

MR. CHAIRMAN ? The question

That leave be granted to introduce a Bill further to amend the Cantonments Act, 1924.

The motion was adopted.

SHRI C. C. BISWAS : Sir, I introduce the Bill.

THE ESSENTIAL SUPPLIES (TEMPORARY POWERS) AMENDMENT BILL—continued

MR. CHAIRMAN : Further discussion on the following motion moved by Shri Karmarkar

That the Bill further to amend the Essential Supplies (Temporary Powers) Act, 1946, be taken into consideration.

with continue. Mr. Chandulal Parikh will continue the speech.

SHRI C. P. PARIKH (Bombay) : Mr. Chairman, yesterday, I was talking about raw cotton production in the country. Production has gone up from 25 lakh bales to 37 lakh bales which will supply adequately the requirements of our country and obviate the necessity of having to import large quantities of foreign cotton on which we are losing foreign exchange. Now, Sir, production of raw cotton has been accentuated in India by the fact that the prices offered have been reasonable and the maximum and the minimum prices have been revised. I think it is a wise decision because if we get adequate cotton in the country, huge imports will not be necessary. One hon. Member said that we should not import expensive cotton from abroad. I am in entire agreement with that, Sir, but since there is not adequate cotton available in the country, cotton has to be imported. I have to request the hon. Minister for Commerce and Industry to see that while granting import permits we import as much of cheap varieties of cotton as possible and not expensive ones. I agree with the hon. Member that counts over 36 should not be allowed to be produced in the country, but that will happen only, Sir, when we produce sufficient good variety cotton in this country. Over and above that, Sir, he knows very well that there are excise duties on cloth

made from cotton imported from foreign countries from 5 per cent on fine to 20 per cent, on superfine and when adequate supplies of Indian cotton are available in the country, Government can well revise these Excise Duties on a higher or lower level according to the "demands of the country and according to the savings of foreign cotton that are expected and that will be a governing factor. I quite agree that India wants cheap commodities and cheap varieties of cotton and therefore we should supply them adequately.

I have to request the hon. Minister for Commerce and Industry to enquire into the effects of consumption of short-staple cotton. Sufficient incentive and inducement should be given to such manufacturers in India and to see that this kind of short-staple of cotton is consumed in the country. We are importing foreign cotton which is expensive and we have to pay through the nose for it. That policy has to be examined and it can only be encouraged by a price adjustment. We have to encourage manufacturers to manufacture more coarse varieties of cloth.

With regard to the manufacture of cloth out of cotton, I have to say this. During the last 3 years, owing to scarcity of Indian cotton we produced large quantities of fine and superfine varieties and the ratio went up to 50: 50. At one time medium and coarse cloth were produced to the extent of 55 % and superfine and fine to the extent of 45 %. Government also did not follow a wise policy of export. They allowed export of coarse and medium varieties which created scarcity in the country. Government is blaming the industrialists for the high price, whereas it was the export policy of Government which is really responsible. Manufacturers are getting prices according to the Tariff Board schedule. They are acting as middlemen getting Rs. 1/8/- per loom as profit. If the consumers do not get cloth, it is not the manufacturers who are responsible, but the Government which allows such export. The requirement of coarse and medium cloth is to the extent of 2,500 million yards and supply was to the ex-

tent of 1,400 million yards. Whose fault is this ? I have to say that the Commerce and Industry Ministry has great responsibility to see what is required for the country and what goes out. If that factor is borne in mind then we will have enough cloth, not otherwise. We cannot work miracles in the matter of manufacturing cloth. I can tell you that no manufacturer can make huge profits on the present schedule fixed by the Tariff Board. It is only due to the profits earned in exports that some concerns are showing profits. Therefore, Sir, the whole position of cheapening cloth lies in the hands of Government, in the fixation of prices for coarse, medium, fine and superfine varieties and in the fixation of quotas for export. But the position of export has reversed. The position is not happy at present. We are unable to export the quantities that we are producing or that we desire to export because production in the country has gone to the maximum in the last four months. We have touched the peak figure of 4,600 million yards—a figure which we had never achieved in the past. And in my opinion we cannot consume that much quantity. Hence we have to export so that we may gain exchange and maintain our production. If fine and superfine cloth is not exported adequately, then we shall have to export medium and coarse varieties. At present we have 25 % export duty and if our production is not consumed in the country, then that export duty will have to be reduced or abolished. So we must not lose our export markets and allow other nations to capture those markets which we have gained after great efforts.

Now, Sir, with regard to handlooms, it was made out that the handloom industry was not receiving protection. This, I think, is not correct, because the handloom production has been consistently maintained for over eight years at 1,400 million yards, and that production was absorbed in the country. The unhappy position which has now arisen on account of inadequacy of yarn provided to handloom weavers is

due to the indiscriminate export of yarn. You export more yarn and the handloom weavers suffer. Therefore we must see that handloom weavers are given adequate quantities of yarn—over 400 million pounds—which they require. There should be a guarantee that these quantities will be made available to them. If supplies of yarn are made available to them at reasonable prices, then naturally the handloom weavers will have no complaint. As it is, the handloom industry has suffered because sometimes supplies of yarn are more and sometimes less. The supply of yarn has to be regulated in such a way that the handloom weaver does not suffer. That is the main thing. Then the other factor is that owing to scarcity of yarn the handloom weaver has to pay very high price to get the yarn. If he pays high price for his yarn, he would not be able to market his cloth at a fair price. Then, Sir, attempts have been made to have certain varieties reserved for handloom production—like *dhoties* and *sarees*. But the fact is, Sir that the present handloom and mill production of *dhoties* and *sarees* is still inadequate to the needs of the country and we have to make both handloom and mill *dhoties* and *sarees* available in greater quantities to the public. That is the position. The handloom industry will expand if it gets the right material at the right time and while buying and selling yarn and cloth they are able to eliminate the margins of middlemen. That is the main thing; of course, some technical aid has to be provided to them.

Now, coming to iron and steel, the production of iron and steel is very inadequate in our country and I think out of all the essential commodities, iron and steel are most important, because most of the other essential commodities are fairly adequate in the country. Therefore I would request the hon. Minister for Commerce and Industry to get adequate supplies of iron and steel from outside which may involve an exchange outlay of Rs. 10 to Rs. 20 crores, but it is worth while and

[SHRI C. P. Parikh.] we can get this now because supplies are available in international markets. It may be argued how this money is going to come forward. I say, Sir, that we must make a *differentiation* between essential commodities and non-essential commodities. The essential commodities mentioned under this Act should be in adequate supply in the country, otherwise there will be unequal distribution and profiteering. We must have these in adequate quantities. For this purpose we may have to eliminate or reduce the import of luxury goods and I think we can easily cut down Rs. 10 to Rs. 20 crores from luxury goods. It is not my business to mention which luxury goods should be cut out, but if anyone looks into the list of imported commodities he can easily find it for himself. So, Sir, we must have all the essential requirements of the country in adequate supply.

Then, Sir, these controls which we have here have taken away employment from so many middle class people. We are passing many measures for the benefit of agriculturists, for the benefit of industrial labour etc., but we should devise measures beneficial to middle classes. Distribution control should be made as lax as possible so that the consumer will not have any difficulty in obtaining these commodities, nor have to pay high prices. Middle class people should come in the field and I think it is necessary to reduce the discontent and resentment prevailing in the country.

Lastly, as I said, Sir, only movement control is necessary to enable the Government to ensue fair distribution throughout the country. In such a large country in order to eliminate the rigours of control we must attain adequacy of supplies and we should have judicious control on movements within the States as well as Outside the borders. Together with adequacy if movement control is properly exercised, price control will automatically become unnecessary.

As regards prices, I have to say, that if commodities are adequate and available at tolerance prices as distinct from fair prices, then we shall have achieved a great deal in making the controls inoperative or ineffective. A fair price is that which is due to the consumer on account of production or importing cost, but if we make an allowance of 5 per cent, and introduce competition, then also a fair level of prices will be established and it will be less than the controlled price which is now existing. As I said if we supply 105 instead of 100 then the price will automatically go down and in the initial stage we have only to try the experiment of tolerance prices. Then naturally we shall have ultimately lower prices in the country. I therefore say, Sir, that controls should be exercised in such a way that they become ineffective and inoperative and this is the right time to do it because there is no emergency existing at present, because in the international market you can get the goods. If any emergency arises we can always tighten our measures at any time. With these words I commend the Bill.

SHRI P. V. NARAYANA (Madras) : Mr. Chairman, in the very Act which is now sought to be amended, it has been said that these are temporary powers. These are being extended from time to time and this time they want to extend it for a further period of two years and I think that is the maximum period allowed by the Act under Article 369. Now, Sir, control is to be exercised over so many articles. They want to control all kinds of things, textiles, and even *vanaspati* and I think even sugar was included. There are so many mills manufacturing huge quantities of sugar, and for *vanaspati* there are not sufficient sales. They are available in abundance everywhere—even in cloth shops and stationery shops. So, I really wonder why *vanaspati* should be controlled any longer. As regards sugar, sugar is available everywhere, and control on this also is quite unnecessary. Of course, as regards iron and steel and

some of the other materials. Government can still continue controls over such commodities.

These controls only create blackmarkets and corruption. But for these, the administration of controls would have been all right. When the Ministers seek the advice of the officers concerned, they always advise them not to discontinue controls ; not only that, they want them to extend controls to some other commodities also. In this connection, I submit to the House that this subject seems to be in the State List. No doubt the Constitution gives powers to the Central Government for the first five years to enact laws in respect of these controls. But after having worked these controls for a sufficiently long period, it is now up to the Central Government to leave the matter to the respective States to enact through their Legislatures whatever laws are necessary as regards these controls. In view of the experience which the State Governments have gained over a long period in the matter of the administration of these controls, they will be in a much better position than the Central Government to know what laws will be necessary to improve the administration of controls, and what commodities they should bring under them. Therefore, it would be better for the Government to withdraw this Bill, which, in the name of temporary powers, is trying to extend those powers from time to time. With these words, I oppose the Bill.

SHRI R. P. TAMTA (Uttar Pradesh) : Sir, I rise to support the Bill which is before the House. This is not a new Bill that has been introduced. The law in question has been in existence since 1946 and everyone is aware of its provisions and its working. Personally I hold that the system of controls which has come into existence in this country due to forces beyond control, is what may be called a necessary evil. In the present abnormal conditions through which the country is passing, we cannot do without controls till such time conditions are changed.

