.A. should be in touch with the people in his State but for another reason also. Of course that will be one more argument in favour, that if the M.L.As. have passes they will be able to move about more freely than they do now and they will know not only their own constituency but the people of the whole State which they ought to. Just as we ought to know the whole country they should know at least the whole of their State. Apart from that, the additional argument that I wanted to advance in support of this is that our State buses—and I speak from my experience of the Bihar State buses—have not been running so far very efficiently. There are grievances. People are complaining all the time that those who use the

buses are not being treated properly by the conductors or the drivers, that more passengers are put into a bus than are permitted, that all these irregularities and inconveniences are there. In order to prevent these, measures should be taken. Along with other measures I submit that the fact that the M.L.As. will be travelling in these buses will also act, to some extent, as a curb on the conductors and drivers and others and they will see to it that the passengers who travel by these buses are not unnecessarily harassed and inconvenienced. Even from that point of view, from the point of view of the ordinary passengers, it is in my view desirable that M.L.As. are given free bus passes so that they may be able to move about a little more freely.

Sir, the previous speaker, Shri Jaswant Singh said something about profits and about the impropriety of profits being used for the purpose of expansion programme of the Corporations and all that. I personally should think that it is a very healthy practice that profits when they accrue, part of this profit is ploughed back to become capital. That is how capital formation takes place. Either I have not been able to follow my hon. friend, or else I have not been able to agree with him. I personally think that part of the profits must be ploughed back and this clause in the amending Bill making it possible for the Corporations to use part of the profits for expansion programmes of the Corporations is a very sensible clause and I would like to support it.

Sir, after so many speakers have spoken and dealt with almost every aspect of the question, I do not think I can usefully add anything more to what has already been said. I thank you.

SHRI SONUSING DHANSING PATIL: Mr. Deputy Chairman, I rise to support this Bill, and while I do so, I have got a few observations to make.

One of the important factors in making the Road Transport Corporations successful, nationalised under-

takings, is to see how the capital-at-charge will give a proper return. Experience shows that both in the Railways and in other nationalised undertakings, the nation's money is spent on a very large scale and yet we do not get an adequate return. Therefore, the provision now made of subjecting the accounts to the audit of the Comptroller and Auditor-General of India would serve that purpose, for we will now be able to see how far the Centre gets return on its own money which is there in partnership with the State Government.

Secondly, there is the question of the construction of the roads. Fortunately or unfortunately, the construction of roads is with the P.W.D. of the State or in certain cases with the Central Government. There is hardly any co-ordination between the two sectors and the Road Transport Corporations have got to ply their buses on these roads. The repair and maintenance of these roads and even the construction of certain culverts on the road, though not within the function of the Corporation, in a sense—if this work is to be undertaken in some measure by the Corporation, then it has got to be assured of funds. I think the provision to enable the Corporation to plough back its profits into such fruitful channels as the undertaking of expansion programmes, going in for new buses or the repair and even construction of new roads etc. will go a long way to improve the earnings of the Corporations. Road Transport Corporations are established with a view to ensuring efficient, adequate and economic services to the passengers. That they have done this to some extent is a very welcome feature. But as a House that contributes a very large and substantial amount to this capital we have to judge whether the services are adequate and economical. That they have been proving efficient is a matter for gratification. But whether they are economic, whether the fares charged by the Corporations are economic or not, that is a matter for

[Shri Sonusing Dhansing Patil.] serious consideration, though it is not the direct subject-matter of this Bill. But when the Government is now authorising the State Government to raise loans in the open market and that too with the previous approval of the Central Government, it is all the more necessary that we should be all the more concerned about the use of the loan and see whether it is used for the particular purposes for which they are meant. It is the same whether we put in capital either through direct contribution or by allowing the State to raise loans out of which we have to pay as partners, to the Corporation. So more and more funds are to be given to the Corporations which are, more or less, autonomous in character and except for the few representatives which the Central Government has got through the Railways and one of the representatives on the board, there is no direct control over the finances or the accounts of these Corporations. And so it is a welcome feature that they are now being subjected to the audit of the Auditor-General.

