

# MOTION RE REPORT BY DR. PAUL H. APPLEBY ON RE-EXAMINATION OF INDIA'S ADMINISTRATIVE SYSTEM

MR. CHAIRMAN: We now take up the motion standing in the names of Shri Sinha and Shri Ghose about the Report by Dr. Paul Appleby. We have allotted for it three hours, that means from 12 O'clock to 3 O'clock. We may extend it by another half an hour or so. The Prime Minister will reply at 3 p.m. So the general discussion will go on from 12 O'clock to 3 O'clock. There are many speakers, and consideration should be given to that fact also.

SHRI RAJENDRA PRATAP SINHA (Bihar) : Sir, I move :

"That the Report by Dr. Paul H. Appleby on re-examination of India's Administrative System, with special reference to Administration of Government's Industrial and Commercial Enterprises, which was laid on the Table of the Rajya Sabha on the 13th August, 1956, be taken into consideration."

Mr. Chairman, Dr. Appleby is no doubt a great authority on public administration, and a person of great experience, but however learned and experienced he may be, he ought not to have presumed things. It is apparent from a reading of the Report that he made no serious effort to understand the various wings of our Parliamentary system, and its main organisational safeguards. As far as my information goes, Dr. Appleby had no discussion with the Auditor-General to understand our Audit organisation. He had also no elucidation from you or from any other important officer of Parliament about how it maintains and discharges its major responsibilities towards the accountability of the executive to the Legislature. Without bringing an informed mind to bear on this subject the Doctor passed some sweeping remarks against these two most important ingredients of democracy, namely, Parliament and the Comptroller and Auditor-General.

I am, however, not perturbed by his Report although it has generated a good deal of controversy in this country and although it is couched in a very strong language. Sir, it is often good to know

what others think of us. It has at least done one good. It has shaken us up and it has set us thinking about our methods and procedure.

Sir, the Doctor's criticism about Parliament can be summed up as amounting to the charge that Parliament interferes too much with public administration. The criticism made in the House, according to him, is largely responsible for the excessive tendency in the bureaucracy to avoid taking responsibility for decisions and going ahead to get things done. And finally, we are the citadel of opposition to delegation of powers from which spring all the evils of present-day administration

I do not know from where the learned doctor got his impressions about our Parliament. I am sure the Indian Parliament functions in a big way, and has shaped and moulded the policies of the Government, and has seldom got bogged up in details, or in petty things. We in India have evolved a system of delegated legislation which is equal to any such procedure being worked in any democracy. I do not claim for its perfection, as no human institution is perfect, but I dare say that our method, our procedure and our functioning are in no way inferior to any such institutions anywhere in the world.

Our Question Hour has also been maligned. Does it not keep the Administration alert and in proper trim? The Doctor himself has said that a good Administration costs money and yet saves money. And, therefore, Sir, I doubt the very sagacity of the Doctor to judge this instrument merely on the basis of cost and on the ground of irritation to the Secretariat. I remember, Sir, it was probably Lord Attlee or Sir Anthony Eden who while addressing the Members of Parliament paid a glowing tribute to our Question Hour, and he remarked that it was not only interesting and lively, but was well organised and served the purpose in a manner which could be equal to the oldest Parliamentary system in the world.

Dr. Appleby is allergic to the Comptroller and Auditor-General. It is characteristic of an American that he is impatient of everything that makes for delay. According to him, the Auditor-General is even a greater devil than Parliament.

It is clear from the Auditor-General's press statement that Dr. Appleby had neither any understanding of the place of audit in the administration, nor any knowledge of it. Dr. Appleby has characterised the function of the Auditor-General in India as an inheritance from colonial rule. I dare say such a post is an anathema to any colonial or autocratic system. The post is an integral part of democracy. The accountability of the executive to the Legislature can only be fully secured through the reports of the Comptroller and Auditor-General.

A great authority on this subject writes in his book "The Principle and Practice of the System of Control over Parliamentary Grants" thus :

"The Comptroller and Auditor-General is the agent of the Parliament. He is Parliament. Parliament only works through him."

This statement, Sir, is no doubt extravagant, but it underlines the pivotal role which this office plays in U.K. There in U. K., he not only ensures that the expenditure was according to appropriations and rules, but also examines its 'wisdom, faithfulness and economy'. So, the audit in U. K. is more comprehensive.

In the United States of America itself the Comptroller General covers banking and insurance institutions, and such other companies in which the Government has any financial interest, and he enjoys even wider powers than the Comptroller and Auditor-General of India. He could issue notices against corporations, and individual officers to effect recovery of expenditure which, in his opinion, was illegal.

Dr. Appleby has suggested auditing of public enterprises by commercial auditors. Sir, this will be a most unwise thing to do. Even in the U.K., even though the position is slightly different the Auditor-General is responsible for auditing such institutions or corporations in which the tax-payers' money is involved. We know that there are cases of misappropriations and waste of public funds which often takes place. The only way to safeguard against public money going down the drain is greater control of the administration by the Comptroller and Auditor-General and by the Parliament. What is

needed is to strengthen the Auditor-General and not to lower his prestige and influence. What is necessary is to reorientate the audit department in order to make it businesslike, less formal and more imaginative.

Dr. Appleby has made some wholesome criticisms about the way in which our administration functions, and to these I shall now direct my attention. There is nothing new in these criticisms; others in India also have drawn attention to such defects. Mainly the Doctors criticisms are directed against our system of budgeting and expenditure control, our system of reviews and general apathy on the part of our officers to take responsibility and too much concentration of decision-making authority at top levels which need to be delegated. The learned Doctor writes :

"In some part, the present system of expenditure control conceals a serious inadequacy in the development of the Government's budget. The expenditure control is used to far too great an extent as a substitute for good budgeting with the result that the budget is being made all year long. This is a negation of programming and planning."

Sir, the Auditor-General himself has made similar remarks in the Audit Report for 1955. There he says that the spending Ministries make their estimates in a most general way without enough technical data. He remarks :

"As this scrutiny is not possible, in the first instance, when the scheme is accepted for inclusion in the budget the administrative Ministry have, at various stages and in varying measures of detail, to approach the Finance Ministry again and again for sanctions. The result of all this is that the implementation of the schemes is often badly held up and the appropriation given on the basis of the tentative scheme lapses.\*\*\* It is also wasteful as any delay in obtaining sanctions adds to the cost of the project, the overheads and standing charges during this period of comparative inactivity."

The Auditor-General himself has suggested various measures for improving our budgeting system, to which Dr. Appleby also has given his support in his report, where he says that that note of the Auditor-General is very sound. I would like that the Government

[Shri Rajendra Pratap Sinha.]

should immediately pay attention to the question of improving our system of budgeting so that our estimates are more accurate and precise and the monies provided for various schemes which are not usually implemented during the course of the budget year are not locked up and such other projects which could have been implemented during the course of the year do not suffer for lack of funds. This retards the progress of our country.

Dr. Appleby is rightly critical of the system of negative, repetitive and purposeless reviews. He rightly remarks :

"The primary function of political leadership and notably of leadership in a revolutionary State is to incite a departure from precedent for the sake of the achievement of new values."

Have our Government done that? They are often lost in the meshes and red tape of the Secretariat. The Government will do well to lead the administration out of this rut.

It is now becoming a chronic disease with us that nobody wants to take decisions, which means crowding of work at higher official levels.

SHRI J. S. BISHT (Uttar Pradesh) : Mr. Chairman, on a point of order, I should like to have a ruling from you as to what extent and how far we should encourage manuscript eloquence of this sort.

SHRI RAJENDRA PRATAP SINHA: I am only referring to my notes.

MR. CHAIRMAN : As far as possible we should have to speak and not read.

SHRI V. K. DHAGE (Hyderabad) : The hon. Member is not reading his speech. He is only speaking by referring to his notes.

PROF. G. RANGA (Andhra) : No one is any the loser.

MR. CHAIRMAN : I agree.

PROF. G. RANGA : Even otherwise, why should it be objectionable ?

SHRI RAJENDRA PRATAP SINHA: Sir, what I was saying was this that the overcrowding of work at the higher official levels saps the energy of the higher officials for greater effort and restricts them from thinking and planning ahead. Dr. Appleby has pointed out—I am again quoting him : 'The achievements in recent years have been achieved by overworking and straining the key personnel, to which there was an early limit.' He therefore, suggested that greater reliance must be placed on improving organisational performance. Dr. Appleby says :

"The crux of the problem is the failure to realise and understand that the Government of India—Centre, State, municipal, rural—will and must grow greatly and rapidly in size and this growth compels changes in procedures of a sort directly related to size of Government."

I underline the words "this growth compels changes in procedures of a sort directly related to size of Government". His prescription is greater delegation of power and responsibility to lower levels. I commend this for the acceptance of the Government. You will find that the Auditor-General also has remarked:

"It is axiomatic that, if the extension of plans and programmes are to proceed according to schedule, there should be appropriate delegation of authority based on the scope of the project."

Lastly, I would like to refer to the fact that the learned Doctor has criticised the system of recruitment through the Union Public Service Commission and has suggested that this should be given up. I am against this. You will find that even the report of the Engineering Personnel Committee has expressed itself against this advice of Dr. Appleby. This Committee's report says :

"We would, nevertheless, deprecate any suggestion that because recruitment through the Commission now takes too long, such recruitment should be taken out of its purview altogether. We would rather that the employing authorities plan their recruitment for development programme well in advance as they do in case of their normal needs, taking for granted some delays in the Union Public Service Commission."

And they have recommended the strengthening of the Commission, bifurcating its work relating to senior and junior posts and devising simpler and quicker methods of consultation. Therefore, I would not like in any way to impair the authority of the Union Public Service Commission in the matter of recruitment of technical personnel.

MR. CHAIRMAN : Motion moved :

"That the Report by Dr. Paul H. Appleby on re-examination of India's Administrative System with special reference to Administration of Government's Industrial and Commercial Enterprises, which was laid on the Table of the Rajya Sabha on the 13th August, 1956, be taken into consideration."

There are two amendments.

SHRI S. MAHANTY (Orissa) : Sir, I move :

1. "That at the end of the Motion, the following be added, namely :

'and having considered the same, this House disapproves the observations and recommendations of Dr. Paul H. Appleby generally and in particular those relating to the authority of Parliament, the Public Accounts Committee and the Comptroller and Auditor-General in relation to the general administration, as also the autonomous Corporation in the public sector'."

SHRI BHUPESH GUPTA (West Bengal) : Sir, I move :

2. "That at the end of the Motion, the following be added, namely :—

'and having considered the same, this House is of opinion that the Report be rejected and a High-Power Commission, inclusive of members of both the Houses of Parliament, be appointed to go into the entire problem of administration including that of Government industrial and commercial enterprises and local authorities to overhaul and gear up the entire machinery to suit the new democratic order and development requirements of the country'."

MR. CHAIRMAN : The motion and the amendments are before the House.

SHRI S. MAHANTY : Mr. Chairman, the Report under discussion, I venture to think, is the product of a bureaucratic clique to rob the sovereign Parliament of its prerogative. After going through the report, I have been more than convinced that it seeks to demean the Parliament. Before I proceed to substantiate what I have just now said, I would like to invite the attention of the House as well as that of the hon. Prime Minister to a very significant paragraph in this report which appears on page 44 of the Report. Now I will read out :

"Fourth and somewhat similarly, Parliament here seems strangely inclined to make too ready concessions to some of the self-interested demands of small but influential business interests and to enforce corresponding changes in Government's decisions."

This is a sort of statement which I cannot imagine that a man of Dr. Appleby's sense of responsibility should make and that too, the Cabinet Secretariat, without examining the Report, without going through it carefully, should lay on the Table of the House. To that extent, I might say that the Cabinet Secretariat should be charged with having breached the privilege of the sovereign Parliament. The hon. Prime Minister is the Leader of the Lok Sabha. The hon. Home Minister is the Leader of the Rajya Sabha. I would ask of them to tell us how, under their leadership, how under your guidance, the Parliament of India, directly elected by the people, could be charged with conceding to the demands of small self-interested business interests. After all, if that charge can be made, that charge certainly cannot be made against the Opposition Members. It is for each and every Congress Member to absolve himself of this charge which has been levelled by Dr. Appleby.

SHRI KISHORI RAM (Bihar) : Question.

MR. CHAIRMAN : Go on.

SHRI S. MAHANTY : I consider . . .

MR. CHAIRMAN : Give proper reference to that page.

SHRI S. MAHANTY : It is on page 44, paragraph two. I will read out once again for the benefit of the hon. friend who interrupted. My only regret is that he does not interrupt properly.

MR. CHAIRMAN : As you think you do.

SHRI S. MAHANTY : It is on page 44, paragraph 2. It says :

"Fourth, and somewhat similarly, Parliament here seems strangely inclined to make too ready concessions to some of the self-interested demands of small but influential business interests, and to enforce corresponding changes in Government's decisions."

I once again repeat that the Cabinet Secretariat should be charged of having breached the privilege of the Parliament by having circulated this kind of a Report without going through it properly. They could have expunged it, they could have deleted it.

SHRI J. S. BISHT : That is Dr. Appleby's opinion. We may or may not agree with it.

SHRI S. MAHANTY : I say that it demeans Parliament. I want to know why the Government became an abettor in that.

MR. CHAIRMAN : Go ahead. You have made your point.

PROF. G. RANGA : Government have been honest.

SHRI AKBAR ALI KHAN (Hyderabad) : You must know the definition of abetment.

SHRI S. MAHANTY : I venture to think that the reference of this question of Indian Administration to Dr. Appleby was highly irrelevant.

MR. CHAIRMAN : Irrelevant ?

SHRI S. MAHANTY : Irrelevant because it has to be borne in mind that there is nothing like the Indian Civil Service in the United States of America. There is no Public Service Commission. Any hon. Member who goes through the important treatise of Dr. Harold Laski on American Democracy, will find there a mention of Dr. Appleby's career. He started his career as a fruit vendor and he rose to occupy the most important position in the Ministry of Interior. It has been stated by no less an authority than Dr. Harold Laski in his book on

"American Democracy" in the Chapter on Administration in America. But here in India we have got a Civil Service which has been patterned after the British Civil Service. In America there is nothing called Permanent Civil Service but here in India we have got a Permanent Civil Service. I fail to understand how any one of Dr. Appleby's eminence could appreciate the particular background and the administrative system which is being practised here in India after the British pattern.

Let us see what Dr. Appleby says : He says on page 2 :

"This report has been made in the American idiom, they will be difficult for Indian Ministers and Officials to understand in terms of their intended meaning."

Then he states on page 3 :

"It is true too that, stimulation can be had by considering foreign experience. But much of it is full of terms difficult of translation to the Indian scene, just as the use of 'company' and 'corporation' here is difficult of translation abroad."

Then he states on page 4—these are relevant extracts and I am reading them out for better appreciation :

"Solutions appropriate here must be developed by Indians, in terms of the Indian context and very much in terms of the Indian urgency".

I don't know what happened to the report by Shri A. D. Gorwala. In the year 1951 the Planning Commission appointed Mr. Gorwala, one of our ablest administrators, to go into the question of administration in relation to State enterprises. I emphasise the words 'State enterprises'. The hon. Members may find the terms of reference of Mr. Gorwala's Enquiry in the introductory note of his Report on the Efficient Conduct of State Enterprises. Now, in Mr. Gorwala's Report on page 17, three important recommendations were made :

"No. 1. Parliament which represents both the share-holder and the consumer should obviously have an opportunity of discussing all aspects of the working and results of the authority when a Budget grant is made."

You can easily appreciate that these are two different approaches. Here an Indian experienced administrator, who cannot be said to have radically democratic views, says that :

"The Parliament which represent both the shareholder and the consumer should obviously have an opportunity of discussing all aspects of the working and results of the authority when a Budget grant is made."

Number two is :

"The Articles of Association or Charter should always contain a provision giving the Auditor-General the power to audit the accounts of the authority."

Dr. Appleby, in his wisdom says—I cannot possibly use the inimitable words that he has used :

"The Auditors are highly pedestrians and know nothing about Administration."

SHRI J. S. BISHT : Quite right.

SHRI S. MAHANTY : Everything is quite right for Mr. Bisht because he has nothing to lose.

MR. CHAIRMAN : Order, order.

SHRI S. MAHANTY : Mr. Gorwala states :

"The Articles of Association or Charter should always contain a provision giving the Auditor-General the power to audit the accounts of the authority."

The third thing that Dr. Appleby says in this report is that Members of Parliament have no background for asking questions. I will read it out. He says on page 47 :

"Members have no background for framing questions." He says "Such questions should not be allowed". It is a violation of your authority. But this is what Mr. Gorwala had said :

"Questions also offer scope for the raising of matters concerning the authority."

I have read out these extracts to this House for a proper appreciation of the

3—33 Rajyh Sabha/56.

Report. With this background, I will present my observations as briefly as possible because I do not want to take much time of the House.

PANDIT S. S. N. TANKHA (Uttar Pradesh) : Mr. Mahanty, may I point out the exact words used by Dr. Appleby.