The Deputy Minister, while introducing the Bill, has stated that it was the policy of the Government to resort to gradual decontrol. We have seen that the Government have adopted a very bold policy in the matter of gradual decontrol of food grains, and that decontrol policy has been welcomed throughout the country. It has not only been welcomed; it has also spread a new ray of hope throughout the country and even the most pessimistic people have begun to think that better times are ahead. In the present abnormal conditions, as I said, it is absolutely necessary that the Government must have powers in order to control those interests and forces, which are there in the country, which do not want that controls should go and which want to place obstacles in the way of Government in their policy of removal of controls. Therefore it is necessary that the Government must have adequate powers to meet all the exigencies and eventualities which might arise. For example, we have seen that after the removal of controls on food grains, Government had to issue an order whereby it restricted the hoarding of grains and allowed the licensing of merchants etc., so that there should not be any sudden rise in prices and people should not hoard foodgrains. Again, when there was a relaxation in the matter of the export of cloth, we saw that large quantities of cotton textiles were exported from Delhi to outside districts, and the result was that there was a likelihood of a scarcity of cloth in Delhi. So, Government had to come forward and stop the export of cloth. Had this Act not been in existence, it would have been very difficult for Government to restrict movements of cloth in this manner by taking timely action. Therefore, I think it is necessary that in the present circumstances Government should have power and this Act should remain on the Statute Book till such time as conditions improve.

The Government also is not anxious to continue controls. As has been stated, the policy of Government is to relax controls on commodities where-ever and whenever possible. One

[Shri R. P. Tamta.] hon. friend has just pointed out that there is enough cloth in the country and production has increased to such an extent that the cloth which is produced is more than sufficient to meet the requirements of the country. Therefore, in the matter of such commodities, wherever there is sufficient supply, Government should relax the controls as soon as possible. My another suggestion is that it would be the best thing if the licensing and permit system, which is the root cause of corruption, is abolished and Government imposes only price control. That would be much better, because I am one of those who think that controls and corruption go together and that for the present state of demoralisation in the country controls are responsible to a great extent. Therefore, the sooner controls go, the better so that there might be free trade in the country. But in the present circumstances, when the Government have adopted a policy of gradual decontrol, and there are forces and interests which want to defeat the policy of the Government. There is no harm if the Government takes power to meet all eventualities that may arise to make their policy successful. With these words, I support the Bill.

SHRI C. G. K. REDDY : Sir, I do not want to say very much on this Bill, but there are one or two items to which I should like to refer, especially newsprint, to which my hon. friend Shri Rama Rao referred yesterday. Generally I should like to say, first of all, that I support this Bill, but I shall put forward certain suggestions and certain comments on the manner in which these powers have been used during the last two or three years.

So far as newsprint is concerned, I was intimately connected with the management of a newspaper in Mysore. It was supposed to be one of the smaller newspapers. We found that, as in every other industry there were three or four newspapers.....

I will sit down, Sir. I am not feeling well.

SHRI M. MANJURAN (Travancore-Cochin): Mr. Chairman, by this measure the Central Government is tightening the reins at the Centre and the horse is wild in the States. This Act has been in existence for the last six years. Our experience is that when the Centre brings any such legislation and the States are not aware of its import, they practically misuse the powers. Recently, in the State of Travancore-Cochin, I might cite an instance of the application of controls through this Act on foodstuffs. Tapioca was available in plenty there, and there was great scarcity of rice, which I think was supplied at the rate of 4 1/2 oz per adult. Then, the price of tapioca fell considerably, to about six pice per lb. So, the tapioca cultivators went and saw the Minister for Food and represented to him that unless the price of tapioca was increased, they ran a great risk of immediate loss. The Minister for Food ordered that tapioca could be exported. The prices went up to about 4 annas per pound. There were representations from the people that since the prices had gone up they were faced with difficulty. The next day the Minister ordered that tapioca should not be exported. And the prices fell down. And what did the cultivators of tapioca do? Instead of 50 thousand acres that used to be cultivated annually, they have cultivated now only about 20 thousand acres. That means by empowering the Government under this Act to act in any manner they like, the result is that the cultivation of tapioca has considerably come down, with the result that the financial position of the State is going to be adversely affected by such Acts.

I was referring to the question of foodstuffs. This is not the only instance. With regard to the supply of iron it seems the position is not very satisfactory. I think the merchants or the Government, whoever were responsible for it, were not able to lift all the supplies that the Government had sanctioned. The Central Government used to allot certain quotas to the State but the Railway Ministry could not allot the wagons for their transport with the result that either the goods

were held up in the factories or somewhere and were never distributed. The result of this was that the existing stocks appreciated in price and blackmarket became rampant. These powers could only be exercised if the Government could guarantee that the supplies will be effected expeditiously and in time. Otherwise taking powers by this House or by the Government is not a very good business. We do not mind such powers being given to the Government. You can take even more powers and have more controls. That is not the question. We should see that we get the benefit of giving certain powers to the Government. The delegation of people's powers into the hands of the Government should bring real benefit to the people. But that is not what we are having today. We are actually having things very much against that. By this control a kind of short supply is being created by the Central Government and we think they actually assist the blackmarketeers in their present system of operations. Leaving aside what is said about corruption, by the short supply that exists in various places for which reasons and excuses are mounting every day, we find that actually there is a condition of short supply created by the powers now exercised by the Government under this Act, by which the people are not well off but the merchants are well off, because when supply is restricted, the merchants increase prices. There is no insistence by the Government that trade should be conducted in such and such a manner, that such and such amount of stocks should be kept. These things are not cared for with the result that people are very adversely affected by these very powers taken by the Central Government.

In the case of Food Procurement Order by the Travancore-Cochin Government, I think that it has been declared *ultra vires* by the Supreme Court because they did not know which Act of the Central Government actually applied to procurement. Now we are passing so many Acts, so many amendments that the Government in the State gets bewildered of these things. They do not know which Act

applies to what. That has actually happened. I am not making a joke of it. It happens always. In the huge volumes on the Statute Book they never find which is the particular Act that is applicable and the first one that comes to their head, they think, applies for food procurement. Some ingenious merchant who was conducting blackmarket operations found it convenient to challenge the Government over this Act. He brought it to the Supreme Court and the Supreme Court had to say or judge that this Act had no bearing on the Government Procurement Order. So now actually, after that, food procurement has become difficult, with the result that there is always a kind of misunderstanding about the present legislations of the Central Government and misunderstanding generally in the States with the result that Administrations in the States are very inefficient. What is that due to? Because initiative is not with them. If the initiative of legislation in such matters rested with the State Governments, this misunderstanding would not have arisen. Things would have been set alright. That is not possible under the present system. Neither the Central Government would instruct them as to the implications of this Act, nor the Deputy Minister, who presented the Bill here would tell us what has been the experience of this Government in the last six years in the operation of these Acts. We are not told whether the supplies of these goods were properly procured and the distribution was made effectively, by how much the production would be increased in any of these goods and what is the condition we are in today. None of these details was provided to us with the result that we are still groping in the dark with regard to the detailed position—the administrative part of the Bill. How can we think that this Bill is going to be effective today when our experience for the last six years, when the Act was in operation, has been said? This system of control under this Bill has been the cause of such a lot of corruption. We actually wanted to know from the Government what effective steps they were taking to put a stop to corruption

[Shri M. Manjuran-] and how the passing of this Bill is going to minimise it. We are not given an) of these details. That is what the Government should have given us when we are going to debate the Bill. We really wanted all the facts from the Government so that we can go and interpret to the people what actually this legislation means, what its import is, how we should react on it. But now we do not know anything. You just want further powers. We do not mind that. We want the Government to have control on everything, every feature of production and distribution. We like it very much. We do not want the Government to be powerless. We want the Government to be powerful and administer its laws properly and in favour of the majority of the people against a minority of black-marketeers, against a minority of vested interests and capitalists. We want the Government to be vested with powers but they should be exercised for the benefit of the people in whose name these legislations are passed. If we go into the scandals that have been taking place in the States for the last six years, I think their number is very large.

The other day it was said by the Commerce and Industry Minister here that his office did not have counterfoils of the import licences given to certain firms. I was surprised at the manner in which our Government operates in such important things as import licences. If a man forged an import licence, our Commerce and Industry Minister will not be able to detect it because they don't have the counterfoils, because there is no system of checks provided by them. It is one-sided. You give the merchants import licences and keep quiet over them. Lot of merchants might be forging import licences. There is no check. Customs clearance is effected under what manner, we do not know. I think the Government should have a better system of import licensing and should have sufficient checks over them. When the Commerce Ministry at the Centre has no proper records, how can you expect the Ministries in

the States and the other Departments of Government to have proper records. This is a very objectionable system. What is the use of our giving these powers to the Government if they do not maintain proper records? We do not object to giving these powers to the Government but do mind the manner in which they are being exercised without proper records, without proper checks. We want that the Commerce Ministry should maintain a proper check at every point. That is where we find difficulty. People do not get food. Foodstuffs have been in short supply in my State for the past so many years but the Government has not raised a little finger about it, has not done any thing to relieve the situation there I do not understand what benefit these powers are going to confer on the people, if they do not get even their food stuffs. Sir, when the U. P. Government was approached for food, they wanted Rs. 14 more per maund than the price that even foreigners were charging us. Some provinces have been encouraged like that in preference to certain other provinces. My State has been short of food for all these years, but the Uttar Pradesh people should get Rs. 14 more for rice. The real point is, what benefits we get from these controls? Vested interests always work against these controls. I can give you the scandals that are going on in my State about the manner in which this Act is operated. It is always the Congress Ministers who have been involved in these scandals there. To me it has always appeared when I was in my State that these powers were being discriminatingly used by the Congress Ministers to give certain concessions to their supporters who are in business. And naturally they have to support the Congress because, if they oppose them, they would not get these concessions, and things will be.....

SHRI H. P. SAKSENA (Uttar Pradesh):
May I know the concrete nature of the complaint that my hon. friend made against the Uttar Pradesh Government. He said that the U.P. Government was charging a high price for rice-

SHRI M. MANJURAN : My hon. friend wants to know

MR. CHAIRMAN : You please go on with your speech.

SHRI M. MANJURAN : Sir, it is not to the taking of these powers by the Central Government that we object but the way in which these powers are being administered. Indeed, I would like more powers to be taken by the Government to improve the administration of these controls.