As for the other features of the Bill, as the hon. Minister in charge of it has rightly said, it is more or less an enabling measure which enables the Government to get over certain difficulties that were met within actual practice. For example, there is this question of the issue of passes. I have got some experience of working on one of the Corporations in Bombay State. The old Bombay State had only one Corporation. There are the union workers. Shri Amolakh Chand asked why 'other persons' are included in clause 4 where it is stated under part (d).

"(d) to authorise the issue of passes to its employees and other persons."

Suppose there are *bona fide* union workers and they want to travel from one depot to another or they want to contact the labour and give them a right sense of discipline or speak to them about the code of conduct which unfortunately is very rarely done.

In that case they must also be provided with free passes because they are after all honorary workers. Sometimes there are V.I.Ps. who have to be given a lift from one place to another and if the Corporations are not authorised to do this then I think many of the practical difficulties that they now experience will not be removed. So this is a measure which will enable us to get over these difficulties.

SHRI H. P. SAKSENA: Will it not come to this that every policeman will look upon himself as a V.I.P.?

SHRI SONUSING DHANSING PATIL: Well, we have got certain very accepted notions of a V.I.P. If a policeman is to be treated as a V.I.P., then we have to have some other category. That is a different matter.

As far as the enabling powers to raise loans in the open market for purposes of expenditure of a capital nature are concerned, this is also a long-felt necessity in the working of these Corporations. These Corporations are expanding their activities and in the case of the Bombay Road Transport Corporation, in spite of the admirable work put in by that Corporation, that body is not able to meet all the needs of the passengers; leave aside the short programme of nationalisation of goods transport which they had undertaken and which had to be given up for several reasons. Whenever the Corporation wants to expand or buy new buses or construct workshop buildings, then it has to go in for capital expenditure because the funds of the Corporation are not adequate to meet all the requirements. There was a rousing response in Bombay State to the public loan floated by the Corporation.

Up to this time, profits were utilised only for certain specified purposes, namely, providing amenities to passengers, welfare projects for the labourers. Beyond that the scope of the profits did not extend and now

the Bill seeks to extend the scope beyond these restricted categories. Though it is an essential service, if there are profits due to the efficient and economic running of the Corporation, then the profits must also be utilised for the general public because the welfare of the workers in these undertakings occupies Government's attention. There is no quarrel over that but so long as labour is not linked up with efficiency or production in this country, it is rather too much to expect that everything should go to the workers at the cost of the general public who contribute very substantially even though they are not in a position to contribute much by way of shares due to the poor economic level of the country. This enabling provision will enable the respective Corporations to utilise the additional profits for purposes which are beyond the normal services. This also is a welcome feature.

When Government has undertaken such a big programme of nationalisation of road transport, one should naturally expect the Government to supply the evaluation report or at least certain facts connected with the working of State transport. These Corporations have been working for the last eight or nine years and we should know what the difficulties faced by the different States are. For instance, what is the difficulty in Rajasthan that they are not able to go forward? Is it the construction of roads? Roads form part of the primary necessity for a good road transport. Are there difficulties of capital, whether the States are or are not in a position to raise their own resources? This was naturally expected. It is said in one of the amending clauses that the State Governments shall cause annual reports to be laid before the Legislatures. The Bombay Government used to do that year after year and it was a matter for discussion before both the Houses of the State Legislature and people used to offer very useful comments. Whatever little this Bill seeks

to do is welcome because it caters to a long-felt need in the actual practical working and let us expect that the hon. Shri Raj Bahadur will come out with a copious Bill which will deal with all the aspects of road transport. A grievance was made out by certain hon. Members opposite that the nomination and participation of workers is not carried on on proper lines but as far as I recollect, nomination is made on the basis of certain interests like agriculture, industry and labour. These are the three prominent interests and on this basis people are put up upon the Corporation Boards, the non-official cadre, and along with the non-official cadre, the official cadre is also there composed of highly competent and well-placed officers who know the subject very well. So, the working—I can vouchsafe regarding Bombay State—is really very significant and it will give a great stimulus to those who will usher in this new field of activity.

