

THE PATIALA AND EAST PUNJAB STATES
UNION POLICE (INCITEMENT TO DIS-
AFFECTION) ACT, 1953

SHRI B N DATAR Sir I beg to lay on the Table a copy of the Patiala and East Punjab States Union Police (Incitement to Disaffection) Act 1953, under sub-section (3) of section 3 of the Patiala and East Punjab States Union Legislature (Delegation of Powers) Act 1953 [Placed in Library, see No S-105/53]

NOTICES OF MOTIONS FOR PAPERS

SHRI B C GHOSE (West Bengal) had given notice of a motion for papers on the lockout at the Indian Iron & Steel Works at Burnpore I should like to know what has happened to that notice

MR CHAIRMAN We have passed it on to the Ministry of Labour and we are expecting their answer

SHRI B C GHOSE It happens that the procedure laid down for the disposal of notices of motions for papers is rather—if I might say so—dilatory in the sense that it takes a long time to discuss matters of urgent public importance As this matter is very urgent, with your permission, I might also put down a short-notice question which I should request the Minister through you to answer to-morrow, or to make a statement on the subject, as this matter is of very great national interest

PROF G RANGA (Madras) I have also given notice of a motion regarding the Godavari floods

MR CHAIRMAN Yes, I have got it and we have passed it on to the proper quarters and Mr Datar has promised to make a statement on the subject on Thursday because he is trying to get some telegraphic reports from Madras in the meantime You may take it that in all these matters we are pressing the Ministers to make statements as early as possible

SHRI S N MAZUMDAR (West Bengal) Sir, I have also given notice of a motion on the situation in Burnpur

MR CHAIRMAN Yours has also been sent to the Ministry concerned.

THE INDIAN RAILWAYS (AMENDMENT) BILL, 1953

THE MINISTER FOR RAILWAYS AND TRANSPORT (SHRI LAL BAHADUR) I beg to move for leave to introduce a Bill further to amend the Indian Railways Act, 1890

MR CHAIRMAN Motion moved

‘That leave be granted to introduce a Bill further to amend the Indian Railways Act 1890’

The motion was adopted

SHRI LAL BAHADUR I introduce the Bill

SHRI H P SAKSENA (Uttar Pradesh) Amended in what respects?

MR CHAIRMAN When the Bill is circulated to you and when it comes up for consideration here by that time you will be posted with all the information and details

THE CENTRAL SILK BOARD
(AMENDMENT) BILL, 1953

THE MINISTER FOR COMMERCE (SHRI D P KARMARKAR) I beg to move

‘That the Bill further to amend the Central Silk Board Act 1948, as passed by the House of the People, be taken into consideration’

This is a non-controversial and simple measure This subject is not a simple subject in the sense that this industry could be just protected by enforcing protective import duties As the House is aware, in this in-

dustry there is the process of growing mulberry trees and the yield from them in this country is far less as compared with advanced countries like Japan. Then there is the question of reeling cocoons. After they are reeled it is seen that the yield of silk fibre is far less than what it should be. In the matter of reeling silk we have had to suffer from a handicap in that we had only the reeling done by the old process. We have recently had the advantage of introducing some reeling machines in our country and the results have been satisfactory.

Then comes the question of weavers because ultimately if this industry is to prosper we have to look to the interests of the weavers also. In this connection I may say that recently there has been a tendency among consumers to drop off from wearing silk. That is also another handicap we have to face in this country. So, Sir, the difficulties are many and the difficulties can best be solved not merely by imposing protective duties which we are doing for a long time but by taking effective measures for seeing that there is all-round development in the various industrial processes right from the mulberry cultivation to weaving. We hope that the Central Silk Board Act, 1948, as amended by this Bill, will improve matters to a large extent. The first amendment which we want to make in the existing Act is to change the Chairman. Till now the Minister of Commerce and Industry was prescribed as the Chairman by the Act itself. Many a time we found that the deliberations of the Board required naturally very careful consideration and the Minister who presides and who in a sense is party to the deliberations of the Board, has to take final decisions on the recommendations of the Board and we felt, Sir, that it would much facilitate our work if the Minister were to keep away from shouldering the responsibility of being the Chairman of the Board. I think, Sir, that the House will easily appreciate that

the present position is an anomalous one, namely, that the person who is the Chairman of the Silk Board is also the person who has to take final decision regarding what transpires at the Board, regarding the ultimate decisions of the Board itself

Then, Sir, we want to enlarge the sphere of work of the present Silk Board, the present Board, as it existed and as constituted under the present Act, dealt only with raw silk. Now we want the Board to deal with all the processes right from raw silk production to the production of silk-cloth. This would naturally give the Board power to go through the various processes of the silk industry. This would ensure that it will take all points of view into consideration. For instance, the present Silk Board could not consider what it could do by way of improving the weaving methods. That was left to the Handloom Board. So, Sir, we are enlarging the scope of the present Silk Board by bringing the whole of the silk industry within the range of the deliberations of the Board as also the resolutions of the Board. Then, Sir, as hon. Members might easily have seen, we have also enlarged the functions of the Board as can be seen in clause 8 of the present amending Bill.

The silk industry has to be dealt with in its various phases. Here is a field where we have to deal with many individuals as it is not an organized industry. We understand that a million people are engaged in this industry. We have to deal with a large number of farmers who will have to be persuaded to take to new methods of cultivation. We will have to deal with the problem of how the silk is to be reeled by the new and improved methods. We have to have also a large amount of research carried out in respect of the various processes. The last Board took various measures but in effect they were rather halting. Looking at the wide range of the field to be covered they

were bound to be so because it is not as if we pass a resolution or an order and everything goes all right. Therefore we have thought to make this Central Silk Board a powerful body and to have its functions enlarged so that it might become a more effective and competent body.

I do not propose to take up the time of the House by dealing with all the other points concerned with the Bill. After all this is a very small measure and in course of the debate on this Bill if any points arise which demand clarification, it will be a great pleasure to me to give our point of view at the conclusion of the debate.

MR. CHAIRMAN: Motion moved:

"That the Bill further to amend the Central Silk Board Act, 1948, as passed by the House of the People, be taken into consideration."

SHRI S. N. MAZUMDAR (West Bengal): Mr. Chairman, Sir, this is the second time in a year when we are discussing amendments to the Central Silk Board Act. I have no objection to this amendment that has been brought forward but I do not understand the Government coming with piecemeal amendments and in a half-hearted manner. I welcome the amendment which seeks to extend the scope of the Central Silk Board to cover the silk weaving industry as well. It is well known that the silk industry has several stages which can be divided into two main sections—raw silk production and silk weaving. The first section depends upon the fortunes of the second section and so it is a wonder why the Government's attention was not drawn to this fact earlier. Not only that, Sir. In fact the Central Silk Board recommended to the Government in 1950 and 1951 that the scope of the Central Silk Board be extended to cover the silk weaving industry also but the Government refused on both the occasions. I do not understand why the Government refused at that time. So long

as the silk weaving industry was under the jurisdiction of the Development Wing of the Commerce and Industry Ministry, I do not know what developments that Wing was able to carry out in the work of the silk weaving industry, but it is a fact that both the sections of the industry are passing through very critical times affecting a large number of people in a number of States in our country starting from Jammu & Kashmir, Uttar Pradesh, West Bengal, Assam, Mysore and Madras and also some other States. A large number of people who are dependent on all the phases of the industry are passing through very critical times. Not that there is no scope for improvement, because as I gather from the Report of the Silk Board itself, the total annual requirement of raw silk in India is near about 4 million pounds whereas only 2 million pounds are produced in India and the rest has got to be imported. So it shows that there is scope for improvement, but the improvement is not taking place. Rather the reports we get from various places are reports of worsening of the situation, reports of their families starving, of unemployment and all these things. Sir, in the Report of the Central Silk Board which was published, I think, in 1952, an outline of the various measures undertaken by the Board to help the raw silk producing industry has been given, but that is quite inadequate. It does not give an idea of the magnitude of the problem. Some steps were taken; some demonstrations were organised and some research stations were organised. All these are no doubt good. These are the steps which are necessary for the improvement of the silk industry. But what about the magnitude of the problem? What about the conditions through which these people are passing?

Sir, as during last year this House discussed the conditions of raw silk producers, I do not propose to go into details of that, but I shall deal mostly with the conditions of the silk weaving industry. Here the Board now

[Shri S. N. Mazumdar.] undertakes to take that portion under its jurisdiction, but no idea of the function of the Board is given to us in this amending Act,—no idea as to how the Board or the Government propose to improve the conditions of the silk weavers and the silk workers. I expected to get some idea from the speech of my hon. friend Mr. Karmarkar, but I am disappointed. Sir, the condition of handloom weavers in the various provinces is very bad. Yesterday I was reading a report in a Bengal journal that the condition of silk weavers in the districts of Bengal, where the silk industry is of very long standing, is very very serious. Most of them are starving. Their difficulties are well known—high price of raw material and low price for the fabrics which the weavers make. This has led to conditions of starvation and semi-starvation in the districts of Birbhum, Malda and Murshidabad in West Bengal. That is not the picture only in West Bengal. For example, in Banaras in U.P. where the silk industry is of long standing, the condition is also very bad. Sir, I may quote from an article in the *Journal of Trade and Industry* where the situation has been characterised thus:

“The silk weaving industry is in the paradoxical position of having poor weavers side by side with rich merchants. Then again the weavers do need temporary financial help in slack season both for purchasing raw materials and marketing their products. In the absence of such help, a weaver on an average loses about Rs. 100 during the dull season in the shape of high prices of credit purchases and the low prices for his products. Often he is unable to earn his living in the dull season.”

As regards those weavers who work under others, the wages are very low. It is difficult for most of them to earn their livelihood from this profession. It is a fact that weavers in many parts of the country are leaving their own profession and trying to earn their

livelihood in other professions. Sir, I had a report about the conditions of the silk weavers and workers in Kashmir where the silk industry in all its stages is a Government monopoly. There also the percentage of absenteeism in the silk factory at Srinagar is very high. Even during the war when silk production was at its peak in India, the percentage of absenteeism was very high because of the low wages paid to the workers. Most of them found it profitable sometimes to work on the road than work in the factories. That is the condition there.

As regards the conditions of labourers in the silk mills and factories, here also I want to draw the attention of Government, because I find in this amendment a provision for the representation of labour. I welcome that provision, though I hold, Sir, that the representation which has been given to labour is quite inadequate. My hon. friend Mr. Karmarkar himself has admitted that in the silk industry there is a large number of persons to be dealt with. The labour is not organised even in the mills. They are scattered all over the country—in Mysore, in Bengal, in Bombay and in Kashmir. They are scattered and the condition of labour there is very serious. In 1946, the Labour Investigating Committee remarked that the condition of wages of the silk workers was dismal. The rates vary from six annas per day in Kashmir to four annas in Madras. That was the rate and in Mysore which has got a long standing silk spinning industry, the rates of wages are the lowest. That was the condition in 1946 and in 1949-50 there is not much change. I quote the figures of 1949-50 because after that the figures are not available. In the *Labour Year Book* published by the Labour Ministry for the year 1949-50 the wages of the workers engaged in the silk industry, silk mills and factories are given. There also I find there is not much improvement in their wage conditions. In my own province of Bengal the consolidated wage including dearness allowance is

Rs. 20 to Rs. 25; in Ahmedabad it is Rs. 20. It is the highest in Bombay, but there also it is not very high. So these wages are below the rates of minimum wages recommended for labourers in the sweated industries.

AN HON. MEMBER: These are per month?

SHRI S. N. MAZUMDAR: Yes, per month. In the artificial silk industry in the Punjab the highest paid category of worker, namely, the weaver, gets Rs. 28 to Rs. 46 a month, but the lowest paid worker gets only Rs. 12 per month. This is the condition of the workers in the silk industry. I want, Sir, to know from the Government what steps they are going to take to improve the conditions of the silk weavers and the silk workers.

Sir, about the crisis through which the silk industry is going to pass I do not like to deal with it in detail because it is a part of the general crisis through which our national economy is passing and if I try to deal with it, I shall have to deal with bigger questions, that is, the policy of the Government which is the cause of this crisis. But at this stage, in connection with this subject I do not propose to go into all those details. I would say this that when the Government has taken this belated step—a step that ought to have been taken much earlier, and though it is belated, it is welcome—Government should follow it up and Government should increase the representation given to labour. Government should also outline the proposals which it proposes to take in order to develop the silk industry, particularly the silk weaving industry and the conditions of the silk weavers and the silk workers.

SHRI RAJENDRA PRATAP SINHA (Bihar): Mr. Chairman, the silk industry is one of the most important industries in this country from the point of view of providing employment to the millions of unemployed persons of this country, and also, Sir,

from the point of view that it holds out a bright prospect for providing employment to our educated young men with the introduction of improved types of machines of the Japanese pattern. Sir, the other silk producing countries have achieved progress because of the keen interest taken by the Governments of those countries in the development of this industry. I find, Sir, that the ratio of progress in this industry is entirely dependent upon the initiative and the interest which a Government takes in fostering this industry. It is obvious, Sir, because the silk industry is in the hands mostly of the poor cultivators and the small weavers who have neither the means nor the education to organise this industry and to effect technological improvements. Therefore, Sir, Governments have necessarily to come to their aid and provide these facilities for the growth of this industry. This is what happens in Japan. The entire industry there is managed and controlled by the State. They have elaborate administrative organisations with adequate Budget provisions for developing this industry. Then, Sir, they have passed numerous legislations for the control of this industry. Thirty years ago we found that the silk industry in Japan was more or less in the same state as we have today. But the Government by the keen interest that they have taken, have been able to make the country as one of the biggest raw silk producing countries in the world. In 1934, Sir, their production of raw silk was 82.3 per cent. of the world production and they took the position which India enjoyed in the last century.

Now, Sir, if we want to develop this industry in our country, we have to follow the same line as Japan did to improve this industry. Sir, in the year 1949 the Silk Board came into existence. My friend Mr. Mazumdar has given a very graphic description how this Board functioned during the four years of its existence. There is no doubt, Sir, that the Board has done

[Shri Rajendra Pratap Sinha.]
some good work for which it deserves our compliments. It has done good spade work in making a study of the industry and it has published several bulletins on this industry which are very instructive no doubt. They have also been able to keep up the production achieved during the war period. Rather in some years they have been able to improve the production. But as my friend has said, the Board has still to achieve a lot in the matter of production as we are still deficit by two million pounds of raw silk.

But, Sir, I find one basic defect in the functioning of this Board. I tried in vain to find out if the Board had any plans, had any programmes or targets to be achieved within certain fixed periods. The first thing, in my opinion, that the Board ought to have done was to draw out a comprehensive plan for the development of this industry. In the absence of any such plan, Sir, we are at a loss to judge the progress achieved by this Board and we are driven to the conclusion that the Board is functioning in a haphazard manner. Sir, I would just want the Government to see to it that a comprehensive plan of development of the silk industry is immediately drawn up and then it should be examined and accorded the Government's sanction. They should provide adequate funds for the implementation of that plan. We find, Sir, that in three years' time they have given a total grant of a meagre sum of Rs. 10 lakhs for the development of this industry. I feel that this amount has been most inadequate for the stupendous task that the Board has to perform.