SHRI C. G. K. REDDY: Sir, I was saying that the basic principle underlying this Bill could not be opposed from any side of this House, I am sure I am voicing the opinion of almost the entire House when I say this, because the principle is this that goods or services or supplies which are essential for the life of the community must be made available as fairly and as equitably as possible. Now, this Bill seeks to control the supply of certain goods which are considered essential for the life of the community. There can be no objection from any part of the House to this Bill whatever on that basis. It may be that certain goods ought to have been removed from this list or certain other goods ought to have been added to the list, but basically, no one who is interested in the life of the community can oppose this Bill. The opposition that can come to this Bill can only be against the manner in which the powers taken under this Bill have been administered and continue to be administered during the last few years. Sir, there have been occasions in this House and in the Provisional Parliament and in the newspapers all over the country when people have accused the Government, and quite rightly I think, that these powers have, more often than not, been misused and abused by the officials and others connected with the Government whether they are directly connected or otherwise. We have come across several cases where high officials, really big people, have been involved in the

misuse of these powers. But I find that the Government have not done anything concrete in seeing to it that the powers that they have taken are used for supplying the community with the essential commodities and that these powers are properly, justly and incorruptibly administered for the sake of the community. Now, Sir, if the control over the supply and price of these commodities has led to corruption, it can only be because the opportunities that such powers create are not properly supervised. When you control the supply of certain commodities, this control naturally vests certain officials with powers, and there is always a temptation on the part of those officials to get an advantage for themselves as against the good of the community. The Government ought to see to it that the purpose for which these powers are taken is attained. My complaint is—and it is the general complaint—that the Government have not seen to it that the object of these powers is attained. It may have been attained to a certain extent, but in many cases it is being abused. That complaint is there. After all, Sir, we want the Government to assume these powers because there are commodities which are in short supply and which are essential for the life of the community and I cannot foresee any time in future when there will be no commodity at all which is essential for the community and which is not in short supply. Therefore these powers should be given to Government. On that there can be no objection. So far as the criticism that these powers are being abused is concerned, after all we bring it up from time to time and we hope that the Government would be responsive to the criticism, the factual criticism, the constructive criticism, that is brought up in this House and that they would try to rectify those defects which give rise to corruption and the misuse of these powers. Having said that much, may I refer to one commodity with which I had been more or less intimately connected 18 months ago? As I was saying before I stopped speaking last time, I was in the active management of a newspaper in Mysore. It is smaller than many of the bigger chains

[Shri C. G. K. Reddy.]

of newspapers that we have in India. As in any other industry, even the newspaper industry tends to become monopolistic. A few newspapers or units tend to put down the other units, discourage other newspapers from coming up and they also see to it that in all ways possible their hold on their areas is strengthened and these areas are extended. We are aware that there are certain organisations of the newspapers for instance, the Indian and Eastern Newspaper Society, which is the managerial society, if I may say so. It is a society of newspaper which looks after the management interest of these newspapers. Now unfortunately, this society has been dominated, continues to be dominated by about 4 or 5 big newspapers in the country. Quite rightly, and democratically speaking quite rightly, the Government have been acting on the advice of the Newspaper Society in so far as the supply of newsprint is concerned. But I have found certain lapses, e.g. when the Newspaper Society passed a resolution because of the smaller newspapers taking a stand which is good for them, when that resolution was forwarded, to the Government, the Government, influenced by two or three big newspapers did not take that advice. I may refer to a particular instance. In 1950 a special general meeting of the Newspaper Society recommended that the price page schedule should be introduced because at that time suddenly the supply of newsprint had become very acute and the import price of newsprint had suddenly shot up. But in spite of the fact that it was a decision arrived at by a large majority of the newspapers of that Society, the Government did not take any action. They continued their policy of *laissez-faire* with the result that the smaller newspapers suffered. Even after the Government had agreed, under the advice of the Eastern Newspaper Society, to make an equitable distribution of newsprint that may be available through imports, we found that the smaller newspapers that they had no influence in Delhi had to suffer. I may of my own case where time and again I had come to Delhi, had written

letters and I had asked only for that much of newsprint that was required for the bare production of my two news papers. But the newsprint permit never came in time until the price went up again and we had to suffer. At the same time I know of one particular newspaper publisher—I don't want to name him—he got something like hundred times more than what he should have got and what has been established to be his consumption for his newspapers. Now, this sort of thing is still continuing, I am told, although I am not in intimate contact with the newspaper industry at the moment. The price page schedule is never adhered to. The import permits and supply of newsprint is not equitably shared. The bigger newspapers.....

THE MINISTER FOR COMMERCE AND INDUSTRY (SHRI T.T. KRISHNAMACHARI) : May I inform him that newsprint is on the O.G.L. now?

SHRI C. G. K. REDDY: I was only pointing out the prevailing circumstances as an instance as to what happens. Even under the O.G.L., the hon. Minister knows the purpose for which the price page schedule exists today. I am subject to correction. The Government decided to put newsprint on the O.G.L. because they wanted to encourage the newspapers to get the newsprint at any cost from anywhere they wanted. They did not want the import licences to stand in the way because of shortage of newsprint and unavailability of newsprint at the time. But what I was suggesting was that if you had a certain policy recommended by a society which wants to look after the interests of the newspapers in general, if you had that recommendation before you, if you pass a law or order for equitable distribution of newspapers and if you don't take any action against offending newspapers, if you conveniently shift the responsibility to someone whom we cannot ask, then it is not possible for that order to work well which has been made admittedly for the equitable distribution of an essential commodity—and I take it that newsprint is an essential commodity—and then these powers

that you have taken throw you open to the charge that you are misusing the power. So far as newsprint is concerned, I have told you from my own experience what actually happens and I am told by others who are connected with other commodities and other industries that the position is much the same.

In conclusion I would say that these powers rightly belong to Government and we, to whatever party we belong to, cannot deny these powers to the Government. But I would say that when the Government takes these powers, it also devolves on them to see that these powers are not abused, are not misused and the objective with which this power is taken is really achieved. The administrative and other machinery should be so tightened to see that the commodities listed and unlisted also if it is possible, are really available to the community and a fair distribution is assured in the country.

SHRIMATI CHANDRAVATI LAKH-ANPAL
(Uttar Pradesh) :

श्रीमती चन्द्रावती लखनपाल (उत्तर प्रदेश) : अध्यक्ष महोदय, कल माननीय उद्योग मंत्री जी ने जब इस सदन के सामने एसेन्शियल सप्लाइज बिल (Essential Supplies Bill) पेश किया तो उन्होंने बताया था कि कागज भी एसेन्शियल सप्लाइज के अन्दर आता है। चूंकि कागज के उत्पादन की स्थिति और सप्लाइ पोझिशन (supply position) संतोषजनक है इसलिये कागज पर से सन् १९५० ई० में कंट्रोल (control) उठा लिया गया है, यह बात उन्होंने अपने भाषण में कही। कागज पर से कंट्रोल उठा लेने से और उस पर से नियंत्रण उठा लेने से आज कंज्यूमर्स (consumers) और पब्लिशर्स (publishers) के लिये एक नई कठिनाई उपस्थित हो गई है। इसके सम्बन्ध में मैं माननीय उद्योग मंत्री जी का ध्यान आकर्षित कराना चाहती हूँ।

श्रीमन्, आज स्थिति यह है कि किताबों के प्रकाशन का जो कागज होता है वह न तो

बाजार में किसी प्रकार से मिल सकता है और न मिल वाले ही उसको देने के लिये तैयार हैं। न्यूज प्रिन्ट (newsprint) के बारे में तो मैं नहीं कह सकती मगर किताबों के प्रकाशन और किताब की प्रिंटिंग (printing) के काम में जो कागज इस समय इस्तेमाल में आता है, वह एक तरह से गायब हो गया है। वह बाजार में कंट्रोल रेट (control rate) से प्राप्त हो सकता है और न किसी और रीति से। यदि किसी प्रकाशक को कोई किताब छापनी हो और छपाई के लिये कागज प्राप्त करना हो, तो उसे वह कागज कंट्रोल रेट (control rate) पर नहीं मिल सकता है। हाँ, ब्लैक मार्केट रेट (black-market rate) पर अगर वह चाहे और पैसा देने के लिये तैयार हो, तो उसे हर प्रकार का कागज बाजार में मिल सकता है।

श्रीमान्, आज कागज का कंट्रोल रेट १० आना ७ पाई प्रति पौंड है। किन्तु पब्लिशर को आज १४ आना प्रति पौंड से कम पर कागज किसी प्रकार बाजार में नहीं मिलता है। इस सम्बन्ध में स्थिति यह है कि हर शहर में कागज का एक निश्चित कोटा (quota) आता है। मिल्स वाले अपना कागज डिस्ट्रीब्यूटर्स (distributors) के द्वारा जो उनके शहरों में होते हैं, उनको भेजते हैं। शहरों में जब डिस्ट्रीब्यूटर्स के पास कागज आता है तो वह इस तरह से उस कागज को मैनेज (manage) करते हैं या बेचते हैं कि वह सारे का सारा अन्डर-ग्राउन्ड (underground) चला जाता है। इसका नतीजा यह होता है कि जिन लोगों को कागज की आवश्यकता होती है, उनको वह कागज कंट्रोल रेट पर नहीं मिल पाता। इस सम्बन्ध में मेरा स्वयं का अनुभव है।

मुझे दो टेक्स्ट बुक (text book) छापने के लिये कागज की आवश्यकता थी। मिल्स को इस बारे में लिखा तो वे कह देते हैं कि हमारे

[Shrimati Chandravati Lakhnapal.]

जो लोकल (local) डिस्ट्रीब्यूटर शहर में हैं, उनके पास से आपको कागज मिल सकता है। जब लोकल डिस्ट्रीब्यूटरों के पास जाते हैं तो वह कह देते हैं कि हमारा सब कागज बिक गया है, हम मजबूर हैं और आपकी किसी तरह से मदद नहीं कर सकते। इसका नतीजा यह होता है कि जिनको कागज की आवश्यकता होती है, उन्हें कागज प्राप्त नहीं हो रहा है। अगर प्यादा दाम दिया जाये तो आपको कागज मिल सकता है।

संक्षेप में इस समय कागज की यह हालत है कि मिलस से कागज डिस्ट्रीब्यूटर को कंट्रोल रेट में मिलता है और डिस्ट्रीब्यूटर उसका फायदा उठाते हैं। वह उन कागज को कंट्रोल रेट पर तो नहीं बेचते हैं बल्कि ब्लैक मार्केट करके अच्छा पैसा कमाते हैं। मगर इसका असर कंज्यूमर्स और प्रकाशकों के लिये खराब होता है। उनको कंट्रोल दाम पर कागज न मिलने से नुकसान उठाना पड़ता है क्योंकि उनको वह कागज नहीं मिलता है। इस तरह से आज कंज्यूमर्स और प्रकाशकों को काफी नुकसान उठाना पड़ रहा है। श्रीमन्, मेरा आपसे यह निवेदन है कि यह स्थिति इसलिये उत्पन्न हुई कि जिस समय मिलों से जो कागज डिस्ट्रीब्यूटरों के पास जाता है, उस लेवल (level) पर तो सरकार का कंट्रोल है मगर जब डिस्ट्रीब्यूटर उस कागज को कंज्यूमर्स और प्रकाशकों को देते हैं तो वह मनमाने ढंग से बांट करते हैं। मेरा सरकार से यह कहना है कि डिस्ट्रीब्यूटरों के लेवल पर भी सरकार का कंट्रोल होना चाहिये जिससे जनता को किसी प्रकार का कष्ट न उठाना पड़े। मुझे आशा है कि सरकार इस ओर अवश्य ध्यान देगी और कागज की पालिसी (policy) निर्धारित करते वक्त सरकार अवश्य प्रकाशकों की कठिनाइयों का विशेष स्थान रखेगी।

