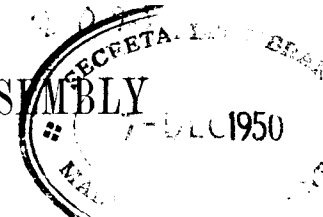


LEGISLATIVE ASSEMBLY
DEBATES

Mon



SIXTH SESSION OF THE SECOND LEGISLATIVE
ASSEMBLY UNDER THE GOVERNMENT OF INDIA
ACT, 1935.

13th to 16th, 20th to 23rd, 27th to 29th June, 1st and 2nd July 1949.

Volume XX (Nos. 1-13).

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PERSONNEL OF THE GOVERNMENT OF MADRAS.

GOVERNOR OF MADRAS.

HIS EXCELLENCY COMMODORE MAHARAJA RAOL SHRI SIR
KRISHNA KUMARSINHJI BHAVSINHJI, K.C.S.I., MAHA-
RAJA OF BHAVNAGAR.

MEMBERS OF THE COUNCIL OF MINISTERS.

- 1 THE HON. SRI P. S. KUMARASWAMI RAJA, *Premier.*
- 2 THE HON. DR. T. S. S. RAJAN, *Public Health Minister.*
- 3 THE HON. SRI M. BHAKTAVATSALAM, *Public Works Minister.*
- 4 THE HON. SRI B. GOPALA REDDI, *Finance Minister.*
- 5 THE HON. SRI H. SITARAMA REDDI, *Land Revenue Minister.*
- 6 THE HON. SRI K. CHANDRAMOULI, *Local Administration Minister.*
- 7 THE HON. SRI K. MADHAVA MENON, *Education Minister.*
- 8 THE HON. SRI A. B. SHETTY, *Agriculture Minister.*
- 9 THE HON. SRI B. PARAMESWARAN, *Rural Development Minister.*
- 10 THE HON. SRI N. SANJEEVA REDDI, *Prohibition Minister.*
- 11 THE HON. SRI C. PERUMALSAMI REDDI, *Industries Minister.*
- 12 THE HON. MR. J. L. P. ROCHE VICTORIA, *Food Minister.*

MADRAS LEGISLATIVE ASSEMBLY.

PRINCIPAL OFFICERS.

Speaker.

THE HON. SRI J. SIVASHANMUKHAM PILLAI.

Deputy Speaker.

SRIMATHI C. AMMANNA RAJA.

Panel of Chairmen.

- 1 BEGUM SULTAN MIR AMIRUDDIN.
- 2 MUHAMMAD RAFEEUDDIN AHMAD ANSARI SAHIB BAHADUR.
- 3 SRI G. RAJAMANNAR CHETTY.
- 4 SRI P. KANDASWAMI PILLAI.

Secretary to the Assembly.

SRI D. K. V. RAGHAVA VARMA, B.A., B.L.

Assistant Secretary to the Assembly.

SRI T. HANUMANTHAPPA, B.A. (Hons.), B.L.

LIST OF MEMBERS OF THE MADRAS LEGISLATIVE ASSEMBLY WITH THEIR CONSTITUENCIES.

Serial number and name of member.	Name and class of constituency.
1 Aaron Rao, Alladi	Guntur <i>cum</i> Nellore, Indian Christian.
2 Abdul Hameed Khan Sahib ..	Kurnool, Muhammadan, Rural.
3 Abdul Khader Jamali Sahib, Hajee Moulvi.	Ramnad, Muhammadan, Rural.
4 Abdul Majid Sahib, M. S., B.A. ..	Chingleput <i>cum</i> South Arcot, Muhammadan, Rural.
5 Abdul Rahman Sahib... ..	Tirunelveli, Muhammadan, Rural.
6 Ahmad Kutty Sahib, Haji Koyappathody M.	Malappuram, Muhammadan, Rural.
7 Ammanna Raja, Srimathi C. (Deputy Speaker).	Eluru Town, Women, General, Rural.
8 Anandan Nambiar, K.	Railway Trade Union, Labour.
9 Ananthachar, B.	Hospet, General, Rural.
10 Anjalai Ammal, Srimathi ..	Cuddalore, Women, General, Rural.
11 Annamalai Pillai, N.	Tiruvannamalai, General, Rural.
12 Arunachalam, T. S.	Tiruchirappalli <i>cum</i> Srirangam Towns, General, Urban.
13 Ataullah Sahib, M. S.	Salem <i>cum</i> Coimbatore <i>cum</i> the Nilgiris, Muhammadan, Rural.
14 Avinashilingam Chettiyar, T. S.	Palladam, General, Rural.
15 Balakrishnan, S. C.	Palni, General, Rural (Scheduled Castes).
16 Bapineedu, M., B.Sc. (Cornell), M.Sc. (California).	Eluru, General, Rural.
17 Batchelor, B. W.	European Commerce, The Madras Chamber of Commerce and the Madras Trades Association.
18 Begum Sultan Mir Amiruddin, B.A. (Hons.).	Madras City, Women, Muhammadan, Urban.
19 Bhaktavatsalam, The Hon. Sri M. (Minister).	Tiruvallur, General, Rural.

Serial number and name of member.	Name and class of constituency.
20 Bhashyam, K.	University.
21 Bhupathiraju Bangarayya, Sri-mathi.	Bhimavaram, General, Rural.
22 Bokkai Gowder, K.	The Nilgiris, General, Rural.
23 Brahmanandam Reddi, K.	Narasaraopet, General, Rural.
24 Chandramouli, The Hon. Sri K. (Minister).	Tenali, General, Rural.
25 Chandu, A.	Kozhikode, General, Rural.
26 Chengam Pillai, O.	Tiruvallur, General, Rural (Scheduled Castes).
27 Chidambara Ayyar, S.	Villupuram, General, Rural.
28 Damodaran, M. P.	Kottayam, General, Rural.
29 Devanayaga Iyah, A.	Cuddalore, General, Rural.
30 Doraikannu, M.	Tiruttani, General, Rural (Scheduled Castes).
31 Durairaja Pandian, D.	Tirunelveli, General, Rural.
32 Easwaran, M. A.	Erode, General, Rural.
33 Ebrahim Coonhee, M.	Chirakkal, Muhammadan, Rural.
34 Fernandez, W. J.	Anglo-Indian.
35 Fowler, H. O.	Do.
36 Gopala Reddi, The Hon. Sri B. (Minister).	Kavali, General, Rural.
37 Gopalaswami, L. N.	Tiruchirappalli, General, Rural.
38 Govinda Das, D.	Bellary, General, Rural (Scheduled Castes).
39 Govinda Menon, M. P.	Malappuram, General, Rural.
40 Govindan Nayar, C. K.	Kurumbranad, General, Rural.
41 Govindan Nair, P.	Ponnani, General, Rural.
42 Govindaraju Nayagar, S. K.	Saidapet, General, Rural.
43 Govindaswami Nayudu, N.	Textile Workers' Trade Union (Madras), Labour.
44 Guruvulu, Saketi	Chicacole, General, Rural (Scheduled Castes).
45 Hassan Koya Sahib, Puthiya Pommani.	Kozhikode, Muhammadan, Rural.

Serial number and name of member.	Name and class of constituency.
46 Hussain Sahib, H. S., B.A., B.L.	Mangalore, Muhammadan, Rural.
47 Hydross Sahib, M. V., B.A., B.L.	Palghat, Muhammadan, Rural.
48 Ibrahim Sahib, Sinna Kaziar Haji Moulvi S. A. F.	Mathurai, Muhammadan, Rural.
49 Ishwara, K.	Coondapoor, General, Rural (Scheduled Castes).
50 Jaffar Mohideen Sahib	Anantapur, Muhammadan, Rural.
51 Jebamoney Masilamoney, Mrs.	Tirunelveli cum Palamcottah cum Tuticorin Towns, Women, Indian Christian, Urban.
52 Jogi Nayudu, Allu	Vizianagram, General, Rural.
53 Kader Kutty Sahib, A. K.	Kottayam, Muhammadan, Rural.
54 Kadirappa, D.	Penukonda, General, Rural (Scheduled Castes).
55 Kakkan, P.	Ariyalur, General, Rural (Scheduled Castes).
56 Kala Venkata Rao	Amalapuram, General, Rural.
57 Kaleswara Rao, A.	Vijayawada cum Masulipatnam Towns, General, Urban.
58 Kamaraj Nadar, K.	Sattur, General, Rural.
59 Kamakshi Chettiyar, K. P.	Palni, General, Rural.
60 Kameswara Rao, Annapragada.	Guntur cum Tenali Towns, General, Urban.
61 Kandaswami Gounder, P. R.	Pollachi, General, Rural.
62 Kandaswamy Pillai, P.	Salem Town, General, Urban.
63 Kannappa Mudaliyar, V. T.	Gudiyattam, General, Rural.
64 Kanniyappan, M.	Madras City Dock and Factory Labour (excluding Textile and Railway Labour), Labour.
65 Karanth, K. R., B.A., LL.B.	Puttur, General, Rural.
66 Karayalar, L. S.	Koilpatti, General, Rural.
67 Kosalram, K. T.	Tuticorin, General, Rural.
68 Koti Reddi, K.	Cuddapah, General, Rural.
69 Kothari, Chendulal Motilal	Madras Planters.

Serial number and name of member.	Name and class of constituency.
70 Krishnan, K. S. V.	Tindivanam, General, Rural.
71 Krishnan, S.	Pollachi, General, Rural (Scheduled Castes).
72 Krishnaswami Vandiar, A. ..	Kumbakonam, General, Rural.
73 Kulasekara Doss, K.	Tindivanam, General, Rural (Scheduled Castes).
74 Kumarakrishna Yachendra Bahadur Varu of Venkatagiri, Sri Sarvagna.	Northern Central, Landholders.
75 Kumaran, M.	Chirakkal, General, Rural.
76 Kumaraswami, Garembella ..	Chicacole, General, Rural.
77 Kumaraswami Raja, The Hon. Sri P. S. (Premier).	Srivilliputtur, General, Rural.
78 Kunhi Kammaran Nambiar, K. T.	West Coast, Landholders.
79 Kuppuswami Nayudu, A. ..	Kancheepuram, General, Rural.
80 Kuppuswami, R.	Textile Workers' Union Labour. Non-
81 Kurmayya, V.	Bander, General, Rural (Scheduled Castes).
82 Kuttimalu Amma, Srimathi A. V.	Tellicherry cum Kozhikode, Women, General, Urban.
83 Lakshmanaswamy, Pandu ..	Amalapuram, General, Rural (Scheduled Castes).
84 Lakshmi Ammal, Srimathi K. ..	Dindigul, Women, General, Rural.
85 Lakshmi Ammal, Srimathi V. ..	Shermadevi, General, Rural.
86 Lakshmipathi, Srimathi R. ..	Madras City, Women, General, Urban.
87 Latchanna, Gouthu	Visakhapatnam cum East Godavari, Dock and Factory Labour, Labour.
88 Leonard, D. G.	European Commerce, The Madras Chamber of Commerce and the Madras Trades Association.
89 Linga Raju, K.	Rajahmundry, General, Rural.
90 Mahboob Ali Baig Sahib, B.A., B.L.	West Godavari cum Krishna, Muhammadan, Rural.
91 Mahin Sahampad Sahib	Puttur, Muhammadan, Rural.

Serial number and name of member.	Name and class of constituency.
92 Mallayya, U., Padmanabha ..	Mangalore, General, Rural.
93 Manickam, R. S.	Sattur, General, Rural (Scheduled Castes).
94 Marimuthu, M.	Tanjore, General, Rural (Scheduled Castes).
95 Mohamed Rafecudin Ahmad Ansari Sahib.	Nellore, Muhammadan, Rural.
96 Moideen Kutty Sahib, P. K. ..	Palghat, Muhammadan, Rural.
97 Moses Wilson, John	Northern Circars, Indian Christian.
98 Mohamed Abdul Salam Sahib ..	Guntur, Muhammadan, Rural.
99 Mohammad Ismail Sahib, Haji, B.A., B.L.	Bellary, Muhammadan, Rural.
100 Muhammad Anwar Sahib, N. ..	North Arcot, Muhammadan, Rural.
101 Muhammad Ibrahim Sahib, M. A.	Tanjore, Muhammadan, Rural.
102 Muhammad Ibrahim Sahib, V. S.	Tiruchirappalli, Muhammadan, Rural.
103 Muhammad Ismail Sahib, S. ..	Visakhapatnam cum East Godavari, Muhammadan, Rural.
104 Muhammad Ismail Sahib, M. ..	Madras City, Muhammadan, Urban. (Leader of the Opposition).
105 Muhammad Raza Khan Sahib ..	Chittoor, Muhammadan, Rural.
106 Muniswami Pillay, V. I. ..	Tirukkoyilur, General, Rural (Scheduled Castes).
107 Murthi, B. S.	Kakinada, General, Rural (Scheduled Castes).
108 Muthiah Chettiyar of Chettinad, Raja Sir	The Nattukottai Nagarthars' Association.
109 Nachiappa Gounder, K. A. ..	Omalur, General, Rural.
110 Nadhamuni Reddi, R.	Madanapalle, General, Rural.
111 Nagappa, S.	Kurnool, General, Rural (Scheduled Castes).
112 Nagaraja Ayyangar, N. ..	Namakkal, General, Rural.
113 Nagaraja Manigar, S.	Hosur, General, Rural.
114 Nageswara Rao, Meduri	Guntur, General, Rural.
115 Nagayya, S.	Cuddapah, General, Rural (Scheduled Castes).

Serial number and name of member.	Name and class of constituency.
116 Narasimharaju, P. L.	Vizianagram, General, Rural.
117 Narasimha Rao, Guntur	Madras City, North, General, Urban.
118 Narayana Reddi, K. B.	Rajampet, General, Rural.
119 Natesan Chettiyar, M. G.	Dharmapuri, General, Rural.
120 Natesan, P.	Southern India Chamber of Commerce.
121 Pais, L. C.	West Coast, Indian Christian.
122 Palaniswami Gounder, V. C.	Coimbatore, General, Rural.
123 Pallam Raju, M.	Kakinada, General, Rural.
124 Paramananda Rayar, S.	Chidambaram, General, Rural.
125 Parameswaran, The Hon. Sri B., B.A. (Minister).	Chingleput, General, Rural (Scheduled Castes).
126 Parisutha Nadar, A. Y. S.	Tanjore cum Mathurai cum Ramnad, Indian Christian.
127 Pattabiramiiah, M. S.	Dindigul, General, Rural.
128 Pattabhiraman, T. S.	Tiruchengode, General, Rural.
129 Paliya Kudumbar, S. K.	Koilkatti, General, Rural (Scheduled Castes).
130 Periyaswami, M. P.	Namakkal, General, Rural (Scheduled Castes).
131 Perumal Nayudu, B.	Kandukur, General, Rural.
132 Pillalamarri Venkateswarlu	West Godavari cum Krishna cum Guntur, Factory Labour, Labour.
133 Pocker Sahib, B.	Kozhikode cum Cannanore, Tellicherry Towns, Muhammadan, Urban.
134 Ponnambala Gounder	Tiruchirappalli, General, Rural.
135 Ponnuswami Gounder, V.	Tiruppattur (North Arcot), General, Rural.
136 Ponnuswami Mudaliyar, A.	South Arcot cum Tiruchirappalli cum Salem cum Coimbatore, Indian Christian.
137 Prakasam, T.	Madras City, South Central, General, Urban.

Serial number and name of member.	Name and class of constituency.
138 Raghavan, K.	Malappuram, General, Rural (Scheduled Castes).
139 Raghava Menon, R.	Palghat, General, Rural.
140 Raghavayya, V.	Nellore, General, Rural.
141 Raja Gurunathan Chettiyar	Southern Central Land holders.
142 Rajamannar Chetti, G.	Madras City, North Central, General, Urban.
143 Rajaram Naidu, K.	Tirumangalam, General, Rural.
144 Ramachandra Rao, Dr. D. S.	Madras cum Chingleput, Indian Christian.
145 Ramamurthi, Rokkam	Tekkali, General, Rural.
146 Ramanujalu Reddiyar, R.	Cheyyar, General, Rural.
147 Ramaswami Mudaliyar, V. M.	Vellore, General, Rural.
148 Ramiah, N. P.	Musiri, General, Rural.
149 Rangaswami Reddi, N.	Mayuram, General, Rural.
150 Ramaswami, D. V.	Visakhapatnam, General, Rural.
151 Rayappa, A.	Gooty, General, Rural.
152 Sahajananda, A. S.	Chidambaram, General, Rural (Scheduled Castes).
153 Sami Goundar, S. K.	Gobichettipalayam, General, Rural.
154 Samuel, Dr. M. J.	Central Districts, Indian Christian.
155 Sangam Naidu, Palavalasa	Palakonda, General, Rural.
156 Sanjeeva Reddi, The Hon. Sri N. (Minister).	Anantapur, General, Rural.
157 Sankarasubrahmanya Mudaliyar, V. S.	Tirunelveli cum Palamcottah Towns, General, Urban.
158 Sanyasi Rao, Geddiam	Sarvasiddhi, General, Rural.
159 Satyanarayana Raju, Alluri	Narasapur, General, Rural.
160 Satyanarayana Raju, Bhurati-raju.	Viravalli, General, Rural.
161 Seetharamaswami, Gona	Bobbili, General, Rural.
162 Seethi Sahib, K. M.	Malappuram, Muhammadan, Rural.
163 Shah Alam Khan Savoi Sahib.	Cuddapah, Muhammadan, Rural.

Serial number and name of member.	Name and class of constituency.
164 Shanmugam, K.	Gudur, General, Rural (Scheduled Castes).
165 Shanmuga Rajeswara Sethupathi of Ramnad, Raja Sri R.	Southern Landholders.
166 Shanmugasundaram, V.	Ramnad, General, Rural.
167 Shetty, The Hon. Sri A. B. (Minister).	Coondapoor, General, Rural.
168 Sitamahalakshmanamma, Srimathi Vallabhaneni.	Bandar, General, Rural.
169 Sitarama Reddi, The Hon. Sri H. (Minister).	Bellary, General, Rural.
170 Sivashanmukham Pillai, The Hon. Sri J. (Speaker).	Madras City, South Central, General, Urban (Scheduled Castes).
171 Srinivasa Padayachi, P. R.	Tirukkoyilur, General, Rural.
172 Srinivasa Rao, W. S.	Ranipet, General, Rural.
173 Subbanna Gounder, K. K.	Gobichettipalaiyam, General, Rural.
174 Subbaraman, N. M. R.	Mathurai Town, General, Urban.
175 Subbarao, Kalkur	Penukonda, General, Rural.
176 Subbiah, P.	Ongole, General, Rural (Scheduled Castes).
177 Subba Iyer, R.	Chingleput, General, Rural.
178 Subbarayan, Dr. P.	Dharapuram, General, Rural.
179 Subrahmanya Ayyar, Dr. S., M.B.B.S.	Tiruppattur (Ramnad), General, Rural.
180 Subrahmanyam, A.	Salem, General, Rural.
181 Subrahmanyam, K.	Coimbatore Town, General, Urban.
182 Sumangalamma, Srimathi Allum.	Bellary, Women, General, Rural.
183 Surayya, Kollipara	Vijayavada, General, Rural.
184 The Yuvarajah of Pithapur Raja-rao Venkata Mahipathi Gangadhara Rama Rao Bahadur.	Northern Landholders I.
185 Swaminathan, R. V.	Sivaganga, General, Rural.
186 Thangavelu, R.	Tiruvannamalai, General, Rural (Scheduled Castes).
187 Tatechari, T. K. T. N. R.	Chandragiri, General, Rural.

Serial number and name of member.	Name and class of constituency.
188 Thangaswami Nadar, P. A.	Tirunelveli, Indian Christian.
189 Thiagoo Voikkarar	Mannargudi, General, Rural (Scheduled Castes).
190 Thyagaraja Pillai, M. D.	Nagapattinam, General, Rural.
191 Thyagaraja Sholagar, G.	Tanjore, General, Rural.
192 Vaidyanada Ayyar, A.	Melur, General, Rural.
193 Varadaachari, K.	Tiruttani, General, Rural.
194 Varadaachari, N. S.	Madras City, South, General, Urban.
195 Vedaratnam Pillai, A.	Mannargudi, General, Rural.
196 Veeranna Padal, Kankipatti	Backward Areas and Tribes.
197 Veeraraghaviah, Nukala	Vijayavada, General, Rural.
198 Velayudapani, P. M.	Ranipet, General, Rural (Scheduled Castes).
199 Veluchamy Gounder, P. S.	Periyakulam, General, Rural.
200 Venkanna, Gottumukkala	Eluru, General, Rural (Scheduled Castes).
201 Venkatachalam Pillai, B.	Ariyalur, General, Rural.
202 Venkatanarayana, Pyndah	Kakinada Town, General, Urban.
203 Venkatanarayana Reddi, B.	Gudur, General, Rural.
204 Venkataratnam, B.	Rajahmundry, General, Rural.
205 Venkata Reddi, Gopavaram	Nandyal, General, Rural.
206 Venkatarreddi, Reddivari, B.A., B.L.	Chittoor, General, Rural.
207 Venkatarama Ayyar, Annampet P.	Tanjore cum Kumbakonam Town, General, Urban.
208 Venkataraju, M.	Ongole, General, Rural.
209 Venkata Subbayya, Nivartli	Kurnool, General, Rural.
210 Viswanatham, T.	Visakhapatnam Town, General, Urban.
211 Cormack, H. I.	European Commerce, The Madras Chamber of Commerce and the Madras Trades Association.
212 Zamindar of Mirzapuram (Sri Meka Venkataramiah Appa Rao Bahadur).	Northern Landholders II.

THE MADRAS LEGISLATIVE ASSEMBLY.

SIXTH SESSION OF THE SECOND LEGISLATIVE ASSEMBLY
UNDER THE GOVERNMENT OF INDIA ACT, 1935.

Monday, the 13th June 1949.

The House met in the Assembly Chamber, Fort St. George, at eleven of the clock, Mr. Speaker (THE HON. SRI J. SIVASUBRAMANIAM PILLAI) in the Chair.

I.—SWEARING IN OF NEW MEMBER.

Mr. H. I. Cormack was sworn in.

II.—QUESTIONS AND ANSWERS.

STARRED QUESTIONS.

Appointment of Parliamentary Secretaries, etc.

* 1 Q.—MUHAMMAD RAZA KHAN SAHIB: Will the Hon. the Premier be pleased to state—

(a) whether the Government contemplate to appoint Parliamentary Secretaries or Deputy Ministers in Madras, and if so, the number; and

(b) the duties and function and responsibilities of the Parliamentary Secretaries or Deputy Ministers?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—“(a) The Government do *not* propose to appoint Parliamentary Secretaries or Deputy Ministers at present.

“(b) Does not arise.”

SRI P. NATESAN:—“May I know, Sir, what is meant by ‘at present’? Is there a possibility of the matter being considered at a later stage, Sir?”

THE HON. SRI B. GOPALA REDDI:—“Possibilities are always there, Sir.”

The Madras Industrial Investment Corporation.

* 2 Q.—MUHAMMAD RAZA KHAN SAHIB: Will the Hon. the Minister for Industries be pleased to state—

(a) the share capital of the Madras Industrial Investment Corporation; and

(b) the names of the President and the three Directors nominated by the Government to this company?

[13th June 1949]

THE HON. SRI C. PERUMALSAMI REDDI:—“(a) The share capital of the Madras Industrial Investment Corporation is Rs. 2 crores.

“(b) The names of the three Directors appointed by the Government are—

- (1) Sri R. K. Shanmukham Chetti, Coimbatore,
- (2) Secretary to Government, Finance Department, Fort St. George, Madras, and
- (3) Director of Industries and Commerce, Chepauk, Madras.

Sri R. K. Shanmukham Chetti has been appointed as the Chairman.”

SRI C. M. KOTHARI:—“May I know how much capital has been subscribed by the Government and how much by the general public?”

THE HON. SRI C. PERUMALSAMI REDDI:—“The capital received is Rs. 52,02,000. It is only from institutions and not from private individuals.”

SRI P. NATESAN:—“May I know whether it is proposed to issue the capital to the public and, if so, when, Sir?”

THE HON. SRI C. PERUMALSAMI REDDI:—“It is not open to the public; it is open only to institutions.”

MUHAMMAD RAZA KHAN SAHIB:—“Apart from Sri R. K. Shanmukham Chetti and the officials of the Madras Government, have not some non-officials been taken in this committee, Sir?”

THE HON. SRI C. PERUMALSAMI REDDI:—“There are eleven directors, three of whom are ex-officio. The rest are non-officials.”

SRI L. N. GOPALASWAMI:—“What is the nature of the institutions that are likely to subscribe to this Corporation?”

THE HON. SRI C. PERUMALSAMI REDDI:—“It will be found in the Articles of Association.”

MUHAMMAD RAZA KHAN SAHIB:—“May I know the names of the directors nominated by the Madras Government?”

THE HON. SRI C. PERUMALSAMI REDDI:—“The names will be given in the course of the answer to the fourth question on the agenda.”

SRI P. NATESAN:—“Why is the share capital not issued to the public, Sir?”

THE HON. SRI C. PERUMALSAMI REDDI:—“A separate question may be put, Sir.”

SRI V. RAGHAVAYYA:—“Was the Planning Advisory Committee consulted when the Chairman was nominated by the Government, Sir?”

[13th June 1949]

THE HON. SRI C. PERUMALSAMI REDDI:—“Notice, Sir.”

SRI GUNTUR NARASIMHA RAO:—“May I know the rate of the interest guaranteed by the Government and whether the Government propose to raise the rate a little higher in order to attract more capital?”

THE HON. SRI C. PERUMALSAMI REDDI:—“That question does not arise.”

SRI P. NATESAN:—“Are the Government going to force the institutions to take shares or are they going to circularize the institutions that they should take shares?”

THE HON. SRI C. PERUMALSAMI REDDI:—“There is no compulsion, Sir.”

SRI C. M. KOTHARI:—“May I know whether only Rs. 52 lakhs have come against the target of one crore and the balance of Rs. 48 lakhs is not forthcoming?”

THE HON. SRI C. PERUMALSAMI REDDI:—“The Corporation was established recently. The balance will be coming shortly.”

SRI C. M. KOTHARI:—“Was any publicity given to the issue of the shares so that institutions may make investments?”

THE HON. SRI C. PERUMALSAMI REDDI:—“Publicity will be given shortly.”

BEGUM SULTAN MIR AMIRUDDIN:—“Has any date been fixed for the receipt of subscriptions to the share capital?”

THE HON. SRI C. PERUMALSAMI REDDI:—“No date has been fixed so far.”

SRI P. NATESAN:—“Is that a correct way of issuing shares, Sir?”

THE HON. SRI C. PERUMALSAMI REDDI:—“Advertisements have been made in the papers and the share amounts will be collected hereafter.”

SRI GUNTUR NARASIMHA RAO:—“I find, Sir, that politicians have been nominated as directors, instead of industrial and commercial magnates. What purpose will they serve on an Industrial Investment Corporation, Sir?”

THE HON. SRI C. PERUMALSAMI REDDI:—“I want notice, Sir.”

ABDUL HAMEED KHAN SAHIB BAHADUR:—“Would it not have been better if the Government had publicly invited subscriptions for this Corporation?”

THE HON. SRI C. PERUMALSAMI REDDI:—“We are going to do it shortly.”

[13th June 1949]

SRI C. M. KOTHARI:—“ Usually when Government invite subscriptions to shares in the Industrial Finance Corporation, there is a time-limit fixed. Is it not a fact that no time-limit is fixed here because the Government have not got the money from the institutions? ”

THE HON. SRI C. PERUMALSAMI REDDI:—“ That inference is not correct, Sir.”

SRI P. NATESAN:—“ May I know the names of the non-official directors of this Corporation? ”

THE HON. SRI C. PERUMALSAMI REDDI:—“ I will give the names in the answer to the fourth question.”

Reply to question No. 765-A given by Hon. Minister for Finance in the Assembly.

* 3 Q.—**SRI V. RAGHAVAYYA:** Will the Hon. the Premier be pleased to state—

(a) whether it is a fact that the Hon. the Minister for Finance stated in reply to question No. 765-A on the floor of the Legislative Assembly on 2nd March 1949 that the then Madras Government was a Government of Reddies by Reddies and for Reddies; and

(b) whether the statement was given in his individual capacity or on behalf of the Government?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—“ (a) Obviously the question was not intended to be taken seriously and the answer given was a friendly ‘aside’.

“ (b) Does not arise.”

SRI V. RAGHAVAYYA:—“ May I know why the Hon. Minister for Finance indulged in such a costly aside, particularly when the number of members in the Cabinet belonging to the particular community to which he belongs is predominant and is likely to give rise to some such apprehension as stated? ”

THE HON. SRI B. GOPALA REDDI:—“ I have already answered the question. I have said that I did not take the question put by Mr. Salam seriously.”

MUHAMMAD RAZA KHAN SAHIB:—“ Though the reply of the Hon. the Leader of the House was not given seriously, has it not been taken seriously in that four members of the Reddi community have been appointed in a Cabinet of twelve? ”

THE HON. SRI B. GOPALA REDDI:—“ Obviously so, Sir.”

[13th June 1949]

Appointment of Chairman of the Industrial Investment Corporation.

* 4 Q.—**SRI V. RAGHAVAYYA:** Will the Hon. the Minister for Industries be pleased to state—

(a) whether it is a fact that Sir R. K. Shanmukham Chetti has been appointed as Chairman of the Madras Industrial Investment Corporation;

(b) what his qualifications are for being the Chairman;

(c) how much capital has so far been collected by this Corporation and what the rate of interest for the investments is;

(d) whether any ceiling limit has been fixed for the extent of financial aid that could be given to any particular firm; and

(e) who the directors are?

THE HON. SRI C. PERUMALSAMI REDDI:—“ (a) Yes.

“ (b) The Government have appointed him as the Chairman of the Corporation by virtue of his being one of the ex-officio directors nominated by the Government.

“ (c) A sum of Rs. 52,02,000 has so far been collected by the Corporation. The dividend on the investments will be fixed from time to time according to the profits of the company subject to a maximum of 5 per cent per annum subject to income-tax. For the first three years the Government have agreed to guarantee payment of a minimum dividend of 2-2/3 per cent subject to tax.

“ (d) No, Sir.

“ (e) The Directors of the company are—

(1) The Secretary to Government, Finance Department.

(2) The Director of Industries and Commerce.

(3) Raja of Bobbili.

(4) Sri P. Parthasaradhi.

(5) Sri B. P. Sesha Reddi.

(6) Sri C.V. CT. V. Venkatachalam Chettiyar.

(7) Sri K. Kamaraj Nadar.

(8) Mr. A. K. Khader Kutty Sahib.

(9) Sri S. N. N. Sankaralinga Ayyar.

(10) Mr. B. W. Batchelor.”

SRI V. RAGHAVAYYA:—“ Was the Government aware of the reasons that led to the resignation of Sri R. K. Shanmukham Chetti from the Government of India when his selection was made for this Corporation and if so, why did the Government appoint a person who was not wanted in the Central Government? ”

THE HON. SRI C. PERUMALSAMI REDDI:—“ I think that has nothing to do with the appointment of the Chairman of the Corporation.”

[13th June 1949]

SRI P. NATESAN:—" May I know the qualifications of the directors? Have they got any money qualifications or is it only nomination by the Government? "

THE HON. SRI C. PERUMALSAMI REDDI:—" Only nomination by the Government, Sir."

SRI R. V. SWAMINATHAN:—" Was Mr. Shanmukham Chetti appointed Chairman of the Corporation for his expert knowledge of finance or for any political considerations? "

THE HON. SRI C. PERUMALSAMI REDDI:—" For his expert knowledge of finance, Sir."

MUHAMMAD RAZA KHAN SAHIB:—" I heard in the answer that Sri K. Kamaraj Nadar has been nominated to the Corporation. May I know what are his business and industrial activities in this Province? "

THE HON. SRI C. PERUMALSAMI REDDI:—" Notice, Sir."

SRI P. NATESAN:—" Will the Hon. Minister be good enough to supply the Members with a copy of the articles of association free of charge? "

THE HON. SRI C. PERUMALSAMI REDDI:—" A copy can be had from the Corporation itself."

SRI P. NATESAN:—" For the sake of giving publicity, cannot these copies be supplied? "

THE HON. SRI C. PERUMALSAMI REDDI:—" Copy of the prospectus can be supplied."

SRI V. RAGHAVAYYA:—" What are the emoluments paid to the Chairman of the Corporation, Sir? "

THE HON. SRI C. PERUMALSAMI REDDI:—" Except travelling allowance, nothing else, Sir."

SRI C. M. KOTHARI:—" The articles of association are usually available to the shareholders on payment of Re. 1. Will they be available to the general public also on payment of one rupee? "

THE HON. SRI C. PERUMALSAMI REDDI:—" No fee is fixed for the sale of the articles of association. A copy can be inspected in the office of the Industrial Corporation."

SRI N. S. VARADACHARI:—" Considering that the Government has made such a large commitment in this matter, would the policy of this investment trust be subject to review by this House and if so, how often in a year? "

THE HON. SRI C. PERUMALSAMI REDDI:—" Whenever it is necessary, it can be reviewed by this House."

11-15 a.m. ABDUL HAMEED KHAN SAHIB BAHADUR:—" May I know, Sir, within what period can the Government safely think with the data at their disposal that the target amount would be subscribed? "

[13th June 1949]

THE HON. SRI C. PERUMALSAMI REDDI:—" It will be announced in course of time."

MUHAMMAD RAZA KHAN SAHIB:—" From the replies given by our new Industries Minister, am I to take it that the Government of Madras nominated some members to this Corporation without knowing their qualifications, etc.? "

THE HON. SRI C. PERUMALSAMI REDDI:—" Not so, Sir."

SRI P. NATESAN:—" Will the Hon. Minister tell us whether he will let us have the Articles of Association and if so, at what price? "

THE HON. SRI C. PERUMALSAMI REDDI:—" I shall consider the suggestion."

SRI V. RAGHAVAYYA:—" Have the Government made any provision in the Articles of the Corporation that those who are Directors or Chairman of it should not have any interest in the transactions of this Board? "

THE HON. SRI C. PERUMALSAMI REDDI:—" I shall look into it."

SRI D. V. RAMASWAMI:—" Sir, considering the far-reaching aims of this Corporation, does the Government think that the small sum of 52 lakhs will be adequate for any good start of work? "

THE HON. SRI C. PERUMALSAMI REDDI:—" I think the whole amount will be subscribed shortly."

SRI A. VEDARATNAM PILLAI:—" Will this Corporation finance the cottage industries also? "

THE HON. SRI C. PERUMALSAMI REDDI:—" The hon. Member may look for it in the objects of the Corporation."

ABDUL HAMEED KHAN SAHIB BAHADUR:—" May I ask, Sir, whether the Government will not supply copies of the Articles of Association to the Members of the House, other than, of course, Congress members? "

THE HON. SRI C. PERUMALSAMI REDDI:—" It will be considered."

SRI N. S. VARADACHARI:—" Sir, while we are thankful that the Government will review the policy from time to time, may I ask for an assurance that at least twice in a year the policy of this Corporation and the activities of the Corporation will be reviewed by this House? "

THE HON. SRI C. PERUMALSAMI REDDI:—" It will be considered."

SRI GUNTUR NARASIMHA RAO:—" May I know, Sir, whether they will be able to raise the capital with a guarantee of 2-2/3 per cent? "

THE HON. SRI C. PERUMALSAMI REDDI:—" I think we may be able to raise the capital necessary."

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SRI P. NATESAN:—“ May I know, Sir, who decided that the rate of interest should be 2-2/3 per cent subject to taxation? Did the Government come to the decision or the nominees on the Board? ”

THE HON. SRI C. PERUMALSAMI REDDI:—“ The Government, Sir.”

Training of Nurses in the Province.

* 5 Q.—SRI S. NAGARAJA MANIGAR: Will the Hon. the Minister for Public Health be pleased to state—

(a) the number of male and female nurses trained during each of the years, 1945-46, 1946-47, 1947-48 and 1948-49;

(b) whether the number of nurses trained each year is sufficient and, if short, by what percentage it was short in each year; and

(c) what steps the Government have taken to train adequate number of nurses?

THE HON. DR. T. S. S. RAJAN:—“ (a) The number of men and women nurses trained during each of the four years referred to is as follows:—

Year.	Men.	Women.
1945-46	26	82
1946-47	14	112
1947-48	7	141
1948-49	12	144

“ (b) The number of nurses trained during each of the above four years was sufficient.

“ (c) The question does not arise.”

SRI S. NAGARAJA MANIGAR:—“ Is it not a fact, Sir, that the taluk headquarter hospitals are even to-day without nurses and the money spent on them goes only to cities and towns and may I ask therefore whether the Hon. Minister will take early steps to see that a larger number of nurses are trained and the hospitals in rural areas are given more nurses.”

THE HON. DR. T. S. S. RAJAN:—“ Sufficient numbers of nurses as are required by the hospitals are being provided for and as often as they are asked, we are able to give them.”

SRI V. RAGHAVAYYA:—“ May I know who is the author of this most charming term ‘ male nurses ’? ”

SRI P. NATESAN:—“ May I know why there is such a scarcity of male nurses now? ”

THE HON. DR. T. S. S. RAJAN:—“ There has been no scarcity in the nursing cadre of either category as far as the Government are concerned.”

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SRI G. RAJAMANNAR CHETTY:—“ May I know, Sir, why the number of male nurses has been progressively decreasing while the number of the other nurses is progressively increasing from 1945 to 1948? ”

THE HON. DR. T. S. S. RAJAN:—“ It is very difficult to ascertain causes for the number of admissions but as many as are coming are being admitted into the schools to which they belong.”

SRIMATHI RUKMANI LAKSHMIPATHI:—“ May I know, Sir, whether the communal Government Order was applied in selecting candidates for nurses' training? ”

THE HON. DR. T. S. S. RAJAN:—“ No, Sir.”

SRI T. S. PATTABHIRAMAN:—“ May I know, Sir, whether the Government will permit female nurses to marry and still continue in hospitals? ”

THE HON. DR. T. S. S. RAJAN:—“ I may inform the hon. Member that the nursing staff in the hospitals are not marriage markets.”

Proposal to construct a Muslim High School at Kasargod.

* 6 Q.—MAHIN SCHAMNAD SAHIB BAHADUR: Will the Hon. the Minister for Education be pleased to state—

(a) whether it is a fact that the construction of a building for the Muslim High School, Kasargod, South Kanara district, has been sanctioned by the Government;

(b) if the answer to (a) is in the affirmative, why the work has not been taken up yet and when it will be taken up;

(c) whether it is a fact that many students were refused admission to the school for want of accommodation in the present building; and

(d) whether there is a playground attached to the high school?

THE HON. SRI K. MADHAVA MENON:—“ (a) & (b) The Government have recently sanctioned the construction of a temporary shed of three class rooms and of a weaving shed for the school at an estimated cost of Rs. 6,700 and Rs. 6,500 respectively. The scheme for the construction of a block of four class rooms has been deferred.

“ (c) About 20 to 25 pupils seeking admission in Form III of the school were refused admission for want of accommodation.

“ (d) Yes.”

MAHIN SCHAMNAD SAHIB BAHADUR:—“ Sir, as this school is the only Malayalam medium school in Kasargod may I know, whether all the Malayalee students will be able to get admission at least next year? ”

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THE HON. SRI K. MADHAVA MENON:—"I cannot give a guarantee because the existing accommodation will not permit any further students being admitted. If there is need for more Malayalee students I will certainly consider it."

DR. S. SUBRAHMANYA AYYAR:—"May I know, Sir, why in view of the declared policy of the Government not to have denominational schools, the construction of this Muslim school was sanctioned?"

THE HON. SRI K. MADHAVA MENON:—"Though the school is named Muslim school, non-Muslim students are also admitted in it."

Revenue from sales-tax.

* 7 Q.—SRI V. RAGHAVAYYA: Will the Hon. the Minister for Finance be pleased to state—

- (a) the revenue from sales-tax during 1948-49; and
- (b) the revenue realized for every year since 1938?

THE HON. SRI B. GOPALA REDDI:—" (a) & (b) The receipts from sales-tax during the years 1939-40 to 1948-49 were as follows:—

Year.	Rupees in lakhs.
1939-40	33.99
1940-41	71.78
1941-42	67.02
1942-43	89.03
1943-44	248.87
1944-45	528.09
1945-46	602.72
1946-47	746.00
1947-48	855.20
1948-49	1,302.00 (Provisional).

SRI V. RAGHAVAYYA:—"Are the Government aware of the great dissatisfaction among the poor consumers of this country, considering the geometrical progression of the sales tax, that this tax is hitting them more than anything else?"

THE HON. SRI B. GOPALA REDDI:—"This tax has been in existence for the last ten years and they are quite accustomed to pay this sales tax."

SRI P. NATESAN:—"In view of the fact that the latest figure is 1,302 lakhs, may I know if the Hon. Finance Minister considers it necessary to introduce more and more of the sales tax?"

[13th June 1949]

THE HON. SRI B. GOPALA REDDI:—"Because there is the possibility of a deficit of 4 crores as indicated in the Budget speech of February last."

SRI C. M. KOTHARI:—"Sir, the estimate for sales tax last year was 11.50 crores against which the realization was 13.02 crores and there is already a surplus of 2 crores. In view of this, will not the Hon. Finance Minister be pleased to drop further taxation in respect of sales tax, as whatever he wanted has been already obtained by way of larger revenues?"

THE HON. SRI B. GOPALA REDDI:—"The point can be usefully discussed when the motion is made regarding the Sales Tax (Amendment) Bill."

SRI N. S. VARADACHARI:—"Sir, is the Hon. Minister satisfied with the roping in of all legitimate transactions in its purview and what steps do the Government intend to take to prevent evasion of sales tax, if there is any such according to the Government?"

THE HON. SRI B. GOPALA REDDI:—"Sir, it means elaborate staff and we are sanctioning the necessary staff in the districts as and when necessary and even with the increase of staff we cannot say that all are being taxed and there may be some evasion also."

SRI G. RAJAMANNAR CHETTY:—"May I know, Sir, whether the Government of India have sent any proposal to review the sales tax in all the provinces including Madras, in order to make it more uniform and on a more rational basis?"

THE HON. SRI B. GOPALA REDDI:—"The Government of India did not suggest that the present Sales Tax Act in every province is on an irrational basis. They have made some suggestions and all the Governments have sent their replies and I think the Government of India are considering those replies."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"May I ask, Sir, whether the Government have considered when they expect to make up the loss of 18 crores in excise revenue through the sales tax and what measures they have at their back?"

THE HON. SRI B. GOPALA REDDI:—"I cannot say when I will be able to recoup the entire loss on account of the excise revenue. This year it is 13 crores and that means there is yet a balance of 3 crores odd and even if the Amendment Bill is passed in this House, it may not give more than 100 lakhs before we can realize the full loss in excise revenue."

SRI GUNTUR NARASIMHA RAO:—"Sir, in view of the several cases against assesseees the Government promised to constitute a Tribunal in May last and may I know, when that Tribunal will be constituted to enable persons to get relief by way of appeals?"

[13th June 1949]

THE HON. SRI B. GOPALA REDDI:—"The question of drafting a Manual for the Sales Tax Department is under consideration and very soon we are going to appoint an officer for that work and as soon as the manual is published and the several amendments are put on the Statute Book, the Tribunal will be constituted."

H. S. HUSSAIN SAHIB BAHADUR:—"Sir, if the Government will not be able to cover up the entire loss due to Prohibition, will they be able at least to cover up the deficit of 4 crores in the Budget of the current year by the proposed legislation for increased taxation?"

THE HON. SRI B. GOPALA REDDI:—"I have dropped some of the measures which I have mentioned in the Budget speech and so we may not be able to realize the full 4 crores. It may be possible there will be still a deficit at the end of the year."

SRI D. V. RAMASWAMI:—"May I know, Sir, what is the ratio that the expenditure bears to the revenue derived from the sales tax?"

THE HON. SRI B. GOPALA REDDI:—"I cannot give the exact percentage, but I can assure the House that it is a very low percentage when compared with other departments."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Sir, the idea of sales tax was the gift of our present Governor-General. Has the Hon. Finance Minister thought of any other rational or more reasonable method of collecting more revenue for the province?"

THE HON. SRI B. GOPALA REDDI:—"Yes, Sir, there are other measures which will be shortly introduced in this House."

MR. D. G. LEONARD:—"May I know, Sir, whether the Manual will be available to the general public?"

THE HON. SRI B. GOPALA REDDI:—"When it is printed it will be available to the public, to all the assesses, to departmental officers and to all those interested in sales tax administration."

SRI C. M. KOTHARI:—"Sir, in view of the great hardship to all the assesses and also because the Centre is thinking of uniformity in sales tax, will not the Hon. Finance Minister be pleased to drop his suggestion for the time being till the Centre makes a law in respect of uniformity of sales tax?"

THE HON. SRI B. GOPALA REDDI:—"I can assure the hon. Member that the Centre is not contemplating any uniform tax. There are other small matters like the duty on exports of industrial raw material which they are contemplating and they are not aiming at uniformity of the provinces."

[13th June 1949]

SRI N. S. VARADACHARI:—"May I ask whether the Hon. Minister will consider the proposition that it is not additional staff but that it is the critical study of trade conditions that will avoid the evasion of the sales tax and that staff should be appointed for that purpose?"

THE HON. SRI B. GOPALA REDDI:—"We shall consider the suggestion. It is very difficult to appoint officers who can study trade conditions for it may require very expert knowledge and we may not have them readily available. That is a serious matter to be considered."