SHRI S. MAHANTY : My friend can give his own explanation at his turn.

PANDIT S. S. N. TANKHA : The words used in the Report are :

"At present too many of these constituent inquiries are converted into questions on the floor of Parliament and often in a form not too useful ; the members posing the questions are simply trying to find ways of inquiring and naturally do not have the background for framing questions. . . .

[MR. DEPUTY CHAIRMAN in the Chair.]

SHRI S. MAHANTY : That is what I said, that the Members 'do not have the background' and I take very strong exception to such remarks by a man of Dr. Appleby's eminence. Now, I would not have minded very much Dr. Appleby's Report because I tried very hard to understand what he meant by 'mother-hen concept', 'General Motor structure', 'line and staff concept' and all that but I could not. I tried my best and I racked my brain. I even looked up the Encyclopaedia Americana but I failed to understand the meaning. So, I would not have minded very much Dr. Appleby's Report but what pains me is this : if the House remembers correctly, during the last Session, while we had the fortune of listening to the hon. Prime Minister when he was moving for consideration of the second Five Year Plan, he charged Parliament with nagging and he attributed the shortfall in the targets of the first Five Year Plan to too much interference by Parliament. I find here, Sir, a sort of 'great men think alike', a sort of kindred spirit between the Prime Minister and Dr. Appleby. This is what he states on page 41 :

"After three visits this writer has come to the conclusion that one of the most important negative influences on achievement is Parliament."

[Shri S. Mahanty.]

That is the statement of Dr. Appleby and the hon. Prime Minister was pleased to say that Parliament was responsible for the shortfall in the targets of the first Five Year Plan.

THE PRIME MINISTER (SHRI JAWAHARLAL NEHRU): May I know where I said that? I am not aware of having said that.

SHRI S. MAHANTY: I have not with me the speech which was delivered by the Prime Minister.

SHRI JAWAHARLAL NEHRU: I do not wish for an exact quotation. I am not only unaware of it but it is so foreign to my thought that I am surprised that anybody should say so.

SHRI S. MAHANTY: I have not brought the speech.

MR. DEPUTY CHAIRMAN: Where was it said?

SHRI S. MAHANTY: During the consideration of the second Five Year Plan.

MR. DEPUTY CHAIRMAN: During the discussion on the floor of this House?

SHRI B. C. GHOSE (West Bengal): He says, "during the presentation".

SHRI S. MAHANTY: If he has not said that, I will be only too happy to apologise to him.

SHRI AKBAR ALI KHAN: Why not refer to his speech?

SHRI S. MAHANTY: The copy is not with me.

SHRI H. P. SAKSENA (Uttar Pradesh): The Prime Minister's remark that it is foreign to his thoughts removes all manner of doubt.

SHRI S. MAHANTY: If you permit me, I will go and get the Rajya Sabha Debates and present it.

MR. DEPUTY CHAIRMAN: That is better. When serious allegations are made, they should be supported by documents.

SHRI MAHESH SARAN (Bihar): You should have looked into it before you made such remarks.

SHRI S. MAHANTY: I will remember this advice when I speak in future but, in the meantime, my hon. friend can go and refresh his memory. I have not the time and I do not wish the time of the House to be wasted by these interruptions.

Now, let us see what is the recipe, what is the final conclusion of this great Report? It says that there should be more of administration by Joint Secretaries. Now, the hon. Prime Minister stated in the other house, "What is the harm about it?". He however, used a negative argument in favour of his argument and he said that in America and in U.S.S.R., there were such methods but, Sir, the fact has to be borne in mind that here in India we are following a democratic Constitution and the fight for India's freedom was a fight against the bureaucracy under which we suffered. Now, the question is, are we going to put the clock of progress two decades back? This Report only raises this fundamental mark of interrogation. We all know—and we ourselves have been even victims, even Members of Parliament, in relation to our own Secretariat—how many useful suggestions are thwarted. Therefore, I can very well imagine what may have been the lot and what will be the lot the people outside. I should like also to cite another authority, the Report of Mr. P. S. RAU on his enquiry into Damodar Valley Corporation. Mr. Rau had also considered the same question and had negated the idea that Parliament should interest itself effectively in the day to day administration of the autonomous bodies. I am not talking here of the day to day administration, but it should have authority in regard to framing the broad policies and laying down the broad principles and programmes and then, subsequently examining whether those targets have been fulfilled or not. These points have been considered even by Mr. Rau who is also a very experienced administrator. So, here are two Indian experienced administrators. Mr. P. S. Rau and Mr. A. D. Gorwala who have gone into this question thoroughly and have made their suggestions. I would like to know from Government

as to what impelled them to go to this Ford Foundation expert to make a study of Indian administration and cast such aspersions on the Parliament which is an aspersion against this country.

With these remarks, Sir, I move my amendment and most humbly beg of the Prime Minister to see that my amendment is accepted and such remarks are expunged from the Report.

SHRI BHUPESH GUPTA: Mr. Deputy Chairman, I think this is the second time we are discussing a report on the question of our public administration and you will agree that in the period intervening between the earlier debate and now, nothing has been done actually to improve either the morale of the public administration or its efficiency. Now, here is a Report which is a very interesting document and the Prime Minister calls it an important document. I am not surprised at what Dr. Appleby has stated in his Report but what surprises me is the observations made by the Prime Minister about it. I do not know how this kind of an approach and the recommendations made here could be anything but foreign to the Prime Minister's thought as far as one can make out his thought; it is not as if we should not take the good things that he says from time to time; but this Report is a thing of cold blooded arrogance; the author of this Report puts on airs and talks at the Indian people as if we have no background for understanding our administrative problems. I think we should take the opportunity of telling the American gentleman who came all the way to volunteer advice to us that he had better mind his own business and that we can look after ourselves very well. Now, I can quite understand the American approach to the administration. They have got a bi-partisan system in which the Republicans and the Democrats share between them what is commonly called the American way of life. I do not know what that way of life is; they have made a mess of the democratic traditions of Jefferson and of Lincoln and they are turning more and more towards what may well be called authoritarianism in public administration. That is the background of the gentleman who has presented this Report and on which the Prime Minister became slightly eloquent, going a little out of his way.

Now, ours is not that kind of a bi-partisan system of Government. Actually, what is the difference between Stevenson and somebody else? Nothing much. The Democrats and the Republicans more or less follow the same policy represent the same class of people, have the same outlook in matters of public administration and carry on the function in more or less essentially the same way. That is the background of the American system of democracy. There, the labour parties, the opposition parties, especially the Communist Party and others, are suppressed with a heavy hand. The bureaucracy is fairly well developed. The Americans under the present regime are thorough-bred bureaucrats. The Prime Minister must have met many of them. We have come across some of them occasionally, and it is not our privilege to assess them from a very close quarter, but the very glance of it, whatever they say, makes us believe that bureaucracy is very very powerful and strong there. I was a little surprised when the Prime Minister supported bureaucracy in his speech in the other House. After reading his speech in the other House I looked up his own autobiography. He had very strong things to say against bureaucracy. In that book he is all out against the I. C. S., which he described as the kept Services. I do not know since when the kept services have come up the path and taken to virtues—I would like to know it from him. Anyway, now the hon. the Prime Minister seems to like bureaucracy, and he has quoted the Soviet Union. We were accused of following the Soviet Union. Now he also seems to be of the same view, that in certain matters the Soviet Union is good and that should be followed. I am not grudging that, but we want our own ways. I do not know what is happening in the Soviet Union, what type of bureaucrats are bred, but we know of the bureaucrats in this country because we had bitter days of bureaucrats here; bureaucracy is something which we know for a number of years today.

SHRI JAWAHARLAL NEHRU: May I, Sir, request the hon. Member to define bureaucracy? It would be easier to understand the word then.

SHRI BHUPESH GUPTA: Well, I do not know; I may not have understood the word, but in my young days I understood some of the things from



[Shri Bhupesh Gupta.]

you by reading your book, when I was a student. I still dislike bureaucracy but you may now change your views but I shall not change even after your powerful advocacy in favour of bureaucracy. But I concede the Prime Minister's understanding this much better than I do, but I suppose I know bureaucracy these days better than he does.

Sir, I cannot think this is a right look at our administration. Now nobody is of the opinion that the functionaries in the public administration should not be given adequate powers and responsibilities. I am one for it. Give them adequate powers and responsibilities within proper limitations, and there should of course be checks and balances; there is no doubt about them. But the point is: Whom are you entrusting with this power? That is the main point. Who are the officials, who are the functionaries in the State undertakings that we are organising today? He gave the example of the Soviet Union. But as far as I can make out from the literature of the Soviet Union, it seems that the executive heads in the Soviet Union are engineers taken from the working class, from the workers themselves, on the recommendations very often of the trade union organisations. Do we have this thing in our country? How the executives are chosen, I do not know. I do not know at all whether trade unions are consulted in such matters. As far as I know, not at all. On the contrary some superannuated officers are selected to man the executive. Once you are in civil service always you are in civil service. Whether in the Government line or in some other line always you are like that. Therefore these gentlemen are chosen, or sometimes private individuals from private citizens, from the big business, are chosen for manning the executive posts in our public administration. This is what we find. Now naturally when you give them too much power, leave them free to do things as they like, they make a mess of things. We have got the experience of a number of public undertakings in our country. We have got the experience of the Sindri Fertiliser Company and so many other institutions that are run under the aegis of the Government. Now, if it were a case where such executives are chosen from among the technical intelligentsia or from among the workers there, one would have understood the powers being given to them,

because the very fact that we choose them shows that they merit the choice and that they have got certain skill and efficiency, which have been recognised by those who work with them. That procedure is not at all followed in this country. Therefore it is no use trying to make comparison in this manner. When we have a system in which the executive heads are chosen from the technical intelligentsia, from the engineers of our country, irrespective of how they are connected, with the big ones, the Government or big money, we shall see to what extent more powers should be given to them, but today I think it is essential that Parliament should have the right of reviewing their work and keeping an eye on the activities of such officials. Now, as you know, in the Industrial Finance Corporation, we put some big men there. They bungled, muddled there and they created such a mess that the matter had to be discussed on the floor of the House and commissions had to be appointed in order to investigate into this matter. Recommendations were made and things were said about them, not very complimentary. All those are common knowledge. Therefore I say that this is not a right approach. Our conditions must be taken into account and we must find suitable arrangements to meet the requirements of the situation.

Now then, about the Parliament observations have been made. I can tell the Americans that our institutions can look after themselves very well and the Indian Parliament will not certainly toe the line of American politics or Congressional politics, because we are developing our own system according to our own genius. There will be parties here; there will be criticisms here and the criticisms will be made from both sides of the House and I hope that we will continue and the Prime Minister would welcome such criticisms. The Prime Minister said in the other House he would very much like to have some criticism. Now, Sir, it is very good to have it and we appreciate that mentality on the part of the hon. the Prime Minister, but we would like to add one thing here. It is one thing to have debates and criticisms during debates; it is sometimes another thing to invite Members of Parliament belonging to various parties, representatives of various parties and consult them in regard to administrative matters. I think the hon. the Prime Minister would do well in

future to adopt such a course whereby they can consult the Members of the opposition parties in regard to matters of administration. We are all interested, whatever the political differences, in toning up our administration, in ridding it of corruption and inefficiency and therefore we would also like to have consultations with the leaders of the Government in such matters where we can freely express our opinion and tell them what we would like them to do. It is for them to accept or reject such suggestions that we may make, but such consultations should be there. But we are totally disregarded in this matter. Now I know what I can make criticisms and the Constitution provides an opportunity for making the criticism, and that I shall make. But I also know there are Ministers in the Treasury Benches who forget the criticism the moment they emerge out of the Chamber of the House, and I am not at all suggesting the Prime Minister is one of them. He is seriously taking the criticism and sometimes he also makes criticism about us, somewhat justified and mostly unjustified. Now therefore I would say, Mr. Deputy Chairman, that apart from this kind of discussion, what is necessary for the Leader of the Government is to sponsor discussions outside the Chamber of the House, where we can have a free talk and discussion in order to explore ways and means of improving administrative matters in the country.

Now about the Secretaries. Generally there is one for each Department and he wants Joint Secretaries, Deputy Secretaries and so on. There is a whole army of Secretaries—I do not know how many we have got. It is very difficult to keep pace with the growth of the Secretaries in our administration. When the British left, there were a few; now there are too many. I am not at all suggesting that the number should not have increased. Our Prime Minister is quite right in saying that the administrative work has increased many times, 50 to 100 times. I do not know whether it is 50 to 100 times. But much of the work is not worth having, because if you assess the work properly, then you will find some of the useless things need not be at all there. However I concede that point that we would require perhaps more ministerial servants in the various departments, more Assistant Secretaries, office assistants, despatchers and so on. I concede that point. But are we not

having too many Secretaries? I know what work they are doing. Is there any proper check on that? Most of the work that goes in their name is actually done by people about whom we never discuss, whose merit we do not take into account, who are much maligned in the public administration of our country, the men in the lower rung of the ladder of this public administration. These office assistants and others do a lot of work and it is a very good thing. We are a cultured people: we are a civilised people and we are a people with initiative. Now, when they feel that they are the functionaries of the government of a free country, naturally they would like to put their very best and in fact they are doing so. Unfortunately, their efficiency is not given either due recognition or due incentive which is required in order to tone up the administration and improve the affairs in our public administration. This is another aspect of the matter to which I would like to draw the attention of the House and this is something which this American Doctor completely misses.

There in U. S. A. they have got the State Department and a number of Secretaries and big functionaries and he thinks that the same thing could be brought here. We say that we reject this idea of administration by Secretaries. We have got a Parliament; we have got a Ministry which is supposed to be responsible to the Parliament, however irresponsibly at times it may behave, constitutionally it is supposed to be responsible to Parliament. And then we have got a big administrative set-up. There are many people, people of efficiency, people who are not recognised, who nevertheless discharge their duties efficiently and well. We want to improve the pace of the administration; we want to democratise our administration. That is the crux of the problem. Initiative and efficiency you cannot have until you have our administration democratised. There is bureaucracy; there is soullessness at every point in our administration. I do not know how many of you have talked to the Secretaries of the various Departments. I have my own experience of them. Mr. Sakseña here says that he has not talked to any Secretary. I think he should immediately do so before his tenure is over in this House. I have talked to some of the Secretaries; I do not name any, but sometimes I feel as if I am talking to

[Shri Bhupesh Gupta.]

an Egyptian mummy or a Madame Tussaud. One does not see any reaction on their face at all. I feel that it is a machine that I am talking to. It depresses me and I am sure many other people also feel depressed. So all these Secretaries of these Departments have to be democratised and they should be responsive to criticisms and to the wishes of the public. It all depends on how you talk to the public, how you listen to them, what you gather from what the people say; not that always they say the right things, but sometimes they say very good things and such things should be properly gathered. This is not done. Therefore what is of vital importance for us for improving the public administration in our country is to democratise the administration and do away with the bureaucratic cold-bloodedness that exists in our public administration, today. That is of vital importance. I stress it again and again because the crux of the problem lies there. Initiative has to be developed at the lower level by entrusting more responsibilities to the lower officials and by giving recognition to their services and also making it easy for them to work. Their conditions of service have to be improved. Their emoluments must be made adequate to make their life worth living. All these things are important for improving our public administration.

As far as the public undertakings are concerned, Dr. Appleby has said so many things. I wish to say that the problem is not one of getting some officers or anything like that. What is important is to change the outlook behind running such public undertakings. Now, I am totally opposed to the bureaucrats or representatives of the big money being placed in positions of authority in public administration. I wish to make this point very clear. There are people, no matter to what politics they belong, who are efficient, who are devoted and who can discharge their functions very ably in all walks of life. You can find people from among the common folk who could be placed in those positions. But we do not see such a thing now. You know, Sir, that life insurance has been nationalised. What do we find there? It is a public undertaking of great importance to the country. There you have got the same people; the old furniture is placed there with some sort of rearrangement;

the same old thing is there. Those people who had made a mess of the insurance business, who may have made a lot of money, they are there. For all the corruption, for all the bungling and for all the irresponsible things that had happened, it is these people who are responsible and yet to our eternal shame, these very people have been placed in charge of the nationalised insurance corporation in our country. Now we want to do away with such kind of malpractices and corruption in our public administration.

Similarly we find that some I.C.S. officers are taken from the Services and placed as Managing Directors or Directors in public undertakings. Do I take it, Mr. Deputy Chairman, that in the country there are no people other than I.C.S. officials and sons of the big money, who could be entrusted with the responsibility of running our public undertakings? I pose that question before the House and before the hon. Prime Minister and let him answer it. Are we going to run our public undertakings in order to find accommodation for the superannuated officers or the worthless sons of the big business? This is the question that I ask. I say, reject that outlook. This outlook is not in keeping with the spirit in which you are starting the expansion of public sector in our country. That is a very important point. Now, this is another point which Dr. Appleby completely misses. He comes from a land where monopoly capital has grown to a very high stature. He sees all bureaucrats in their various industrial undertakings and he wants a repetition of the same process in our country, even in our public undertakings. We cannot accept this position at all. We wish to run the public undertakings in our country in the best interests of our economy and in the best interests of our country. Therefore we want to place people who command the confidence of the workers and of the public in such positions of authority.