दूसरी बात जो मुझे सरकार के सामने

कहनी है और उसका ध्यान आकर्षित करना है वह वनस्पति घी के बारे में है। श्रीमन्, जैसा कि अभी मेरे एक माननीय सदस्य ने सरकार का ध्यान इस ओर आकर्षित किया था कि वनस्पति घी की पैदावार इस देश में इतनी अधिक है कि उसमें किसी प्रकार का कंट्रोल लगाना उचित नहीं है। आज हमारे देश में हो यह रहा है कि वनस्पति घी में किसी प्रकार का कंट्रोल न होने से वह शुद्ध घी में मिलाया जा रहा है और इस प्रकार से खराब घी भी शुद्ध घी के नाम से बिक रहा है। आज देश के अन्दर अच्छा शुद्ध घी देखने को नहीं मिलता है। सरकार भी मेरी इस बात से सहमत होगी कि आज बाजार में कोई भी घी रिलाएबल (reliable) नहीं है, उसमें कुछ न कुछ मात्रा में वनस्पति घी की मिलावट अवश्य होती है। इस तरह की परिस्थिति हमारे देश में निराशाजनक है। हम चाहते हैं कि हम जो घी बाजार से लाते हैं और इस्तेमाल करते हैं, उसके बारे में हमको यह तो मालूम होना चाहिये कि हम शुद्ध घी का इस्तेमाल कर रहे हैं या वनस्पति घी का इस्तेमाल कर रहे हैं। आज स्थिति यह है कि जब हम बाजार से शुद्ध घी लाते हैं तो वह वास्तव में वनस्पति घी होता है।

श्रीमन्, इस तरह की स्थिति को रोकने के लिये एक ही उपाय है और वह यह है कि इन दोनों घी में किसी न किसी प्रकार भेद अवश्य होना चाहिये। वह भेद सिर्फ रंग करके ही किया जा सकता है। यह प्रश्न हमारे सामने नहीं है। इससे पहिले भी यह सवाल कई बार उठ चुका है और यदि मैं भूल नहीं करती तो अभी पिछले दो महीने ही की बात है कि रवर्नमेंट ने इस सम्बन्ध में नोट निकाला था। वह यह था कि कलरिंग (colouring) करने के लिये सरकार को एक करोड़ रुपये खर्च करना पड़ेगा क्योंकि वह रंग बाहर से आयेगा और सरकार का

कहना था कि इतना रुपया वह खर्च नहीं कर सकती ।

श्रीमन्, वनस्पति धी का सवाल कोई छोटा-मोटा सवाल नहीं है । आज इस बात पर भले ही विवाद हो, भले ही यह कहा जाता हो कि वनस्पति धी हानिकारक नहीं है, मगर मैं कह सकती हूँ और यह बात भी सब लोग अवश्य मानेंगे कि वनस्पति धी से शुद्ध धी का स्थान बहुत ऊंचा है । शुद्ध धी का मुकाबला वनस्पति धी से नहीं किया जा सकता है । वह स्वास्थ्य के लिये इतना लाभकारी नहीं हो सकता है, जितना कि शुद्ध धी होता है । अभी हाल के कुछ वर्षों की बात है कि चूहों पर वनस्पति धी के एक्सपेरिमेंट (experiment) किये गये और उसका परिणाम यह निकला कि अगर चूहों को लगातार वनस्पति धी खिलाया जाये, तो तीन पीढ़ियों के बाद उनकी पीढ़ी बिस्कुल ही कमजोर और निकम्मी हो जाती है । जब चूहों पर वनस्पति धी का यह असर होता है तो मनुष्य के ऊपर क्या असर नहीं होता होगा ।

तो मेरे कहने का अभिप्राय यह है कि वनस्पति धी किसी भी हालत में स्वास्थ्य के लिये लाभदायक नहीं हो सकता । अगर एक करोड़ रुपया से वनस्पति धी को रंग कर शुद्ध धी से अलग किया जा सकता है, तो इसको शीघ्रता से करना चाहिये जिससे जो क्षति वनस्पति धी के खाने से राष्ट्र को हो रही है, वह रुक जाये ।

श्रीमन्, इन शब्दों के साथ मैं अपने माननीय उद्योग मंत्री जी का ध्यान इस ओर आकर्षित करना चाहती हूँ कि वह शीघ्र से शीघ्र इस तरह की कार्यवाही करें जिससे वनस्पति धी को अलग किया जा सके और वह शुद्ध धी में न मिलाया जा सके ।

[For English translation, see Appendix II, Annexure No. 50.]

SHRI T. V. KAMALASWAMY (Madras): Mr. Chairman, I wish to draw the attention of the House to only one point which has not yet received the emphasis that it deserves, namely, the fixation of prices of the controlled commodities. I submit that the prices of all these commodities have been fixed at abnormally high levels. It is true that these prices are only fixed after elaborate enquiries by the Tariff Board. I do not want to cast any aspersions on the Tariff Board, but the formula that they apply is one that always works against the interest of the consumer, and ultimately prices are fixed at a very high level. If you examine the prices of commodities like sugar, cement, textile.....

SHRI B. C. GHOSE: For sugar the Tariff Board does not fix the price.

SHRI T. V. KAMALASWAMY: If you compare the pre-war prices of these commodities with their present prices, I think it will be admitted that the prices have gone up by nearly three times, and in some cases even four times, but in no case less than three times. For example, cement which was selling at Rs. 24 per ton in prewar days now costs nearly Rs. 90 per ton. Prices of other commodities also have gone up more than three times. But now let us take the iron and steel industry. If there is one industry in which the prices should be at an abnormally high level it is the steel industry, because it is almost a monopoly of two firms—the Tata Iron & Steel Company and the Steel Corporation of Bengal. But what do we find? The price of steel today is only double that of the pre-war level. It was Rs. 175 per ton and now it is Rs. 350 per ton ex-factory. If a monopoly trade like the steel business can make a profit even by selling its goods at only double the pre-war price, how is that in the case of the other trades—cement for example—where there is competition and where there is also a surplus, the prices should be four times the prewar prices? I think this should be sufficient proof that the work of the Tariff Board, in the fixation of prices, is not helping the consumer at all. The fixation of prices under

[Shri T. V. Kamalawamy.]

these controls has only helped the manufacturers by giving them certain assured profits. As a result of this, the manufacturers have no incentive to produce more. They are always satisfied with the percentage assured to them by reason of prices being fixed at this abnormally high level. This is the only point I have to make, Sir.

PANDIT S. S. N. TANKHA (Uttar Pradesh) : Mr. Chairman, the motion before the House is very simple and I fail to understand why the hon. Members have felt it necessary to debate on it for such a length of time. The motion only asks the House to extend the powers which Government enjoys under the present Essential Supplies (Temporary Powers) Act, 1946, for a period upto 26th January 1955. In the statement of Objects and Reasons, it has been mentioned by Government that "it is essential that these powers should continue to be available for sometime". In view of this, Sir, what we have to decide is to determine whether or not conditions in the country necessitate the extension of these powers, and if so, for what further period should these powers be extended by us. As regards the first question, Sir, namely whether or not these powers are necessary, not only the Members of the House on this side but also on the Opposition have supported it and have said in clear terms that controls are necessary for a further period. I am especially glad to find that on this question there is unanimity between the Government benches and the Opposition. This, Sir, clearly goes to show that it is essential, as the Government has said, to vest it with these powers for a further period. By giving these powers, Sir, it does not necessarily mean that it will be incumbent on the Government to continue controls on all the articles specified in the Act. We have seen, Sir, that while Government enjoys these powers even at present it has lifted the controls on various articles such as food grains, woollen and cotton cloth and other things in response to public opinion. Sir, this being the condition, that is, that it is not incumbent upon Government to continue controls on all the commodities, I fail to understand

what fear we can have in giving these powers to Government in the future. To my mind, Sir, such powers are absolutely necessary for Government because, if at any time Government find, after exercising decontrol of certain commodities that things are going wrong then they may be in a position to reimpose those controls. If we refuse these powers to the Government for a further period it will mean that as soon as controls are removed from a particular commodity and it is found that the step taken has not been to the advantage of the public then the Government will be without any powers to reimpose those controls. As such, it is very necessary that these powers remain with Government, even though it may not be considered necessary to maintain controls on all the various articles specified in the Bill. I do recognise, Sir, that as a temporary measure of law it is certainly right that Government should ask for extension of these powers from year to year or for smaller periods; but, Sir, when we are all convinced that the need for these controls has been established for quite a length of time in the future and if Government comes before us at one time and asks for extension of these powers for a period of 3 years, I want to see what the harm will be in our giving them these powers. If we refuse these powers to the Government what will be the result? The only result will be that the Government will come up before the House from year to year asking for the extension of these powers. It will mean debating over this matter every year for quite a number of days, wasting the time of the House and wasting public money unnecessarily. Therefore, Sir, I support the proposal for giving these powers to Government until 1955. The reasons for giving these powers till 1955 have been mentioned by the Government. It is mainly that after 1955, unless the Act is amended, Government will not have the power to legislate on matters connected with the State Governments.

It is true, Sir, that there are many evils in the working of controls but those evils can and should be checked. It does not mean that because these evils

are existing in this system Government should not be vested with the powers asked for under the Act. Attention of the Government has been drawn by various Members, both from this side of the House and from the other, with regard to the shortcomings and the evils in the working of the system of control and I have no doubt that the Government will look into these matters and try to set them right.

Therefore with these few words, Sir, I strongly commend this motion to the House.

MR. CHAIRMAN : I will have cue speaker from this (showing the Opposition benches) side and then Mr. Govinda Reddy. After that I will call on Mr. T. T. Krishnamachari to reply.

SHRI K. L. NARASIMHAM (Madras) : Mr. Chairman, the Bill seeks to extend the powers for a further period extending upto the 26th January 1955. I think it is not necessary to give such powers upto that date. It is enough if we give it for two years, so that we can review this thing in 1954 and lay down a policy regarding controls. The hon. the Deputy Minister, while introducing this Bill, stated that the Government is trying to decontrol and are going in progressively for decontrol in foodstuffs and are trying to take measures so that this measure becomes inoperative in practice. After hearing the Deputy Minister, I feel that the Government has no definite policy. They are making temporary arrangements and yielding to pressure from one section or the other. So, in view of these facts, I think it is necessary that we review this thing again in 1954 and it would be enough if this Act is extended only upto that period.