SRI P. NATESAN:—"May I know how much the Government will get by way of sales tax for the current year?"

THE HON. SRI B. GOPALA REDDI:—"According to the revised budget estimate, it is twelve crores and twelve lakhs of rupees."

SRI M. G. NATESA CHETTIYAR:—"May I ask, whether the Hon. Minister is sure that all the tax due from the consumers is collected by the Government?"

THE HON. SRI B. GOPALA REDDI:—"According to a section of the Sales Tax (Amendment) Act, if it is discovered that any particular merchant has recovered a large amount of money as sales tax, the entire amount will be taken over by the Government from the merchant."

MR. B. W. BATCHELOR:—"Will the Hon. Minister be pleased to state the amount of rebate on export duty which is due to trade and industries in this province and the dates from which those claims have been prepared?"

THE HON. SRI B. GOPALA REDDI:—"Certainly I will supply the information if a separate question is put."

H. S. HUSSAIN SAHIB BAHADUR:—"Instead of levying taxes, under the proposed Bill, on small articles like bananas and turmeric, will the Government consider the proposal to increase the existing rate of commercial tax from one rupee and nine annas to two rupees?"

THE HON. SRI B. GOPALA REDDI:—"There is a proposal to increase the tax on certain specific articles from three pies in the rupee to four and a half pies in the rupee."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"When the Government have actually collected over thirteen crores of rupees last year, may I know the reason why it has been estimated at less than thirteen crores of rupees for the current year?"

THE HON. SRI B. GOPALA REDDI:—"From the data available from the first eight months, the Finance Department speculated the possible income of 1948-49 and likewise for 1949-50, they estimated that it will be 12-12 crores."

[13th June 1949]

SRI A. KALESWARA RAO:—“ The Finance Minister has stated that a merchant can collect only a specific amount as sales tax. Instead of doing that, if he increases the price, what is the remedy? ”

THE HON. SRI B. GOPALA REDDI:—“ The remedy is not to go to that merchant at all.”

SRI V. RAGHAVAYYA:—“ Have the Government got any data as to how much per cent of the sales tax is derived from luxuries and how much from the bare necessities of life? ”

THE HON. SRI B. GOPALA REDDI:—“ In the amendment to the sales tax that we introduced last year, we took power to specify certain articles as luxury articles. If the hon. Member wants information as to how much is collected from luxuries, a separate question may be put.”

Press interview of Hon. Minister, Public Works, regarding the expansion of the Madras Harbour.

* 8 Q.—**MUHAMMAD RAZA KHAN SAHIB:** Will the Hon. the Minister for Public Works be pleased to state—

(a) whether he gave a Press interview on 20th April regarding expansion of Madras Harbour to the south;

(b) whether his attention was drawn to the report of the interview as published in the “Hindu” of 21st April to the following effect;

“The Minister expressed his surprise that some of the M.L.As. allowed their sentiments to override public interests in opposing the southward expansion of the Harbour”; and

(c) whether the above views have been expressed by him?

THE HON. SRI M. BHAKTAVATSALAM:—“ (a) No. He had only the usual daily talk with the Press representatives.

“ (b) Yes, by this interpolation.

“ (c) There could not have been any interview to the Press or any statement to the Press on this subject. The report referred to must be the Press representative’s version of a casual talk relating to certain views and sentiments expressed by some members of the Legislature.”

MUHAMMAD RAZA KHAN SAHIB:—“ Is it not a fact that the leading paper ‘Hindu’ did publish the report that some of the Members of this House have allowed their sentiments to override public interests, which I can say was the result of the half-hour debate which was allowed by the Chair. Was it not an insinuation against the Members of this House? ”

THE HON. SRI M. BHAKTAVATSALAM:—“ I would request the hon. Member to read this report once again. I am reported to have expressed surprise. That is all.”

13th June 1949]

Reorganization of the existing Pension system.

* 9 Q.—**SRI G. RAJAMANNAR CHETTY:** Will the Hon. the Minister for Finance be pleased to state—

(a) whether it is a fact that the Government have reached certain conclusions to give effect to the ‘Pension-Cum-Provident Fund-Cum-Compulsory Insurance Scheme’ to the Government servants who have put in a service of not more than 10 years;

(b) if so, what they are; and

(c) whether it is a fact that every Government servant will be compulsorily required to take an insurance policy, the premia for which will be paid from the accumulations in the Provident fund?

THE HON. SRI B. GOPALA REDDI:—“ (a), (b) & (c) The Government have under consideration a proposal to reorganize the existing pension system into one providing for pension, provident fund and insurance: they have not yet arrived at any final decision in the matter.”

Moplah-Thiya rioting case in Kasaragod taluk.

* 10 Q.—**MAHIN SCHAMNAD SAHIB BAHADUR:** Will the Hon. the Premier be pleased to state—

(a) the result of the Police investigation in the Moplah-Thiya rioting case (Crime Nos. 206 and 207 of 1948 of the Kasaragod Police Station) which took place on 2nd October 1948 at Pallikere in Kasaragod taluk, South Kanara district;

(b) how many persons were injured in both parties respectively by the beating of the Police;

(c) how many of the injured persons are innocent and not involved in the rioting; and

(d) what action was taken against the police officers who beat and caused injuries on several persons in the village?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—“ (a) It is presumed that the hon. Member is referring to the Hindu-Muslim clash which occurred at Pallikere on 2nd October 1948, when the Congressmen of that and the surrounding villages took out a procession in connexion with the Gandhi Jayanthi celebrations. The Police registered a case against the persons alleged to have taken part in the rioting and arrested 49 Moplahs. A counter case against the processionists was also registered. These cases were investigated, but as no prima facie case was made out charge sheets were not filed. Subsequently a Peace Committee was convened and due to its efforts the situation has improved.

“ (b) The Police did not beat any one. Hence it is not correct to say that persons in both parties were injured, as a result of being beaten by the Police;

“ (c) & (d) Do not arise.”

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MAHIN SCHAMNAD SAHIB BAHADUR:—" May I know whether the Government will ascertain from the then District Superintendent of Police Mr. Singaravelu whether he received intimation from the local M.L.A. that the police had beaten and injured some persons? "

THE HON. SRI B. GOPALA REDDI:—" We have received the report of the District Superintendent of Police in this matter and it shows that no policemen beat anybody."

Control of cement.

* 11 Q.—SRI A. RAYAPPA: Will the Hon. the Minister for Public Works be pleased to state—

(a) whether the Government are aware that 10 per cent of the cement consignment allotted to merchants is being sold in the blackmarket at Rs. 10 per bag; and

(b) whether the control of cement is still necessary as surplus quantities are being supplied from all the factories and foreign countries?

THE HON. SRI M. BHAKTAVATSALAM:—" (a) The Government have no information.

" (b) The question is engaging the attention of the Government."

SRI A. RAYAPPA:—" May I know the qualifications required for the appointment of a cement dealer? "

THE HON. SRI M. BHAKTAVATSALAM:—" I would like the hon. Member to put a separate question."

Sri T. Prakasam's memorandum.

* 12 Q.—MUHAMMAD RAZA KHAN SAHIB: Will the Hon. the Premier be pleased to state—

(a) whether a copy of the memorandum which was forwarded to the Congress President was submitted to the Hon. the Premier by Sri T. Prakasam, M.L.A., alleging certain charges against some Ministers in the present Government and who also served in the Omandur Ministry;

(b) whether the Hon. the Premier has taken cognizance of those charges levelled by Sri T. Prakasam, and whether a Committee of enquiry will be appointed by him either to substantiate those charges or to vindicate the honour and prestige of the Hon. Ministers; and

(c) whether copies of the memorandum will be placed on the table of the House?

THE HON. SRI B. GOPALA REDDI (on behalf of Hon. the Premier):—" (a) No copy of the memorandum was given to Hon. the Premier.

" (b) Does not arise.

" (c) Does not arise."

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MUHAMMAD RAZA KHAN SAHIB:—" May I ask whether the reply just now given by the Hon. Leader of the House has been given as he feels or as the Premier feels? "

THE HON. SRI B. GOPALA REDDI:—" The answer of every question put to the Hon. Premier is approved by him."

MUHAMMAD RAZA KHAN SAHIB:—" In view of the fact that so much of publicity has been given to this question, is it not the duty of the Government to issue a statement to satisfy the public that there are no such charges against some Ministers? "

THE HON. SRI B. GOPALA REDDI:—" As I said, the Hon. Premier has not received any complaint from anybody."

Appearance of lawyers before Ministers and Officials.

* 13 Q.—MUHAMMAD RAZA KHAN SAHIB: Will the Hon. Minister for Education be pleased to state—

(a) whether it is a fact that the Ministry of Law, Government of India, has sent a circular to the Madras High Court and the Bar Council that appearances by lawyers on payment before Ministers and officials to represent the grievances of merchants and others should be prohibited; and

(b) if so, what action has been taken by this Government or the Madras High Court to give effect to the directions of the Central Government in the matter?

THE HON. SRI K. MADHAVA MENON:—" (a) A communication on the subject was recently received by the Government. The Government are not aware whether the Ministry of Law sent a similar circular to the High Court or the Bar Council.

" (b) The High Court and the Bar Council are being consulted in the matter and their remarks are awaited.

Alleged blackmarketing of kerosene oil.

* 14 Q.—SRI S. NAGARAJA MANIGAR: Will the Hon. the Minister for Food be pleased to state—

(a) whether any information has been received by the Government that the kerosene oil companies and their distributors or sub-distributors do blackmarketing; and

(b) if so, what action the Government propose to take in order to check the same?

THE HON. MR. J. L. P. ROCHE VICTORIA:—" (a) No such information has been received by the Government in the recent past. If, however, the hon. Member brings specific instances of blackmarketing to the notice of the Government, they will be investigated.

" (b) In view of answer to clause (a) above, this does not arise."

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SRI M. S. PATTABHIRAMIAH:—"Are the Government aware of the fact that there is no dearth of kerosene oil in certain southern districts of the Province and especially in Mathurai the Caltex Oil Company agents are distributing many times the quota of kerosine oil permitted by the Government to their sub-distributors. May I also request the Government to consider the desirability of removing the control on kerosene oil at an early date as it is available in plenty?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"Reports go to show that the presumption of the hon. Member that there is plenty of kerosene in the south, is correct."

SRI S. NAGARAJA MANIGAR:—"Is it not a fact that Collectors of districts often report that the company agents do not supply kerosene as per allotment to the dealers?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"No definite reports are before us."

SRI G. RAJAMANNAR CHETTY:—"May I know whether there is any periodical checking of these kerosene ration shops just as it is done in the case of rice ration shops?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"Regular checking is being done."

DR. S. SUBRAHMANYA AYYAR:—"Will the Government call for a report as to the surplus available in each district from the Collector of the district and see whether they cannot remove control on kerosene altogether?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"We will call for a report."

SRI M. G. NATESA CHETTIYAR:—"May I know whether the Government are considering any proposal for the reorganization of the distribution of kerosene oil?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"At present there is no proposal but it may be considered later on."

SRI K. KOTI REDDI:—"Arising out of the answer given by the Hon. Minister, may I know as to what he means by saying 'definite' report. May I also know whether he has received any other report?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"We have received a report from the Collector of Tiruchirappalli and it is being investigated."

SRI S. NAGARAJA MANIGAR:—"May I ask the Hon. Minister to call for a report from the various Collectors as to whether these kerosene oil companies regularly supply kerosene as per quotas allotted to them?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"We will call for a report."

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Salaries and allowances of Hon. Ministers.

* 15 Q.—**SRI V. RAGHAVAYYA:** Will the Hon. the Premier be pleased to state—

(a) whether an increase has been made recently (i.e., since April 1st, 1949) in the salaries of the Hon. Ministers and their travelling allowances and other allowances; and

(b) if so, what the increase is?

THE HON. SRI B. GOPALA REDDI (on behalf of Hon. the Premier):—" (a) No.

" (b) Does not arise."

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

III.—MESSAGE FROM THE GOVERNOR.

MR. SPEAKER:—"I have to announce to the House the following messages received from His Excellency the Governor of Madras, dated 4th June 1949:—

(1) 'In pursuance of section 82, sub-section 1 (a) of the Government of India Act, 1935, I, Maharaja Shri Sir Krishna Kumarsinhji Bhavsinhji, Governor of Madras, hereby recommend to the Madras Legislative Assembly the introduction of the Madras General Sales-tax (Amendment) Bill, 1949.

(2) 'In pursuance of section 82, sub-section 1 (a) of the Government of India Act, 1935, I, Maharaja Shri Sir Krishna Kumarsinhji Bhavsinhji, Governor of Madras, hereby recommend to the Madras Legislative Assembly the introduction of the Madras Entertainments Tax (Amendment) Bill, 1949.

(3) 'In pursuance of section 82, sub-section 1 (a) and (3) of the Government of India Act, 1935, I, Maharaja Shri Sir Krishna Kumarsinhji Bhavsinhji, Governor of Madras, hereby recommend to the Madras Legislative Assembly the introduction and consideration of the Madras Advertisements Tax Bill, 1949'."

IV.—PANEL OF CHAIRMEN.

MR. SPEAKER:—"I have to announce to the House that under rule 9 of the Madras Assembly Rules, I have nominated the following four Members of the Assembly to be the Panel of Chairmen for the sixth session of the Assembly:—

(1) Begum Sultan Mir Amiruddin.

(2) Muhammad Rafeeuddin Ahmed Ansari Sahib Bahadur.

(3) Sri G. Rajamannar Chetty.

(4) Sri P. Kandaswami Pillai."

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V.—GOVERNMENT MOTIONS.

(1) THE PUBLIC ACCOUNTS COMMITTEE.

THE HON. SRI B. GOPALA REDDI:—"Sir, I move—

'That with reference to rule 134 of the Madras Assembly Rules, this Assembly do proceed, on a date to be fixed by the Hon. the Speaker, to elect nine members of the Committee on Public Accounts for the sixth session of the Madras Legislative Assembly.'"

MR. SPEAKER:—"Motion moved—

'That with reference to rule 134 of the Madras Assembly Rules, this Assembly do proceed, on a date to be fixed by the Hon. the Speaker, to elect nine members of the Committee on Public Accounts for the sixth session of the Madras Legislative Assembly.'"

The motion was carried.

MR. SPEAKER:—"In accordance with the regulations framed by me for conducting elections according to the principle of proportional representation by means of the single transferable vote, I fix 3 p.m. on Wednesday, the 15th June 1949, as the time within which notices of nominations for election to the Public Accounts Committee should be given to the Secretary. The nomination forms can be obtained from the Secretary. There will be an election, on a date to be announced in due course, if the number of candidates exceeds the number of vacancies, namely, nine."

(2) THE HOUSE COMMITTEE.

THE HON. SRI B. GOPALA REDDI:—"Sir, I move—

'That under rule 152 of the Madras Assembly Rules, the House do proceed to elect six members to the House Committee according to the principle of proportional representation by means of the single transferable vote in accordance with the regulations made in this behalf by the Speaker.'"

MR. SPEAKER:—"Motion moved—

'That under rule 152 of the Madras Assembly Rules, the House do proceed to elect six members to the House Committee according to the principle of proportional representation by means of the single transferable vote in accordance with the regulations made in this behalf by the Speaker.'"

* SRI P. NATESAN:—"Mr. Speaker, I am not objecting to the motion. But I would like to know what the House Committee has been doing from time to time. We have been protesting every time that we must have some comforts and convenience here. If the Hon. Minister for Finance cannot find money for the ordinary necessities of hon. Members, it looks as if there is no point in having a House Committee at all. We do not know who is going to be the Chairman of the Committee and unless

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that person is strong enough to force the Government to do something by finding the necessary money, there is no use having a committee. For instance we could not have the ordinary amenity of a cool drink and if any one comes to see me as a Member of the Assembly, I am not able to offer him drink and what is the earthly use of my sitting here? The motion concerning the House Committee is printed and it is circulated and we have it in our hands; the consideration and passing is a routine work; the Hon. Minister makes the motion and it is passed. It is all a waste and it is time that somebody protested and I do it vehemently. The Hon. Minister must find some money for the convenience of hon. Members assembled here."

SRI R. V. SWAMINATHAN:—"Mr. Speaker, I feel I should agree with the observations of my hon. Friend Mr. Natesan. Though we have represented several times the difficulties that we Members feel during the Budget discussions and at other times they do not seem to care about it or to alter its personnel. Therefore, either the House must be given a chance to elect entirely new Members altogether—Members who had served previously being not allowed to serve on this Committee—or we need not have any committee at all. That is my humble view of the matter."

* SRI V. RAGHAVAYYA:—"Mr. Speaker, as an illustration of the lack of elementary comforts to us might I point out that the place in our seats wherein the head is to rest ought to be soft and sound but in fact we find that it is some wood work which is pricking the head and it is very uncomfortable to us and I do not know if making us rest our heads on wood work is a measure of comfort to us. Then the space between one Member and another is so very narrow that something must be done to make sitting comfortable. Otherwise, it is better that a committee is not formed at all."

MR. B. W. BATCHELOR:—"Mr. Speaker, I wish to ask the hon. Member whether he wishes to have a couch wherein he could recline and helped to sleep." (Laughter.)

THE HON. SRI B. GOPALA REDDI:—"Mr. Speaker, I do not know the reason why my hon. Friend Mr. Natesan grew so eloquent upon the functions of the House Committee. It might interest him to know that the Leader of the United People's Party has agreed to allow Mr. Natesa Mudaliyar to serve on the Committee this year and I am hoping that his invaluable services will be available to the House Committee and I can assure you, Sir, all the reasonable resolutions and requests passed by the House Committee will be viewed favourably by the Government."

The motion was put and carried.

MR. SPEAKER:—"In accordance with the Regulations framed by me under rule 152 of the Madras Assembly Rules for

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the holding of elections according to the principle of proportional representation by means of the single transferable vote, 1 fix 3 p.m. on Wednesday, the 15th June 1949 as the time within which nominations of candidates for election to the House Committee should reach the Secretary. The nomination forms can be obtained from the Secretary. There will be an election, on a date to be announced in due course, if the number of candidates nominated exceeds the number of vacancies, namely six."

(3) ELECTION OF A MEMBER TO THE SOUTH INDIAN RAILWAY
LOCAL ADVISORY COMMITTEE.

THE HON. SRI M. BHAKTAVATSALAM:—"Sir, I move—

'That as a vacancy has now arisen in the Local Advisory Committee of the South Indian Railway, reconstituted with effect from 1st November 1947 for a period of two years, due to the resignation of his membership by the Hon. Sri P. S. Kumaraswami Raja on his appointment as the Premier of Madras, and as the General Manager, South Indian Railway, has requested the Government to communicate to him, the name of another member to fill in the above vacancy to represent the Madras Legislative Assembly, this Assembly do recommend to the Government to communicate to the South Indian Railway, the name of one person elected by this Assembly to serve on the Local Advisory Committee of the South Indian Railway for the rest of the period (i.e.), up to 31st October 1949.'"

MR. SPEAKER:—"Motion moved—

'That as a vacancy has now arisen in the Local Advisory Committee of the South Indian Railway, reconstituted with effect from 1st November 1947 for a period of two years, due to the resignation of his membership by the Hon. Sri P. S. Kumaraswami Raja on his appointment as the Premier of Madras, and as the General Manager, South Indian Railway, has requested the Government to communicate to him, the name of another member to fill in the above vacancy to represent the Madras Legislative Assembly, this Assembly do recommend to the Government to communicate to the South Indian Railway, the name of one person elected by this Assembly to serve on the Local Advisory Committee of the South Indian Railway for the rest of the period (i.e.) up to 31st October 1949.'"

MUHAMMAD RAZA KHAN SAHIB:—"Mr. Speaker, from the experience we have of the nature of nominations to these Committees—no doubt it is a matter of election by the Assembly—we see, Sir, they are all captured by the party in power. Last time when our present Premier was contesting we wanted that it should go to the members of the Opposition but to that it was suggested: 'Next time we will consider about it.' Already, they

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are putting up their own members for the elections and, therefore, the elections do not serve any purpose as everything is kept by the majority party without giving any chance to the others."

* SRI P. NATESAN:—"Mr. Speaker, I fully endorse the remarks of my hon. Friend Mr. Raza Khan. I have always felt that the Congress Party being in power, would like to thrust their own party men into all committees. I do not dispute the authority of the majority to put up their own candidates. As a matter of fact, generosity, particularly when there is a big opposition (laughter) would indicate that at least one member of the Opposition could be put in. I am unable to understand this laughter and I wish to ask: Is there or is there not an Opposition here? There is the Muslim League group and the United Nationalists group. After all is said and done they are sitting on the other side simply because they happen to come here in big numbers. It is no good laughing at our expense. Let them for goodness' sake allow us to put forward one member of the Opposition at least to the South Indian Railway Advisory Committee."

The motion was carried.

MR. SPEAKER:—"With reference to the motion of the Hon. the Minister for Public Works regarding the election of one member of this Assembly to the Advisory Committee of the South Indian Railway passed by the Assembly just now. I am to state that the nominations should be handed over to the Secretary before 3 p.m. on Wednesday, the 15th June 1949. The nomination forms can be obtained from the Secretary.

"There will be an election if the number of candidates nominated exceeds one on a date to be announced in due course. The election will be by the ordinary method and not according to the method of single transferable vote."

(4) MOTIONS UNDER RULE 77 OF THE MADRAS ASSEMBLY RULES.

(1) THE MADRAS COTTON (TRADE STOCK) CENSUS BILL, 1949.

(Increase in number of Members of the Select Committee.)

THE HON. SRI B. GOPALA REDDI:—"I move—

'That in view of sub-rule (1) of rule 77 of the Madras Assembly Rules requiring the member of the Government in charge of the Department to which the Bill relates to be a member of the Select Committee, the Hon. Sri A. B. Shetty, the Minister in charge of the department, be appointed as a member of the Select Committee appointed to consider the Madras Cotton (Trade Stocks) Census Bill, 1949.'"

MR. SPEAKER:—"The question is—

'That in view of sub-rule (1) of rule 77 of the Madras Assembly Rules requiring the member of the Government in charge

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of the department to which the Bill relates to be a member of the Select Committee, the Hon. Sri A. B. Shetty, the Minister in charge of the department, be appointed as a member of the Select Committee appointed to consider the Madras Cotton (Trade Stocks) Census Bill, 1949."

The motion was carried.

(2) THE MADRAS EDUCATIONAL INSTITUTIONS (REQUISITION OF PROPERTY) BILL, 1948.

(Increase in number of Members of the Select Committee.)

THE HON. SRI B. GOPALA REDDI:—"I move—

'The leave of the House be granted under sub-rule (2) of rule 77 of the Madras Assembly Rules to increase the strength of the Select Committee on the Madras Educational Institutions (Requisition of Property) Bill, 1948, to seventeen and that the Hon. Sri K. Madhava Menon be appointed member of the said Select Committee.'"

MR. SPEAKER:—"The question is—

'The leave of the House be granted under sub-rule (2) of rule 77 of the Madras Assembly Rules to increase the strength of the Select Committee on the Madras Educational Institutions (Requisition of Property) Bill, 1948, to seventeen and that the Hon. Sri K. Madhava Menon be appointed member of the said Select Committee.'"

BEGUM SULTAN MIR AMIRUDDIN:—"With reference to this Bill, Mr. Speaker, I wish to enquire whether the policy of the Government has not changed now since they have a new Education Minister and whether they do not intend dropping the Bill altogether."

THE HON. SRI B. GOPALA REDDI:—"Now that the Select Committee has been appointed by the House even that ought to be considered by that Committee."

BEGUM SULTAN MIR AMIRUDDIN:—"Might I know, Sir, whether the Government do not realize the necessity of withdrawing the Bill in view of public agitation against it?"

THE HON. SRI B. GOPALA REDDI:—"That again, Sir, is a matter for the Select Committee to recommend to the House."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Mr. Speaker, we have been noticing that the Government have come forward from time to time to add to the number of members constituting a Select Committee and the addition invariably came from the party in power be it the Minister or somebody else. (The Hon. Sri B. Gopala Reddi: 'It is always the Minister under this rule.') All the same it is a member of the party

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in power whether he is a Minister or not. I wish to know whether there is in the mind of the Hon. Minister an idea that there should not be a definite proportion of members of the majority party to the members of the Opposition and whether he should not in case he increases the number of members of his party, see that the number from the other party is also added to. I do concede that that is the law and the Hon. Minister for Education knows law and has instructed the Leader of the House as to what he is to say.

"I never meant that the Hon. Minister should add to the number himself. I said, Sir, that another seat should be given to the Opposition. That was not done. So it shows that the Hon. Leader of the House is so much overpowered by the fact that the Opposition is so small and negligible in strength that he need not care for it and that he could add to the number without having regard to the Opposition and without even consulting the Leader of the Opposition. Sir, the convention and the rules demand that when the Hon. Leader of the House comes forward with a proposal to add to the number of members of a Select Committee, he should have consulted the Leader of the Opposition. But he did not have the courtesy even to suggest that there must be an addition from the Opposition also. To-day the Opposition may not be large in numbers but he will be wrong in thinking that it will be the case always. The Opposition will certainly be much larger in future, even if the Congress is returned to power in the next elections. I think it is much better that due regard is given to the Opposition whenever the number of members to a Select Committee is increased."

MUHAMMAD RAZA KHAN SAHIB:—"It is not that I rise to support what has been said the hon. Member; it is something different. Last time when we met in April, a motion was brought before the House that the Hon. Sri A. B. Shetty, the then Education Minister, should be included. Now to-day the motion is that the Hon. Sri K. Madhava Menon should be included. Am I to understand that the Hon. Sri K. Madhava Menon will be in charge of Education for some time to come and there will be no more necessity to come forward with a motion simply on the ground that the Education portfolio goes on changing from one Minister to another every month?"

THE HON. SRI B. GOPALA REDDI:—"It is a motion under rule 77 of the Assembly Rules. It is a mandatory provision. There is no other course left open to the Government than to bring in the motion and get the sanction of the House. It is not possible for the Leader of the House or anybody to consult various leaders of parties. Even if there is willingness to add one more from the Opposition, at this stage no member from the Opposition can be added, and it cannot be helped."

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SRI P. NATESAN:—"I don't see the sanctity to the number seventeen. It may be eighteen or nineteen and the Hon. Minister can also be one of them. This is the point I want to bring home to him."

THE HON. SRI B. GOPALA REDDI:—"I think originally it was accepted to have fifteen members in the Select Committee and having accepted that, the Select Committee should not exceed this number ordinarily except under proviso (1) to rule 77 of the Assembly Rules."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"May I know, as a matter of further enquiry, whether it is not possible for the Minister to increase the number?"

THE HON. SRI B. GOPALA REDDI:—"It is entirely a matter for the Hon. Speaker to decide."

MR. SPEAKER:—"If the Government come forward with such a motion, I can consider. I am going to put this motion for vote."

The motion was put and carried.

(3) THE MADRAS WAREHOUSES BILL.

(Increase in number of Members of the Select Committee.)

THE HON. SRI B. GOPALA REDDI:—"Sir, I move—
'That leave of the House be granted under sub-rule (2) of rule 77 of the Madras Assembly Rules to increase the strength of the Select Committee on the Madras Warehouses Bill, 1948 (L.A. Bill No. 11 of 1949), to sixteen and that the Hon. Sri C. Perumalswami Reddi be appointed member of the said Select Committee.'

MR. SPEAKER:—"The question is—

'That leave of the House be granted under sub-rule (2) of rule 77 of the Madras Assembly Rules to increase the strength of the Select Committee on the Madras Warehouses Bill, 1948 (L.A. Bill No. 11 of 1949), to sixteen and that the Hon. Sri C. Perumalswami Reddi be appointed member of the said Select Committee.'

The motion was carried.

VI.—GOVERNMENT BILLS.

(1) THE MADRAS ENTERTAINMENTS TAX (AMENDMENT) BILL, 1949.

THE HON. SRI B. GOPALA REDDI:—"I beg to introduce the Madras Entertainments Tax (Amendment) Bill,* 1949 and move—

'That the Bill be referred to a Select Committee.'

* Published in the Fort St. George Gazette, dated the 6th June 1949.

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"I shall presently give the names. Sir, before doing so, I shall give the salient features of the new taxation measures and the financial background of our state of affairs.

"When presenting the Budget for 1949-50 on the 26th February 1949, I gave a brief outline of the various taxation measures which were under consideration to cover the deficit of nearly Rs. 4 crores expected for the year. This deficit was anticipated after taking credit for savings as detailed below from certain retrenchment measures:—

	Anticipated savings.
	RS.
	LAKHS.
Retrenchment of staff	90.00
Reduction of travelling allowance and other allowances	25.00
Reduction in expenditure on office contingencies	25.00
Reduction in the expenditure on works ..	99.00
Total ..	239.00

In order to ensure that these savings are actually realized as far as possible, the Government issued the following instructions:—

(i) Proposals relating to retrenchment of staff should be dealt with very expeditiously at all stages;

(ii) new works which do not form part of Post-war Development or Grow More Food schemes eligible for grant from the Government of India and which have not been commenced should be postponed, if possible, and such works in progress should be slowed down, care being taken to ensure that this does not result in any unprofitable outlay;

(iii) expenditure on repairs to buildings and communications should be restricted to the absolute minimum; and

(iv) all officers should restrict touring and the transfer of subordinates to the absolute minimum.

"The Government are doing everything in their power to eliminate waste and retrench expenditure wherever possible. But the present indications are that, if the administration of the Province is to be carried on without loss of efficiency, savings are not likely to materialize to the extent anticipated. Any reduction in the savings actually realized will, other things being equal, increase the deficit for the current year.

"So far as the revenue receipts are concerned, a sum of Rs. 366 lakhs was realized under Excise in 1948-49 and now that Prohibition has been extended to the whole Province the receipts under this head in the current year will be nominal. No large increase

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under the General Sales Tax Act as it stands now as compared with 1948-49 can be expected as the increased rates sanctioned in January 1948 were in force throughout that year.

"While the revenue position has thus deteriorated, the Government have found it necessary to forge ahead with various developmental activities which have been undertaken to increase the material welfare of the people. If the Government are to continue to be progressive, a steady increase of expenditure on services intended for the benefit of the people cannot be avoided. The following figures indicate the progress of expenditure in Madras since 1944-45 on nation-building and security services:—

	1944-45.	1945-46.	1946-47.	1947-48.	Preliminary Accounts 1948-49.	Budget Estimate, 1949-50.
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
Education ..	366.16	459.72	590.27	793.70	880.38	938.93
Medical ..	152.62	180.00	215.98	238.49	264.16	284.01(a)
Public Health ..	41.94	54.48	87.37	190.51(b)	108.76	100.18
Irrigation Works (Revenue and Capital Account).	94.19	97.42	154.68	254.39	321.47	682.12
Agriculture ..	48.11	74.06	105.70	116.93	128.33	136.24
Veterinary ..	20.09	23.64	26.95	31.81	40.07	43.64
Co-operation ..	22.04	30.93	44.33	42.69	51.61	61.32
Industries ..	65.14	72.49	97.78	112.75	127.75	256.07
Police ..	249.73	298.03	405.71	464.81	630.09	604.54
Total ..	1,060.02	1,290.77	1,728.77	2,156.08	2,552.62	3,077.05

(a) Provides for a lump-sum deduction of Rs. 10.50 lakhs on account of retrenchment.

(b) Includes Rs. 100 lakhs transferred to the Rural Water-supply Fund.

"The Government of India have provided a sum of Rs. 5 crores as block grant to this Province for 1949-50 for Post-war and Grow More Food schemes while the corresponding figure for 1948-49 was only Rs. 3.10 crores. It is thus necessary, if the amount provided is to be earned in full, for this Province to spend larger amounts on such schemes. The amount provided in the Budget of India have recently stressed the need for India to attain self-sufficiency in food by the end of 1951 in order to ensure that the bulk of the Dollar and other foreign exchange resources available are not used up in the import of foodgrains. As Honourable Members are aware, this Province is still heavily deficit in regard to foodgrains, and it is probable that the expenditure on Grow More Food schemes during the current year will have to be substantially increased so that this Province might fall into line with the over-all policy of the Central Government. When the new Panchayat Bill is passed, a sum of about Rs. 1 crore out of

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land revenue receipts will be payable to Panchayats with a population of less than 5,000 and the resources available for other Governmental activities will be correspondingly reduced.

"Having in view the various factors mentioned above, there is absolutely no chance of the deficit of nearly Rs. 4 crores anticipated in the Revenue Account for 1949-50 being substantially reduced. Even 1948-49 was a deficit year and the Accountant-General has tentatively transferred a sum of Rs. 366 lakhs from the Revenue Reserve Fund to the Revenue Account to cover the anticipated deficit for the year. It is possible that when the final accounts for the year are made up, such a large transfer would not be necessary. But whatever may be the final position in regard to 1948-49, it is clear that with smaller revenues and larger expenditure as explained already, there will be a very heavy deficit in 1949-50. It would be shortsighted policy to withdraw money from the Revenue Reserve Fund to meet deficits which will be clearly of a recurring nature. Moreover, in the inflationary situation prevailing in the country it is essential that such withdrawals should not be made and that current expenditure should be met from current revenues.

"In the above circumstances, new taxation measures so as to increase the revenues of the Government are unavoidable. The various proposals outlined in the Budget Speech have been further examined in the light of the criticisms made in the Legislature and the Government have decided to drop—

the betterment tax on the sale of immovable properties in urban areas; and

the surcharge on property tax in the City and in mufassal municipalities.

"In lieu of a surcharge on bus fares the Government have decided to increase the tax on motor vehicles and public carriers of goods permitting the operators to raise the fares in places other than the Madras City and urban areas.

"The Government have also decided to drop the levy of a sales tax on electricity for the time being but to extend the existing industrial surcharge of 10 per cent in all hydro-electric areas to all domestic consumers and to levy an industrial surcharge of 10 per cent on L.T. consumers in the areas served by the Madras Electricity System.

"The Bills which I am introducing in the House to-day are intended to give effect to the other taxation proposals as modified after detailed examination.

"Sir, with regard to the Bill I have introduced, the salient features are that besides entertainments tax, which is now in force, there will be a new tax on cinema shows. This tax will depend on the number of shows and not on the tickets sold at every show. The incidence will be five rupees for every show in the City of Madras, four rupees in cinemas in the big municipalities of the Province, three rupees in other municipalities and two

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p.m.

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rupees in non-municipal areas, where there are touring cinemas or stationary cinemas. The idea is the entire amount collected will be credited to the Provincial Government and it will not be shared with local bodies or municipalities. As I said in my budget speech, the levy of this new tax will be on the number of cinema shows or on the proceeds of the sale of tickets, but ultimately we decided to have this incidence on the number of cinema shows. This will yield fourteen to fifteen lakhs of rupees to cover the deficit of four crores. Sir, I move that the Bill be referred to a Select Committee."

MR. SPEAKER:—"Motion moved—

'That the Madras Entertainments Tax (Amendment) Bill, 1949, be referred to a Select Committee.'

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Mr. Speaker, Sir, I am sorry I have to oppose this motion. The Hon. Leader of the House has, however, come forward with this motion and appears to be strengthened by the long note he read out to us, making us believe that whereas he does not expect on the revenue side any tangible increase and no savings whatsoever, he at the same time has shown us figures representing the expenditure under what are called nation building departments increasing from year to year. Perhaps, that was his case. But he forgot that other people also can understand what the value of the figures that he has shown us is."

THE HON. SRI B. GOPALA REDDI:—"They are not faked."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Mr. Speaker, Sir, my Hon. Friend does not fake anything and he does not indulge in faking. But he has shown to us certain figures to overpower the House with the case he has made out for bringing his measures. There is no need, in my opinion, for these small revenue measures. For as the Hon. Minister himself told us in answer to an interpellation this morning the revenues from sales tax have been increasing year after year. While they anticipated 12 to 13 lakhs revenue from this tax in 1948-49, they got a crore or more as sales tax. His argument is that they cannot anticipate a great deal more than he anticipated, why should he resort to this new taxation. After all what is it that he hopes to get from his first taxation Bill? He says it will not be more than 13 to 14 lakhs. And I do not know what he expects to collect from the other Bills; and I do not think he is going to make up by all these measures the four crores of deficit. My intention in opposing this Bill is to help the Hon. Minister in not taxing the people over and above what they can pay. I feel this Bill is unnecessary. After all, the four crores deficit he has shown in his budget speech is not very much for a Province like ours whose revenue is more than 55 crores. For that one need not come forward with a taxation measure in the course of the year. This certainly is not proper to do.

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"One thing I must say here. Government should follow a convention—it may not be a rule—a convention which is followed by the Central Government. It is that Government should not bring money bills and taxation measures in the middle of the year; they should bring them only at the budget time. Sir, it is improper for a Provincial Government to come forward with taxation measures throughout the course of the year. Whereas the Government may vary their budget from time to time, it is not possible for other people and institutions which they seek to tax to change their budget in the course of the year. The Hon. Finance Minister should bring his taxation measures in the beginning of the year at budget time. So far as this particular taxation measure is concerned it was only the other day, I mean, in 1948, that the entertainment tax was increased. Now, not even one year has passed, and my Hon. Friend comes forward with another taxation measure to tax those institutions. There must be some reasonableness, some sort of limit as to what extent any particular institution should be taxed. Is it because, when the Hon. Minister while passing along Mount Road finds long queues of people standing in front of theatres either for purchasing tickets or getting into the theatres that he got this idea of taxing the proprietor of cinema theatres? Sir, he should not kill the goose that lays the golden eggs. His act may bring disaster to these institutions. The proprietors may become bankrupt if the Hon. Minister goes on increasing the tax. What does this new measure of taxation mean? It is Rs. 5 per show; there are two shows and three shows on some days, the latter on Saturdays and Sundays. And some theatres have four shows also! Let us take on an average they will have to pay Rs. 600 or Rs. 700 a month by this measure and at the end of the year it will be 7,000 rupees and odd. The management of the theatre have to budget for it now in the course of the year. Naturally this will upset their budget. So, Sir, this is a tall order.

"Then, take the case of the touring cinemas or stationary cinemas in the rural areas. I am sure by this legislation all those cinemas will go out of existence, for they would not be able to pay this tax. That means, there will be no entertainment for the poor people living in rural areas. We have all joined with Government in bringing prohibition about in the whole Province. At the time we introduced prohibition we said that we are going to find other amenities for the poor people who have been indulging in drink evil. What is it we are seeking now to do? We are going to take away those amenities by this taxation measure; for by this additional taxation they would not be able to carry on. Government ought to have some idea of what they are taxing and they should see whether there is any connexion between one act and another and how one act will react on another. They should not confine themselves to merely exploring additional sources of revenue. They should see what repercussions the several taxation measures will have on the institutions which will be thereby affected.

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12-30 P.M. "It is true, Sir, that in the City of Madras and in certain big municipal areas in the mufassal, there are certain theatres which do make some amount of money by these cinema shows, but their percentage is certainly not very large. I am sure, their number would not be more than 25 per cent of the theatres in the whole of the Province. For the sake of collecting some money from these 25 per cent of the institutions which are making certain amount of money, you want to impose on the remaining 75 per cent of the theatres, this tax, which they cannot afford to pay. You have not taken into account the financial condition of all these cinema theatres. You have come to this wrong conclusion that all the cinema theatres would be able to pay this tax, by looking at the few theatres which make large amounts of money. You expect to collect some 14 to 15 lakhs of rupees from out of this tax. I am sure, Sir, that your anticipations will be belied and you will not be able to collect this sum from these sources, for we know, as a matter of fact, that many of these institutions are working at a loss. On the other hand, by imposing this tax, you will be forcing many of the small theatres in most of the municipal and rural areas to close themselves down and go out of existence. Is that an advisable thing, I ask? Is it for that purpose, you are seeking to impose this tax? Are you going to deprive the people in rural areas and villages of the little entertainment which these small theatres and touring cinemas are giving now? I submit, Sir, that what you are doing by this measure is certainly wrong and you are going to force some of these institutions to close down. For these various reasons, therefore, I oppose this Bill and oppose this motion to refer it to a Select Committee."

* SRI N. S. VARADACHARI:—"Mr. Speaker, Sir, I want to participate in this debate, but before doing so, I should like to suggest to the Hon. Finance Minister that besides giving the House the general background of the financial implications of the measures of taxation which he is introducing, he should also, in the case of every Bill, give us the financial background of the industry and how it would be affected by the proposed taxation. I would suggest, that for the sake of a clearer discussion on this matter, the Government should have studied this question in all its details and I want the Hon. Minister for Finance to place before us in a concretized form, as to how much some of the theatres in Madras would pay and how much a theatre in a mufassal municipality would pay."

MR. SPEAKER:—"The hon. Member is making a speech. He should not make a speech on a point of information."

SRI N. S. VARADACHARI:—"Sir, I am only suggesting to the Hon. Finance Minister, if he is so inclined, to make a fuller statement, on all the points I have mentioned, so as to enable us to have a useful discussion on this Bill. I want that he should state to the House, how much taxation this industry has already been subject to in the shape of licence fee and other things, and whether he is sure that the revenue he anticipates by this measure could be realized . . ."

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MR. SPEAKER:—"Order, order. The hon. Member is again making a speech. Let him resume his seat. The hon. Member Mr. P. Natesan will now make his speech."

SRI P. NATESAN:—"Mr. Speaker, Sir, it is rather unfortunate that my hon. Friend, Mr. N. S. Varadachari, should expect all these details from the Hon. Finance Minister. The Hon. Finance Minister, as we only too well know, is very anxious that his measures of taxation should go through. It does not matter to him, what happens to the industry. He wants only money and he wants to put his hands into everything from which he could get money. Take the Statement of Objects and Reasons: what does he say there? I find that in almost every measure of this kind, the Statement of Objects and Reasons, says, 'In order to augment the Provincial revenues, the Government consider it necessary to levy a tax, etc.' or 'This Bill is intended to narrow the gap between Provincial expenditure and Provincial revenues by providing for the levy of a Provincial tax, etc.' Therefore, I say, there is no meaning in these statements, of objects and reasons, but the mere fact is, that the Hon. Minister for Finance wants money to fill up the gap which he has created. I consider him only as a gambler. He has gambled away with the Provincial finances and has lost the Excise revenue on account of prohibition and now comes forward with all these various measures of taxation. We advised him to go slow in the matter of introducing total prohibition. We were not against prohibition, but we wanted that the pace should be slower. These Congressmen and this Congress Ministry wanted to rush through it in the name of Mahatma Gandhi. They wanted total prohibition all at once, and so we said, 'all right, but only go slowly'. They went on saying in this House that the masses outside wanted prohibition and that they had got their entire backing. But now see, what is the result? The Government want some two crores of rupees to enforce prohibition and they want to impose the tax only on the shoulders of the masses. Their ideology is that drink is an evil and that the poor man must be weaned out from that evil. Let them wean out the poor man from drink, I have no objection. But why do you prevent a man who can afford and who wants some whisky and soda for a drink? Do you want to teach morals to the people? That is my point. If that is so, then see that you have got plenty of money in your pocket. You have squandered away all your money in this gamble and now you say, 'I want money to fill up the gap and so I want to tax you'. Some time back, the Hon. Minister for Finance said that nationalization of bus transport would bring in a few crores of rupees. What has happened to that proposal? Is he getting any amount out of that scheme? Evidently, Sir, I think, it is all going down the drain. There must be something wrong with the policies of this Ministry, but yet the Hon. Finance Minister now comes and says, 'I want to get some more money out of this tax, to augment the Provincial revenues'. What are his proposals of taxation? He wants a tax on entertainments; he wants a tax on advertisements; and he

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wants to increase the sales tax. I am referring to all these things at one and the same time, because his speech was a sort of omnibus speech.

"Now take his proposal to tax advertisements. This will only reflect on merchants. That is why I want to speak on it. He now wants to tax cinemas. There are other taxation measures besides. Well, Sir, the whole point is this. The Hon. Finance Minister does not himself know how much money he is going to get out of these proposals. At one moment, perhaps, when he passed through some of the cinema houses in the City and saw the great rush at the gates, he thought, 'Why not I tax all these cinema shows? These people are making a lot of money every day. Five rupees for each show per day means Rs. 15 per day; that is, Rs. 450 per month or Rs. 5,400 per annum. Therefore I can get Rs. 5,400 per annum from one theatre. There are a number of cinema houses in the City and therefore I will get so much.' This is probably his line of thought. He does not take the trouble to see how the industry will be affected.

"Again, the Hon. Finance Minister is going to increase the sales tax. He coolly says, 'It is proposed to increase the sales tax on certain articles from 3 pies to 4½ pies'. He does not realize that it is 50 per cent increase. All of us, merchants, are already groaning under the heavy weight of taxation. But the Government say, 'Oh! You, merchants, you are earning a lot of profit; you are the capitalists and so you must pay or you collect it from the consumers'. What is the use of going on multiplying these things? In one word, I would say, their whole policy is atrocious. Nothing more and nothing less; because these people have got the Gandhian ideology of prohibition. But at the same time, our Ministers are going on travelling throughout this Province and outside, and at least half a dozen Ministers of this Government are always on tour throughout the month, either opening this thing or that. That is the way they are going on draining the State revenues, but still they come to the people and ask them to pay more by means of these taxes. They want these newspapers to help them a lot by way of publicity. They say that they have got the interests of the people at heart. Then why should they go on taxing like this? You say that you are responsible for the masses. If I am not a Congressman, then you think that I am not responsible for the masses. But the other day, the Hon. Premier has said that the masses do not care to know who the Premier is, who the Ministers are, and that they do not worry themselves about them. But here you say, that the masses have sent you to this House, and that you are doing everything for the good of the masses. But, do you know exactly what the masses are telling about you and about your Congress? They say, 'நல்ல காங்கிரஸ் வந்தாலும் வந்தது. ஊர்ப் பட்ட நிலையை ஏற்றிவிட்டார்கள். சாப்பாட்டுக்கூட வழி இல்லை.'"