Sir, I will refer you to a sentence in the Silk Board's report for the year 1952 in which they said:

"The Board has asked for Rs. 9,87,295 for the financial year 1952-53 in order to enable it to meet expenses earmarked, since the last two years, for establishment and development of Regional Sericultural

Research Stations in Mysore, Madras, West Bengal and Assam."

Sir, as you will realise, for any development work research is very important and if the establishment of such research institutes are delayed by two or three years, we can never expect to reach our goal of self-sufficiency in raw silk. Sir, it is not very clear to me from the report what were the difficulties in the way of the establishment of this research institute, whether they were financial or otherwise. I am also not sure whether in the financial year 1952-53 the amount asked for by the Board has been placed at its disposal and I would like my hon. friend to throw some light on this point.

Sir, the principal Act provided for the imposition of a small cess on the silk industry for financing the Board's plan of development. The Government has not thought it proper to impose this cess. I expected that my hon. friend would give us the reasons for not imposing the cess and if he finds that this is not the opportune time to impose this cess upon the industry, he ought to have given us his views as to how he proposes to finance the development programme of the Silk Board. If adequate funds are not placed at the disposal of the Board, there is no point in asking them to give results. Sir, in this connection I would submit to my hon. friend a proposal for his consideration. He should consider an amendment of the original Act with regard to the imposition of a cess and a few more articles should be brought under the category for the imposition of a cess for the development of the silk industry. I would suggest that the artificial silk produced in this country should be taxed by the imposition of a small cess. The production of artificial silk has increased by leaps and bounds in this country and to some extent it is thriving at the expense of the silk industry. Their production cost is very much cheaper than the production cost of the real silk and I propose

therefore that the hon. Minister should consider the prospects of imposing a cess on artificial silk and also the possibility of imposing a small cess on the import of artificial silk yarn and fabrics and also a cess on real silk imported from foreign countries. If the hon. Minister thinks that the Indian raw silk industry is not capable of bearing a small cess for the growth of this industry, I have placed this suggestion for his consideration so that he may find avenues of raising funds for financing the activities of this Board.

Then I find from the same 1952 Report of the Board that they have circulated a draft Bill to be enacted by the State Legislatures for the control of the silk worm seeds. I do not know what has been the fate of this draft Bill. I can only say that it is absolutely imperative that such legislation for the control and development of the silk industry should receive the first attention of the Silk Board and they should impress upon the Central and State Legislatures to enact such legislations at an early date.

Then I would like to say a few words on the functions of the Board before I examine the provisions of the Amending Bill. Statutory Boards like the Silk Board are instruments of democracy to perform the economic functions of the State. They are expected to function in a responsible manner with a certain amount of autonomy. They are a device to decentralise both authority and responsibility to give better results from the economic and industrial activities of the State. The provisions of the Bill which are in keeping with these general characteristics are to be welcomed but those provisions which militate against them are not worthy of acceptance. My hon. friend, Mr. Mazumdar, has already pointed out that the Government took three years to accept the recommendations of the Silk Board to bring under its purview the control of the entire silk industry including the silk-weaving. If we want results from the Board, we must ac-

cept their recommendations quickly, and I endorse the views expressed by my friend, Mr. Mazumdar, and the hon. Minister owes an explanation to this House for the inordinate delay on the part of the Government in accepting the recommendations of the Board. I very much welcome the deletion of the clause by which the Chairman of the Board was the Minister of Commerce and Industry, but on this point I would like to say that the Chairman of the Silk Board should not be any other over-worked official of the Ministry like the Textile Commissioner. The task before the Silk Board is stupendous and it requires the energy and the attention of a whole-time experienced officer, and I would therefore request the hon. Minister to bear this in mind and to provide a Chairman for the Silk Board who can give his entire time for the development of the silk industry.

Sir, I do not appreciate the amendments to section 4 of the principal Act, clauses (e) and (f), by which the mandatory character of the provision, that is one of the representatives of the Governments of Madras and Bengal to be non-officials, has been dropped. I do not appreciate this distrust of the non-officials and I can only say that my hon. friend, the mover of this Bill, has played into the hands of the officials by accepting this recommendation evidently prompted by officials and I do hope that he will consider this point before asking the House to pass this Bill.

Then, Sir, I draw your attention to clause 5 of the Bill which amends section 7 of the principal Act. Under section 7 of the principal Act it was laid down how the Secretary of the Board was to be appointed. It was said that the Secretary was to be appointed in consultation with the Board. Now by clause 5 of the present Bill it is proposed to drop 'in consultation with the Board'. Sir, the Secretary is the principal executive officer of the Board and he is responsible for implementing the decisions of the Board and carrying out its policies. I don't know what led the Gov-

[Shri Rajendra Pratap Sinha.]

ernment to drop these words. I think an imposition on the Board of a Secretary will not lead to smooth working and efficient working as well. The Secretary must be a person who is acceptable to the Board. I would ask my hon. friend the mover of this Bill this: If the Secretary of his Ministry is thrust upon him against his wishes, will he feel happy or unhappy about it? Will he be able to carry on smoothly his Department if his Secretary is not of his choice? I would therefore urge upon the Minister not to amend section 7 as proposed in the present Bill in clause 5.

SHRI GOVINDA REDDY (Mysore): Mr. Chairman, I have great pleasure in extending my support to this Bill. There are sufficient indications that the silk industry has now come to receive at the hands of the Government increased attention. A lot of criticism was made when the first amendment to this Bill came before this House and the same has been repeated now also that the Silk Board which has been a Statutory Board since 1949 has not been able to do as much for the industry as was expected from it.

[MR. DEPUTY CHAIRMAN in the Chair.]

The criticism is partly correct but in my opinion, there were limitations in the constitution of the Silk Board itself which did not allow the Board to think of the industry, to take an over-all picture of the industry and do something for placing this industry on a sound footing. Firstly, the Board had a preponderating majority of officials and it was presided over by the Minister of Industry and Commerce as the Chairman. In the very nature of things it cannot be expected that officials, however competent they are, can take an over-all view of the industry as related to all the interests involved in the industry.

To begin with, I must say that this Silk Board was only connected with affairs of the raw silk industry. It is now an improvement upon that position that this Board has been enabled by this amending Bill to take the whole

industry into its purview and to make improvements in the industry.

Secondly, the officials did not relate this industry to the different interests that were involved. I will illustrate my point. The Board did not consider at great length the question of the importance of foreign silk to the production of indigenous silk and thereby control the market for silk. It is this fact which has brought many a time a crisis into this industry because imports were formerly unrelated to production. Whenever there were large imports allowed into the country because of the demand of merchants dealing in silk, the producers of indigenous silk were severely affected. I am glad to find that the Government have now considered this position and have imposed a restriction on imports.

Thirdly, in the constitution of the Committee, the officials could not present an independent point of view when the Minister himself presided. On account of these factors, the Silk Board could not function as efficiently as it was expected but it must be said to the credit of the Board that within these limitations they have worked efficiently. As was pointed out by some of the speakers before me, a lot of research has been done. In fact they have attended to the basic problem of this industry—the problem of improving the quality of mulberry and then grafting the finer qualities of mulberry here and trying to evolve a new improved species and then to examine the possibility of having improved appliances in reeling, and they have explored the possibility of having co-operative schemes for silk breeders and a research also has been and is being conducted to see by what means they have to improve the quality of the indigenous silk itself apart from the question of mulberry. All these factors have gone towards the improvement of the industry on the technical side although on the structural side the Silk Board has not been able to do much. I am pointing out these to impress on the Minister that if this industry is to be placed on a solid footing, an over-all view is to be taken and the Government

must come in with a well-directed and well-planned effort. Now, the step that they have taken in taking the whole silk industry under the purview of this Act and of the Central Silk Board is a very desirable step. It is not sufficient that the whole silk industry has been brought under the purview of the Silk Board, for this reason that the Silk Board as it is even now constituted, has few representatives of the different interests involved in the silk industry. Silk growers and mulberry growers are not adequately represented. There is in the quota given to Mysore one representative that is given to growers and it is said that the sericulture industry shall have two. Whether the Mysore Government will nominate silk growers or whether they will nominate those dealing in silk is an uncertain thing. It is left to the sweet will of the Mysore Government. There is also another provision where sericulture interests are to be represented. They have given one representative to the spun silk industry, one to the silk throwing and twisting industry and one for silk weaving industry and two for sericultural experts. But the growers are hardly represented. So I would like to suggest to the Minister that the growers' interests should be adequately represented. The handloom industry also is not adequately represented. There is only one representative in the Committee to represent handlooms. I should like 2 or 3 handloom weavers to be represented on the Committee. Taking this into consideration that the representatives of the different interests involved in the industry are few and the representatives of the Government are more, what can be expected of the Committee is not very encouraging. Because those representatives who are concerned with the daily working of the industry are not there in a position to have a commanding voice. I say this because I want this industry to be put on a sound footing. This is not like any other manufacturing industry. For an agricultural country like ours where the agricultural community is always in need of a bye-occupation we can devise an industry or find out an industry which can give them useful employ-

ment in addition to agriculture without affecting their main calling. Khadi is the only industry so far which we have been able to make use of and it has provided much needed and useful employment for agriculturists who, in addition to their calling, can earn an additional livelihood. If we leave that out, this is the only industry which can provide large-scale employment for the agriculturists. The other peculiar virtue of this industry is that it is an industry which can provide employment for women. We can hardly find any industry which can give employment to women without making them daily wage-earners, without making them leave their homes and without making them leave their children at home and go to a mill or work-spot and then spend there 8 hours in the day,—without affecting their domestic life. This is an industry which provides employment for women. Taking the facts into consideration, the industry can be made an important industry in the economic life of the nation. Therefore if the maximum benefit of this industry is to be given to the masses in the country, the Government must have a well-directed and well-planned scheme for development of this industry. As the Silk Board is now constituted, I am doubtful whether the Silk Board will be able to utilize this objective and work towards the attainment of this. Therefore I would like to urge upon the Minister to consider the suggestion that apart from the Silk Board, a competent officer or person who is an expert in the industry from all these points of view should draw out a plan or examine the question of development of this industry from this point of view and he should advise the Board and guide it in the proper direction. If by nominating the Chairman the Government would like to nominate one non-official who is concerned with this industry, it is well and good, and I would urge upon the hon. Member not to nominate an official as the Chairman. It should go only to a non-official who is closely acquainted with this industry. And then even in the matter of nominating Government representatives on the Board I would

[Shri Govinda Reddy.]
urge upon the Minister to find out such persons as have had some experience in this industry, to sit on this Board. I would also like the Minister to direct the State Governments that in making their nominations to this Committee they should keep this point in view. If the majority of the members on this Silk Board have experience of the industry and have intimate contacts with the industry, I am sure that the Board will function effectively and it will develop this industry so as to make it capable of providing large-scale employment which is much desired in the countryside of this country, and also make this industry a very competitive one.

I am also glad to find that the Government have provided more funds than before for this industry. Mr. Sinha who spoke before me was complaining that Government had not given adequate funds. The annual grant-in-aid for 1953-54, I find, is Rs. 4,50,000. That, of course, was miserably low. Government have agreed to allot in addition to this Rs. 11,50,000 for the development of this industry which in my opinion is a fairly adequate sum considering the position in which the Silk Board is today. The total sum is about Rs. 16 lakhs out of which about a lakh and three quarters go for establishment and all the rest of this amount will be available for development of this industry. So that is a fairly large sum which I am sure the Silk Board will utilise well.

PROF. G. RANGA (Madras): How much is that?

SHRI GOVINDA REDDY: Rs. 16 lakhs in all. Rs. 4,50,000 is the annual grant-in-aid. Then Government releases another Rs. 11,50,000 for the development of this industry.

PROF. G. RANGA: For every year?

SHRI GOVINDA REDDY: Yes, on the development schemes received from

the States. I also find on going through the report that the States have not been able to make full use of the sums provided and that a sum of 6 lakhs and odd remains as uncovered balance.

PROF. G. RANGA: Why?

SHRI GOVINDA REDDY: The schemes which the State Governments have sent up use an amount of about Rs. 7,12,000 or so, and the rest—a large uncovered amount—is still there which could be utilised. So the financial position, in my opinion, is satisfactory. It remains now for the Board to make full use of all this assistance.

One other suggestion I would like to make to the Board and it is this. I make it to the Government also in this connection. One important factor which will help to place this industry on a sound footing is legislation in the matter of stabilising prices. There is a neighbouring country—it is not a neighbouring country, rather an eastern country—Japan, which is well advanced, as the hon. Member was saying, in the matter of silk industry. That country has taken to legislation and has stabilised prices and it has stabilised the prices to the advantage of the grower, and this report says that Japan has thus been able to put the industry on a very sound footing and has been able to improve the marketing position also. In their legislation they have also provided that whenever by the operation of the laws of supply and demand, silk prices fall far low, the Government would undertake to buy over all the silk and they attend to the marketing of the silk. That, in my opinion, is the right thing to do. That is the true idea of protection. If this industry is to survive and if this industry is to help us, then the Government must be able to agree to such protection of this industry. All the friends who have spoken on this Bill have pointed out that there have been several times crises in this industry. Well, if we are to avoid such things, then we have to stabilise prices and I would like the hon. Minister in charge of this Bill to consider that question also. This ques-

tion has been considered at great length in the International Industrial Councils, by the Council which held its session in 1950 in New York and later in April 1951 at Tokyo and in September at London. These conferences have considered this point which has engaged their attention primarily and Japan has been able to take action on that. If Japan could take action and stabilise prices and nationalise the industry so to say—though not entirely nationalised it is very well controlled—I would like our Government also to examine this question and control this industry. The reports which have emanated from the Government of Japan upon the steps they have taken regarding price stabilising have been very encouraging. They say that these have contributed substantially to the economic progress and development of the silk growers and silk producers, and I would like this question to be gone into in detail.

Then, in the matter of extending help to the States for development schemes, there is some thing to be said.

I have to represent here the case of my own State of Mysore. It has undertaken schemes worth about Rs. 1,71,800. These were submitted to the Central Silk Board and only a grant-in-aid of Rs. 46,500 has been provided for 1953-54. Of course, the hon. Minister is aware of the important place that Mysore occupies in the production of silk. Out of a total of 19,25,261 lbs. that are produced in the country, Mysore alone claims 13,28,825 lbs. That figure was for 1951 and in 1952 the total production of the country is 17,37,518 lbs. out of which Mysore alone produced 10,78,317 lbs. Mysore has advanced so far in this industry and has been able to produce almost the bulk of the nation's production. Government must view the case of Mysore as a special one and allot increased amounts to the State.

PROF. G. RANGA: Increased representation also.

SHRI GOVINDA REDDY: Mysore has specialised in the silk industry and research has been carried on by

Mysore for long, for over a decade and Mysore has been able to experiment a good deal not only on the improvement of the mulberry but upon improved appliances and upon the marketing side also. Therefore, I would like the Government to guide the Silk Board to make all experiments that ought to be made in Mysore where they would get the requisite atmosphere, skill and experience.

PROF. G. RANGA: Almost all, not all.