With these remarks I welcome the salient features of the Bill and I support the Bill.

**SHRI RAJ BAHADUR:** I am grateful to the hon. Members who have participated in the debate on this Bill and for the general support they have given to the various proposals incorporated in this measure.

To begin with, I have to make certain observations on the various points raised. I think the hon. Members who raised these points are not here and so I will only make general observations which may be of interests to all the other Members of the House.

A question was put by Mr. Amolakh Chand as to how this Bill had been working, what our experiences were and what are the difficulties in the course of the working of this Bill. As I said earlier, this Bill was enacted in 1950. In 1956, on account of the reorganisation of the States, an amendment was made to overcome certain difficulties. In the light of the experience gained by us, it has now been considered necessary to bring forward



[Shri Raj Bahadur.]

this particular measure and I am sure that the objects and reasons for which we have brought this Bill forward have been appreciated.

Reference was made to sections 26 and 30 by Mr. Amolakh Chand. He thought that the Central Government ought not to have taken powers of intervention in this matter. I have already explained the broad reasons when I intervened but then he said that he could not understand nor was he convinced about it. I shall not perhaps repeat my observations which I have already made. Let us, however, go through some of the provisions of the parent Act. Section 23(1) empowers the State Governments and the Central Government to give financial assistance of a capital nature to the Corporations if they so require, of course, after mutual consultation. In case this is not done, then under section 23(2), the Corporations themselves are empowered to raise capital by issue of shares. If they want additional capital, then under section 24, they can issue further shares. Even then if it is found desirable or necessary to have more capital for capital works programme, then this new provision would come to their assistance. The original section 26 has not got any other sub-section. It is a self-contained section. By the amendment, that section is sought to be converted into sub-section (1) and another sub-section is added specifically with the purpose of retaining the original powers of borrowing for working expenses unimpaired. But the Centre has now been given powers to intervene if the borrowing is for capital expenditure. As soon as the Corporations raise money for capital expenditure, the Central Government has to come in because in all these Corporations we have got our financial interests. When we have our financial interests and when loan is obtained by the Corporations, then naturally we will have to be consulted, apart from the general considerations, which have been appreciated by this House, of

keeping or maintaining a well-regulated money market. I think that should suffice.

Mr. Amolakh Chand also asked me what we have done about nationalisation of road transport in Tripura where rail facilities are also very poor. I can at this stage only say that it is a Centrally administered area and I will bring this requirement to the notice of my colleagues in the Home Ministry and if any deficiency is there we shall try to make it up.

About passes, he generally welcomed the provisions but then he said—I could not exactly get his point but I think he said—that he was not clear why there should be a similar provision at two different places, one contained in clause 4 and another contained in clause 13. As you will see, sir, clause 13 seeks to amend section 45 of the parent Act which pertains to the power of making regulations under section 45. Any regulation made by the Corporation shall have to be submitted to the State Government concerned for their approval while clause 4 seeks to amend section 19 of the parent Act which relates to the power of the Corporation. Therefore the two sections are different; one gives the substantive right and the other seeks to regulate it. Therefore it is clear that both the sections are necessary.