"These people dare not say these things to you in your very face, but all the same, they know from the bottom of their heart, what you are doing and what the results of your policies are.

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"Now, you have introduced total prohibition. What can the poor labourers do? They have no other recreation. Now, you are taxing the cinemas and therefore they will be deprived of their entertainment. So they will have no other entertainment, except to procreate children. (Laughter.) I do not want my hon. Friends besides me to laugh, because what I am saying is a fact. These poor labourers have no vitality, because they have no drink, and after a hard day's work, they go back to their houses, and because they cannot afford to go to any entertainments, they can do nothing but procreate. (Laughter.) Are the Government going to teach morality to these people? Having introduced prohibition hastily, you want to fill up the gap created in the Provincial revenues by resorting to all these measures. You did not hear our advice to go slow. What happened? There is a sort of inflation and people cannot afford to pay. The poor man who goes in a bus has to pay 50 per cent extra. Instead of these taxes, you can as well introduce a poll tax at the rate of Re. 1 per head and thus you can fill up the gap. You will get tons of money that way. But you simply want to harass people by means of these taxes.

"Now, Sir, reverting back to prohibition, some of my friends from the Andhra districts tell me that every house there is a centre of illicit distillation. (An hon. Member: Question.) This is said by some of the very Congressmen at the top. Sir, I do not go about villages, but I have heard from many top-ranking Congressmen that in several of the remote villages, illicit distillation is going on. My point is that if we proceed slowly with prohibition, things will automatically adjust themselves. Simply because you have got the majority with you, you cannot do things like this in a haste. That is not the way in which you can do the Finance Minister's job. I want to know whether there is any ethics in these taxation measures. Will the people stand the strain of further taxation? It is true that the salaries of officials have got to be increased, because it is they who are suffering most under the present increased prices. Prices of articles have gone up by four times, but their income has not gone up proportionately. The other day the Hon. Finance Minister said that for education, the previous Government had spent so much in 1941-42 and that he is spending so much this year and showed that there was an increase of three times the amount now. Even so, the revenue from the sales tax during the year 1941-42 was Rs. 6 crores, but to-day it is nearly 113 crores, i.e., about 20 times. But at the same time, the value of the rupee has gone down. You are still going on increasing the sales tax and there seems to be no end to it. I say, Sir, that there is no policy in the taxation measures of the present Finance Minister.

"Sir, I must take this opportunity of saying a word on the Finance Minister's remarks about the nation-building activities of this Government. What are the nation-building activities this Congress Ministry have undertaken except the Firka Development Scheme? (Laughter.) What have you done there for providing

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electricity? You have done nothing in that direction. On the other hand you pay more and more for the staff and increase their number every day. Sir, this Firka Development Scheme is a wonderful thing.

12-48 p.m. "I do not think there is even one firka in which there has been development. Yet they have the impertinence to come forward and talk about nation-building activities. Many people have asked us: 'What is it that you people are doing there.' We answer: 'The Congress people are there in a huge majority. We cannot do anything.' They say: 'You can at least be shouting there.' That is why I am trying to shout here.

"In my own district of South Arcot, they have gone to a god-forsaken place and want electricity to be taken there. When they consulted me, I said no, not even if the Government wanted it. How could it be important to take electricity to a place where there is no water facility available in the first instance. I may tell you, Sir, that electricity is not going to come for the next ten years. (Interruption.) I may say, Sir, on account of the depression and restrictions about dollars and sterling balances, you cannot have electricity for many years to come. It is all right for Ministers to come and say in answer to interpellations: 'Yes, electricity is coming shortly.' When are they going to arrange it? Not for 10 years to come. I am prepared to take a challenge on that. Let not the Andhra gentlemen think that electricity is coming now. (Interruption.) What I am saying is that it is a stereo-typed reply on behalf of the Government. I was talking about firka development, Sir, and I do not want to forget that. I shall come to the question of my own district.

"I compared notes with some Congress Members. What is it that they want? They do not want to give food, clothing or shelter. They want firka development. I do not know how. I only want to make the point, Sir, that these are all mere slogans to tempt the voter for the next election. That is all and nothing more.

"The hon. Member, Mrs. Kuttimalu Amma, simply nods her head. She may have influence and she will get returned. And Congressmen may return. I am not disputing that. But how are they running the Government? Are they running it for the people? When they go out and address people from the platform, the people do not ask them anything, because they respect them as they have gone from Madras. You go to the middle-class man and the poor man and find out if they are satisfied. Let hon. Members say conscientiously whether it is not a fact that people are not able to make both ends meet. Of course, the Hon. the Finance Minister must get the money. He has his Prohibition programme on account of which he has to suffer and to that extent we are going to suffer also, because he has made up his mind. In the select

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committee, he will alter a comma or so, but there will be no tangible result. I am afraid the public have got to suffer under the Congress regime for a few years more until the new Constitution comes into effect or until the entire House is changed."

SRI C. M. KOTHARI:—"Mr. Speaker, Sir, the Hon. the Finance Minister has given us a picture of how the expenditure on nation-building departments have gone up from Rs. 10 crores to Rs. 30 crores. He would have had the satisfaction of seeing the cost of the nation-building departments going up to Rs. 75 crores if the doctrinaire principles had not been adhered to and the revenues had not been wasted on Prohibition about which sufficient has been said by my hon. Friend, Mr. Natesan. I feel sure, Sir, that, whatever the Congress Members may say and whatever the Ministry may be pleased to say, the talk in the City is that Prohibition has failed and that no business is greater than illicit distillation. I was hearing a joke, Sir, between two friends when I was outside Madras. One was saying that his business had gone up very well. It was a surprise to me because as a businessman I found there was serious depression in the country. Then he explained: 'You don't know because you do not drink. I said that the business of illicit distillation is very prosperous.' On account of the doctrinaire principle and priority being given to Prohibition before food, clothing, building, etc., the country is passing through a very serious depression which has been invited by the Congress Ministry.

"Sir, the aim of the Congress may be very laudable in that they want to increase the standard of life of the masses. But how do they do it? They must do it not by paper currency but by production. Have they to their credit anything by which they produce more in respect of any article, say food or manufactured articles? I say that they have completely failed and when the historian comes to write of it, he will be pleased to make a record of it that the Congressmen of to-day have increased the taxes and reduced production.

"We have been told, Sir, that the gap between revenue and disbursements is to be reduced. If you create a gap naturally you would like it to be filled up. The gap is their own creation and they have to fill it. But when we look into the figures given last year, I think the Hon. Minister is making a camouflage and is playing with the figures. Last year, under sales tax the estimate was Rs. 11.50 crores."

THE HON. SRI B. GOPALA REDDI:—"In the revised estimate it was Rs. 12.12 crores."

SRI C. M. KOTHARI:—"In the budget that was presented in March 1948, if I remember aright, it was Rs. 11.50 crores. It is now shown as Rs. 13.25 crores. The Hon. Minister was aware that the sales tax was going to give him a large revenue. However, he wanted to create a consolidation fund so that he may

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have larger disbursements for education, etc., and so that the country may know that they have some work to their credit when the next election comes. I know, Sir, that, if the depression had not come, the Hon. the Finance Minister would have easily got Rs. 15 crores, and there will be no necessity to tax the poor man's kitchen by a sales tax of 4½ pias on a number of articles.

"Coming to Madras, Sir, the Hon. the Finance Minister seems to think that the cinema industry is in a very good condition. I am afraid he has not got the figures about the number of picture houses in the City. Every one in the House is aware that the cinema houses have got to give to the manufacturers of the films about 50 to 60 per cent of the collections. Then come the actual daily recurring expenses. All these things taken together do not leave him much of a margin. If an enquiry is to be made in the booking offices of the cinemas, it will be found that they have lost 30 to 40 per cent of the revenue which they got last year. Their houses are empty and they are not getting much revenue."

THE HON. SRI B. GOPALA REDDI:—"According to the revenue account this year, it is Rs. 102 lakhs as against Rs. 74 lakhs last year."

SRI C. M. KOTHARI:—"Sir, that was last year. But if the accounts of a number of cinemas were to be examined from April 1949, I am sure it will be an eyeopener to the Hon. Minister. Their revenues have gone down."

"Sir, I find that even the export of tea is not being exempted. The Government of India have been proposing that there should not be any duty on export of any commodity. This Bill which takes out the exemption on export of tea is very injurious."

"The Hon. Minister is pleased to put a duty on cotton which was exempted till now. I shall take both the things together, Sir, so that I might save the time of the House. There is no country, Sir, which puts a tax on a produce which is going to be manufactured in the country for the sake of consumption there. If the proposals in the Bill are accepted, Sir, this Presidency will be handicapped as compared to Bombay and there will be a serious set back in the textile industry in South India. Taking all these things into consideration, Sir, I object to the reference of the Bill regarding textiles to the Select Committee."

* SRI K. BHASHYAM:—"Mr. Speaker, Sir, I congratulate the Hon. the Finance Minister on his best exposition of what the Government have done so far in the matter of spending moneys on nation-building departments. (Interruption.) It may be inflated, but still moneys are being spent in a larger and larger measure on these nation-building departments. He has told us also that on account of various expenses he had to meet, he has to make up the deficit by other taxes. I accept the position. I accept that there is necessity for further taxation. I accept the

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necessity for more revenue. But the difficulty is how to get it. The question in the present case is this. If you want to tax the cinema shows, after all the estimate of the Hon. the Finance Minister of that taxation is only Rs. 14 or Rs. 15 lakhs. What a poor sum to trouble oneself about when one has to cover Rs. 4 crores? If you are going to tax the cinema shows, after all the person who really suffers is not the rich man, but the poor man, because the cinema is mainly catering to the poor man's needs as he wants some entertainment, especially when you have taken away toddy from him. The cinemas are providing him with some entertainment in the evenings so that he may not think of the toddy he has lost. I think it would be ill-advised for the Government to come forward and tax an entertainment which keeps him away from the grasp of the toddy which he has lost.

"I would like friends like Mr. Natesan and others not to¹ p.m. throw all the blame on Prohibition. Every time we talk about anything, like the proverbial dog, they always talk of Prohibition."

SRI P. NATESAN:—"May I observe. . ."

MR. SPEAKER:—"The hon. Member is not yielding."

SRI P. NATESAN:—"He is willing to yield, Sir."

* SRI K. BHASHYAM:—"Of course, Members of the¹ p.m. Opposition will say that so far as Prohibition is concerned, it is a failure. I know there are some addicts who will get their drink somehow or other. Some carry it in their boots and others are said to take it in electric lights. With all that, prohibition is a great achievement and it is certainly a great advantage to the public. Our next generation will not think of toddy or any other drink. From that point of view, prohibition is a great success. The hon. Member, Mr. Natesan, was just now saying that prohibition has become a failure. But, it is not so. Of course, there is some illicit preparation of these drinks in some houses in some places. But the Police are there to find out these things. People are still there who steal property. Similarly, there are a number of cases of illicit distillation. When you have introduced prohibition, you must expect such things happening. When any legislation is passed, there will of course be a number of cases cropping up. When the Estates Land Act was passed, a crop of litigation was there. I expect the same thing to happen when the Zamindari Abolition Bill comes into force. Therefore, I want to say to my hon. Friends sitting opposite that the statement that Prohibition is a failure is not correct."

SRI P. NATESAN:—"I never said it."

SRI K. BHASHYAM:—"I respectfully ask my hon. Friend not to go on saying that Prohibition is a failure on the floor of the House and thus disseminate the idea that it is a failure. Such statements on the floor of the House encourage people in

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their nefarious activities of getting drink to which they were accustomed. My hon. Friend Mr. Natesan getting up and saying such things on the floor of the House really encourages a number of persons to commit the crime. Therefore, I do not want Mr. Natesan to say all these things on the floor of the House."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"On a point of Order. I want to know whether it is right on the part of my hon. Friend, Mr. Bhashyam, to say that hon. Mr. Natesan has encouraged the committing of crime and created some sinners by his statement."

MR. SPEAKER:—"It is not right on the part of the hon. Member to say so."

SRI P. NATESAN:—"I do not mind getting it from Mr. Bhashyam."

SRI K. BHASHYAM:—"I know Mr. Natesan would not mind it, because there is nothing wrong in what I said. But I do not want Mr. Abdul Hameed Khan to interfere in this matter. Sir, what I want to point out is that it is not necessary to tax the cinema for the purpose of getting about fourteen lakhs of rupees. Hon. Member, Mr. Natesan, and some others talked about some other matters also but I shall confine myself only to the present Bill."

MR. SPEAKER:—"It is not in order to refer to this particularly at this stage. All these taxation Bills are more or less on the same lines. If the hon. Member wants to say one or two words on a particular Bill, I do not object. Properly speaking, the hon. Member should speak on the Bill that is before the House."

SRI K. BHASHYAM:—"I only want to illustrate my point not only for the purpose of this Bill but also other Bills which the Government propose to introduce. In taxing certain articles, it is a sort of a lottery. You tax chillies; you tax coconuts, pepper, potatoes, etc. . . . Because the taxation is imposed at various points, it will double and treble itself. I am not saying this in any sort of carping criticism but merely as a man who means well for the Government in power. If you impose a tax that is not necessary, then it will rather reflect on the administration and on the Congress Government that is in power to-day."

MUHAMMAD RAZA KHAN SAHIB:—"Mr. Speaker, Sir, we are really at a disadvantage because we do not have copies of the speech delivered by the Hon. the Finance Minister. That statement contained important information not only with regard to the present Bill under discussion but also with regard to other taxation measures. Therefore, we are not in a position now to deal with the more controversial points raised by the Finance Minister with regard to these taxation proposals. As far as the

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Government side is concerned, a number of issues were raised during the time of the budget discussion which we had for four days and in which nearly sixty members of the House, most of them belonging to the party in power took part. No one member of the party in power, I remember, supported any of these taxation proposals of the Hon. the Finance Minister. They were vying with one another and condemning the various items of these taxation proposals and condemning the Government. Therefore, I thought after these duels, the Finance Minister will be influenced to drop these taxation proposals as far as this year is concerned. But, to-day, the Finance Minister in his own way, smilingly no doubt—it is a great asset as far as he is concerned—comes forward and says that he is generous enough to give up the tax on properties and the betterment tax. He has got to be generous in these. Otherwise, there is likely to be some trouble legally. Therefore, he consulted the Legal Department who probably gave him advice that he would come into clash with the Central Government if these two taxes were introduced and therefore advised him to drop these taxes. He cannot do otherwise than drop them. So, he cannot take credit for this.

"My hon. Friend, Mr. Natesan talked about prohibition and said that Government should not have lost that revenue and then proceeded to impose these taxes. I, at any rate, have my own views about prohibition and having supported it, I cannot now go back. I leave it at that. Of course, I have got some sympathy for the Finance Minister because I am yet to know whether he has got any knowledge or understanding of the financial position of this Province. As he is a lay man like myself, naturally he will not be able to deliver the goods. I am not casting any aspersion on him but there are certain incongruities and defects pointed out by Mr. Prakasam against the Ministry and if there are some difficulties on account of that, the Finance Minister will almost be the first casualty. Now, Sir, with that background and without having a survey of the existing financial conditions in this Province, the Hon. Finance Minister has come with these taxation measures. I can assure him and this House that it does not help either the party or us to come to a decision. It is always the monopoly of the Congress party in power to say that they have got every right to believe that all these measures were only intended to help the people. After all these taxation measures are intended to tax the public and they are going to be affected. My hon. Friend, Mr. Natesan was perfectly correct when he said that one fine morning, the Hon. Mr. Gopala Reddi, our Finance Minister, thought in his room in Fort St. George. "There are many cinema houses; why not tax them, say at Rs. 5 per show and so on." Simply because some such idea struck the Hon. Minister, he should not bring in a taxation measure for that purpose. Similarly, there are twelve Ministers and so many ideas will come into their minds, and if they want to bring all these ideas in the form of legislative measures and taxation proposals, can the

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Government function? Has the Hon. Finance Minister satisfied himself that the cinema industry is not taxed properly and that they are making a huge profit? That is one of my objections to this measure. Another point is after all, how much you are going to get by way of this tax. It is, as the Finance Minister himself has said, about fourteen lakhs.

"Sir, I want to confine mostly to this Bill to-day because to-morrow we will be in a position to read the statement of the Hon. Finance Minister. Sir, the Hon. the Finance Minister said, 'Last year you objected to some funds being drawn from the Revenue Reserve Fund. Therefore, why do you advise drawing from that Fund this year?' Sir, I am sorry to say that last year conditions were very different and therefore, we asked him not to draw from the Revenue Reserve Fund. But, this year, we find that taxation has reached the maximum limit and therefore, we say that you can draw something from the Revenue Reserve Fund. It is not as if we exhibit some sort of inconsistency. If there is any inconsistency, we can correct it. If hon. Members read the Budget speeches last year and also Budget Memorandum, I am speaking subject to correction—they will know that instead of drawing three crores, they drew only about a crore or so."

THE HON. SRI B. GOPALA REDDI:—"Tentatively we got transferred 366 lakhs though originally, we wanted five crores to be drawn."

MUHAMMAD RAZA KHAN SAHIB:—"Therefore, instead of drawing five crores, the Government were able to draw only three crores from the Revenue Reserve Fund."

"Sir, from the way in which Government are spending the money, I feel they could not spend all the money stipulated, because there are so many schemes which are merely on paper. Next year there may be many more schemes like electricity and irrigation but these schemes will all be only on paper and much of the money allotted will not be spent and therefore there is good scope for having some sort of economy. I do not want to go into details. But, Mr. Natesan drew attention to one matter, namely, about Firka development. There are thousand and one such schemes on paper. One fine morning when the Press representatives go on their round, one Hon. Minister takes it into his heart to say that he has got this scheme or that scheme, and it is given publicity. But, they are merely on paper. I am in entire agreement with my hon. Friend Mr. Natesan when he said that Firka development is a farce and that nothing has been done. It has been started at the time of Mr. Prakasam, but if you go and see these firkas, they are only in name and nothing exists. Therefore, I say that a certain amount of economy can be effected on these things. Whenever any new scheme is brought, it has got to get the approbation of the public. The Government must try and ascertain whether the public are behind such a scheme and they must

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prove to the satisfaction of the public that such a scheme is beneficial, instead of sitting comfortably under the fans and saying that the public are behind us because they have sent us. Now, Sir, Ministers are always on tour. You do not find more than two Ministers here. They are perfectly right in touring. You do not find any of these firkas anywhere near Madras and so they are touring and it is easy for them because wherever they go, the police officials and other officials show them such respect. Of course, I was also with the Hon. the Finance Minister while on tour on one or two occasions. Therefore, Sir, have they addressed public meetings in the areas where they toured and in the constituencies or in the conferences they held and asked the public 'We are in difficulty; there is a good deal of deficit between our income and our expenditure. The money has been spent for your own good and for your own uplift. Therefore, we want to impose more taxation to fill the gap. Are you prepared for it?' Can the Hon. the Finance Minister prove that he has tried like that? Only very recently, the present Premier, the Hon. Sri Kumaraswami Raja, has been very busy and unfortunately busy only with taxation proposals. He has said certain things which I will surely refer to when we come to the second taxation proposal. He has gone to a meeting at Mathurai, most probably the meeting of the Mathurai Municipality, and said 'Go on; tax more, tax more.' If the Hon. Ministers go on like this, they will become unpopular and will no more be in power. It is easy for a Member in power to say 'tax more.' The difficulty lies in doing it. On the whole, it was not right on the part of the Hon. the Premier, while replying to an address of the Mathurai Municipality, to say 'tax more, even if we become unpopular.' Already the Ministers have become unpopular; they have reached the saturation point. I am saying this in their own interest.

"With regard to the present Bill, we should have a proper study of the cinema industry. People like us, when we pass through the streets of Madras, find all the cinema-houses fully packed. In fact, I find people waiting from 12 o'clock for a show commencing at 3 o'clock. On seeing these things, we at once come to the conclusion that the cinema industry is very flourishing. But, my information is that it is not so. At least, in a good number of cases, it is not flourishing because the taxation measures are too many. As per the statement of the Hon. Minister, 60 per cent of what the cinemas earn is being paid to the Government, either Provincial or Central, by way of taxation. The remaining 40 per cent has to be distributed among the various parties like the film producer, the proprietor and others of the same kind. Therefore, I ask whether it is fair on the part of the Government to tax the cinema industry further. Of course, the calculation is very simple. The Hon. the Finance Minister says 'simply Rs. 5 per show.' It looks as if we are innocent just as we do mathematics in high schools. It looks very simple. But we must see how far it is going to affect the party concerned. I want to know whether a

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careful study has been made by the Hon. the Finance Minister or his department. Out of the thousands of cinemas which we have in the city and the mutassal, there will be a good number which are losing concerns. Do the Government expect them to pay whatever they want? What will happen to them? Therefore, the Hon. the Finance Minister should have a clear study and knowledge of the question.

Secondly, let us have a proper and clear understanding of the matter. It is not as if we are going to impose a tax on the cinema proprietor or the film producer. Whatever you are going to tax, is going to be passed on to the public. People engaged in the cinema industry are clever people. They are not going to sit idle and say that they are going to pay some Rs. 500 as tax out of their own pockets. The merchants and businessmen are not so generous. Whatever you are going to tax them is surely going to be transferred to the poor people. The people will have to pay 6 annas for a ticket of 5 annas and so on. Very recently we have increased the taxes and it is not fair for the Finance Minister to come out so early and say that he is going to tax. I know the difficulties of Government—they have to fill the gap between the income and the expenditure. But it can be done by a much better method than by these taxation proposals. Therefore, I feel still it is time for the Hon. the Finance Minister to have a sort of investigation or enquiry into the finances of this Province and then see what are the things that have yet to be taxed and what are the things that are taxed already to the maximum and cannot be taxed further.

With regard to inflation, I can say it is only a confusion. I am sorry to say that because the Hon. Minister for Finance himself is not sure. At one stage, he says that there is inflation and that he wants to arrest it. At another stage, when he brings forward taxation proposals, he says that he wants money. Inflation cannot be arrested by merely taxing. Of course, I sympathise with him and I say this not because I want to attack him. But, the financial structure may lose its ground and the people may be affected very badly. Therefore, this is not the time for imposing further taxes.

Sir, on one occasion, a question was put on the floor of the House whether the Finance Minister had consulted the Economic Adviser on this particular taxation proposal. The Hon. Minister replied that there was no necessity to consult him. Then, where is the necessity to appoint him? When a man has been appointed as Economic Adviser, what else are his functions? So, these taxation proposals will do much harm to the public of the Province.

Finally, Sir, with regard to the taxation proposals that are coming forward (I do not know how many more will come in the next Session), I will have only to say that there is no need for them. It is our misfortune and sad lot that because we have come to this Assembly, however much we may shout, we have to put more burden on the public. It is only in that spirit that I am speaking.

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I say definitely that the Government have not got the sanction of the public in this matter. If they feel that they have got the sanction of the public, I would suggest that the party in power should take a referendum and know from the public whether they are prepared to have any more taxation. I oppose the measure, Sir."

* SRI T. VISWANATHAM:—"Mr. Speaker, Sir, I certainly congratulate the Hon. the Finance Minister on the boldness with which he has come forward with his proposals, although I may not agree with some of the items which he has for taxation. That, of course, he knows perfectly well. He has already said once or twice that somebody must become unpopular and that he would become unpopular in imposing these new taxes and that is what he is doing. But, at the same time, he is willing, I suppose, to drop some of the articles on which all of us are agreed. I hope that by the time the Select Committee stage is over, we shall agree to drop most of the articles on which he has proposed new taxes. He is always accommodating to public opinion and to the opinion of the Select Committees, and he will certainly omit those items on which we are agreed. He has already shown the way.

"But, Sir, I want to confine myself to one point with regard to this particular legislation that is before the House, namely, the Entertainments Tax Act. Much has been said that the cinemas are not making good and that, therefore, there is no use trying to tax them. I really am ignorant about the finances of the cinema theatres. Some of them look very prosperous and some of them look very dull and gloomy. Some houses are always full and some are generally always dull. Yet, we know that some money has got to be found, and the resourceful brains of the Finance Minister or his Adviser have pitched upon the cinemas. I know taxation is unpopular. I am always against proposals which will make the Congress unpopular. But, at the same time, if the Hon. the Finance Minister comes and tells us that he has searched all the lists, lists 1, 2 and 3, that by the process of elimination he has been able to pitch upon only some particular kinds of things and that there is no other resource, I have to say 'Yes', because I have to depend upon him and nothing else. That is the way in which things have to progress. In this Democracy, some are put in power; they 'examine' things and come forward with proposals and we have no information to contradict them. They have the day; that is the present position. But, whatever it is, so far as the money to be realized from the cinemas is concerned, if the proposal should materialize and if the House agrees to it, I have got a proposal to make that the Hon. the Finance Minister should modify the provisions of this Bill so as to pass on that income to the municipalities from whose areas he is making the collection. (Sri P. Natesan: "He is going about for money and you want to support him.") He wants money not for himself, but he wants it for the entire Province. The municipality is an important and integral part of the administration. It is a local administration while here is a

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provincial administration. The funds of the municipalities are generally meagre and they always look to the Madras Province (Government) for their finances. Therefore, I submit that if the taxation proposal is to materialize—I do not say that it should materialize—I want it for the municipalities. After all, he says that it is only a sum of 14 or 15 lakhs. For the provincial budget it may be a small figure, but for the municipal budget it will be a very big figure. For instance, in Visakhapatnam we have got 4 cinema houses and we hope to have 3 or 4 more, provided the Hon. Minister for Industries is willing to grant some cement. I think each cinema house will give about Rs. 3,000 a year. The municipality will get a large benefit. Therefore, instead of their coming to the Government for some grant or other, a general provision like this to enable the municipalities to have an income of their own is much better. I would, therefore, suggest to the earnest consideration of the Finance Minister to pass on this income to the municipalities.

"Talking about this, the hon. Member, Mr. Natesan, said that the Congress people were ungenerous and the Congress Government in particular, that we threw away and squandered away the money on Prohibition and that we were now finding ways and means for new and unheard of taxes. I submit, Sir, even if there was no prohibition and even if this Government were getting all the money that is expected to be got from excise, still new taxes would have been necessary. I say so, Sir, because the expenditure is increasing in geometrical ratio whereas the income that you get from excise rose only in arithmetical proportion. So, even if we get all the revenue from excise, the budget will be unbalanced. If the expenditure on public works, education, public health and other items of nation-building activities increases in the way it has done the Finance Minister would have been obliged to come forward with taxation measures, whether there is prohibition or not. I would ask Mr. Natesan to reconsider his views once more by comparing the expenditure at the time when there was Excise revenue and the rate of progress of expenditure and income on the several items during the last 10 or 15 years. Then, he would come to the conclusion that in any event we would have got to increase the taxes. With reference to the Entertainments Tax Act, I submit that my appeal on behalf of the 82 or 87 municipalities will be accepted by the Hon. Finance Minister."

MR. SPEAKER:—"The House will now rise for lunch and meet again at 2-30 p.m."

The House then rose for lunch.

(After lunch—2-30 p.m.)

* SRI N. S. VARADACHARI:—"Mr. Speaker, I am glad that the Hon. the Finance Minister has started the discussion with a history of the background against which these taxation measures

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are proposed. He should have given more information relevant to each Bill as each Bill is taken up for discussion. I hope what is lacking now will come up at some other time and make the discussion more enlightening than at present. He sketched a very gloomy background in provincial finance. He said that in spite of the assumption made last year that there would be a further revenue of four crores and taking credit for it in the budget and showing a surplus budget of nine lakhs, there would actually be a big deficit to make up. He has also frankly admitted that the reduction of expenditure he has assumed by a cut of 12½ per cent in Government departments—whether it is realizable or not, the end of the year alone will show—may face the Government with another deficit of 200 odd lakhs, if retrenchment called for is not given effect to. It is a very gloomy picture that he has presented. The deficit must be not four crores, but five or five and a half crores. Even if the departments give effect to the terms of the circular issued by the Government, the deficit must still stand at 5 crores and odd.

"Sir, the Hon. the Finance Minister said that in all departments there has been a progressive increase in expenditure. Under Education the expenditure has increased from Rs. 360 lakhs to Rs. 938 lakhs, under Medical from Rs. 152 lakhs to Rs. 254 lakhs, under Public Health from Rs. 44 lakhs to Rs. 100 lakhs, and under Irrigation from Rs. 94 lakhs to Rs. 321 lakhs. The same kind of increase is under Agriculture and so on. He referred to the increase in Police expenditure and contented himself with leaving it there. But has there been a progressive increase in the benefit that accrues to the people on account of this increase in expenditure? It is easy to spend money on Education. The Government have simply to increase the grants and increase the salaries of the teachers. Then the expenditure may swell up to six or seven crores of rupees. Actually the increase from 366 lakhs to 938 lakhs has been due only to increased grants and increased allowances to teachers. Let the Hon. Finance Minister verify my facts if he likes. As against this, let me draw the Hon. Finance Minister's attention to certain figures in his own budget statement, showing what is the expenditure we budgeted for and what we are actually spending. On page 3 of the detailed statement of revenue and expenditure, we find that on Civil Works the revised estimate is less than the budget estimate and the actuals are still further less. This is the state of affairs not only in respect of Civil Works but also in respect of Irrigation, Highways and ever so many other departments. Our spending capacity has not improved and what guarantee does the Hon. Finance Minister give me that the spending capacity is now up to the mark and that the amounts provided in the budget represent the normal expenditure for the year under review? I doubt very much, Sir, whether all the administrative obstruction, as I call it, has been sufficiently overcome not to allow this sort of lapses of grants to occur. I wanted a committee for this purpose, but nothing has been done up to now. I was not even answered at the time of the budget with regard to these

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figures. I still demand an answer. I demand satisfaction. For several years we have overestimated our expenditure and though we have very little control over expenditure in certain departments we assumed that expenditure in other departments will not take place as expected and that somehow or other the budget will balance itself. Very different results were seen from what the Hon. the Finance Minister expected at the beginning of the year. Year by year we were told that deficits would occur, but actually they did not occur. The Reserve Fund which stood at Rs. 26 crores when the Congress Ministry took charge, has steadily remained the same. If you lump all the reserves together, the reserves would amount to Rs. 30 crores. The way we split up our reserves is not an admirable way of doing things. You gather up all the figures and you find that we are quite sound. The Government should not remain in the same position. If you have a deficit of four crores—I doubt very much whether it would stand at four crores—there are two ways of meeting it. You must tax people and get Rs. 4 crores and not levy miscellaneous taxes yielding 10 lakhs, 15 lakhs and 25 lakhs and so on. There must be a bold policy of taxation. I am at one with you when you say that provincial revenues should steadily increase from time to time and that we should be prepared sufficiently in advance and organized well enough to spend the money that we provide for the various branches of our activities. I suggest, Sir, that there is some kind of confusion in our finances. We should look at the whole thing and not deal with it piecemeal. My objection is not to new taxation but my objection is to tinkering with the policy of taxation. If you want money why not adopt the straight course? If you had adopted Agricultural income-tax, it would perhaps have given you something in the region of one crore and odd, and we would have taxed the people sufficiently able to carry the burden on their shoulders. We could have done away with these small taxes. It is stated in the Raghuvamsa that the Government should tax very pleasantly. It says when the bees have collected all the honey and when they have fed themselves to the full, the surplus alone should be collected. On the other hand, the Hon. Finance Minister will excuse me if I say that the proposals for miscellaneous taxes look like the stings of a vicious scorpion which stings once, twice and thrice. I do not like this method. I like another method. I suggest two alternatives. Why do you not take up earning schemes? When you know that a particular scheme will earn, why hesitate to extend it over a wide area? In the City of Madras the buses have earned you Rs. 12 lakhs last year. Why do you want to earn paltry sums of 15 lakhs and 20 lakhs and not crores of rupees by extending the scheme to the three or four neighbouring districts of Madras now? You have your figures and your experience. Why do you expect that labour will create difficulties? Make more money for the State by nationalization. I must strongly object to any measure of taxation being brought before the House till all the earning schemes are fully explored and the Government are assured of a steady income from

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them year after year. It is not as if I am voicing the feelings of a few. Many feel that the Government should be able to get very substantial revenue through the earning schemes. You must put them into effect immediately. Do not hesitate to do so. There may be other forces at work. This should be done in the first instance.

“Why not combine taxation with relief to the poor people? If you want to raise the sales tax why do you raise it from 3 pies to 4½ pies on particular products? Why not actually levy the sales tax even on the first sale of commodities, and substantially abolish land tax except for a nominal levy which will represent the state-ownership of land. You can reduce village establishment and one official at least may be knocked out. The whole thing requires a far-sighted policy. Of course, that will appeal to the poor people. Otherwise, people think that that is not the way of going about the financial business. If you want to remedy the state of affairs, two things must be done. First you must have your own budget and then explore a variety of earning schemes. You must not overbudget your expenditure where you are unable to spend money. You must keep your expenditure to your limits and within your capacity to work.”

“Secondly, you must explore good taxes which will pay, like the agricultural income-tax, besides the sales tax in general without increasing it even by a pie. The increase was intended for certain commodities alone and not to be made in a general way. One or two may merit it but why increase it on all commodities you have mentioned? Now, you are going to omit certain items from the list of exemptions. What is the object? Do you after all cover your deficit? Your policy ought to be to cover up the deficit. You may no doubt answer by saying, I am covering a part of the deficit. Do you not even then encroach upon the revenue reserve which was held sacred? You are entitled to take money out of it, provided you invest it in good schemes. I tell you there is no inflation so far as the Provincial Government is concerned and you will not be deemed guilty of inflation if you take money out of the reserve fund and spend it on irrigation, buildings and the like. There are several other items which are now charged to revenue account. Why charge them to revenue account? It was convenient in those days to charge to revenue account, because of good finances and a lot of surplus funds and your programmes were made to suit your organization. But, to-day why do you charge them to revenue account? If they are paying and earning schemes, charge them to capital account and then redeem your budget figures. That is the way of going about the business.”

“Sir, I would like to say one thing about this particular Bill, because it is only this particular Bill that is under debate and more will be said when the other Bill is under consideration. You say that a cinema when taxed will not be compelled to pay more than Rs. 6,000 a year in the cities; about Rs. 5,000 in the

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municipalities and perhaps about Rs. 2,000 in other areas where there are only touring cinemas. I have made out figures for myself and I did not ask for the guidance of the Hon. Finance Minister in this matter. You may give figures on the other side. It may cost two lakhs of rupees to erect a good theatre in Madras. It is already subject to several items of taxation. Now what does this work out to? This Rs. 6,000 on the two lakhs invested will come to 3 per cent. After he pays the income-tax and sales tax, he has to pay this entertainment tax, although he does not pay it but the consumer or the man who goes for the entertainment. I think it is a very heavy charge. In the other places in the mufassal the cost of constructing a cinema may come to a lakh of rupees. This tax will work out at 5½ per cent. I think there is some lack of social justice even here. In the three instances, the last works to 6 per cent. The cost of a floating cinema as it is called may be Rs. 30,000 and the tax you expect is nothing less than Rs. 1,500 or Rs. 2,000 a year from the cinema proprietor. I say this will surely affect the cinema industry. Of course, I do not say that all cinemas will close down, but we should be very cautious. I am not voicing the feeling of the opposition, that you should go slow about prohibition. On the other hand, I would say, go fast with prohibition. Now that we have done it, well and good. Entertainment should inevitably follow prohibition. I would ask the Government to provide cheap and free entertainment to the hundreds of addicts who go about in search of liquor made out of poisonous herbs or poisonous material in odd nooks and corners. I say you give them free entertainment. You do not tax them.

"There is another matter to be looked into. You must give up the idea of piecemeal taxation. I must voice my protest against it and I am sure that I do it in the proper spirit and in the hope that Government will consider a broad policy of taxation. If necessary, the whole revenue, the financial position of the province, both revenue and expenditure, may be reorganized, not as the Retrenchment Committee has recommended, but in order to make it yield a better return on the whole. I say that that would be the proper step to take. It is not enough to estimate that you have a deficit. If we have a deficit we must make it up. Sometimes we may have to take it even from out of the Revenue Reserve. It is not a crime to take from it. Who told you, it is sacrosanct and that it should be kept away from the Legislature, never to be touched? Is it so sacred as that? I say, no, with all due respect. I say it is high time you utilize this for earning schemes and show that we are better people capable of administering new schemes which will earn and add substantially to the revenues of the State. That is my case and I want this case to be fully considered in order to justify whatever taxes we may levy. Taxation we must not deny. The Congress Government must make up its mind somehow or other to increase the revenue of the State and the first progressive step we ought to take is to increase our earning capacity by taking up earning schemes, such

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as nationalization. Is there any country in the world which has not nationalized its transport, excepting perhaps poor old England. Even there Attlee is making Herculean efforts to nationalize everything. I do not want Government to take up difficult things and fumble. I want at least that public utility services of this province should not be allowed to remain in private hands. It is an intolerable position. I told you before that we are looking forward to the day when the Congress Government will make up its mind in this matter to stick to the policy which they have already announced and not hesitate going about because somebody advised you against it. Is that the way of doing things—appointing people and constituting them into a committee, those who are interested in bus profit and seek their advice in regard to nationalization. Why do you group two or three people and seek their advice in regard to nationalization and ask them to give their report? I say you must have faith in yourself. I was recently reading books on bus operation, wonderful books, which give me hope that the province will yield a revenue of 10 lakhs for the whole province, as I once said, but even very much more if we really take this to heart and make ourselves efficient. Do you know what is happening in regard to electric tramways? I say it is slaughter tapping. It was once done in the rubber plantations of Travancore, Cochin and other places. That is to say, when rubber prices began to fall, they slaughtered all trees and took out all the rubber, they went about the business and made profits for the day. Similarly slaughter tapping is going on in the electric tramways. There is a lot of over-loading and no rules to go, only old vehicles exist sufficient to run the line. It runs somehow and people crowd into it. Do you call it good administration by a private company? Do you think it is wise to leave it to such a company? When we calculate compensation, you will be forced to pay much more than what it is worth. I say it is mostly scrap and nothing else. There is still some life in it. Take it over. All the means of transport must be under our control. Electric railways are under Government control, though not under our Government control, they are under the control of the Centre. You should take the tramways and the buses under your control. It will not do merely to run buses from here to Tirupathi. It does not please me very much. They must run in the whole of the Chingleput district and make the service quite successful."

Mr. SPEAKER:—"The hon. Member has been using the word 'you' very often. It is better he avoids it in future."

* SRI N. S. VARADACHARI:—"I say, Sir, the Hon. Finance Minister should steel his heart and make up his mind to go progressively about this. How is he going to complete his five-year programme? He began it two years ago. If he did not begin it himself, it was the Congress Ministry that gave solemn pledges and assurances to that effect. But, what is to become of these assurances? Where are we now? We are still in the City of Madras. Has he thought about running these buses

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elsewhere? There are capable men in the department; utilize their services and go ahead with the programme. Do not go about miscellaneous things which may after all prove unprofitable and problematic. That is my view. I wish the whole financial situation of the province were considered deeply and studied well and budgets made on a different footing and estimates of taxation made to suit our organizational capacity. Sir, I wish all these could be examined in the spirit in which I have stated. That is all I wish to say about this Bill."

SRI R. V. SWAMINATHAN:—"Mr. Speaker, Sir, the Hon. Finance Minister has brought forward three taxation measures with the object of finding money somehow or other. On a previous occasion he has told this House that if any Minister comes forward with taxation measures he will be unpopular, but he has also stated and also the Hon. Premier, that they did not mind being unpopular but would go on with taxation measures. Government want money and so they must tax the people, but the approach must be in a proper manner. Here he has come forward with three Bills. In regard to the Entertainment tax, there was also an amendment to the Act which was brought forward last year; it was discussed here and referred to a Select Committee. There was a lot of hew and cry by the cinema owners and dramatic companies and they represented that they would be put to a great loss and that they could not afford to pay the new taxation. Some of them stated that even the existing tax was too much for them. The Hon. Finance Minister also agreed with them, but he had no other go except to increase the tax. I cannot understand with what idea the Hon. Finance Minister has now come forward with this new Bill. Probably because he thinks he can get some lakhs out of it.

"Sir, some hon. Members have suggested that the proprietors of cinema theatres and film producers are making a lot of money. It may be true in one or two cases but the majority of these people are suffering. I do not know the conditions of these proprietors in the Madras City, but in the mufassal many of these proprietors are put to a loss and they are not able to maintain their theatres. If such is the case, I do not see the wisdom of the Government in increasing the Entertainment Tax. If the Government want money, why not they levy some other new taxes instead of increasing the present tax. If a new tax is levied, people may not feel the difficulty to pay it. I think that is the proper step that the Government should take.

"Sir, sometimes ago, the Government appointed a Retrenchment and Reorganization Committee to advise them as to the ways and means by which they can reduce expenditure in Government departments. That Committee submitted the Report and many members of this House wanted to discuss the Report and the Hon. Finance Minister reluctantly agreed to have the debate and nearly a year has passed and we are yet to have a debate on the Report.

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The Government could have taken advantage of the recommendations of the Committee for it would have effected some savings in the Exchequer. Instead of doing so, they retrenched some poor people. Is this the way to reduce expenditure?

"Now, I come to the nationalization of bus transport. By the nationalization of bus transport, Government can earn a lot of money. But they restricted it only to the City of Madras. I want to know whether they are going to extend it throughout the Province. I also want to know whether they are going to give up the scheme. If they want to give up the scheme, let them say it openly. Otherwise, let them extend the scheme throughout the Province. I ask, whether they have consulted their Economic Adviser or the Finance department in this matter at all. I want to know whether he is there for tendering advice or he is there only for any other purpose."

THE HON. SRI B. GOPALA REDDI:—"He is not a Financial Adviser. He is only an Economic Adviser."

SRI R. V. SWAMINATHAN:—"Even the Economic Adviser can give some advice in this matter and he is always at the disposal of the Government.

"My hon. Friend Mr. Natesan criticised the Prohibition policy of the Government and I must say that I do not agree with him in that respect. But I do agree with him that the Firka Development Scheme has not worked satisfactorily. Both members of this House and the general public have criticised this scheme but still the Government are going on spending a lot of money over it. I ask, what experiments they have made and what is the result? During the last budget discussion, the Hon. Minister in charge of the Department stated that the Government have sunk about 200 wells and constructed roads for 50 to 100 miles. I ask, is this the outturn of work that they carried out ever since they started this Department. This Department is not a District Board but a Government Department and they ought to have shown much progress in this direction. If they had only the mind, they could have sunk not only 200 wells but 2,500 wells a month. They need not have spent so much money over this scheme and it is a waste of public money to have a separate Department. Moreover, if the Panchayat Bill is passed into law, there will be practically no work for this Department as there will be Panchayat Boards in almost all the villages. And they will look after the work now being done by this Department. For instance, it is provided under the proposed Panchayat Bill, that there should be a hospital for every five-mile area."

MR. SPEAKER:—"The hon. Member is going away from the main Bill."

SRI R. V. SWAMINATHAN:—"Sir, I have to speak on this subject, because the Government are wasting a lot of money over this Department. If they had avoided this waste of public money, they need not have come forward with these taxation

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measures. I do not know what useful work this Department is doing except taking census of the number of fowls, etc., in each village. Therefore, I once again appeal to the Hon. Minister to introduce a new taxation measure instead of increasing the present Entertainment Tax. I hope he will do it."

SRI GUNTUR NARASIMHA RAO:—"Mr. Speaker, Sir, with reference to the taxation measures that have been introduced by the Hon. Finance Minister, I think we must support them because the Government are finding it difficult to manage with the present finances of the country and this year's Budget is a deficit one. With the introduction of a few taxes and the taking up of the proposals of the Retrenchment and Reorganization Committee, they have cut down a little expenditure but there is still a balance to be covered and hence these taxes have to be levied. As we have introduced prohibition throughout the Province, we have to suffer in the first instance. But at the same time it is not a good policy to impose taxes on trivial articles and increase the sales tax on special commodities for it would really cause hardship to the public.

"With regard to the imposition of taxes of this nature, there are well-established associations. Government ought to have consulted these associations. Mr. K. Subramaniam, President of the Cine Association, has already come out with a statement to the Press that the cinema industry has already been overburdened with taxation and that it could not bear any further burden and he also criticised the Government for not having consulted the association. He has given a list of the taxes that have been paid by the cinema industry. Therefore, it would have been better if they had consulted the Association before coming forward with a proposal of this nature.

"Another thing must be taken into consideration when we deal with the film industry. Out of fifty films under production, only ten or twenty films are successful and the rest of the films are not successful. The production cost of each film varies from four to five lakhs of rupees and if a majority of films prove unsuccessful, it means that it is a big loss to the producer. So also is the case with the film exhibitors. I am sure, it is not possible even for exhibitors to make a huge profit. The days of inflation are over and we are now in the days of deflation and they cannot bear the burden of additional taxation.

"With regard to Sales Tax on groundnuts, I would like to say one word."

MR. SPEAKER:—"The hon. Member is speaking on the next Bill. When that Bill is introduced, let him speak on that subject."

* **SRI L. N. GOPALASWAMI:**—"Mr. Speaker, Sir, I might not have intervened in the debate but for the allegations made by hon. Friends on the opposite side, Mr. Natesa Mudaliyar and Mr. Raza Khan. They were no doubt criticising the taxation measures of the Government. But I fail to see any constructive

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suggestions that they have made thereby. They agreed with the Government that there is a deficit in the revenue of four crores of rupees and some even put it at five crores of rupees. They were saying that this Bill is not good and that the cinema industry is failing and therefore do not tax them. But I would have appreciated them had they given some alternative and said, 'My dear Sirs, these are the ways in which you can go. At the same time, they also said, 'Oh! The masses are suffering like anything'—as if they are the only custodians of their rights and privileges.