SHRI GOVINDA REDDY: There is another suggestion that I would like to make and that is for Government to bring up co-operatives in developing this industry. This industry lends itself very largely for co-operative schemes. Japan has been very successful, as far as my knowledge goes; under this method they have been able to develop co-operative organisations for the growers, for the breeders, for the rearers and the reelers. I believe if we have to place the people involved in this industry on a substantial footing, we have to organise them on co-operative lines. Even mulberry growers find it beyond their capacity and financial ability, to have a good species of mulberry or to try to graft the Italian or French or Japanese variety of mulberry. The poor growers will not be able to keep their cocoons for any length of time or to market to their advantage because of the lack of financial ability. The same is the case with regard to the reelers. It would be very good if the Government were to organise these people into different co-operative societies so that they may be able to exploit their products to the best advantage. The co-operative schemes, I hear, have succeeded elsewhere, not only in Japan but in Italy and France also. I have not been able to get detailed information as to what the structure there is in Italy and France but I can say that they have tried this experiment and they have succeeded and I would suggest to the Government to resort to the co-operative method and organise the interests involved on co-operative lines.

[Shri Govinda Reddy.]

With regard to technical personnel, I have got one suggestion to make. They are sending technical personnel to foreign countries, particularly to Japan. I believe it is under the consideration of the Central Silk Board to depute this year four officers for this purpose—or, I do not know if they have already been deputed. While deputing these officers, no doubt some discretion will vest with the Government and the Government will keep in view certain factors in selecting these officers; one such should be the experience that the officer has in the silk industry. It is no use sending a raw man there. I find from the programme of the Silk Board that these officers are earmarked for a certain process in the silk industry. Our industry has not been organised on concentrated lines and, therefore, it would be better, in the initial stages, if officers were sent to study the silk industry as a whole and not particular processes or departments. This will be more useful to the country instead of specialisation. Specialisation should come but it will come at a later stage when this industry is organised very well, when we apply large-scale research to the industry and have improved appliances.

At that stage if experts are sent out to study special processes that would be useful but, now, ours is an infant industry here and, therefore, it would be better if all these people who are to be sent there are sent to study the whole industry as such. There is one caution, Sir, which I would like humbly to address in this regard. On going through the reports of the experts I find that there has been the unanimous opinion that we have to introduce mechanical reeling processes and domestic basins for increasing the quality of the silk and to get high grade silk. I do not know if there is danger lurking in this; I feel there is one danger and that is that if it is mechanised the agriculturists will lose their occupation. It would involve factory labour and the farmers—the peasantry—who do it as a cottage industry will lose their occupation. The charkha, I agree,

is a very crude machine but in the stage of our economy today, the charkha is providing employment which would not be otherwise provided and as long as we are not able to provide employment to these people, we have to keep this going. I would, therefore, like the Government to keep this factor in mind and explore the possibility in this direction. If application of improved reeling methods is going to hamper or trouble hand-spinning I do not like that to be taken up just now. I would like the charkha method of spinning to continue. If, for purposes of experiment, the Silk Board wants to have improved appliances they can make a selection of the areas where this is the least harmful and bring it into operation there.

With these few suggestions, Sir, I welcome this measure and congratulate Government in that they are able now to give to this important industry increased attention. The very fact that two amendments have been brought to the Bill within a period of one year shows that the Government have at least now realised the great importance of the industry and have been making efforts to develop this industry.

SHRI C. P. PARIKH (Bombay): Mr. Deputy Chairman, I agree with the main features of this Bill but I would like to make some observations in regard to the remarks of the hon. Minister for Commerce characterising this Bill as a simple measure. The silk industry is at present producing about 2 million lbs. Our requirements are 4 million lbs. and a population of 20 lakhs of people are dependent on it. When we look to the past, we will find that we were an exporting country so far as silk was concerned; we were exporting 2 million lbs. of silk. Our position as an exporting country of 2 million lbs. has come down to that of an importing country to the tune of 2 million lbs. Recently, the Tariff Commission has given protection and that protection has come very late and that protection, in my opinion, is not very adequate because, in 1952, 3 million lbs. of raw silk were imported over and above the internal production.

Therefore I do not understand how this industry can prosper in this country against competition from foreign countries which have developed this industry to a large extent. This industry in our country is in such a pitiable condition, and cannot stand against the Japanese competition. 30 years ago the Japanese were not producing any silk but they have improved this industry within this period. Their Government came into the field and gave all assistance to the cultivators to take to this line. Therefore what has happened in our country on account of our neglecting this industry is that our people have been thrown out of employment whereas in other countries this industry is supporting many people. That is the position, Sir. Therefore, in my opinion, when we have a capacity to produce 4 million pounds of raw silk in this country I do not see why it should not be further explored. Now who uses these raw silk fabrics? I think that it is the luxurious class or those whose income per month is Rs. 1,000 or more.....

AN HON. MEMBER: Now-a-days middle-class people also.

SHRI C. P. PARIKH: May be some but when this article is used by persons who cannot avoid to use it knowing that it is foreign then they must pay for it. If we want to provide increasing employment in the country we shall have to foster this industry. Otherwise we shall be giving employment in foreign countries by importing from them. Technological and scientific investigations have advanced to such an extent in foreign countries that it is high time for us to emulate them in this regard. I think in those countries where this industry has advanced so very rapidly, it was initially supported by their Governments and those countries which were nowhere in the field 30 years ago, have come in the field only during the last 5 or 6 years whereas in our country only during the last 1 to 2 years they are alive to the development of cottage industries and only recently the importance of giving employment to the unemployed in the cottage industries has come to the forefront and a sum of Rs. 50 crores is earmarked for

the purpose. It is a good thing, Sir, that the grants which were niggardly in the first two years are now sought to be increased. The hon. Mr. Sinha said that these Boards had not done anything. I ask, with only 2 or 2½ lakhs of rupees, how can research be done, how can assistance be given to the cultivators by way of technical aid, how can marketing facilities be given to the cultivators? All these are problems which have to be solved. I do not mean to say that Government have not done anything. It may be that they have not enough funds to spend on this. If they are really interested in improving this they must stop the import of this commodity from foreign countries and with the resources that we have we can develop the industry in this country also. Our cost of production may be more in the beginning and so it is no use comparing these things with foreign countries. I think that when we build ourselves then only—say after about 20 years—we shall be able to come into the picture. There is also this problem of population in our country and for the huge population that we have and to look after whom is our responsibility, I think this industry can give employment to 20 lakhs of people or I mean increasing employment to the under-employed 20 lakhs of peasants in this country. Now, Sir, how can this be done? No doubt Government has widened the functions of this Board and I think, Sir, it is very good that this Board are given certain functions and Government are exercising controlling authority over their funds. Therefore, Sir, when Government is exercising controlling authority over these funds they must see that it is the responsibility of Government to see how these funds are utilised and whether they are utilised properly. It is the responsibility of Government to give directives to this Board with a view to see that this industry expands on the right lines. What is the good of directives if the Board does not function properly? I think that it is the Government's function to manage things in such a way that the Board is capable of acting in the right manner. What I mean to

[Shri C. P. Parikh.]

say is that this question is arising from the view point of providing additional employment and I am stressing this aspect. This can be done if Government puts all its power and all the measures they have including the financial resources to right purpose and in the right manner. Although the financial resources may be limited we should do the best we can and we should not allow foreign competition to invade this field. When they exercise such power then naturally this industry will develop. During the last year imports were reduced to about 70 lakhs from 1·2 millions in 1952. The imports were much higher in previous years. To reduce the import of artificial silk the importer should be made to pay 200 per cent. duty so that to that extent there would be adequate protection given to the indigenous industry. We know that these commodities are not absolutely necessary for the lower income groups so that the duty won't affect them. By so doing gradually we can accelerate the production to 4 million pounds which will meet the requirements of our country. We were an exporting country in the past but that is past history. Though we may not be able to regain our position as an exporting country, at least we must be self-sufficient and be in a position to stop the imports from outside.

Now, Sir, I will come to the matter of cess which has been raised by the hon. Mr. Sinha, namely, that this cess though authorised by the 1948 Act is not levied. Of course the cess is usually levied on the industry. Now the sericulture industry not being prosperous cannot bear this. Therefore it is only natural that Government gave grants. The suggestion about a cess on artificial silk is very important. But I may say, Sir, that artificial silk is also at present a growing industry established only two years ago in this country and before that artificial silk to the extent of 17 crores of rupees was annually imported from foreign countries and so.....

AN HON. MEMBER: What is its production now?

SHRI C. P. PARIKH: It is about 6 million lbs. and within five years we shall be self-sufficient in the matter of artificial silk. Now over and above this this artificial silk has also another advantage and that is that the products of artificial silk are also going to Pakistan. This silk is a fabric which takes colour very easily and if we improve the marketing facilities we shall also be able to develop our market in the Middle East and the Asiatic countries easily. Expansion of this artificial silk industry is taking place and will fully materialise in the next few years. At this stage if you levy a cess on the artificial silk industry you can imagine what harm it will do to its expansion. What is the alternative? The alternative is to reduce the import of artificial silk which was to the tune of 7 crores of rupees last year. I think, Sir, we can reduce it to two or three crores and gradually bring it to nothing. I have already suggested a duty of 200 or 300 per cent. on the artificial silk imported into this country. The duty realized on the importation of artificial silk yarn or raw silk can be diverted for supporting this measure intended to protect and expand cottage sericulture industries. The art-silk industry has not yet established itself. During the last five years, we have imported artificial silk to the extent of 50 or 60 crores of rupees and if we could stop those imports completely or at least gradually we need have no doubt that our industry would expand and expand by leaps and bounds. From that standpoint I am saying, Sir, that I am in agreement with these proposals. The sericulture industry must be supported against the artificial silk industry within the country also. That should be the attitude. What is the time for doing it and whether this is the proper time, all these have to be considered. And when we have arrived at the time, we must give greater preference to an industry which is on a cottage scale than one which is a manufacturing industry. Therefore I am in agreement with the proposals which may shape themselves after two or three years. If Rs. 12 lakhs or Rs. 15 lakhs are to be given to the industry and if the Government can do

this, we can very well make good progress in both sections of the industry—the cultivation side and the producing side. All these can be done in such a way that we derive the maximum benefit by improved varieties and better methods of cultivation. And for that, Sir, research work has to be carried on, but research does not bear fruit in a very short time. And sometimes research may not bear any fruit at all for two or three years. What is more important is the technical training which should be given to the peasant cultivators who are engaged in this industry. If such technical training is given, then I think the production will increase considerably and the quality will also be better. There is no use in this Board just doing something in the matter of technical investigation. It must do something real and sound and it must approach every cottage engaged in the industry. Only if that is done, we can make any headway. The hereditary art and skill of our old sericulturists have disappeared. Naturally they were wiped out during the last 20 years. It has to be revived. And if you want to revive it, some technical guidance and financial assistance have to be given.

As regards marketing facilities—marketing of raw materials and marketing of manufactured products—we must have an organisation in the principal producing districts. They must look after the marketing arrangements. How can they do it. First of all, the demand in the country should be assessed; we must see from what districts those demands arise and what varieties and designs are required in particular districts. Those varieties and designs should be studied by the marketing organisation and it should be translated and passed on to the cultivators and the weavers. If all this is done, the marketing organisation will be very useful.

Then the cultivators engaged in this industry have not got enough means at their disposal. They require financial assistance. At present they lose both in the purchase of raw materials

and in the sale of manufactured goods. They lose both ways; they are giving about 10 per cent. to those persons who finance them. The marketing organisation should be a sort of financial organisation to the cultivators and producers in order that they may not be exploited by intermediaries in this respect. That exploitation in my opinion is to the extent of 20 per cent. on the sale price of the goods and that is not a small thing. Therefore, Sir, these measures should also be adopted. Then, Sir, with regard to the marketing organisation, retail depots will have to be started in the principal cities and towns of India. It should be not only for this industry but for all the cottage industries and if they are started the cultivator or the weaver can get advance from them. Thus these depots can serve both as financial organisation as well as selling organisation. If a weaver sends his product, say, 100 yards of manufactured silk, to the retail depot, he should be able to get an advance against that. These are the things which are necessary for developing this cottage industry which is now extinct owing to our negligence in the past.

With regard to grading and stamping, they are also most important. At present the silk is not properly graded nor properly stamped. If it is graded and stamped, then every one who goes to buy it would be able to know the quality of the product and will have less difficulty in making his purchases.

Now, Sir, the artificial silk industry is a competing industry with this. I say, Sir, the name 'artificial silk industry' should not be given to that industry, but it should be called the rayon industry. If it is known as artificial silk the consumers may be deceived and they may not know whether it is real silk or artificial silk. So for this competing industry the name 'artificial silk' should not be used but should be substituted by 'rayon' or any other word so that the consumer knows what he is buying, whether it is pure silk or artificial silk manufactured out of other materials.

[Shri C. P. Parikh.]

Then, Sir, we have also to pay attention to the silk waste. The silk spinning factories are there in the country. They are on a small scale and they can be expanded. It should be the function and duty of this Board to assist the industry in such a way that the development and growth—both in cultivation and manufacture—continue at a faster pace, at the pace which we desire.

Now I come to the other point about the functions of this Board. The functions of this Board are governed by the rules to be made under section 8, and the Government practically is giving guidance to this Board in so many sections. As regards the composition of the Board, there are to be only three producers out of a total number of 36. That is too small a number. Over and above that, there are 11 officials. I have had experience in many committees of working with officials. They are so much overburdened with their work that they are unable to devote the time which is necessary for the purpose. If you want to appoint officers, do appoint them, but let them be full time members of the Board so that they may be able to do their best to further the activities of the Board, and the success or failure of the Board may be dependent on their activities. Their just attending the meetings, bringing their files and sitting there for an hour or two, will not improve the prospects of this industry. Instead of three producers on the Board, there should be at least one-third of the total number, because if our producing industry is strong, everything else is strong. Whether they are appointed by the States or not, a direction can be given by the Government that in order to make this Board stronger, the producers should be one-third of the total number.

Then there is no representative of trade and commerce. This House may not like trade and commerce but I may point out that it is important that there should be some representative of trade and commerce. Those persons who buy these raw materials from these

people know what are the defects in those materials and how they can be remedied. And when these people are selling their products, they are selling them to the traders who will know whether it is the right thing. So the trading community could give guidance both to the producer and to the manufacturer. I therefore think that persons who have got experience in this trade should be taken so that they may be able to give proper guidance right from the process of production up to the stage of manufacture. The trader knows very well the difficulties of the producer as well as the marketing difficulties and all these things can be coordinated. With these words, Sir, I support the amending Bill.

SHRIMATI PUSHPALATA DAS (Assam): Mr. Deputy Chairman, I welcome this amending Bill though it is belated. I agree with Mr. Parikh on all the points except one or two. I do not want to cover the ground which has been already covered by the previous speakers. I only want to correct the statement made by the previous speaker that silk is a product for luxurious classes. Perhaps the hon. Member does not know the conditions prevailing in my State, Assam. In Assam it is not only the product of luxurious classes but it is the poor man's product also. Due to its durability even the poorer classes prefer Eri and Muga silk to cotton. In our parts we have got short staple cotton. Cotton clothes are not so durable and fine as silk clothes. Assam silk is so durable and strong that parents can hand it over to their children also. In olden times seven varieties of silk used to be produced in Assam but at present we have got only three varieties, namely, Muga, Eri and Pat; the first two are indigenous to the province. Although Eri culture has been introduced in certain parts of India. Assam with all her natural and climatic advantages, still remains the foremost competitor in the field, and so far as Muga is concerned we are the exclusive possessors of this silk. Due to lack of funds the State Government has not been able to encourage the silk industry. Therefore some help from the Central Gov-

ernment is absolutely necessary and I think that if some encouragement is given to this industry and some special consideration is given to the silk industry of Assam, I am quite sure that the problems of my State will be solved to a great extent. I do not want to be parochial but as most of the points have already been covered by the previous speakers and as I am also one of the representatives of my State I am only touching those points which are not touched by any other speaker.