My hon. friend, Dr. Gour, asked me whether we have accepted the Resolution of the Transport Advisory Council for the nationalisation of passenger transport. I said, Sir, that it was our policy and we want to pursue it vigorously; so far as our financial resources permit us to do we want to nationalise passenger transport as quickly as possible. He has rather expressed his doubts and misgivings about our sincerity in that behalf. I would only ask him from where can we get more money for nationalisation? When we nationalise, we cannot merely expropriate the present operators. We shall have to give them due compensation; apart from that we shall have to make

fresh investments of a capital nature because new buses will have to be bought; new workshops will have to be established. All these and other matters have to be looked into and for every sector that is nationalised we shall have to get some financial allocation made to the various Corporations or transport undertakings.

Sir, he asked me a specific question whether we discouraged the Andhra Pradesh Government from nationalising a particular route and whether we are against nationalisation generally. I would at once repudiate that charge and I would say that our policy has been to nationalise such routes to begin with where we find the services are scanty, where there is a shortage of capacity, where the services are poorly run, or where they are not satisfactory from the point of view of amenities to passengers. Such sectors we take up first. We do not try to nationalise private sectors which are already running efficiently. For example, the T.V.S. in Madras is a very efficient private sector industry. They are doing it very well and we would not like to nationalise it at once so long as we have not made up the shortcomings or the deficiencies in regard to provision of transport in other sectors of the State. The particular case which he has in mind pertained to a service which, on all reports we had, as considered to be running satisfactory and so we said rather than going in for nationalisation of such a sector, the State might better take up nationalisation of other sectors. We also said that we would help them. I do not think that there was some politics involved in it. If it was my friend should know it better. I do not accuse the State Government of that. They might have their own reasons. My hon. friend thought that political considerations might be there against nationalisation but I would again say, not political but practical considerations were there.

Then regarding the discussion of the budget of these Corporations the provision is there in section 32 of the Act

whereby the Budget has got to be submitted to the State Government. And the State Government is also to get the Report of the Corporation or of the nationalised undertakings and if it the State Government so likes, such reports can also be placed before the legislatures for discussion even without an amendment of the parent Act. However if experience teaches us to come forward with an amendment about it we shall not hesitate to do so.

He further said that people without experience of public bodies or departments have been made members of certain Corporation and immediately in the next breath he says that the representative of the employees should however, be taken. It looks like blowing hot and cold in the same breath. A worker might have been at a particular job for some time but it cannot be claimed that he will also be well versed in the management of the affairs of the Corporation. When I say that I do not mean that we go behind the principle that we have adopted already about the closer association of workers.

(Interruptions.)

The time is very limited and I should like to finish my speech if the hon. Member would permit it.

SHRI BHUPESH GUPTA (West Bengal): 'Communications' up to Monday.

SHRI RAJ BAHADUR: I would like to economise on the time of this august House. I think it has got a good deal of business to transact and let us finish it today.

SHRI BHUPESH GUPTA: Having wasted two days on. . .

DR. R. B. GOUR: But let us not suffer from a shortage of your intelligent remarks.

SHRI RAJ BAHADUR: I am very grateful to the hon. Member for giving me this compliment. I think if he

[Shri Raj Bahadur.] will give them publicly in my constituency I shall be very happy. For the time being let us now.

SHRI BHUPESH GUPTA: Evidently when the hon. Minister is speaking his mind is working on elections.

SHRI RAJ BAHADUR: I suppose you too should think of the people who elect us. I confess it; I do and you don't. That is the only difference. Let us be more honest. Whatever we do here is before the public gaze and if that is always before our minds. I think many of the things that we utter here sometimes, we would not perhaps say.

Sir, I would summarise my remarks if you will permit me. Otherwise, I shall have to continue on Monday.

Now, he said that these Corporations should be run in a business like way. Sir, there is a mandatory provision in section 22 of the Act and I think I will do well to read it:

"It shall be the general principle of a Corporation that in carrying on its undertaking it shall act on business principles."

Now we know what is meant by these 'business principles'; it implies that we get the maximum out of the investment, of the equipment, the personnel, the machinery that we have got. I think each one of these Corporations tries and tries its level best to do that. For example, the Bombay State Corporation is very well managed and even the departmentally run U.P. Government Transport Undertaking can rightly be proud of its achievements. They have earned universal praise.