"My hon. Friend Mr. Natesan went so far as to say that everybody is against Prohibition and that Prohibition has failed. I challenge him to come out openly in any place and say that Prohibition has failed and fight any election on this issue.

"My hon. Friend Mr. Raza Khan said, what authority has this Government to say that the masses are in support of this taxation programme. Certainly, I think we have the support of the masses with us and they have voted for this Prohibition policy. When they voted for this Prohibition policy, it is definitely understood that they voted for the taxation to cover the deficit in revenue that is bound to occur on account of Prohibition. Therefore, it is not open to hon. Members to say that they want the revenue to be enlarged and yet do not want any taxation measures.

"My hon. Friend Mr. Natesan went even to criticise the Government for the developmental measures undertaken and he poohpoohed the Firka Development Scheme. No doubt I can understand people of that mentality poohpoohing the Firka and the Rural Developmental Work because they are all townsmen. They sit under electricity and they want that towns should be more developed than the rural areas. I do not really understand how that alone will lead to the real development of the Province and it is not enough if electricity is extended only to Madras and its suburbs or some more cities.

"My hon. Friend Mr. Swaminathan went further to say that nothing was done in these Firka Development areas. I really doubt whether he has ever visited any one of these centres. In one centre alone about 85 per cent of the people spin and wear their own clothes. Is this not an achievement, Sir? Of course, the idea of development varies with persons. One idea of development is two more coats and trousers and a pair of turbans or hats if that would adorn one. But the idea of development in the case of a villager is one home, a few more pairs of clothes and a better meal if he could get it. And further the worst of it is that this taxation has nothing to do with the Firka Development work because the money intended for this work has already been provided in the fund for the purpose. Therefore the amount that we are going to realize by way of this Entertainment Tax is not going to help this Development work.

"Some of my friends were saying that the cinema industry will fail on account of this tax. I, for one, will not be sorry if

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the cinema industry as it is now being conducted will fail. On the other hand, far from failing, I can say that the cinema industry is thriving as could be seen from the number of cinema houses doubling and trebling every year. I am quite sure that they will not fail nor will the payment of a few rupees by way of taxation bring about that result. Hon. Members have complained that the Firka Development Scheme is not a nation-building scheme. I am unable to see how the cinemas which are exhibiting pure love stories are engaged in a nation-building activity. I feel that when once there is a deficit and it has to be made good especially as the deficit has been brought about by adopting a high moral principle there is no better way of taxation than this. The Sales Tax which is the best tax that one can think of is coming next and I shall reserve what more I have to say for that. But suffice for the moment to say that it is no use trying to criticise the policy of Prohibition. Time and again the view has been expressed that Prohibition has been the root cause of all our troubles. Our objection to this form of taxation was not from the financial point of view but from the moral point of view and when once it is conceded that no money shall be got from an illegal or from immoral methods, it is up to us to say; we are prepared to lose money and we are prepared to find some other source of money. There is no use in simply harping upon wrong theories concerning Prohibition. It is as a matter of fact too late when the whole country is coming into line with us. With these words, I support the motion."

SRI K. VARADACHARI:—"Mr. Speaker, this is a short Bill covering a simple item, namely the taxation of various grades of cinema shows in various grades of places. The income is small and the field of taxation is also small. In commenting upon the Bill several members have gone to the extent of condemning great policies, policies which you do not find in any other Province of India and which are praised in the other Provinces of India. One such thing is the Firka Development Scheme inaugurated in the first year of the Congress Government. It is working wonderfully well in the firkas. People who have no touch with the rural parts or who have not got the patience to go and study the things that are being done in the firkas should not light-heartedly hurl all sorts of abuses on the scheme. My hon. Friend Mr. Swaminathan said that one good thing done by the Firka Development Scheme is taking a census of the number of eggs and poultry. It pained me very much that a member of our party, a very prominent member who has always shown himself to be a good student and observer of things in the district should have come forward with such a light-hearted comment and should have suggested to the Government to abolish it and not tax the cinema shows. What a big idea! I am very sorry that he should have stated like that; the whole thing is funny. It is a very serious thing to ask the Government to do it. Of course my hon. Friend also remembers that the Panchayat Bill was coming and that the Panchayats would take care of every part of the district and the Firka Development Scheme by itself may not be

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necessary when the Panchayat Act would be working. But my question is: When are these panchayats to come? He is visualising a very speedy inauguration of panchayats throughout the Province but I do not hope for any such splendid success in the near future. The Bill may be passed but the Government will find it difficult to notify any area and several villages will have to be left alone without a panchayat for lack of the necessary conditions on the basis of which a panchayat can be organized. For God's sake, therefore, I appeal to him; Do not violently criticise the Firka Development Scheme; it is a really good one and has yielded very good results and it has also got propaganda value of the highest importance. The other thing that my Friends have been asking the Government is to nationalize all transport. There are the vested interests opposing it and they are right from their own point of view. When it is put to Government to take up and nationalize all transport, they have also to take care to see how far they have succeeded even in the partial nationalization that they have introduced in the City of Madras. In spite of all that has been done for securing better amenities for the passengers, there is a cry of higher fares and lack of amenities. Complaints and grievances there will be and the Government will have to find out what grievances are genuine and what are not. I find that the Government are making less profit than the private operator. Because the private operator has been making profits you jump up and say that the thing should be taken up and nationalized. One does not follow from the other. The private person may be able to do so but the Government cannot afford to do so. You have to pay higher wages to your workers; the frequent strikes on the part of labour dislocates business. When you take up a big scheme like this, the results will have to be studied very carefully and the result of our experiments will have to be assessed properly before you go further with it. I wholeheartedly support this measure. I shall just describe to you the conditions in the small Municipality of Chittoor, the population of which is not more than 30,000. It is a third rate Municipality. (Abdul Hameed Khan Sahib Bahadur: 'Are the people also third rate?') Yes, they are as third rate as the people in the City of Madras. There are four theatres now working and the fifth one is being built very expeditiously. If really there is not much profit in the business, cinema theatres will not be built in such large numbers. Even in Chittoor which has been constituted into a Municipality by the addition of a number of round about villages, we have got four full-blown theatres. Of course the amenities there are simply disgraceful and that is the reason why they are making huge profits and they would not provide more than two fans in the cinema hall in the theatre. If this is the way in which they conduct their shows, why not they be taxed and at any rate, if it is a losing concern, it will be for them not to go on building theatre after theatre. I support the Bill."

* SRI M. P. GOVINDA MENON:—"Mr. Speaker, I find myself in a very unhappy position to-day. Here is a taxation measure to be followed by other taxation measures brought forward

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by the Hon. the Finance Minister who is the Leader of the House. As a member of the party, I am bound to support the measures. I feel that the Government ought to have considered other proposals before they had recourse to these Bills. I honestly feel that if anybody were the enemy of the Congress and wanted to carry on effective propaganda against the Congress party that person would have advised the introduction of these measures to carry out his aim. Mr. Speaker, you will be pleased to see that after all these proposals are accepted by the Assembly, there will be intermittent propaganda in the cinema houses, in the coffee houses, in every place where business is carried on and transaction takes place. The Government are organizing a widespread propaganda against themselves and the party in power by introducing these taxation proposals. True some of the proposals may not affect the poor people very much but of course every tax will ultimately fall on the consumer. Of course you may be saying that you are taxing the middleman or the merchant but ultimately the man who pays will be the consumer. True also it may neither be harsh nor severe but what about the sentiment and the psychology of the people? While you increase the dearness allowance of the high salaried Government servants drawing a thousand and above and while you increase the daily allowance of hon. Members from Rs. 7-8-0 per day to Rs. 12-8-0 and while you have restored recently the cut which you have voluntarily imposed upon yourself as members of the Treasury Bench, I wish to ask how poor people would look at the picture. I am sure the Government are undermining themselves they are making the organization which they represent unpopular and thereby drifting people into the arms of subversive organizations. From that view point, I would seriously urge the Government to consider the taxation proposals of the Government with all the respect due to the Hon. the Finance Minister—whether he had thought of other measures before he thought of these taxation measures. What about the retrenchment that has been made. Did he seriously think about retrenchment? You had some sort of Retrenchment Committee and they made some proposals—not good proposals, not reasonable proposals but they made some proposals—and even those proposals have not been carried out; if those proposals are carried out, you can seriously think of making other real retrenchment in the administration. I am submitting to you why is there the need for the fifth wheel in the coach, I mean the Revenue Board. There are Provinces in which there is no Revenue Board. (The Hon. Sri B. Gopala Reddi: They are trying to have them.) Then they are trying to initiate the bad example set by Madras. Let us set them a good example. That is an unnecessary institution and there are various posts which are really post offices, namely, the Divisional Inspectors and such like posts—intermediary posts between the head of the Department and District Officers, unnecessary appendages to the administration—which have crept up under the old bureaucratic days. Why does a popular Government retain those offices and shove the burden on the tax-payers. I request the Government to re-consider and see whether they could not effect real

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retrenchment before they go on with measures of this nature. We must find money. I am not against Prohibition though some hon. Members are making fun of it. It has been really a success. In my district except on the border of the native state of Cochin, even in the interior parts, it has been a grand success and I think it is so in all other districts and we want rural development schemes. My point is whether without these taxation measures, we cannot finance them and that is the question that I am placing before the House. With these words, I am compelled to support the Bill."

ZAMINDAR OF MIRZAPURAM:—"Mr. Speaker, the Entertainments Tax which the Hon. the Finance Minister is proposing to introduce will work out real hardship both on the producers as well as the exhibitors. Sir, I would like to remove one impression from the minds of the hon. Members of this House as well as the Ministers that the cinema pictures which are produced and exhibited by their proprietors or owners are making enormous money. Sir, I may be permitted to say that out of hundred producers, ninety-nine of them are really losing. You should not be led away by one picture that may be paying and getting an enormous amount. Such pictures are produced, probably one in a thousand. You should also calculate and consider the amount a producer invests in such a production. I do not like to go into the details of a picture production and exhibition in the theatres within the limited time the Speaker has allowed, but I would like to say that although the amount of levy looks to be small, Rs. 5, Rs. 3 and Rs. 2 as the case may be, it will really work great hardship on the producers and exhibitors. As my hon. Friend from Chittoor has pointed out, Chittoor Municipality has four theatres and none of them have been properly equipped. You can imagine the reason why, if a theatre owner gets a big profit, he should allow his theatre ill-equipped knowing well that by proper equipment he could expect more and more out-turn for his investment. It clearly shows that the theatres are not paying properly. A theatre which cost Rs. 50,000 in pre-war days now cost Rs. 5 to 6 lakhs to build. The picture productions also cost ten times more than what they cost in pre-war days. I may also point out to the Hon. Ministers that the Government are not giving any facilities for picture producers. They put so many restrictions, one of them being the length of the picture. The length of the picture has been cut down in the interest of public health. The producers have to pay ten times for every material they want as no facilities are afforded to them by Government. If all facilities were given by Government and then the Finance Minister comes forward with the Entertainments Tax, it can be justified. These cinema-shows are real entertainment to the public. There is no other entertainment for anybody in this Province now. The whole Province is undergoing so many difficulties, and so why not Government propose some retrenchment or some other economy in the management of the Government instead of taxing the poor people and trying to feed the rich?"

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"With these remarks I strongly oppose the Bill and would request the Hon. Finance Minister to reconsider the position and come to the rescue of the producers and exhibitors."

* SRI T. S. PATTABHIRAMAN:—"While personally I have no objection to the present Bill moved by the Hon. Finance Minister, I must voice my protest against the slipshod manner in which financial legislations are being brought before the House. As a politician I may be able to agree with the Bill but as a student of public finance I cannot, as the Hon. Minister is bringing up a new thesis on finance. From my experience, for the past two and half years in the Assembly, of the various Bills brought forward by the Hon. Finance Minister, I am bound to revise my opinion about him. Is it fair on the part of the Finance Minister to throw overboard all the fundamental principles of public finance and create new principles to be accepted by this House? It is a principle that financial and taxation Bills should come once a year, and not every two and half months. This is a bad precedent not only for the entire country but for the whole world. I must also voice my protest against the manner in which the Bills are being published and brought before the House for approval. The three fundamental principles, according to Dr. Dalton, are certainty, simplicity and elasticity. May I ask the Hon. Finance Minister whether he and the department he holds charge have satisfied themselves that these fundamental principles which are the basis of all taxation measures were taken into account before this legislation was brought before the House? They have not done so. The poor man and the man in the street are not able to know how much, wherefrom and how long he is going to pay taxes. If you go on writing new chapters on finance, I may say it is woe unto this province and indeed woe unto this country. Then, Sir, he rather defended himself by saying that he has not consulted the Economic Adviser before initiating new taxation proposals. It is only on financial proposals where economic considerations come in that he has to be consulted. Public finance cannot be separated from general economics. This fundamental principle is overlooked and the Minister is bringing forward a Bill every three months. Let us have a uniform taxation and financial policy. Let us be told what he is going to do for the year 1949-50 and not what he is going to do for the next two months or so. I do not want him to say "because we have no money, you please pass this Bill". Let this slipshod way of doing things cease especially on financial matters. My suggestion is that if the Hon. Finance Minister is short of money for running the administration he should tax the rich once and for ever. Let it not be distributed to the poor consumer also. Perhaps it is not appropriate for me to refer here to increase of sales-tax on various commodities. I have reserved my speech to a later occasion. But with regard to the Entertainments Tax, I have personally no objection, because it does not touch the poor man's budget. I was rather surprised that Mr. Raza Khan, the man who champions the

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cause of the poor, should have deviated from his general course and should have talked certain things which are irrelevant. To-day the Entertainments Tax Bill is there. It is a very good Bill. The tax is easily collectable, it does not affect the poor man and probably the working expenses of the taxation system will be very low. So, while generally voicing my protest against the manner in which financial legislation is being brought before the House, I support this particular Bill."

SRI A. KAMESWARA RAO:—"Mr. Speaker, I am very sorry to note that, as my hon. Friend has pointed out, these taxation measures are being rushed through like this. Time should be given to the country and to the people to give their opinion and also to members for discussing such proposals in the party. Nothing has taken place and this Bill suddenly comes up here. I really feel ashamed to say that when I was touring some of the districts wearing khadi, I was getting letters from people saying 'Things are happening in this way; nobody knows what order comes, when and how it comes and from where it comes. There are so many instances in Visakhapatnam district of people dying of hunger. They are getting eight ounces and that too rotten rice unfit for human consumption. Such things are happening. What are all these? Have you gone to jails and have you worn this khadi for the sake of this mal-administration.' I am ashamed to say that if these taxes are introduced we will be nowhere. I am only sorry that the task of striking the last nail on the coffin of Ghandhism has fallen on my Hon. Friend Sri Gopala Reddi. He says that the Entertainment Tax does not affect the poor. Is the owner going to pay the five-rupee share? Is he not going to tax the consumer? Then where is entertainment? Sir, his stomach is taxed, his heart is taxed and his brain is taxed, and it is better he gets out of this tax."

3.45 p.m.

* SRI S. NAGARAJA MANIGAR:—"Mr. Speaker, Sir, whatever might have been said so far in opposition to this Bill I must confess that I am not convinced. I support the measure wholeheartedly, not because I am party-bound, but because I consider, Sir, there is no other item, or better item than the cinema. This has been my opinion all along, and even during my budget speech I have said so. I consider that taxation through cinemas will give us much money. Already the Hon. Finance Minister collects a lot under this head, but he gives away 99 per cent of it to local boards. I pointed out to him at the budget time that many of the local boards and panchayats have more than enough money, and they are able to transact their affairs with thirty or forty per cent of the money given to them. So I suggested to him that a certain percentage of the money given to them under this head may be cut off. I do not know why he did not consider that point."

"Hon. Members who have had an opportunity to go and stand in the queue in front of theatres to purchase a ticket would

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be able to understand the necessity to tax cinemas. It is a hard job to purchase a ticket. Even after standing for hours we have to come back without being able to purchase a ticket; or we may be able to purchase a ticket only after paying thrice or four times the value of the ticket.

"It may be said cinema helps us on the ameliorative side. It may be true in Madras. In my district of Salem where Prohibition was introduced three years back, those addicts have forgotten their drink pretty well. This is now only a drain on their money. I am of opinion, all this is beyond dispute. I may concur with such of my friends that taxation should be confined to limited sources, and that we should not go on taxing each and every item. We cannot make the people bear the burden of taxation from all sides. But in this measure, when we tax two rupees or four rupees for a show, we do not tax the cinema goer. Under the entertainments tax we have already taxed him. But in this measure we are taxing the proprietor of cinema theatre. It is a very small sum to him. Therefore I support the Bill, though I agree that such measures should have been previously discussed in our party. With these words I support the Bill."

SRI K. RAJARAM NAYUDU :—“கனம் தலைவரவர்களே, இன்றைய விவாதத்தில் கலந்துகொள்ள விருப்பமில்லாமலிருந்த என்னை எதிர்க்கட்சியைச் சேர்ந்த நண்பர்கள் சிலர் பேசிய பேச்சுக்களும், குறிப்பாக, நான் அங்கத்தினராக விருக்கும் காங்கிரஸ் கक्षியைச் சேர்ந்த நண்பர்கள் சிலர் பேசிய பேச்சுக்களும், என்னை இந்த விவாதத்தில் கலந்து கொள்ளும்படியாகத் தூண்டிற்று. சிறிதும் சம்பந்தமில்லாமல் Firka Development விஷயத்தை அவர்கள் இந்த விவாதத்தில் புகுத்தினார்கள். பேசிய அன்பர்களில் எவராவது இந்த Firka Development விஷயத்தை நன்கு தெரிந்துகொண்டிருப்பார்களாவென்பது எனக்குச் சந்தேகம். நான் அவர்களுக்குக் கூறுவதென்னென்றால், தயவு செய்து எனது தொகுதியிலிருக்கும் திருமங்கலம் பிரிக்காவை வந்து பார்க்கட்டும். அங்கே சுமார் 200 கிணறுகள் வரையிலும் சமீபத்தில் வெட்டப்பட்டிருக்கின்றன. கிணறு ஒவ்வொன்றுக்கும் சர்க்காரிடமிருந்து ரூ. 300 அல்லது ரூ. 400 தான் கொடுக்கப்பட்டிருக்கிறது. ஆனால் அந்த ஊரிலேயுள்ள ஹரிஜனங்களும், உயர்ந்த ஜாதியினர் என்று சொல்லிக் கொள்ளுகிறவர்களும் மேற்கொண்டு ரூ. 3,000 வரையிலும் அந்தக்கிணறுகளுக்காகச் சிலவு செய்திருக்கிறார்கள். ரோடுகள் போடும் விஷயத்திலும் சர்க்கார் கொடுக்கும் பணம் 20-ல் ஒரு பங்குகூட இல்லை. ஆனால், கிராம ஜனங்கள் பொறுப்பேற்று இந்த வேலைகளைச் செய்வதின் மூலம் தங்களுக்குள் ஒற்றுமையையும், சகோதரத்துவத்தையும் ஏற்படுத்தியிருக்கிறார்கள். இதுதான் உண்மை காந்தியமாகும். இது காரணமாக ஜனங்களுடைய மனோபாவம் எவ்வளவோ மாறியிருக்கிறது. அவர்களுக்குள் எவ்வளவோ சகோதரத்துவமும், ஒற்றுமையும் ஏற்பட்டிருக்கின்றன. சுதந்திர ராஜ்யத்தில் சுதந்திர புருஷர்கள் எப்படி ஒற்றுமையாக இருந்து நாட்டை பலப்படுத்த வேண்டுமென்ற எண்ணம் அவர்களிடையே உற்பத்தி செய்யப்பட்டுவருகிறது. இது தான் Firka Development-ன் தத்துவமும்.

"இன்னும், கிராமங்களிலே சுகாதார விஷயத்தில் Drains, அதாவது சாக்கடை திட்டங்கள், மிகவும் அருமையாகக் கட்டப்பட்டுவருகின்றன. இது விஷயத்தில் ஒரு தம்பிபுகூட சர்க்கார் செலவு செய்வதில்லை. சாதாரணமாக கிராமங்களிலே போய்ப்பார்த்தால், சாக்கடை நாற்றம் பொறுக்க முடியாது. அதோடு, இரவுநேரத்தில் கிராமங்களுக்குப்போகும் காங்கிரஸ் பிரசாரகர்கள் இருட்டில் வழி தெரியாமல் சாக்கடையிலே விழுந்து கஷ்டப்பட்டிருக்கிறார்கள். டெவலப்மெண்டு பிரிக்காக்களில் அப்படிப்பட்ட கிராமங்களின்

[13th June 1949] [Sri K. Rajaram Nayudu]

நிலைமை இன்று போய்ப்பார்த்தால் தெரியும். சென்னையிலேகூட அவ்வளவு அழகாக இல்லையென்றே சொல்லலாம். இன்று இந்த கிராமங்களிலே யுள்ள ஜனங்கள் வீடுகள்தோறும் சாக்கடை கட்டியிருக்கிறார்கள், அவர்களுடைய சொந்த செலவில். இதை நீங்கள் திருமங்கலம் பிரிக்காவிலே வந்து பார்த்தால் உங்களுக்குத் தெரியும்.

"சமீபத்தில் சர்க்காரால் நியமிக்கப்பட்டிருக்கும் ஸ்ரீ ஜி. இராமச்சந்திரன் அவர்கள் பல பிரிக்காக்களைச் சுற்றிப்பார்த்துவிட்டு, சர்க்காருக்கு ஒரு அறிக்கை சமர்ப்பித்திருக்கிறார். அந்த அறிக்கையின் சுறுக்கம் நகல் பத்திரிகைகளிலேகூட பிரசுரிக்கப்பட்டிருக்கிறது. அதிலே பிரிக்கா அபிவிருத்தி வேலை ஆரம்பிக்கப்பட்ட பிறகு எவ்வளவோ நல்ல வேலைகள் கிராமங்களிலே செய்யப்பட்டுவருகின்றன வென்று அவர் குறிப்பிட்டிருக்கிறார். பல கிராமங்களில் நிலைமை அநேகமாக இன்னும் முன் மாதிரியாகவே இருந்தாலுங்கூட, திருமங்கலம் பிரிக்காவைப் பொறுத்தவரையில் அது மிகவும் நன்றாயிருக்கிறதென்றும் அவர் எழுதியிருக்கிறார். இது விஷயத்தில் உங்களில் யாருக்காவது சந்தேகமிருந்தால், மதுரையிலேயுள்ள திருமங்கலம் பிரிக்காவுக்கு வந்து பார்த்துவிட்டுப் பின்னால் புகார் செய்யும்படியாகக் கேட்டுக்கொள்ளுகிறேன். அனாவசியமாக, மகாத்மா காந்தி அவர்களுடைய ஒரு சிறந்த வழியை, இன்று இந்தச் சபையில் வீற்றிருக்கும் வயது முதிர்ந்த தலைவரும், நம் மாகாணத்தின் முதல் மந்திரியாகவுமிருந்த கனம் ஸ்ரீ பிரகாசம் அவர்களால் ஆரம்பிக்கப்பட்ட இந்த சிறந்த திட்டத்தை, குறை கூறி இந்தச்சபையில் பேசினால், அதிலும் காங்கிரஸ் கक्षியைச் சேர்ந்த நண்பர் ஸ்வாமிநாதன் போன்றவர்கள் பேசுவதென்றால், என்னால் அதற்கு மறுப்புக் கூறாமலிருக்க முடியவில்லை. அதனால்தான் நான் இந்த விவாதத்தில் கலந்துகொள்ள நேரிட்டது.

"லினிமாக்களுக்குப் புதிய வரி போடுவதற்கு கனம் Finance Minister அவர்களால் கொண்டுவரப்பட்டிருக்கும் இந்த மசோதாவை நான் முழு மனதுடன் ஆதரிக்கிறேன். இது ஏழைகளால் செலுத்தப்படும் ஒரு வரியல்ல. ஒரு காஷிக்கு ரூ. 3, ரூ. 5, என்று போடப்படும் இந்த வரியை லினிமா முதலாளிகள் தான் கொடுக்கப்போகிறார்கள். லினிமா பார்க்கிறவர்களால் கொடுக்கப்பட்ட போவதில்லை.

"ஆகையால், இந்த மசோதாவை நான் தாராளமாக ஆதரிக்கிறேன்."

THE HON. SRI B. GOPALA REDDI :—"Mr. Speaker, Sir, I did not expect so much of opposition for this simple bill which I introduced this morning. Several speakers have spoken on it; but not all of them have spoken rightly on the salient points of the Bill. The entire financial position of the province, the entire administration of Government, Prohibition, Firka Development and retrenchment—in fact all the major items of administration have been brought into discussion. Perhaps I was partly responsible for stimulating members to speak on the general financial position, because I myself began with a financial background of the administration; and perhaps it is but right that members followed in that strain. Sir, it is not as if it was brought all on a sudden without notice to the public. In my budget speech on the 26th February last a tax on advertisements and cross-word puzzles, a suitable provincial tax on coffee-hotels, boarding houses and cinemas was clearly mentioned. This is as early as 26th February 1949; and so it is not as though it is brought forward without due consideration to the industry and tax-paying capacity of the cinema owners.

"After hearing all the speeches I feel I must confess that no member has made out a case and showed to the House how the

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cinema industry cannot pay this tax. Of course they said that two lakhs would be required to be invested in the construction of a theatre and that this levy would work out to five per cent charge on them. Mr. N. S. Varadachari was at pains to show that this tax will work out to three per cent on the investment. But all that is not relevant. Whether the cinema proprietor is in a position to pay this tax or not is the relevant point that has to be considered, and no speech was made to prove that he is not in a position to pay this tax. Mr. T. S. Pattabhiraman entered his protest against the slipshod manner in which finance bills are brought before the House. He said that he has read Keynes, Dalton and all the famous economists who are authors of many fine books. It is true he had read them and digested them. But I am sorry he has not read the Government of India Act. What is the use of reading Dalton and Keynes when he has not taken pains to see the powers of the provincial governments in taxation matters. Last time in replying to the budget debate I read out all the taxation powers that are assigned to the provinces in the Government of India Act and showed to the House that we cannot go out of the lists, that every possible major item of taxation has been taken by the Government of India, the taxes assigned to the provinces fall on the poor people; that rich people are under the Government of India and poor people alone are under provincial governments to be taxed. Let him again go through Part II of the Provincial List. There is nothing we can do to tax the rich. As I said, I want to tax the big industrialist, the big capitalist in the province; but I have not the constitutional power to tax them; because their income comes under the Government of India; export duty is not mine; import duty is not mine, and all those things come under the powers of the Central Government. So circumscribed as we are, we have to take some of the items prescribed under the Act to provincial governments. The entertainment tax and a tax on cinemas are provincial subjects, and we are certainly entitled to tax them provided the industry is capable of bearing it. As I said, in the beginning, it has not been proved that the industry cannot bear the tax. The other point raised by Mr. T. S. Pattabhiraman was the slipshod manner in which financial bills were conducted here.

“Sir, during the whole of the financial year 1948, there was not a single financial Bill brought before this House. The last time when we discussed and passed the enhancement of the Entertainment Tax and Betting Tax was sometime in November 1947. And during the last 20 months no financial Bill nor any taxation measure was ever brought before this House. It is not as though I am bringing forward these measures by surprise and in the middle of the year. Had the House been permitted to sit in April or May, we could have passed them even then, immediately after the budget. I have given the people of this Province ample notice about these taxation proposals even in my budget speech in February and I have definitely said that these taxation measures

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will be brought forward very shortly in order to cover the deficit of Rs. 4 crores in the budget. So, it is not as though things were done in a slipshod manner or that these measures were brought forward as and when the Government felt the financial strain.

“Sir, my hon. Friend Mr. Abdul Hameed Khan said that a four crores deficit was not a very great matter for a Province like this. That is a very fine way of putting things, but I may tell him that if this deficit is to occur in only one year, then perhaps the financial stability of the Province might not be affected, but when it is going to be a recurring deficit, such as the present deficit is, then we must take proper precaution betimes, to see that we bridge the gulf, because a recurring deficit of Rs. 3 or 4 crores is not at all good for the healthy financial position of a Government and it is but right that we should take this opportunity when there is still inflation in this country, to impose this tax, so that people may not grudge paying it, when prices are high. Of course, you know, that when there is depression, no Government can think of imposing any tax. So, when it is a 4 crores recurring deficit, it is not right that we should put it off; and what cannot be done in 1949 cannot be done in 1950 and so 1950 is the most appropriate time for getting on with our taxation measures.

“Sir, again my hon. Friend Mr. Abdul Hameed Khan also protested against the way in which the Government have brought forward these measures of taxation in the middle of the financial year. Sir, even in 1939 when a number of financial Bills were introduced by the then Premier, the Hon. Mr. C. Rajagopalachariar, they were all passed in May and June, because he mentioned them in March and they were discussed in April and referred to a Select Committee and finally they were passed by the end of May. I am now on the 15th of June and I am not far too late of the schedule. We are now certainly in the beginning of this year and we are bringing this measure before this House on the first day in the first session after the House was prorogued last. It is therefore right that these financial bills should be brought in and considered just at this time of the year.

“Sir, there is a difference between what was done in November 1947 when we enhanced the entertainment tax and this, because this has nothing to do with the entertainment tax at all. In fact, originally we wanted to get this as a separate Bill altogether, but later on we decided that it could be only as an amendment of the Entertainment Tax Act. When I compare this entertainment tax with the same tax which is proposed to be imposed in the other provinces like Bengal, United Provinces and Bombay, ours is nothing. In Bombay, I remember distinctly that the entertainment tax goes as much as 75 per cent of the value of the ticket. Here in this Province, it does not come to even 33½ per cent even on the highest ticket. In Bengal it goes up to 30 to 33 per cent and in the United Provinces it goes even very much higher and the All-India protest which the cinema proprietors are going to enter into on the 30th of this month by closing

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down their cinemas on that day, has no particular reference to our taxation measure in this Province, but chiefly to the high taxes to be imposed in those provinces. Perhaps our taxation measure has also come in the way at this time, and so they are going to enter into a protest here also on the 30th June.

"Now Sir, what is the difference between the other entertainment tax of 1947 and this? There when that tax was enhanced, we said that a certain percentage of the cost of the ticket should be handed over to the Government and so the cinema proprietors put up the price of the ticket so as to cover this tax, and thus passed the tax on to the cinema goers. But now this tax has nothing to do with the tickets. Whenever a cinema theatre puts up a show in the city, it has to pay Rs. 5 per show. It has nothing to do with the number of tickets sold. If a theatre puts up two shows a day, it has to pay Rs. 10. On certain days in a week, I am told three shows are put, and so for that day, it has to pay Rs. 15. Therefore on an average, a cinema proprietor has about 55 to 60 shows and the tax he has to pay would not come to more than Rs. 300 per month and this he has to pay out of his margin of profit. It is therefore up to the cinema proprietors to show me that they will not be in a position to pay that tax. Sir, you know, that there is always a popular cry that the rich men should be taxed and the poor men should be left out. Here my proposal is to tax only the proprietors of the cinema theatres who are the rich people and who are the capitalists who have invested more than a lakh of rupees in the theatre and so the poor man is not touched; but yet there is a lot of opposition to this Bill. It is very unfortunate that this is so, because the position is not clearly understood by many. This tax, as I said, has nothing to do with the cinema goers or with the cinema tickets. It is the cinema proprietors that have to pay this tax out of their margin of profit.

"Sir, my hon. Friend Mr. Bhashyam remarked, 'You are after all going to get a paltry sum of Rs. 14 lakhs by means of this tax, and so why court opposition from all sides and get unpopularity for the Congress Ministry?' Sir, the cry of unpopularity for the Ministry or for the Government is always a usual one whenever any financial Bill is brought before this House by the Government. In 1939 when about five financial measures were brought forward all together there was a great uproar from the mercantile community and everybody thought that the Congress would be finished at the next election. But immediately within a few months of the passing of the Sales Tax Act, came the Legislative Council election for the one-third of the seats and I am glad to say that all but one of the seats were captured by the Congress. Only perhaps in Krishna we had lost a seat and although the electorates to the Upper House were restricted in number, yet the Congress party was able to capture most of the seats. Thereafter there were many district board and municipal elections and also several by-elections to the Legislative Assembly and never was

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the position of the Congress seriously challenged by any other party. Now only two months ago there was a by-election to the Assembly. Even then the budget speech was available to the people; they knew that these taxes were coming over them, but in that by-election nobody could put their candidate against the Congress candidate."

MUHAMMAD RAZA KHAN SAHIB:—"What about the Chingleput by-election? The difference was only eight votes."

THE HON. SRI B. GOPALA REDDI:—"You say that it was only a difference of eight votes. In the year 1937 we lost that seat, but in 1940 Mr. Muthuranga Mudaliyar was returned with a majority and now we have retained that seat. Our position in Chingleput has not been challenged at all. So, in every by-election, our position remains unchallenged. There are some people in the world who have always got peculiar ideas about things. Perhaps they may be inside this House or outside this House. They may write letter to the Editor of the dailies saying that the Congress has lost its popularity. But if you go to the villages and tell the people there about these taxation measures, you will find that they are not at all affected. They are all happy about the introduction of prohibition and the abolition of the zamindars because nearly a crore of people are ultimately going to be benefited by the reduction of rent in the zamindari areas. I am sure that by passing these financial measures that are before this House, the position of the Congress will not be weakened and in the coming district board elections, the Congress candidates will certainly win all the seats, irrespective of the measures we have passed, because people know that it is only on account of prohibition that all these taxes have got to be imposed. They also know that education has been allotted a greater amount this year as also various other nation-building activities of this Government. Therefore, let not members be carried away by these slogans that we will become unpopular, or that everybody will be unseated in the coming elections. Even supposing we are unseated, it does not matter. After all the Provincial Government will be carried on by some party or other, and it will have more money at its disposal for spending on nation-building activities, even if we are turned out. So we need not be deterred on that score.

"Then, Sir, with regard to the point raised by my hon. Friend Mr. Bhashyam that this is after all a paltry sum of Rs. 14 lakhs, and so why should we court so much opposition, my reply is this. Sir, from the Betting Tax, after all the yield was only Rs. 2 lakhs. Likewise from the Electricity duty, which has been imposed since 1939, the yield was no more than Rs. 9 to 15 lakhs in any of these years. Last year it was only Rs. 13 lakhs. In 1944-45 it was Rs. 9 lakhs; in 1945-46 it was Rs. 10 lakhs; and in 1946-47 it was Rs. 15 lakhs. Of course, it must be known that none of these minor Provincial taxes would yield a revenue of more than

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Rs. 15 lakhs per annum. Even in regard to Land Revenue which is the largest source of revenue, the yield used to be only between 7 and 8 crores. It was 8 crores last year. So, whatever new measures we could introduce, we cannot get about more than Rs. 15 lakhs. But all the same, all these little taxes would make up a crore, which might cover the possible deficit that is likely to arise. So, it is no use minimizing the importance of this income of Rs. 14 lakhs out of this measure as a paltry sum. Even the petrol duty is not very much. Our Motor Spirits Tax yields only on an average, Rs. 35 lakhs per annum. It is therefore good that even these small sources of revenue are tapped by the Government, so that they would not fall as a heavy burden on the industries concerned.

"Sir, my hon. Friend Mr. C. M. Kothari said that the Entertainment Tax is going down. That again is not true. That threat was hurled at us even when we first enhanced the entertainment tax in November 1947, that all the cinemas would be closed down, that inflation was on its last legs and therefore the income from this source also was bound to go down. Now, Sir, I have got the figures of the yield from this entertainment tax month after month and year after year. This year, our entertainment tax till April was Rs. 8.32 lakhs as against Rs. 7.11 lakhs of last year. In 1944-45 we got only Rs. 3.3 lakhs; in the next year it was Rs. 3.39 lakhs; then it was Rs. 4.50 lakhs for the next year and it rose to Rs. 7.11 lakhs and then to Rs. 8.32 lakhs this year. So the yield under this tax is not going down as my hon. Friend Mr. Kothari predicted. People are still going to cinemas and they do not mind paying a quarter anna or six pies more. We do want them to get some relaxation from these entertainments and it will not be much of a burden on the middlemen going to the cinemas. Of course the poor man cannot afford to go to shows and even now he is not going to them. The upper middle class and the middle class people will have to pay a bit more if they want this entertainment. It is not as though these cinemas are being patronized by the Government that they are thriving. It is the cinema goers who are patronizing them. I know the cost of production has gone up and I also know that the cost of building and maintaining a cinema theatre has also gone up. With all that, I am convinced that there is still a margin of profit earned by these cinema proprietors on which they can pay this additional tax."

4-45 p.m. MUHAMMAD RAZA KHAN SAHIB:—"Suppose they go on increasing the value of the ticket. How are the Government going to prevent it?"

THE HON. SRI B. GOPALA REDDI:—"The best thing for the people to do is not to go to that theatre. It is a competitive trade and if one man raises the value of the ticket it is up to the people to go to some other theatre and get entertainment. (Interruption) I am not going to yield."

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MR. SPEAKER:—"Two hon. Members are standing at the same time. The Hon. the Minister is not yielding."

MUHAMMAD RAZA KHAN SAHIB:—"After he finishes, Sir, you can give me a chance."

THE HON. SRI B. GOPALA REDDI:—"So, Sir, the cinema industry is still thriving. There is nothing to fear about it."

"The question of nationalization was also brought in here, Sir, and I think we can discuss it more usefully under the Motor Vehicles Taxation Bill which will come up before the House."

"As I said in the beginning, Sir, there is nothing which we can do to improve our finances as our sphere is limited. And even that limited sphere is sought to be taken away by the centre in certain respects with regard to the sales tax, etc. Therefore the provincial finances are in a pitiable condition. Unless something radical is done by the Constituent Assembly with a view to assign larger revenues for the provinces it will be difficult for the Provincial Governments to undertake compulsory education, compulsory rural sanitation, water-supply and drainage schemes and all other big schemes. They will have to be deferred if the Provincial Government do not have the necessary money. (Interruption.) The rich people are under the Government of India. We have no power over them. In time and out of time any Member, like Mr. N. S. Varadachari and others can say, why not put agricultural income-tax. With the abolition of the zamindaries we do not know what it is going to be when the tenants refuse to pay taxes to the zamindars. I am not sure whether it is going to be much. Then the other suggestion is the taxing of tea and coffee plantations. We are trying to get the tax from them by way of sales tax instead of the agricultural income-tax. Agricultural income-tax is not imposed in four provinces, namely, the Central Provinces, Bombay, East Punjab and Madras. From the figures available from the other provinces where it is levied it is found that it is not much. Even in a big province like the United Provinces the income is not more than 30 to 40 lakhs. In the pitiable condition in which the provincial finances are to-day it is not going to solve our problem. It will only create more difficulty for the people who are to get the taxes from the public. (Interruption.) Tobacco tax was taken away by the Government of India. I do not know whether we are going to get anything. Our Finance Secretary has gone to Delhi. Even if we get the tobacco tax it will be only 22 lakhs. In 1939-40 it was less than Rs. 10 lakhs and in 1944-45 it was Rs. 22 lakhs."

"Sir, the Rs. 14 lakhs which we are likely to get from the entertainments is not a small sum. Mr. T. Viswanatham's objection was that the municipalities should be given a share in this tax. After all, Sir, the main purpose of this Bill is to cover a deficit of Rs. 4 crores. When that is the background of the present proposal it is not useful to suggest that we should share it with anybody. It has to be taken entirely for provincial purposes."

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for the time being till our financial position improves. It has to be entirely a provincial revenue and when the times change and when our financial position improves, perhaps we can think of sharing it with the municipal councils and panchayat boards. From item to item we are increasing our expenditure. As I said in my speech referring to the Panchayat Bill when that is passed the panchayats will get a crore of rupees from the land revenue. The provincial Government will then be hard pressed for finances. Therefore, Sir, some of these small measures must be gone through; even though it means a little unpopularity it does not matter. Otherwise we will not be able to finance our education, our sanitation and irrigation, etc. Sir, I beg to move—

‘that the Bill be referred to a select committee consisting of the following gentlemen:—

1. Sri N. S. Varadachari.
2. Sri Rokkam Ramamurthy.
3. Sri K. Koti Reddi.
4. Sri K. Rajaram Naidu.
5. Srimathi C. Ammanna Raja.
6. Sri V. Kurmayya.
7. Sri M. A. Easwaran.
8. Sri V. S. Sankarasubrahmanya Mudaliyar.
9. Sri T. S. Pattabhiraman.
10. Sri C. M. Kothari.
11. Mr. D. G. Leonard.
12. The Zamindar of Mirzapuram.
13. Muhammad Raza Khan Sahib.
14. A. K. Kader Kutty Sahib Bahadur.
15. The Hon. Sri B. Gopala Reddi.’”

MR. SPEAKER:—“The question is—

‘that the Madras Entertainments Tax (Amendment) Bill, 1949, be referred to a Select Committee consisting of the following Members:—

1. Sri N. S. Varadachari.
2. Sri Rokkam Ramamurthy.
3. Sri K. Koti Reddi.
4. Sri K. Rajaram Naidu.
5. Srimathi C. Ammanna Raja.
6. Sri V. Kurmayya.
7. Sri M. A. Easwaran.
8. Sri V. S. Sankarasubrahmanya Mudaliyar.
9. Sri T. S. Pattabhiraman.
10. Sri C. M. Kothari.

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11. Mr. D. G. Leonard.
12. The Zamindar of Mirzapuram.
13. Muhammad Raza Khan Sahib.
14. A. K. Kader Kutty Sahib Bahadur.
15. The Hon. Sri B. Gopala Reddi.’”

MUHAMMAD RAZA KHAN SAHIB:—“I want an answer for one point, Sir. Repeatedly the Hon. the Finance Minister said that the taxes will be only on the cinema proprietors . . .”

MR. SPEAKER:—“This is not the time for raising such questions when I am putting the motion to the vote of the House.”

The motion was carried.

MR. SPEAKER:—“Under rule 78 of the Assembly Rules I appoint the Hon. the Finance Minister (Hon. Sri B. Gopala Reddi) to be the Chairman of the Committee.”

(2) THE MADRAS GENERAL SALES TAX (AMENDMENT)
BILL, 1949.

THE HON. SRI B. GOPALA REDDI:—“I beg to introduce, Sir, the Madras General Sales Tax (Amendment) Bill, 1949, and move—

‘That the Bill be referred to a Select Committee.’”

MR. SPEAKER:—“Motion moved—

‘That the Madras General Sales Tax (Amendment) Bill, 1949, be referred to a Select Committee.’”

HON. MEMBERS:—“We shall take up the Bill tomorrow, Sir.”

MR. SPEAKER:—“What is the sense of the House?”

THE HON. SRI B. GOPALA REDDI:—“I am entirely in your hands, Sir.”

HON. MEMBERS:—“We shall adjourn now, Sir.”

MR. SPEAKER:—“I adjourn the House to meet again at 11 o'clock tomorrow.”

The House adjourned.

VII.—PAPERS LAID ON THE TABLE OF THE HOUSE.

1. G.O. No. 637, L.A., dated the 26th March 1949, regarding the constitution of Tindivanam (South Arcot) Municipality.

2. G.O. No. 532, L.A., dated the 17th March 1949, regarding the exclusion of area within the limits of Rajapalayam (Ramnad district) Municipality.

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3. Report of the General Inspection Commission, 1946-47, of the Madras University.

4. Notification issued with G.O. Ms. No. 937, Home, dated the 9th March 1949, making certain amendments to the Madras Motor Vehicles Rules, 1940, published with Home Department Notification No. 357, dated 29th March 1940, as subsequently amended.

5. Notification II appended to G.O. No. 887, L.A., dated 28th April 1949, regarding the exclusion of area from the limits of the Guntakal Municipality.

6. Notification issued with G.O. Ms. No. 1410, Home, dated 8th April 1949, making certain amendments to the Madras Motor Vehicles Rules, 1940, published with Home Department Notification No. 357, dated 29th March 1940, as subsequently amended.

7. Notification issued with G.O. Ms. No. 643, Home, dated 16th February 1949, making certain amendments to the Madras Motor Vehicles Rules, 1940, published with Home Department Notification No. 357, dated 29th March 1940, as subsequently amended.

THE MADRAS LEGISLATIVE ASSEMBLY.

Tuesday, the 14th June 1949.

The House met in the Assembly Chamber, Fort St. George, at eleven of the clock, Mr. Speaker (THE HON. SRI J. SIVASHANMUKHAM PILLAI) in the Chair.

I.—QUESTIONS AND ANSWERS.

STARRED QUESTIONS.

Proposal to centralize sales tax.

* 16 Q.—MUHAMMAD RAZA KHAN SAHIB: Will the Hon. the Minister for Finance be pleased to state—

(a) whether a proposal has been received by the Madras Government from the Central Government to take over the sales tax from the Provinces and to centralize it; and

(b) if the answer to clause (a) is in the affirmative, what reply has been sent to the Central Government regarding the proposal?

THE HON. SRI B. GOPALA REDDI:—“(a) & (b) In 1945 the Government of India addressed all Provincial Governments for their views on the proposal that sales tax should be administered on an All-India basis and that the net proceeds from the tax should be allocated among the Provinces. This Government replied that sales tax was their only large and flexible source of revenue and that, in order that it may be adjusted to meet the needs of the Province, its administration must continue to rest with them.”

MUHAMMAD RAZA KHAN SAHIB:—“May I ask whether recently any communication has been addressed by the Central Government to the Provincial Government bearing on this matter?”