Now when we study the history of Japan about the silk industry we will find that they have developed this industry to a very great extent and today they are in a position to compete with the world market. This is all done with the aid of the State. Similarly if the silk industry is developed in Assam, Assam can beat the whole world. It is not my opinion, it is the opinion of a Japanese silk expert who visited Assam in 1935 and who said "Assam can remain as a queen of the silk industry in the whole of the world if her resources are properly developed". We have got a rich industry and we can compete with the outside world also if proper aids come from the Centre. Assam's Mazangkori silk with its bright mauve colour which was once the pride of our State gradually went into decay for want of adequate financial help. So I want the Government to open some research stations not only in Assam but in all the silk growing States. And propaganda must be carried on in such a way that even the common people can derive benefit out of these research stations. Mr. Reddy wanted it to be done only in Mysore. There are already two such stations there. Let Mysore have one more station; I have no objection; and let Mysore share her experiences with other States also. There must be interchange of ideas and experiences, then only India as a whole will be able to develop. I hope the Mysore Government will help the other States also. That is the only way in which this industry will be developed and the whole of India will be able to compete with the outside world.

Then, Sir, at present there is a controversy going on whether we should stop the import of artificial silk. If we stop the import of artificial silk, that will be affecting the consumers very much, specially the poorer class of people, because they cannot afford to buy costlier silks. At the same time we cannot altogether stop the import of pure silk also as we are producing only two million pounds of silk and we require another two million pounds. So, so long as we are not self-sufficient in this matter, we cannot stop the import of pure as well as of artificial silk from outside countries. Only when we have achieved self-sufficiency in this, the Government can stop importing silk from outside. At present the Government of India can impose a tax upon these imported silks and the revenue which will be obtained by the Government must be spent for the development of this industry alone. The development of this industry will solve the unemployment problem of many States. The silk industry is pride of Assam and if developed fully, it will solve the State's various problems. Our State has suffered a lot after the partition and earthquake. After the partition many people have been thrown out of employment and if the Central Government gives a special aid to this silk industry I think they will be solving this unemployment problem of my State to a great extent—not only of Assam—but of other States also, the silk growing States like Bengal, Orissa, Madras and Mysore, etc.

Mysore got the impetus at the time of war and today she is one of the premier States which are producing silk. Mysore produces today about 70 per cent. of the country's production of raw silk. She could come to this position due to Central help at the time of war.

In Japan also we had seen when there was a fall in the prices of Japanese silk the Government of Japan purchased the whole stock and relieved the industry. The Government of Japan and the Government of America are exercising full control over this industry. We also

[Shrimati Pushpalata Das.]

hope that our Government also will do the same and foster the growth of this industry through State control.

Now coming to the representation on the Board, Sir, we have got only one representative so far. So I think when they nominate they can nominate another person also from Assam because it is genuinely a silk producing State. In 1921 when Gandhiji visited Assam he remarked thus: "The maidens of Assam weave their dreams in their handlooms". Assam's handloom industry means Assam's silk industry. Till today we have not got a single cotton mill in our State. Our homes are self-sufficient. But this industry is dwindling today due to paucity of funds.

Now if the Government wants to develop the industry, it has to control it from the very beginning. Now the problem in India is that we have not got a good variety of mulberry plants; the seeds are defective. If the Government can have a proper control over these things from the very beginning, I think that will enable us to go ahead and we can be self-sufficient in the next three or four years' time. It all depends upon the activities of the Board. The Board must control whole process from raw silk to finished goods and also must take initiative in promoting marketing associations.

I am glad to know that the Chairman of the Board is going to be nominated from outside the Ministers because the Minister is always busy and this is also an anomalous position for him. After realising these difficulties they are going to have a nominated Chairman. Let him be an official or a non-official. I have no quarrel over that. All we want is that he should be sincere. We want that the activities of the Board must be encouraged, the industry should develop and be self-sufficient, and the States which are suffering from handicaps must get help from the Central Government.

Central Government also must help and encourage those experienced people who have come out with the

production of small machinery highly suitable for cottage industries in this line. In this connection I pay my tribute to Shri Nidhi Ram Das of Gauhati who has invented two machines for reeling and spinning and weaving. I am not against the old *charkha* but if we want to compete with the outside world evenness of yarn must be guaranteed. Nidhi Ram Charkha is not a very costly *charkha*; if Government gives a subsidy it will be still cheaper. Every household can possess one easily.

Now coming to proviso to clause 4, it is said: "that it shall be lawful for any such official to depute in the prescribed circumstances another official to attend any meeting of the Board on his behalf". Sir, somehow I feel that it is not quite proper. The Board must not be deprived of the benefit of the continuity of experience.

Now, under section 13 there is a subsection (xvi)—"the purposes for which funds of the Board may be expended". There they have got a section under which they can control the activities of the whole industry as in Japan or America. If it is not possible for them, they can appoint some other agency—but they must discourage heavy profits. If they can control the whole industry, I think the problem of this industry will be solved, and the purposes for which the Silk Board has been constituted will be fully served.

With these few words, Sir, I support the amending Bill.

SHRI TAJAMUL HUSSAIN (Bihar): Mr. Deputy Chairman, there cannot be the least doubt that the silk industry is in a deplorable condition in the country. I do not think I would be far wrong if I were to say that it is on its last legs; it is dying. In my opinion, if Government were to give half as much assistance to the silk industry in this country as they give to the *khadi* industry, it would not die; it would survive. Under this Bill a Board has been constituted and the Chairman of the Board is to be nominated by the Central Government but I find that the qualification of the Chairman

is not mentioned. I therefore suggest that the Chairman of the Board should not be a non-official. I want the Chairman of the Board to be an official, a full-time highly-paid Government servant, and he should have full powers to direct the Board.

SHRI K. B. LALL (Bihar): Should the Chairman be a paid one?

SHRI TAJAMUL HUSAIN: I have already said so. A highly paid Government official of the Central Government should be the Chairman of the Board, and the Board should be only an advisory body. It should be for the Chairman to accept the advice of the majority of the members of the Board or not to accept but if the advice is unanimous, even then, in my opinion, he should have the right not to accept that opinion, but I would suggest that in such an event, the reason for rejecting the advice of the Board should be sent in writing by the Chairman to the Central Government and the Minister in charge for a final decision. I am sorry I have to say so much against the Board because my experience about Committees and Boards, especially non-official ones in this country, is very poor.

11 A.M.

PROF. RANGA: A poor opinion of your country.

SHRI TAJAMUL HUSAIN: If a whole-time officer is placed in charge of this industry, I think this industry will develop. I also want to suggest that there should be a scientific research laboratory. Government have got powers to frame rules under this Bill. They should provide for the Board having a laboratory for this purpose, and I think that one or two officials from the Ministry of Scientific Research should be nominated by Government as members of the Board. I do not wish to say much on this Bill. Much has already been said and much ground has been covered. In conclusion, I would like to tell the hon. Minister that in Bihar there is a Silk Institute of the Government of India. My information is that it is in a very

bad condition. Even the building of the Institute is not sufficient to accommodate the employees who are working there. My suggestion to the Government is that they should make enquiries and if they find that my information is correct, they should do something about it.

SHRI T. V. KAMALASWAMY (Madras): Mr. Deputy Chairman, I should like to congratulate the hon. Minister for Commerce and Industry on enlarging the scope of the Central Silk Board so as to cover the silk weaving industry also, but I object to the way in which the Government frequently come to the House for the purpose of amending various Acts. When they came last in August 1952, the Minister said that the Standing Committee of the Silk Board did not meet often enough and that instructions would be issued for having more meetings. If my information is correct, after August 1952 the Standing Committee has met only twice, in February and July, and after July there has been no meeting, not even the annual meeting of the Silk Board, which is scheduled to take place only in November.

As regards the composition of the new Board, there is the danger that almost all the nominees of the State Governments are likely to be officials. There was a very salutary provision in the previous Act that at least one of the nominees of the Government of Madras and West Bengal should be a non-official. I don't know why the Central Government should more and more exhibit their lack of confidence in non-officials. It is a very depressing state of affairs to think that such Commodity Boards, although they are of an advisory nature, should be full of double-dyed bureaucrats.

One more suggestion about the composition of the Board. Although various sectors of the industry have been given representation, no representation has been given to the marketing sector. I would suggest to the Minister that out of 36 persons at least 3 should be nominated from the marketing or sales side of the industry.

[Shri T. V. Kamalaswamy.]

Coming next to the problems facing the raw silk industry, they are mainly two—the question of stabilising the price of silk and that of finding an economic market for the finished product. Unless the cocoon rearer gets a sufficient return for the cocoon reared, he is likely to discontinue the rearing of cocoons and the planting of mulberry bushes in subsequent years. The price of indigenous silk is unalterably linked to that of the imported silk. As has been said by many speakers, we produce only half our national requirements and more than 2 million lbs. have to be imported from abroad. Our hon. friend Mr. Parikh said that Government has not got adequate funds to protect the industry but I would invite the attention of the Commerce Minister to the two suggestions made by the Tariff Board in their report, dated December 1951, in which they said:

“The suggestions made to the Government of India to the effect that powers should be taken under the Essential Supplies (Temporary Powers) Act to regulate the prices and distribution of imported silk deserve thorough examination by Government.”

The cost of imported silk depends on various things. If it is high, then automatically the cost of raw silk also goes high. The growers of mulberry trees and cocoons get much better price and they are given a fillip.

The next suggestion made by the Tariff Board was that most of the dealers who deal in imported silk, also deal in artificial silk and it seems there is rampant speculation in artificial silk. The speculation spreads to imported silk also and naturally it leads to unstable prices for raw silk. Therefore the Tariff Board suggested that:

“Since artificial silk has at times been the subject of rampant speculation which had its repercussion on the prices of raw silk and since any measure to check speculation in arti-

ficial silk will be beneficial to the raw silk trade also, we consider that when the proposed legislation for regulation of forward contracts is enacted, the desirability of applying it to artificial silk should receive consideration by Government.”

These are two very valuable and highly learned suggestions given by the Tariff Board which the Government could have applied if only they had a mind and the will to encourage our local industry. Then I come to the problem of marketing of both the cocoons and the finished fabrics. A suggestion was made by the Silk Board that the cocoon markets should be declared notified cocoon markets by the State Governments to enable the cocoon rearers get a fair price in the open market, so that they need not be at the mercy of middlemen and other exploiters. As regards finished fabrics, just as in the case of handloom textile goods, numerous co-operative sales societies should be organised by the State Governments to market these finished raw silk fabrics. Another important factor is that of grading the raw silk and raw silk goods and for this purpose Government should have a Directorate of Inspection as in the Agmark Department and these inspectors will go and grade the different silk yarns as well as finished goods and it will be indelibly stamped that they are made of pure silk so that the manufacturers of artificial silk may not adulterate and sell the spurious goods as genuine silk goods to the public.

Lastly I come to the establishment of a Silk Research Institute. At present the Silk Board is operating only as a co-ordinating body and distributing the small amount it has at its disposal in a disjointed way over various States on schemes which have no relation to each other. All these can be rectified only if the Government establishes a Central Silk Research Institute on the same lines as the other Central Institutes like those for leather technology, oil technology etc. so that the work of assisting the research done at other institutions undertaking researches on their own

account, encouraging other technological bodies or universities to go and conduct researches—all these can be done in a very effective way. I find from the minutes of the Standing Committee of the Silk Board that they have framed an exhaustive syllabus for a diploma course in sericulture but at present there is no institute which is capable of running this diploma course and only if the Government establishes a Central Silk Research Institute, such a diploma course can be given.

Lastly I would suggest that the Silk Research Institute should be established not in Mysore as some friends suggested, because Mysore has developed to the saturation point, but it should be in some other State which is in a middling state of development *e.g.*, the State of Madras, which comes next in the order of merit.

DR. RADHA KUMUD MOOKERJI (Nominated): Sir, I wish to congratulate the Government on their decision to organise the decadent silk industry of India on a scientific basis. I speak for the famous silk industry of Murshidabad district of which I happen to be a native and so I have some special and direct experience of the conditions of the silk industry in that area. At the outset I would like to say that the Murshidabad silk industry is run as a complete handicraft and has set much store by the yarn which is hand-spun and they also stand necessarily for hand-spinning. The silk industry there has been run completely as a handicraft industry. I found from a recent investigation on the spot that these two branches of the silk industry are in a very decadent state. The weavers believe in spinning the silk yarn by hand, and at the same time, the manufacturers also are faced by foreign competition. So I would like to suggest to the hon. Minister in charge of this industry that he should go into the subject and find out whether by some kind of protection this decadent silk industry of Murshidabad district which

has had such a glorious past can be rehabilitated so that it may play a more glorious part in the industrial future of the province.

I have also studied on the spot the condition of the silk industry from the field to the factory, that is to say, at its every process. I find there is an All-India Sericultural Institute and I am told that the object of this institute is to cater for the needs of the whole of India. I did not know that there was such an institution in Madras or Binar. So far as I could gather, the Government of India themselves are financing part of the work of this sericultural institute at Murshidabad. I submit that as this industry is not yet completely moribund, if this industry is protected at the proper stage by rigorously protecting the handspun yarn, then I think a great step would have been taken in revitalising this handicraft. In this connection I would like to point out that my Mysore friends say—and of course, I am speaking subject to correction—that the Mysore silk industry does not stand entirely for handspun yarn—and this is another factor which is depressing the industrial workers of Murshidabad district, who stand up for the other ideal, namely, the purity of the handspun yarn. I think the entire question may be gone into, as to the extent to which handspun silk yarn should be encouraged and also the extent to which the indigenous silk manufacture of India may be protected against the invasion of cheap foreign stuffs. This competition with foreign silk stuff has become so formidable that I found that habitual and hereditary weavers and spinners who are employed in this industry are taking to other occupations and I am told that thousands of these trained craftsmen would be thrown out of employment very soon unless Government intervened at the proper moment. I therefore, think that it is a very good augury for the future of this silk industry and it shows that Government realises the im-

[Dr. Radha Kumud Mookerji.]
portance of saving this silk industry by bringing it under Central control alongside with such technical aids that may be provided by Government alone and not by any other agency. I therefore commend these points for the consideration of the hon. Minister in charge of this Bill.