Finally, I would say that there are some stray good observations here and there which expose certain ugly spots in our public administration, but taken as a whole this Report, I do not know whether it at all deserves serious consideration by people of our mould. We do not share the general outlook and sentiments that run right through this whole Report. We do not share them at all.

Therefore I say what is important today in this connection is to appoint a Commission consisting of Members of Parliament to discuss the question of public administration in our country. That Commission could come out with a Report of its own. Why should we not appoint such a Commission consisting of Members of Parliament of both Houses in order to go into all these matters connected with public administration which could present its Report to the Parliament and to the country? Are we incompetent to do so? Let the Prime Minister say that we are incompetent to do so.

**SHRI AKBAR ALI KHAN:** Have they got administrative experience?

**SHRI BHUPESH GUPTA:** The hon. Member from Hyderabad could leave aside the Nizam experience and rely on Dr. Appleby's experience. As far as I am concerned, I rely on whatever modest experience we have got. I do not know to what extent the experience of the hon. Member from Hyderabad could be relied upon, but certainly there are many other Members opposite on whose experience we could profitably draw in order to find ways and means of improving our public administration. I suggest therefore, let these gentlemen not come to India for giving us advice. We are not in need of it at all. If he comes to see Kashmir and other places, provided there is no trick, we do not mind. As a tourist he can come and see India, but do not ask him to give advice to us. It is an insulting document; as a patriotic Indian I feel insulted. This is a document that has been flung at our face in the most arrogant way that we have come across. It insults our genius; it insults our institutions; it insults everybody in this country and I think the Prime Minister was ill-advised to have certified this Report as an important document. It is by no means an important document; it is an ignominious document, unworthy of consideration by the Parliament of a country which professes to be democratic. Let us proceed to some other ways of improving our administrative matters. Let the Members of Parliament be given the task of suggesting as to how our public administration could be improved. The main problem of our public administration is one of democratisation of the entire public administration, no matter whether it is at secretariat level

or at any other level. This is the problem that we are facing and this is the problem that has got to be grappled with, with all our energy and vigour.

1 P.M.

**SHRI VIJAY SINGH (Rajasthan):** Mr. Deputy Chairman, after hearing the speech of Shri Bhupesh Gupta wherein he has vehemently criticised even the coming of Dr. Appleby here, I am reminded of Mahatma Gandhi. Miss Mayo came to India and she wrote a very filthy book about India. When that book was shown to Mahatma Gandhi, his comment was that all Indians should read it, but no foreigner should read it. The basic conception of democracy is that we must not be averse to criticism. After all, Dr. Appleby came to India to study and report.

**DR. R. B. GOUR (Hyderabad):** Do you agree that this report is as bad as Miss Mayo's book?

**MR. DEPUTY CHAIRMAN:** Order order.

**SHRI VIJAY SINGH:** Therefore, I do not think that we ought to criticise the Government of India on that account. Sir, we should welcome the present opportunity that has been given to this Parliament to discuss this important subject, namely, our public administration. As the previous speakers have said, before his report came out, several other reports were submitted to the Government of India by various others, namely, Mr. Gorwala and Dr. Appleby himself. But this is, I suppose, the first time that a report of this type is being discussed in Parliament. I, therefore, welcome this opportunity that has been given to the Members of Parliament. There is another added reason why I welcome this opportunity. This report was discussed in the other House and there only two hours were devoted for the discussion of this report. This is a very important document. I am glad to note that you have allotted here three hours for the discussion of this report and the Chairman said today that we might extend this time by half an hour. It is in the fitness of things and I think the Business Advisory Committee has tried to give due importance to the report.

There is, however, one minor point that I want to bring to the notice of this House and the Secretariat—but this does

[Shri Vijay Singh.]

not detract from the general appreciation of mine. The Lok Sabha Secretariat has brought out a very important pamphlet, "Report on India's Administrative System by Dr. Paul H. Appleby—Comments and Reactions". This is a very important booklet and its circulation would have helped the Members to a great extent. Unfortunately this booklet was not circulated to the Members till today. We received the notice only today morning that the booklet can be had in the Notice Office. (Some hon. Members : No, no.) I have just received it today. We received the notice today.

DR. R. B. GOUR : That relates to critical remarks about the report.

SHRI VIJAY SINGH : I am coming to that. I would, therefore, like to bring to the notice of the Secretariat that important things which are for the information of the Members should be circulated in time. However, this is only a minor point.

MR. DEPUTY CHAIRMAN : We got them only last night.

SHRI VIJAY SINGH : Therefore, simultaneously if this too had come before us, we would also have been benefited by the opinions that have been expressed there.

Now, the subject that we are going to discuss is a very important one. India, as we all know, was being ruled by a colonial power before 1947 and this is the transition from colonial rule to a self-governing Republic. It is a big problem in itself. Whatever may have been the good points or bad points of that administration, the central fact was that that particular administration was meant to serve the interests of England and the empire. Therefore, it is a big problem for us to effect this transition from colonial rule to that of democracy and republic. Mahatma Gandhi was quite right when he said that good Government is no substitute for self-government. It was in this respect that we had to overhaul the whole system that was mainly meant to serve the empire's interests. This should not be taken to mean that I am in any way critical of our civil servants. By and large, we have admirably adapted ourselves to the changing circumstances, as I will show later on; but, nevertheless, some

thing of that colonial rule still remains and for that matter we have to improve our affairs Dr. Appleby's report is a terse reading. It contains some suggestions. Normally when we get the reports of the Estimates Committee or the Public Accounts Committee, a summary is given at the end, wherein all the major recommendations are tabulated. No such summary is given at the end of this book, but I tried to gather what are those recommendations and I was able to know that these recommendations are something like twenty and these are very important recommendations. And these are also very important subjects. I would just like to place before the House a few of the subjects, only in name. They are : Cost of Administration ; Purchasing and Construction ; Delegation of Functions ; Business and Finance Offices ; Public Service Commission ; Special Aid to Expenditure ; and so on and so forth. Now these are all very important subjects and if I were to discuss even one subject that has been dealt with by Dr. Appleby, it will take hours. And if I were to discuss all the twenty, I do not think I can have enough time to discuss all these things. Therefore, in the few minutes that have been given to me, I would like to state in brief what are the points. In my view, the proper time to discuss the report would have been when the Government had formulated their own mind and let us know what they think about the various proposals that Dr. Appleby has submitted. This was the view point that was expressed by Mr. Gadgil in the other House and I am in wholehearted agreement with that.

I just said that there is a great problem of adjusting colonial rule to democratic rule. This is a big problem in itself. And then there is another fundamental question, to which we have to address ourselves, namely, the conflict between democracy and bureaucracy. No matter what we might say, there is this conflict and there is this problem of adjustment between democracy and bureaucracy.

Now, I do not want to take much time of the House, but I would like to refer to what George Bernard Shaw said at one place in his book "Everybody's politics and what is what". There while discussing the relationship between democracy and bureaucracy, he gives a beautiful simile and I crave the indulgence of the House for a few minutes. What George Bernard Shaw has

said there is this. He compares. Take the case of a postman. There is a village and there is one man who is very popular and all those persons elect him as the postman of that village. But since he is uneducated, he takes the help of a small literate boy to read the letters that he gets and delivers them to the villagers. Now, that postman continues that work and that small boy goes on reading the letters. That small boy is reading the letters and is becoming a big man. And when the time comes that postman passes away and then another postman is elected. But he too happens to be illiterate and he also engages the same small boy to read the letters. The boy, of course, has become a big man. Shaw goes on in his Shavian style and says : imagine the popular governments to be the postman and imagine that small boy to be the civil service. There is this adjustment. How are we going to reconcile these things when we are discussing this report ? We have to bear in mind all these important problems that are discussed not only here but elsewhere in the world also. Sir, as I said just now, there are twenty main recommendations that Dr. Paul Appleby has made. It is not possible to deal with each of them individually and in an exhaustive manner. I wanted to classify them in my own way. Under what heads could we put all these twenty recommendations that he has made ? In my opinion they fall into four classes :

- (1) Recommendations regarding delegation of powers—some recommendations fall in this category.
- (2) Recommendations regarding the functions of the Home Ministry, Finance Ministry and the Auditor General.
- (3) Recommendations regarding the control by Parliament.
- (4) Recommendations regarding the recruitment of Services.

Sir, in the few minutes that you have been kind enough to allot to me I will speak on all these four aspects in a sentence or two, and in the end I would like to give my own suggestions.

Now, Sir, I would like to say something about the delegation of powers. Sir, exception has been taken by some

Members about the delegation of powers. But we must bear in mind that the machinery of the modern state is so complex that some sort of delegation has to be there. In fact, if we just bear in mind the course of history, we will come to know that as civilisation has advanced and as specialisation has come into being, some sort of delegation has become essential. If we just look into the history of western civilisation, we see there Aristotle. Aristotle knew about everything. He was a Professor of Physics, Chemistry, Biology, and all that. He was the repository of knowledge. Now in the case of our own civilisation we had Vedavyasa. He knew everything. Now, as civilisation has advanced and as specialisation has come into being, we cannot find a modern Aristotle, however brilliant and intellectual he may be. As with individuals, so with States delegation of power is essential. The Prime Minister the other day speaking in the other House very rightly said that the Parliament even in England is not what it was in the 19th Century. In the 19th century there was a lot of time available for private members, discussion of all subjects under the sun. But now even the English Parliament does not find enough time to devote to the discussion of subjects by private members as it used to do in the 19th century. Why ? Because specialisation has come to be there, and in spite of the conservatism of the English people of which we are all aware, they had to forego some of their parliamentary rights which they so jealously cherished. In this connection we should also bear in mind that whatever may be the difference of outlook between America and Russia, so far as the adoption of modern technique is concerned they are both one. The Prime Minister has stated this before us, time and again, and his observations, as well all know, are authoritative so far as political thinking goes. He is one of the great thinkers of the modern world, and what he has observed in the course of his travels throughout the world deserves serious consideration not only in this country but in the countries abroad also. So, Sir, what do we see in America and Russia ? There also this delegation of power is there and you cannot escape this fact. So far as Dr. Appleby's recommendation regarding the delegation of power is concerned—I have got to make observations regarding others—but regarding delegation of power I am for it. When

[Shri Vijay Singh.]

we want to get something done, we entrust the job to a particular person and let him do the thing. Of course there must be general supervision and if he does any wrong, we can certainly charge him and hold him responsible for the wrong things that he does. But if we are going to interfere time and again in the thing that we entrust a man to do, then we will not achieve the result that we want him to achieve. India is on the threshold of the Second Five Year Plan. We all know that economic development is very essential, and if we are not able to catch up in the matter of economic development with the other countries of the world, we will lag behind and we will lose some of our political rights also which we have acquired. Take the case of China. China is our neighbour, China is our friend, but we are competitors of China so far as economic development is concerned. There is competition between China and India as to whose rate of progress is faster. If we want to have a faster rate of progress, it is essential that there must be delegation of power.

Now, Sir, I would like to say something about the recommendations regarding the Finance Ministry, the Home Ministry and the Auditor General. The previous speaker Mr. Sinha had very important observations to make regarding the Finance Ministry and I support them. Briefly I am of the opinion, Sir, that there should be no necessity for referring matters from day to day to the Finance Ministry for consultation. Once the Parliament has passed the Budget of a particular Ministry, spending Ministry, then that spending Ministry must be responsible for the proper expenditure of those funds and for doing the task that has been allotted to them. There should be no necessity and there should be no obligation on the part of that Ministry to consult the Finance Ministry time and again. That will save time, that will give initiative to them, and that will also solve the problem of production that we have before us. (*Time bell rings.*) I think, Sir, you have given more time to the opposition Members and I want some more time to be given to me.

MR. DEPUTY CHAIRMAN : Because they belong to the opposition.

SHRI VIJAY SINGH : I have got very important points.

MR. DEPUTY CHAIRMAN : Please finish at 1-20.

SHRI VIJAY SINGH : All right, Sir. This is what Dr. Appleby says : "In some part the present system of expenditure control conceals a serious inadequacy in the development of the government's budget. The expenditure control is used to far too great an extent as a substitute for good budgeting; it is a way of making the actual budget after the putative budget has been presented to and approved by the Parliament. The budget, therefore, is being made all year long for the year rapidly marching towards its close. This is a negation of programming and planning." This is my observation regarding the Finance Ministry that the Finance Ministry should not have control, time and again on or off and on, on the expenditure of the budgeted sum.

Then I come to his observations on the Home Ministry, and there also I think that the observations that Dr. Appleby has made regarding the Home Ministry, which were referred to by Dr. Sinha, are good.

About the Auditor General I am not at all in agreement with what Dr. Appleby has said. By and large I think that the functions of the Auditor General in a democracy are very essential. He is the guardian of the taxpayer's money that the Government receives. In fact if we look at the American Constitution also, we find that the functions of the Controller General as he is called are very important; he submits a report to the Congress at the beginning of every session. Therefore what Dr. Appleby has said about the Auditor General, in my opinion, is not right.

Then I would like to say something about the recommendations that Dr. Appleby has made regarding the Members of Parliament. I must emphatically, declare, Sir, that I take strong exception to what Dr. Appleby has said regarding the Members of Parliament. Members of Parliament are the chosen representatives of the people, and in no case they can delegate their authority to the civilians howsoever good-intentioned the civilians may be. There is no essential conflict between them. But in a democracy the special function which is allotted to Parliament, we

cannot delegate that function to the civilians. True, the problems of development are there. But it is not all. India while engaged in developmental work is also creating and fostering democratic values and one is as important as the other. Therefore, fostering and creating democratic values and economic development, both problems are very important. In order to have a happy balance the supremacy of Parliament is essential. Sir, it is said by some papers, notably the Eastern Economist, that we have to look at these suggestions from the point of view of an emergency measure. I for one do not share that view. Well, in the first place, there is no such emergency, and in the second place, we all know that a war-time emergency creates corruption, nepotism and favouritism. If, therefore, we resort to emergency measures time and again, that will vitiate our administrative system, and it will give rise to such forces as we shall not be able to control in future. In our zeal for economic development we should not create more and more complications with which we shall not be able to deal hereafter.

*(Time bell rings.)*

SHRI J. S. BISHT: Mr. Deputy Chairman, after having studied these Reports of Dr. Appleby, the first one as well as the second report, I have come to the conclusion that by and large his diagnosis is correct, and that we should try our best to streamline our administrative machinery in accordance with the recommendations made by him. And whatever little doubts there were, after hearing these three speeches from the opposition benches I am confirmed that my judgment was right, because the sum total of these speeches was that they could discover nothing of any concrete importance to which they could object in any manner. And the only thing that they could harp upon was a few stray remarks here and there with regard to Dr. Appleby's criticism of Parliament. They wanted to create a sort of prejudice in the minds of the hon. Members against the whole Report merely because there were certain remarks that could be construed as adverse to the dignity of Parliament. I am reminded. Sir, of a Scotch proverb which says "Would some power the gift give us to see ourselves as others see us." I think none of us has that gift and we should welcome it when some experienced friend comes and tells us

how we can mend our ways and make matters more effective.

SHRI H. P. SAKSENA: Did he come to India as a friend?

SHRI J. S. BISHT: Of course, not as an enemy.

Sir, Parliament is a very valuable institution, and I am one of those who firmly believe in the democratic system of Parliamentary Government. But Parliament is after all only a means to an end; it is not an end in itself. We should not confuse the issues at all. What is Parliament meant for? The people may attain certain objectives by a certain process, and the best method that we can adopt in order to attain those objectives should be adopted without any hesitation. I would like to invite the attention of the hon. Members to page 47 of Dr. Appleby's Report, wherein it has been stated as follows:

"If it is at all possible to reduce to a few essentials the question of whether India will succeed in its high endeavours, I should attempt to emphasise two essentials by stating them in two questions:

Will India be able to maintain and develop its national unity and strength in the face of its linguistic divisions and its extraordinary national dependence upon the States for a large part of its administration?

Will the people and the Parliament be sufficiently willing to pay enough and to give through delegation sufficient scope for the discretion and wisdom providing the kind of public service of performance necessary for administrative effectiveness?

In the long run India will get in administration only what she pays for and what she provides scope for. If India confines the bureaucracy to small scope, she will confine the nation to small achievements."

This, Sir, is the objective which he has very clearly and succinctly put before the people. After all, we want to attain these great objectives, the abolition of poverty, of disease, of illiteracy, and the raising of standards of



[Shri J. S. Bisht.]

our 360 million people. And if for that purpose we have to streamline the administration and make it more effective and more efficient and quicken the pace, well, that course should be adopted without any hesitation.