He then asked, how much of the passenger transport has been nationalised. I wanted to get some figures but the best I could get was that in the Masani Committee Report. Their estimate is—I do not know on what basis they say that—that about 25 per cent. of the passenger transport has been nationalised and 75 per cent. is

still in the private sector. As I said, the pace of nationalisation is and will be dictated by our financial resources and by nothing else.

Then I come to the remarks of Mr. Jaswant Singh.

DR. R. B. GOUR: The hon. Minister has not replied to my point. Why should he under this amending Bill subject an autonomous Corporation of this type to a prior approval of the Central Government for floating loans in the open market when other companies are not subjected to that rule?

SHRI RAJ BAHADUR: I am afraid the hon. Member was not here when I dealt with this point. I have said that because in all these Corporations the Central Government has got financial interest, therefore we are entitled to know what these Corporations are doing and how much they are going to borrow. We should not be kept in the dark, as participators or as co-sharers in the business. It is not an ordinary case of borrowing by a private company. I have already referred at length to this point.

Mr. Jaswant Singh wanted to know why the Chief Executive Officer has been allowed by the new amendment to become a member of the Corporation. That is because we want his technical assistance and guidance all the time in these Corporations. Many a time may be we come across a particular member of the Corporation himself who is fit enough to hold the post of the General Manager or the Chief Executive Officer and therefore if he is so appointed, he should not be deprived of the membership of the Corporation.

Another point that he wanted me to tell him was whether there was any ban on workers being appointed on the Corporation. So far as I have been able to interpret or understand the provisions of the parent Act. I think there is no ban but this is a matter which has to be examined by the Ministry of Law.

Then he asked why free passes should be given at all. That is something I could not understand. Free passes are given by the I.A.C. and by the Railway and I think it would be in the fitness of things that the workers here also should be allowed the same facilities. Then he asked

why in the matter of borrowing 5 P.M. for working expenses or capital expenditure should the Central Government come in? I have already explained that. Two specific sub-clauses have been incorporated in the new measure which will keep borrowing for working expenses distinct and different from borrowing for capital expenditure.

Then he said he could not understand item 2(i) in the Statement of Objects and Reasons which reads as follows:—"Since the State and Central Governments are not always in a position to meet the increased financial requirements of these Corporations, section 26 of the Act is being amended so as to authorise the Corporations to borrow money in open market for meeting expenditure of a capital nature also". He said that the State and Central Governments could give them the money. That is hardly possible in all cases.

Then he asked what exactly was contemplated by expansion. I can only say that expansion means increase in the number of buses, provision of workshop facilities, quarters for the employees, amenities for passengers, and all that.

Then Mr. Singh said that we should allow passes for M.L.As. I entirely agree with him that this facility should be allowed to M.L.As. because it is allowed to M.Ps. But it is entirely within the discretion of the State Governments concerned.

Mr. Patil said that the Corporation should be made to give its annual

report to the Legislature or to the State Government. That is already provided for in section 32 of the Act.

With these observations, Sir, I commend my motion for the acceptance of the House.

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill further to amend the Road Transport Corporations Act, 1950, as passed by the Lok Sabha, be taken into consideration".

The motion was adopted.

MR. DEPUTY CHAIRMAN: We shall now take up clause by clause consideration of the Bill.

Clauses 2 to 13 were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI RAJ BAHADUR: Sir, I beg to move:

"That the Bill be passed".

MR. DEPUTY CHAIRMAN: Motion moved:

"That the Bill be passed".

SHRI BHUPESH GUPTA: Sir, I want to speak. I will speak on Monday.

MR. DEPUTY CHAIRMAN: The House stands adjourned till 11 A.M. tomorrow.

The House then adjourned at two minutes past five of the clock till eleven of the clock on Friday, the 14th August 1959.