THE HON. SRI B. GOPALA REDDI:—“No, Sir.”

SRI V. M. RAMASWAMI MUDALIYAR:—“May I ask whether the Government have studied the question of the effect of the varying scales of the sales tax imposed by various Provinces and as a result of that, whether the trade from one Province, in most cases, is going over to the other Provinces?”

THE HON. SRI B. GOPALA REDDI:—“Theoretically, Sir, it may be true and it may be possible. But, in actual working, trade has not migrated to other Provinces.”

SRI V. RAGHAVAYYA:—“In view of the fact that the same article is liable to taxation by several Provinces in the course of the transit, do not this Government think that there should be uniformity in taxation, particularly from the centre, so that this multiplicity of taxation may be avoided?”

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THE HON. SRI B. GOPALA REDDI:—"The tax is imposed where the sale actually takes place. If an exportable article is found in this Province and a sale takes place within the Province, then only it will be subject to tax; otherwise, it will not be taxed."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"When the Conference of the Finance Ministers took place recently in Delhi, is it not a fact that the question of sales tax also was considered and if it was considered, what was the *raison d'être* of the Central Government for thinking that it is feasible to have a central tax instead of a provincial tax?"

THE HON. SRI B. GOPALA REDDI:—"The main point that was discussed at the Finance Ministers' Conference was that the articles that are consumed in other Provinces are not to be subject to taxation in the exporting Provinces. For instance, Bombay is exporting textiles and if it is subjected to sales tax there and again subjected to sales tax here, then it will be very difficult. Therefore it was suggested at the Conference that articles of export should not be subject to sales tax both in the exporting and the consuming Province. Similarly, in the case of the industrial raw materials, they may not also be taxed twice. These were some of the points that were discussed at the Finance Ministers' Conference."

SRI GUNTUR NARASIMHA RAO:—"In view of the Government of Madras having taken the initiative with regard to the sales tax in 1937 and in view of the present Central Government now trying to have a uniform taxation, will not the Madras Government co-operate with the Central Government and see that there is a uniform policy of taxation in all the Provinces?"

THE HON. SRI B. GOPALA REDDI:—"I do not think the Government of India is anxious to have uniformity in all matters. There may be certain matters on which they would like uniformity but if the Central Government want to adopt it in this matter, we will continue to protest."

SRI N. S. VARADACHARI:—"Will the Government kindly make representations to the Central Government that on no account, uniformity of sales tax in all the Provinces can be urged because the sales tax is intended to meet the needs of the Provinces and not of the Central Government, except in cases where provincial trade is concerned and where relief in respect of sales tax is thought of?"

THE HON. SRI B. GOPALA REDDI:—"We hold the same opinion as the hon. Member. We will certainly represent to the Central Government that nothing should be done to tamper with the sales tax administration."

SRI T. VISWANATHAM:—"Sir, the Finance Minister in one of his answers has said that trade would not be diverted to

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other Provinces and that the trend has been rather in favour of this Province. May I know on what basis he has made that statement?"

THE HON. SRI B. GOPALA REDDI:—"I did not say that the trend was in favour of this Province."

SRI C. M. KOTHARI:—"In view of the answer given by the Hon. the Finance Minister, would it not lead to provincialism if exports taxed by this Province are also taxed by the importing provinces?"

THE HON. SRI B. GOPALA REDDI:—"Sir, that is why there is some little justification for having uniformity about this tax on exportable articles."

MUHAMMAD RAZA KHAN SAHIB:—"Is it not a fact that exports coming from other Provinces, particularly from Bombay, are heavily taxed. Therefore, will it not be possible to have some uniform policy so that there may be some mutual arrangement by which such articles may be exempted?"

THE HON. SRI B. GOPALA REDDI:—"On that particular point, we agreed with the Government of India that some uniform policy should be pursued with regard to the tax on exportable articles."

M. S. ABDUL MAJID SAHIB BAHADUR:—"I would like to know from the Hon. Minister whether the sales tax is going to be a permanent measure of taxation in this Province?"

THE HON. SRI B. GOPALA REDDI:—"Yes, Sir. It will be a permanent fixture."

SRI L. N. GOPALASWAMI:—"May I know if the Madras Government's policy of taxing raw materials is approved by the Centre?"

MR. SPEAKER:—"I think we are going away from the main question."

THE HON. SRI B. GOPALA REDDI:—"The matter is still under negotiation."

H. S. HUSSAIN SAHIB BAHADUR:—"If it is the policy of this Government to encourage exports in order to have a favourable balance of trade for this Province, will this Government consider the necessity of falling in line with the suggestion made by the Government of India to adopt a uniform procedure in the matter of sales tax?"

THE HON. SRI B. GOPALA REDDI:—"Where we want to stimulate export trade, there we agree with the Government of India."

SRI V. M. RAMASWAMI MUDALIYAR:—"May I ask whether the Government are aware that as a result of the sales tax being imposed by other Provinces and also by our own Province on essential articles like cloth and food, the cost of the articles to

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the consumer has worked up to a high percentage and so the cost of living of the general population has gone up very high? Therefore, may I ask whether the Government have got any proposal for the revision of this tax in respect of these articles?"

MR. SPEAKER:—"It does not arise from the main question. But, if the Hon. Minister is prepared to answer the question, I have no objection."

THE HON. SRI B. GOPALA REDDI:—"There is no such proposal to exempt food-stuffs and cloth from this tax."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Did the Finance Ministers' Conference also consider the question of the ceiling limit up to which the sales tax could go?"

THE HON. SRI B. GOPALA REDDI:—"No, Sir. It was not considered."

SRI V. RAGHAVAYYA:—"As understood by this Government may I know what is the object of the India Government behind the proposal with regard to the centralization of this tax?"

THE HON. SRI B. GOPALA REDDI:—"I do not think the Government of India are going to centralize the whole sales tax system. On certain aspects of the sales tax administration, they want to have a uniform policy."

SRI K. BRAHMANANDAM REDDI:—"Have the Finance Ministers who met at Delhi agreed that with respect to raw materials for industrial purposes, there should be a uniform policy and if that was so, how does the Hon. the Finance Minister propose to amend the Sales Tax Act raising the tax on cotton?"

THE HON. SRI B. GOPALA REDDI:—"No final conclusion was reached at the Finance Ministers' Conference. The other Finance Ministers said that they have to consider the question very deeply."

Re-amalgamation of the registration districts of Bellary and Anantapur.

11-15 a.m. * 17 Q.—SRI A. RAYAPPA: Will the Hon. the Minister for Finance be pleased to state whether the Government have arrived at any conclusion regarding the proposal to re-amalgamate, under the retrenchment scheme, the registration districts of Bellary and Anantapur?

THE HON. SRI B. GOPALA REDDI:—"The Government decided to re-amalgamate the two districts of Bellary and Anantapur. The Inspector-General of Registration has however, asked for reconsideration of this decision. The question is under the consideration of the Government."

SRI A. RAYAPPA:—"May I know whether the Registration department of the district of Anantapur, after its separation, is self-supporting?"

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THE HON. SRI B. GOPALA REDDI:—"It should be. But in order to implement the recommendations of the Retrenchment and Re-organization Committee, the two districts of Anantapur and Bellary were decided to be amalgamated for registration purposes."

Refund of fines collected from the Satyagrahis.

* 18 Q.—SRI A. DEVANAYAGA IYAH: Will the Hon. the Premier be pleased to state—

(a) whether the Congress Government under the leadership of Sri Rajaji in the year 1937, passed orders to the effect that the fines collected from the Satyagrahis in 1930 to 1932 be refunded;

(b) the number of applications then received and the number complied with; and

(c) whether the present Government have received any applications from the political sufferers to refund the fines paid in the years 1930 to 1932 and whether the Government paid the amounts as requested?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. Premier):—" (a) No.

" (b) Some applications were received and rejected. It is not practicable to determine the exact number with reference to the old records at this distance of time.

" (c) Some applications were received by the present Government and they were rejected as the request for refund therein was inadmissible."

SRI R. V. SWAMINATHAN:—"In view of the fact that the Government have refunded the fines imposed during the Movement of 1940, why not the Government adopt the same procedure to refund the fines imposed and collected from the political sufferers in the Movement of 1931-32?"

THE HON. SRI B. GOPALA REDDI:—"If we do it, then we will be asked to adopt the same attitude towards the Movement of 1920 and again 1910 and so on. Therefore, it cannot be done."

SRI V. RAGHAVAYYA:—"When the Hon. the Finance Minister answered just now that the claim was inadmissible am I to understand that the Government are unwilling to give the amount or may I know whether there is any legal bar for the grant by the Government?"

THE HON. SRI B. GOPALA REDDI:—"I do not think there is any legal bar. It was considered very deeply in 1937 when the first Congress Ministry came into office and they did not think it advisable to accede to that request. Later on it was re-examined and the same opinion was held by the previous and present Governments also."

SRI R. V. SWAMINATHAN:—"May I know from the Hon. Minister the difficulties that lie in the way of the Government

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refunding the fines levied in the Movement of 1932? Is it because of the fact that they are not able to find the necessary funds to refund or that they are not able to find out the proper records or any such thing?"

THE HON. SRI B. GOPALA REDDI:—"The cumulative effect of all the factors which the hon. Member just now mentioned made the Government think that they need not accede to the request."

SRI N. S. VARADACHARI:—"Will the Hon. Minister be pleased to state, though the fines may not be refunded, whether the political opponents will not be dealt with by imprisonment and the like simply for holding different opinions?"

MR. SPEAKER:—"It does not arise out of the main question."

SRI N. S. VARADACHARI:—"I would ask the Government to re-examine their policy in this respect and so, I want to ask the question."

SRI V. RAGHAVAYYA:—"In view of the fact that there is a change in the Government, and what the previous Government did by way of punishing a man for his political views is considered by the present Government as wrong, may I know why the Government do not pay back the fines at least now?"

THE HON. SRI B. GOPALA REDDI:—"It is not desirable to reopen the cases which are 18 or 19 years old and also the records may not be available."

H. S. HUSSAIN SAHIB BAHADUR:—"Will not the political sufferers of 1932 also be benefited by the grant of land that this Government are now making to the political sufferers?"

THE HON. SRI B. GOPALA REDDI:—"While those political sufferers also will be benefited by the grant of land, the question relates to the refunding of fines actually imposed and collected from them."

SRI R. V. SWAMINATHAN:—"May I know on what basis the fines imposed in 1940 were refunded to political sufferers?"

THE HON. SRI B. GOPALA REDDI:—"Because the great Congress Organization gave an assurance to the people that fines collected in 1940 would be refunded."

Number of dealers in mill cloth and yarn in Ramnad district.

* 19 Q.—**SRI R. S. MANICKAM:** Will the Hon. the Minister for Industries be pleased to state—

(a) the number of wholesale and retail mill cloth and yarn dealers in Ramnad district; and

(b) the number of Harijans who have applied for licences and the number that got them?

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THE HON. SRI C. PERUMALSAMI REDDI:—" (a) Twenty-eight wholesale dealers were selected for the district to deal in cloth and 35 in yarn.

"The number of retail dealers selected is 726 for cloth and 105 for yarn.

"(b) No Harijan applied for wholesale licence in cloth or yarn. Ten Harijans applied for retail licences to deal in mill cloth out of whom eight were selected. Subsequently, three licensees dropped out. Three Harijans applied for retail licences to deal in yarn but they were not selected as they were new entrants to the trade and as eligible old licensees were available."

SRI R. S. MANICKAM:—"Three candidates applied for yarn licence and all the three were rejected. The reason is that they were not old licensees. I want to know when the licensees will become old if they are being rejected at every stage. The opinion of the Government is"

MR. SPEAKER:—"நீங்கள் உங்கள் கேள்வியை தமிழிலேயே போடலாம்."

SRI R. S. MANICKAM:—"லைன்ஸ் பழய ஆட்களுக்குத்தான் கொடுக்கமுடியும் என்று சொன்னால், எப்பொழுது இவர்கள், பழய ஆட்கள் ஆகப்போகிறார்களே தெரியவில்லை. இவர்கள் பழய ஆட்கள் ஆகப்போவதுமில்லை. இவர்களுக்கு லைன்ஸ் கிடைக்கப்போவதுமில்லை. இது எல்லாருக்கும் தெரிந்தவிஷயம்."

THE HON. SRI C. PERUMALSAMI REDDI:—"லைன்ஸ் பழய நபர்களுக்குத்தான் கொடுக்கவேண்டுமென்று கவர்ன்மெண்டு தீர்மானித்திருப்பதால், பழய ஆட்களுக்குக் கொடுக்கப்பட்டிருக்கிறது. இந்த மூன்று ஹரிஜனங்களும் புது ஆட்களாக இருப்பதால், அவர்களுக்கு லைன்ஸ் கொடுக்கப்படவில்லை."

SRI P. NATESAN:—"Will the Government take the trouble of extending these facilities to Harijans when they show so much sympathy towards the Harijan movement?"

THE HON. SRI C. PERUMALSAMI REDDI:—"Wherever it is possible, sympathy is shown."

SRI M. S. PATTABHIRAMIAH:—"Were all those who were given licences amongst caste-Hindus who applied for retail licences, 'old licensees' or were new licences given to caste-Hindus in the Ramnad district?"

THE HON. SRI C. PERUMALSAMI REDDI:—"Six new licences were given."

SRI C. M. KOTHARI:—"Is it a fact that, in view of the off-take being very poor in yarn, a number of wholesale and retail dealers are not taking advantage of the licences and are withdrawing those licences?"

THE HON. SRI C. PERUMALSAMI REDDI:—"Not in yarn, Sir."

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SRI V. RAGHAVAYYA:—“ May I exactly know what are the weighty grounds that the Government have got for not taking a few more new entrants from Harijans, say 30 for every district? I want an exact answer to my exact question.”

THE HON. SRI C. PERUMALSAMI REDDI:—“ Will the hon. Member please repeat the question? ” (Laughter.)

SRI V. RAGHAVAYYA:—“ I wanted to pointedly ask what exactly the Government's difficulty is in giving a few more licences to new entrants among Harijans, say about 30 per district.”

THE HON. SRI C. PERUMALSAMI REDDI:—“ The Government are giving licences not to all the people who apply for them. The number is limited. The number is fixed by the Collector. If the limit exceeds the old licensees, new people are taken up.”

SRI A. VEDARATNAM PILLAI:—“ May I know whether the Government will consider the desirability of exempting Harijans in issuing cloth licences from the rule that they should be old licensees? ”

THE HON. SRI C. PERUMALSAMI REDDI:—“ The fact is that they themselves have dropped out. Licences are freely given in respect of cloth.”

SRI V. M. RAMASWAMI MUDALIYAR:—“ Will the Government consider the desirability of increasing the number of retail licences, where necessary, for mill cloth and yarn and give them to new entrants of certain classes such as the Harijan class? ”

THE HON. SRI C. PERUMALSAMI REDDI:—“ Yes, Sir. It will be considered.”

SRI P. NATESAN:—“ May I know whether the Hon. Minister will relax the existing rule in so far as Harijans are concerned? ”

THE HON. SRI C. PERUMALSAMI REDDI:—“ It has been relaxed already, Sir.”

SRI D. V. RAMASWAMI:—“ May I know whether the Collectors are empowered to increase the number of existing retail licence-holders particularly in the case of Harijans and fishermen in the East Coast? ”

THE HON. SRI C. PERUMALSAMI REDDI:—“ No particular permission is given to the Collectors regarding community, but only the number is given to them.”

SRI K. BRAHMANANDAM REDDI:—“ Are the Government aware of the fact that under the present conditions the best way to damn a Harijan is to give him a cloth licence? ”

SRI T. VISWANATHAM:—“ May I know what exactly is the role of the Members of the Legislatures—M.L.As. and M.L.Cs.—in the granting or withholding or cancellation of licences? ”

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MR. SPEAKER:—“ The hon. Member may put a separate question.”

SRI GUNTUR NARASIMHA RAO:—“ Will the Government confine themselves to give the licences of yarn and cloth only to the usual trade channels, and if Harijans want any licence, instead of giving the licences, why not the Government think and give them some lands for cultivating? ”

MR. SPEAKER:—“ It does not arise out of the main question.”

SRI M. S. PATTABHIRAMIAH:—“ May I know the number of new licensees amongst the caste-Hindus in the Ramnad district? ”

THE HON. SRI C. PERUMALSAMI REDDI:—“ The hon. Member may put a separate question.”

SRI V. I. MUNISWAMI PILLAY:—“ Arising out of the answer of the Hon. Minister that new licences are given where there are vacancies, will the Government consider the desirability of giving all the new licences to the Harijans in future? ”

THE HON. SRI C. PERUMALSAMI REDDI:—“ Yes, Sir. If they apply, licences will be given to them.”

SRI P. KANDASWAMY PILLAI:—“ Is it a fact that the Collectors are authorized to issue licences to whomsoever they like, irrespective of the merit of the applicant? ”

MR. SPEAKER:—“ If the Hon. Minister wants to answer, let him answer.”

SRI L. N. GOPALASWAMI:—“ May I ask the Hon. Minister what is meant by the term ‘ old businessmen ’? Are people of 20 years' standing and people of 6 months' standing classified under the same heading as ‘ old businessmen ’? ”

THE HON. SRI C. PERUMALSAMI REDDI:—“ People who were before the control period are considered to be ‘ old businessmen ’.”

Concessions to loyal Government servants.

* 20 Q.—SRI V. RAGHAVAYYA: Will the Hon. the Premier 11-30
be pleased to state— p.m.

(a) whether it is a fact that special concessions were granted since March last to loyal Government servants who did not join the strike last year; and

(b) if so, what is the amount granted and to how many?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—“ (a) The attention of the hon. Member is invited to paragraph 4 of the Government Press Note, dated 3rd January 1948, printed at pages 473 to 474 of Volume IX—Nd: 9 of the Official Report of the Madras Legislative Assembly Proceedings.

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“(b) Final orders regarding grant of advance increment have not yet been issued.”

SRI V. RAGHAVAYYA:—“Do not the Government realize that making this invidious distinction, particularly at this stage so long after the strike is over, will create bad blood and bitterness and may lead to further strife?”

THE HON. SRI B. GOPALA REDDI:—“A promise was made at the time the Press Note was issued on the 3rd January 1948. The strike was some time in December 1947. The Press Note is dated the 3rd January 1948. In the last paragraph of the Press Note, i.e., paragraph 4, it is stated that the increment will be given.”

ABDUL HAMEED KHAN SAHIB BAHADUR:—“Is it not necessary in the interests of efficient and contented service that the Government should give up the distinction of ‘loyal servants and disloyal servants’ and all the time keeping in the minds of the officers that they belong to two different categories?”

THE HON. SRI B. GOPALA REDDI:—“It is not a question of loyalty or disloyalty. We expect everybody to be loyal to the Government. The distinction sought to be made is only ‘people who participated in the strike’ and ‘people who did not participate in the strike.’”

ABDUL HAMEED KHAN SAHIB BAHADUR:—“May I know whether it is not a distinction without difference to say that people who took part in the strike ought to be separately classed among those who did not take part, reminding all the time what they have done is absolutely disloyal?”

THE HON. SRI B. GOPALA REDDI:—“Reminding them will do them good.”

SRI S. NAGARAJA MANIGAR:—“May I ask, Sir, whether the employees have done anything special, anything more than what they are expected to? If a promise was at all made, does it not amount to tipping them?”

THE HON. SRI B. GOPALA REDDI:—“They stuck to their posts in spite of great pressure from outside.”

SRI T. VISWANATHAM:—“May I ask, Sir, whether the distinction sought to be made between strikers and non-strikers is not putting a premium upon black-legs?”

THE HON. SRI B. GOPALA REDDI:—“The term black-leg is a comparative term. What you call black-leg is a trusted servant of the Government.”

SRI V. M. RAMASWAMI MUDALIYAR:—“Does not the fact that the Government conceded some of the demands of those who went on strike show that they had just and proper grounds for going on strike to get their grievances redressed and if so, is it still necessary to retain this distinction between strikers and non-strikers?”

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THE HON. SRI B. GOPALA REDDI:—“The fact that we acceded to some of their requests later on does not mean that they are justified in going on strike. Further, some of these points were under the consideration of the Government already and they were told that they were under the consideration of the Government. In spite of that, they went on strike.”

SRI R. V. SWAMINATHAN:—“Are the Government really going to give some concession to these loyal servants and if so, what is the reason for the delay in implementing the promise?”

THE HON. SRI B. GOPALA REDDI:—“Orders will be issued very soon, Sir.”

SRI V. RAGHAVAYYA:—“As such distinction is not allowed by the Government to exist in industrial disputes, may I know what prompted the Government to play the part of saboteur among Government servants instead of playing an honourable role?”

THE HON. SRI B. GOPALA REDDI:—“I do not know what happens in industrial disputes. The question may be addressed to the concerned Minister.”

SRI K. BHASHYAM:—“Is the distinction between strikers and non-strikers going to be kept throughout the service of the person concerned?”

THE HON. SRI B. GOPALA REDDI:—“If one advance increment is given, I suppose it will be taken advantage of till a person reaches the maximum. He will stay there for some time till he gets a promotion.”

SRI T. S. PATTABHIRAMAN:—“Have not the Government been gracious enough, Sir, not to punish those who went on strike?”

THE HON. SRI B. GOPALA REDDI:—“We did treat them leniently, Sir. We did not punish them.”

SRI S. NAGARAJA MANIGAR:—“How can we call those who did not participate in the strike loyal people? Some would have been for the strike and would not have gone on strike out of fear. How can we call them loyal and give them some reward?”

THE HON. SRI B. GOPALA REDDI:—“We do not call them ‘loyal’ but we call them people who did not join the strike as distinguished from those who joined the strike.”

M. S. ABDUL MAJID SAHIB BAHADUR:—“May I know the number of loyal Government servants who are going to receive this concession from the Government?”

THE HON. SRI B. GOPALA REDDI:—“A separate question may be put, Sir.”

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SRI C. M. KOTHARI:—“Is the Hon. Minister aware that such kind of treatment may be called victimization in Industries?”

THE HON. SRI B. GOPALA REDDI:—“I cannot answer that question, Sir.”

SRI R. V. SWAMINATHAN:—“Arising out of the answer of the Hon. Minister that nobody has been punished for participating in the strike, may I ask whether the Government will consider favourably if certain cases of discharge from service are brought to their notice?”

THE HON. SRI B. GOPALA REDDI:—“These cases were reviewed and reconsidered. Many were exonerated, but in very bad cases perhaps the punishment still continues. I am not quite sure.”

SRI D. V. RAMASWAMI:—“Are the Government entitled to expect a different behaviour from the Government servants as distinct from the members of a trade union generally and if so, what sort of conduct do they expect from them?”

THE HON. SRI B. GOPALA REDDI:—“The Government servants are not members of a trade union, because the Government is not a profit-earning concern.”

SRI S. NAGARAJA MANIGAR:—“Has loyalty been appraised at one year's increment? Should it not be more, Sir, because it is loyalty?”

SRI V. M. RAMASWAMI MUDALIYAR:—“Have the Government any idea of the number of people who went on strike and the number who stuck to their posts or at least the proportion between the two?”

THE HON. SRI B. GOPALA REDDI:—“Notice, Sir.”

M. S. ABDUL MAJID SAHIB BAHADUR:—“By this policy of giving a concession to the non-strikers, are not the Government creating a new source of discontentment among Government servants?”

THE HON. SRI B. GOPALA REDDI:—“No, Sir. On the other hand, it will be a deterrent to people who may want to participate in a strike hereafter.”

SRI C. M. KOTHARI:—“Arising out of the reply of the Hon. Minister that the Government is not a profit-making concern, may I know why the Government is running the Transport service for profit?”

THE HON. SRI B. GOPALA REDDI:—“We cannot take a single item like Transport or Electricity and say that we are earning a profit. The entire Government machinery is not meant for profit-earning but for serving the people.”

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Pamphlets issued by R.L. Press, Golden Rock.

* 21 Q.—SRI A. VEDARATNAM PILLAI: Will the Hon. the Premier be pleased to state—

(a) whether it is a fact that from a press called R.L. Press, Golden Rock, pamphlets are being issued to labourers inducing them to violence; and

(b) if so, what action the Government have taken against such press?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—“(a) Yes. Some pamphlets of an objectionable nature were issued from the press in March last.

“(b) The press has been banned under section 9 (1) (b) of the Madras Maintenance of Public Order Act, 1947, the security of Rs. 3,000 deposited by the keeper of the press has been forfeited to Government under section 4 (1) of the Indian Press (Emergency Powers) Act, 1931, and the keeper of the press is being prosecuted under section 18 (1) of that Act.”

SRI A. VEDARATNAM PILLAI:—“Are the Government aware that the R.L. Press is publishing pamphlets inciting the kisans to resort to violence and creating panic in the villages for a long time and if so, will the Hon. Minister state the reasons for allowing the press to continue this propaganda so far without banning it?”

THE HON. SRI B. GOPALA REDDI:—“The keeper of the press is being prosecuted, hence the matter is *sub judice*.”

Operation of the Rent Control Act on the buildings of temples and mutts.

* 22 Q.—SRI V. RAGHAVAYYA: Will the Hon. the Minister for Prohibition be pleased to state—

(a) whether it is a fact that orders have been passed by the Government exempting the buildings of temples and mutts from all the provisions of the Rent Control Act of 1946; and

(b) if so, when?

THE HON. SRI N. SANJEEVA REDDI:—“(a) Yes.

“(b) On the 16th March 1949.

This order has since been cancelled.”

SRI K. BHASHYAM:—“May I know the reasons which impelled the Government to issue this order and again the reasons which impelled the Government to withdraw the order?”

THE HON. SRI N. SANJEEVA REDDI:—“It was evidently on an appeal from God that the income was much less than the order was passed and then on an appeal from the public who were suffering, the order was withdrawn.”

SRI K. BHASHYAM:—“May I know whether the appeal from God is on record, Sir?”

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THE HON. SRI N. SANJEEVA REDDI:—"No, Sir, perhaps it was made directly to the then Minister concerned."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"May I know whether the communication was received from God through the temples or directly?"

THE HON. SRI N. SANJEEVA REDDI:—"I said 'directly', Sir."

SRI L. N. GOPALASWAMI:—"What has happened to the interim period, Sir, between the passing of the order and the cancellation of the same? Will the cancellation order have retrospective effect?"

THE HON. SRI N. SANJEEVA REDDI:—"Naturally, Sir."

SRI V. I. MUNISWAMI PILLAY:—"Arising out of the answer that the public wanted the withdrawal of the order, may I know whether the Government had any request from the trustees of mutts and temples for the withdrawal of the order?"

THE HON. SRI N. SANJEEVA REDDI:—"Not from mutts and temples, Sir, but from the tenants who have been suffering from eviction and other things."

SRI G. RAJAMANNAR CHETTY:—"However humorous the Hon. Minister may be, may I know whether even the Almighty God is at the mercy of the Ministers? I seriously protest against this degrading of God by the Hon. Minister?"

SRI K. BHASHYAM:—"Have the Government considered the effect of the two notifications? What will happen to cases arising between the date of the first notification and the date of the second notification? Will these be governed by the first or the second notification? Have the Government taken any advice in the matter?"

THE HON. SRI N. SANJEEVA REDDI:—"Before anything serious happened, it was cancelled. There is nothing bad that has happened in the interim period."

Frequent transfers of the Collectors of the Ramnad district.

* 23 Q.—DR. S. SUBRAHMANYA AYYAR: Will the Hon. the Premier be pleased to state why frequent transfers have been made of the Collectors of the Ramnad district?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—"Transfers were due to the retirement of some of the incumbents and others for administrative reasons."

DR. S. SUBRAHMANYA AYYAR:—"Do not the Government feel that these frequent transfers by retirement or otherwise adversely affect the administration of the district?"

THE HON. SRI B. GOPALA REDDI:—"The officers were probably required in other places like the Secretariat or the Civil Supplies Department and so they were transferred from Ramnad."

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SRI S. NAGARAJA MANIGAR:—"Cannot these frequent transfers be avoided even though they are for administrative reasons? Will the Hon. Minister take the necessary steps to see that these Collectors are allowed to continue in a particular place as long as possible in order to do good to the people?"

THE HON. SRI B. GOPALA REDDI:—"Where it is possible, we do not disturb the Collectors or the District Superintendents of Police where it is necessary they have to be transferred."

DR. S. SUBRAHMANYA AYYAR:—"Is it not a fact that Ramnad district has been singled out for this sort of concession or appreciation?"

THE HON. SRI B. GOPALA REDDI:—"There are other districts like Cuddapah, Sir."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Is there any minimum period for which an officer has to serve in a particular place before he is transferred either on promotion or otherwise?"

THE HON. SRI B. GOPALA REDDI:—"There is nothing like that, Sir."

SRI L. N. GOPALASWAMI:—"Are not some of these transfers effected on the advice of some of the members of the Assembly, Sir?"

THE HON. SRI B. GOPALA REDDI:—"It is an insinuation and I do not intend to answer it."

SRI K. BHASHYAM:—"May I know whether the Government cannot retain the Collectors in the same district even though they may be promoted to the second grade or the first grade? Perhaps they will be able to do more efficient work than if they are transferred to another place."

THE HON. SRI B. GOPALA REDDI:—"There are not second grade and third grade Collectors. There are Deputy Collectors. When these Collectors are required in the Secretariat and the Board of Revenue, they are taken there."

SRI T. S. PATTABHIRAMAN:—"Is it not a fact that Collectors generally are unwilling to continue in deficit district due to the difficulty of fulfilling the procurement target?"

THE HON. SRI B. GOPALA REDDI:—"On the other hand, in Coimbatore, which is a deficit district, the Collector has been there for 4½ years."

SRI M. S. PATTABHIRAMIAH:—"Is the Hon. Minister aware that Ramnad district suffers administratively on account of the fact that, from the very inception of the district its headquarters has been outside the district and that generally the officers who go there are not willing to continue to administer that district from Mathurai, which is a very difficult thing to do?"

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THE HON. SRI B. GOPALA REDDI:—"It is not left to the sweet option of the officers concerned to say whether they will serve in Ramnad or the Nilgiris. Mathurai is centrally situated for Ramnad district and the headquarters of Ramnad will continue to remain at Mathurai."

11-45 a.m.

H. S. HUSSAIN SAHIB BAHADUR:—"In the interest of administration, of the districts, will the Government consider the desirability of retaining the Collectors for a period of five years normally in the districts?"

THE HON. SRI B. GOPALA REDDI:—"Normal period is three years and as far as possible we do retain them for three years."

M. S. ABDUL MAJID SAHIB BAHADUR:—"Is it not a fact that there is a maximum and minimum period within which officers could or could not be transferred?"

THE HON. SRI B. GOPALA REDDI:—"There is no minimum, but the ordinary maximum is three years."

SRI R. V. SWAMINATHAN:—"Arising out of the answer that the maximum period fixed is three years for district officials, why should they allow certain officers alone to continue for more than four years?"

THE HON. SRI B. GOPALA REDDI:—"Because of their particular usefulness to the district concerned."

SRI T. VISWANATHAM:—"Adverting to this particular usefulness, would it conduce to that particular usefulness if there are five District Collectors appointed to a district during the course of 30 months?"

SRI S. NAGARAJA MANIGAR:—"Salem is both a deficit and a backward district. Is it not a fact that there have been four District Collectors in the course of the last two years?"

MR. SPEAKER:—"The hon. Member may put a separate question. The question here relates to the Ramnad district."

Number of relief shops in Nellore, etc., districts.

* 24 Q.—SRI V. RAGHAVAYYA: Will the Hon. the Minister for Food be pleased to state—

(a) whether there are any relief shops in the districts of Nellore, Guntur, East Krishna, West Krishna, East and West Godavari and, if so, how many for each district till March-April 1949; and

(b) whether the figures of yield supplied by the village officials have been found correct and, if not, what action has been taken against them wherever incorrect figures were given purposely?

THE HON. MR. J. L. P. ROCHE VICTORIA:—" (a) Relief shops are functioning at present only in Guntur and Nellore

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districts. The number of shops functioning in Guntur was 14 in March and 9 in April. In Nellore 569 shops were functioning in both the months.

"(b) If the Hon. Member would refer to any instance where incorrect estimates of yield have been given purposely by the village officials, the Government will take necessary action."

SRI V. RAGHAVAYYA:—"In view of the fact that the surplus nature of the districts like West Krishna, East Krishna or Guntur does not in anyway give relief to landless labourer who has to purchase in the black-market, may I know whether the Government will take steps to give relief to Guntur and also to surplus districts by opening more relief shops."

THE HON. MR. J. L. P. ROCHE VICTORIA:—"If proper representations are made, I think, the Government will consider the matter."

SRI V. RAGHAVAYYA:—"Is the Government aware that in Nellore district the figures supplied last year and this year by the village officers were mostly wrong and yet the Government was able to procure twice the quantity given by the village officers and is it not proof enough for the Government to take action directly?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"A separate question may be sent."

Alleged statement by the Hon. the Minister for Finance at Rajaji Hall.

* 25 Q.—MUHAMMAD RAZA KHAN SAHIB: Will the Hon. the Premier be pleased to state—

(a) whether, while addressing the third annual conference of the Madras Secretariat Association on May 8 at the Rajaji Hall, the Hon. the Finance Minister gave expression to the following views as reported in the *Hindu* of 9th May:—

"Mr. Gopala Reddi made a reference in this connection to a lot of leakage of information and said that he wanted to see the leakage plugged, whether it might be at the top or at the bottom. It might be that a Cabinet decision was being discussed at a club within fifteen minutes after the decision was taken. Such things should not happen . . ."

On many an occasion outsiders visiting him had informed him that certain files were on his table even before he was aware of that fact. Such leakages should stop." ; and

(b) whether, before giving expression to these views, steps were taken by the Government to put an end to such leakage and if so, what?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. Premier):—" (a) The answer is in the affirmative.

"(b) There are already Standing Instructions in the Secretariat Office Manual and in the Government Servants' Conduct

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Rules requiring Government servants to be constantly on their guard against leakage of official information and specifically prohibiting them from communicating official information either directly or indirectly to unauthorized persons or bodies."

MUHAMMAD RAZA KHAN SAHIB:—"In view of such sweeping remarks made by the Hon. Finance Minister may I take it that the Ministers themselves are visiting the Cosmopolitan Club and having free discussion about the decisions of the Cabinet within fifteen minutes of the Cabinet meeting?"

THE HON. SRI B. GOPALA REDDI:—"There are not many Ministers of the Cabinet who are members of the Cosmopolitan Club. I am a member of the Club but never attended the Cosmopolitan Club."

SRI B. ANANTHACHAR:—"May I know, Sir, whether the leakage has been profuse and substantial so as to affect the health of the services?"

THE HON. SRI B. GOPALA REDDI:—"I do not know whether it has affected the health of the services, but certain cases came to my notice."

MUHAMMAD RAZA KHAN SAHIB:—"According to the statement of the Hon. Finance Minister, Cabinet decisions were discussed in the Cosmopolitan Club within fifteen minutes of the meeting. May I enquire how it happened that the Cabinet decisions rushed up to the Cosmopolitan Club and discussed there freely within fifteen minutes of the Cabinet meeting?"

THE HON. SRI B. GOPALA REDDI:—"That is the mystery which I was referring to."

SRI R. V. SWAMINATHAN:—"Arising out of the answer of the Hon. Finance Minister, may I know whether in the Cabinet meeting only the Ministers are allowed to be present or whether any member of the Secretariat staff is also allowed and if it is not, how could the decisions of the Cabinet be discussed in a club immediately after fifteen minutes of the Cabinet meeting?"

THE HON. SRI B. GOPALA REDDI:—"Of course, clerks of Ministers are not allowed in the Cabinet room when the Cabinet meeting takes place, but only the Chief Secretary is there."

SRI V. RAGHAVAYYA:—"May I know, Sir, why the Hon. Finance Minister thought it very dignified for him to ventilate this grievance in public instead of circularizing the departments and putting his own house in order?"

THE HON. SRI B. GOPALA REDDI:—"It was not a public meeting. I was addressing the Secretariat Association. It was quite a private meeting and it was but right that I should mention it to them."

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SRI S. NAGARAJA MANIGAR:—"Are not these Government servants who did not help in the leakage very loyal to the Government?"

MUHAMMAD RAZA KHAN SAHIB:—"According to the Hon. Finance Minister's statement some of the people who visited his room have themselves told him that certain files were on his table even before he was aware of that fact. May I know what action has been taken against that person who came in possession of that information?"

THE HON. SRI B. GOPALA REDDI:—"Naturally that person will not divulge the information and I cannot go on asking him how he got the information."

M. S. ABDUL MAJID SAHIB BAHADUR:—"The Hon. Minister said that there are Standing Instructions in the Secretariat Office Manual to prevent Government servants from giving out information. May I know whether there are any such orders with reference to the Ministers themselves?"

THE HON. SRI B. GOPALA REDDI:—"No, Sir, except the Official Secrets Act and the oath that is administered."

SRI V. M. RAMASWAMI MUDALIYAR:—"May I know, Sir, what action has been taken by the Hon. Finance Minister to probe into this mystery and prevent such leakages?"

THE HON. SRI B. GOPALA REDDI:—"I reminded the members of the Secretariat about the Standing Orders and appealed to them to keep to the regulations in the Manual."

SRI P. NATESAN:—"Supposing I went to the Assistant Secretary of a department for certain information and he said that the file was on the Minister's table. Does the Hon. Minister consider that it amounts to leakage of information?"

THE HON. SRI B. GOPALA REDDI:—"It depends upon the nature of the file. If it is a formal matter, it does not matter, but on the other hand, if it is a serious thing, for instance, a death sentence, and the Assistant Secretary or the Superintendent says that the concerned file is on the table of the Law Minister, certainly, it will be considered leakage of information."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Sir, is it not advisable that even if there are leakages and it is the desire of the Hon. Minister to prevent them, he should do so without making them public, and not allowing the administration to deteriorate in the manner it has been done?"

THE HON. SRI B. GOPALA REDDI:—"I have not made it public. It is entirely a Secretariat Association. The responsibility for publicity is entirely on the Press and not on myself."

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H. S. HUSSAIN SAHIB BAHADUR:—“Is this leakage of information of recent origin and if so, has it become so very rampant as to compel the Minister for Finance to warn the employees?”

THE HON. SRI B. GOPALA REDDI:—“It may not be very recent; it may be a very over-aged business; yet, I thought it worth mentioning so that all of them might keep the secret to themselves.”

DR. S. SUBRAHMANYA IYER:—“May I know, Sir, whether the Press was admitted to this secret meeting and if not, was this also a case of leakage of information?”

THE HON. SRI B. GOPALA REDDI:—“It was not a secret session of the Secretariat Association. The Press also was present there. Otherwise they would not have reported so correctly.”

SRI T. VISWANATHAM:—“With reference to the statement made by the Hon. Minister, namely, that he wanted the leakage to be plugged, whether it might be at the top or at the bottom, may I know whether the treatment will be the same both for the top and the bottom?”

THE HON. SRI B. GOPALA REDDI:—“The treatment is the same and all of us should keep the secret to ourselves, whether it is at the top or at the bottom.”

ABDUL HAMEED KHAN SAHIB BAHADUR:—“In view of the fact that the Press was also present at the meeting, would it not have been proper for the Minister to desist from making such a serious statement?”

THE HON. SRI B. GOPALA REDDI:—“Even though the Press was present, I must tell the Government servants that all of them should keep the secret to themselves and there is nothing wrong in it.”

[Note.—An asterisk (*) at the commencement of a speech indicates ‘revision’ by the Member.]

II.—ADJOURNMENT MOTION RE PRIVILEGE OF THE HOUSE.

MR. SPEAKER:—“The hon. Member Mr. Raza Khan has given notice of a motion under Rule 36. The motion runs thus:

‘I hereby give notice of my intention to move for the adjournment of the business of the Assembly to discuss a definite matter of urgent public importance involving the breach of privilege of the House, to wit, the investigation of charges against six Ministers of the present Ministry who are responsible to this House by a private individual instead of by a Committee of Judges appointed by the House generally on a resolution moved by the Leader of the House.’

This is quite out of order. The hon. Member says that it is a question of breach of privilege of the House. I have already told

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the House that our privileges are defined in section 71 of the Government of India Act. Over and above this, we have not got any other privileges. Before I give my ruling I wish to know from the hon. Mover what he has to say on the motion.”

MUHAMMAD RAZA KHAN SAHIB:—“Mr. Speaker, Sir, my idea in moving the adjournment motion is not to embarrass the Government. But, the difficulty is that some Members of this House have made certain serious charges against some Members of the Cabinet. It may be that all the charges may prove to be false, but unfortunately wide publicity has been given to them in the Press. Not only that, but a pamphlet has also been published and it has been freely circulated both in the City of Madras and outside in the Province and therefore the public have a right to know what it is. It is also the duty of the public to understand what the charges are, whatever they are and whether they are right or wrong. We now find from the Press that some Member of the Congress Party, an outsider, no doubt, has come down to Madras to sit in judgment. It is, therefore, a right and a privilege of the members to know what it is all about. After all, the Ministers are ultimately responsible to the Assembly and not to a body outside. When an outsider comes and tries to examine these things it is quite possible that our Ministers have to place all the necessary files and documents at his disposal for him to come to a conclusion. Therefore, I thought it would be in the fitness of things for the Leader of the House himself to accept this adjournment motion so that he may vindicate the position and this House and the public may know the position.”

SRI K. BHASHYAM:—“One word, Sir, about the motion. I wrote to you, Sir, about this matter saying that this involves breach of privileges of Members of the House . . .”

MR. SPEAKER:—“It does not involve breach of privilege.”

SRI K. BHASHYAM:—“Sir, I want to put this before you for consideration. Ministers are persons responsible to the House primarily and whatever else they may be, they are liable to be prosecuted, hauled up and subjected to moral obloquy.”

ABDUL HAMEED KHAN SAHIB BAHADUR:—“On a point of order, Sir. I thought that the Chair has given its ruling.” 12 noon.

MR. SPEAKER:—“I have not given my ruling. I have only told the House that I was inclined to rule the motion out of order. I have just now given an opportunity to the hon. Mover of the motion to explain his motion. Now Mr. Bhashyam has raised a point that what he is going to say on the motion, comes under the privileges of the House. So, I have allowed him to speak.”

ABDUL HAMEED KHAN SAHIB BAHADUR:—“Sir, the point of order must be on certain things that must be before us. Now, my hon. Friend Mr. Bhashyam is arguing against your ruling. I want to know whether your ruling is there or not. If

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your ruling is there, he cannot speak against it and even if it is not there, he cannot speak also because there is nothing on which he can speak."

MR. SPEAKER:—"The hon. Member has brought to my notice that it comes under the privileges of the House. So let me hear him now."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"I understand that Mr. Bhashyam has risen to a point of order. He must rise to a point of order on a certain definite thing. What is that definite thing about which he has risen to a point of order?"

MR. SPEAKER:—"Let me hear the hon. Member."

SRI K. BHASHYAM:—"If I committed a sin, I think the hon. Member Mr. Hameed Khan has committed a greater sin than myself because he has been arguing on a point not relevant to the issue under discussion. I want to submit very respectfully to the Hon. Speaker to consider a few facts and circumstances before he comes to a decision. The Ministers are responsible to this House primarily whatever else they may be and, therefore, the question arises as to whether the House is not entitled to go into these charges and also getting them investigated. In fact, you may remember that recently there was some charge against certain Ministers of the British Government and I think the Hon. Leader of the House Mr. Attlee himself moved in the House that a Committee of Judge or Judges be appointed to go into the matter and report to the House. That will be the proper procedure in respect of this matter also. Therefore, I thought that I might bring to your notice and wrote a letter that breach of the privilege of the House is involved in this enquiry which is going to be started either to-day or to-morrow and that the breach of the privilege is this: whether other persons can conduct the enquiry or not. The fact that the House alone has got the right to hold such an enquiry is a thing which cannot be overlooked and I appeal to you, Sir, as the custodian of the rights and privileges of this House to take such action as you may think necessary for the purpose of preserving the privilege of this House. Even if there is any technical difficulty, you can overcome it since you can exercise your inherent powers."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"It is no point of order, but it is an explanation of the position with regard to which I do not know what jurisdiction he has. Anyhow, the Chair did not allow a debate but asked my hon. Friend Mr. Raza Khan to explain his position with regard to the motion under discussion, and beyond that nobody need be allowed to speak on it. I do not think that we are allowed to have our say on the subject and practically make our speeches."

MR. SPEAKER:—"When the hon. Member wants to explain certain matters, I cannot gag his mouth. After all, he has not taken more than two or three minutes. The hon. Member

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Mr. Bhashyam has brought to my notice an incident in England. The constitution and the constitutional practice obtaining in England are altogether different. There the Prime Minister appoints the Ministers and he is responsible for the conduct and integrity of the Ministers. If some members accuse some Ministers of some charges, the Prime Minister decides whether a judicial tribunal or a political censure is more appropriate. From the nature of the offence he will decide whether criminal proceedings are necessary. Allegations of public misdemeanour such as taking bribes or committing fraudulent acts will be investigated by tribunals set up under the Tribunal of Enquiry Evidence Act of 1921. They are entrusted with the duty of finding out whether there is any justification for such allegations. There they have got definite rules. The Prime Minister is guided by these rules. But here you must have some convention for all these things. Secondly, regarding the breach of the privilege of this House, I have already told the House that our privilege has been defined in section 71 of the Government of India Act, 1935. Further, in England they have got various methods by which this can be brought to the notice of the Prime Minister. Suppose, some members bring to the notice of the Prime Minister some charges of bribery or misdemeanour or misconduct against some Ministers—as I have already told the House, the Prime Minister, being responsible for his Ministers, himself appoints a tribunal. For that a motion has to be moved in the House and it has to be approved by the House. The Chairman of the Tribunal is a Judge of the High Court and his appointment and functions are defined in the Tribunal of Enquiry Evidence Act of 1921. After the enquiry is completed, the House is given an opportunity to discuss the report of the Tribunal. We have not got any such rules. Further, if the Prime Minister refuses to hold an enquiry, the Leader of the Opposition can move a vote of censure for which the Premier allows a debate. But here, we must first of all build up our convention and then only we can follow those rules. As it is, there is no breach of the privilege of the House. Secondly, the hon. Mover of the motion says that Judges be appointed by this House. Under what rule the House should appoint Judges, he has not explained. So, I rule this motion out of order."