Sir, I quite agree that there is necessity for the control of prices, of export and of distribution of these essential commodities. Well, agreeing that there is necessity for these controls. I have to place before you, at the same time, that these controls are administered in the interests of mill-owners, and in the interests of profiteers and foreign merchants. I need not go into the details of this point, but I would like

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to bring to your notice certain glaring things. For instance, the sugarcane growers get their payment in two instalments from the mill owners and I think it is under the Sugar and *Gur* Control Order of 1950. They get their payment in two instalments and the second instalment ends in October every year. So this Order is working against the interests of the sugarcane growers. They do not get their payment immediately when they deliver the cane to the mill owners and I do not see any reason why Government should stick to that Order. I submit that it is time to revise this Order in the interests of sugarcane growers.

With regard to foodstuffs, you find a different story. The Government is paying more to the foreign exporter than to the Indian producer. The Government is paying to the American exporter for wheat 64 per cent more than the Indian peasant and for rice on an average 100 per cent more abroad than in India. And for milo the Government pays 78 per cent more than what it pays for *jowar* in India. That shows that Government is fixing price levels in such a way that there is no incentive to the producer to produce more. They find they are not producing foodstuffs in abundance and there is scarcity. To give an incentive to the producers, measures have been adopted in Madras by giving bonus and that bonus also was given in such a period that the miller takes away the entire commodity and only the miller is benefited in that way. After creating this situation, the Madras Government takes another step that is decontrol and that decontrol is resulting in the rise of prices today in Madras. The price of one Madras measure, I hear from the Press, is Re. 1/8 and the price of a bag of rice in Tadepalligum and other Districts is nearly Rs. 50 and paddy now costs Rs 30 per bag. There is a competition among merchants coming from Madras for buying stocks and now we find scarcity in those Districts and Government shirks the responsibility to feed the people in the name of decontrol. While taking steps for controlling the foodstuffs you have not given any incentive to the producer and

[Shri K.L. Narasimham.] in the case of decontrol you are giving scope to the profiteer while people are made to suffer on account of all these. You should immediately go in for fair price shops and fix the price for foodstuffs and see that people get enough food—even the 16 oz. food—at a reasonable price in Madras.

Coming to cotton, I say that Government is not giving enough price to the cotton producer. At this stage I would like to quote a statement made by the hon. Minister for Commerce & Industry at Madras on June 6. This is a report from a paper called *Hindu* :

"Whatever steps the Government had taken in regard to textiles should be considered as a temporary remedy for a temporary ailment. In fact they had done nothing spectacular and the measures temporarily adopted by Government should not be construed as forming part of a decontrol programme. We are adopting some methods and actually all these may end shortly. He said, for instance, free export of coarse and medium cloth may end some time in August while the free export of superfine cloth might end in September."

This is his statement. Here we see Government is taking temporary measures for temporary ailments. So there is no definite policy before the Government. Whenever the mill owner brings pressure on him, he yields to him and when the producer approaches him and requests him for a reasonable price for the cotton, he says: "You are asking for more price; the mill owner is asking for a cut in price. I cannot do anything at present". So he leaves the producer at the mercy of the mill owner and at the same time he yields to the mill owner and allows export of coarse and medium variety. He says it will end in September and we do not know what the policy of Government is going to be after that. They may allow exports at the expense of the Indian consumer.

Coming to the handloom industry, we find it is not supplied with enough yarn and even the yarn supplied to the industry is supplied at an abnormal rate. And I think, as far as my information goes, the yarn supplied to them is the yarn produced out of imported cotton and that is why the price is high. Now

the handloom industry in Madras State is suffering on account of this and I think it is necessary for the Government to give them some protection, see that certain varieties of handloom cloth are reserved to them and see that some export facilities at least in *lungis* and other varieties which are useful in other places are allowed to them. By that I do not mean that you should allow export to other countries freely at the expense of the consumer here. I mean to say you stop the exports and see that the consumer gets enough cloth at least a minimum of 15 yards per year at a reasonable price. And now I want to bring to the notice of the Government that the cloth that is supplied to the consumer is not supplied at a reasonable price. It is not within his reach. For that Government must take a different attitude and I request them not to yield to the pressure of the mill owner or to his threats that the production will suffer on account of this or that reason.

Sir, the aim of these powers should be to supply consumer goods to the people at a cheap price. In practice we find these controls are working against the interests of the consumer. He is not getting his things at reasonable prices and the machinery that is there for administering these controls, is helping the blackmarketeer. Take, for instance, iron and steel. If the middle class man wants to build a house, he cannot get the materials. He has to wait for months and months and as far as my information goes, there is a priority list. The mill owner gets first, then comes the industrialist, then the Government Departments and so on and the middle class man has to wait even for a year to get one ton of steel for his doors and windows. So these things are not supplied to him in time nor at reasonable prices. I have made some concrete suggestions and those are : Fix adequate and proper prices to the producer, distribute the controlled commodities through co-operatives, supply enough yarn to the handloom industry and reserve to this industry certain varieties of cloth. You can do it even if necessary by subsidising certain industries and seeing that the prices fixed

for the consumer goods are within the reach of the common man.

Lastly, I say, see that no profiteering is done by the State agencies—this can be achieved by associating the people with the administration of these controls—and see that you tackle the blackmarketeer and profiteer ruthlessly.

SHRI GOVINDA REDDY : Sir, while supporting this Bill, I would urge for the consideration of the hon. mover only one point, and I will not take much time in doing that. In fixing the prices or in restricting the movements of controlled commodities Government should take care to see that unnecessary hardship is avoided so that the interests concerned do not suffer. I have in mind the agricultural community which has had to undergo a lot of hardship owing to the arbitrary fixation of movements and prices of controlled commodities in the past. To give one instance, I come from a cotton growing area. When the first Cotton Movement Control Order was launched, the Government launched it at the instance of the textile millowners who were facing a shortage of cotton. The Government convened a conference, and at the end of that conference it was decided that cotton movement must be controlled. When the Movement Control Order came into force, our cotton was in the market. The first few hundreds of carts of cotton were in the market. All at once this Movement Control Order came into force. The effect on the cotton growers in my district, which has a population of not more than 7 or 8 lakhs, was that a loss of not less than Rs. 10 lakhs was incurred. If it had been done only two months earlier, or two months later, this loss could have been avoided and the hardship could have been avoided. Apart from the material and financial loss to the community, there was a lot of psychological harassment of the people, and the people would not think kindly of a Government which could have prevented this hardship to this community. Well, Sir, the Government, in coming to such a conclusion to

restrict the movement of cotton, should have consulted agricultural interests. I am sorry to submit that the Government consulted the textile mill interests—the manufacturers—and the Government consulted the merchants; but there was not a single representative of the agricultural community of the cotton grower, in this conference which was convened for this purpose.

Also in this connection I may mention that there was another conference which was convened in order to consider the fixation of food prices and the Procurement prices. There also, I am sorry to say, no agriculturist was consulted; no agriculturist had representation. The agricultural community today has a substantial duty towards the country to grow more food grains and to grow more raw materials, and the Government should pay due regard to their interests and to their position. I agree with the hon. Member who spoke just before me that the prices fixed even now for cotton are very much less and the cotton grower is not benefited at all by them; on the other hand, he incurs a loss. Even in fixing these prices, which has now been made a regional arrangement, the agricultural community was not consulted. No cotton grower was invited to give his suggestions. I would humbly submit to the hon. Minister in charge of this Bill that whenever an occasion arises when it is necessary to impose a fresh restriction on movement or a new price for Cotton, he should consult the interests concerned, particularly the agricultural community.

SHRI T. T. KRISHNAMACHARI: Mr. Chairman, I would like to offer the House an apology on behalf of my colleague, the Deputy Minister of Commerce and Industry, who made the motion for consideration yesterday, for not being here and seeing this Bill through. He had to go away because he had a prior engagement in Bombay.

Sir, I came to the House yesterday when my colleague was making his introductory speech, and I sat right through these three hours and had the benefit of hearing a number of

[Sri T. T. Krishnamachari.] hon. Members. I must say that the bewildering suggestions made and the number of subjects traversed have left me in a condition very nearly similar to what my hon. friend Mr. C. G. K. Reddy was in when he got up to speak. It is rather difficult to sum up this debate. But I do feel that I owe a great deal of thanks to my hon. friend from Uttar Pradesh, Mr. Tankha, who in a very short and admirable speech clinched the issue before the House.

What exactly does this Bill want this House to do? Sir, the objections to this Bill could be classified inadequately and imperfectly, into three or four categories. Some hon. Members are willing to support the measure, but they would give the powers to Government for one year only. Some hon. Members want a lot of assurances in regard to the administration of controls; if those assurances were given, they might give their qualified support. Other hon. Members feel that this Government would never do anything right. They realise that there is a necessity for a measure of this sort, for controls to be exercised; but since this Government will not do anything right, they would not like to give these powers to the Government. Again, there was the very intriguing situation of an hon. Member sitting opposite, who usually opposes any Government measure. He made the very candid confession that he was between the devil and the deep sea. I think it is a very intriguing situation, and I do not know how I can help him; I am afraid I cannot. When you are between the devil and the deep sea, you must feel ossified, and you must find a way out of it.

These, Sir, are roughly the various categories of opposition. I will take the first question. Why should we not come back to this House a year hence and ask for a renewal of these powers? One hon. Member said that a precedent had been established, the Government went to the Provisional Parliament for renewal year after

year. Why should not that be done? Some hon. Member, extremely industrious, had dug deep and found skeletons, which he had examined, to be shown against the Congress Ministry. Congressmen had criticised it in the past. Yes, Sir. Is that not a matter for congratulation? This Party, which is supposed to be authoritarian in its attitude and totalitarian in its acts, nevertheless permits Members to criticise it frankly in such a manner that the opposition could make use of it a year or a year and a half after the criticism had been levelled against the Government. That merely shows how democratic we are, and how these charges of totalitarianism and authoritarianism are really baseless. Yes, Sir. We do like criticism. We do have opposition in our party meetings. Members of the Congress Party do criticise, and we have to convince them that the measure is right. It is not as if Members of the Congress Party were tame sheep, just following their Leader. They do tell us where we are wrong. On this general question whether we ought to come back again, I can say categorically that in regard to certain articles covered by this Bill, controls will be needed for a period of two and a half years certainly, and perhaps even thereafter. My hon. friend Mr. Bimal Comar Ghose very rightly pointed out that if we needed powers thereafter we should invoke the provisions of article 249. Yes, in the case of food, and in the case of agricultural commodities. In the case of other commodities, I think we have powers which can be utilised by means of other types of legislation. For instance, the Industries (Control and Regulation) Act gives a lot of powers. There are powers in Schedule VII, Lists I and III, of the Constitution by which the Central Government could control the production, supply, movement and prices of all commodities which fall within the ambit of those Lists. So in asking for the approval of this measure by this House I do envisage that controls on most of these articles, or some of these articles, would be necessary even after the 25th January

1955- That being the attitude of Government generally we do not find it very amusing for us to come back year after year in this House and in the other House when we could ask them to give us these powers for the next 7\ years, fully convinced of the fact that some of the powers will be needed and the other powers will not be exercised when they are not needed.