Dr. P. C. MITRA (Bihar):

डा० पी० सी० मित्रा (बिहार) :
डिप्टी चेयरमैन साहब, लडकान में हमने भागलपुरी सिल्क, मुर्शिदाबादी सिल्क, बनारसी सिल्क और आसामी सिल्क का नाम सुना था लेकिन मैसूर सिल्क का नाम कभी नहीं सुना था यहां सब जगह सिल्क की काटेज इन्डस्ट्री (cottage industry) थी। भिदनापुर में तो एक कम्युनिटी (community) ही थी जो कि मलबरी प्लान्टेशन (mulberry plantation) करती थी और घर घर में यह पैदा किया जाता था। वे लोग मलबरी कल्टीवेशन (cultivation) कर के सिल्क बनाते थे और हजारों मन सिल्क वर्ष भर में बनाते थे। वहां पर एक सिल्क का कारखाना भी खोला था। लेकिन जब ब्रिटिश राज्य आया तो उसने सब को नष्ट कर दिया। इसी तरह भागलपुर की सिल्क इन्डस्ट्री हमारी एक बहुत बड़ी इन्डस्ट्री थी। घर घर में वह चीज होती थी लेकिन आज उसकी बुनियाद भी नहीं है। मेरा कहना है कि अपने देश को सिल्क की जितनी जरूरत थी उसको हम लोग पूरा करते थे और उस दरकार को पूरा करने के बाद हजारों मन सिल्क बाहरी देशों में भी चली जाती थी लेकिन अब यह हाल है कि हम लोग बाहर से सिल्क लाते हैं और उसमें आर्टिफिशियल सिल्क (artificial silk) भी लाते हैं जिसको कि आदमी पहचान भी नहीं पाता कि वह आर्टिफिशियल है या सच्ची चीज है। इस वास्ते मेरा कहना

है कि जब गवर्नमेंट की नज़र सिल्क इन्डस्ट्री पर गई है तब उसे इस सब बात का इन्वेस्टिगेशन (investigation) कराना चाहिये। जहां जहां सिल्क इन्डस्ट्री एक काटेज इन्डस्ट्री थी वहां वहां उसी को डेवलप (develop) करके पूरा करे और खाली एक जगह पर एक बड़ा कारखाना कर के इस काम को न करे। इसी वास्ते मेरा कहना है कि भागलपुर, आसाम, मुर्शिदाबाद और बनारस की इस काटेज इन्डस्ट्री को डेवलप कर के सरकार बढ़ाये।

इसी तरह से जो बांकुरा की टसर है और जो कुकून टसर (cocoen tusore) है जिस पर की सिंगभूमि की मोनोपोली (monopoly) थी और जिसको कि ट्राइब्समैन (tribesmen) जंगलों में उपजाते थे उसे भी सरकार नज़र में रखे। इससे यह भी होगा कि जो आजकल अनइम्प्लायमेंट का क्वेश्चन (unemployment question) है वह भी बहुत कुछ सुधर जायेगा। इसी वास्ते मेरा गवर्नमेंट से कहना है कि सिंगभूमि की टसर, बांकुरा की टसर, मुर्शिदाबाद, भागलपुर, आसाम और बनारस की सिल्क को वह नज़र में रखे और उसकी काटेज इन्डस्ट्री को बढ़ावे।

मैसूर की सिल्क का जहां तक सवाल है उसको तो गवर्नमेंट मदद करती ही है और वह तो बन्द होने वाली नहीं है लेकिन मेरा तो यही बोलना है कि जो काटेज इन्डस्ट्री है उसे पूरी तौर से नज़र में सरकार रखे। यही बात मुझे कहनी थी।

[For English translation, see Appendix V, annexure No. 3.]

SHRI S. P. DAVE (Bombay): Sir, I will not repeat the arguments that

have already been advanced here but would only make a few other observations which I think I should make. I consider this Bill to be a welcome move in the right direction for the reason that now we have come to a stage in independent India when wherever the interests of these industries have got to be preserved, they will have to be brought under the care of the State. Therefore, I compliment the State for coming in at the proper time to rescue an industry which had a glorious past as the learned professor just now said but which is now in a decadent state

Secondly it would operate as a very useful measure to provide employment to the masses in the rural areas.

Sir, I do not want merely to remain satisfied with the target mentioned by Mr. Chandulal Parikh but would like to go further, because in India we have the necessary scope. Ours is a large country with a rural economy where we can produce more silk than 2 million pounds. Sir, I know it is a luxury article, that it is not meant for the poor. The spinner who spins the silken yarn hardly has the wherewithal to clothe his children and himself with the material he makes. It goes to the cities and to the aristocrats. Therefore it may be asked, "Are you going to subsidise the apparel of the rich?" Therefore, I would like to make it clear that the subsidy to be given should be given to the grower of the silk and to the labourer. It should be adjusted in such a manner that it goes to benefit not the wearer of the silk who is rich enough but the man who is of poor means. Coming to that point, I find some fault with the constitution of the Board. Firstly, I calculated the number and it comes to as much as forty and that is an unwieldy one. It may be good enough for a board to be called once a year. But a board of 40 members, many of them belonging to different sections, it is rather difficult to meet very often. There-

fore the major portion of the business will have to be transacted by the Standing Committee. Therefore, I attach naturally more importance to the Standing Committee. It has been said here that the interests of the traders have not been looked into properly because they are given only three representatives. I do not claim to speak on behalf of the traders. But when I carefully looked into the matter, I saw that labour is being represented only by one in forty. That I think, Sir, is very poor and inadequate representation. Labour should have more representation on the Board and also on the Committee because it is in the interests of this industry that labour is properly represented. In this industry labour is not properly looked after. They are not even paid the minimum wage, they are indeed exploited. Even the fundamental rights which you have given to everybody under the Constitution are sometimes denied to these workers, and due to their utter poverty they cannot even contest or pick up a quarrel with the employer. In rural areas they are spread out in such a way, the employment is not continuous and it is difficult to build up organisations among them. Therefore, unless some safeguards are there to protect the fundamental rights of the labourer, I think he would go without any justice being done to him.

I appeal, therefore, to the hon. Minister to revise the constitution of the Committee. I do not say this in a destructive spirit but in a spirit of constructive suggestion, to help him. Sir, I support the other hon. Member who said that definitely the Act must state that the Board has the responsibility upon it to do scientific research in the trade and industry by whatever means it is possible. If the Murshidabad Institute is capable of improvement and expansion, it should take more responsibility. Another gentleman said, "Let there be more institutes in the different parts of the country". I am not an expert, Sir, on the subject and I do not

[Shri S P Dave]

claim the knowledge whether Mysore should have a separate institute, Madras another and Murshidabad a third or there should be one central agency with plenty of staff and plenty of funds to enable research work to go on all the time, but something must be done in order to see that we are with the world in this matter, to see that the staple improves, the quality improves, the durability improves and also the germs which affect the plants are removed. The most important of these things to my mind is that the industry should be helped in such a manner that those who are engaged in it may not at any time have to stop work for want of finance and marketing. These are two very important matters and these are the handicaps of all small industries and handicrafts in our country. Take, Sir, the handloom industry. In Gujarat alone, in the Mehsana District there are thousands of handlooms today lying idle because once stocks are piled up and cannot be marketed properly, the handloom weaver has not the money to purchase yarn. So, there must be some regular agency to purchase the right material and market it on behalf of these people. It is not their occupation, they know how to weave and weave the best. Let their intelligence be utilised for the purposes for which they are qualified. It is for the distributing trade, if the merchants are not coming forward because of the lack of margin, a co-operative society or a Government agency should replace the ordinary distributing trade. The workers engaged in this industry should at no time suffer for want of finance and for want of markets. These are the most important items which the Board will have to take care of. In all State concerns sooner or later, down from the Sindri Fertilisers to the small industries, our care shall have to be the proper marketing of our products. Therefore, we will have to create an agency, independent of the ordinary traders and the merchant world. We can

do that cheaply, economically, efficiently and in a proper manner so that out of a rupee, most of it goes to the producer and to the workers and very little goes by way of margin.

Thirdly, Sir, comes the tariff policy and the protection policy, against foreign competition, which should be taken care of. To my mind, Sir, mixing up artificial silk with pure silk is not very proper. Artificial silk is entirely different, it is such a low material and it is not even durable. It does not last long and to call it even silk is a misnomer, it is a wrong use of the word silk but, somehow, in trade the two have come to be mixed up. The Board should really and properly sponsor the case of the real, original, silk and not so much that of artificial silk.

SHRI H P SAKSENA (Uttar Pradesh) Ban the import of artificial silk

SHRI S P DAVE If that were the Government policy, I would certainly support it because, in my opinion, it is the artificial silk which is making more mischief and the speculative rise and fall in prices is ruining the industry. Along with it, factories established for artificial silk close down with these falls in prices and workers suffer as a result of it.

SHRI K B LALL I will have to congratulate the Government on the sincere effort they are making to help the silk industry and, while congratulating Government, I have to make some suggestions with regard to how the silk industry in Bihar and particularly the Bhagalpur tussore industry, should be helped. On previous occasions also, I took the opportunity of bringing to the notice of the Government this matter and they were pleased to say that on proper occasions they will look into this. Now, this Silk Board has been constituted to develop this industry and I think this is the proper occasion to bring to the notice of the Government some features of the industry as to how it is faring in Bihar. Reference

has been made to the subject by my hon. friend, Mr. Tajamul Husain, just now that there is a silk institute in Bihar. I may say that that institute is there just in name only. It is situated in my own town and it is not faring well, as my friend has already brought to the notice of Government. This tussore cloth of Bhagalpur attracted the attention not only of the people in this country but also of other people. The tussore of Bhagalpur used to be well known but today this cloth exists only in name and the tussore of Bhagalpur is disappearing from the market. If you were to go to the Bhagalpur market, you would not be able to get tussore. The merchants will not be able to supply to you because they will require previous order from you in order to try and find some tussore and weave the cloth for you. That is the position with regard to tussore cloth at present. You will be surprised to know how the British Government helped this industry. Whenever they wanted to help in certain directions, and they had no mind to help the industry, they would try some such things. It was the British Government that founded the Institute, and this Institute was founded in the name of helping the industry whereas that was the device for killing the industry because they imported Italian thread and other threads and introduced them into the Silk Institute. As a result of this the people of that place who used to weave tussore thread gave up tussore thread and came under the clutches of the middlemen. The weavers came under the clutches of the middlemen and they gradually left tussore weaving. That was the position and that is the position even now. I brought to the notice of the Government that the old industry deserved some attention from the Government in respect of development etc. I do not know whether it sounds fearful, but some commission should have been appointed for this industry to go through the question as to how this industry is faring and whether this industry requires

the help of the Government. I am glad that this industry has drawn the particular attention of Government. This is an industry which requires all protection and Government should give all the attention it can to this industry. Mere high-sounding words and enactments would not help us unless we go into the details of the thing and see how the things are faring under their care. I congratulated the Government the moment I came to know that it is a sincere attempt and they are doing all they can but this is to be brought to their notice how the things are actually going on. We may be passing Acts here but the things may be going wrong on the spot and those in charge of that thing may be only concerned with only printing reports and submitting them to the Government and supplying figures and all that whereas in reality the thing may be dying down. I find in this amending Bill provision as to how the Board is to be constituted. There are four persons from Mysore and this is more than from any other State, as the maximum from any other State is only two. When I speak about Mysore representation I have no bad motive against Mysore. It is perhaps based on the principle that because Mysore produces more silk there should be more representatives of theirs on the Board. Of course leaving Punjab all the other States are represented. One person from each State could very well have served the purpose if at all representation of the States was necessary. I raised the question of Mysore representation because it seemed to me that their representation was done on the basis of figures supplied to the Government and in the matter of supplying figures some States which are vigilant and which are not sleeping are very good at supplying figures and printing reports also. There is also the publicity department attached to every State and they produce booklets and pamphlets to advertise what they are doing.

SHRI GOVINDA REDDY: Do figures grow on publicity?

SHRI K. B. LALL: So those who are very much vigilant and careful in giving publicity do so but in actuality things may not be going to the extent the publicity indicates. Of course I do not doubt the whole figures but it cannot be said that the figures supplied are all correct. I do not know how the figures from the States are supplied but the people in my State seem to be so much sleeping that they have not taken to publicity. As Mr. Tajamul Husain pointed out, the industry in our State is not faring well; it is a fact that it is not faring well and it is not even eager to supply figures or to take advantage of publicity and probably the Government of India might.....

SHRI K. S. HEGDE (Madras): You are complaining that they are not supplying false figures

SHRI K. B. LALL: But taking the whole thing together, if somebody supplies false figures and if somebody supplies true figures it amounts to the same thing. Somebody may be supplying even inflated figures. I do not say that it is so in any case.

I can only supply this much of information that so far as Bhagalpur is concerned it is perhaps being starved and neglected. It is a fact which I saw with my own eyes that the industry there is not faring well. Mr. Tajamul Husain also brought it to the notice of the Government. I ask how is it, in spite of so much care that the Government want to take, in spite of so much interest that the Government is trying to take—and they are actually making a sincere effort—how is it that such an important industry is being neglected in one corner of a province, where no attempt is being made and the industry is still languishing and it is not improving in spite of the attempts and care of the Government. It leads me to conclude that there is something wrong somewhere for

which Bhagalpur industry is languishing. I have not got any insight into the figures of the Government and how they prepare their report and what publicity they give and how they are taking steps to develop the industry. That is why I cannot supply any actual figures. Our industry is not only dying but it is almost dead and those who are in charge of this industry are responsible for this. That is my only point. You may arrive at any conclusion as to how it came about.

Then I want to say something on another suggestion made by my friend Mr. Tajamul Husain. He wanted an official-ridden Board. I do not know whether it was a revolutionary idea or a reactionary idea but it was something like that. It may be either of the two but I could not follow what he meant by his suggestion to have an official Board. The welcome change that the Minister-in-charge is going to effect by this amending Bill is to replace the Chairman of the Board, who is the Minister now, by a non-official Chairman. At least my friend could have supported the existing position of an official of the Government being the Chairman of the Board who is the hon. Minister himself. But he went a step further and wanted an official Board, which I could not understand. When the Minister himself wants to effect this welcome change I cannot understand how my friend could come up and say that some Secretary or Under Secretary of the Government or even an official below that rank should be the Chairman. How will it improve the administration of the Board? Of course if one wants to flatter the Government by such suggestions that is understandable, but if we want to improve the administration then surely to help the Government in this regard is to suggest that there should be a non-official Chairman of the Board. But in no case should there be an official—paid servant of Government—as Chairman of the Board. With these suggestions I support the Bill and

hope the Government would give due attention to the neglected industry.