GOVERNMENT BILL.

III.—THE MADRAS GENERAL SALES TAX (AMENDMENT) BILL, 1949—cont.

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Mr. Speaker, I am sorry I have to oppose this motion also for practically the same reasons which made me oppose the entertainment tax. In addition to what I have said on a former occasion, I would like to say that the Hon. Minister should have thought not twice or thrice but many times before he thought of increasing the tax on such commodities as articles of food and drink sold in a hotel, boarding house or restaurant, cashew, chillies, coconuts, coffee, etc. These are all articles of food and we know how very difficult it is for people to get food. We also know that the ration

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that is supplied to the average man in our Province is certainly not sufficient and certainly the poor man cannot augment his food by going into hotels and he must be contented with what he gets as his ration. But there are some people who can afford to go to hotels and make up for the lost quantity of food that is available to him through ration. Also people coming from outside the Province go to hotels and stay there for some days and they will also be affected. Even people living in the City go to hotels when they do not have sufficient food. There are such cases where on account of the insufficiency of food, people have got to supplement their food by going to hotels. Therefore, these small articles of food ought not to be taxed at all and it is much worse if you increase the tax by fifty per cent. It is not an increase of five or ten per cent but it is fifty per cent. From three pies to the rupee, it has been raised to four and a half pies in the rupee. It is a fifty per cent increase."

MR. SPEAKER:—"Order, order."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"There is pandemonium in the House."

SRI R. SUBBA IYER:—"On a point of order, Sir. Is it right on the part of the hon. Member to use such an expression?"

MR. SPEAKER:—"The hon. Member ought not to have used such an expression."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"I withdraw it."

"Sir, to tax a foodstuff is a bad policy, and it is much worse if you increase it by fifty per cent. Of course he will come forward and say that *there is enough money and people are prepared to pay sales tax. It is not as if I have come suddenly with these proposals, I gave notice of it long ago and I have not received any representation from the people protesting against these proposals*'. This is no argument at all. We know our people are very docile. They are fatalists and they believe in accepting the inevitable. The inevitable is that the Government are there who can ride roughshod over the people's purses and their necessities of life. We are running a democratic form of Government and our Ministers are supposed to be responsible Ministers, responsible to the Legislature and also to the sovereign authority, the people themselves. Our people have not yet understood their responsibility. They do not assert their individuality and their rights. Perhaps our people do not believe in an agitation carried out stage by stage. They seem to think that they should either not agitate at all or should bring about a revolution by breaking of heads and destroying properties. It would be very much better if they could carry the agitation stage by stage and yet allow the Government to carry on. At the same time Government also should be responsible to the people. They should not think that their work is finished as soon as they were voted into power. They should take notice of what people say in all

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these matters. People do not know what is good for them but we know what is good for them and, therefore, we can increase taxation on foodstuffs by fifty per cent! Turmeric, coffee and coconut including copra are all things which are used by the poor in their everyday life. (At this stage the Deputy Speaker took the Chair.)

"I am very sorry that the Hon. the Finance Minister has thought it fit to augment the resources of the Province by these means to make up the gap caused as a result of the introduction of prohibition. He may say: 'I want money and I must get it somehow' and that is what he said on former occasions. Such being the case it would be very much better as has been suggested by some of his own party men to cogitate for a long time, consult at least his own party men and take advantage of their suggestions and advice and then come forward with less unreasonable sources of revenue. There are certain articles which can stand additional taxation and there are others which cannot and are food for the poor and such articles should not be taxed. I remember in this connexion how my Hon. Friend Dr. Rajan when he was confronted with the question of the inadequate supply of foodstuffs to the poor said that it is not the responsibility of the Government whether the people are in a position to buy food or not. On the same lines, my Hon. Friend the Finance Minister might come forward and say: 'It is my duty to tax the people and it is not my lookout to consider whether they would be in a position to buy; if they have money, let them buy but the tax should be collected somehow.' If that is the complacency with which he has come forward with these taxation measures, he can go on, he has got his majority and there is no doubt he can get this passed. But I would tell him that the people are not really in a position to accept the increase. I can tell him without fear of contradiction that hon. Members sitting on this side of the House and on the other, if they are speaking against this taxation measure, are representing the views of the people, not only of the City of Madras, but of the whole Province. They are expressing the voice of the people and if the voice of the people is not cared for and not heeded, we are certainly not responsible; we must do our duty and are doing it. If my Hon. Friend says: 'You are wrong and people do not think like that and they have told me that we can increase the taxation and they would be ready to pay,' then God alone should judge who is correct and who is not and, of course, he might also say: 'Any taxation measure is naturally opposed and is bound to be opposed and it is only the vociferous few who are agitating and the masses, the generality of people do not object to taxation and they want us for the Government to be carried on smoothly and efficiently and for that they are prepared to pay any kind of taxation.' I can understand his coming forward and saying: 'The Government of India have got the rich people to tax and I am left with the poor and, therefore, I am taxing them.' There is a limit to the extent to which the poor could be taxed; he can only to that extent tax them which they can bear and he cannot break canons of taxation by proposing an

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increase of fifty per cent. If he does so, he will be creating a revolution, not a revolution involving killing and blood-shed, not a political revolution; but a revolution in the budget of the poor who cannot afford it. The increase in dearness allowance which the Government are paying to their servants is not adequate to them as it does not bear any relationship to the increased price of articles and apart from them, there is a large body of people whose income has not increased to an extent to catch up with the increased price of foodstuffs. It must be remembered also that it is the consumer who has to pay in all these cases and not the owner of the hotel and what will he do if living becomes costly and what do you expect him to do. We shall not be surprised if what is happening in other parts of the world happens here also and we should not drive poor people to that position. By raising taxes on essential articles like foodstuffs and making living costlier and impossible, you are simply driving them right into the arms of exploiters and agents of subversive activities. I plead and plead most earnestly with him to take off his hands from foodstuffs. I know my Hon. Friend the Finance Minister is a bania and my past experience with him has shown that he is a political bania and all his taxation measures have convinced me that there is a method in his madness. I know he will be very agreeable to reduce the tax to an increase of one pie in order to satisfy the people in the Committee who will oppose and the members in the Committee are people who know that in spite of all their protests, if he is so minded, he could get it through and any reduction is therefore, something gained and in that view of the matter they might agree readily and ultimately the report will be a unanimous one. That is the method behind his madness that he has always resorted to and I am sure even in this case he might successfully do so as he did on the previous occasions also. Circumstances are different and I am sure every member of the Select Committee will refuse to agree to his methods which he might employ or repeat. I am not in the Select Committee but my hon. Friends who are there should be forewarned so that they might not come under his influence and succumb to his smiles and arts of persuasion but should persist in refusing to agree to any tax."

THE HON. SRI B. GOPALA REDDI:—"On a point of order. Can the hon. Member give instructions to the members of the Select Committee as to how they should behave or should not behave in the Committee stage?"

ABDUL HAMEED KHAN SAHIB BAHADUR:—"The Hon. Minister has misunderstood what instructions are. Of course the whole House can give certain instructions by means of a resolution. But when we are sending our representative to sit in a Committee it is my right and certainly my duty to tell by way of suggestion what one should do; it is not by way of a mandate from me because it comes from an individual and he need not take that as such but it is a suggestion and an advice that every member of the House is free to make on this occasion."

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"Therefore, I am suggesting to my hon. Friends that whatever his blandishments and smiles might be in the Select Committee, they must not agree to even a one-hundredth pie increase in the existing taxation."

SRI K. BHASHYAM:—"Madam, Deputy Speaker, if the Bill that had been referred to a Select Committee yesterday is ill-advised I think this Bill is much worse. It was said in the case of the other Bill that that was a tax which cannot be transferred to the consumer or the person who goes to the cinema. I doubt very much about it but that was the argument used in support of the taxation. But regarding this, this is a tax upon the necessities of life and they are direct taxes and naturally and inevitably, they will be transferred to the consumer. The person who pays the tax will be not the merchant or the hotel-keeper, but the person who buys the goods. Look at this position. The various articles that go into the cooked food are taxed in that the proprietor has to pay taxes on them and again you make him pay for the cooked food; are you not taxing these articles twice over? I do not know if the Hon. Minister has realized that in these cases there is double taxation. If he had, I am sure he would relent in the Committee stage and whatever his blandishments may be and his arts of persuasion which Mr. Hameed Khan attributed to him, I do feel that his heart is soft and he is not so hard-hearted and I feel that in the Select Committee he will perhaps take off some articles of food and drinks. I shall show how it will really work. A cup of coffee now costs two annas and on the pretext that he is to pay tax at $4\frac{1}{2}$ pies in the rupee, the hotel-keeper sells coffee at two annas and a half per cup. What would happen is that to get a pie and half per rupee from the hotel-keeper, do you not enable him to put into his own pocket three to four annas. Is that a proper thing to do? I can understand if he transfers all that he gets from the customer to the coffers of the Government. Why should the Government while getting a pie and a half per rupee more from him put into the pocket of the hotel-keeper or the merchant more than six pies. I think I must strongly object and I enter my conscientious objection against it and if I had been in the House at the time when the last Bill was passed, I would have certainly voted against it irrespective of the fact that I am a member of the party and this is a most atrocious measure that a popular Government could think of. Cooked food goes to the poor and to tax it in a way that the consumer will be obliged to pay is a thing to which I as a staunch Congressman could not reconcile myself. I do not know why it should have been put in here. When I read the list, I see mention is made of cashew, and chillies dry. Even chillies are coming here though they go to make the cooked food. (Abdul Hameed Khan Sahib Bahadur: They want you to take less chillies). It is much better if he can give that advice to the Andhra friends."

"Then there is coffee and it takes my breath away. It is not a case of a person like ourselves who really can afford to pay having a fairly good allowance of Rs. 12-8-0; it is not they that I am thinking of. I am thinking of the poor people who really want to

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drink tea or coffee. I would call coffee sacrosanct so far as South India is concerned. I think it is an article that must not be taxed at all, in view of the Government's policy to make people use it as an alternative drink in places where Prohibition is introduced. I thought coffee would really be removed from the list of articles to be taxed. I hope that the matter will be gone into by the Select Committee so far as this is concerned. With regard to potatoes, it is very difficult to go without potatoes. My own feeling is that it is an article of every day necessity. To tax potatoes is also preposterous and it ought not to be done. I have no objection to luxury articles being taxed, as only the rich people pay for it. Personally I wear rubber shoes. I do not grudge if this article is taxed. If the Finance Minister puts tax on rubber and takes all other articles from the list, I shall be most happy. Then again, take sugarcane. It is used by the poor man once a year at the time of Pongal. If you tax it, it means really putting a little salt to the sweet pongal. Therefore I feel that this article should not also be taxed. The same applies with regard to turmeric. The articles proposed for taxation are all necessities of life for the people. What is the effect if you tax them? Seriously thinking, it means only increasing inflation, that is to say, the cost of living goes up. In turn, it means that your Secretariat people and everybody in employment want a little more than what they receive every month. Naturally the wages have to be increased. The object of the Government must be that food-stuffs are taxed as low as possible. Then only wages will be under control. But if you tax them, it will create more inflation in the country and it will be really giving a lot of trouble, because when once you raise the prices of the necessary articles of life, the dearness allowance of the servants must go up and also labour charges must go up. Possibly persons, who are Government servants, may get their allowances increased. Employees in other walks of life may well apply to their employers for purpose of raising their wages. Labourers may ask increased wages. But what about the common man who cannot apply and get any dearness allowance from anybody? What are they to do? I would therefore like that, in this matter, the Hon. Finance Minister will take all these facts, into consideration and will not put tax on articles of food. In England, if they look at this legislation, what will they think? They will think that the Province has reached the rock bottom of its resources and there is something wrong in the economic situation in Madras."

THE HON. SRI B. GOPALA REDDI:—"What will they think of Prohibition?"

SRI K. BHASHYAM:—"If he is an European he may think it bad but if he is a Hindu, he will not."

"I have no objection if taxes are increased on motor cars because only rich people like Mr. Natesan and others will have to pay. Let them all travel in bus if they don't want to pay tax and travel in cars. Even then, you will get more money on your transport. In conclusion, I may say that if you want more money

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* SRI C. M. KOTHARI: Madam, Deputy Speaker, the correct principle of every taxation should be that it must give a return for the taxes which the general public pay. Are we getting any return from the proposals submitted to this House? I say, no. Because firstly the nation-building departments, according to the Hon. Finance Minister, have got thirty crores out of a revenue of fifty-five crores and the balance of twenty-five crores go for general administration. There is no allotment for any other scheme to give an incentive to production. It was only yesterday that the Hon. Finance Minister was pleased to mention, I hope loosely, that even if the excise duty was forthcoming there would be additional taxation. I submit that if the excise duty was available, there would not be any deficit like the one which we are having to-day, because the sales-tax gives more than 15 crores but which we are losing in excise duty. There is also another aspect of this tax which requires consideration. By raising the duty at multiple points on these commodities of food, we are making the index of the cost of living to go high. I now come immediately to the double taxation proposals which have been suggested by this Bill. No country taxes export of food-stuffs or raw material. It is this country which has an export duty of one anna on tea and on the top of it, there is a proposal in this Bill to levy a tax of three pies for export of tea either to foreign countries or to other presidencies. Let me remind this House that, unless it is the wish of this House to destroy our very paying industry, this tax will tell very heavily upon the tea industry. Let us not forget that the tea estates here are not the only estates in the world. We have tea coming from Java, Ceylon, Formosa and other countries and as they have no taxation of this type, surely they will sell cheaper in the markets and the South Indian tea would be neglected. The Hon. Finance Minister and also this House may be aware that the margin between the sale and production cost is so small that any reduction in sale price or any increase in taxation over export will simply ruin the industry which lays golden eggs. I will not take the valuable time of this House except to put a suggestion to the Hon. Finance Minister with regard to the tax on cotton. To withdraw the exemption in respect of cotton at a single point and to tax it at three pies per rupee would mean simply killing the small industry which has been set up in this Presidency after a strenuous struggle for 25 years. This House is aware that we are still in the infant stage in respect of cotton industry compared to the large units in Bombay, Cawnpore and other places. Our capital is small and our unit is small. To tax raw material of an industry of this type by a tax of three pies per rupee would make yarn for handloom cloth costlier by four annas a bundle. Fifteen lakhs of people are living in this Presidency on handloom industry, the yarn for which is supplied by the cotton mills of Coimbatore. These people will suffer if the manufactured handloom cloth is not selling well and if stocks get accumulated.

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Any tax on raw cotton supplied to the yarn dealer would mean that the handloom weaver will not be able to take that yarn or bear the burden. Let me warn the Hon. Finance Minister that the industry is not in a position to bear the sales-tax.

12-45 P.M. "Madam, ten items of food-stuffs have been suggested for additional taxation. If the list is gone through carefully, I feel anybody will see that it is an additional tax on the kitchen of the poor man. Already the poor man has been taxed directly or indirectly rather heavily. The poor man, nowadays, due to control does not get sufficient to eat, by control he does not get sufficient to clothe himself; his income in terms of money value has gone up, but his income in respect of real value has gone down by four annas in the rupee. In such conditions, is it advisable that the kitchen of the poor man should be taxed. Already he has only a small margin to be taxed. Just let us see what those items are that are to be taxed. Chillies, coconut, pepper, potatoes, sugarcane, turmeric! These are all items which are used by the poor man every day. Is it the intention of the Hon. Finance Minister to drive out the poor? Is it his intention that the poor man should be told that he should not eat any of these items, which are most congenial to his health? Is it his intention that the second generation of our time should be asked to take less of sugarcane, turmeric, coffee and such daily necessities of life? If such is the intention, then, Government are not worth occupying those treasury benches.

"The whole result of this additional taxation would be that the index of cost of living would go up, the demand from industrial labour would be for higher wages, and that will raise the price of articles and we will have a vicious circle. I hope it is not the intention of this House that such a thing should be allowed. I for one feel that the Hon. Finance Minister can easily delete out this additional tax on items of kitchen and there will not be any necessity for such taxation if he only just tightens his belt or if he just effects retrenchment in expenditure. Then, I am sure the small amount which he is going to collect from items 1 to 10 can easily be made up. Even if there is a deficit what does it matter? He can make it up by dipping a little into the revenue reserve fund. He did so last year; why not he do it this year also—the deficit is only a small sum. I feel the mental reservation of the Hon. Finance Minister is to create a consolidation fund, and as I have many a time said, he wants to build reserves in good times. If that is so, this is not the time, when you have depression all round. I suggest to the House and to the Hon. Finance Minister that items 1 to 10 may be deleted for additional taxation. I oppose the motion of the Hon. Finance Minister."

* BEGUM SULTAN MIR AMIRUDDIN:—"Madam, Deputy Speaker, however much I should like to help the Hon. Finance Minister, I am afraid I am constrained to oppose his present taxation measures, and to oppose them vehemently for I feel it my duty to do so. I do not oppose his taxation measures, or for the matter of that, any of the measures brought by this Government, for the mere sake of opposition, but because I feel it my duty to

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do so in public interest and because I would be acting against my conscience if I took a different attitude in the matter. I really thought that the Hon. Finance Minister would have been more reasonable and less hard-hearted than he has depicted himself. The present bill affects adversely that very section of the population, namely, the poverty-stricken masses, the champion of whose interests Congressmen have proclaimed to be in the past. Yesterday the Hon. Minister declared that the tax he proposed on cinema shows would not hit the poor but affect only the rich owners of cinemas. What has he to say to-day with regard to the measure that he has now brought forward? Is it the rich or is it the poor that are going to be affected thereby? The Hon. Minister has advanced the argument that because the Central Government appropriated to themselves most of the taxes affecting the rich, the Provincial Government must tax the poor. Does he imply that because of that this Government are entitled to make life absolutely burdensome for the poor? I ask, is this the manner in which the Congress Government is acting up to its election pledges? Is it for this the present Ministers have been returned to this House by their electorate? Surely not. If the Government cannot extract money from the rich, should they grind the poor? This tax would be the last straw that would break the camel's back. (A voice: It has already broken the back!) I thought the Hon. Minister was not levying the tax on chillies and that he has now abandoned that idea."

THE HON. SRI B. GOPALA REDDI:—"Wait for my reply."

BEGUM SULTAN MIR AMIRUDDIN:—"Any way even if he gives up the levy of tax on chillies it would not help much. The other articles of foodstuffs that are being subjected to tax, namely, coconut, potatoes, oilseeds, etc., are articles of every day consumption by the people, and a levy of tax on them would prove a real hardship on the poor. I therefore appeal to the Hon. Minister to give up these taxes for after all he will not derive much revenue thereby. If considerations of humanity do not make an appeal to this Government, let other considerations weigh with them, namely, discretion and wisdom not to alienate the masses at the present juncture. The only article that is to be subjected to tax that does not affect the poor is rubber. But the Government must realize that rubber companies are suffering a tremendous loss at present as the price of rubber has gone down considerably, with the result that rubber estates are not able to make their both ends meet. I would therefore advise Government to drop this Bill altogether."

"I give them this advise in their own interests for soon (it may be within a year or a little more than that) the next elections are to take place and it would be most indiscreet on the part of the Government to alienate the masses by Bills of this nature. The electorate will then ask the members of the Treasury Benches, 'what good did you do for us?' 'You had your salary and allowances increased. But what is it that you did for the poor.' They were simply ground down under the burden of taxation."

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The psychological effect of this bill on the masses will be very bad indeed. So I hope Government will drop this Bill in their own interests.

"The Hon. Minister seems to have a curious notion about inflation, for he urged that, by such measures he was trying to check inflation. If he was taxing luxuries, I could appreciate his argument, but he is taxing the necessities of life. There is no glut of money in the market to-day, on the other hand there is considerable stringency of capital. The inflation that is present to-day is Government-made inflation and not natural inflation, for by the imposition of taxes, the prices of articles are pushed up and that necessitates the provision of an increase in the volume of currency. It is not by raising the cost of living index that inflation can be checked but by bringing it down. I cannot understand the Hon. Minister's theory about inflation. If only he consulted economists he would be told that his argument is absolutely unsound.

"Another point on which I should like to dwell is that it is most undesirable to bring in taxation measures piecemeal."

THE HON. SRI B. GOPALA REDDI:—"No, they are coming in a lump, not piecemeal."

BEGUM SULTAN MIR AMIRUDDIN:—"My point is that I want the Government to introduce a Finance Bill every year along with the Budget as is done by the Central Government, so that the public may know what taxes they will have to pay in the course of the year. After all the public also have to adjust their expenditure, and prepare their Budgets. When the Central Government adopt that course, why should not the Provincial Government act likewise. Instead of bringing forward the taxation proposals in the form of a finance bill, this Provincial Government introduce taxation measures, piecemeal, and by dribblets. This upsets the housewife, upsets the merchants and in fact upsets every one. I would therefore advise the Hon. Finance Minister to bring in his taxation measures at the beginning of each financial year in the form of a finance bill, on the lines of the Central Government's Finance Bill.

"Another observation which I wish to make is that as far as I am able to see there is no justification this year for the taxation measures that have been brought forward by the Hon. Minister for I feel that the budget can be balanced as the contemplated deficit may turn out to be illusory. When the Hon. Minister presented his Budget this year, we noticed that the revenues had been underestimated and expenditure overestimated. This happened last year also and again in the previous year. Such being the case the small deficit that is anticipated may not arise. Were it to arise, there are other modes of meeting the deficit than by taxing the poor man in a heartless manner. There is much scope for retrenchment in Government expenditure and then there is the Revenue Reserve Fund which can come to the rescue! This fund need not be regarded as sacrosanct and deemed to be a

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fund not to be touched under any circumstances. Withdrawal from the Revenue Reserve Fund and such taxation as makes life burdensome for the masses are both evils. Under present conditions the Government should choose the lesser of the two evils viz., the former.

"I acknowledge that it is not a wholesome practice to fritter away the Revenue Reserve Fund. Large withdrawals from this fund are undesirable, but as things stand to-day, no large withdrawal will be necessary, for the deficit if at all, may be to the tune of one or two crores of rupees. In view of the fact that the next elections are fast approaching, dipping into the Revenue Reserve Fund to a small extent will prove to the Government a lesser evil than alienating the sympathy of the masses.

"Coming now to the hotels, if the articles mentioned in the Bill are taxed as has been prescribed the hotel-keepers might find it convenient to overcharge their customers, with the result that those who frequent hotels will have to pay even now heavily for the articles they consume than the Hon. Minister contemplates. Under this Bill, the Government are not taxing the rich owners of hotels but the poor customers. Why should the Government 'tax coffee'? The ex-addicts who have now taken to the drinking of that beverage are to be deprived of that drink as well. It is wrong to assume that only the rich take coffee. This is a favourite beverage with the poor as well. As a matter of fact my motor driver goes to the coffee hotel every evening for a cup of coffee."

THE HON. SRI B. GOAPALA REDDI:—"Is it a necessity or a luxury?"

* BEGUM SULTAN MIR AMIRUDDIN:—"To him it is a necessity; for coffee enables him to sustain the hunger that is imposed upon him by the Government on account of the scanty ration that is given to him. To-day he pays 2 annas for a cup of coffee but to-morrow he will be charged 2½ annas or even more in some hotels. Thus the present taxation measure will be hitting the poor who are really in need of relief. In the past the Hon. Finance Minister has been a reasonable gentleman, I hope he will be reasonable on this occasion also, and will abandon this Bill altogether."

SRI M. G. NATESA CHETTIYAR:—"Madam, Deputy Speaker, the Sales Tax Act of 1939 was enacted for the purpose of augmenting the loss of revenue incurred in implementing the prohibition programme of the Government. It was not enacted as if to fill up the loss of revenue on account of prohibition that occurred in that year only. But subsequently amendments to that Act were brought in and that tax was enhanced from time to time. If the rates, as originally prescribed in the Sales Tax Act of 1939 had been properly collected and if that Act had been administered rigorously, there would not have been any necessity now for amending that Act in order to increase the rates or to cancel the exemptions that were granted by that Act. It was a wholesome

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Act that was brought in by that great statesman, and everybody including economists have said that the revenue that would be collected from the sales tax would amount to something like Rs. 45 crores and they even estimated that it would be even more and that it would be a growing source of revenue. There was no exaggeration about it. Even now I say, that if that Act had been properly administered and if the tax is collected in full, there would have been no need to enhance the rate now by means of this amending Bill, or to cancel exemptions that were originally granted. I say this without any presumption. The yield out of that revenue would not only cover the Rs. 18 crores that was lost by giving up the excise revenue, but it will also be sufficient to cover the expenditure that would be necessary for implementing the prohibition scheme. It was freely talked of on the floor of this House that prohibition was a failure, that the Government have shot a good horse and that they have also been incurring enormous expenditure for the purpose of enforcing it. I know, Madam, that at the time when first prohibition was introduced in this Province, it was thought that it would not be possible to enforce it fully with the existing police staff. The Government are doing their best to enforce it properly but still to-day, it is talked of as a failure. I do not take it so. The whole mistake, in my opinion, lay in the administration and the procedure that has been adopted by the Government in enforcing prohibition. Madam, I ask the Government whether the Police department wanted that a separate department should be created to enforce prohibition. Why are you setting up a parallel prohibition police and where is the necessity to appoint separate officers for enforcing prohibition, with the regular Police department looking after the administration of law and order? Do they think that the regular Police department will not be able to enforce prohibition? Has the economic aspect of the scheme been considered? As a matter of fact, the Retrenchment Committee and the Special Prohibition Committee that was appointed by this House have both recommended that the enforcement of prohibition must also be handed over to the regular police. If this recommendation had been given effect to, we would have no necessity to pilot this taxation measure at all.

"Madam, Deputy Speaker, there are yet very many reasons that could be adduced against this proposed taxation. Let me just read out a sentence from the Statement of Objects and Reasons to the Original Sales Tax Bill, that was introduced in 1939, by the then Hon. Premier. It is our privilege to-day to have that Premier as His Excellency the Governor-General of India and his shrewdness and statesmanship has been recognized all over India and in every part of our Province. What has he said in the Statement of Objects and Reasons to the Sales Tax Bill which he introduced in 1939? It was clearly stated therein that 'the tax will be levied only on business, the estimated turnover of which exceeds Rs. 1,000. The adoption of this minimum will generally exempt from the new tax small traders who deal in

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articles of food, clothing, etc.' Therefore, Madam, it was, as it were, an undertaking given by the sponsor of that measure, to the Assembly that articles of food would not be touched. What is it that you are doing to-day by means of this measure? Are you not taxing articles of food? Is it for this purpose that you want my vote? I ask the Government, Madam, what steps have they taken in tightening the enforcement of that Act and what action have they taken on the recommendations of these two Committees? I have known, Madam, what an enormous amount of sales tax I am paying from time to time, but I know also, at the same time, that the man who collects it from me is not paying it into the Government coffers. He has been swallowing that amount himself. You have set up a separate department to administer the Commercial Taxes and to collect the sales tax from the merchants. Have you ever enquired how it has been working? It will be revealing if you do so. I say, it is something very atrocious. It will reflect upon the Government, who administer the Act. That department is there not simply to collect the sales tax from the merchants. It makes suggestions to the Government, how best the tax could be collected. Have the Government ever taken their suggestions? Have the Government consulted that department about their present taxation proposals, whether it will be welcomed by the people and whether it will be for the well being of them, and whether it will be possible to collect the tax without any extra expenditure, and things of this sort? Nothing about these things has been said so far. No suggestions had been ever called for from the Commercial Tax department. The Hon. Finance Minister might perhaps say, 'I am not bound to consult them. Why should I? I have got my own power and authority and I want to impose this tax in order to augment my revenue.'

"Madam, I should just like to make a small suggestion, which I think would help to cover the revenue deficit, for which the Hon. Finance Minister has proposed these measures of taxation. There are now at least about 5,000 to 6,000 lorries plying throughout the Province transporting all sorts of commodities and goods. Many of them transport articles without trip sheets. They transport all sorts of taxable goods, namely, commercial things, agricultural products, forest and cottage industries products, imported and foreign articles, and a lot of other things, and somehow evade taxation. If the Government insist upon the proper maintenance of trip sheets, and ask them to mention the name of the consignor and the consignee and the name of the articles they transport, and exercise a thorough check over them through their departmental officers and impose sales tax on these commodities, which have not been so imposed, then I am sure, the revenue therefrom would more than compensate the extra revenue that is expected out of this proposed taxation measure, and would also make up the deficit that is now presumed.

"Is it right for us to tax essential commodities which can not be avoided in the day-to-day life of the citizens of the country. The Finance Minister should have looked round and seen for

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himself what every citizen is repeating. He says: When the Congress Government are administering the country, they are taxing the people enormously without understanding whether the burden is more than what they could bear or not. I am sure that if the necessary retrenchment is made and the necessary inspection facilities are given to the Sales Tax department, the deficit could be made up. Is it or is it not a fact that every citizen in the Province is paying at least a rupee as sales tax every month? It is said that there are 5 crores of people in the Province. Then will not the income from sales-tax alone come to Rs. 60 crores per annum? Leaving out exemptions of turnover below Rs. 10 thousand, will we not get at least about Rs. 35 crores per year? I think we are bound to get it. Simply because they are not administering the Act properly, do they want me to vote for additional taxes which the citizens could not bear any more? Simply because we meekly submit to any taxation proposal, is it to be presumed that the country is behind them? It is quite right that they may not find any alternative just now, but they will wait for their own chances and then reveal what they are. Of course, it is true that it is not for election purposes that we are augmenting the revenues of the Province but for the welfare of all the citizens. Let not the Hon. Minister mistake me as saying that the country is against him or for him. I just want to know from him whether he is satisfied with the arguments for the tax. Simply because he wants the revenue of Rs. 4 crores he cannot be taxing all the entertainments, all the transport and the various essential articles like food, clothing, etc. I ask, in humanity and in their conscience, whether they are satisfied. I know, Madam, that the present taxation proposals will not augment the finances of the Province but will only involve us in more and more expenditure in the shape of dearness allowance and the various additional departments. I know the various departments in which retrenchment could be effected. Why do they want the State trading schemes? That is an instrument which was created by the Imperial Government to draw out all the grain from the villages. But it was Mahatma Gandhi who wanted the reconstruction of the villages. In 1942 he brought forth a plan to reconstruct the villages and to see that they were made self-sufficient. The British Government were not afraid of the individual satyagrahis like myself and Mr. Reddiar. But they were afraid of the people who went to the villages to make the people more self-reliant and to make the villages self-sufficient and for which Mahatma Gandhi introduced the village reconstruction scheme. What did the British Government do then? They introduced the name of rationing, of feeding every body in the Province, as if many died out of starvation. They introduced the policy of State trading schemes by way of procuring the grains and distributing them. It is just the opposite of the self-sufficiency scheme that is being carried out by this Government. The intentions of the British Government were to deplete every village; now the present Government are depleting not only every village but every citizen who is living in this Presidency, to his great disappointment.

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"Madam, Deputy Speaker, I cannot see my way to support this Bill or vote for this Bill. I have got my own conscientious objection and if I vote for it, I will be committing a sin. Thank you, Madam."

* SINNA KAZIAR HAJI MOULVI S. A. F. IBRAHIM SAHIB BAHADUR:—"Madam, Deputy Speaker, now, as usual we have to start attacking the Finance Minister irrespective of the result after our deliberations. Madam, first of all I have to say that I am not going to speak about the coffee hotel, or iddy or vadai or other edible things. Of course, I will have all these details when the subject will come up again before this House after going to the Select Committee. The present difficulty with the Finance Minister is this: He does not know what to do for more money as it is said in a Tamil proverb. இருட்டு வீட்டில் குருட்டு கொக்கு மிடித்ததுபோல் It is just like catching a blind crane in a dark house. It is both difficult and dangerous. Of course he wants money and for having money he cannot have our sanction to plunder others. First of all he should think whether this Province has got the capacity of paying further taxes. The next thing is about the financial position of this Province with reference to other Provinces and how far the people have been paying taxes, at present what their debt is and what their income is in comparison with others in other Provinces. It appears that the Hon. the Finance Minister is going to bring a Bill for combating blackmarketing. I ask, why not allow blackmarketing to go on? In a way the Finance Minister should admit that this Bill also is a kind of blackmarketing. I tell you, Madam, that any money collected by the Government in excess from the people against moral justification is also blackmarketing. I know that the Minister is trying to legalise this illegal tax. Thus for his purpose this may be legal but morally he may be wrong to collect such a tax from the poor people. The blackmarketers also get more money from the public against law, and morally they are wrong. They are also legalising a wrong thing for their own purpose and collecting more. The Government may say that they want more money to give amenities to the public and that is their only justification. Likewise what do these blackmarketers say? They ask, 'Are we not also constructing hospitals and colleges and contributing to Gandhiji's funds and are we not doing so many other good things?' The first consideration should be whether this Province could bear this tax burden now or not.

"I do not know, Madam, whether such a preposterous and perverted and inverted taxation policy of our Finance Minister is due to his individual originality or to the joint originality of the Cabinet. Had it been due to the individual originality of our Hon. Finance Minister, then there will be some remedy and salvation for it. But had it been due to the joint originality of the Cabinet members, then God alone must save us and save the people of the Province, as it has been said by the Greek Philosopher Gallan 'Oh, God, save me from my friends and I will save myself from

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my enemies.' If it were known that this would be the taxation policy of the Congress, the people would not have put their votes in the yellow boxes during last elections, but they would have even thrown their votes into some tanks or gutters. This every day taxation policy of the Congress reminds me of a Quoranic saying:

كل يوم ر في شان *

'Every day exhibits the glory of God.' This would require a detailed illustration. What I wish to say is that every session exhibits the glory of our Finance Minister. In every session he comes before us with a new Bill. I do not know whether there would be any finality for this. I would only request him not to bottle up sunshine and air and sell it to the public. These are the only things which have not been considered for taxation. Water is already being taxed in the municipalities and by the Government in connexion with irrigation."

DEPUTY SPEAKER:—"I would like to know how many minutes more the hon. Member will take? The hon Member can take two more minutes and finish his speech."

SINNA KAZIAR HAJI MOULVI S. A. F. IBRAHIM SAHIB BAHADUR:—"I would like to have some time in the afternoon. Now there is only one minute more for adjournment."

DEPUTY SPEAKER:—"The hon. Member is wasting his time on unnecessary things. He can now take even 5 minutes more and finish his speech."

SINNA KAZIAR HAJI MOULVI S. A. F. IBRAHIM SAHIB BAHADUR:—"I shall continue my speech in the afternoon, Madam, and I request you to give me some time then."

DEPUTY SPEAKER:—"Even then the hon. Member will not get more than 5 minutes. I adjourn the House now to meet again at half-past two in the afternoon."

The House adjourned for lunch.

(After lunch—2-30 p.m.)

* SINNA KAZIAR HAJI MOULVI S. A. F. IBRAHIM SAHIB BAHADUR:—"Mr. Spaker, Sir, I was explaining to the House as to how the policy of our Finance Minister is affecting the poor. Now, I should like to tell you that just as there is difference between man and man, there is difference between world democracy and Congress democracy. Till now, we have heard and seen that democracy has been a Government of the people by the people for the people. But, we see that the present Congress democracy is a democracy of the rich, by the rich and for the rich. I may clearly explain to you the circumstances under which you are going to introduce this taxation. The rickshawalla, who drags you in the hot sun two miles from the Egmore station to the High Court, for one rupee will have to pay this tax. The four men

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dragging one and a half or two tons load in a country cart for three miles for Rs. 3 will have to pay this tax. Sir, you have to consider this taxation from all these aspects. There are other ways and means for you to collect more money if you desire so. Why do you not want to do it? You are not bent upon finding out other alternatives. During the Budget speech, the Hon. the Finance Minister said that he is not going to introduce agricultural income-tax because there are certain difficulties though during the previous Budget, he said that he would introduce the agricultural income-tax. Now, again, Sir, the proposed betterment tax on the sale of property, it seems, has been dropped. The proposed super-tax on the municipal taxes has also been dropped. Why all this? Is it to lessen the tax burden on the people of this Province? Certainly not. It is only to favour the rich and to suppress and oppress the poor that you are introducing these taxation measures. Politicians, either here or in America or in England or in any part of the world are very circumventive and are the same. Still, they can take shelter under certain political conventions. It was said by Bismarck, 'It is a sin to be socially dishonest, but it is not a sin to be politically dishonest.' This is what Bismarck said. What about your election pledges and your promises? You were saying from housetops that you would lessen the tax burden on the poor. But, the position is reversed. You may do all these things now. But it is only a question of time and the time will come when the consequences will be very bad.

"Now, Sir, I will only read a paragraph from a book which is called 'Progress and Poverty' by Henry George. This book was written about seventy years ago. He has said there why such a taxation policy is adopted. I will only read a few lines.

"The tax on land value is the only tax of any importance that does not distribute itself. It falls upon the owners of the land and there is no way in which they shift the burden upon any one else. Hence, a large and powerful class are directly interested in keeping down the tax on land values and substituting, as a means for raising the required revenue, taxes on other things. There is thus a definite and powerful interest opposed to the taxation of the land values; but to other taxes upon which modern Governments so largely rely, there is no special opposition. The ingenuity of statesmen has been exercised in devising schemes of taxation which drain the wages of labour and the earning of capital as the vampire is said to suck the life-blood of its victim. Nearly all these taxes are ultimately paid by that indefinable being, the poor consumer; and he pays them in a way which does not call his attention to the fact that he is paying a tax—pays them in such small amounts and in such insidious modes that he does not notice it—and is not likely to take the trouble to remonstrate effectually. Nearly all the manifold taxes by which the people are now burdened have been imposed rather with a view to private advantage than to the raising of revenue, and the great

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obstacle to the simplification of taxation is these private interests, whose representative cluster in the lobby whenever a reduction of taxation is proposed, to see that the taxes by which they profit are not reduced.

"Sir, this was said seventy years ago. But, it proves to be true to-day. Therefore, Sir, even the popular Government like the Congress Government which have for their avowed principle the securing of the greatest good to the greatest number are, in a most important function, used to secure a questionable good to a small number, at the expense of a great evil to the many. This is the present policy of the Congress Government, Sir. So many hon. Members spoke about the evils of inflation."

MR. SPEAKER:—"I will allow the hon. Member only two more minutes."

* SINNA KAZIARI HAJI MOULVI S. A. F. IBRAHIM SAHIB BAHADUR:—"I will finish, Sir. What is the position of the taxpayers of this Province? How much tax they pay? I can tell you from the report of Mr. K. T. Shaw in his book "60 years of Finance" that at present sixty per cent of the tax is paid by the poor and the rich pay only forty per cent of the tax. Now Sir, inflation is threatening and is at its climax. Before the first World War, we had a paper currency of 66 crores. In the year 1946, we had 1,163 crores. Now at present after we got independence, we have a paper currency of 2,000 crores. If you go on taxing the poor on the commodities, it is not going to solve the problem. At least if you introduce taxes on income, it will in a way be helpful to you to combat inflation though not completely as tax on land value alone will completely solve this problem also. After all, our position is very bad. According to the Agricultural Statistics of India, 1935, for an acre of land producing grains here in Madras, we pay a tax of Rs. 2-5-0, which is the maximum in the whole of India, whereas in Bihar, they pay only Re. 0-10-4. I have got the figures for all the eleven Provinces. Also, according to the Banking Enquiry Committee's Report, 1930, our Province has got the maximum agricultural indebtedness. It is about 150 crores of rupees. When such is the case, you showed the way for all other Provinces to impose this sales tax. Now you have come with the next achievement of taxing the newspapers. There must be some limit to these taxes. Further, let us see what is the average income of a man in our Province. On an average a man gets only Rs. 35 per year whereas in United States of America, it is Rs. 450 and in Canada, it is Rs. 340. Despite all these facts, you want to come forward with these new cruel taxation Bills. You say you want money. During the last Budget you took some three or four crores of rupees from the Revenue Reserve Fund. But, later on you found that there was no necessity for the same. Therefore, you can defer all your useless schemes like Firka Development for some time. What do they do in those firkas? Nothing. Therefore wait for

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some more time. You say you cannot introduce the death duty; you cannot introduce agricultural income-tax because they are Central subjects. In the Centre, it is your own Congress Government functioning; they are your kith and kin and they are your men. Somehow or other, you do not want to impose that tax. If you impose the agricultural income-tax, you can get a large amount of money from the rich people saving the poor. Then, you need not tax these poor people. With these words, I resume my seat."

MR. SPEAKER:—"I want to finish these two Bills, namely, the Madras General Sales Tax Amendment Bill and the amendments to Schedule II to the Madras Motor Vehicles Taxation Act. If it is not possible to finish both, at least I want to finish the first Bill. The House will meet to-morrow at 5 o'clock for considering the other Bills. In this connexion, I wish to tell House and I hope that the House will consent to it that we need not have questions to-morrow and we can straightaway go on with the Bills. I hope the House will agree to this."

SRI V. RAGHAVAYYA:—"Can we adjourn after we finish the General Sales Tax Amendment Bill to-day, Sir?"

MR. SPEAKER:—"We shall finish the other Bill to-morrow. What I suggest to the House is that we need not have questions to-morrow. The unanimous consent of the House for such a procedure is desirable. I do not think Mr. Hameed Khan will object to that. May I know what he wants to say?"

ABDUL HAMEED KHAN SAHIB BAHADUR:—"I do not 2-45
believe that it will be setting a good example or precedent if we p.m.
should give up the regular programme of the day. Questions are very important in which Members take part. Of course, we shall have no objection to agree to this programme. But the only thing is that it should not become a precedent to be followed time after time. We have always stated that the Government should arrange the programme in such a way that it does not make deviation from the regular procedure. Members will certainly have no objection, in order to expedite the work, to give up some part of the programme. Therefore, I request that this should not become a precedent."

MR. SPEAKER:—"It will never be made a precedent because even if the hon. Member wants to alter the programme, it will have to come before the House for its consent."

THE HON. SRI B. GOPALA REDDI:—"All questions for the session will be answered during the session. So, there is no question of lapsing because of prorogation."

MR. SPEAKER:—"I fix a time-limit of 10 minutes for each speaker."

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* SRI V. I. MUNISWAMI PILLAY:—“ Mr. Speaker, Sir, the Hon. the Finance Minister has been responsible for many measures (The Hon. Sri B. Gopala Reddi: ‘Many good measures!’) of taxation, and I think they have received the approbation of not only this House but also of the public. Now, entering into this sort of financial measure, as it is envisaged in the Amending Bill to the General Sales Tax Act of 1939, is, I think, treading on a very dangerous ground, as I know that the proposal to tax the articles that have been included in this Bill will be received with great irritation and vexation by the ordinary common man. Let me tell you about the part that the chillies play in the human existence of Harijans. (An hon. Member: ‘Hear, hear.’) The Harijans, the agricultural labouring classes in this country, do have the chillies along with a pot of *kanji* and they do not have any sauce or any other thing to aid them to eat. It is the chillies that drive the *kanji* into their stomach. Now, the Hon. the Finance Minister has thought it advisable to tax chillies. Mahathma Gandhi, who found that salt was a necessity for even the ordinary man, thought that the salt-tax must go, and the progeny will ever think of his greatness. Now, what will the future generation think of the taxation of a thing that is a necessity for the life of these poor toiling millions of labourers? I feel, Sir, that the whole country is against the inclusion of this commodity in this Bill, and I am sure that when the Bill goes before the Select Committee, they will have to think over the matter not twice or thrice but several times whether it will be advisable to include ‘chillies’ in this Bill.

“ Coming to the matter of coffee and tea, this morning, the Hon. the Finance Minister was kind enough to tell us that in the Conference of Finance Ministers in Delhi it was held that commodities should not be taxed at the exporting Provinces. I think it is a wise decision. Now, as my friend, Mr. Kothari, said, the cultivation of tea has been taken in large proportions in foreign countries and even the countries that were consuming tea are looking shy at Indian tea and the taxation of tea will greatly affect the tea industry. I feel that the increased price of tea due to this taxation in the consuming centres and in the great world markets will have a reverse effect and anything that we do later to rectify matters will be of little avail. If the price that is got from the foreign countries is to be foiled at this juncture, never more are they going to get a bigger market for these commodities. The Government must bear this in mind.

“ Coming to potatoes, Sir, I need not say much about it because even on the other day during the Budget debate I told the Hon. Minister and the House what would be the fate of the potato-growers. In a backward district like the Nilgiris which has got more than a lakh of people engaged in this potato industry, they have an unsteady market in foreign Provinces, both at Bombay and Calcutta. The potato industry is becoming profitless and unless the Government come to the rescue of these backward people in the district to get a regulated market, potato will not find a good

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market. If there is a tax at the place of production, it will mean an increased price at the consuming countries and markets. If this tax is insisted upon it will mean several big markets will be closed for Indian tea, coffee and potato and several thousands of people employed in the plantations have to go without labour and also without an avocational life. I feel honestly, Sir, that I must request the Hon. Minister to consider these three points which I have brought before him. Even in the Budget speech he was kind enough to say that these measures of taxation will be only temporary ones, but this morning I was disappointed when he told us that this taxation would be a permanent fixture.”