Sir, that brings me to a point in the speech of my hon. colleague who moved this measure when he said that we will be relaxing controls and in the process of elaborating that statement certain statements that he has made have been construed as meaning that this Government is willing to adopt a policy, I believe, of decontrol. Nothing is farther from the truth. My hon. friend Mr. Rama Rao from Madras who gave me eloquent support has told the House in a nutshell that the *Congress* is wedded to the maintenance, of a Welfare State on principles which are admittedly socialist and there should be a planned economy and the controls that are necessary for that purpose would be kept in the hands of the Government. But it must be understood by hon. Members who have no doubt known themselves, that it gives no pleasure to Government to control movement, production and prices of articles which are abundant in supply and which are operated through normal trade channels so that the competitive element can come in thereby benefiting the consumer. If these conditions are obtainable, there is no pleasure for the Government taking over the responsibility of saying "Well, you have not to sell that thing for more than such and such price; you have to take a permit for the movement of these goods etc. etc." Therefore the Government do not propose to control the movement or production and prices in case of such goods as are in abundant supply.

The hon. Member from"JAndhra quoted some statement of mine reported in a Madras paper, in which I am reported to have said 'temporary reme-

dies for temporary ailments.' Yes, I have said it. I am prepared to say it again. My hon. friend will see that if the ailments are permanent, I shall seek permanent remedies. My hon. friend also very rightly said and I certainly believe that no Administrator can perpetuate controls or pursue controls by the mere pleasure of being consistent. Does it mean that we have no policy ? This is our policy. We want these controls. We are going to exercise these controls if they are necessary. If they are not necessary, if goods are available in abundant supply, we shall not exercise these controls. Some diseases have to be treated symp-tomatically. A clinical analysis of the disease might perhaps take such a long time that the patient might die. So we do treat the disease symptomati-cally. And it does not mean that we have no policy. The very fact that we have to treat a disease symptomati-cally means that we have got some policy. Sir, that is why I feel that there will be no point in coming here year after year for this measure. The Government is not running away. If I am not here, there will be my 'a' ' substitute, some other Member of this House or the other House will be a Minister for Commerce and Industry and he will be available for you to throw all the brickbats on his face and I think his skin will be as thick as mine and you will have your opportunity of levelling criticism against Government not only in July-August 1953 but also in July-August 1954 and I hope for a number of years thereafter. And therefor this kind of our having to come with -this particular measure does not seem to be a sound argument. There are various opportunities for the hon. Members to discuss and criticise this measure and on so many occasions. If there is no other opportunity, the hon. Members can make a motion for papers and the Minister or Deputy Minister must come and answer. So the idea that the House is being deprived of an opportunity for criticising either the price policy of Government or the control policy of Government in regard to any particular commodity or a group of commodities is wrong.

[Shri T. T. Krishnamachari.] It cannot be taken away. No Government can take it away. Now, Sir, that takes away more or less the basis of the criticism that we should come every year for the passing of this measure.

Sir, a number of hon. friends here spoke about prices. I know hon. Members are very anxious. Hon. Members have lot of constructive suggestions to make but the economics is not a thing that could be dealt with in a cursory manner when replying to the debate on a measure like this. It is an extremely complicated affair. I will quote one instance. Take the question of cotton. The price is given to the cotton grower by Government. They say that the fixing of the floor prices is wrong. What do these floor prices mean? The floor prices mean that if prices in the market go below that particular level, the Government would come and buy it. In fixing that price a number of factors have to be taken into account. Of course the question of production comes in and also the capacity of Government to undertake the liability to purchase goods produced at that price. But supposing we have raised the price of the producer, then the stock goes into production. Therefore you have to raise the wages for the labourer. You have to raise the profits for a mill owner and at the same time the prices for the consumer must be cheap. I mean it merely reveals that one hon. Member speaks for the producer, another hon. Member speaks for the wage earners, the third hon. Member speaks for the millowner and I am the only person that has to speak for the consumer because in pressing the claims of various interests I think the hon. Members forget the consumers altogether. That is our business. Everybody makes a complaint, the producer's representative, the wage-earners' representative, the millowners' representative and therefore common-sense ought to tell us that the Government are doing something which is right. When all these three vested interests are abusing the Government,

the Government must be doing something which is inevitably right. That might be classified as a trite argument, but it is nevertheless true. Suppose the price of *JharUla* cotton is Rs. 550. If I raise it to Rs. 600, there will be absolutely no chance of bringing down the price of cloth, because wages are not going to come down. It is not right to cut down wages because the attempt is to raise the standard of living of the people down below. Government do not want to be a party to any reduction of wages of the mill labour. We have fixed what the mill-owner can get. As my hon. friend behind me has stated, he gets Rs. 1/8/- per loom. The Tariff Board has fixed it at 6% on the blocked capital. As I said, in all conscience, the price of cloth is very high. When it is very high, it ultimately affects the offtake. That nobody seems to realise. Supposing the Government says, "I can give you Rs. 700 for *JharUla* cotton; I will give 2% extra dearness allowance to the wage earner; I will give the millowner 7 or 8% on his blocked capital," it means that the cloth will sell at 75% more than the present price, and that will be the inevitable reaction. The consumer would not consume at that price, because he has not got the money. The law of diminishing returns will begin to operate. Then the millowner will not get his cloth sold, he will discharge labour, and he will not buy cotton, and the cycle will start all over back again. Then everybody will start abusing the Government. That is the unfortunate position of any Government which undertakes this responsibility, of any Minister who undertakes this onerous responsibility in a matter of this nature. These factors have not been told. The public do not know about it. I know my hon. friend, Shri B. C. Ghose, realises it because he knows what it is, he is in touch with business—but for political reasons he must abuse the Government for what it does. I do not find fault with him for, if I were in his place, perhaps I would do the same thing.

SHRI B. C. GHOSE : Probably much worse.

SHRI T. T. KRISHNAMACHARI: I think that should satisfy reasonable people that the Government are doing the proper thing. The hon. friend from Madras mentioned about the handloom industry. I agree with him that the handloom business needs assistance. I can tell him, if it is not breach of confidence, that the Chief Minister of Madras is sitting on my throat, asking me to do something about it. But I cannot do very much, because this a long range problem which cannot be settled from the Centre. If it is subsidy that he is thinking of, then the question must be directed towards the hon. the Finance Minister, but the only way in which he can subsidise without increasing taxation, without multiplying sales taxes, giving more money to the States, without levying any export duty or a cess, is to resort to the Nasik printing press. That is the only device open to my hon. colleague. I am falling into the trap myself and making my reply rather discursive which I had no intention of doing. I really wanted to illustrate from the price of cotton as to how these things operate at various levels and how reaction must set in and must reach even the producer. Mention was made about sugar, that the price was going to be raised by the Government. I can tell straightaway that the Government have no intention of raising the price of sugar. There again the present price is higher than the world price by about £ 13 per ton which is due to the fact that we have to give the sugarcane growers a price which is out of all relation to the world price. The consumer is bearing the brunt of it. The Government is taking some portion of it. If we raise the price further, may be 13 or 14 lakh tons would remain with the mills and then the payment to the producer would have to be postponed till December. It is not that Government have dictated that payment should be receive in two instalments. The Government cannot compel the sugarcane producer to sell it to the mill owners. He can use it for some other purpose. So, there is only just a little interference by the Government. It is not either continuous or complete.

I only want to deal with one other commodity on which the powerful voice of the press has been raised, namely newsprint. My hon. friend, Mr. Rama Rao, gave general support to this measure, but he wanted to know what the Government intend doing with regard to the control of newsprint in the matter of its utilisation. Sir, I agree that Government have made mistakes. We have made innumerable mistakes in the past. If we have made mistakes, we have learnt by them. I promise you that I shall make mistakes in future, I shall also tell you when and I shall be honest enough to admit that I have made mistakes and rectified those mistakes. I am not infallible. God has not given me the faculty of committing no mistakes. I think I am very fallible, and Government have made mistakes in the past. Today, the newsprint position is this : The International Materials Conference which had treated newsprint as one of the scarce commodities in the world, was to allocate newsprint to various countries, but it has now been made clear that it is not going to allocate any newsprint to any country because there is an abundant supply of newsprint; at any rate the supply is nearly as much as the world wants. We exercise no control with regard to the importation of newsprint. We exercise no control in regard to the price which the merchants or the importers should charge to the consumers. But we are in this anomalous position of having to tell some people that they shall print 6 or 8 pages and sell the paper at a particular price. What for, I do not know. But I am told by two hon. Members representing two opposing political views, belonging to two opposing political parties, that it must be done.

SHRI RAMA RAO : We agree on this, because this is not a political questions

SHRI T. T. KRISHNAMACHARI: My hon. friend was in the newspaper trade before, as also the hon. friend who is just coming into the House (*referring to Mr. C' G. K. Reddy*). I have been telling you that, so far as I am concerned, I do not see why I

[Shri T. T. Krishnamachari.] should exercise this control in a matter in which I cannot exercise any control. Practically every newspaper worth the name contravenes the order and I have to ask the State Governments to check up every week, because I cannot check it. I do not know why I should go on saddling myself with this responsibility for which I have not got the staff, I have not the necessary money to pay the staff. For what purpose? No purpose. Some hon. friend said that it will help the small newspapers. It might or it might not, but we are not here to help the small men. If we help the small men, somebody will come and accuse the Government of interfering with private enterprise.

SHRI C. G. K. REDDY : I do not understand the hon. Minister's argument. Does he mean that he is asking this House to pass a law that he does not exercise? Does he mean that because some newspapers are contravening the order, he is going to do nothing about it? Is a law merely to be passed to see that it is not exercised?

SHRI T. T. KRISHNAMACHARI : If he had come a little earlier he would have heard what I was exactly saying. The position, is, we can make laws and we must have the necessary amount of wherewithal to see that the laws are obeyed. Secondly, there must be some real reason, some purpose like shortage of newsprint, difficulty of procurement, international control etc. All those purposes have evaporated. Some say that we should consult the Society and some say we should consult the individuals. It is rather difficult to understand the mentality of news paper people. Of course whether they are big or small, the cerebral process in all cases seems to be extremely elusive so far as my imperfect understanding goes.

SHRI S. C. MAJUMDAR (West Bengal) : In this case you have already agreed.

SHRI T. T. KRISHNAMACHARI : I have agreed to nothing whatever.