Now, Sir, in order to do this he has suggested certain concrete proposals. First, I will take up the question of personnel. Now, Sir, with regard to this point, I was rather surprised by the similarity between his recommendation and the recommendation made in America by the Hoover Commission which sat from 1933 to 1955 and which submitted its Report to the United States Government. The Commission made 314 recommendations. The ex-President of the United States of America was himself presiding over this Commission. Now, Sir, here it has been stated as follows :

"In the final days of the Commission a newspaper reporter asked Mr. Hoover this question :

The Commission has made 314 recommendations. If you were granted the right to have one accepted, and only one, which one would you pick ?

Without hesitation Mr. Hoover replied.

'I would pick the recommendation for the setting up of a senior civil service.'

'Government', he went on to explain, 'cannot be any better than the men and women who make it function. Our greatest problem is to get the kind of men and women the Government needs and to keep them in Government. Right now we have a turnover of about 25 per cent yearly. We need civil servants of great ability, but as soon as they show ability they are grabbed by private business. We lose the best and keep the second best. We must make civil service, so attractive, so secure, so free from frustrations, so dignified, that the right kind of men and women will make it a career. Then we can have the kind of Government that the United States needs and should have.'

I submit, Sir, that this is a very right and correct assessment of the position, both as stated here by Dr. Appleby and

also by the ex-President of U. S. A. himself, as a result of the enquiries made by him in conducting the proceedings of this Commission.

Now, Sir, with regard to personnel, the chief recommendation is that the recruitment basis should be changed, and secondly, that the Public Service Commission should be very much enlarged. And there, I think, he is very right. The Public Service Commission, as it was functioning, was meant only for the purpose of recruiting a very few people and for the purpose of meeting the needs of a Government which was functioning on a small scale, that is to say, the Government which was functioning more or less as a Police State, maintaining law and order and carrying on a few administrative functions. But today we are having a Welfare State, and the problems are so many that the personnel has to be enlarged ten-fold, twenty-fold or even fifty-fold in view of all these development projects and other things, the expansion will be very large, and we have to recruit as many as 400 people under the Emergency Recruitment Scheme for the Indian Administrative Service. That itself proves that we have to make recruitment on a very large scale. We want all sorts of technicians, engineers, overseers, doctors and people in the various other categories. Therefore, it is very necessary that the Public Service Commission should be promptly enlarged. And then there is one thing more with regard to the manner of recruitment. Now what is being done is that if there are, say, three vacancies, they send three names, which leaves no discretion to the executive authority to pick and choose. Therefore, what Dr. Appleby has recommended is a right thing. They should have a competitive examination and then they should send a list of the people who are qualified to be appointed to particular posts. Then it should be left to the Services Selection Board to pick and choose the best persons from among them. I think the procedure adopted in respect of the Army is much better. There, the Union Public Service Commission holds a qualifying examination and from among the qualified candidates the Services Selection Board picks up the people that it wants. And that is what it should be.

Then, Sir, with regard to this probationary period, for two or three years for every two posts there should be three

people, and after seeing them in actual work for two or three years, they should pick up the best people for carrying on that particular work, and by that method I am sure that the tone of the administration will be considerably improved.

Then, Sir, there is one more point with regard to the appointment to the Civil Services. The Hoover Commission is also particular on that point. In America and in England, Civil Services include all Services other than the Military Service, that is to say, the Services which carry on the work of civil administration, both in the engineering department as also in the technical department. There should be generalist qualifications for officials in top positions and in other important administrative jobs. He says :

"It is true that one of the great virtues of the Indian system is the emphasis placed on "generalist" qualifications for officials in top positions. But there is no single source of generalist personnel, no single formula for developing them. Some persons with technical backgrounds become competent generalists. Others are capable of transformation into generalists by a diversification of their experience, and some persons put through the experience conventional for preparation of generalists never develop any real capacity for high-level performance. Some persons in business or in the universities can qualify rather quickly for high-level generalist posts. Conversely, top-level governmental generalists often can be admirable heads of technical or industrial organisations. The persons capable of serving well at high levels are rare birds; they must be sought wherever they may be found, and developed by various means."

This, I submit, is the right approach. At present we have got this basic defect, which is a hang-over from the colonial rule. That is to say, most of the top administrative jobs are confined to one particular class which is known as the Indian Civil Service. Whenever there is any demand for people with generalist qualifications, you only appoint these people and not any others even though they may have better generalist qualifications. I see no reason why a junior Civil Service man with ten or fifteen years' experience should be put as the Secretary of a Department in preference to,

say, an Inspector General of Police who has put in nearly 25 years, who is the head of his Department and has got complete experience of running the police administration. I cannot understand why a junior Civil Service man is put over a Civil Engineer in the Irrigation Department. I know that there are certain States in our country which make such engineers *ex-officio* Secretaries of their Departments. That, I think, is the best thing. There should be no hard and fast rule and it should not be the monopoly of the Civil Service alone to be appointed to high Secretariat posts, whether they know anything about it or not. If you have got an efficient man, say, in the Police Department, you can put him in charge of any Department, particularly the Home Department, or if you have got an engineer who has done well, you can put him in charge of a Department. As Dr. Appleby has very rightly said, persons capable of serving well at high levels are rare birds and they must be sought wherever they may be found and encouraged by various means. As he has rightly said, "Administration is basically the conduct of programmes important to citizens and to the nation; fiscal administration and personnel administration are merely aspects of the general management of a variety of programmes." For this very reason, I would submit that this point should be very carefully considered by the Ministry of Home Affairs which deals with personnel questions. In so far as this particular question is concerned, Dr. Appleby has very rightly said that there is no development of what is called 'line' and 'staff' functions. I was surprised when Mr. Mahanty said that he had looked through the American cyclopaedia but could not find any definition of this. The fact is that, if he had taken the trouble to read his first report, he would have found it on page 17, paragraph 3.

"There is no terminology—and no structure—here distinguishing between 'line' and 'staff' functions . . . Under this terminology staff officers are those that engage in planning, in logistics, in financial and personnel controls, in legal review of administrative proposals, and in public reporting in substantive—as distinguished from political terms. Line organisations, in contrast, are those that carry out programmatic functions, that actually administer operations, enforce laws and attain programme objectives."

[Shri J. S. Bisht.]

and so on. He has given all these observations. It is in that sense he has used that phrase here.

There is another point which deserves careful consideration, and that is with regard to financial administration. Dr. Appleby has very rightly said that the system of budgeting here is defective, defective in many ways, because the Department do not know what particular items would be accepted by the Finance Department and so they always put forth inflated demands. These demands go up to the Finance Department. Then they come back and then it is only at this stage the Departments go into the making of detailed estimates and plans. Then again they are referred to the Finance Department, and this leads to confusion. What he has recommended very rightly and what I support is that every programmatic department should be pinned down to putting forth only those schemes which they have already worked out in detail, schemes which they know can be carried through. They should be told that they should put forth only those demands for which there is a chance of funds being allotted, and once the Budget has been passed and funds have been allotted, those funds should be immediately transferred to the programmatic departments for deployment in those schemes. I think that only 15 to 20 per cent. of the funds should be kept with the Finance Department for adjustments later on and also with a view to keeping some control over them, and the Finance Department itself should send out people to see that the financial arrangements are carried out by the programmatic departments so that later on there is no difficulty.

I also strongly support the recommendation of Dr. Appleby with regard to industrial enterprises in the public sector. He has recommended that a separate cadre should be maintained for the purpose of maintaining these departments. He has himself recommended that most of the recommendations that he has made should be tried in these new departments of public enterprises and that as they gain experience, they could be grafted into the old system of administration which we have inherited from the British times.

PROF. A. R. WADIA (Nominated): Mr. Deputy Chirman, ours is an infant democracy. Therefore any advice com-

ing from kindly friends would be always welcome, and I am sure that Dr. Appleby who was approached to give us this report is a friend, especially as he belongs to an organisation which has been very friendly to India and has given millions and millions to us. At the same time, I feel that Dr. Appleby has not taken an entirely dispassionate view of things, and his report would have been very much more valuable if he had been a little more balanced in his statements and if he had taken a more correct view of the situation in India. I believe that the Prime Minister has said that this report has given us a shake-up. Shaking-up is good, provided it leads to a better situation, but I have very much of a doubt whether a literal carrying out of the recommendations of Dr. Appleby's report would really help our country. So far as I can see, the main problem that he is seeking to tackle is how to avoid delay, especially in industrial undertakings, and in this connection he has got something to say about inter-Ministerial relations. Well, in references from one Ministry to another, delays are inevitable. It is not my function to say anything about that, because I do not know what happens in the Ministries and the Prime Minister himself is the best judge in that direction. He can issue instructions to the different Ministries to see that these delays are avoided or at least minimised in many cases, and I am perfectly certain that, if the Prime Minister is enamoured of this report, he would do his very best to issue special instructions to the Ministries to avoid these delays.

Then, Sir, Dr. Appleby has gone on to offer unnecessarily offensive remarks against the Comptroller and Auditor General. He is critical of the work of auditors. Well, we are all familiar that auditors are capable of many stupidities. We know that if it is necessary to produce a birth certificate in connection with a certain pay bill and if it is produced in the month of September, auditors are capable of insisting that you should also produce it for the month of August. It is also possible for auditors to waste an enormous amount of time on small details. I remember an English Officer some 20 years ago complaining that over a question of two annas he had to carry on correspondence for over a year and an infinite amount of postage and stationery must have been consumed. We are all aware of the stupidities

of auditors but the fact remains that we cannot do without auditors. They are, after all, the watch-dogs and safeguards against illegitimate spending and the Comptroller and Auditor General stands in a specially privileged position because he is made entirely independent of the executive. He is put in charge of the full control as to how the public money is spent and if the Auditor General does his duty, he may have to tread on tender corns, but he has to do his duty all the same, and we should be grateful to him for the correct lead that he gives to us in this direction. I think that Dr. Appleby's report has been considerably detracted in value by the unnecessary offence that he is giving to the Auditor General who has been doing his duties.

Well, he has equally unnecessarily offensive remarks to make against Parliament. In one place he says on page 41 that one of the important negative influences on achievement is Parliament. It is a very wrong statement to make for any responsible officers. The Parliament represents the people of India. We are all interested in the advance of our country and we are not interested in keeping it back and therefore this is a gratuitous libel on the integrity of the Members of Parliament. There are other offensive statements here. What exactly is the position? He is talking a good deal about delegation of authority. I admit that democracy, even in England and America, has changed its character from what it was in the Victorian days. In those days Parliament was practically the only source of legislation. Today so much legislation is there that it becomes impossible for the Parliament even to study very carefully all the laws that it has passed and it is inevitable that the power of making by-laws is handed over by the Parliament to the various Corporations or institutions that it brings into existence. Our Parliament has been doing it. The Parliament has been delegating this authority but then the fact remains that after this authority is delegated, it is the business of the Parliament to see that that authority is well-used, that the public funds are well-spent and no Parliament, worth the name, can divest itself of this authority. What exactly is happening at the present moment. Our Government particularly is very fond of reducing the value of the private sector and enlarging

the scope of the public sector. The Government is perfectly welcome to do it; I don't mind it, but what is the procedure laid down? Such concerns are brought into existence by the authority of Parliament. The policy is laid down by the Ministers. The policy is given effect to by the Heads or Directors and it is a question whether it is a wise policy, as Mr. Bisht pointed out, that administrative officers are best suited to be in charge of large industrial concerns.

Well, Sir, I have come into contact with Members of the I.C.S. and I.A.S. They are very nice gentlemen. My experience is certainly not the experience of Mr. Gupta who said that he found them practically Mummies. I found them very human and they quite respond to our needs, they quite understand our needs; but it is futile to deny that the longer a man has been in this service, the more bureaucratic his mind tends to become. It works in a particular groove which does not easily change. He is accustomed to issuing orders and to obedience. His advice is sought after by Ministers and usually they are accepted by Ministers. If such persons are placed in charge of industrial concerns, I am not very hopeful that it would be a good and satisfactory arrangement. The qualities that are needed in the Heads of industrial concerns are entirely different. There is a lot of give and take. There is a lot of compromise. It takes a lot to be courteous, to be polite even, much more than our I.C.S. officers are accustomed to be, and therefore it is very necessary that the industrial concerns should be placed in charge of people who have some experience of industrial concerns, who understand the problems of trade and commerce on—people who are well-versed and well-experienced and absolutely first-rate in mere general administration.

There is another defect, namely, that if you place an I.C.S. or I.A.S. Officer in charge of a particular industrial concern, you don't keep him long enough there. There is always the question of advancement from this post to that post. He is therefore transferred in 2 or 3 years and then somebody else takes his place. He again takes some time to pick up the threads of management of that concern. The great advantage of the private sector is that in large concerns the man continues to be in charge for

[Prof. A. R. Wadia.]

years—10 years, 20 years and 30 years and even more. He is perfectly familiar with the whole thing and if the administrative officers are to be utilized, for this sort of thing, let them, by all means be so utilized but then, let them specialise in that direction. Let them give up their ambitions to be Chief Secretaries here or Commissioners there, or Members of Revenue Boards and so on. That sacrifice they will have to make and I think it is for the Government to carry out these simple elementary principles of administration. We don't require an American gentleman to come to us to advise us on these matters. Well, the Heads of these industrial concerns—Government industrial concerns that carry out these things—spend money and they produce or they do not produce a certain output within the allotted time or beyond the allotted time. Therefore necessarily there is the question of audit. Unfortunately in the course of the audit, numerous unfortunate things come out and the auditors have to do their work. They cannot be blind to blatant facts. When an officer sells off particular things, good serviceable things as useless scrap, and within a few months, orders again for the same thing and buys them at a huge price and pays for them heavily, somebody has to pay very heavily for it. It is not his money, it is the tax-payer's money. The auditor points it out. The audited accounts come to us in the Parliament. Does Dr. Appleby expect the Parliament to give up this inherent right and to sit down with folded hands and say "All right, the money is spent and so it does not matter"? The Parliament would not be doing its duty, would be false to its trust, if it does not, in a very public fashion, take up the criticism of all these shortcomings of these officers.

It may be very unpleasant ; it may be a very humiliating experience for ourselves but public service is public service : there cannot be any going back. When these frauds are proved and published, we do expect our Government to take action, on them, but unfortunately, there is a general feeling in the public mind that the Government is much too tender towards these officers. It may be that off and on, one high officer is prosecuted but more often than not, the things are hushed up; there may be a slight warning, there may be a slight

reprimand, there may be a slight demotion, when actually some more drastic action is necessary. When that drastic action is not there, it induces a certain amount of complacency in our officers which is most undesirable and unwelcome. Sir, these are the difficulties and we are conscious of them, we need not be told about them by Dr. Appleby, but if he does venture to say something, let him do so in a graceful manner, not almost creating a suspicion as if he was standing up for some party. Suppose, for example, instead of the Government of India inviting him to produce such a Report, a private concern like the Tatas or the Birlas and so on, had invited him to produce a report and he did produce a report of this type, it would certainly have given rise to a suspicion that the Tatas or the Birlas must have given him something concrete to produce a report like that. We dare not utter such sort of suspicion when the Government of India invites an officer of that type. Nevertheless, we do feel that Dr. Appleby's Report would have been much more valuable without his unnecessary comments and criticism and jibes. There are some literary flashes here and there, but these literary flashes are out of place in an official report and we would have looked at Dr. Appleby's Report with greater concern and with greater willingness to accept his recommendations if they had been put forth in a more reasoned language and in a more reasoned way.

SHRI C. P. PARIKH (Bombay) : Mr. Deputy Chairman, this Report of Dr. Appleby admits first of all that we have made a great progress in regard to our achievements in the first Five Year Plan ; secondly, it also admits that we have worked with a personnel which was scanty and yet we have achieved the objectives. It also admits that amongst the administrations in the world, our stands in efficiency amongst the first twelve. These are the compliments that Dr. Appleby has given to us, but simultaneously, he has also made certain suggestions, suggestions which are palatable and suggestions which are not palatable. We can swallow the palatable ones. Members of the Opposition have not said anything about his good suggestions. The unpalatable suggestions have been made by him in a different manner and, as Prof. Wadia said, if Dr. Appleby knew that the Report would be discussed by Parliament,

he would have said these things in a little softer language. Whatever it be. I want to say here that we should study the report not from the point of view of finding mistakes but from the point of view of learning something from this because every one has to learn something, even from his worst critic and opponent. If we do that, we shall make a great headway. First of all, he has made it very clear that there is a terrible lack of personnel in this country and if we suffer in regard to the implementation of our second Five Year Plan, it will not be for want of finances but for want of adequate personnel who will be responsible for the tasks allotted to them. That is the main thing, that is, how the personnel has to be acquired. We have also to see how our administration should be so managed that this personnel will be forthcoming and will also have the necessary enthusiasm and initiative to do work. If we look at the thing from that angle, our understanding will be different. Dr. Appleby has already said that in America although there are 25 lakhs of students studying in the colleges, there is a scarcity of personnel and it will continue to be much greater. Therefore, if we want to achieve anything great, naturally we shall have to get hold of the necessary personnel and give them the necessary status which is essential. I think we have distrusted our bureaucracy because we were so far under foreign domination and we have not given up our old notions yet. We must remember, Sir, that these people who are in the administration are Indians first and Indian last. If we have faith in them, if we trust them, then they will discharge their duties to our satisfaction and it must also be remembered that this top personnel is working for ten or twelve hours a day. That cannot be denied and if the top people had not worked, we would not have achieved so much as we have achieved in regard to the Five Year Plan. What is material is that when we make criticisms either in Parliament or outside in the press or in the public, we have to be very careful to see that we do not say such things as would dampen the enthusiasm of the administration. We can put the same thing in a little more palatable language; just as we expect palatable language from others, they also expect palatable language from us. I think much more improvement is necessary in regard to criticism of officers by M.Ps.

and by the public. Let us see what will be the result of criticism which is carping, which is unjustified and sometimes even without proper information. The result is that timidity creeps into the public services and the officers are not willing to take decisions which they will otherwise take. There is a great danger that the administrative officers may not like to take decisions without which we cannot make progress. Therefore, when we criticise, we must understand also that we should offer our thanks for the good things done.