SHRI KISHEN CHAND (Hyderabad): Mr. Deputy Chairman, I welcome this amending Bill in the hope that this Board will really take interest in reviving the oldest industry in our country—the silk industry. I do hope, Sir, that this Board will not follow the usual practice of other Boards in having highly paid staff and levying a cess for maintaining their existence. The usual effect of all these boards and cesses is to tax the industry instead of helping it. The hon. Minister should take due care that this Board really helps the silk industry, because it is a vital question. At the present moment scientific progress is bringing out new types of rayons and artificial yarns which are competing with this industry and if we are really sincere that this industry should progress we have got to take a long view of the matter. Simply the appointment of a Board and levying a cess is not going to revive the raw silk industry. Let us see what are its main competitors, and in this connection it has been pointed out by several members that the artificial silk industry is the main competitor. With the progress of scientific knowledge, the price of artificial silk is slowly and gradually coming down and its quality is also improving. We have got to make up our mind. If we really want the silk industry, we have got to ban the artificial silk industry. There is no other alternative for it. If we do not ban the artificial silk industry, with all our efforts, with all our patriotism, the pure silk industry will die a natural death. So I will submit, Sir, that we may take the first step in this direction by stopping the import of artificial silk yarn and artificial silk cloth. That should be the very first step for making the appointment of this Board an effective measure. The second step is to control the internal development of the artificial silk factories; restrictions must be placed

on their production and, if possible, the artificial silk factories may be diverted towards the production of plastic and other similar material. I say this because I am a great admirer of the silk industry which has got certain inherent advantages for our country and therefore we have got to take serious steps in that direction. The advantages are that it can be run entirely as a cottage industry situated in rural areas and if we want to maintain its character, we should insist that it should be entirely a hand-spun industry. If we really take away the hand-spinning part of it, we take the essence out of it. Only if it remains a hand-spun industry situated in the rural areas entirely worked by the rural population in their off season and off time, it is fulfilling a function in our economic life. The moment it is taken away from that environment, its economic function is over. There is also another beneficial aspect of it and it is that it is advantageous to our agricultural life. The silk cocoons are reared on mulberry trees cultivation of which really leads to afforestation and thereby conserves the soil. So it is a co-ordinating step which indirectly helps our agriculture and it also provides employment to a large number of people in their off season and off time. I do not want to go into any details but I would only suggest to the hon Minister in charge of the Bill that bringing forward just an amending Bill is not going to solve the problem I would request him to go into the matter thoroughly and investigate it. If he is really sincere to encourage the silk industry, he will have to tackle these problems. Only then there is the possibility of true development in the silk industry.

SHRI KANHAIYALAL D. VAIDYA (Madhya Bharat):

श्री कन्हैयालाल डी० वैद्य (मध्य भारत) : उपाध्यक्ष महोदय, रेशम उद्योग के नियंत्रण के इस बिल का मैं स्वागत करता

[Shri Kanhaiyalal D. Vaidya.]

हूं और समर्थन करता हूं और जो विवाद इस विषय पर यहां पर हुये हैं उनको देखते हुये इस विषय में दो सुझाव देना चाहता हूं।

हमारा यह देश गुलामी से आजाद हुआ और हमने विधान बना कर उसमें जन कल्याणकारी राज्य स्थापित करने की भावनाओं को एक तरह से माना है और उसी लक्ष्य को सामने रख कर हम आगे बढ़ना चाहते हैं। हम, जो लोग इधर बैठे हुये हैं, बहुमत में हैं, हमेशा से ही हाथ का बना हुआ कपड़ा, हाथ की बनी हुई खादी और रेशम आदि पहनने वाले लोग हैं। साथ ही हम लोग इस बात में विश्वास रखते हैं और हम इस देश का उत्थान इन गृह उद्योगों, इन काटेज इन्डस्ट्रीज (cottage industries) तथा अन्य घरेलू उद्योगों द्वारा करना चाहते हैं जिसके द्वारा इस देश के करोड़ों लोगों को रोजी मिलती है और वह अपना जीवन निर्वाह आसानी के साथ कर सकते हैं। अंग्रेजों के राज्य के ज़माने में हमारे देश के कई घरेलू उद्योग समाप्त हो गये जिसका असर यह हुआ कि हमारे देश के करोड़ों लोगों के घरों के दिये ही बुझ गये। जब यह देश स्वतन्त्र हो गया तो इन लोगों को यह आशा हुई है कि हमारे घरेलू कामकाज और उद्योग फिर से हमारी अपनी सरकार शुरू कर देगी। वह लोग हमारी ओर इस निगाह से देख रहे हैं कि हमारे देश की स्वतन्त्रता के साथ ही उनके घरों में फिर से दिये जलेंगे जो कि अंग्रेजों के ज़माने में उनकी नीति के कारण बुझ गये थे।

यह बिल जहां स्वागत करने लायक है वहां इसमें जो बोर्ड (board) की व्यवस्था की गई है, उसकी भाषा ऐसी है कि उसका अर्थ स्पष्टतया अच्छी तरह से समझ में नहीं आ सकता है। बोर्ड के बनाने

के विषय में सरकार की ओर से जो व्यक्ति रखे जायेंगे उनकी व्याख्या अच्छी तरह से नहीं की गई है। उसमें जो कुछ लिखा गया है उसका जैसा अर्थ चाहो लगाया जा सकता है। उसमें जो यह लिखा है "टू परसन्स, थी परसन्स और फोर परसन्स (two person, three persons or four persons)" ये "परसन्स" आफिशियल (official) भी हो सकते हैं और नान-आफिशियल (non-official) भी हो सकते हैं। मैं समझता हूं कि अगर इस बात की कोई खास व्यवस्था नहीं की गई और इस बात का कुछ ध्यान नहीं रखा गया तो यह बोर्ड पूर्णतया सरकारी बोर्ड बन जायगा जिसका कार्य और उद्देश्य सरकारी ढंग पर बड़े बड़े कारखानों के व्यवसाय और उसके नियंत्रण में चलने वाले जो उद्योग हैं, उनका नियंत्रण करना और विकास करना होगा।

मैं मध्य भारत प्रान्त से आता हूं और मैं कह सकता हूं कि वहां के रेशम के उद्योग का काफ़ी विकास किया जा सकता है। आपको यह सुनकर आश्चर्य होगा कि इस उद्योग का जो विकास वहां हुआ है वह नकली रेशम के रूप में हुआ है। इस रेशम के उद्योग के लिये वहां पर एक रेयन सिल्क (rayon silk) नकली रेशम की मिल बन रही है। लेकिन जो हमारे छोटे गृह उद्योग हैं उनकी तरफ कोई ध्यान नहीं दिया जा रहा है। काटेज इन्डस्ट्री का जो विकास गांव में होना चाहिये था इस दिशा में कोई प्रगति नहीं हुई है। मेरा सुझाव यह है कि बोर्ड में नामिनेशन (nomination) की जो व्यवस्था की गई है उसमें इस बात का ध्यान रखा जाय कि इसमें ऐसे आदमियों को नामिनेट किया जाय जो कि रेशम के गृह उद्योगों के बारे में विशेषकर रुचि रखने वालों हों और जिनका ज्ञान इस विषय में काफ़ी हो।

अगर माननीय मंत्री महोदय, इस बात को ध्यान में रखें तो हमारी गवर्नमेंट को भी इस बात का ध्यान रखने के लिये कह सकते हैं कि वह विशेष रूप से ऐसे आदमियों को नौमीनेट करे जो इस उद्योग का विकास करने में काटेज इन्डस्ट्री की उन्नति का ध्यान रखते हों ।

अभी इस उद्योग के बारे में भिन्न भिन्न प्रात्यों के माननीय सदस्यों ने जो कुछ बतलाया है उससे यह तो स्पष्ट हो गया है कि यह उद्योग पहिले एक बड़ा शानदार उद्योग था जो अंग्रेजी राज्य के ज़माने में खत्म सा हो गया । जो कुछ अंश इसका गृह उद्योग और काटेज इन्डस्ट्री के रूप में इस देश में रह गया है वह भी दिन पर दिन खत्म होता जा रहा है । यह हमारे लिये मौभाग्य की बात नहीं है । हमने इस बात की प्रतिज्ञा की है कि हाथ का कता-बुना कपड़ा पहिनेंगे और हम अपने घरेलू उद्योगों को, अपने घरेलू व्यवसायों को उन्नत करेंगे और गरीब तथा ग्रामीण जनता को उनकी उन्नति करने में हर प्रकार की सहायता करेंगे । तो मैं आपसे पूछता हूँ कि वह हमारी आज की सरकार के सिवाय कौनसी गवर्नमेंट होगी जो कि इस प्रकार के उद्योगों, काटेज इन्डस्ट्री को जीवित रखने का काम करेगी । आज देश के अन्दर बेकारी की समस्या बढ़ रही है, हम करोड़ों लोगों को रोज़ी नहीं दे सकते हैं । अगर हमने इस बेकारी को दूर करने के लिये कल कारखाने खोले और इस बोर्ड द्वारा केवल इन कारखानों को प्रोटेक्शन (protection) दिया गया तो मैं नहीं समझता कि इस देश में जन कल्याणकारी राज्य बनाने का और विधान के अन्तर्गत गांवों के उद्धार के मार्ग पर चलने का जो स्वप्न हम देख रहे हैं वह कैसे पूरा होगा । इसलिये मैं माननीय मंत्री जी से निवेदन

करना चाहता हूँ कि वह हमारे देश के गृह उद्योगों का विशेष रूप से ध्यान रखें । अगर वह ज़रूरी समझें तो इस तरह का कोई क़ानून लाया जा सकता है जिससे कि हमारे देश के घरेलू उद्योग जीवित रह सकें ।

अभी हमारे आसाम से आने वाली एक सदस्या ने कहा कि वहां पर एक प्रकार का चर्खा बनाया गया है जो कि मशीन की तरह तेज़ी से कपड़े के लिये रेशम के धागे का निर्माण करता है । ऐसी स्थिति में मैं नहीं समझता कि इस बोर्ड के अन्तर्गत हम ऐसी व्यवस्था क्यों नहीं कर सकते जिससे हम इस रेशम उद्योग को गृह उद्योग के रूप में सारे देश में न फैला सकें और फिर से उसको जीवित करके करोड़ों लोगों को रोज़ी न दे सकें । यह तो एक ऐसा बड़ा उद्योग है जिसके जरिये हम देहात की जनता को बहुत लाभ पहुंचा सकते हैं । इस समय हमारे देश में और गांवों में जो हमारी मातायें और बहिनें जो करोड़ों की संख्या में अपना समय व्यर्थ नष्ट करती हैं उनको हम इस उद्योग के द्वारा कार्य दे सकेंगे । अगर हमने इस तरह का कार्य किया तो हम इस देश के करोड़ों लोगों को रोज़ी दे सकेंगे और कार्य दे सकेंगे । इस तरह से हमारे देश में जो बेकारी की समस्या इस समय विकसित हो रही है वह कम हो जायेगी और इस तरह से हल ही हो सकेगी । अगर हमने गृह उद्योगों को प्रोत्साहन दिया तो काफी अच्छे ग्राम उद्योग फिर से जीवित हो जायेंगे और करोड़ों लोगों को रोज़ी दी जा सकेगी और जिनके घरों में आज तक अन्धेरा छाया हुआ था उनके घरों में फिर से दिये जलने लगेंगे । इस तरह से हम एक जन कल्याणकारी राज्य की सच्चे मानों में स्थापना कर सकेंगे । हमें अपने पड़ोसी देश चीन और जापान से इस दिशा में अच्छा मार्ग

[Shri Kanhaiyalal D. Vaidya.]

दर्शन मिल सकता है ।

इन शब्दों के साथ मैं इस रेशम उद्योग नियंत्रण कानून का समर्थन करता हूँ और आशा करता हूँ कि जो सुझाव इस सम्बन्ध में ऊपर मैंने दिये हैं, उन पर सहानुभूति के साथ विचार किया जायेगा । मैं माननीय मंत्री जी से फिर प्रार्थना करता हूँ कि बोर्ड के 'म्बरों' को नौमीनेट करने की व्यवस्था में वे प्रान्तीय गवर्नमेंट को इस बात का आदेश देंगे कि वे कम से कम जो आदमी नौमीनेट करें वह सरकारी मशीनरी के ही अधिकारी न हों बल्कि वह इस रेशम उद्योग में विशेषतः और दूसरे गृह उद्योगों में रुचि रखने वाला और जानकार आदमी हो ।

[For English translation, see Appendix V, Annexure No. 4.]

PROF. G. RANGA : Mr. Deputy Chairman, I did not wish to rise at an earlier stage because I wanted to hear so many of our friends who are experts with regard to this industry. I am convinced, Sir, from what I have heard from our two friends Mr. Kishen Chand and our comrade from Madhya Bharat, that it is most necessary for the Government to make up their mind in regard to the policy that they would like to pursue with regard to this industry, whether they would like to allow this artificial silk industry in this country to be further developed or they feel that this art silk industry ought not to be allowed any further development and any wastage that may have taken place in it ought not to be replaced. I would like the Government to make up their mind in regard to this. Once it is taken that they agree with us that the silk industry deserves to be not only encouraged but also that it should be maintained as a cottage industry—that should be

its principal feature—then there would be no difficulty for the Government or my hon. friend representing the Government to agree to the suggestion made by my hon. friend Mr. Sinha from Bihar that a cess should be levied on the production of artificial silk—yarn as well as silk—in order to raise sufficient funds to finance research, development, marketing and all the other aspects of this silk industry. It is there, Sir, that I am not able to agree with my friend Mr. Parikh when he said that some more attention should be given to this artificial silk industry in order that it should establish it-

12 Noon. self in this country before any such idea could be mooted by the Government of India. When I asked him, he was good enough to admit that it is already producing six million pounds of yarn whereas the total production of our own silk industry in this country is only two million pounds. Therefore, it is three times as much; and it is wrong for anyone to think that it has not already eaten into the demand for our own silk industry. Therefore, I would like the Government to make up their mind in regard to these two points. One is to restrict or to prevent any further development of this artificial silk production in this country and secondly, to agree to levy a cess on this artificial silk industry in order to be able to have sufficient funds to develop our silk industry.

Secondly, Sir, a friend has suggested that there should be a plan of development for this industry. You can have any number of plans of development. They must have had one when they were placing at the disposal of this Board only Rs. 5 lakhs. I am of the opinion that these plans mainly depend upon the amount of money that you place at their disposal. It is necessary, therefore, for the Government, first of all, to make up their mind how much money they are going to place at the disposal of this industry. It

is said "as much as is needed". Now what do you mean by the word 'need'? There I am in favour of the suggestion made by my hon. friend Mr. Govinda Reddy that the Government should accept as a matter of their policy the responsibility of affording stabilisation of prices and remuneration to the growers and also to the workers employed in this industry. If they were to accept that policy, then they would come to know the probable magnitude of the amount of funds that they would be in need of. Only then it would be possible for them to decide upon the quantum of cess also that they have to impose. Now it is at that stage that they will have to decide on what elements of industrial production the cess should be levied. I am one of those friends who say that the silk industry is so badly off in our country that there should be no cess on silk cloth produced in our country. But the rest of the items are to be taken into consideration by the Government and the Government must be willing to levy the necessary cess. That is where I am not able to agree with Mr. Govinda Reddy. The money that is with the Board is not enough. This Board can make very good use of several scores of lakhs of rupees every year if only you allow the Board to discharge these various onerous responsibilities which are absolutely essential. Sir, it is essential that Government should place at the disposal of this Board a very high-powered officer if they are not prepared to allow their own Minister to be the Chairman. I do not know why it is that the Minister thought it fit to give up this chairmanship. It would have been much better if the Minister himself had agreed to continue to be the Chairman. Before we became free, I was all in favour of a non-official. I was very much opposed to any Executive Councillor or anybody like that presiding over such a Board. But after having attained freedom, I have come to the conclusion, Sir, that it would be much better to have the Minister or the Deputy Minister as the Chair-

man of this Board. These Committees are expected to discharge a number of duties but their Chairman.....

SHRI GOVINDA REDDY: Can a Minister find the time for this?