THE HON. SRI B. GOPALA REDDI:—“ I said that sales tax would be a permanent fixture.”

SRI V. I. MUNISWAMI PILLAY:—“ However, Sir, I think I must plead before him in the interests of the millions of poor agricultural labourers in the plantations and potato fields that these things should not be brought within the purview of this Bill.”

MUHAMMAD RAZA KHAN SAHIB:—“ Mr. Speaker, Sir, we have to repeat the same old tale of yesterday. It is, I think, the taxation measures of the Madras Government as enunciated by the Finance Minister . . .” (The Hon. Sri B. Gopala Reddi: ‘Of course, you will have to repeat the same argument!’)

MR. SPEAKER:—“ Repetitions will not be allowed either from the side of the hon. Member or from the side of the Hon. Ministers.”

MUHAMMAD RAZA KHAN SAHIB:—“ The Finance Minister has just now interrupted me by saying that I have to repeat the same argument. I am sorry to say, on the other hand, that the Finance Minister has no argument. Last evening I was listening to his reply and in fact, he did not satisfy the Members of the House. All that he was able to say was, ‘What can I do? You do not know about taxation measures. Rather you have not read the Government of India Act. I have got very limited powers of taxation and the important items of taxation are in the Central Government.’ We have heard that argument from the Hon. Finance Minister at least fifteen times from the beginning of this year. We know his difficulties and those of the Government. I know the Finance Minister is really a victim of circumstances. But the point, as has been said by Members from both sides, is whether the Finance Minister feels that these things should be taxed further. May I bring to your kind attention that in the year 1947 or in the beginning of 1948, when the Finance Minister introduced the Sales Tax (Amending) Bill, there was a good deal of protest and agitation against the measure? After all, the increase was from 2 pies to 3 pies, but when it went to the Select Committee, I heard that all the Members of the Select Committee praised him that he was very accommodating and very reasonable because he made those Members understand that there was going

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to be a finality to sales tax to the extent of 3 pies. Now, he has come out to the Assembly saying, 'After all, I am raising the tax from 3 pies to 4½ pies.' Of course, it looks very simple. But if you calculate it, it means 50 per cent taxation. Most probably, the Hon. Minister is not aware that it affects business. People will have a turnover of a lakh or two. They feel it difficult to pay the tax to the Government even at the rate of 3 pies. If it is raised to 4½ pies, you can easily imagine their difficulty.

"With regard to the first item, namely, articles of food and drink sold in a hotel, boarding house or restaurant, I do agree that in these days hotels may be making a good deal of profit, and they will easily have a good margin of profit because of their exorbitant charges. But the point is that the moment the taxes are increased, under this very pretext they will increase the charges for their items and naturally the people who visit these hotels, particularly when there is rationing, will have to pay much more than what they are paying now. Therefore, it is really going to be a tax on the people who frequently visit the hotels because whenever you make an increase in taxation, it will be shifted to them.

"With regard to the other items like chillies, coconuts, coffee, oilseeds, etc., I do not like to argue in detail. I only want to say that the people who are interested in the business must be thankful to the Finance Minister for having removed bananas from the list of items for taxation. According to the present statement, he has no mind to include both chillies and coconuts. Of course, copra is there. Here he has shown a sort of reasonableness because he has divided these items on the linguistic basis, as I feel. In order to satisfy the people of Andhra, he has agreed to remove chillies because it is their monopoly, as I understand it. In order to satisfy the people of Malabar, half coconut has been removed since copra is maintained. In order to satisfy Tamil Nad, he has removed bananas and plantains. In that way he has satisfied the people. However, there will be scope for us to have a free discussion in the Select Committee. But I may say on this occasion 'Let us not be hustled up in the Select Committee but we may have a good study of the question and then only we can come to right conclusions.' But from the way in which the Select Committee is going to work—to meet to-morrow and to submit their report the day after to-morrow—I think we may not be able to have a free discussion.

"Sir, I want to bring to your kind notice that all the speeches from our side, whether we are 30 or 40 in strength are practically going to be of no avail, as far as the Ministry is concerned because in the matter of force, they have got a good number. I am really surprised at the attitude of the Members opposite. After all, it is they who are running the Government. But their attitude is something paradoxical. Yesterday we were hearing the speeches of Mr. Menon and Mr. Kameswara Rao. They have created, rather invented, a new technique in the art of speaking. From the beginning to end, their speeches contain outright condemnation

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of the Governmental policy regarding taxation proposals. We feel very happy over their speeches. Sometimes they simply overdo the thing. But ultimately while they resume their seats, they say 'We support the Bill, resolution, etc.' That is not the right type of attitude. It is really bad to condemn the Government all the while saying 'I am going to oppose it in the interests of the Province' and just at the end 'However, I support the Government's taxation measure'. It will not carry them far.

"Sir, I am not going to reply to the debated points. Yesterday Mr. Gopalaswami was waxing eloquent attacking some Members of the Opposition. He should know that it is not the duty of the Opposition to suggest taxation measures to the Government. They have only to point out the mistakes and defects to the Government. Sometimes they may make constructive suggestions. But it is not for the members of the Opposition to suggest taxation measures for the Government to adopt. Now we have a taxation regarding entertainments and general sales tax; to-morrow we may have one on advertisements and then on buses and lorries. We do not know how many more are in store for us. But this is not an opportune moment to bring forward these taxation measures. I say that in the interests of the Congress Party and of the Government, I still maintain that this year the Government should have drawn from the revenue reserve fund to meet the deficit. In the years to come, the Government may come forward with fresh taxation proposals. Particularly I take strong objection to the increase of the sales tax from 3 pies to 4½ pies. People will ask whether it will stop with 4½ pies or whether it will not be increased to 6 pies according to the whims and fancies of the Finance Minister. The trade is very much affected and certain trades are paralysed. Goods coming from Bombay are heavily taxed at the rate of 6 pies and 9 pies and here also we have to pay more taxes. Taxes get accumulated and it is beyond the capacity of the people to pay. Business will be affected and ultimately even the finances of the Government will be affected. There will be shrinkage in business and this 4½ pies in the rupee will not help the Hon. the Finance Minister.

"Sir, I hope that the Hon. the Finance Minister will give good scope to the members of the Select Committee to discuss all aspects of the question and he will keep his mind free and open and ready to accept all reasonable suggestions from the members of the Select Committee. For when once we go into a Select Committee we are not going there as Congress members and non-Congress members but as Members of the House to do justice to the people."

* SRI T. VISWANATHAM :—"Mr. Speaker, the spirit of the remarks made by hon. Members both yesterday and to-day, both on this side of the House and on the other side is that this is not the time for increasing taxes particularly on foodstuffs. In our search and research for additional finances we should have strained our efforts a little further and avoided extra taxation of foodstuffs and gone to some other articles which can be easily taxed and which will affect only those who can afford to pay. The Hon. the Finance Minister may make a special pleading that this is a very

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elastic tax, that it can be more easily distributed among the people; that the poor man who eats less than the rich man will be asked to pay less than the rich man and so on. One of the special pleadings for the sales tax is that it can be equitably distributed in the sense that the man who purchases more pays more and that it does not hit the poor man proportionately more than it does the rich man. That is the argument advanced not only by our Finance Minister now but by all Finance Ministers who have taken recourse to sales tax and by text-book writers who are in favour of the imposition of the sales tax. But Sir, there are more considerations than this that should weigh with the Finance Minister at this juncture of the development of our nation. To tax and tax articles of food alone is not right. All articles except rubber and cotton in this list are articles of food. I do not present to the House any general theories of taxation. There are certain sociological considerations which should weigh with the Government rather than dry financial considerations alone. It is not as if there are no other sources of fresh taxation. The Legislature has given a very splendid source of revenue, a very progressive source of revenue to the Government in the nationalization of motor transport. If the Government are a little bold and more shrewd they can nationalize the transport on all the main routes of the Presidency and completely make up the loss due to prohibition. They could have all the money required by them. I am saying this in all seriousness not because I am opposed to all taxation as such, but because I am opposed to the taxation of articles of food as it will increase the cost of living and add to the discontent. We say that the cost of living has increased and therefore the services and the labourers have to be paid more and at the same time we propose to levy certain taxes on articles of food which will certainly increase the cost of living. We are going in a vicious circle. Our theory and practice must agree. Rubber may be taxed but I cannot be a party to legislation for the increase of taxes on foodstuffs. All the articles proposed to be taxed except cotton and rubber are articles used in foodstuffs and again there is a tax on articles of food and drink sold in a hotel or boarding house. Lakhs and lakhs of people have to come to the urban areas like the City of Madras either on Government or other business and they have to depend on hotels and boarding houses. I do not see any logic at all in taxing all these individual items and then taxing all of them together. You may levy a tax on services, on the rooms, on the cot and so on. Will you? It is not a good thing to do and not proper to do at this time of the day.

"Sir, let us revise our policy of sales tax and exempt food articles altogether and find out other sources of revenue. At the time sales tax was introduced in this House, it was distinctly understood that it should not affect foodstuffs and that we should not touch the belly of the poor man in particular. There was even then a contradiction between our theory and practice. If it existed in 1929, there is no reason why it should continue to exist

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to-day also. You have taxed food, you have taxed cloth, coffee and tea. I do not mind taxing coffee and tea because they are luxury articles in a sense. (Interruption.) According to Mr. Hameed Khan they are necessities. In a way they are articles of food but not in the sense in which the other articles are articles of food. Therefore in the name of the Congress and in the name of the people of the province, I appeal to the Hon. the Finance Minister to leave out articles of food from this increased taxation."

Mr. W. J. FERNANDEZ:—"Mr. Speaker, during the discussion of the budget, I pleaded with the Hon. the Finance Minister to have mercy on the poor as he then announced his intention of introducing proposals to tax the necessities of life. To-day I renew that appeal with certain modifications. Sir, we cannot but sympathize with the Hon. the Finance Minister in the very unfortunate position in which he finds himself, namely with having to have recourse to taxing the very necessities of life. I am sure he would be the last person in this House, if he could have helped it to propound taxation proposals which go against the grain. Faced with a big deficit, he has to tap every source in order to bridge the gap. It only shows to what straits he has been reduced. He has not been able to find any other sources of taxation except the few articles against the taxation of which there is a hue and cry in this House.

"Sir, from all sides of the House hon. Members have been crying hoarse against the lack of amenities in their own constituencies. They want extra irrigation facilities, extra medical facilities and more schools for the spread of education. The Government have provided in the budget for these various requirements and by so doing, they have created a gap in the budget. Of the entire expenditure of Rs. 55 crores, about Rs. 25 crores is said to be expenditure on administration. That is inevitable. There is the balance of Rs. 30 crores budgetted mainly for nation-building activities.

"Now, if there is no cry on the part of the members of this House for more amenities the Hon. Finance Minister can reduce his allotment for the various schemes and balance his budget. If he does not, on the other hand, provide for schemes, the cry is raised here that people are starved for want of irrigation facilities and that they cannot raise crops and so on. And, when Government come forward with proposals for raising money to meet those items of expenditure, the members raise a hue and cry against those proposals. It seems to me that they are not adopting the correct attitude in criticising the Government whenever they come forward with taxation proposals. Now, taxes are necessary. If you want amenities and facilities for irrigation, etc., money must be found for them. Where is the money to come from? We must all pay. Not only the poor, but everybody must make sacrifices, and contribute towards the progress of the province. In his own way each one must contribute, the rich pays no doubt heavily, so also the poor. Taxation is for every one in the country.

3-15
p.m.

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We have raised the tax from 3 pies to $4\frac{1}{2}$ pies on chillies, coconuts, etc. That is $1\frac{1}{2}$ pies more. It is not much. After all, how much chillies the poor man uses? We consume about one viss of chillies a month costing Rs. 2-8-0. It will not after all be a few annas more. How can I grudge this extra expenditure and in the same breath ask the Government to give me greater facilities and provide more educational facilities and such other things? We must be consistent. Either you do not ask them for extra amenities or you ask and pay for them. I do not think it is right on our part to go on pressing the Government and finding fault with them saying, we want more irrigation facilities, we want more tanks, more medical colleges, and more hospitals, and when we are asked to pay taxes, you say, do not tax the poor, do not strike at the belly, the poor man is going to starve if you are going to impose these taxes, etc. I would say that chillies are bad for the system and people say that they produce cancer. Of course, I am not a doctor, but I may say that it is good for all of us to reduce chillies and in a like manner we must all make sacrifices and help the Government in order to balance the budget. We must sacrifice by 50 per cent in the case of chillies, potatoes, turmeric, etc., and help the Government. If not, you are not right in asking the Government to go ahead with schemes.

"I would like to make only one appeal in this connexion and that is in regard to coffee. The difficulty is this. If you raise the tax by $1\frac{1}{2}$ pies on coffee, the poor man who has been deprived of his toddy, has to pay twice for coffee in a hotel, which means Re. 1 and if he takes two times a day, it comes to Rs. 2 per month. Do not make him suffer now and deprive him of his coffee. After all only the proposal is now before the House and I am sure the Hon. Finance Minister will have this amended in the Select Committee and modify some of the items like coffee. But, if you say that the whole Bill should be dropped, I think it is not proper. If we are consistent we must support the Government. I may say this much. Criticism must be useful and must not be destructive. We have not shown the Government any other way by which they can get the money they want. What you say is, take it from the Revenue Reserve, but if you go on taking from it, what will happen? This year there is a deficit; next year there may be deficit and so on in the third and fourth years and naturally taxes will always be coming on. In every country taxes are increasing and we must expect them. The best way is, instead of knocking them wholesale, we must modify and reduce some of the items of proposed taxation. In that way, be helpful both to the Government and the people. That is my suggestion."

* SRI V. RAGHAVAYYA:—"Mr. Speaker, Sir, I am not one of those who always clamour for less taxes but more demands. I see that this taxation proposal seems to be the last straw on the camel's back. Like the Shakesperian tragic hero the Hon. Finance Minister seems to take great pleasure in sticking to his guns and says, come what may, I shall have my pound of flesh; I shall tax more and more. That should not be the attitude. It

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is neither desirable nor enviable, particularly when members on both sides of the House have protested and protested in vain at the very objectionable way in which this Bill has been piloted through the back door. During the budget time, things have been discussed threadbare and an assurance was given us that no more taxes will be levied; people will be happy; there will be four rains in the month and there will be no trouble at all. But, all of a sudden you get one Bill now, another Bill to-morrow with a promise to have more Bills, to collect more taxes. That is not the proper attitude to take; it is not very fair to the electorate. There are no doubt two more years between the Government and the electorate. I do not think it is very fair on the part of the Hon. Minister to bring in Bills like this whenever he likes on the plea that he wants more money. Well, Sir, the Hon. Finance Minister, as I said before, seems to take a particular pleasure in all this and it seems to be his favourite motto to tax the poor and then when faced with the question, why do you not tax the rich, he turns round like a modest girl or a wounded lion, I have done enough . . ."

SRI T. VISWANATHAM:—"I have not heard the hon. Member. I would like him to repeat what he said just now."

SRI V. RAGHAVAYYA:—"I think my hon. Friend is very fond of listening to romantic things. What I mean to say is this. Certainly taxes are necessary and taxes must be collected. Take western countries; they are not like us. There taxation is not shirked, because the earning capacity of the average man is 20, 50 or even 100 times more than here. In our own country, we have not shown the poor man, the landless labourer and the industrial worker, additional means of income, though we have shown them only additional items for payment of taxation. If you look at these items of taxation, you will find that at least 8 out of 11 pertain directly to the poor man. This hotel business has been commented upon already and 10 annas for a single morsel of food does not go even to one gulp. Chillies also have been commented upon and I do not want to add to it. Coconut is really an article of food in Malabar and in other parts of the country and we should not ignore its potential value particularly when rice ration is mercilessly cut-off. Then, oil seeds like groundnut, are also articles of food in several parts of the country where people use groundnut balls for food. Equally so pepper, turmeric, etc. Government imported dehydrated potatoes worth crore of rupees from America. They remained for a number of months and became unfit for consumption and so people did not want it. Why are they so soft to the dehydrated potato but hard on our cultivator. Our potato is more wholesome than this dehydrated potato. So, Sir, this sort of looking at things from a narrow angle is not pleasing to anybody. The Hon. Minister has his own weakness, again I may say, like the modest girl . . ."

SRI MATHI C. AMMANNA RAJA:—"There is too much talk about girls and I protest against it."

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SRI V. RAGHAVAYYA:—"I am very sorry that Madam Deputy Speaker is very touchy about this. She is a woman and not a girl and I did not mean anything against anybody."

SRI N. S. VARADACHARI:—"I think she meant to chide very immodest gentlemen."

SRI V. RAGHAVAYYA:—"I do not want to prick people who are very susceptible to pricking. Now, I pass on. The Hon. Minister has got one weakness and that is he seems to yield too readily like a soft flower at the touch of the sensitive nose. I do not know why some of my friends are craning their ears. If flowers cannot please men I wonder what else can please them. The Minister seems to yield whenever there is a little bit of pressure. He yielded to non-Gazetted Government servants when they went on strike by giving them an increment so that they might not go on strike again. He was afraid of taxing the agriculturist. In regard to zamindars, they were told that they would get more compensation; that they shall get whatever they want; but only in the form of bonds. The High Command came down and said, give them cash. I do not want to use any stronger word in view of the sensitiveness of the members, except to say, to whoever brings pressure or to whoever knocks at the door of the Government, they yield readily. But the unknown man, or the agricultural labourer or the industrial worker does not know how to organize except when the Communists come and tell him to kick up a row and when they actually create a row, they are put in prison. The only voice heard about them is in this House by the representatives of the people and after all we cannot profess to represent to the full the hungry man. Therefore, the alternative course will be to leave things as they are; otherwise it may result in suppressed discontent revolution or revolt and ultimately overthrow the biggest of Governments in the mistaken impression that Congress Government are against the poor man. I warn the Hon. Finance Minister to bear this in mind and see the writing on the wall."

3-30
p.m.

* SRI N. S. VARADACHARI:—"Mr. Speaker, Sir, I propose to-day to confine my remarks not to the general policy of taxation with which I have already dealt but to the various details of this Bill. I may briefly summarize that on the general policy I have really made very constructive suggestions. I may remind the Hon. Minister Mr. Gopala Reddi that during C.R.'s Ministry—the first Congress Ministry in office—there was a very interesting debate about the commutation of pensions being charged to revenue or otherwise and he knows all about it. I need not pursue the matter. The whole thing has been reversed since then because surplus funds came into our possession. I would ask him to wipe out the entire deficit by taking the amounts on irrigation and the like capital items now charged to the Revenue Account to Capital Account and make up the deficit."

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The deficit is really not a deficit, according to my contention. It is an unreal deficit—the ghost against which he is fighting. Mr. Fernandez unfortunately is a trained teacher."

MR. SPEAKER:—"The hon. Member Mr. Fernandez is an advocate and not a teacher."

SRI N. S. VARADACHARI:—"I am sorry he is not a teacher but an advocate. He is blissfully ignorant of the principles of economics especially in relation to taxation. But I am not concerned with that. I shall presently show him how wrong has been his analysis of the effects of this taxation, seemingly small though it may be on certain items."

"Now, Sir, I come to other constructive suggestions such as the one which has been repeated by some of my hon. Friends that we should take earning schemes. But, for that, courage seems to be lacking. Now I give one further constructive suggestion. If you have really a deficit—and I do say that there is no real deficit staring us in the face—then I say the best way of handling that deficit would be by a bold policy which will enable us to cover the entire deficit by one stroke and by one tax if necessary, giving relief to the poor at the same time. I mean that the Sales Tax which is an important tax and which ought to be the central feature of every Provincial administration, should be extended to all stages but the land tax should naturally be abolished excepting irrigation charges and a nominal levy to signify state ownership. If these are not constructive suggestions, what else are they? I am not out to destroy anybody or any idea but I am out to suggest to the Government that some of the ideas which have inspired the Finance Minister are entirely wrong."

"Now, I shall take up the items mentioned in the Bill from the bottom rather than from the top. The first thing that we must remember is that taxation is not mathematics. It is not that if you tax three pies in the rupee you will get ten crores of rupees. There is such a thing as diminishing returns. There is also such a thing as the effects felt on the trade or on the community in general. Mr. Fernandez waxed eloquently and said that people can cut down their requirements by fifty per cent. Does he understand what he means by that? The taxation itself will be reduced to so much that you will be getting less by what is accounted for by three pies in the rupee. It is a cumulative tax. It is not three pies. He does not understand that he is to pay not $4\frac{1}{2}$ pies but nine pies and sometimes even $13\frac{1}{2}$ pies. His suggestion has not really helped the Government for, it actually nullifies the effects of this Bill which proposes to bring in increased revenue. Even if he has not clearly understood it, he ought to see the light in the twinkling of an eye that such an increase in taxation may actually result in less revenue and not bring in more revenue."

"Now, let me come to the items. It is proposed to levy a tax on tea. I am in a way connected with Tea Estates being in charge of the Staff Union of South India. I know from A to Z of the work in tea plantations, the cost of tea, the export price and the

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price in the country and the effects of every tax that you levy both on the export and internal trade of the Province. The Hon. Mr. Gopala Reddi may well remember that I pleaded on behalf of labour and the staff—more on behalf of the planters themselves—that the Sales Tax should not be made applicable to the export of tea because to-day the export price of tea as fixed by the Ministry of Food in England and elsewhere is much lower than the price at which tea is sold in this Province and in other Provinces. These facts must not be forgotten and I hope my plea will not be in vain. The tax on the export of tea ought to be dropped immediately. Otherwise you will have trouble in the Estates. Every year there is agitation for increased wages, increased amenities and increased comforts. As against that, you come here with a taxation which may well affect the export trade. After all the margin in the export trade is dwindling. I am not arguing on behalf of the planters. I do not care very much for them but I care very much for the conditions in the plantations which will straightaway be affected by this tax and therefore I strongly protest against any tax on export of tea. In this connexion, I must make a general observation. The Sales Tax should not be made applicable to exports as a general principle. It is bound to affect every trade when it is applied to exports overseas and which in turn affects the people employed in the plantations.

“Now, Sir, let me come to the second item, cotton. At the last meeting of the Sales Tax Advisory Committee and in this House, I pleaded for exempting cotton from this tax. I will presently point out that you cannot tax ordinarily a raw product from which other products are made and you know these products are subject to taxation. In this connexion, I must bring to the notice of the Government that there is so much of evasion in the jute trade that you are not even realizing 1/10th or even 1/70th of the Sales Tax. What have you done? Have you realized what you are doing? You have already imposed a heavy licence fee on cotton dealers ranging from Rs. 150 to a maximum of Rs. 1,000. For the first lakh of turnover, they have to pay a licence fee of Rs. 150 and then for every additional lakh, they have to pay Rs. 150. Thus every time they have to pay Rs. 150 and finally the licence fee will come to Rs. 1,000. Have you considered this point very carefully? Have you put in any provision that cotton shall not be exempted as before but shall be included under the levy of Sales Tax? I think that there is a strong case for cotton to be totally exempt from the Sales Tax. I say you are vitally affecting the trade in this Province. You know the difficulties under which cotton markets are functioning. The Central Government have refused to raise the price of high grade cotton grown in South India. It is actually being sold to-day as *kanas* and then converted into cotton and the millowners are actually buying it at Rs. 1,000 as against sanctioned price of Rs. 850. Thus evasion is already being practised in that manner. You want to encourage more evasion by introducing, besides the licence fee, the Sales Tax on cotton. Kindly reconsider your decision in this matter.

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“Now, Sir, let me come to the items, sugarcane and turmeric. I will not say that you should not tax sugarcane but this tax should be levied only on cane sold to factories and not to sales effected on say a ‘Sankranthi’ Day. It was never intended that you should tax a man who carries a few sticks of sugarcane and sells them. If it is levied on sales effected in factories, it would act as an incentive to rich landlords who grow sugarcane instead of food-crops, to change part of the land for cultivating food-crops or if they do not make that sacrifice, they may compensate for the inconvenience they cause to the State. Therefore, I ask that this tax should be levied only on cane sold to factories. Otherwise it will be difficult even for the administration to collect it.

“Now, Sir, let me come to rubber. You are going to tax raw rubber. Have we studied its price? Do we know anything about it? I know little about rubber. If I am on the Select Committee, I will certainly come with a thorough study of the subject and place all the facts before the Hon. Finance Minister in order to enable him to consider whether the taxation on rubber would yield proper result. If I am not there, it does not matter. Even then I will study it and come before this House and place all the facts before it.

“Then I come to potatoes. I need not speak at all on this item as my hon. Friend Mr. Muniswami Pillai has already dealt with it. Whatever may be the object of this tax, certainly I do not think that they intend to tax potatoes sold in market places. Only in certain places it is sold in large quantities and even there I do not see any justification for this tax on potatoes.”

MR. SPEAKER:—“The hon. Member's time is up.”

SRI N. S. VARADACHARI:—“I will be finishing my speech soon. I have got to refer to only two items which are very important.

“Now I come to oil seeds and groundnut. I must tell the Hon. Minister Mr. Gopala Reddi that in foreign markets groundnut oil is slowly falling in prices and the trade is greatly affected. The margin of profit has come down. There is great difficulty in obtaining dollars. Sale to dollar areas is at a nominal profit. It is only in sterling areas that you still can make a margin. But the Government of India have a policy of allotting quotas for sale only to those who can contract both for the dollar and sterling areas. Therefore, kindly consider this question carefully before you levy a tax on groundnut. Remember that the Sales Tax is a good tax and I will support it with all the strength in my power but you must give me the assurance that you will not monkey with this tax as is proposed to be done.

“Now, I come to coffee. I will presently point out the defects in the proposal to levy tax on coffee. If a tax is levied on coffee, the whole thing will be adulterated and you will be paying tax not for coffee but for the extra water mixed with coffee. It is not like other commodities where you can add the Sales Tax

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3-45 P.M. and pass the bill to Mr. Fernandez to foot it. For coffee, the price is fixed and hotel-keepers cannot raise it. Small hotels especially in the mufassal are almost in a crash because of the general depression that is overtaking the country and you will only have adulterated coffee. You will not be paying for milk but for watered milk. Coconuts you have abandoned but copra still hangs on and I will not touch it. I come to the first item and I feel it ought to be dropped immediately here and now. What will be its effect on the poor people? Of course the rich people can pay it maintaining their standards and even they, I say, will not maintain their standards immediately you put up this tax. What will happen is that people lower in the scale placed in the margin will absolutely disappear and the return from the tax would be less than where the tax had been left at three pias in the rupee. It is an important factor to remember that we should not run the tax to death under an illusion that the revenues will expand but in fact they will go on diminishing till you reach a point when you put so much of strain on it that the addition to the tax itself will be of no value. I have offered enough constructive suggestions to the Hon. Minister. I feel that it is not wise to go on taxing but still we shall enquire and learn its effect on trade and business. I would like the Select Committee to go very carefully into it and examine it with the aid of those who know trade and business. This is a very important Bill and I do not by any means wish to surrender the Sales Tax to the Central Government. I am prepared to back the Hon. the Finance Minister through and through in maintaining that the Sales Tax is a tax of the Province which is meant to fill the needs of the Provinces and it is for us to determine what its rate should be but the Centre has naturally an interest to see that inter-provincial trade does not suffer by various levels of taxes obtaining in provinces and by rebate not being granted in respect of Sales Tax in respect of such trade. It is so important in its effect on the common man that I want to explain the implications of the Bill so that the people who have elected and sent us here may really understand what I am really voting for and what I propose to do in the event of the Bill once again coming up before the House."

MR. L. C. PAIS:—"Mr. Speaker, I do not propose to make a long speech and if at all I speak it is only to impress upon the Hon. Minister how necessary it is that the point of view of every section of the House should be taken into account before a measure of this sort becomes law. We know what the feeling of the public is with regard to this measure. The position of the common man, the poor man, is bad enough and we know that by introducing legislation of this kind his position is bound to get from bad to worse. The poor man was made to believe that with the dawn of political freedom, he would have economic Swaraj but from our practical experience, we have seen how it is receding to the background day to day. I may bring to the notice of the House how when reference to these measures as made in the Budget speech,

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both members on the other side and this side of the House made no secret of their views as regards these measures. There is no denying the fact that if the Government to-day succeed in pressing this measure through, it will be only on the strength of the majority that they possess in the House. We have been told by a great man, Mathew Arnold that the majority is bad and the minority is good. I am not certainly going to say that the majority to which I belong is bad and that the minority to which my friends belong is good. I am not endorsing the opinion of an hon. member when he said that the Hon. the Finance Minister is driving the people into the arms of the agents of subversive activities. On the other hand the tenets of Gandhism are not dead and they will not die but there is no doubt and we cannot deny that if the measures that we have before us go through and are allowed to become law, it will pave the way for the advent of Communism. We have been reminded by a great man Father Basenach that we are paving the way for Communism and so where is the question of fighting Communism when our masters are creating economic conditions wherein discontent must thrive. You will agree that the pace of discontent is fast increasing but I am not going to say that because we have introduced socio-economic reforms it is taking hold of the people. Far from it the poor man is a believer in socio-economic programmes and you will certainly agree with me that first things should come first and the essentials should be tackled before the non-essentials are thought of. On the other hand some precious income is lost and the socio-economic measures themselves are not worked out to the extent that we expect them to be worked out. The result is that we lose some precious income and regarding the development schemes we note with regret that they are either dying or they are dead and I may say that so far as our cherished dreams are concerned they have been held up because the Government are not in a position to provide funds to the extent that we require. So far as the municipality of Mangalore is concerned, we have got a housing scheme, water scheme, a drainage scheme to take up and when we approach the Government to help us financially for putting them through the usual answer which we get is that they are short of funds and therefore unable to help. We are not against socio-economic measures but it is our desire that these taxes should be utilized for efficient planned activity: there only come the rub and trouble and there exactly it is that we like to record our protest."

SRI S. NAGARAJA MANIGAR:—"Mr. Speaker, it is very regrettable that a Bill of this kind should be before the House to-day. It is only yesterday I was supporting a taxation measure but I cannot do it to-day. There is a list here in the Bill of articles which will be subject to increased taxation, articles of food like cashew, turmeric, etc. We are to-day suffering for want of food and we are speaking of starvation deaths. Can we not see that cashew, pepper, potatoes, coconut and coffee are all articles necessary for the kitchen; only rubber is an exception and I do not know how he included it; perhaps it is a new kind

[Sri S. Nagaraja Manigar] [14th June 1949]

of food. I wish to remind him that there are some other things he had left out; he could have included mustard and asafoetida in the list because they are also needed at any rate in a small quantity in the preparation of Indian dishes. It will not be a surprise seeing how he is proceeding about the business if he does not to-morrow bring in a Bill to tax the poor man's pottery (குயவன் ஓடு). Are we by these measures discharging our responsibility to the poor man who sent us here? If we are short of funds, it need not worry us. Our Finance Minister is a courageous man and he must tax to get his money from those who can afford it and he is quite welcome to do it. For instance why not he enhance the provincial tax on petrol and what about the agricultural income-tax? Why is he afraid of bringing it before the House and how long will he take to bring it in? I am very sorry to say that simply because he has not enough funds, he can go on taxing any and every kind of article, be it an article of daily food to the poor or not. He must find new ways of taxation, if not, he must rather express his inability and keep quiet. I am grateful for one thing. During the Budget speech he mentioned about the taxes on bananas. It is an article of food widely used by all people and much propaganda was made about it and potato when we were short of rice. I do not know how this thing has been thought of by not only the Hon. Finance Minister but also the Congress Government. As we all come from the rural areas, we feel that we are doing things quite to the distaste of the masses of people who sent us here. This is a warning to be taken note of as we stand or fall as we take note of it. Party matters are not wanted here but a great many things are spoken here about them and if I may be permitted I wish to say that to-day there are not very many applications to stand for the district board elections on the Congress tickets, I cannot say why. Only day before yesterday we were invited to a tea party in Gandhinagar; has not money been spent by the House Building Co-operative Society but yet a major portion of it is Government money. Still we took part in it and it is not only one of the kind that we attend. Having regard to such things I am not sure in what way we are following the Gandhian ideals of simplicity. Economics should have as its basis simplicity and efficiency and taxation should be to get money from those who can bear the burden. I do not know why the Government have not yet taken up the question of agricultural income-tax or the additional two annas on petrol and I am at a loss how to answer people if they raise these points and I give the Government a note of warning to consider the reactions such taxation measures will have on the minds and purses of the poor people."

* S. MUHAMMAD ISMAIL SAHIB BAHADUR:—"Mr. Speaker, I am happy to hear the speeches of hon. Members against the taxation proposals and there was only one who favoured them and perhaps he was speaking only subjectively and did not oppose these measures. Taxation devices are poisonous and infective and the Government must understand what their effect is on

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the common man. The wages of the agricultural and industrial labour stand nowhere if we consider the increased cost of living and yet this is the time when such taxation proposals are brought in. You may remember, Sir, that in his Budget speech the Hon. Finance Minister told the House that these taxation measures are purely temporary in character but this morning in reply to a question put by my hon. friend Mr. Razakhan he said that they were going to be permanent.

"Many friends have spoken against these proposals and ventilated the grievances of the people that this taxation at this time is inappropriate and should be dropped at once. If the Hon. Minister for Finance has any value for the democratic voice of the people, he must drop this matter here itself without taking it to the Select Committee. This is my opinion because, our people are not guaranteed of their minimum wages or guaranteed of their earnings when they are in sickness and when they grow old in age. We are having industrial unrest, we are having communist unrest and we have many other reactionary forces in our Province at this time and if you increase the taxation now, you will be giving an incentive to those forces to create chaos and confusion in the public life of this Province. Before taking up any taxation measure, Government should consider it from all aspects and from all angles and then come forward with any proposal. But this year we find that the Hon. Finance Minister is putting tax on agricultural products as well as on most necessities of life, which are used every day. This, I think, is not the practice in any other country. Of course we want more finance but there are many ways and devices by which you can increase it. The Hon. Finance Minister seems to be not having any ideas of economy and he is a bad cutter of our cloth. He does not know how to cut his coat according to the cloth. If he knows that simple technique of a tailor, he would not have found the necessity for these taxation proposals. I entirely agree with Mr. Varadachari when he said that the deficit in our budget is only artificial. If our Hon. Finance Minister has been conversant with economics, he would have brought before us some other budget proposals which do not warrant any increase in the taxation proposals. But being a raw man in the field of economics he has adopted the advice and suggestions given perhaps by his advisers in the Secretariat. Leaving apart any other argument, I only put the democratic view and say that the Members who spoke against this Bill are in an overwhelming majority and if the Hon. Finance Minister has got any value for the democratic voice of this House, he must drop this measure immediately without taking it to the Select Committee stage. With these remarks, Sir, I finish."

SRI A. KALESWABA RAO:—"Mr. Speaker: Sir, I regret that I have to oppose the levy of any tax on ordinary articles of food and clothing that are used by the ordinary people at this stage. I am in favour of sales tax generally. It was at the time of Rajaji that sales tax was started with the hope of making up the loss which Government would sustain by introducing

[Sri A. Kaleswara Rao] [14th June 1949]

complete prohibition throughout the Province. But at this stage, as one who knows the feelings of the people in the country and the opinion of my constituency, I must strongly raise my protest against the levying of fresh taxes or increasing existing taxes. We are in a rather confused condition. Now the Ministry has to see that there is no corruption among the sales-tax officials, and that every item of revenue, that ought to come to Government, has been properly collected. The Minister who goes to the districts on tour must find out which officials are good and which officials are bad in the districts he visits. He must pay attention to this matter and must not simply tour here and there and visit tea parties—it is all quite useless. I feel that sales tax is not being properly collected. Everywhere there is heavy corruption among the officials. It is not effectively detected and the burden often falls on the honest officials. Also there is a feeling among the people that the amount collected by way of taxes, etc., is not so wisely spent as expected. Therefore in the matter of spending, regard should be had to retrenchment, the proper utilization of funds and proper collection of taxes. The Government should pay full attention to all these and should not levy any taxes at this stage. Therefore I cannot take any responsibility for this measure though I cannot vote against it as I am bound by the whip of the party."

* SRI R. SUBBA AYYAR:—"After the very weighty arguments of my hon. friend Mr. Varadachari, there is nothing that anybody could add by way of constructive suggestions as an alternative to the proposed taxation now before us. It is really amazing that Member after Member from the Government side should raise his voice of protest and in strong terms, condemn the taxation proposals now before us. I cannot help feeling that there is fundamentally something wrong in the proposals put forward now. It is not a good principle to tax the poor man's food. However much you may say that the incidence of taxation will not fall on the poor in respect of these articles, experience shows—and nobody can deny the fact—that it is ultimately the consumer who has to buy his daily necessities in the shape of chillies and other articles of food, clothing and other things, and has to pay this extra tax. Now, it is said that these taxes are intended to fill up the gap that has arisen in the budget for 1949-50. If that is so, it must be only a temporary phase in the revenue position of the Province and the proposals also must, I submit, be confined to the particular financial year. In that view, I would very strongly urge that these taxation proposals are confined only to this year and not made a permanent feature of the financial administration of this Province. Then Sir, viewing the proposal from any standpoint or any angle, you can hardly produce any argument in favour of the taxation proposals now before us. But the Hon. Finance Minister may say: 'What can I do? This is a deficit year. I want some more money. I can't tax the rich because such taxation is confined to the Central Government. So let me tax the poor.' That seems to be the argument of the

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Hon. Finance Minister. That ought not to be the standpoint of the Minister. It seems to me that it is a wrong approach to the problem. There is another aspect of the question that the Hon. Finance Minister seems to forget. The cup of misery of the poor folk or the ordinary citizen is already to the full, and we are only adding to that misery by these fresh taxation proposals. Wherever you go, you find people restless, bitterness increasing everywhere and Government coming in for a good deal of criticism. Wherever you go, in coffee hotels, bus stands, railway compartments, anywhere for that matter where people gather, nothing but this is being talked of. There is already discontent in the country and certainly there is the bugle call of communism. It is on such acts of the Government and the troubles and miseries created for the people by these proposals that our communist friends are able to carry on effective propaganda and incite people to acts of rebellion against the Government. In that view of the matter, the proposals require further consideration and I hope the very accommodating Finance Minister will certainly bear in mind the criticisms that have been levelled against these proposals and try to make some adjustments in the Select Committee stage. I once more urge that these proposals are confined to this particular year and not made a permanent feature of the taxation measures of this Province."

* SRI K. LINGA RAJU:—"Mr. Speaker, it is very difficult to support this taxation measure unless compelled by a whip. Of course we are fully aware of the Finance Minister's difficulties in . . ."

SRI K. T. KOSALRAM:—"On a point of order, Sir. Can any hon. Member be compelled to vote for a measure?"

MR. SPEAKER:—"Nobody can compel the hon. Member to vote for a measure."

SRI K. LINGA RAJU:—"We are aware of the difficulties of the Hon. Finance Minister in finding a few crores of money. But as several Members have pointed out at the time of the Budget debate, the anticipated deficit is not really going to be a deficit. So it is not necessary to indulge in this sort of taxation which mostly affects the common man. If at all it is necessary to find some money, I would urge the Hon. Finance Minister to search for more elegant ways of finding money. In this connection let me remind him of a stanza in Mahabaratha which says:—

‘మూకరి పుష్పమును గోయకూడి—
 నేటపుష్ప శేషముగొనియలు పోయి—
 ఎదురుగొండకుండ కొనుకది వర్షపలము
 బొగ్గులకు పోన ముదలంక బొడువజుడు.’

You should collect taxes like the bee which collects honey and 4-15
 like the garland maker who plucks flowers without offending the p.m.
 tree. It is expected from these additional taxes to get a revenue

[K. Linga Raju]

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of two crores. If it is so, from my own experience of the markets I can say, if that is all that is wanted, it can be easily secured by stopping the leakage in the administration of the sales tax. For when there is a tendency to increase the sales tax on the part of the Government, there is a tendency on the part of merchants to evade payment of the tax by seeing that transactions are carried on without bringing them into accounts. Thanks to the motor lorry traffic in our Province, it is very helpful to them to avoid any entry in books. So if some way is found—which is not difficult to check this leakage we can easily make up this deficit.

“Thanks to the efforts of the party executive, chillies and coconuts have escaped taxation. If at all taxation is inevitable for oilseeds, I plead not all oilseeds be taxed. For groundnuts there is a great demand outside and it may be said that it is a deciding factor for building our dollar position abroad. But to tax also sesame is not fair, as it will affect the common man. I request the same consideration which gave the advantage to chillies and coconut should weigh with sesame and that a tax be levied only on groundnut.

“Finally I make this appeal to the Hon. Finance Minister even at this stage not to get this odium of taxing some little tiffin we get in coffee hotels. With the reintroduction of rationing in the districts, people at least make up their deficiency in rice quota by supplementing their meals with tiffin in hotels. So to tax this also would make the lot of people difficult. Lastly, Sir, it is not good to tax turmeric. It is that colour that has brought us here; on grounds of sentiment at least if not on anything else, it is not proper to tax turmeric and I therefore plead for its exemption.”

THE HON. SRI B. GOPALA REDDI:—“Mr. Speaker, Sir, the sales tax was discussed in the Assembly—though not in this present Assembly itself—for three times from 1939 till now, once in 1939, another time in 1947 and now for the third time. If we examine the speeches made in 1939, we will find they bear a great similarity to the speeches made to-day. The same tenor, the same tone, the same vehemence, the same cry of threatened unpopularity were all raised in 1939. (A voice: ‘What about volume?’) Perhaps again as in 1939, the same things were repeated in 1947, and again in 1949 also they are being repeated. Sir, in spite of the vehemence with which so many members have spoken against the taxation measures, really it is not going to disturb the economy of the poor people. The income of the poor people is rising according to the index of cost of living. To-day, I can say, after the introduction of prohibition, the lot of the poor people is not miserable. In the days of depression, the lot of the agricultural labourer was miserable. But to-day, the ordinary artisan of the village, the agricultural labourer and the industrial labourer are all, comparatively speaking, well off than what they were in 1939. Two years ago, in November 1947 when I raised the general sales tax from two pies to three pies in the rupee,

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from one per cent to 1.5 per cent, then too, the same arguments were advanced, like to-day, that the Ministry would become unpopular, the poor man will be hard hit, his economy will be upset we are taxing the kitchen of the poor man and so on. I say all these arguments were levelled in 1947. But we have seen in the last two years, nothing has happened, nothing disastrous as was envisaged by the Members has happened, the kitchen of the poor man is bright and naming; the poor men are having their wages all right and they are maintaining themselves. After the introduction of prohibition, the general lot of the poor people is better. As for the unpopularity, whether it be the Congress Government or any other Government, it cannot avoid taxation where it is necessary. When we have the service crying for greater expenditure in every direction, no Government can maintain any *status quo*. All progress means more money being spent on the services, and more spending means more taxation. It is an inescapable fact that the responsibility of freedom must be faced. The state of affairs obtaining prior to August 1937 no longer prevails to-day. We have brought in vital changes in compulsory education, rural communication and sanitation. All that means money to spend, and that means taxation. So it is no use trying to escape from that pivotal point of taxation. You want to abolish betting tax, you want tolls to be abolished, you want the entertainments tax to be given to municipal councils and yet you object to the levying of fresh taxation. As I have shown yesterday, in my statement, on every item of service to people, on education, sanitation, irrigation, electricity, on all these matters, we are spending large sums year by year, and year by year this expenditure is mounting up, and it means we must get the money from somewhere, so that we might please the people. I can easily say ‘all these measures mean increased taxation; I am not for courting unpopularity from the press, the platform and the people.’ It is very easy for me to give up all these on the assurance that members will not ask for any more expenditure on any of the items I mentioned before. But can I say ‘*status quo*’, ‘whatever obtained in 1947 will obtain in 1949 and no more money will be spent on agriculture, public health, education or irrigation.’ If there is a dead stop for all expenditure, then perhaps I can give up all taxation and win the universal applause of the people. But when we are in a progressive state, when people are clamouring for more and more services from State, it is up to us to tax, rich or poor, whichever source, and translate it into service to the people. If to-morrow I give a school to every village, a dispensary to every village, the people will appreciate that more than these paltry taxation measures which will have to be paid for by them. The point is whether the people want additional taxation for all the additional services. That is the point at issue. I am sure the verdict of the people is on the side of additional services. If I give them a school to each village, a dispensary or hospital to each taluk centre, a high school to each municipal area, a college to each district, a technological institution for each regional area, then they will not grudge paying a

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little more. They will not bother themselves about this taxation or whether a viss of chillies costs twelve annas or twelve annas and nine pies. The people are looking forward for vital changes after the advent of swaraj. They are restless for not being given so many amenities, and this taxation does not bother them if they get those things in return.

Sir, yesterday and to-day, so many people have objected to my bringing these taxation measures in a back-door method, in a piecemeal method, in the middle of the year and so on. That is not so. We fully discussed them at the time of framing the budget and that means as early as December or January last, and they were incorporated in the budget speech in February last, and during the whole of March last, we were discussing them in one aspect or other—the entire discussion of them centred round for five days in the Assembly and for four days in the Council; I had to meet various points of criticism and I took nearly ninety minutes here in this Assembly and another nine minutes in the other House in replying to the debate. So it is not as if the taxation measures were flung on the people by surprise. They were all before them. Government also were thinking about them. The Board of Revenue and other departments were consulted, our experts were consulted, and I was also trying to bring in as less controversial matters as possible. There was no alternative for us. We had to come back to our sales tax which is really our *Kamadhenu* to-day. So it is not correct to say that I am bringing them in the middle of the year.