It is a very good thing, Sir, that Dr. Appleby has mentioned in his Report, with special emphasis, the administration of commercial and industrial enterprises. In any good factory or in any well managed concern, the officers are treated with great respect and the concerns which are thriving and which are at the top are only thriving on account of the management giving adequate respect and offering scope for adequate enthusiasm and for adequate initiative for the superior as well as the subordinate staff. That is the key to the success of all good undertakings. We may find out mistakes and we have the right to find out mistakes but our criticism at least should be of a nature that is not carping, deprecating or in a way that takes away the initiative or the enthusiasm from those from whom we wish to take work.

The next important thing is this. The administration is also charged with tax collection. All our resources are to be collected through the administration and I think, Sir, if the administration is not efficient, contented and satisfied, we shall not be achieving the measure of success that we want. That also is a great thing. Another thing is that the administration at present consists of I.C.S. officers or I.A.S. officers. The administration of the future will consist of engineers and technicians, scientists and persons with practical and economic experience. All these persons will be associated with the administration and the status of the administrative officer will grow up from year to year. Technical personnel in the administration with knowledge of economics will be able to enjoy the highest posts in the country but that alone is not sufficient. We must find out a method by which we can give them honours, if not pay, for the services which they have rendered. If we do that our administration will be efficient and up to

[Shri C. P. Parikh.]

the task. These are some of the suggestions which Dr. Appleby has made and even though we might disagree with him in other respects, it is very well to understand that we must make our service as respected as it should be. There should be criticism but criticism not on small mistakes but on fundamental mistakes which affect the policy, which affect the economy of the country. If we concentrate on small mistakes leaving out big ones, then we shall not progress speedily.

The next thing is about remuneration. It is very well pointed out by him that when you want to expand your public sector, your scales of pay and the system of promotion should have to be renovated. This should be done if you want to achieve good success because enterprise, initiative and originality should be coming from the officers to whom we entrust these big undertakings, commercial and industrial and it should come out from the civil administration which is carried on for expenditure and revenue. In commercial and

2 P.M. industrial undertakings, if one is able to save even one per cent in the cost of production, I mean to say, if, say, the cost of production is one crore of rupees and he is able to show a saving of one per cent, then it will amount to a saving of one lakh of rupees. I think, Sir, by better economy, by more technical knowledge in the handling of the affairs, not one per cent but ten per cent would be saved. Sir, in the industrial undertakings that are in the private sector there is a difference of 10 per cent in the cost of production of the various industrial undertakings. The same thing can be applied to the public enterprises. Therefore if you want this success to be achieved, if you want to have our cost of production reduced and if you want our enterprises to respond to the need of the hour, then Sir, we shall have to pay adequate remuneration. If we do not pay adequate remuneration, then we shall have to institute a system of giving honours to the men who have rendered useful service. In this respect, Sir, the recent bonus plan in the Government printing press and the railways may be emulated. There is a system of bonus in the printing press and in the railways. If that system is introduced especially for the commercial and industrial undertakings by Government, that will also give a great encourage-

ment to those who are engaged in that work. What we want, Sir, is a saving in the cost of production and with an extra expenditure of one lakh of rupees if we can effect a saving of 10 per cent. in the cost of production which, let us say, is a crore of rupees now, and I think, Sir, if we can achieve that, we gain, on the net, about, nine lakhs of rupees.

Now, Sir, there is a time limit for promotion, and this applies rigidly to service. That should not be, and if the man is capable and competent and is able to run the industrial or commercial concern in the public sector efficiently, I think, Sir, the promotion should be quick. Then, Sir, apart from what I have stated about the time limit for promotion, just as in the private sector a man is raised from Rs. 300 to Rs. 600 and Rs. 1,200 if he is more competent and if he is rendering greater service to the concern, a similar method should have to be adopted if we want to expand our public sector with efficiency and in the larger interests of the country.

Then, Sir, I am coming to Indians who are abroad. There is a lot of talent in India which is serving outside in foreign countries, and as I had been saying some other day, 200 to 300 persons who are Ph.Ds. or have doctorates of foreign universities and who have acquired distinction there, are serving as managers and engineers in foreign countries. The foreigners have placed trust in them and they are giving them a responsible charge in their concerns in their own countries. But, Sir, in India we are unable to find employment for them, and the result is that we are losing the services of those persons who have been trained for ten years in other countries both in theory and practice, and we are losing them owing to a certain system which we adopted. Then, Sir, it is very well to notice that if we want to expand our public sector and run our commercial and industrial enterprises on a sound basis, then we must try to get the services of those persons who are abroad and although they are drawing 5 to 10 times the salaries that their counterparts are drawing in this country, I think, Sir, if proper efforts are made we will be able to get them to this country and serve the country because one's consideration is his own motherland more than anything else. But opportunities are denied to them.

Then, Sir, I would say something about transfers. Now for an industrial undertaking when you appoint a manager, you transfer him after a period of two years. The moment he acquires some grip over the concern, the man is transferred. I think, Sir, this is not the proper way, and as Professor Wadia has pointed out, if you allow him to concentrate on the same subject for a number of years, I think, Sir, the best ability will come out and the best results will also be there. We are missing that in the public sector and if you want to have your public industrial and commercial enterprises conducted on efficient lines, the need to transfer should, if at all, be after five years and that too in the same correlated concern, where his energy and his experience will be utilised better.

Then, Sir, we have been noticing that in Parliament there have been criticisms in the matter of pays and there has been the demand to reduce pays to about, Rs. 2,000 a month. I think, Sir, a resolution to that effect was there. If you want to do that, we cannot achieve a good object by having equal wages for unequal talents in the public sector when in the private sector such great differences prevail. In the private sector for unequal talents there are unequal pays and the unequal pays range from Rs. 1,000 to Rs. 7,000/-, and the amount which is paid, Rs. 7,000/-, saves ten times more to one's concern than what one is paid. That fact must not be lost sight of. We cannot do it in the private sector, but at least, when we are making these remarks, I think, Sir, we must understand the value of these remarks. I do not mean to say that we raise the limits. You keep it at Rs. 4,000/-, but at least do not have these ideas, do not have this propaganda that the salaries should be reduced until and unless you are able to have such a reduction in the private sector. If a man is drawing in a private sector a fat salary, how will he come to the public sector? You must imagine that, and we have to draw all talent from within the country. That is very important, Sir.

Now, Sir, with regard to public enterprises, just as the Public Accounts Committee is there to scrutinise the expenses of Government and the department means of Government, I suggest...

**SHRI KISHEN CHAND (Hyderabad):**  
Are we discussing Appleby's Report?

**SHRI C. P. PARIKH :** I am discussing Appleby's Report, if the hon. Member understands it.

**SHRI KISHEN CHAND :** I cannot understand it.

**SHRI C. P. PARIKH :** Now with regard to this I will make the suggestion that a Public Undertakings Committee of Parliament may be there, just as the Public Accounts Committee is there. So, for all public undertakings there may be a committee which may proceed on the same lines as the Public Accounts Committee so that after the report of a concern is published it may be well scrutinised.

Now, Sir, when we are leaving public enterprises in the hands of the managing directors, what do we require and expect? We see whether he gives the production that is required; secondly whether the cost of production is commensurate with it and is comparable to other costs of production and thirdly, whether there is scope for growth of development in the enterprises. If these things are there, then naturally there will be no ground to complain. There Appleby is also suggesting that when you put a managing director, always put two of his deputies in the same concern, on the board of directors, in order that you create adequate talents in our country because we have to create adequate personnel, and adequate personnel cannot be created without delegating responsibility, and the best way to delegate responsibility is to have men given responsibility and given status also.

One last thing, Sir, is about delegation of authorities. You will find, Sir, that many of the officers are serving on many committees and on many boards and they are not able to find time in addition to their own work to attend to the work of those committees. I think, Sir, the number of committees on which a man could serve and could usefully spend his time and give his contribution should be limited as far as possible in order that they can devote their utmost energy and every man has limited time and limited energy.

Then, Sir, we see that in some of the places the Secretary of the Ministry is the chairman of the concern. Now, Sir, we put on him duties, one as Secretary and one as the Chairman of that undertaking. Dr. Appleby has pointed out that



[Shri C. P. Parikh.]

this system is wrong, his working with two hats, and I think, Sir, if he is working with two hats or with two notions, as he must do, then he may not be able to discharge his duty to the best advantage.

SHRI H. C. DASAPPA (Mysore):  
More than two sometimes.

SHRI C. P. PARIKH: Even five, I may say, and therefore the only thing we have to do is to remove the checks and counter-checks; delay has to be avoided, but the personnel is to be made very adequate and respected.

Thank you, Sir.

MR. DEPUTY CHAIRMAN: Mr. Sapru, we have to close at 2-30.

SHRI P. N. SAPRU (Uttar Pradesh): Mr. Deputy Chairman, when I read Dr. Appleby's Report, I did not feel that I was reading a Report, I felt that I was reading an excellent essay on the art—I should not say science—of public administration in a welfare State and particularly in an Assam State with a backward economy like India. That Dr. Appleby should have written his Report in that form is not probably his fault. He did not visualise that the Report would see the light of the day and would be the subject-matter of discussion in the legislature. Had he felt from the beginning that he was writing a Report which would be discussed by the Parliament of this country on the basis of which decisions would be taken, he might have written it in a very different manner.

Now, Dr. Appleby comes from a State or comes from a country which does not believe in delegation of powers which does not believe in delegated legislation, for example. It is well known that the Supreme Court in the United States is, generally speaking, opposed to what is called delegated legislation; it very much believes in Congressional control to the extent Congress has been given powers independent of the Executive. In this country at all events he has discovered that Parliament must not interfere too much with the ways of Bureaucracy and that there should be delegation of authority. Now, considering Dr. Appleby's background—because he is undoubtedly an expert of international reputation—this is something to ponder over. The

question in all legislatures in the modern world is how to cope with the volume of work which a Parliament has got. There has to be some delegation of authority but the question is one of limits. And so far as that question of limits is concerned, I am afraid that Dr. Appleby is somewhat vague. He has not suggested any definite solutions. He was not a committee that met Members of Parliament; he was not a committee that met members of the services; he was not a committee that met the various public organisations; he was not a committee that had some evidence upon which to base his recommendation. He was just an expert who came out to this country and who has given us his reflections or his impressions of what he thinks should be the lines on which the Indian political and administrative system should develop.

Now, obviously there are some valuable suggestions. The suggestion that initiative in subordinate officers or in officers holding the position of Joint Secretary or Deputy Secretary should be encouraged is obviously a suggestion worth considering but the broad fact about Parliamentary Government is that for everything happens in his Department, the Minister and the Minister alone is responsible. To what extent, therefore, powers can be delegated to Joint Secretaries and Deputy Secretaries or Under Secretaries is a difficult question. It is a question of limits. It is a question which we should consider while we should encourage initiative, yet in defining those limits we must be a little careful because we have an inheritance from the past in this country and we know that some of the men whom we recruit today are not up to the mark. From that point of view, which is essential for the success of the Five Year Plan, we should take in this matter a balanced view. We should neither be too hasty in delegating powers nor too slow in delegating authority where in the public interests it is desirable that it should be so delegated.

Now, take the question of the position of the Auditor and Comptroller-General. Dr. Appleby speaking with all the authority that attaches to a Minister of New York State and as a world authority on public administration, says that the Auditor-General occupies the position that he does in the Indian Constitution because of a legacy which has

been handed to us by the Colonial administration of the past. Dr. Appleby, with all respect to him, is not acquainted with the history of the office of the Auditor and Comptroller-General in Britain. I do not happen to have with me the copy of a particular case where this question of his powers was considered but years ago, in the early part of the nineteenth century, a controversy arose between the Chancellor of the Exchequer and Lord Goschen who was then the Auditor-General. The Auditor-General's function is to report to Parliament the audited accounts of the year. He exercises through that system of audit a general control over expenditure in the sense that it is his business to see that expenditure is not incurred otherwise than in accordance with the vote of Parliament. Now, that has proved to be a healthy check. It is a healthy check in a police State, and I venture to say a healthy check even in a welfare State. What is the alternative to it? Dr. Appleby says that so far as private corporations and companies are concerned, their audit should be by private auditors. Now, I hope we are rather getting away from private enterprise in this country and if the choice is to be made between audit under the supervision of a high functionary deriving his authority from Parliament and subject to Parliamentary control and a private firm of Chartered Accountants with a profit motive looming large before its eyes, I would surely prefer the public official. Certainly, the function of the Auditor-General is not to exercise, certainly the function even of the Finance Department is not to exercise any general control over administration but certainly it is their function to see that the moneys voted by Parliament are spent in the manner provided for by Acts of Parliament.

Then, Sir, let us come to the question of the day to day business of Parliament. Undoubtedly, many questions are put which need not be put, but in the old days a senior Minister would get up and say the question is one which would involve a lot of labour and unnecessary expenditure and on that ground he would refuse to answer that question. Now, here every question has to be answered and probably people expect the executive to show respect to the Legislature. There has to be some restraint on our part also in putting questions. Making allowance for all these things, I should be sorry if the Question

Hour was dispensed with or if the Question Hour became less interesting than it is today. Questions enable Parliament, and through Parliament, the public to keep themselves interested in public affairs and it is of vital importance in a nascent democracy like India, which is just discovering her soul, that there should be a vigilant public opinion and it is that vigilant public opinion which our questions try to create. Therefore, here again it is a question of limits. It may be that some changes in our rules of procedure are necessary and that in some respect a tightening of control over questions is desirable, but that is a matter for the Legislature to take up.

Then, Sir, I come to Dr. Appleby's reflections on how the directorates of Corporations should be constituted. I have many friends in the Indian Civil Service and I have a high regard for the efficiency of our top civil servants and I know that they can do many things and they can even be excellent jurists in our country. But I venture to think that the modern type of corporation in a Welfare State or in a socialist State requires a mind which some of them were not able to develop in the long years of their service. Therefore, I do not think that the avenues of employment as directors or as managing directors should be closed against those who do not happen to belong to one of these Services, who have had experience of doing things in a different way and in a different atmosphere.

I would also like to say that I would regret the disappearance, on the boards of our nationalised industries, of some representatives of consumer interests. I do not think that it is desirable to have only officials on our board of directors. I think the consumer interests, who are often represented by Members of Parliament, have something definite to contribute and I am sure that with their association efficiency of these organisations in these industries will increase. I might say—and I say it frankly—that I belong to a school of thought which believes in increasing control of the State, in increasing ownership of the State of all the means of production, distribution and exchange. In a State of that character, I am not afraid of any totalitarian rule, because we shall be able to maintain personal liberty, even if we get a State which owns the principal means of production, distribution and exchange.

[Shri P. N. Sapru.]

The scares which are created on this point by capitalists and by conservative thinkers have no meaning for me; but it is essential that there should be opportunities for public criticism of the functions that our Corporations perform. Yesterday, while passing the Constitution Amendment Bill we made it possible for the State to have as one of its executive functions, business and trade. That was a question which we had to consider in the Court of which I was at one time a member—we had to consider it in Motilal's case—in 1950. Opinion was divided on that question. Some of us held that the doctrine of implied powers could be used to hold that the State possessed inherently the power to carry on trade and business. Now, the State will carry on business and trade hereafter and it is, therefore, important that it should have a suitable agency for doing so. For that suitable agency, it must not rely on Civil Service experts alone. It must be able to enlist the help, the assistance and seek the wisdom of those who do not happen to belong to the Civil Services.

Finally, I would like to say a word about recruitment to the Services. Dr. Appleby would like greater elasticity to be provided for so far as recruitment to the Services is concerned and thinks that recruitment through the Public Service Commission is not perhaps ideal. Nothing is ideal in this world. But there are just one or two things we should bear in mind. We must remember the caste and the communal background of this country. We must also remember that it is essential for a democracy to guard itself against charges of nepotism and favouritism. Let us modify the system of recruitment to our public Services by all means, but let us in doing so ensure that we do not in any way encourage favouritism or nepotism. Because if we create that unhealthy impression upon the public, we shall be undermining the foundations of the democracy which we are trying to build up.