PROF. G. RANGA: I will come to that a little later. The advantage of having a Minister to be at the head of this Board is this: He would be in a stronger position to take decisions on questions of policy. He would also be in a position to give *the necessary guidance to the Board*. The resolutions of the Board will have a tremendous weight with the Cabinet. After all, every Board has got to come to the Finance Ministry and it is not so good having a high-powered official Chairman and then the recommendations of the Board coming before a Deputy Secretary, a Joint Secretary and a Secretary and at long last before the Minister of the Department concerned and then the whole thing, in a watered-down manner, coming before the Finance Ministry. Those of my friends who have had experience like me of the working of a number of such committees and organisations, would be able to appreciate the strength of my observation, and that is why I wish to share my experience with the House and tell them that it is not at all such a progressive thing really to suggest, as the Government seems to suggest here, that instead of a Minister, somebody else should be there. There is the other question whether a Minister will find the time for this. That is why there is provision here for a Vice-Chairman. The Vice-Chairman would be acting with the consent of the Minister also so much so that, when the Board's recommendations come to the Ministry, all the subordinate officers will know what value should be attached to the recommendations.

Then there is one provision here, clause 7, which says:

[Prof. G. Ranga.]

"The proceeds of the duties of excise paid to the Board shall first be credited to the Consolidated Fund of India and the Central Government may," etc.

That is an innovation that is being made in regard to these commodity boards. This is the first time that this suggestion is coming before Parliament. I do not understand the need for this. My fear is this: I have already complained of the way in which the Finance Ministry is sitting tight over the manner in which the funds placed at the disposal of these various boards are being spent with the result that a lot of delay is being caused and too many good schemes are being held up and very little progress is being made. If, in addition to that, it is sought to put the whole thing in the clutches of the Finance Ministry so much and to such an extent, my fear is that it would not be possible for us to expect much rapid progress in the directions in which we want it.

Then, I am in favour of developing co-operatives. I am sure the hon. Minister also would be in favour of this, but you cannot develop in the various directions our friends have made suggestions for, unless there are funds, and it is in that direction that I want my hon. friend, the Minister, to direct his attention and see to it that necessary funds are placed at the disposal of this Board.

Lastly, there is the question of personnel. So many suggestions have been made by our friends. I would only make one suggestion and that is that the representation that is sought to be provided for these elements, the growers themselves and then the weavers, is not enough. There is some representation sought to be provided for labour. I do not know whether it is labour employed by the farmers or the labour employed in the few factories which have come into existence in this industry. If it is intended to be given to the

labour employed in the factories, we may not quarrel with the quantum of representation that they have provided, but the quantum of representation that they have provided for the growers themselves is very limited and very small indeed. Therefore, I would like the Government to think about it and if it is at all possible for them, to try and provide greater representation to these people, taking advantage of their power to nominate some members of this Board. My hon. friend Shri Rajagopal Naidu has an amendment to clause 12. I would like the Council to give due consideration to that amendment and consider whether the provision made here for validation of certain acts and indemnity in respect thereof is in conformity with our own Constitution.

Lastly I wish to congratulate my hon. friend the Minister as well as the Government on having at last thought of taking the whole of this industry under their protective wings and deciding to give them protection and in this I want them to bring within the purview of this Act this artificial silk also so that it would be possible for them to have effective control over the development or the restriction of development of the artificial silk industry.

SHRI H. P. SAKSENA: And to put a lock on that industry later on.

SHRI D. P. KARMAKAR: Mr. Deputy Chairman, I appreciate very much the various points made on the floor of this House during the course of this discussion. I am specially grateful to Prof. Ranga who spoke last because he drew the special attention of the House to some salient points though I should confess that at the end of his observations I was led into a little confusion if also something of clarification. For the sake of convenience I shall pick out the points that he has referred to because they represent some of the important points made. At the outset I should say that I appreciate very much the points made by some

hon. Members here—particularly the point referring to the bearing of this problem on employment. We on this side are very happy that greater and greater attention is being focussed on the problem of employment. In a country like India, it is obvious that more increasing production should be our very great concern. Along with that also the question of employment should have an equal place in our minds because if at the end of a particular period we have so many more units of production but at the same time there is growing unemployment, we cannot look upon that situation with any sense of equanimity and the silk industry is one of the industries in some measure giving employment to a section of our rural population. That is an important aspect which deserves our very great consideration. Mechanisation or growth of industry in any sector should not lead to growing unemployment. From that point of view I very much appreciate the remarks made by friends—two or three friends—who devoted particular consideration to this question of employment. There was also another question which is of equal importance. Government found themselves, of course many a time, faced with problems. The problem in this particular case which I wanted to refer to is the problem of art silk—I might call it rayon. That might be a happy word because giving it the name of art silk does give the idea that it is something like pure silk. One might call it as pseudo silk but it is a substance and I have respect for the word 'rayon'. There is this fact that rayon has come to occupy partly the place of silk in this country. In considering this question we have also to look into another aspect which is also an important aspect. There is something like a consumer in the country. There is something like consumer's partiality or prejudice. That partiality or prejudice sometimes is the result of economic considerations. I wish my hon. friend Prof. Ranga had consulted the weaving interests before he

gave his line clear to the banning of art silk because I am afraid, when he consults them, he might come back with an amendment to his observations. At the present moment, while on the question of raw silk, he might support raw silk. While on the question of weavers' interests, he might plead for the import of art silk but there is the fact that art silk is cheaper and nowadays we find that there is a distinct partiality for cheaper goods. We find that the consumers would prefer to have more sets of cheaper dress rather than have a few which are costlier. You might call it a weakness or something else. But there it is and whenever the consumer shows a distinct partiality to a particular product, unless it is deleterious and harmful to the health of the consumers, it becomes very difficult to resist the taste of the consumers. If it were necessary from that point of view, if silk by itself alone were before our eyes, we might have thought of banning anything that competes with silk, but there is also the user whose taste we cannot ban. These days when art silk is available, there is a distinct tendency among the consumers, a partiality for art silk, partly because it is cheaper, partly because it looks brighter for a little while, and partly because it enables the consumer to have more sets of dress than what he might afford by way of silk. There is this consideration and Government have to give its consideration to that aspect and I am afraid we on this side are not able to suggest the banning of art silk. We are faced with the difficult situation of having to allow art silk to the extent that the consumer wants and at the same time seeing to it that the silk industry does not deteriorate or suffer on account of other factors which you have to face in the consideration of this question. On that point Government are not in a position to agree with the view which proposes the complete or partial banning of art silk because it is competing with silk.

[Shri D. P. Karmarkar.]

Next I come to the point of cess. So far as this industry is concerned, we have to find the money for the development of this industry. Many a time a cess is a convenient way without affecting the consumers so much—whether it should be by way of a cess or whether it should be by way of providing for the development of this industry from the normal budget i.e., from the taxes raised from all. Now that is a mere matter of expediency. A cess also might sometimes depress. If I understood my friend Prof. Ranga aright, a cess might serve two useful purposes in his view. One would be to promote the interests of this silk industry. The other is to depress the interests of the art silk industry. That was his point of view. The question is this. We have to provide money for this. If Government do find that the money available from the General Budget resources is not sufficient and if a cess does not weigh very heavily on the concerned interests, Government will be happy to impose a cess but if that is not necessary and if it is possible to make provision from the general budgetary resources of the country, just as we have been going on till now, we might like to go ahead.

Regarding the provision of finances, I think it is right to say that we have not been able, till the recent past, to find adequate finance for the development of this industry. By and large the Silk Board had limited finances and the use that they put those resources to was in making grants to the States. There again something very helpful was said about the various States and many States came into the picture. I was very happy that during the course of the discussion almost all the States producing silk have come into the picture. There has been Bihar and there was the valiant representative, and my friend who has disappeared now, who spoke for Bhagalpur Tussar. There was also Bengal in the picture. Assam has been in the picture in a very nice manner. I am very grateful to my colleague from Assam. Perhaps this House is not

well aware how much Assam has been doing in the real manner for the production of silk. She quoted Gandhiji, and it was a beautiful line and it might be true in more senses than one, that 'Maidens in Assam spin their dreams in silk'. That might perhaps be one of the reasons why Arjuna got himself lost in Assam. But then it is a fact that almost every house-holder in Assam knows the art of weaving silk and I was also informed by a friend from Assam that every maiden, every eligible bride must know how to weave. I wish it is true of the whole of India that every eligible bride, as also every bridegroom, knows how to spin or weave. That is the basic way in which our industries have to be developed. As it is, we allow somebody else to spin for us; we allow somebody else to weave for us. If cottage industries have to become a part and parcel of our lives, we have to become a part and parcel of them. That is what is happening in Assam and that is what should happen elsewhere also. We heard a representative from Mysore. He based his argument on the strength of Mysore being the largest producer of silk. In fact as much as 70 per cent. of the silk production in the country is in Mysore. Mysore has been doing a lot for the progress of the industry, as the other States are doing.

PROF. G. RANGA: It has done much more.

SHRI D. P. KARMARKAR: I could not say it with the same liberty standing as I do from my seat here. We appreciate the efforts that are made by the various State Governments. Bengal is doing its bit. Assam is doing its bit. Mysore has done more perhaps in this respect than the other States. We in the Centre have always appreciated the efforts of all the States in this regard. Ultimately, this is a matter of field work. In such field work, the States come into the picture more than the Centre does. Ultimately, progress in this field, as in others, depends upon the efforts that the States might put up, and I must say that the States concerned have

been making their contribution to the development of this industry, some more and some less. My friend from Madhya Bharat spoke. There are great possibilities for this industry there. There are also great possibilities for this in Madhya Pradesh, and also in many of the other States.

On the question of resources, out of the Rs. 1 crore earmarked for village industries, we had made Rs. 4½ lakhs available for this industry and now we are making an additional Rs. 11½ lakhs available for this industry. The best that is possible will be done, and the Government of India will make whatever resources they can make available for this, consistent with the requirements of the other industries.

Then a lot was said about the personnel for this Board. This is also an important point. I think some doubts need clearing there. What is the function of this Board? Our experience has shown that, whereas deliberation is very useful in the cause of promotion of industries, execution is more useful, and therefore these Boards should be more of an executive character. My friend over there complained about leaving the word 'person' undefined. I very respectfully submit that has been advisedly and deliberately left undefined. For purposes of achieving the desired end, I think we can ill afford to make a distinction between officials and non-officials. Our purpose is to see that the best men are sent to this Board. A non-official may be a competent man. An official may be a competent man and may be useful. Therefore we are not committing ourselves one way or the other. We have the power, the State Governments have got the power to nominate anybody they want. Then this House and the other hon. House have the right to send six Members from amongst them. Ultimately it comes to this: Whether the members are official or non-official, the aim is the harmonious development of the sericulture industry, and from that point of view, it does not appeal to us that we should define the word 'person' as official or non-official. It should indeed be the effort of the

Government of India, or Parliament which is to elect six members from among themselves, of all the Members here, and of the various provincial Governments, to see that the best possible personnel comes in, and therefore the idea of defining officials as against non-officials, in our opinion, is not a very sound one.

Then my hon. friend Prof. Ranga contested the idea of excluding the Minister from being the Chairman. In his opinion, Sir—may I take the liberty of saying so—Ministers are good for everything and Ministers are good for nothing. In that sense, at the present moment he appears to think that a Minister would be a very competent man for the chairmanship of this Board. But I am very unhappy, for I think he makes a commitment from which he may differ on some other occasion on the floor of the House on some other Bill. I wish he does not differ, for it is wholesome for us on the Government Benches to feel that Prof. Ranga thinks so. But as I said earlier, a Minister is a busy person. He has so much work and so many things to do. If he is Chairman, he will preside over the meeting, read a speech and then ultimately when the question discussed by the Board comes up, deal with it. But we wish the Board to be more active. Formerly, as Prof. Ranga may be knowing, this Board occasionally met, say once a year, and the Standing Committee used to meet once in six months—I speak subject to correction—or once in three months. But we want this Board to be more active. We want it to meet as often as possible, whenever it is necessary. Under these circumstances I am not entirely in agreement with this suggestion. Also it would be illogical for the Minister to be the Chairman. As Chairman, when the Resolution is there before the Board, he would sit quiet and the decision would be taken. When it comes over here, as Minister he deals with the Resolution in the discussion of which he has not taken part and he may consider the Resolution as unacceptable to Government. We have found this

[Shri D P Karmarkar] difficulty in actual practice. Recently the Silk Board considered that there should be a pooling of silk, but the Minister decided that it was not yet time for such a step. The Minister in charge, or rather the whole Ministry rejected the proposal for the time being. It does not do much good. I would like to have as Chairman of the Board a person who would be thinking absolutely without reservation, who would think of the interests of the industry and the Silk Board. When the matter comes up from there to the Ministry, the Minister can take his decision.

PROF. G. RANGA: Then you should have a very high-powered Chairman, otherwise it would be useless. Let the hon. Minister only think of what has passed before, what has happened to the recommendations made by so many of the boards brought into existence by the Government.

SHRI D. P. KARMARKAR: I am not speaking about so many boards with which Prof. Ranga may be familiar. I am speaking of the Silk Board and we have had the pleasure of accepting many of its recommendations. I agree that whosoever is appointed as Chairman should be a high-powered man. There is no doubt about that. He should be a person who will be able to represent his views, a person who is able to devote sufficient attention to the subject, and one who, along with those on the Board, would be able to give wholesome advice to Government in respect of the development of the industry. There I entirely agree. But I cannot accept the argument that the Minister would be the only high-powered man who would be useful in such matters. Keeping all these considerations in view, we have thought that the Board's cause would be better served, that it would be more logical, if a non-Minister were to be the Chairman of this Board.

Something has been said about the representation given to the various interests. In a matter like this it becomes very difficult to decide. Are we to go by regional representation?

That also is difficult. Should it be on the basis of the actual population of each State? Or should it be based on the number of workers in the particular industry, or should it be, say, on the export value of their product? It all becomes so very difficult. Then again, we have to give representation to the various interests, to the growers' interests, the labourers' interests, the interests of the workers, and all the other interests. So many of these interests are to have representation. So what has been done is to have a cross-section of all possible representations. We have given freedom to the States to nominate the persons they desire; but we have no doubt that the States and also all the nominating units mentioned here, will see that their nominees will tend towards increasing the capacity and the ability of this Board. We have also said that not more than three persons will be nominated by the Central Government to represent the producers of raw silk and areas other than the States specified in clauses (d) to (g), inclusive. In view of the important position that tussar industry occupies we should feel justified in giving a seat to the tussar growing area. Since we do not want to miss any representation, we have said that eight persons should be nominated by the Central Government, one for the spun silk industry, one for the silk throwing and twisting industry, one for the silk weaving industry, one labour and two to be experts in sericulture. This is just an attempt—I don't say it is a perfect arrangement. It is as difficult as dividing seventeen elephants among the three sons where one additional elephant had to be brought in during the division and then taken back. It is a very difficult matter and we have tried to strike a sort of balance. I do not pretend that this balance is a perfect balance, that it is expected to do full justice to every possible interest in the most perfect manner possible. But as I said, it is an attempt to have the fairest possible representation of all the sectors, at the same time try to see that the Board as a whole is a Board capable of delivering the goods.

DR. P. C. MITRA: They may be given the power to co-opt some members.

SHRI D. P. KARMARKAR: Already the number is threateningly large—40. If they are to co-opt some more, another forty, my hon. friend may come next time and say it is a rather unwise action. I am sure that suggestion would make the problem more difficult. Already there is difficulty.....

DR. P. C. MITRA: They may co-opt a limited number.

SHRI D. P. KARMARKAR: You may limit the number, but still it is a number and that raises difficulties. It is much better to be specific in these matters.