SHRI RAMA RAO : You don't consult them and you pass orders straight away?

SHRI T. T. KRISHNAMACHARI : I am merely saying that here is a case where we can justifiably give up control and we are asked to keep it. That is exactly the burden of my song.

Sir, I think I shall bring my dissertation to a close. Because action produces reaction. What the hon. Member says has its effect on me. I am unable to clinch the issue on any particular subject and naturally, each person has his own particular grievance and tries to give expression to it. I will give this assurance that in the course of the numerous speeches made I do recognize there are some very valuable suggestions, some information which shows how Government machinery is working defectively in certain aspects. I shall ask my Ministry to analyse the speeches made on the floor of this House by hon. Members, put them into categories and see if we can inform the appropriate authorities that these are the opinions held by hon. Members of the Council of States and could they mend their own attitudes in regard to controls in the manner indicated.

Sir, I don't propose to deal with the question of control of corruption and bribery. I think this House and the other House have been dealing with nothing but corruptin for the last two weeks—whether it is the question of either bribe-giver or the bribe-taker. I do feel that there should be a little less of this kind of continued" insistence on hauling up the tools of Government. After all today the Government services are manned by Indians who represent a fraction of the society. Their morals are much the same in the average as that of the society in which they operate and as hon. Members have heard, there should be a bribegiver if there is to be a bribe-taker. Hon. Members will realize that in the society itself there is something wrong and that is why there is such an amount of corruption. I do recognize tha

the officials who are paid, should not be corrupt but I think there is a little too much insistence on this question of official corruption without recognizing at the same time that the merchant who wants to get things done quickly, who wants to get priority and who wants to make quick profit is the person that corrupts a poor official who lives on wages which are below subsistence standards. I do hope hon. Members will have a little more sympathy. Even those hon. Members who belong to the Opposition, who speak for the masses—the masses about whose existence we are supposed to be completely ignorant—forget for the time being that the officials who get such low salaries and are far more susceptible of being corrupted are people who deserve some sympathy. If a certain amount of sympathy is assured to them, the reaction of the officials would be probably a little more favourable. That is all that I would like to say regarding corruption. Of course controls lead to corruption. The mere fact that controls are badly administered does not mean that controls are wrong. They are essentially produced by shortages and therefore you cannot say that shortages go merely because you abolish controls.

There was one point mentioned about co-operatives. It has been said that Government should use the co-operative machinery more and more. I think State Governments are using them. At the same time it should not be forgotten that often times the co-operative societies are only individuals, the individual who is powerful, if he cannot act as an individual, becomes a co-operative Society. I know of one district adjoining to the district to which the hon. Member from North Arcot belongs, where the entire marketing and procurement is done by a co-operative society which is practically owned by one individual. That is so in many districts of Madras.

SHRI RAJAGOPAL NAIDU
(Madras): A co-operative society cannot be owned by one individual.

SHRI T. T. KRISHNAMACHARI : We find many. I know 'Co operative' itself is a contradiction in terms. The co-operative does not have the people who want to co-operate. It only has people who are really antisocial. It is quite true that consumers' cooperatives is an ideal to which the Congress party is wedded. We want co-operatives. Often times the very fact that you entrust the distribution to co-operatives does not mean that distribution is properly made. I can tell the hon. Member an instance in regard to iron and steel. We did make fairly reasonable allocations for agricultural purposes but most of the blackmarket is supplied from those allocations and at the present moment, Madras is not taking up even what has been allotted. There is plenty of supply of agricultural implements and the manufacturers are going to close down their shops because there is no off-take. So there is something wrong somewhere. You cannot always blame the Government for not having done something which you cannot possibly do in the face of circumstances beyond its control.

That brings me to the end of my story. I feel that there is nothing wrong in this House agreeing to this measure which will be in operation till its normal life i.e., 25th January 1955. After that what the Government will do will have to be left for the Government of the day and to the Ministers who will control the destiny of India. It does not mean in any sense that the power of this House or of the other House is taken away even by a little bit. Sir, I move.

MR. CHAIRMAN : The question is :

That the Bill further to amend the Essential Supplies (Temporary Powers) Act, 1946, be taken into consideration.

The motion was adopted.

MR. CHAIRMAN : We shall now proceed to clause by clause consideration of the Bill.

[Mr. Chairman.] The

motion' is :

That clause 2 stand part of the Bill.

There are two amendments. Mr. Rajagopal Naidu.

SHRI RAJAGOPAL NAIDU : Mr. Chairman, I had heard the able arguments advanced by the hon. Minister as to why

MR. CHAIRMAN : You move the amendment first.

SHRI RAJAGOPAL NAIDU : Sir, I move :

That in clause 2 of the Bill, for the proposed words and figures "twenty-sixth day of January 1955", the words and figures "thirty-first day of December 1953" be substituted.

I had heard the able arguments advanced by the hon. Minister as to why power should be granted for two years. Hitherto it has been coming before the House every year and it was during a period when there were controls in existence on almost all the commodities that are enumerated in the Act. But now there are no controls over more than 50 per cent, of the articles that are listed in the Act. Why then should more time be granted to Government than what was usually granted on the previous occasions ? If you look at the Statement of Objects and Reasons you will find it stated there that the previous power given to the Government expires on the 31st December 1952. We are not having before us the opinions expressed by the various State Governments on the question of the Central Government exercising these extraordinary powers under Article 369 of the Constitution. We do not know whether the State Governments want this power to be exercised by themselves or by the Centre. As I have already submitted, these articles are enumerated in the State List and in the ordinary course of things it is only the State Government that should exercise controls on

these commodities. But by virtue of the powers vested under Article 369 of the Constitution the Central Government comes forward and wants these powers—these temporary powers as they call it—to make laws in respect of certain matters put in the State List as if they were matters in the Concurrent List. I have not heard from the hon. Minister why the Central Government should encroach upon the powers of the State Governments even after so many years of the working of these controls. The hon. Minister himself said that practically there are no controls over certain commodities. As an example he mentioned foodgrains which are practically decontrolled or are in the process of gradual decontrol. Sugar has been practically decontrolled, so also cloth and paper and other commodities. When that is the case, I fail to see why the hon. Minister wants these powers to be extended to the maximum period of over two years. I can use the argument of the hon. Minister himself to support my case and say that under these circumstances, the controls should exist only for a period of one year. I would also suggest that we may extend the period by one year, and thereafter let us take stock of things at the end of one year and see whether we should grant this power to the Central Government further to encroach upon the powers of the State Government even after this period of one year.

Sir, I hope it will not be out of place for me to add, while moving my amendment, something in reply to what the hon. Minister said about large stocks of iron and steel materials intended for the agriculturists not being cleared by the co-operative societies in Madras. As one intimately acquainted with the co-operative movement, I know, Sir, why these things that are allotted to the co-operatives are not cleared off. When we want two inch cart tyres which will be useful for our bullock-carts, we are given two and a quarter inch size tyres which are absolutely of no use to us. When we want some other implements which will be useful to our agriculturists, we are given something else which

we cannot make use of. What are we to do with these things ? That is why large stocks of these things are left behind. It is due to the ill-planning of the Central Government that these things are lying over in large quantities.

While moving my amendment—I am not opposing the Bill—I suggest that only for one year should these powers be granted to the Central Government so that at the end of that period of one year, after eliciting the opinions of the various State Governments we shall see whether these powers should be extended by another one year or whether they should not be extended at all.

MR. CHAIRMAN : Amendment moved :

That in clause 2 of the Bill, for the proposed words and figures "twenty-sixth day of January 1955", the words and figures "thirty-first day of December 1953" be substituted,

SHRI B. C. GHOSE : Sir, I move :

That in clause 2 of the Bill, for the figures "1955" the figures "1954" be substituted.

Sir, I would like to say a few words in support of this amendment of mine. But I must candidly confess that whenever I rise to say anything in reply to what might have fallen from the lips of the hon. Minister for Commerce and Industry, I suffer from a handicap. I feel that I am in a school where little boys with little knowledge and little experience feel that they are in the presence of an august teacher who considers anything that the boys might say as presumptuous. In spite of that limitation and considering that today even little boys are not over-awed, I venture to make certain observations.

It appears from what has been stated by many hon. Members and also from what the hon. Minister himself has stated, that the controls are absolutely essential for a planned economy. But I feel that there is some amount of confusion in regard to the relationship that obtains between controls and planning, and if I could show that what the hon.

Minister considers an appropriate relationship is not really appropriate, then I would have made out a case for not extending this Act for the period that is asked for in the Bill.

Now, why do we have controls ? I could go on for hours talking on that subject because it is a very intricate problem; but I shall not devote more than four or five minutes in explaining the basis of the proposition. When we want planning it might be as the hon. Minister must be knowing much better than myself, either by direction or by inducement. In totalitarian societies it is done by direction and in our society it is done more by inducement than by anything else. But whatever the nature of the society may be, controls are always regarded as very delicate instruments, easily liable to be misused, and when misused they frustrate the very object of planning*. Therefore it has always been recognised that price controls should be used very reluctantly and that they should be abandoned as soon as possible.

The other aspect of having controls is that while they are in existence we must make all efforts to increase supplies, for as everybody realises, these controls are temporary measures caused by shortages. Therefore, so far as the general economy is concerned, while there may be the necessity for controls, for restrictions and for rationing, every effort must be made to increase supplies and every effort must also be directed towards bringing about this increase so that the shortages may be removed and the controls also relaxed and ultimately removed. That is the object of having controls in every society and that is also the object even in totalitarian societies, though in those societies they have an over-all control always.

If this is admitted, then I think this House should know what the Government have done to make these controls, rationing and restrictions unnecessary; and this House must be given an opportunity at periodic intervals to find out whether the Government have utilised the powers that they have taken, to

[Shri B. C. Ghose] •remove the shortages. And if we find that the Government have not acted properly, then certainly we have the right to criticise them and make the Government accountable. But what the Government want to do now is— and I can naturally understand it— not to come to this House as far as possible, not to face criticism. That is quite understandable and it is quite human also. It is quite understandable if the party also feels that way, for if the Government is criticised then the party also suffers. Therefore, the Government is always trying to run away from the House as far as possible. But we are very persistent beings and we want Government to come to us as often as possible; and I feel that the Government have not made out a case Why they should not come to this House except for the inconvenience that may be created for them. But as it is the pur pose of a democratic form of government to make Government come before Parliament as often as possible, to be inconvenienced, questioned and criticised, I think it but right that our Government should come before Parliament from time to time with their proposals. And although I could have said that the powers should be extended for one year only, I may tell the hon. Minister that I have been very generous and I have suggested extension of the period up to January 1954 and I hope .he will reciprocate my generosity and agree to accept my amendment.