I would like to say that though I have been critical of some aspects of Dr. Appleby's most excellent dissertation on the principles and practice of public administration—and though I have enjoyed reading that, just as I could enjoy reading a book on political theory or public administration—I think the proper way of dealing with the questions

which he has posed—and he has posed very thoughtful questions, when all is said and done there is a lot of thoughtful matter in the report—is to have it thrashed out by a committee of the two Houses. I have a great deal of confidence in our wisdom even to understand and tackle administrative problems. After all, in a Parliamentary system of Government, it is the amateur who gives new ideas to the people and Government from time to time. Parliamentary government is government by amateur plus the expert and the amateur has in the past and will continue to make in the future very great contributions.

SHRI AKBAR ALI KHAN : They will have administrative experience also.

SHRI P. N. SAPRU : I do not mind. I am not wedded to any particular type of committee. I would be glad if we could have a high powered commission with some Members of Parliament, with some members drawn from the administrative services, and with a statesman of ripe wisdom as president of that body. I should be glad if that committee or commission could go into the question which Dr. Appleby has posed for us, because they are questions of importance. The old police State or the old state which used to perform some functions of a ministrant nature is over. We have now entered upon a new phase of development. We are moving towards a socialist State, and we should therefore be prepared to do fresh thinking, original thinking. We should be prepared, if necessary, to break away from the past in some directions on important questions. But hasty decisions cannot be taken. We have to consider all these problems in a spirit of dispassionate judgment.

SHRI J. S. BISHT : Don't you think that commissions create controversies ?

SHRI P. N. SAPRU : I know. I have little fear of them. But I do not know whether there is any alternative to commissions. The difficulty is that the problems which it raises are of a complicated nature. We will need to get the views of a large number of people or public bodies before decisions are taken. (*Time bell rings.*) The commission should be able to finish its work in three or four or six months.

**SHRI B. C. GHOSE :** Sir, I agree with Shri Sapru that it is neither necessary nor fair on our part to be hard on Dr. Appleby. We should remember what the Prime Minister stated that this report was not intended for publication. Further, not Dr. Appleby but the Government should be the legitimate object of our criticism for having at all invited a foreign expert to study a problem which had been already investigated by many experts in this country and who had also produced admirable reports. I am however thankful to Dr. Appleby for having written this provocative pamphlet which has occasioned this discussion. It is a sad reflection on our character that when we have had other materials presented before us—I may refer to the admirable appendix which the Accountant General had appended to his Civil Audit Report in 1955 dealing with the same question—we have not taken advantage of that opportunity to have a discussion on that subject but had waited, until a foreigner had made certain provocative observations for this discussion.

Now, the document which we are discussing today is in my opinion of uneven character. It is uneven in texture and in its merits. It appears to me—and I mean no disrespect to Dr. Appleby—that he has not had a sympathetic appreciation of the background of our administrative machinery, nor, it appears to me, had he full data for arriving at conclusions. It is well known that the interested parties were not consulted, namely the Public Accounts Committee or the Comptroller and Auditor General.

**SHRI J. S. BISHT :** They are not administration.

**SHRI B. C. GHOSE :** They are subject to criticism. Just as Dr. Appleby, not so rightly, observes somewhere in his report that the Comptroller and Auditor-General or the Public Accounts Committee are at fault in criticising the administrative departments without getting the full facts from the administrative departments—as I said this is not true—similarly it was not proper for him to indulge in criticism of committees or persons without first having a discussion with them on the issues involved. Sometimes it appears to me that the facts have also been ill-digested with the result that the conclusions are distorted, I said I do not mean to be unfair to him,

and I should like to prove the truth of what I stated by referring to certain of his observations. There is no time to review his observations in regard to the administration as a whole. I shall confine my observations primarily to administration impinging upon the implementation of our development projects, and I shall naturally first begin with his observations in regard to Parliament, how it holds up such projects and creates difficulties for Government.

Let me take, Sir, his observations one by one, his criticisms of Parliament, in the same order in which he has made them. He tries to substantiate his general criticism by referring to some specific points. He says that the Parliament has been at fault in holding up the administrative process and impeding development projects and he substantiates that by referring to particular points. The first point is that the Members of Parliament greatly exaggerate the importance of the function of the Comptroller and Auditor-General and pay far too much attention to his reports. Then he goes on to say the reason why he says so, that the Auditor-General's function is a pedestrian function. It appears that Dr. Appleby still believes that the function of the Comptroller and Auditor-General is what it was in the Gladstonian era, that of saving the candle ends. We have progressed far from those days. Now, the function of the Comptroller and Auditor-General and then of the Public Accounts Committee is not merely saving of expenditure which is a very important point but also initiating expenditure in consonance with the policies of the Government. As you may know, Sir, the Economic Affairs Department is now an integral part of the Treasury, and the formulation of policy is an important function of the Treasury. For example, if there should be cyclic fluctuations, if there is to be depression, then the Treasury comes in with a view to generate economic activities. Therefore, the Treasury's function is not merely a pedestrian one of saving the candle ends. It is a far more important one of having a general overall control of policies and initiating programmes involving expenditure even. That is the Treasury's function and it is the Treasury's function which is associated with the Auditor-General. But I say, in the second place, that neither the Auditor-General nor Parliament ever can impede the activities of administrative departments.

[Shri B. C. Ghose.]

What does the Auditor-General do? He examines the accounts of the administrative departments with a view to find out whether expenditure has been incurred in accordance with appropriations, whether economy has been observed, and whether the purpose and policy which lay behind the sanction of expenditure have been fulfilled—that is an important matter. Hon. Members should not run away with the idea that the Auditor-General's function is merely to see whether the expenditure has been incurred or not. Far more important than that today is that he should see whether the expenditure is being incurred with sufficient economy and also whether the general policy which underlines these programmes of expenditure is being fulfilled.

SHRI J. S. BISHT : What would the Cabinet be doing ?

SHRI B. C. GHOSE : The policy is there. That is why the expenditures are there. I can illustrate my point by giving a very simple example. Supposing you have sanctioned an expenditure of, say, Rs. 5 crores for a project which should be completed in six months' time. Now both the Auditor-General and the Public Accounts Committee go into the question as to whether that has been completed within six months' time. But if you say that it has been completed in two years' time and the expenditure has not been exceeded, and in that case the Auditor-General and the Public Accounts Committee should not say anything, then I think you are mistaken. The rules are already there and the question of policy has also come in. And as I said, the Auditor-General has only to examine all the accounts. If the rules which have been laid down have been violated, then certainly the Auditor-General has got to say something. If you feel that the rules are bad, change the rules. Why pillory the Auditor-General or the Public Accounts Committee which have to go by the rules that you frame? Therefore to say that the Auditor-General or the Public Accounts Committee holds up expenditure or impedes economic activities or development projects, is not to take account of the facts of the situation. We must change our defects if there are any. But certainly it is becoming a very bad practice for many people, not excluding persons in very high positions, to pillory the Auditor-General and the Public

Accounts Committee, day in and day out, for doing their duty. As I said neither the Comptroller and Auditor-General nor the Public Accounts Committee has ever impeded the progress of our projects. That go by certain rules. If there is any defect in the rules, let us change those rules.

Secondly, Sir, it is very wrong to say that the Auditor-General and the Public Accounts Committee have any deleterious influence on the exercise of initiative by officers. I should like to understand how they come in there and how initiative is checked or interfered with. As a matter of fact, I have a little experience of the working of the Public Accounts Committee and I have also seen the Reports submitted by the Comptroller and Auditor-General. I have only a year's apprenticeship in that Committee, and I can say this much that where officers can exercise initiative, there is nothing to prevent them from doing so. They do not exercise initiative, and it is often the Auditor-General or the Public Accounts Committee which point out that officers do not exercise the initiative or the responsibilities which they have, and which they should exercise in the interest of the implementation of our Plan. I therefore categorically deny what has been said with regard to the progress of the projects being impeded by the Auditor-General or by the Public Accounts Committee, unless it can be demonstrated to me that either the Comptroller and Auditor-General or the Public Accounts Committee have done anything which can be stated to have either interfered with the exercise of initiative by officers or held up the progress of projects. It is only when officers do not take all the steps that they should take, whatever the reason be, that they bring out all these excuses to cover their errors, and we should not fall into that trap. Therefore I say, Sir, that there is absolutely no justification for this criticism.

As I have already stated, I do not want to elaborate that point with regard to the functioning of audit. It is not strictly a negative one. It has a positive aspect also. I would have very much liked to mention the points involved in Treasury control, but I am sorry that for want of time I am unable to do that. Dr. Appleby has stated that "Parliament should give more attention to the development of good budgeting." That is one of our great shortcomings, and it

is on this point that the Comptroller and Auditor-General has made very valuable suggestions in the appendix, because he shows there how a proper and more sound budgeting can be evolved. In this connection there are two points involved. There is the budget control and the expenditure control. If the budgeting is done properly, then naturally there will be less delay in controlling the expenditure, because the schemes will already have been discussed and finally settled. It is because we take large appropriations without finalising the schemes that later on when they have to be implemented, they have to be referred back.

Then, Sir, secondly Dr. Appleby has stated "there is among Members of Parliament too much general and vague fear that its responsibilities are not being preserved." I do not understand what this means. There has been no fear on our part that our responsibilities are not being preserved. Then, Sir, Dr. Appleby goes on to say that "Parliament's chief competitors are the States, not the Centre's bureaucracies." Again I do not understand what this means, because so far as our functions are concerned, we do not feel impeded by anybody, either the bureaucracy or the Centre. We have certain defined functions, and we know how to take care of our responsibility. Further, Sir, he goes on to say that "the Parliament often exhibits a prejudice, anomalous in India in 1956, for reliance on the judgment of business men." This is something to which my friend, Shri Mahanty had also referred. I do not understand this. What is the basis of this criticism? I should like to know if the Prime Minister has understood him, he can explain what he means by this. What is the justification for having made this criticism which is developed in the next paragraph again, the paragraph which was quoted by my friend, Shri Mahanty, which really is not quite comprehensible to me? How is it that Parliament seems strangely inclined to make too ready concessions to some of the self-interested demands of small but influential business interests, and to enforce corresponding changes in Government's decisions? As a matter of fact, Parliament is not involved. If anybody succumbs to these influences, it must be the Government. The policies come to Parliament in the shape of Bills or certain other things, any if any influence is being exercised by business men, it

must be on the Government, and it is for the Government either to accept or to reject the suggestions made by Dr. Appleby. It is not for me to defend myself in this matter.

Then, Sir, he further says that "Fifth, by Parliament's endorsement of the formerly small and narrow approach of the Public Service Commission to its own functions in the mistaken belief that this strengthens the merits system, it undermines the responsibility of the ministries and thereby undermines the responsibility of Parliament." But I may point out a contradiction in Dr. Appleby's observations. Here one gathers the impression that he would like powers to be taken out of the P.S.C. and vested in the administrative departments in the matter of recruitment of personnel. But at page 52 it appears that that is not his intention. There he says that "Staff of the Public Service Commission should be enlarged so as to enable it to manage the larger recruitment programmes envisaged and thus to keep available long registers of eligibles ready to be appointed as needed and cadres of reserves and trainees in employed preparation for later higher service or mobile assignment." That means that he is not against the Public Service Commission. But he merely wants the P.S.C. to function in a slightly different way, namely, that registers should be maintained, so that whenever there is any need for any recruitment, there may not be any delay in recruiting the right type of people. That is a good suggestion, and that can be accepted.

**SHRI H. N. KUNZRU** (Uttar Pradesh) : But does he mean that those persons are to be appointed in the order recommended by the Public Service Commission? He is distinctly against that.

**SHRI B. C. GHOSE** : That is not the point at issue. I thought that what Dr. Appleby meant was that there should be more power given to the administrative departments for making recruitment. As for the point raised by Dr. Kunzru, that is a point that always remains there. The Government may not agree and in that case certainly the Government should come before Parliament wherever there is any disagreement. I do not think that Dr. Appleby has suggested that that procedure should be changed. All that he says is that we make large criticisms whenever the Government differs from

[Shri B. C. Ghose.]

the recommendations of the Public Service Commission. But it is not recommended that that system should be changed.

SHRI H. N. KUNZRU : I think that is what he means.

SHRI B. C. GHOSE : Finally he says:

"... Parliament is the chief citadel of opposition to delegation of powers, the need for which is the worst short-coming of Indian administration."

I don't know where he got this information from, because there was a Committee set up by Parliament, Committee on Subordinate Legislation. Its recommendations do not show any disinclination on the part of Parliament for powers to be delegated to the administrative departments. All that that Committee says are two things, which are very wholesome. Firstly, it says that, if there is to be delegation, in the Bill in which such delegation is proposed, there should be a memorandum explaining the powers that are to be delegated. I think it is a wholesome provision. Secondly, it says that in the powers to be delegated there should be some uniformity. It says also that there should be a provision for placing any rules made under such delegated powers before Parliament, so that Members, if they so like, might bring up the matter for discussion in Parliament. I think these are very wholesome provisions, so that I do not see on what basis this observation is made that Parliament is the chief citadel of opposition to delegation of powers. Let there be delegation of powers. All that Parliament wants is that it should be kept informed of such delegations as may be made, and I think this is not a wrong demand on the part of Parliament.

Those are the main specific points of criticism that have been levelled against Parliament. As I have said, there is no basis for some of these criticisms, and some others are misconceived, as, for example his observations in regard to the obstructive powers of the Comptroller and Auditor General and of the Parliament.

Now, let me come to the main subject, viz., that of improving the structure of administration with a view to seeing to it that our development projects are

proceeded with expedition and efficiency. That is the main point, and for that certain things are necessary. Firstly, there must be sound budgeting. This is agreed and certain suggestions have been made by the auditor General, and they deserve our serious attention. Then comes the question of delegation to appropriate personnel. We should have in mind an idea of the hierarchy. At the top there is the Parliament, and then there is the Public Accounts Committee, then there is the Comptroller and Auditor General. Then there are the administrative departments, and then the programme agencies below the administrative departments. Now, there should be a proper delegation in every case to all such agencies that are involved in the execution of our projects. There is again the question of personnel. The difficulty sometimes is that delegation cannot be effected when proper personnel is not available. So far as the delegation of powers from the Finance Department to the administrative departments is concerned, it should be done. The advantage in the British system is that they have a service where there is interchangeability of officers between the administrative departments, and the Treasury or the Finance Department, so that the people who are in the Treasury know something about the administration side and the people who are in the administrative departments know also what the Finance Department wants, what ideas they have. That naturally helps the work. We should also have interchangeability of officers. Incidentally, I may mention that one of the observations Dr. Appleby about our audit personnel is not correct, because as has been pointed out in some notes of the Auditor General, here the Comptroller and Auditor-General is not a person who has no administrative experience. Most of our comptrollers have been officers who have had wide administrative experience. So it cannot be said that they are merely accountants or auditors, and that they have no idea or conception of what the administration of the country demands.

Now, there should be delegation of authority from the Treasury or the Finance Department to the administrative departments and also from the administrative departments to the programme agencies. As a matter of fact, Dr. Appleby himself has pointed out the short-comings of these agencies which

are entrusted with the work of implementing these development projects, and we should take note of that. On page 22 he says :

"It must be said, however, that reforms begun two years ago by the Finance Ministry seem not yet to be realised by the programme ministries whose current complaints are either more historical than they know or reflect the inability of the Ministries to convert their proposals into financial projects warranting prompt handling by Finance. Other extensive and wholehearted reforms are now under way in Finance. Many of these point directly at the heart of the matter by attempting to begin the development of more financial competence in the programme Ministries."

Then he points out the fact that even the administrative departments are chary, reluctant, to delegate responsibility to programme agencies. He says on page 32:

"It is not to be denied that the ministries and their attached agencies charged with programmatic achievements themselves share most significantly in responsibility for slowing of action through multiple and incompetent reviews of proposals. Schemes originating in technical attached agency of any kind are generally considered in the parent ministry almost as if it were a colonial power."

As a matter of fact, there is little doubt, in my own mind that, if it were not for the reports of the Auditor General and the work of the Public Accounts Committee, the progress of the Plan could have been much slower. It is because of their efforts that we have achieved some progress—I do not say wholly but they can also claim partial credit for the progress that our Plan has achieved. Again I repeat that it is the administrative departments that do not work properly, that they want to shirk responsibility by saying that it is the other bodies which impede their work. As I said, what is needed is proper delegation of authority. That is agreed. Dr. Appleby is also agreed on that. What is needed again in the first place is to frame a budget properly. That requires the fulfilment of certain conditions which should receive our serious attention.