That, I think finishes all the broad points which have emerged from the debate. There were some other useful points also made. One suggestion made was by my esteemed colleague Mr. Mazumdar, and that was about improving the conditions of the silk workers. Naturally in an industry, large-scale or cottage-scale, more so in the silk industry, the interests of the workers have to be taken into consideration. When the Tariff Board came to their conclusion regarding the imposition of an import duty on foreign silk, they did see representatives of the cocoon growers and the subsequent operators and decided on a fair price. That price may not be satisfactory to all the interests concerned; but they did look into that question. We have to pay due attention to the question of improving the condition of the silk workers.

My friend Mr. Sinha referred to a comprehensive plan. But as Prof. Ranga truly observed, many of the plans depend upon the money available. Nevertheless, the plan is obviously to attain self-sufficiency. Our present requirement apparently is of the order of four to five million pounds of raw silk. Last year's requirement came to about 3 million pounds and we based our import policy on that requirement. Now the idea is to achieve self-sufficiency, that is obvious. To achieve self-sufficiency

is to make development much faster, to make it speedier, to make the silk much more efficient and cheaper and at less cost of production. So it is not a very complicated problem to have a comprehensive plan; but the real problem is how to achieve it.

Something was said about putting up research institutions. At Mysore there is one. There is a Central institute at Berhampur and there are some other institutions. Mainly it will be our duty and part of the plans of this Board to foster the cause of research. Recently the Government of Mysore approached us with a fairly ambitious project for a research institute and we have recently made over to them a grant of approximately Rs. 2 lakhs in their scheme as participants. All such schemes are welcome. In this particular field of sericulture it is of the greatest importance that there should be proper research and proper development.

I was told recently what has happened in Japan in the case of the reeling process. We had 4 reeling machines which require attention by stationary workers. One of my friends who had been recently to Japan said that one girl skating on a machine is able to attend to about 20 basins, 30 basins, etc. That is a progress which we have to achieve. Every day this industry is showing capacities of greater and greater improvement and, therefore, Sir, as was rightly pointed out and emphasised on the floor of this House during the course of the debate, research gets a very prominent position. Then again is the question of the cultivation of seed cocoons at suitable centres, very cold centres. You have then to distribute them to other places so that you may have more efficient cocoons. I have referred to the question of grants. The Government of India are trying to make greater grants available for the purposes of breeding in the States.

A caution was sought to be given to us by my esteemed friend, Mr. Chandulal Parikh. I was not able to follow that part of his argument

[SHRI D. P. KARMARKAR.] which proposed higher and higher duties. Ultimately, higher duties can depress an industry. It is, therefore, that the Tariff Commission has been put there to see to it that the import duty is neither higher nor lower than is absolutely necessary. In the name of protecting a local industry we can put 500 per cent. duty and then the cost of production will also increase. The prices also are likely to rise to a level beyond the capacity of the purchaser. Recently there has been such a tendency. We have seen recently that where the cost of a silk sari is Rs. 100, the off-take is much less than when it costs Rs. 60; the reason is obvious. There are levels and levels of purchasing capacity and purchasing power. Therefore, it is very important to see to the price level. We cannot relax on this point. It is important for us to see that an industry is protected which deserves protection because, what do we do when we protect a certain industry? If we impose an import duty, we make the thing dearer than if the whole market were free to foreign goods by 40 per cent. or 50 per cent. or like that. By imposing import duties we do not want to put the burden on the consumer to a greater extent than is absolutely necessary. We have been following that policy and in respect of raw silk coming from outside the country, the Tariff Commission, as it is at the present moment, has been paying very great attention to this problem.

Something was said about spun silk. I think it was Mr. Parikh who raised that. We grow about 16 lakhs of pounds of spun or waste silk and, out of that, a factory in Mysore is able to absorb 8 lakh lbs. It is something in the nature of creating wealth out of waste and, naturally, Government are interested in encouraging this industry also. Government would be very happy if some other adventuring industrialist of the country would come forward and absorb the remaining 8 lakh lbs. because that would give us some more silk.

Then, something was said about re-

presentation to traders. I can understand the anxiety of the trade to come into this Board. I have nothing to say about commerce and, dealing with it, I can only say that there are sectors and sectors. Now, the interests of the trade are not always the interests of the producers of raw silk. We are very happy to give representation to trade in our Import and Export Advisory Councils because we do prize their advice in that direction. In a question like the development of the sericulture industry, with very great respect, I should much emphatically say that it is much better that we leave the traders out of the picture when we are considering the development of the sericulture industry, though I am not sure that some of the representatives may not happen to be traders by profession. It does not mean that the trader is someone who is hostile to the development of sericulture. If any particular State or the Government of India or this hon. House or the other hon. House thinks it necessary, we shall not exclude the traders as such but we do not feel it necessary to give them representation as representatives of commerce.

Then, Sir, a point was made about finance and marketing. As my friend over there observed, these are really important matters; in fact, he summarised them as the crux of the problem. There may be more points and I regret very much

SHRI GOVINDA REDDY: Stabilisation of prices.

SHRI D. P. KARMARKAR: My hon. friend Mr. Govinda Reddy reminds me about stabilisation of prices. Now, it is one of the fundamentals in any industry that there should be stabilisation of prices. Now, it is good for the consumer, it is good for the purchaser but it is not always possible. Recently, as my hon. friend very well knows, about two years back when imports were less, the price of Mysore silk rose up to Rs. 58 per lb. whereas the normal price should be about Rs. 32 according to the Tariff Board. Whenever there is scarcity, there is an unhappy tendency to raise the prices for obvious

reasons. Government cannot always come on the scene with an iron hand in order to stabilise prices. In my personal opinion, Sir, and we feel as a Government, public opinion has a large share to play in these matters in the various objects which have to come into the picture, e.g., the commerce as well as industry and, normally, the consumer. Of course, he is a forgotten factor in the whole of our consideration of such matters. He also has his own revenge. If you put a thing at too high a price, he simply does not walk into the shop and buy and, later on, when we try to improve matters, it is difficult. But, by and large, it is good to have stabilised prices. If you want to have a sericulture industry you should see that the raw silk prices are neither too high nor too low; they should not be either very much inflated or very much depressed. I think that is an essential and Government would be happy to take such measures as are possible, short of any sort of coercion, to see to it that the prices of the various elements in this industry are stabilised.

I think, Sir, I have broadly tried to cover the many points that were raised. I have doubtless missed many points but I should like to assure the House and the various hon. Members who have put them before the House that all the points that have been made will be very carefully considered by Government. As was rightly said, this is an industry which requires careful attention. There is also the other factor; we cannot put the burden on the consumer for long. We have put the burden on his shoulders for the last eighteen years in the form of high protective duties. It is in the interests of the country to see that the silk users get a product which is as good, as cheap and as reasonably priced as it is available in any other foreign country.

I should like, again, Sir, to say that I appreciate the high tone of the debate that has taken place on this Bill. I am very happy to say that on the basic point that the sericulture industry does deserve as much help from

Government, as much service from Government, as possible in the circumstances, we are entirely at one with them.

DR. RADHA KUMUD MOOKERJI: You will attend to that point about hand-spun?

SHRI D. P. KARMARKAR: All the other points not referred to will be attended to.

SHRI T. V. KAMALASWAMY: One question, Sir.

MR. DEPUTY CHAIRMAN: We have had enough of debate.

The question is:

"That the Bill further to amend the Central Silk Board Act, 1948, as passed by the House of the People, be taken into consideration."

The motion was adopted.

MR. DEPUTY CHAIRMAN: We shall now take up clause by clause consideration of the Bill. There are no amendments of which notice has been received.

Clauses 2 to 11 were added to the Bill.

MR. DEPUTY CHAIRMAN: Clause 12. Mr. Naidu's amendment is a negative one and is ruled out of order. You want to speak.

SHRI RAJAGOPAL NAIDU (Madras): Yes, Sir. Somehow, it has become the practice of the Legal Department of our Government to enact certain measures validating certain laws which are otherwise invalid. Sir, in my opinion certain provisions of clause 12 are opposed to the Fundamental Rights of our Constitution.

Sir, article 20 of our Constitution prescribes certain limitations for the Parliament to pass *ex post facto* legislation. The first limitation is that "No person shall be convicted of any offence except for violation of a law in force at the time of the commission of the act charged as an offence." The second limitation is "nor be subjected to a penalty greater than that which might have been inflicted under the

[Shri Rajagopal Naidu.]
law in force at the time of the commission of the offence."

Sir, we are now concerned with the first limitation that has been prescribed in article 20(1). Now what do we find here? It has been stated in the Statement of Objects and Reasons of this Bill that " * * * a doubt may be raised as to whether, in the absence of a declaration made by Parliament by law, the declaration contained in section 2 was effective during that period." What we find in clause 12 of the Bill is that certain acts are being validated and certain indemnities are being granted to "all acts of executive authority, proceedings and sentences which have been done, taken or passed, with respect to, or on account of, raw silk during the period commencing on the 26th day of January, 1950, and ending with the date of commencement of this Act, by the Government or by any officer of the Government or by any other authority in the belief or purported belief, * * * shall be as valid and operative as if they had been done, taken or passed * * *".

Now if this clause is made into law what would happen? The result would be that the conviction of a person for an offence under a law which was not in force then, which would otherwise be invalid, would be validated and in that respect I feel that it is opposed to article 20(1) of the Constitution. Sir, I tried to analyse the provisions in the other constitutions of the democratic countries in the world. We find that under the Government of India Act of 1935 there was a provision to pass retroactive criminal laws. That is why I feel that the Legal Department by force of habit has perhaps forgotten that there is a ban imposed in article 20 upon passing of retroactive criminal laws. Our Legal Department forgets that they are following the old procedure under the 1935 Act of passing *ex post facto* laws.

Take for instance article 11(2) of the United Nations Declaration of

Human Rights. It says—"No one shall be guilty of any penal offence on account of any act or omission which did not constitute a penal offence, under national or international law, at any time, when it was committed."

MR. DEPUTY CHAIRMAN: Mr. Naidu, all these general principles are, I think, not relevant. Are they necessary at all? There is already a valid law. There is the previous Act and now the Government wants to take powers to validate certain things which had been done. It is only a continuation of an existing Act. There is already a valid Act. Do you mean to say that there is no valid Act?

SHRI RAJAGOPAL NAIDU: There is no valid Act. If there is a valid Act my submission is why bring in clause 12.....

MR. DEPUTY CHAIRMAN: As an abundant precautionary measure.

SHRI RAJAGOPAL NAIDU: With great respect to the Chair it is not so because if there is a valid law in force then why bring in an enactment like clause 12? I fail to see the point. Further we find that even in England there is no provision for passing *ex post facto* law.

It has been affirmed on more occasions than one that no such *ex post facto* laws can be made by passing this kind of enactment. I do not want to say anything more about this except to recall to the memory of the House what Mr. Hegde said on the floor of this House when a similar provision was introduced in the Delhi Transport Authority Act. At that time my hon. friend Mr. Hegde correctly pointed out that that provision was opposed to article 20 of the Constitution. In reply to his observations a hope was given that in future no such legislation would be introduced. Sir, I would invite the hon. Minister to go through the proceedings of this House

where it has been pointed out by my friend Mr. Hegde that that was a bad law and that such a thing should not be repeated by the Legal Department. Of course I do not oppose all the provisions in clause 12 but I only oppose the provision which seeks to validate the pending proceedings and sentences. Of course in those cases where sentences have already been passed nothing can be done but with regard to pending proceedings I do not doubt for a moment that no such law can be made validating those proceedings which are pending now because no person can be convicted of an offence under a law which was not in force at the time of the passing of the Act. By bringing in clause 12 we are now trying to validate those acts which were not in force at the time of the passing of the Act.

So I submit to the House that in my humble opinion provisions regarding proceedings taken and sentences in clause 12 of the Bill are opposed to the Constitution and it is high time that this kind of measure is not brought in before the House, and if brought before the House should not be made into law.

1 P.M.

MR. DEPUTY CHAIRMAN: We will continue tomorrow. The House stands adjourned.....

(Secretary points out that it is only 1 P.M.)

We sit till 1-15.

HON. MEMBERS: No, Sir, 1 o'clock.

SHRI B. C. GHOSE: I stand on a point of order, Sir. The Deputy Chairman having declared the House adjourned.....

(Interruptions.)

MR. DEPUTY CHAIRMAN: All right. The House is not in a mood to continue.

The House stands adjourned till 8-15 A.M. tomorrow.

The Council then adjourned till a quarter past eight of the clock on Wednesday, the 26th August 1953.

COUNCIL OF STATES

Wednesday, 26th August 1953

The Council met at a quarter past eight of the clock, MR. CHAIRMAN in the Chair.

ORAL ANSWERS TO QUESTIONS

TRANSFER OF MANAGEMENT AND CONTROL OF TELEPHONE CABLE FACTORY TO HINDUSTAN CABLES LTD.

*49. SHRI M. VALIULLA: Will the Minister for PRODUCTION be pleased to state—

(a) the terms under which, and the reasons why, the management and control of the Telephone Cable Factory has been entrusted to the Hindustan Cables Ltd., and

(b) the amount invested by the said Hindustan Cables Ltd. in that factory?

THE MINISTER FOR PRODUCTION (SHRI K. C. REDDY): (a) The management and control of the Telephone Cable Factory has been entrusted to Hindustan Cables Ltd. in pursuance of a decision taken by Government in November 1950 that departmental management was unsuitable for Government industrial undertakings and when they are essentially for manufacture and sale, as is the case with the Telephone Cable Factory, the company form of organisation would be the most suitable to enable the undertaking to be run efficiently on commercial lines. The factory has been transferred with all its assets and liabilities to the company. The Company is a wholly Government owned concern, managed by a board of directors appointed by Government.

(b) The authorised capital of the Company is Rs. 3 crores and the estimated cost of the present project in hand is of the order of Rs. 110 lakhs. The amount of investment by the company to meet the expenditure incurred from time to time is raised by allot-

ment of shares to the President of the Republic. The exact investment made up to date is not readily available. At the end of March this year, however, the amount made available by Government to the company was about Rs. 40 lakhs.

SHRI M. VALIULLA: Who was managing this Telephone Cable Factory before it was handed over to the Hindustan Cables Limited?

SHRI K. C. REDDY: It was being looked after departmentally.

SHRI M. VALIULLA: Was it not the Government that was managing it?

SHRI K. C. REDDY: 'Departmentally' means the concerned Department of the Government.

SHRI M. VALIULLA: Even now the Government alone is managing it under the name of the Hindustan Cables Ltd.

SHRI K. C. REDDY: I am afraid the hon. Member is not quite correct. The Government finds all the necessary money for putting up this plant and the company allots shares to the President, but it is not being managed by the Government. The whole conception of this arrangement is that autonomy should be given to the company, when it is constituted, to manage the day-to-day affairs of the factory. But the overall policy and certain other vital matters are constantly kept in view by the Government and the Government will, to that extent, have an overall control of the company's affairs.

SHRI M. VALIULLA: When was the Telephone Cable Factory started?

SHRI K. C. REDDY: It has not been started as yet but the project has been taken in hand; it is in the process of erection. The initial decision was taken somewhere in 1950 and since then the necessary measures are being taken to establish that plant.

SHRI M. VALIULLA: When will production start?