MR. CHAIRMAN : Amendment moved :

That in clause 2 of the Bill for the figures "1955" the figures "1954" be substituted.

SHRI T. T. KRISHNAMACHARI : I have already mentioned why I would not accept the limitation n of time. There is no point in my going over it again. But, I would like to assure my hon. friend that I am not being very superior nor do I treat him very young — probably not very much younger than myself. At any rate, he does not look very young. If his complaints are taken seriously—I shall not take them seriously but I take him seriously

—and if I try to answer the points— there are points that can be answered— he thinks that I am treating him in a manner which shows discourtesy. I only think that it is unfortunate. That is not my idea at all.

In regard to the question raised by the hon. Member from Madras about steel, the Government has not done anything wrong. We have here a steel industry which does not produce even half of our requirements and we have to allocate between the essential needs of the country. It cannot be said that we are discriminating in allocation to the agriculturists. We do not say so many thousands of bars, so many thousand tons of flats, so many thousands in 1/2", 1", 2* or 2 1/4". This is for the local Government to ascertain from the people and communicate to the industry or to the Iron & Steel Controller and that is how the control operates. Because there is no co-operation from the co-operative society to which my hon. friend has something to do

SHRI RAJAGOPAL NAIDU : I am sorry to say, Sir, that we placed the indent one year before and we were given something else.

SHRI T. T. KRISHNAMACHARI : You cannot blame the people who allocate it if th t requirements are not communicated to them. That is by the way.

The argument that if we come every year before the House, it will mean exercising control over the Ministry, is wrong. I say a motion can be made for papers and any subject can be discussed. Besides we also come here with a number of Bills and other measures and there again you will have opportunities for discussion. If there are matters on which hon. Members would like to have a discussion, I shall welcome a very frank criticism of the Ministry itself. That will help me to take action to make my machinery better than what it is today. Sir, I would rather stick to my original figure, namely, that the Bill be extended to the time indicated in the Bill.

MR. CHAIRMAN : The question is :

That in clause 2 of the Bill, for the proposed words and figures 'twenty-sixth day, of January 1955', the words and figures 'thirty-first day of December 1953' be substituted.

The motion was negatived.

MR. CHAIRMAN : The question is:

That in clause 2 of the Bill, for the figures ' 1955' the figures '1954' be substituted.

The motion was negatived MR.

CHAIRMAN : The question is:

That clause 2 stand part of the Bill.

The motion was adopted.

Clause 2 was added to the Bill.

MR. CHAIRMAN : There is no amendment to clause 3.

Clause 3 was added to the Bill.

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

SHRI T. T. KRISHNAMACHARI : Sir, I move :

That the Biil be passed.

Ms. CHAIRMAN : Motion moved : That the Bill be passed.

The speech should not refer to details of commodities, etc., but should be confined to the general principles of the Bill and in support of or in opposition to it.

[MR. DEPUTY CHAIRMAN in the Chair.]

MR. B. GUPTA (West Bengal) : Sir, there has been a large measure of agreement on the general principles of the Bill. On both sides of the House, Sir, some very constructive suggestions were made not with a view to opposition nor in a spirit of sycophancy as far as the other side is concerned, but with a view to drawing the attention of Government to certain abuses. Drunk with dubious political powers, which have inculcated more conceit than reason the hon. Minister practically brushed aside almost all suggestions that were made. This, Sir, is an attitude which is not very

helpful. Neither is it helpful even for those who happen to occupy the Treasury benches for the time. I wish the hon. Minister has spent a little more time last night in considering the suggestions we made. He would have then seen that in the suggestions made from this side of the House, there are some good things to accept.

SHRI T. T. KRISHNAMACHARI : On a point of information, I may tell the hon. Member that I was awake till 12 o'clock.

SHRI B. GUPTA : I said a 'little more'. The hon. Minister's performance this morning has once agiin confirmed the truth that everytime the hon. Ministers of the Congress regime open their mouth, there is a boom in the blackmarket; and that is going to happen this time also because you have rejected almost all the practical suggestions that were put forward by us from this side of the House. Profiteers will know that, whatever the law, they are not going to be touched. They shall be left alone to carry on the nefarious trade.

Now, Sir, before I sit down, even at the risk of crying in the wilderness, and also perhaps casting pearls in quarters where they should not be cast, I would say that the hon. Minister should please cultivate the habit of appreciating points of view that are expressed here and at least implement some of the suggestions that we may make from time to time. That will not do any harm to them, but it will, I submit, do immense good to the country. If you can do a little to the country, why should you grudge that ? By all means have the power that you are going to have, but be considerate to the suggestions that we have made. Go to the people and see that these measures are enforced in the interests not of the friends of the rulers for the time being, but in the interests of the people who are the victims of this corrupt and sinful control that we have got in this country. Have the powers, since you must have them, but I would again appeal to you to go to the people and learn from them. That will do you good and do the country immense good. Sir, I finish here.

MR. DEPUTY CHAIRMAN : Do you want to talk now ? You have already spoken.

SHRI K. B. LALL (Bihar) : This is the third reading, Sir. Sir, I take this opportunity of thanking the Commerce Minister for a very responsive reply that he has given and that will go a great way to allay the feelings of the people which they used to have in the actual operation of the law. Of course, it was said by some that it was just like casting pearls before whichever quarter it may be. I am not here to give a reply on behalf of the hon. Minister or Members of the House on this side, but I feel that in this case atleast it appears that the pearls were cast by the hon. Minister for Commerce & Industry but they have not been recognised.

SHRI GOVINDA REDDY : They have taken them for stones.

SHRI K. B. LALL : Of course, when the hon. Minister has said that the views expressed by the Members of the House will be forwarded to the State Governments and they will take note of the grievances that have been expressed here, I do not understand what further any person can require.

As for the grievances that were made out here in this House by hon. Members regarding the actual putting into operation of this Act, this assurance will go a great way in allaying the feelings that exist among those persons who had some grievances that they were being victimised. There is no doubt that some innocent people are also roped in and they have to suffer and it cannot be said that with such a big machinery it cannot happen. Any Government—even an ideal Government that my friends may like to set up—is liable to commit such mistakes. When I suggested, I never meant to criticise or malign the Government outright. I said that Government should take care to see that such things do not happen and as such this assurance is a welcome thing that State Governments should look into such things and see that people are not harassed by the operation of this Act.

At this stage when this Bill is to be passed into Act—and we are going to bless this Act—when this is to remain in force for nearly 21/2 years, I would say that the hon. Minister should take note of this fact also. Of course, he has said that he would forward the views expressed by members of this House to the State Governments. He said that it is not for the sake of pleasure that Government wants to ask people to take out permits to move things from one place to another. That is quite true, but I want that the Central Government should be a bit more vigilant and watchful when State Governments approach them seeking some extra ordinary powers on occasions to restrict the movement of certain commodities. For instance, I may bring to the notice of the hon. Minister that only last year our State Government—the Government of Bihar—sought permission to stop the movement of mango from Bihar to Calcutta, Delhi and other outside places on the ground that there was going to be a big famine in Bihar. Of course, the mangoes were there in abundance. But in expectation of a famine, they stopped export of mangoes and the result was that there was great suffering. The garden owners who used to get thousands and thousands out of their mango cropland there was a lot of subsidiary trades like water man for garden coolies, basket-makers and so on—all these people were deprived of their business. The potato growers were also treated in the same way with the result that most of them gave up growing potatoes. And in Bihar it is only these things that keep up the trade of the people and if these things are killed in this way because of a speculation of famine on the part of Government, the people suffer. I told the Secretary in charge of the Government of Bihar that : " Take it from me; there is not going to be any famine....."

SHRI H. P. SAKSENA: Are we discussing potatoes and mangoes or politics ?

SHRI K. B. LALL : While I am discussing the effects on the people of the operation of this Act, this is the

opportune time for bringing to the notice of Government the practical effects of the operation.

MR. DEPUTY CHAIRMAN : Please do not go into details.

SHRI K. B. LALL : I think before the hon. Member interrupts he should know what he is doing. The thread of the talk is also lost in that way.

Now, I was saying that all the people were dislocated and their purchasing power also diminished and the people really came to the verge of famine although there was no famine as such. Of course, I told the Government later on that no famine was there although they had predicted that in the month of May there would be such a horrible famine. So when the State Governments approach the Central Government seeking permission for exercising control over certain things, Government should see that the power is not being abused by such kite-flying. With these few words, I support the Bill.

SHRI T. T. KRISHNAMACHARI: Mr. Deputy Chairman, I do not think I feel called upon to make a reply to an effusion which normally ought to be treated in a manner which it deserves.

SHRI K. S. HEGDE : With the contempt, it deserves.

SHRI T. T. KRISHNAMACHARI :
A little eloquence sometimes is a fine thing but when it misfires it leaves a nasty smell behind. And if my hon. friend thinks he is very clever, that he can abuse people and get away with it, well two people can play the same game. The only trouble is I think it is hardly worth while playing the game. Sometimes when an animal gets constipated, it ultimately bursts and what happens ? An unholy mess and I am afraid we witnessed an unholy mess at the end of the debate which I must say was conducted at a very high level, notwithstanding the amount of difference between the Opposition and this side of the House—a realisation of facts, an attempt at constructive suggestions and so on. From that point of view we welcome practically everything from every

hon. Member both on this and on the other side, but I think we are descending to a level in this House—and perhaps elsewhere also—which is not likely to help much. Of course, my hon. friend has not created a good precedent and I am sorry I had to say all this because probably an attempt like this—an effusion like this—if it is not replied—it would amount to an admission on the part of decent people of this House. That is my only provocation for attempting to reply to the hon. Member in the only manner a Congressman can possibly do.

MR. DEPUTY CHAIRMAN : The question is :

That the Bill be passed.

The motion was adopted.

THE CODE OF CRIMINAL PROCEDURE (SECOND AMENDMENT) BILL, 1952

THE MINISTER FOR LAW AND
MINORITY AFFAIRS (SHRI C. C.
BISWAS) : Sir, on behalf of Dr.
Katju.....

SHRI C. G. K. REDDY : (Mysore) : May I make a submission before this House ? I think in an important Bill like this, it would be better if the hon. the Home Minister himself is in charge. Last time, you remember, regarding the other amending Bill also, there was a considerable amount of dissatisfaction in the House when the hon. Minister who ought to have piloted the Bill was not here. It would be better if the Chair could kindly ask that the hon. Minister who is in charge and who ought to pilot the Bill himself does so. That is my submission, Sir.

SHRI C. C. BISWAS : It is not possible for any one Minister to be in both Houses at the same time. The hon. the Home Minister is engaged in the other House. Whenever he was free, from there, he came over here just to find out how the land lay. He has gone back and has left this Bill to me to pilot and I assume full responsibility for this measure and if my hon. friend has any points to urge he may urge