I may conclude by saying that the charges which were levelled against Parliament, although they were well-

intentioned—I do not deny that—against the Public Accounts Committee and the Comptroller and Auditor General are mis-conceived, and based on facts which cannot be substantiated. Although some of his observations are very good—there are several observations phrased in picturesque language; it is all to the good—I think that it is very unfortunate that we do not give the importance and the respect that we should give to the opinions of our own experts. Dr. Appleby has not given any positive suggestions which are superior to the suggestions or proposals made by our own experts. The two expeditors that he has mentioned will have no effect at all, if we cannot have the other conditions fulfilled. Therefore, I think that the way in which we are doing our work does not require any complete reversal, except that some modifications particularly in the Secretariat procedure are necessary.

SHRI S. MAHANTY : May I make a submissions. This morning you directed me to produce the speech of the hon. the Prime Minister wherein he had charged Parliament with nagging. With your permission, may I read his speech of the 25th May 1956? The Hon. the Prime Minister stated in this House :

"When you are putting in Rs. 50 crores in a plan, well, every day's delay means loss of money, so that I should like this House to appreciate that in public enterprises we must hand over responsibility a good deal decentralised authority. Finally of course you have your audits; you have your checks and any major thing you always can check and you can punish those who go wrong. That is a different matter, but you cannot keep him in fear all the time, nag at him all the time. It unnerves our officers to be in fear all the time and they lose interest in their work."

3 P.M.

SHRI JAWAHARLAL NEHRU : Mr. Deputy Chairman, as the hon. Member has just taken the trouble to quote what I said all I would say is that the word 'Parliament' does not occur anywhere from the beginning to the end of his quotation.

SHRI S. MAHANTY : 'This House' is there.

SHRI JAWAHARLAL NEHRU : Not at all. I was dealing with the theoretical point about responsibility being given.



Now, I have listened to a good part of this debate on the Appleby Report and many things have been said which are helpful in the consideration of this report and the problems raised by it but I have felt throughout that somehow this debate has gone off the rails, if I may say so, and more attention has been paid to Mr. Appleby than to the big problems that we have to face. The hon. Member Mr. Mahanty, seemed to suspect—I think his words were—that this Report is the product of some kind of clique to deprive the Parliament of its powers. He then brought a charge against the Cabinet Secretary of a breach of privilege for having apparently published this Report because of its criticisms of Parliamentary procedure. I should like to make it quite clear that I am the principal guilty party in regard to its publicity. I thought that not only this Report but like reports should be given publicity so that these subjects might be discussed and if any faults of ours are pointed out, we should think about them and try to remedy them. I remember that three years ago, or may be four, Mr. Appleby came here for the first time at our invitation. Mr. Appleby, I might add, is considered to be one of the most experienced and ablest experts in administration in the Western world. He has quite an extraordinary personal knowledge of American and European administration. I do not know if he has any knowledge of Soviet administration—personal knowledge—but even that he had from reading—but he has personal knowledge of almost every country in Europe and America. He is a person of a fairly advanced age and, I believe, he is on the point of retirement. The present post he holds is a post equivalent to that of a Finance Minister of the New York State dealing with large sums of money, but naturally, of one State in the United States of America. But the main thing was that he was a man of great experience. During the past few years we have welcomed comments and criticisms from all kinds of sources. I think it may be said with some justification, that we have not been complacent about these matter and we have had comments and criticisms from a remarkable variety of people from various countries, from the Communist world, from the anti-Communists, from the non-Communist world—they have come partly because we invited them for the Second Five Year Plan, partly for other reasons and we have discus-

sed our matters—not because we thought that they knew about our question than we did, but because we wanted to know the reactions on an outside mind of something to which we were used. It is always a good thing. If hon. Members or if I go say, to America or England or Russia, we react. Our knowledge is obviously not as good as that of the people there. We react and our reaction has some value in the sense of an outsider seeing something functioning.

Mr. Appleby, being a man of very considerable experience—and he did not stay here for a day or two but he came here five years ago and spent four months here—had long talks at our State Headquarters and in Delhi and other places with our officials and other people, and he produced a Report. That Report was sent to me under a confidential cover. I was rather busy and I did not read it for two or three months. After that when I read it, I was immediately struck by the many points that were raised in that Report; it struck me as being a brilliant report. That does not mean whether there was agreement or not, but his was a mind, a very experienced mind, applying itself to the problem of India and making some recommendations. Immediately I enquired, because my tendency is to make these things public so that public may know and discuss them. Parliament should know and enquire what has happened to this Report which was presented two or three months ago. I found that it was with the Finance Ministry, not even our Ministers had seen it, much less the Press and the public. I said 'This is no good. It is true that there are criticisms. It does not matter but there are many good things in it.' So I had it sent to all Ministers and Chief Ministers of the States and a little later I laid a copy of it on the Table of the two Houses of Parliament. I don't think there was any debate on it. The whole basis of that Report was how to fit in the whole structure of Government that we have, to the changing conditions today, that is to say, the Government and the Parliament taking far more interest in social, and economic problems, industrialisation, Five Year Plans and the like. Because the old structure of the Government in India obviously did not envisage any such widespread economic or social activity. He praised our administration—not the system. He said that the system was very good in the British times.

In fact one might almost say that he repeated a criticism of the system which, may be, many hon. Members opposite and also on this side of the House, have frequently made when they used the term 'bureaucracy' and the rest. He said that it was a good system to serve the purpose for which it was created by the British but the purposes of Government are different now. The objectives are different. They are social, they are economic and above all, the Government has to move rapidly today in order to achieve these objectives. It cannot go on in the same way, in the rather static way of the old time of the British Government. Therefore, he said that that structure had contained very good material; he praised the individuals and said taking it all in all, the administration of India is among the most efficient in the world. I think he said that it was among the 12 most efficient countries in the world. So it is not that he ran it down, but he praised it; he praised the individuals and even the way they were working. He pointed out that it was not suited to the rapid changes and the rapid advanced industrially, economically and the rest. One may agree or may not agree with that. That is another point. He pointed out how, according to his thinking, the base could be increased. There were many suggestions and I need not go into them. We profited by many. In fact one of the results of that Report was that we have brought about a number of changes, in our administrative apparatus here and to some extent in the States. We set up an Organisation and Methods Division. We have set up an organisation called Public Administration Organisation to consider all these matters from day to day, and to watch them because we are in a changing state or in transition. I don't know how I can put across to the hon. Members here this sensation of change that is going on in the world today. It is not a question of India. It is not India alone which has special problems. Take, for example, the United Kingdom. Only yesterday, I was reading an article, a long article, as to how the whole administrative system of England was getting more and more conservative and backward. It cannot keep pace with the nature of the new world. We are of course far behind England in the comprehension of this new world. We might call ourselves revolutionaries; we might call ourselves

leftists or extremists or what you like but, in fact, we are very, very reactionary in our thinking, that is, reactionary in the sense that we take the world as it is more or less. We do not realise the enormous changes that are taking place chiefly because of technological improvements, scientific improvements, which affect the whole industrial purpose of the country, which affect the whole of the wealth producing machinery and which affect the life and development in the country. We have not, in our thinking, caught up with the industrial revolution of 200 years ago. We talk, of course, about a fertiliser factory or a steel plant or something but we think of them as something, shall I say, like an annex, not an integrated part of our life but as an annex to produce something, something added on which will produce the goods. We want steel and we will produce steel, but surely, the industrial revolution brought about a far more intimate and deep-seated change in the world gradually in the course of 200 years or so but one sees that revolution in its latest phase probably most in the United States of America and in the Soviet Union and, to some extent, in Western Europe. While we are trying to catch up with it—it will take us many years—something infinitely bigger comes in our way, another revolution, the passing phase of the old industrial revolution, a technological revolution—you may say that the production of atomic energy is also a phase of it—and all these forces coming into play, whether it is atomic energy or whether it is the other forces that you read about, or whether it is the automation which is producing revolutionary changes in the Western countries, are upsetting the present social balances and I do not know where all these will end. All these things are happening and if all these things are happening, it is clear that the administrative apparatus has to adjust itself to these mighty changes. The 19th Century administrative apparatus in England was not good enough for the 20th Century England; the 19th Century apparatus here is not good enough for the 20th Century. That is the main problem. Of course, we have an additional problem and that is, we have to catch up. England, after all, is a highly industrialised country; it may make more progress or the other countries may outpace it but now it is advancing rapidly and we have to start almost from scra-

[Shri Jawaharlal Nehru.]

ach. It is scratch; it does not matter if we have a 100 mills in Ahmedabad or a 100 mills in Bombay or Kanpur; all these are just trivial in a scientific and an industrial age. What does make a difference, a primary difference, is the steel mills that we are putting up. That is basic, not the textile mills and others. They are just superficial. So, we have to catch up in industrial, economic and scientific development and, what is more important, having caught up, we have to adjust ourselves to the new things that are happening. In fact, I do not think it is an exaggeration at all to say that a new world is being created; by a new world, I do not mean a Communist world or an anti-Communist world but a new world in terms of technology, in terms of scientific change, progress in terms of production, in terms of the vast elemental forces of nature which are coming under man's control and all that. Now, surely, when all these things are happening, your administrative apparatus has to be adjusted to them. How, I cannot say and I am not prepared to say; it is too difficult a question for me to answer. But to take a view that everything is good in a good world is obviously not a very satisfactory way of understanding anything or doing something. Here, we are faced with the second Five Year Plan which is only a step in a certain direction, in a certain direction in which we will have to take hundred more steps and it is becoming one of the major problems of today. This House has been discussing the Second Five Year Plan and many subjects were discussed; but, in the final analysis and far ahead of every subject, ahead of finance, ahead of everything, is the question of personnel, technical personnel, trained personnel. That is the basic question and if we do not make good there, we fail; it does not matter how much money we have, how much enthusiasm we have. Technical personnel, as everyone knows, takes a long time to train. I said, I think in this House, the other day that we can put up a steel plant may be in a certain number of years but to train men who will be in charge of the steel plant will take double the number of years. So, today we have to think not of the Second Plan but of the Third Plan and the Fourth Plan in regard to training of personnel and how far we are going to lay stress on technical and scientific training. I read recently that in the Soviet Union

they have got 250,000 science teachers. Well, it is not surprising although the number is tremendous—250,000 science teachers—but the main point is the fact that the whole bent of education is towards science and technology. Whether ultimately it is good or bad, I am not saying anything, but now it is adjusting itself, it is trying to fit in with the scientific and technological improvement rapidly—may be some other countries are not going that far, they are going their way—so that these are the major problems that arise for us. It is not a narrow system of administration. I agree with what Mr. Appleby said in his first Report, that our administration, with all its failings and its outmodedness, compares very well with the administration of other countries. I do not apologise for our administration. I have been to many countries which are supposed to be very efficient. I think, by and large, we compare favourably with the best of the countries elsewhere administratively. But that does not mean that all is good and that certainly does not mean that all will be good tomorrow and the day after if we continue to go exactly in the same grooves of thought and action. Therefore, we have to think of this and we welcome minds of experience and training coming in and looking at our system and telling us what they think about it. It is up to us to accept them; it is up to us to reject them; nobody forces us and it seems rather unfair for anyone of us to blame Mr. Appleby because he comes here at our invitation and he gives his frank advice. This was a private Report to me and to the Finance Minister and he made it clear to us that this was not meant for publication. He said that it was for me to decide to publish or not; it was meant as a frank talk and the whole thing was not meant for presentation to Parliament. Nevertheless, I decided that it was a good thought-provoking Report which should be considered by Parliament and so we put it up here. This is what he says at the top of page two:

“They (these criticisms) do not reflect any general, adverse judgment about what is going on here. They are not criticisms which should be publicly made or publicly discussed”

He even said, in the earlier portion, at the every beginning,—it is worthwhile

to see what he says instead of taking like bits and criticising them—

"The democratic character of India does not permit the ruthless disregard of immediate mass interests that has characterized efforts elsewhere which otherwise might be regarded as similar. India has been both building and serving democratic values while at the same time engaging in a monumental programme of economic development. Facing tremendous need and many great difficulties, both primary objectives have been served convincingly with vision, wisdom and hard, practical performance. The two Five Year Plans have been brilliantly conceived in their analysis of needs and their balancing of values. Most of the programmatic fields have been well directed, and the Community Development programme as a whole has been successful far beyond any reasonable expectation."

He did not like to praise us. You can see from the rest of the Report. Who should be blamed? He is blamed about that. But that was after a survey and after coming back on three occasions and judging the changes that the decision was arrived at. Now I think, in the first report he made some criticisms about the various matters and said that unless this or that was done, our progress would be slow. The second time he came he said: I must say that I was mistaken in the sense that I find that in spite of my apprehensions you have made that progress, which I thought you would not be able to make. The third time he came he again said the same thing. He said: Well, it is surprising; you have done infinitely better than what I thought you would do. Then he put it this way: You have done very well, but you have done it because relatively a small number of people—by "small number" he may be meaning 2,000—have worked very very hard, and you cannot rely on a small number of people working hard all the time; therefore you must broaden the base. So that every time he has come back he has found in some measure his previous judgment about the possibilities of our progress mistaken—we have gone further than he expected, and he acknowledged it. So that this is a frank opinion of a competent observer, who has come here three times in a two years period, and has seen the changes. There are very few people who have come in this way

and see in those changes. We who live in them, it is difficult for us to judge those who live elsewhere judge still less. Secondly, obviously it comes from an American with an American background, which he understands. He understands the European background too, and many of his criticisms are due to that, and he thinks that Parliament—that is, not Parliament but the parliamentary procedure—is rather slow-moving. Oddly enough—I have said it in another context repeatedly—it is quite remarkable how many of the criticisms that are made about the various administrative systems here are similar, that is to say, the criticisms made by the Americans and by people from Russia are similar. Why? As the House knows, in economic thinking they are far apart, opposed to each other, but both are very vital nations, both are highly technological people, both move rapidly and want to move rapidly and are averse to delays and checks. So, oddly enough, their criticisms are similar, whether they come from a Soviet leader or they come from an American leader. They may not express it, but if you talk privately to them, their approach, not entirely economic, but their approach to our method of doing things is amazingly similar. When a very high leader of the Soviet Government was here some time back, privately he told me: You are making the same mistake which we made in the earlier stages of our Revolution, that is, we were chary of sharing responsibility, of devolving responsibility. We found that it was bad and now we take risks. You want things done and what is the main purpose? The main purpose is achievement, the real thing is achievement, to get a thing done. Of course the other things are important. We must have checks on public funds and everything but, if the checks are perfect checks and the thing is not done, well, you have not achieved what you wanted to do, and there the matter ends, so that when you talk about audit and checks, obviously they are essential, but probably the most essential thing is a thing which we have not got anywhere in our system yet, at least to any large extent, and that is the audit of achievement, just achievement. Has the thing been done or not? Even when we see our Planning Commission Report, what do we see? Let us say Rs. 28 lakhs were allocated for these purposes and Rs. 24 lakhs have been spent. Well and good, but unless you know more,

[Shri Jawaharlal Nehru.]

it is by no means certain that the Rs. 24 lakhs have produced something, or what they have produced warrants more spending. It is that audit of achievement that we feel more and more necessary and for which I think we shall have to set up special machinery, whether it is through the Planning Commission or otherwise or through our Statistical Bureau, because it is a matter of statistics too, apart from anything. That is most important.

Now there are criticisms in this of various things, of Parliament, as hon. Members have referred to, of the Comptroller and Auditor-General, of the Union Public Service Commission, and much of our discussion has gone round those particular matters. I don't think those particular criticisms—important as they may be from a smaller point of view—have any great relevance from a larger point of view. We can examine them; we can deal with them as we like. He criticises Parliament and when he criticises Parliament Members are not quite correct to say he criticises Parliament. He criticises parliamentary procedure and he did not criticise Parliament, any decision of Parliament, and I have no doubt at all that if you discuss this matter frankly with any Soviet leader he thinks Parliament is the slowest-going machine that you can have anywhere. They do not go through three or four readings through the two Houses. They decide and make up their mind immediately and get through with it. Well, we prefer the parliamentary system of Government. We have adopted it. We have got a Constitution which we have adopted and we propose to adhere to it. There the matter ends. But, nevertheless the question comes up as to how the old parliamentary system of Government is to be adapted and to be adjusted to this rapidly moving machine of a new India industrialising itself at a rapid pace. This is the question, because remember, the only instances that we have of countries being industrialised, are two. At least two; others too. One is the long-term process of 200 years or so during which the western European countries and America industrialised themselves—two hundred years. The other is the Soviet method, of 20 or 30 years, going through a different way and following different methods, whether you like them or not. Now again in that first process, that is the western European process, please remember that

these countries were industrialised before they had, what I would call, a really democratic system of Government. They may have had their parliament, but their parliament represented probably 10 per cent. or 5 per cent. of the population. It is only in the twentieth century that they have got adult suffrage. England has got adult suffrage in this century, in our lifetime, about 20 or 30 years ago, in the nineteenth century it was very limited, so that they industrialised themselves before they made their political progress, which led to adult suffrage and that type of widespread democracy, in other words before forces had arisen to some in the way and check their industrial progress, that is, popular forces which wanted to share in that progress and if they could concede them a share they could ignore them politically and otherwise, and they established their industrial position under those conditions. Now we have got political democracy before we have got the industrial progress here. The process has been reversed. In a sense it is advantageous; certainly. But at the same time the fact remains that political democracy does come in the way. Quite rightly; because the average man wants to share in that industrial progress or political progress, and political progress certainly, and therefore you cannot easily, as England did in the past, accumulate surpluses for industrial progress by denying them to the common man, as they did. We can't do that; we do not want to do that. But the point is the process has reversed, and herein lies our difficulty.

DR. R. B. GOUR : That was capitalism, Sir. Therefore they could deny. We need not deny it.

SHRI JAWAHARLAL NEHRU : I am afraid hon. Members get rather lost in these words; capitalism, socialism, communism and the like. I have purposely avoided using any single word like that. The other way of doing it, as we have seen, is the Soviet way where in the course of a generation or a generation and a half, they have made tremendous progress industrially, scientifically and economically by establishing a certain structure and pursuing certain methods which are not normally called democratic, which involved a power at the top imposing its will on the people—may be for the good of the people ultimately; I am not challenging that—but anyhow imposing

its will and depriving them of the advantages of that progress that they were making for a period till they had established themselves. Now, I am not criticising any country, but the point is that we are following a path which is unique; that is to say, we are not following the Soviet path in the sense of non-democratic procedure; and, on the other hand, we cannot follow the British path of 200 years of slow progress with political freedom: we cannot, obviously. Therefore our problems are rather unique and the future will show how far we succeed in solving them in our way, in a democratic way. But at the same time we have to see how far this democratic way has to be adjusted to these ends. The nineteenth century democracy of England was a very, very slow moving thing where the State seldom interfered with economic matter or social matters—it left them to change—except when major considerations arose. Today in England Parliament is concerned with infinitely more work connected with social and economic matters, apart from other difficulties. Therefore the problem has come before the British Parliament and before every democratic Parliament in the world, of how to adjust this democratic procedure to this rapid change, to these numerous social and economic questions that have come up. It is a common problem all over the world. For us it is a more difficult problem because the pace of our change has to be more rapid and because we start from scratch and we have to go very far. Therefore, we have to realise that the old style political democracy has to adjust itself to the modern pace of our country and the world.

Then we have to consider how far our administrative apparatus is conditioned to that. It is a good apparatus but I say, being a good apparatus, it may not be an adequate apparatus. It is not a question of its being bad, but of its being adequate, whether in numbers or whether in quality, whatever it may be—quality in the sense that we have thought in terms of administrators in the past, just as pure administrators. Now, when we have to deal with plants, factories, scientific institutes and the rest, it may be that the quality required is more a scientific or engineering quality than a purely administrative quality because the bent is that way. It may be that in future many of our administrators may well be engineers or persons

with a good deal of engineering training. It is quite possible. In that sense I said adequacy may be lacking because new types of experience and ability are required for this; not that they are otherwise inadequate. All these are very highly important questions which have to be considered.

Then again, take the Union Public Service Commission. I think the idea behind it—it is not only a right idea but a very good idea is that we must have some impartial body to choose our public servants. And yet we come up against difficulties all the time apart from the fact that the Public Service Commission cannot just keep pace with events. We want an engineer in the next fortnight; well, they cannot produce one for six months.

PROF. G. RANGA: Sometimes twelve months.

SHRI JAWAHARLAL NEHRU: Or twelve months. It is not their fault; may be there is excess of work. Apart from that, there is another thing. The Public Service Commission—I am not referring to the present Commission as it works; it has changed somewhat—but the old conception of the Public Service Commission was really for purely administrative purposes. They were very good for choosing our administrators. But when it comes to the question of choosing, let us say, a high class statistician, well, all they can do is, they can examine his paper qualifications, his educational degrees. They are not, they need not necessarily be as competent as they are to choose an administrator, to choose a good statistician or a good scientist or a good technologist. It is a different test. Therefore the Public Service Commission itself very rightly has now attached to itself specialists to help them to choose; whether it is an educationist or an engineer or a scientist who has been attached, you see the Commission is undergoing a change. It may be that the Public Service Commission may gradually develop into several Boards, a Scientific Board for a Board for Industrial Management and so on all under the Public Service Commission, but doing specialised jobs. So I am pointing out how things change and we have to adapt ourselves. If somebody criticises the Public Service Commission today, it does not mean that the Public Service

[Shri Jawaharlal Nehru.]

Commission is a bad thing and it should be ignored. Of course not; but the point does come in as to how it should adjust itself not only to the rapidly growing work but to the new quality of work. For the new kind of work it requires an entirely different approach. A person who is, let us say, going to be a District Officer—a very responsible post—requires certain qualities and I imagine that the Public Service have experience of that type of person and will be able to make a good choice more or less. It may be he requires the qualities of guiding the people, leadership, this that and the other. Now, a statistician need not have any of those qualities. He has to be just good at statistics; he need not be a public relations man at all which the other man must be. So tests become different and if they just work with the old measuring yard then we won't get the right kind of men. Today we have to get all kinds of persons for our steel plants and for our big industrial undertakings which we are nationalising or which the State is starting. We have no apparatus for choosing them, no regular apparatus. We just refer the matter to the Public Service Commission but with all respect to the Public Service Commission it is by no means certain that they have got experience in that line. Themselves all of them very good men and true, they will suggest somebody but they will really choose from paper qualifications, not from any personal knowledge of that type of work.

SHRI H. N. KUNZRU : Suppose you require 20 men to do a particular work, how are you going to choose them; how are your administrators going to choose them? You will train and employ all of them simply in the public services.

SHRI JAWAHARLAL NEHRU : If the hon. Member had listened to what I said just now he would have got the answer. What I said was, I do not choose but it is becoming more and more necessary to have specialised Boards and these specialised Boards should be associated with the Public Service Commission. There may be one Board, two Boards, three Boards for the various types of work but they will be associated with the Public Service Commission.

DR. P. C. MITRA (Bihar) : Ministry also ?

SHRI JAWAHARLAL NEHRU : No; no. That is different.

However, I am not discussing this matter. What I am venturing to put before this House is that these problems are arising. I have no cut and dried answers to them and it is because these problems impinge upon us from day to day that we consult people, we seek their advice and we discuss it amongst ourselves trying to find a way and we make changes. As a matter of fact in the last three or four years since Mr. Appleby's report came out for the first time, we must have discussed his Report—I do not know how many times—in the Cabinet not as a Report but the points he referred to because those points had been discussed by us even before Mr. Appleby came. Hon. Members referred to the Gorwala Report, but there are many other Reports. Mr. Gopalaswami Ayyangar produced a Report on these matters, a very valuable Report which we considered again and again because the problems are continuing problems. They are never finished and we will go on considering these matters from month to month, year to year, profiting by our own experience and the changes that are taking place. As a matter of fact, the Comptroller and Auditor General—I think he was not Comptroller and Auditor General then—presented a report to me in regard to many of these very problems making various suggestions and it was a very helpful report. That too was considered by the Cabinet. Some things were adopted; some were not. It may be perhaps in the opinion of some hon. Members that it has been carried to the extreme. I think it is a virtue to keep an open mind and be receptive and consider all these things for ourselves. You may accept or reject. That is a different matter. In the last three years quite a number of changes in our administrative procedure have been adopted. Oddly enough I remember that the Comptroller and Auditor General in his previous reports himself laid considerable stress on the devolution of authority and he himself was in favour of it. I have no doubt he is in favour of it still; he has not changed his mind. These points can be considered from various viewpoints and not as if made personal issues against Parliament or the Public Service Commission or against the Auditor General. That is not the way to

consider them. These are points on which we may hold strong views this way or that way. We are entitled to, and really it is by trial and error that we proceed and find the right way.

Now, in Mr. Appleby's report, I think there are two main approaches, that is in this criticism of the Indian administrative system. He says there are two principal types of defects. One is what might be called the vertical defect, that is, too many matters of detail are taken to too high levels before they are decided. The other is the lateral defect, that is, too many cross references for consultation with or concurrence of other Ministries and authorities are demanded and made before decisions are taken, his object principally being that delay should be avoided and decision should be made. And the top ranking people in any country, competent people, are limited. I am not talking of top ranking in the sense of Ministers of Government. Whether it is the head of a factory, whether it is the head of an institute, whatever it is, really top ranking people in every country are limited. If you ask them to spend their time on trivial matters, you are wasting their special ability and quality. That is the point. In those countries in America and elsewhere, I believe they have some statistical way of measuring a person's ability. I do not know how they do it. May be they measure it by the dollars he can earn, or whatever it may be. But the point is that you should utilise the man's ability to the best advantage and allow others to decide secondary matters. On the face of it it is a reasonable assessment. How to do it is another matter. His third criticism is not to make too many references, cross references, etc. before execution. Now, I should like to lay stress on this fact "before execution" because all these references, etc. before execution defer and delay execution. Have as strict a scrutiny as you possibly can after execution. That does not delay. Have a scrutiny, and cut off the man's head if you like, if he has been guilty. That is a different matter. But the point is, have scrutiny after that. May be a mistake might be made. Well, mistakes are made anyhow. Check him. Do anything you like. Obviously in any public matter, the use of public funds, there has to be adequate check, adequate scrutiny and adequate audit—call it what you like. That is essential. And ultimately, as I said, there is to be adequate

audit of achievement. Now, that I hardly think of is a function of the Comptroller and Auditor General. The Comptroller and Auditor General's functions are of high importance. There is no doubt about it and so far as Government are concerned, they attached the greatest value to his work. But whether it becomes an audit of achievement, that achievement, if it is a scientific achievement, can only be judged by a scientific man. It is very difficult. A man doing work in a scientific laboratory, doing research work who is to judge his research? What measure have you? You cannot measure it by seeing how many files he has disposed of or for how many hours he stayed in the office.

The measure of achievement is something entirely different. So, for all these technological achievements, the measures are different and they are not financial measures. The financial check has to be there. The Auditor General or somebody applies that and should apply it and see that moneys are spent according to rules and regulations, that the money is not wasted. That scrutiny must be strictly done. But where it comes to judging the policies or judging the technological content of that achievement, obviously it is not fair for you to expect the Auditor General to tell you either about high policies, which is somebody else's function, or about the technological part of that achievement.

So far as Parliament is concerned, the criticism of Parliament or rather of Parliamentary procedure that Mr. Appleby has made, I do not think we need worry ourselves about that, with his outlook. The important point is we have to remember that because of the tremendous growth of work in Parliament and appertaining to Parliament, it is becoming next to impossible for Parliament to have the time and the leisure to deal with it. Therefore, what are we to do? Are you going to concentrate, as far as possible, on the vital and important matters, the important checks, the important reviews and the important supervisions, or are you going to spend quite a bit of your time on matters of lesser importance? If you do that, well, naturally you do not do it for bigger ones. It is really question of utilising the time you have to the best advantage. Life and the administrative apparatus becomes more and more complicated, terribly complicated, and one has to



[Shri Jawaharlal Nehru.]

divide the time at one's disposal so as to utilise it to the best advantage. So long as we have—and we have it and we are going to continue to have it—this democratic parliamentary system, obviously the supreme authority is Parliament. Obviously that authority is not something in the air, or something on paper, but a reality. It has to supervise everything. It has to see that; it has the right to check anything. All that authority is there. But the point does arise that if it gets tide up with innumerable details, the bigger things will escape its views, because there will be lack of time for the rest. So, from that point of view, the whole text of Parliament has changed in the West. Parliamentary procedure is changing and now it is a matter of discussion there and argument there—what changes to make in Parliamentary procedure there in the United Kingdom so as to fit it in with the burden of work that it has to face today. That question in that sense obviously does not arise in the United States. Other questions arise. They have a different system of Government. That question does not arise at all in the Soviet Union, because they have not got a parliamentary system and they can decide things quickly, according to their system. Well, we have got our system and basically we think it is a good system. It should continue. Personally I think that one of the most valuable practices of our parliamentary system is the Question Hour—I think it is highly important—as well as the right of all Members to raise debate on a particular question. I think those things will have to continue. We shall have to face this question of how to use our time to the best advantage. Speaking in the Lok Sabha the other day, I said that in regard to Mr. Appleby's report—or rather not the report but the points raised in the report, the points that come up before us whether they are in the report or not—that we were considering them. Government as such has not considered it yet. It has not been placed before the Cabinet, if I may divulge a secret. Of course Ministers have it but we have not considered it in a corporate capacity, and as we were not in a hurry to consider it we wanted our various Ministries to read it and digest it and to make such suggestions as they liked. We wanted the State Governments to read it also. No doubt we shall consider it again not as a report but taking up the

problems dealt with in it together with other reports and other suggestions. In this connection I said in the Lok Sabha that we would welcome informal discussions with Members of Parliament, something of the nature we had, Members will remember, in connection with the Five Year Plan. In the next session—I do not know when and how we shall be circumstanced in regard to time because time becomes a more and more precious commodity—subject to that we should like to arrange discussions, informal discussions, on these various aspects of the Appleby Report in which almost any number of Members, any Member interested in either House, can come and join.

SHRI B. C. GHOSE : I would like to ask a question of the Prime Minister because it has very serious implications, a matter to which Mr. Mahanty and myself had referred. This is what Dr. Appleby said. Parliament here “seems strangely inclined to make too ready concessions to some of the self-interested demands of small but influential business interests, and to enforce corresponding changes in Government's decisions.” I would like to know what this means. It is a very serious matter. I presume that Parliament really means Government.

SHRI JAWAHARLAL NEHRU : I do not think that the inference drawn by the hon. Member is quite correct. To begin with Parliament means Parliament. It does not mean Government.

SHRI B. C. GHOSE : Because the proposals have been brought by Government.

SHRI JAWAHARLAL NEHRU : It is an American speaking. It simply means—I am just interpreting what it means—it has nothing to do with bribery and corruption. It means that in Parliament here as in their Parliaments various interests are represented and they take up a lot of time in pressing their viewpoints, whether it is business interests or whether it is other interests or an agrarian lobby, as they have there, they take up a lot of time.

SHRI BHUPESH GUPTA : Here it is the business interests, and if the Parliament yields to such interests, we assume that the parliamentary majority must be there in order to bring about such

submission to such interests. Therefore the party in power should be considered much more responsible than anybody else.

**SHRI H. C. DASAPPA :** May I know whether there have been any reactions from the States to which this report has been referred?

**SHRI JAWAHARLAL NEHRU :** No, Sir, I do not remember receiving any comments from the States. As the House knows, the States have been very busy with other matters.

**SHRI KISHEN CHAND :** Regarding parliamentary procedure, is the hon. Prime Minister thinking of making certain changes in parliamentary procedure or at least appointing a committee to consider changes in the parliamentary procedure in order to expedite matters and save time and carry on the parliamentary work through some sort of committee of the whole House or smaller standing committees? These are the lines on which I have been thinking.

**SHRI JAWAHARLAL NEHRU :** No, no. Indeed we are prepared to discuss all these matters with hon. Members.

**MR. DEPUTY CHAIRMAN :** I am putting the amendments to the House.

The question is :

1. "That at the end of the Motion, the following be added, namely :

'and having considered the same this House disapproves the observations and recommendations of Dr. Paul H. Appleby generally and in particular those relating to the authority of Parliament the Public Accounts Committee and the Comptroller and Auditor-General in relation to the general administration, as also the autonomous Corporations in the public sector'."

The motion was negatived.

**MR. DEPUTY CHAIRMAN :** The question is :

2. "That at the end of the Motion, the following be added, namely :—

'and having considered the same, this House is of opinion that the Report be rejected and a High-Power Commission, inclusive of

members of both the Houses of Parliament, be appointed to go into the entire problem of administration including that of Government industrial and commercial enterprises and local authorities to overhaul and gear up the entire machinery to suit the new democratic order and development requirements of the country'."

**SHRI JAWAHARLAL NEHRU :** I should like to point out with all respect that it is all irrelevant. There is no question of rejection or acceptance. It is not a report to Parliament.

The motion was negatived.

**MR. DEPUTY CHAIRMAN :** There is nothing further to vote upon. The Report has been considered.

#### THE KHADI AND VILLAGE INDUSTRIES COMMISSION BILL, 1956

**THE MINISTER FOR PRODUCTION (SHRI K. C. REDDY) :** Sir, before I move my motion I would like to know the time allotted for discussion of this Bill and whether we are carrying it over to-morrow.

**MR. DEPUTY CHAIRMAN :** Two hours. We are sitting till six.

**SHRI KISHEN CHAND (Hyderabad) :** May I know whether it is inclusive or exclusive of the Minister's speech?

**MR. DEPUTY CHAIRMAN :** It will be for all stages.

**SHRI K. C. REDDY :** Sir, I beg to move:

"That the Bill to provide for the establishment of a Commission for the development of Khadi and Village Industries and for matters connected therewith, as passed by the Lok Sabha, be taken into consideration."

It is a happy coincidence, Sir, that this Bill is being taken up for consideration immediately after the debate that we have had just now on Dr. Appleby's report.

[**THE VICE-CHAIRMAN (SHRI P. S. RAJAGOPAL NAIDU)** in the Chair].