“Then, Sir, Begum Sultan Mir Amiruddin said ‘why not bring all these measures in one Bill as is done in the Central Government.’ Sir, I got the matter examined. I wanted all the present four measures to be brought into one measure. But we are not in the happy position of the Central Government. They can send their measures to the Governor-General and get his assent. But here we have to send some to the Governor for his assent and some others to the Governor-General for his assent, and so all the Bills cannot be incorporated in one and the same Bill. So we brought them separately, and perhaps all of them can be referred to the same select committee which can come to correct conclusions. So I am not doing anything wrong; I am bringing these Bills in the first session after the prorogation of the Assembly in April last. We have had ample time before us. In the light of criticism, some proposals have been dropped, some have been modified; the Bills are not in the same form as they were at first; many of them have undergone several modifications.

“Then, Sir, it was remarked that the sales tax administration is not up to mark; it is not efficient; there is a lot of leakage; that if only Government got all the money that is due to them, they will certainly get these two crores. Sir, last year, we collected five crores more than the previous year; because it was eight crores in 1947-48 and it is 13 crores and odd in 1948-49. The

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department is being tightened up. They are having a large establishment, and certainly the Commercial-tax department is trying its best to collect as much as possible by all legal means. And yet I cannot say, there is not leakage. As I said in my reply to the budget debate, the Income-tax department has been functioning for the last so many years, and yet, can you say, there is no leakage there. Many of our merchants are still hiding their income and are not paying their dues. Our department is an infant department; it has been made permanent only in January 1948; they are striving hard; they are gaining experience; they are plugging loopholes and they are trying to collect the tax from the assesses.

“So, Sir, if I merely depend upon getting all the money from these sources and from these leakages, etc., and if I do not bring in these taxation measures, then surely I will be stranded at the end of the financial year, because the battle is always there between the tax-collector and the tax-evader. That battle has been going on from the days of Adam and Eve. It is still going on and it will go on till Doomsday. The tax-dodger is a very clever person and a professional man and unless we employ cleverer people in the department, and try to improve the quality and efficiency of the people in the department by giving them the necessary training and all that, we would not be able to battle with them and catch them up. So, that battle is an eternal one and we must face it at all times.

“Now Sir, we are getting these Rs. 13 crores and odd from the sales tax. There are criticisms from various places and also from the Government of India that there is no uniformity in this taxation, that we are collecting the sales tax from all sorts of articles, from industrial raw-materials, from foodstuffs, from newspapers and from all sorts of articles that are exported to outside provinces. I am sure that the Government of India are coming down sooner than we anticipate to put a stop to some of these sources of revenue and to have them for themselves. Although we made our protests in this matter in the Finance Ministers' Conference which was recently held in Delhi, yet they have already decided about it and are coming very soon, perhaps in the course of this year itself and so we will have to give up taxing exports from this Province and also industrial raw materials like cotton, etc. So that day is coming very soon and therefore we would not be able to retain Rs. 13 crores of revenue from this source very long. There are also other interests that are affected by the imposition of this sales tax. Almost everyday, I receive deputations from vegetable vendors, from people who sell flowers, from people who sell mutton and other small articles of food like that, urging upon me that this taxation has affected their business very much, that they are not able to make both ends meet, and so they want that these articles should be exempt from this tax. Sir, the Hotel Proprietors' Association is also a very powerful organization and it also wants some exemption or some relief from the sales tax, because the hotel-keepers are unable to pass it on to their customers. They say ‘whether your

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sales tax is only 2 pies or 3 pies or 4½ pies, what we collect from our customers is the same 2 annas or 3 annas from every cup of coffee we supply. Our bills are generally 2 annas and 3 annas only and it is not possible for us to include sales tax in these bills and collect it from our customers. So, these hotel-keepers are also agitating for some relief and I do not know how long we can resist their claims and agitations. Likewise, our newspaper friends are also agitating for exemption from sales tax. Last year, when the Sales Tax (Amendment) Bill was under discussion, we exempted them from paying sales-tax at one point, namely, from the mufassal agent, who was paying the sales tax from 1939 to 1947. They represented that they are doing mere agency business, that they only get a small percentage of commission on their sales and so they should be exempted from this tax. So we had to exempt them from this tax at that point and make it a single point tax. Even that single point tax perhaps may not remain very long after the present advertisement tax takes final shape. We must have to give in for the reasonable representation of the newspaper organization which is also a very powerful one and we must have to exempt them from the sales tax in certain respects. So, from various angles and from various sides, the sales tax is being pushed out and if we go on giving relief in reasonable and deserving cases, even this Rs. 13 or 14 crores will not continue to remain very long. Especially when the Government of India make up their minds to insist upon us that we should not tax on the industrial raw materials exported from this Province, then we will have to give up this source of revenue and we will then certainly have to go down by 2 or 3 crores from this source. Therefore we are in a very helpless position with regard to these things and that is why we have to impose a stiffer taxation on some of these articles.

“ Now, Sir, coming to the merits of the present Bill, what is sought to be done is this. We want that the coffee-hotels and boarding houses should be taxed a little more. It is not as though they are not paying anything by way of sales tax. They have been paying sales tax from 1939, but they will be asked to pay a little more from now onwards, i.e., 12½ annas on every turn-over of Rs. 100. Sir, let us not be carried away by the 50 per cent increase which was sought to be made out by my hon. Friend Mr. Raza Khan. He said that we are increasing the tax by 50 per cent. But actually when it is translated into rupees, annas and pies, you will find that I am asking them to pay only an additional 12½ annas on their turn over of every Rs. 100. Sir, when there is a turn-over of Rs. 100 in their sales, what is the profit they make? I want hon. Members to tell me whether there is a margin of profit or not in the hotel business or whether the hotel proprietors are going to pay it from out of their capital or whether they will be landing themselves into a deficit by the imposition of this tax. I am told on very reliable authority that the cost of production and also the cost of the materials used by the coffee-hotel keeper, or a boarding-house proprietor will not exceed 50 or 60 per cent and

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so he is making a profit of 40 to 50 per cent. He is therefore not a losing man. I have seen in many places in the Andhra districts, in towns like Masulipatam, Cocanada, etc., where somebody comes from Calicut or Malabar or Udupi, opens a small coffee hotel in a street, and after 10 years, becomes a big proprietor and does all sorts of business, such as money-lending, running motor buses, etc., and so he becomes a capitalist. So the coffee-hotel business is not a losing concern, and with the advance of civilization and of quick transport, locomotive and other facilities, this business has been increasing everywhere and the proprietor of the hotel is also thriving thereby and so, I am sure he will be able to pay this 12½ annas extra on every Rs. 100 of his turn-over. Therefore we need not be scared away by this 50 per cent increase. All these big hotels, like the Woodlands, the Spencers, etc., are not the resorts of poor people. The poorer classes of our people are not going to coffee hotels. What is the percentage of people that go to coffee hotels? (An hon. Member: About 10 per cent of the population.) I do not think it will be even 10 per cent. Out of the 5 crores of people in this Province, I do not think that 50 lakhs of people are going to coffee hotels or eating houses. It is not the poorer classes among our population that go to these coffee hotels or railway restaurants. It is certainly the middle-class and the upper middle-class people who go to them and they must be made to pay something extra to the coffee hotels if necessary. So, Sir, I expect the coffee hotels to pay from out of their margin of profits, this 12½ annas for every turn-over of Rs. 100. The coffee hotel business is not the monopoly of a particular individual or of a corporation. It is a competitive trade. There are hotels and hotels in every place. Even in a very small place there are two or three coffee hotels. One man alone cannot put up the price of his Iddly or Dosai. Because it is a competitive trade, everybody would like to put down the price as low as possible and make it more attractive and tasty, so as to attract customers. They will not be scared away by this little taxation. They will certainly bring down their expenses; they will make their hotels more attractive; they will make more tasty dishes; they will take a little more trouble to attract their customers. And so, they will certainly not lose their customers and will at the same time be able to pay this 12½ annas sales tax extra on their turn-over of every Rs. 100. Therefore, Sir, there is no case at all for these coffee hotels and boarding houses for being exempted from this tax.

“ Then Sir, foodstuffs of course are also being taxed. Yes, coffee is being taxed. Our *iddly* is being taxed. But all the same, all our foodstuffs have been taxed from 1939 and the present proposal is simply to ask people to pay 12½ annas more for every turn-over of Rs. 100. This is no new innovation of the Act, but only the rate of tax is being increased to that extent.

“ Sir, with regard to the long list of articles which are mentioned in the Bill, and which have been strongly criticised by some hon. Members and lavishly explained by certain other hon.

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Friends, let us see what they are. They are certainly not food-crops at all. It is not rice, paddy or vegetable that is sought to be taxed. It is not the poor man's necessity that is being taxed, but the rich man's luxury.

"Sir, let me take item by item in this Bill. The first item is cashew. Is it a poor man's necessity? (An hon. Member: A poor man also takes cashew.) I know the poor man also eats it. But it is not as though it is his daily article of consumption. If that is the case, then you can argue that Horlicks is the poor man's food, that coffee is the poor man's beverage and that Amirtham also is the poor man's food. If that is your argument, then I may say that 99 per cent of the population of our province who are to be classed as poor, will have to be exempt from this tax. Then who are the rich people in Madras? Will they be about 1 per cent? And are we to tax only this one per cent of the people? I submit, Sir, that any measure of taxation will necessarily hit the poor man also, because in our Province 99 per cent of the population are poor. We cannot differentiate the rich and the poor in respect of this tax. In this measure, I am only taxing the commercial crops and not paddy, not cholam or ragi. We are now agitating for the restriction of the areas under money crop cultivation in order to increase the acreage under food-crops. This measure may act as a little deterrent on those agriculturists who want to make a lot of money by growing money crops. Take an agriculturist who grows cashew or chilli and compare his income with that of an average agriculturist who grows food-crops like ragi, cholam or paddy. Certainly the man who grows chilli, or cashew or sugar-cane makes more money per acre than the man who grows paddy or ragi on the same extent of land. It is therefore but right that I should tax the man who wants to make money and who does not help the country by growing food crops. That is why we are taxing money crops. So, Sir, it is from that point of view that this measure should be viewed. Take turmeric. It is also a great article for export, especially to Bengal. A lot of turmeric is being exported to Bengal and other places in North India and we need not be sorry for taxing it, because somebody else is going to pay for it. Ultimately when the sales tax on export is going to be taken away from us by the Government of India, naturally this source of revenue also will go. Turmeric is grown entirely for export purposes and is not meant for local consumption, because the agriculturist who grows it wants to make more money by export trade than by growing food crops. So, Sir, if you take all these ten articles mentioned in the Bill, you will find that they are all money crops. It is the growers of these articles that are going to be taxed. If they grow vegetables or some other food-crops, it would perhaps help to solve our food problem to some extent, but because they are growing all these crops for money they must pay some tax to the Provincial Government.

4-45
p.m.

"At this stage I may say that chillies and coconuts may be exempted for the present and we can reserve them for a later stage if necessary. In the other cases coffee hotels and sugarcane will

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be asked to pay 12½ annas per Rs. 100 of turn-over. How much is it that we are digging into their profits, when compared to a poor man growing paddy? Likewise oilseeds, potatoe, etc., will be subject to a little extra tax. We have taken great care to see that only money and commercial crops are put into the list. Because everything goes into the stomach it cannot be said that it is not a money crop. The only criterion with which we should look at these things is whether they are commercial crops or food crops. We have taken every care to see that commercial crops which are having a larger margin of profits are put into the list. We have exempted plantains and other articles because they did not satisfy the criterion with which we tested the articles. (Interruption.) Oil-seeds will include castor oil-seed also. So, Sir, I say that the commercial crops which we have put in can afford to bear 1½ pies in addition.

"As regards cotton they have made out a case, but because we are in need of money we are taxing cotton. It is very unfortunate indeed. Last time when we introduced cotton they made representations and they showed us figures. Therefore we dropped it from that amendment last time in 1947. This time we want more money and our need for money is greater, but whether we can conveniently leave out cotton, we can certainly consider at the select committee stage. But for the present we have to keep it.

"Likewise in the case of tea also we did examine the question last time and we exempted the export sales by the producers. We will have to examine it in greater detail this time. After all this is a tax on the planters. Whether they can afford to pay it or not is again a matter for greater scrutiny and examination. My own impression is that they can afford to pay this one point tax on tea. With regard to coffee hotels also it is a single point tax on the articles sold by them. It is not as though the goods are passing from one hand to another and at every stage they have to pay. There is not much of hardship on the coffee hotels.

"I have to announce to the House, Sir, that rice is going to be cheaper hereafter for our people. The surcharge of 12 annas on every maund of rice will be reduced from the 15th June this year to five annas. Thus there will be a difference of 7 annas on every maund of rice. The poor man for whom the House is very solicitous is going to be saved from the bother of paying very much high for rice. Even if it is a little, he won't be worse off than what he is on the 14th of June.

"Mr. Kothari began his speech by saying that every pie that is paid to the Government must yield a return to the man. That is the dictum with which he started. I do not know what return he is getting for all the moneys he is paying as income-tax; when he comes to the Provincial Government, for every pie that he pays he wants a return. I shall certainly give him the return, Sir. But for my police his property would not be

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safe here. That is the return he is getting and all the upper middle-class people are getting by way of security services but for which their life and property would not be safe.

"Some people were saying, Sir, that there was no deficit. The Lady Member, Begum Sultan said that we have undervalued our receipts and put up our expenditure, i.e., the usual way with which the Finance Department deals with budgets. This time I have taken particular care to see that we put our receipts and expenditure in a normal manner. When the budget was framed I saw to it that our receipts were given correctly and a little exaggeratedly also, because I did not want to depress the market by showing a bigger deficit. With all that care we have yet to make up Rs. 4 crores. If I had done it the other way our deficit would have been much bigger and it would have depressed the market. So, there is a deficit and it is no use touching the revenue reserve fund. As I said last time in reply to the Budget debate it is all very easy to go to reserve fund and I need not come here and receive all the abuses from the Members. If I do that I will only be putting off the evil day and probably transferring the unpopularity to somebody else. I thought, Sir, that I can myself take it and I am loathe to go to the Revenue Reserve Fund. Not that there is anything sacrosanct about the fund, but we will be facing bigger deficits in future because the prices are going to fall and our income under the various heads will fall and we won't be in a position to tax the people. That will be the time when the reserve fund should be touched and this is not the time when we can draw from it. This is the time when we should build it up for use on bigger irrigation and electricity projects. So, Sir, there is need for taxation. It is not a luxury to tax people and get the odium from the people concerned. Of course the grievances are always exaggerated whenever a taxation proposal is brought forward. It is not as though people are everywhere talking about taxation. If they are talking about it, let them also talk about Prohibition and the benefits they have received from Prohibition. They cannot be talking only about taxation. Let them talk about the Prohibition and other amenities they have received. Let them look at the number of schools they have and the number of high schools opened in taluks in the recent 7 or 8 years. Let them also talk about these things when they talk of taxation, let them not have one-way traffic. Sir, I commend the Madras Sales Tax (Amendment) Bill to the House for being referred to the Select Committee consisting of the following Members:—

1. Sri N. S. Varadachari.
2. Sri Rokkam Ramamurthy.
3. Sri K. Koti Reddi.
4. Sri K. Rajaram Naidu.
5. Srimathi C. Ammannna Raja.
6. Sri V. Kurmayya.
7. Sri M. A. Easwaran.

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8. Sri V. S. Sankasubrahmanya Mudaliyar.
9. Sri T. S. Pattabhiraman.
10. Sri C. M. Kothari.
11. Mr. D. G. Leonard.
12. The Zamindar of Mirzapuram.
13. Muhammad Raza Khan Sahib.
14. A. K. Kader Kutty Sahib Bahadur.
15. The Hon. Sri B. Gopala Reddi."

Mr. SPEAKER: The question is—

"That Madras General Sales Tax (Amendment) Bill, 1949, be referred to a Select Committee consisting of the following Members, namely:—

1. Sri N. S. Varadachari.
2. Sri Rokkam Ramamurthy.
3. Sri K. Koti Reddi.
4. Sri K. Rajaram Naidu.
5. Srimathi C. Ammannna Raja.
6. Sri V. Kurmayya.
7. Sri M. A. Easwaran.
8. Sri V. S. Sankasubrahmanya Mudaliyar.
9. Sri T. S. Pattabhiraman.
10. Sri C. M. Kothari.
11. Mr. D. G. Leonard.
12. The Zamindar of Mirzapuram.
13. Muhammad Raza Khan Sahib.
14. A. K. Kader Kutty Sahib Bahadur.
15. The Hon. Sri B. Gopala Reddi."

The motion was carried.

Mr. SPEAKER:—"Under rule 78 of the Assembly Rules I appoint the Hon. Sri B. Gopala Reddi to be the Chairman of the Committee.

"I adjourn the House to meet again at 3 p.m. to-morrow, the 15th June 1949."

The House adjourned.

THE MADRAS LEGISLATIVE ASSEMBLY.

Wednesday, the 15th June 1949.

The House met in the Assembly Chamber, Fort St. George, at 3 p.m., Mr. Speaker (THE HON. SRI J. SIVASHANMUKHAM PILLAI) in the Chair.

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

I.—PROGRAMME OF SITTINGS OF THE HOUSE.

SRI V. RAGHAVAYYA:—“ May I know the further programme of this sitting? ”

THE HON. SRI B. GOPALA REDDI:—“ Originally, Sir, we thought of assembling on the 18th so that we can meet on the 18th, 20th and 21st to discuss these taxation measures leaving three clear days for the Legislative Council to discuss them. But, it looks as though the Sales Tax Select Committee will have to sit for more than a day, perhaps for two days. That means we will not be able to meet on the 18th. If Members want we can meet on the 20th if not on the 18th.”

SRI V. RAGHAVAYYA:—“ These short intervals are causing a lot of inconvenience to the Members. Therefore, I would suggest that hereafter the Assembly should sit continuously for not less than a week so that we can adjust our work in the mufassal and then come prepared for the meeting. Nowadays, the Assembly sitting goes on for two days and adjourns for three days. Further the House gets empty on account of the inconvenience caused to the Members.”

MR. SPEAKER:—“ The suggestion will be considered. It is for the future.”

II.—AMENDMENT TO SCHEDULE II TO THE MADRAS MOTOR VEHICLES TAXATION ACT, 1931.

THE HON. SRI B. GOPALA REDDI:—“ Sir, I move—

“ that the following draft of a rule proposed to be made by the Government of Madras under sub-section (i) of section 17 of the Madras Motor Vehicles Taxation Act, 1931 (Madras Act III of 1931), amending Schedule II to the said Act, be referred to a Select Committee.”

I will presently give the names.”

SOME HON. MEMBERS:—“ No copies of the Bill were given to us.”

THE HON. SRI B. GOPALA REDDI:—“ On the very first day, they were placed on the Table of the House.”

MR. SPEAKER:—“ These four new fans are making too much noise and I am not able to hear anything.”

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THE HON. SRI B. GOPALA REDDI:—"The rule was placed on the Table of the House on the opening day. I am sure it is in the hands of hon. Members. Otherwise, copies will be circulated to hon. Members."

MR. SPEAKER:—"I will see that these four new fans are stopped and then I will be able to hear. I have not heard what the Hon. Minister said just now."

(The four new fans were then stopped.)

THE HON. SRI B. GOPALA REDDI:—"Sir, I move—

that the following draft of a rule proposed to be made by the Government of Madras under sub-section (i) of section 17 of the Madras Motor Vehicles Taxation Act, 1931 (Madras Act III of 1931), amending Schedule II to the said Act, be referred to a Select Committee'."

MR. SPEAKER:—"Motion moved:

'that the following draft of a rule proposed to be made by the Government of Madras under sub-section (i) of section 17 of the Madras Motor Vehicles Taxation Act, 1931 (Madras Act III of 1931), amending Schedule II to the said Act, be referred to a Select Committee.'

"The names of members of the Select Committee will be given in a few minutes."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Sir, as has been pointed out by some hon. Members, I do not know whether copies have been sent to the hon. Members. The Secretary says that copies of these rules were sent to the members by post. I am not the only one who has not received the rules and I believe there are many other members who have not received them. Therefore, I would very much request the Hon. the Speaker to supply copies of these rules to members so that they can go through them and contribute to the debate on this Bill. In the meantime, inasmuch as hon. Members do not have copies of these rules, I would suggest that the discussion on this might be adjourned and any other subject which the Hon. Minister has got may be brought forward."

THE HON. SRI B. GOPALA REDDI:—"If hon. Members do not care to open their mails and tappals, it is not the mistake of the Legislature Secretariat. It was definitely placed on the Table of the House and it was also posted to the members. It is not after all a very complicated thing and I can explain it to the hon. Members in no time."

MR. SPEAKER:—"On the 13th, copies were laid on the Table of the House."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"That statement was corrected by the Secretary that copies were sent to the members by post."

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THE HON. SRI B. GOPALA REDDI:—"Sir, it is a very simple proposal. It is a good taxation measure. The proposal in these amendments to the rules is that the buses will have to pay Rs. 17 extra for every seat per quarter and the lorries will have to pay fifty per cent extra. But, there is a distinction between the mufassal buses and the urban buses. The mufassal buses will have to pay this Rs. 17 extra while buses running entirely in the urban area will pay fifty per cent extra because they are using better roads and they are near their workshops whereas the mufassal buses are running on very indifferent roads and their cost of maintenance is very much higher. Apart from that, there is also another proposal linked up with this, though it is not part of this amendment. It will be done executively, namely, that the mufassal buses will be allowed to charge half a pie more on the present rate on the passengers. The maximum rate which the mufassal bus can charge now is six pies per mile. Hereafter, because they have to pay extra taxation, they will be allowed to charge half a pie more to be rounded off to the nearest quarter anna. If a passenger travels thirty miles, he will pay 15 pies more. If he travels fifteen miles, then, it will be rounded off to the nearest quarter anna."

"With regard to urban buses, since urban people make use of these buses at least twice every day, it is proposed not to allow the urban operators to increase their fares and therefore the existing fares will continue to be in force in urban areas while in the mufassal areas, they will be allowed to charge half a pie more."

"With regard to lorries, there is now no distinction between private carriers and public carriers. That distinction was there in 1939. Now lorries whether public carriers or private carriers pay the same amount of tax according to the capacity of the vehicle. It is proposed to increase it by fifty per cent. Now, there is no fixation of freight charges. Government have, in the past, ordered that they would charge only so much per ton and so on. Now it is all left to competitive market. Lorry people are charging whatever they like just now. There is no ceiling limit. So, they may perhaps charge a little extra. It is up to them to do so as they are obliged to pay this fifty per cent extra tax."

"With regard to taxis which carry generally five passengers including the driver, they are paying Rs. 60 per quarter. They are also asked to pay fifty per cent more, that is, they will have to pay Rs. 90 per quarter. These are the amendments. But, from the rules supplied to hon. Members, it may look a very long list. It is because there are a long variety of vehicles. But, the main point in the amendment is that the mufassal buses will be asked to pay another Rs. 17 per seat, urban buses will be asked to pay fifty per cent extra, lorries will be asked to pay fifty per cent extra than what they are paying and taxis also will pay fifty per cent extra than what they are paying to-day."

"Sir, the income from these heads will come to one hundred lakhs of rupees. So, it cannot be objected on the ground that it

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is a paltry sum that can be given up. It is quite a good amount and therefore, I request that the amendments may be accepted by the House."

MR. SPEAKER:—"I must inform the House that the copies of the draft rule were sent by post on the 4th to hon. Members. However, we have a few copies here and the Assistant Secretary has got them. Those hon. Members who have not got the copies may have them from him."

3-15 p.m. ABDUL HAMEED KHAN SAHIB BAHADUR:—"Mr. Speaker, Sir, yesterday and the day before, we have spoken opposing the taxation measures brought forward by the Hon. the Finance Minister. On each measure, we had certain data on which we opposed it. It is not as if that these various taxation Bills are one and the same either on principle or on facts. They differ one from the other. Sir, this particular measure which the Hon. the Finance Minister has moved for being referred to a Select Committee affects transport throughout the Province. It is true the Hon. the Minister has not come forward with these amendments all of a sudden. He has been thinking of them for some time and as a matter of fact, he did consult the Transport Advisory Committee with regard to these proposals which he had in his mind. The Transport Advisory Committee considered the various proposals and they were agreeable to some extra taxation in order that the Government can make up the deficit which, as stated by the Hon. the Finance Minister during his last Budget Speech, stands to the tune of about four crores of rupees. Some of us in the Opposition were agreeable to some increase in the taxation but at the same time, we wanted to give facilities to the operators to make both ends meet by allowing them to raise the fares also. But, Sir, we did not agree at that time that the fares should be increased to such a large extent. The fares have been doubled in some cases and in some other cases they have been increased 50 and 75 per cent over the existing rates. This is one of the sources which can be utilized by the Government for getting more revenue. The Hon. Minister has told us that if the whole scheme of taxation is accepted by this House, the Government are likely to get as much as 100 lakhs of rupees. But, at the same time, I know that the Hon. Minister is a gentleman who is prepared to make a compromise on certain proposals which he comes forward with. I am speaking from my experience in the past and I hope and trust that the same will be the attitude that he will adopt in the Select Committee on these measures as well, for on the face of it, it is obvious that the increase in the taxation is rather heavy and unworkable. It will sit very high on the operators themselves. It is just possible that the Transport Department working under the Hon. the Finance Minister and the Finance Department has been able to get facts and figures on which they have based the increases with which he has come forward in the proposal. I remember, Sir, that when the Advisory Committee met and considered these proposals the representatives

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of the operators were not able to agree to such a large increase in the taxation. They were prepared, I know, to some reasonable increase, but the increase that is now suggested is certainly beyond the point on which there could be agreement.

"Of course, buses in the mufassal and the urban areas are taxed heavily. But one might ask, in considering this subject, whether it is the operator who will pay the entire tax or whether he will collect it from the passengers themselves. Certain allowance has been given to the operators to get additional revenue from increased fares. Half a pie of increase per mile certainly will not go long enough to make both ends meet. It won't help the operator to get the entire increase in tax which he is called upon to pay. Therefore, he will necessarily have to collect the amount of the additional taxation from the passenger.

"Now, Sir, we find that the motor transport is becoming more and more popular in the rural areas for people are not using the motor conveyances for long distances alone but even for short distances. Therefore, they want not only a number of buses to run on various routes but also they want more and more buses. But somehow or other the Government have not thought fit to increase the number of buses on the various routes, wherever they are necessary. I do not know what their policy in this matter is. But all the same, if they had increased the number of buses and allowed more buses to ply on the various routes, they need not have come forward with proposals for additional taxation. They could have got from the increased number of buses what they expect to get by increase in taxation. It is not as if that the roads will not be able to take increased number of buses. Of course, roads have to be attended to; much more money will have to be spent on the maintenance of roads. But at the same time, I believe that additional buses can be put on the roads so that the Government can get the revenue they seek to get from this increased taxation.

"Then, Sir, I should like to ask the Hon. Minister whether in coming forward with this measure, he has taken into account the cases of services and individuals having buses numbering three or four or five and those having a larger fleet, what exactly is the budget of an owner having 20 buses and what exactly is the profit that he is making in such a case and what exactly is the profit that the owner of three buses can make in this business. I do not know whether he has taken into account these aspects of the question. But so far as one knows, the profit that a bus-owner who has a large fleet makes will be enough for him to pay the increased taxes. But I do not think that an owner having three buses of his own can put up with this additional taxation. That is a consideration which should weigh with the Hon. Minister when he re-considers this matter in the Select Committee.

"Coming to lorries, we find that they are being made use of by merchants for transport of goods from place to place. It is certainly a matter to be welcomed that the people are not only

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utilizing railways which are not available in all places, for transport of goods, but also they are utilizing such public vehicles, as motor lorries. Nowadays when we find that foodstuffs are not available in different parts of the Province, it becomes necessary for more and more of easy transport to come into existence so that foodstuffs could be transported from one place to another quickly and starvation in one particular part of the Province could be prevented by taking large stock of foodstuffs of various kinds. Now, I have said that motor transport is being used even for transporting foodgrains and foodstuffs as well as other goods. Our businessmen are utilizing the services to a very large extent. But there is need at the same time for more of such lorries. The Government can increase the number of lorries and add to their revenue instead of taxing the existing lorries themselves. That is another way by which the Government can augment their revenues from this source.

"Then, Sir, I find that the Hon. Minister has not stopped with that. He has roped in taxis which are plying in urban areas, for instance, in the City of Madras and other places. When we are considering this matter, we have to consider a very important aspect of the question and that is the basic question. In all the countries and in our Province in particular, people do not find many avocations. It so happens that if one avocation comes into existence, a large number of people flock together to the self-same avocation with the result that a large number of people get into that profession, thereby reducing the profit that is made by each individual person engaged in the business. Not only that, as I said, on account of the fact that there are not many avocations open to the people of this Province, people get into these professions and ultimately what happens is that they do not remain there for very long. For the main reason that there is increased taxation year after year, the cost of maintenance also goes up. They have to pay heavier charges in every respect. They have to pay increased wages to the bus-drivers and lorry-drivers and conductors; they have to pay increased battas. The output is certainly not commensurate with the expenditure that the owner of a bus or a lorry has to incur in maintaining these services. Therefore, Sir, it is not possible for these people to both keep the transport services intact and make a living from them. The result is that at least 50 per cent of the operators of buses as well as lorries go out of existence at the end of a certain period. It is not as if they continue for years together because they cannot, in the nature of things, continue on account of the various reasons I have mentioned—increased taxation and the maintenance becoming costly. While they go out of existence, new people for want of any other avocation, who have some money, come into the field and after at least six months or two years at the most, they also go away. Is that the way in which the Government should allow poor people having small capital to come into the business and then go out of existence and suffer? That is another thing which should weigh with the Government when they come

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forward with measures like this which will sit very heavily on these people. They not only sit heavily but ultimately they destroy them.

"Sir, these are some of the things which, I am sure, my Hon. Friend, the Finance Minister, will consider even in the Select Committee stage. I know that whereas he has come forward with doubling the tax, he may be agreeable to reduce it by 50 per cent so that some amount of relief could be given to those persons who are engaged in this business."

* BEGUM SULTAN MIR AMIRUDDIN:—"Mr. Speaker, yesterday the Hon. the Finance Minister brought forward measures to tax articles pertaining to the poor man's food; to-day he has come forward with a measure to tax his travel. The Hon. Minister has informed us that the bus operators in the mufassal will be allowed to increase the bus-fares by half a pie per mile. This increase may appear to be insignificant on paper, but so far as the poor who have to shell out the money are concerned, it will hit them appreciably since the average income of people in this country does not run into hundreds, but barely touches two digits. The Hon. Minister may say that people have much more money now in their pockets as a result of prohibition, but taking this factor into account and giving a very liberal estimate, I am afraid, most of the villagers do not have more than Rs. 10 or Rs. 15 in hand. Such being the case I would appeal to the Hon. Minister to give up his proposal. There is no gainsaying the fact that this measure would have a bad psychological effect on the people. In to-day's papers we have read about the result of the by-election in Calcutta and the victory of the Socialists over the Congress. This should serve as an eye-opener to Congress Ministries in this Province and also in other Provinces and they should alter their policies in the light of that recent event. The Hon. Minister cannot afford to overlook the fact that his taxation measures will be hurled against the Congress at the time of the forthcoming general elections. Therefore, in his own interests and in the interests of the party to which he belongs, I would appeal to him to drop the Bill under discussion and have recourse to withdrawing from the revenue reserve fund to a small extent if there is real need to do so.

"Coming now to the effect of this measure on bus operators, the Hon. Minister can easily visualise their plight for he himself is in charge of transport and as such realizes that the bus transport industry does not happen to be the gold mine to-day that it was presumed to be in days of yore. He knows how costly it is to maintain buses and also that the price of tyres, spare parts, etc., have risen considerably. In this Presidency, the taxation on buses is the highest in the whole of India. Such being the case, why should the Hon. Minister tax this transport industry further? In this country the taxation on transport is higher than that found in most of the countries of the West. In pre-war days even in an expensive city like Paris, taxis were much cheaper than in Madras. The fares there were only about half of those prevalent

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in Madras. This was my personal experience. To-day, perhaps, transport fares are cheaper still in France because that country is run by a socialist government. There must be a limit to the taxes imposed on any industry. The Central Government by their acts and pronouncements have killed many an industry with the result that to-day the stock-exchange is in a state of collapse. The present Bill will have the effect of killing one more industry, namely, the motor transport industry in this Province. Hence it is that the bus operators are very much agitated, particularly the small operators who will be most adversely affected and driven out of the field. So far as the mufassal buses are concerned, it must be remembered that they have to contend with many unfavourable factors. For instance, the roads, as the Hon. Minister acknowledged, are very bad. Again the mufassal buses have to compete with the railways, for it is not unusual to find railway lines running parallel to the bus routes resulting in a fall in the earnings of the bus operators. Sir, it is no use killing an industry which is providing a crying amenity for the people of the rural areas. Can the Hon. Minister deny that there is need for more and more buses in the districts? After his experience of the nationalization of transport in the City he is not prepared to launch on a policy of nationalization of transport in rural areas. Such being the case he should encourage bus operators in the mufassal instead of discouraging them as he is doing at present.

"Sir, it is wrong to imagine that only the rich are the owners of buses. There are some people of moderate means and even some who are poor who have invested their money in buses. For instance, the ex-servicemen have invested much of their hard-earned earnings on the transport services on the advice of the Government. I am a member of the Madras Provincial Sailors', Soldiers' and Airmen's Board and I am aware that it was on the inducement of the Government that ex-servicemen invested their money in this direction. These ex-servicemen are surely not rich men whose interests need not count. They are all poor people who cannot afford to suffer losses and have their income reduced. The present measure is sure to affect the income of these ex-servicemen and I want the Government to show some consideration to these poor people.

"Sir, it is true that the Hon. Minister hopes to get one crore of rupees by the Bill under discussion, but it would not be wise or discreet on his part to push forward with his measure, for this is not the time to purchase the discontent and animosity of the masses. Let him wait until the elections are over and the position of the Congress and his position are stabilized. As a well-wisher of the treasury benches I would advise the Government to give up their new taxation proposals and not to hit the poor harder and harder, thereby fanning the flame of discontent and the unpopularity of the Congress regime."

"SRI K. R. KARANTH:—Mr. Speaker, I have followed the speech of the Hon. the Finance Minister closely to see whether

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he has given any convincing reasons for this taxation measure. I regret I have to say definitely that I cannot agree with him that this measure is either just or advisable. I have listened to the speeches delivered by hon. Members during these two days and hardly a few of the members of our party have supported these measures, while most of the speeches have been against them. It is much better to take a warning from this and bring in only such measures as will command the acceptance of at least the majority of the members who are supporting the Ministry. To-day's measure is very injurious to the transport industry. I know the conditions in my district and I am sure hon. Members coming from my district will bear me out when I say that it is no use supposing that a bus or lorry goes 100 miles a day. People who speak like that, I am afraid, have no knowledge of the conditions of all the areas and they are making no exceptions for the conditions in particular areas, for instance the areas on the West Coast. For a distance of 60 miles between Mangalore and Coondapoor, there are six ferries and a bus cannot go more than 5 or 10 miles without coming across a ferry so that there are six buses in this distance of 60 miles. In the whole district, barring the few main roads buses do not do more than 30 or 40 miles a day.

"I have gone through the report of the arbitrator on the motor bus industry with some attention. The award has been enforced on everybody and I think legislation even has been passed. But my fear is that the award has been passed without much forethought. In calculating the expenditure, the arbitrator has taken into account that a bus would run 100 miles a day, but in my district, as I have said, many of the buses do not run that distance. The arbitrator has insisted that every bus running 100 miles should have two drivers and two conductors, but in his own award in calculating expenditure he has not followed that rule.

"Then, Sir, in the last six months, it is well known that the prices of tyres and tubes have risen by 15 per cent. The Government of India have added another four annas per gallon to their original tax of eight annas on petrol. There is our own tax of four annas. The fee for a brake-certificate for a taxi which has to be paid once in six months or so has been raised from Rs. 10 to Rs. 25 now. Why not say frankly that nobody should have any money in his pocket when we are running the Government and that we are entitled to peunce upon everybody and take away the last pie? Should there be no decent man in the country who should make some money? Is it not good for the country that there should be such people?"

"Sir, let us not look at a few of the big companies. I have no objection to their being properly taxed, but they are clever people and know how to deal with the Income-tax department.

"Sir, three years ago, the First Congress Ministry—we are now having the Third Congress Ministry—changed the old policy of giving permits only to those people who owned a fleet of 20 buses. They wanted to encourage smaller people and two or three buses

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were put as the minimum. A lot of such small owners have now come into the trade. Why do Government want to kill the trade of these small people? When one proceeds on the footing that a bus goes 100 miles a day and taxes on this proposed scale all the smaller people will be killed and we shall have on the road only rich owners who will be able to kill all competition. Is that the idea? From the point of view of the public, it is very bad to kill the motor transport trade; in no country would they do it. I know my district. Last week I went by a bus 60 miles on two days. On the road, everywhere passengers were waiting. Even at the starting point, the buses get filled up. On account of high taxation, the services are so manipulated that the number of trips is reduced and there is a rush even from the previous day. From Mangalore to Udipi or Coondapoor, the buses are full at the starting point and on the way the passengers are not able to get seats. It is our duty to give service to the rural folk and not merely between two towns. Now the Government think of allowing half a pie more. That is only introducing the thin end of the wedge, because I am fairly certain that if there is an independent tribunal appointed and if this taxation measure is placed before it, the bus-owners will be able to convince anybody that, not 6½ pies but something very much more is necessary to make both ends meet. Otherwise, it is no good because this half pie is only the thin end of the wedge. Either we mean business by all the labour, by all the drivers and all the conductors for whose benefit the award was passed, or we do not. My own feeling is that none of the companies in my district, barring perhaps three or four, have ever respected this award for the last one year. Then, what is the good of passing this award when most of the companies do not respect it? If they do not respect it, why not prosecute them? If we want them to respect it, make the conditions reasonable, so that the award can be enforced. There is no use merely taking some figures here and there and imposing impossible things upon the bus-owners. My own submission to this House is that anything more than half-an-anna per mile which is even the mail rate for railways, is too much for our public to bear. Let us not depart from this. And then, half a pie more will not remain there for ever. If Government want to enforce the award and all this taxation, surely it will come up to much more and justice will demand raising it.

"Secondly, let us take the case of lorries. I have got copy of a petition sent to the Transport Minister from my district. In this month I am told they are given only 80 gallons of petrol; this works out to less than three gallons per day. A lorry carrying firewood can hardly go more than 10 to 12 miles a gallon and if a lorry can ply only 80 miles a day, what profit can it make? And, why impose such large taxation on people who cannot run even 30 miles per day?

"Let us then take the case of taxis. They are all poor people, most of them, and I do not think these are companies anywhere running taxis. It is all individuals who have borrowed Rs. 10,000

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or Rs. 12,000 and put that amount on a Chevrolet or a Ford. How can they pay for brake certificate Rs. 25 which has been increased from Rs. 10? Government may increase it because they have the power to do so. For brake certificate one can charge the minimum necessary just as in the case of a licence in a municipality. The High Court has held that you cannot make profit out of licences. Similarly, if Government want to test whether a brake is all right or not how can they charge Rs. 25 which is out of proportion to the work done? Is it simply because Government have the power to increase it to Rs. 25 or is there any reason for their doing so? Then they are given only 36 gallons a month—that is what I learn to be the quota for this month. How can they go on with 1 gallon per day? A taxi can run about 15 or 16 miles a gallon and what can a taxi-wallah earn if he plies his taxi for only 15 miles a day? Therefore, Sir, this sort of taxation is neither good for the people nor good for the trade.

"Then my hon. Friend may ask, how are we to get the money? I may tell him that there is the Retrenchment Committee report already. That was never brought for discussion before this House in spite of the fact that it is such an important report. I daresay a small Committee of four or five members of this House can sit upon it and point out how to do it. As a matter of fact the Retrenchment Committee themselves pointed out five crores, as the total retrenchment, but little or nothing has been done so far. I shall give this House an instance as to how its proposals are being trifled with. A year ago, in the Veterinary Department, a new appointment of a Joint Director of Livestock was created. There was already a Livestock Development Officer on a high pay, but another man had to be given a bigger job and therefore another person was appointed as Joint Director of Livestock with powers to have direct correspondence with the Minister. Now on this appointment the Retrenchment Committee reported that two Livestock Officers were not necessary and recommended that one of them might be abolished—please see page 42 of the report. What happened thereafter? Now, the person holding the office of Joint Director is to retire shortly but I learn that they are good enough to give him an extension. The Assistant who was the Livestock Officer is to become another Joint Director, so that instead of causing out retrenchment, there are to be two Joint Directors. It looks as if offices are found for men and not men for offices. That is the story as to how retrenchment is going on. If really Government mean business, that is not the way of doing things. We must have our expenditure cut down. Before the war the income and expenditure of this Government was about 1,600 lakhs and to-day on account of the war it has come to nearly 50 crores or 5,000 lakhs in 1945-46. After the war we should have cut down this expenditure a great deal. By reason of the slump that has come the Province cannot bear all this expenditure. On the other hand slump is coming down; but what is actually going on is more and more expenditure.

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"Now, if we take the figures which the Hon. Minister himself has given us, the expenditure on Police is a sad commentary on the administration. Even in the first Congress Ministry, the expenditure on Police stood at 405 lakhs, i.e., in 1946-47 and in 1947-48 in the second Congress Ministry it was raised to 464.81 lakhs. Never mind, let us grant that it was necessary. To-day, it is 604 lakhs, while it was only about Rs. 299 lakhs in 1944-45. Are we governing this Province with the goodwill of the people or only with the police to protect us? This sort of Government is no good for anybody and our spending any amount on the police is not going to be for the good of the people. This is true of many other departments.

"Take for instance, our getting Rs. 500 lakhs grant from the Centre. After all, the Centre is not a foreign Government giving us some money from somewhere. Every pie comes from us and is it not because those wise men think fit to provide us with 500 lakhs? So much or more of our money also is being squandered year after year on so many schemes. Money is being wasted in the name of Grow More Food and it is all done in great haste. One hundred and fifty lakhs had to be spent by the end of the last year on wells. I brought it to the notice of the House how at the beginning of March last not a bit of this amount had been spent and the Special Officer said, that he would spend the whole amount before the end of the month and he did it. But, all this money spent in such haste was not wisely or properly spent.

"Again, let us take the Highways Department. The expenditure on that department has gone up by three or four times, but yet the roads in my district are worse than ever before. To-day we cannot go on any road. I cannot go because the springs in my car might break. It is simply too bad. The Government must see that the money is spent properly. The Highways Department has become—as many people say—a Highway Robbery Department (hear, hear). So, Sir, it is time my hon. Friend shakes up his complacency and not merely think that any taxation measure can be brought by him and he can get it passed. Time has come when this sort of attitude cannot go on and even if some members of this House, for the sake of discipline, have to agree, yet there are people outside who are talking of it every day and every minute. I say it is quite possible to carry on without a single pie of extra taxation. For instance, we can cut down 200 lakhs on the staff and another 200 lakhs under Grow More Food, because much of it is a waste of public money and nothing more.

"Sir, I do not wish to take more of your time. I think it is time that the Government take note of all these things."

MR. SPEAKER:—"A number of hon. Members want to take part in the discussion and I therefore fix 10 minutes for each speaker."

MUHAMMAD RAZA KHAN SAHIB:—"Mr. Speaker, Sir, it is said that the costliest thing in England from which the rich

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people suffer is the high cost the survivors have to pay by way of death duties the moment a man dies. But, thanks to our Hon. Finance Minister, the costliest thing for the poor man in this country is, to survive, because right from the morning till the time he goes to his bed he has to pay more and more of taxes. That seems to me to be the position, because for the last three days, it has been our unfortunate lot to find the Hon. Finance Minister coming forward with one taxation measure after another. Of course, all these will go before the Select Committees where they will try and thrash out the various provisions here and there. But, all the same the fact remains that this tax is going to be a permanent feature of this Province. Well, Sir, we have been complaining for the last three days—and in fact, even much earlier at the Budget discussion—that it has become almost a habit more or less with the Hon. Finance Minister for I do not like to use the expression 'disease' and similarly is the case with other Ministers, that when they come forward with measures of taxation, they come almost unprepared. Some thing is written by the Secretariat staff and it is approved at 11 o'clock and the moment we come to the Assembly it is placed before the House and we have to take it. It is very unfortunate to legislate and to pass the Bills coming back from the Select Committee, without any data before us. And what is the data that is supplied by our Hon. Finance Minister? I cannot make head or tail out of it except the fact instead of 37, it will be 48 and so on. . . . (The Hon. Sri B. Gopala Reddi: 'One is for the pneumatic type and the other is for the other type.') That is, while you had to pay Rs. 25 before, now you have to pay Rs. 37; it comes to 50 per cent more. The argument is while you could pay Rs. 25 why not you pay Rs. 35. My charge against the Government is, when the Government are coming forward with such important measures which, according to the Hon. Finance Minister, are going to yield 100 lakhs, he has to come forward after having made a thorough enquiry into the matter as to how the Transport department is working. He must give us some idea of the bus scheme.

"Then, the next point is, we would have been in a better position if really the bus people are making more money. Then surely, this side will be one with you in regard to this measure. He should not merely reply on the reports prepared by the Secretariat. No doubt, nobody can deny that motor transport is an important industry as far as this backward Province is concerned. There is a feeling among so many people, particularly among the members of this House, that these people are getting a good deal of money. That was true when during the war these people got lot of money, but after the war most of the owners have been ruined in this business and whatever capital they have invested is lost. It is a fact and I am sure if the Hon. Finance Minister institutes an enquiry into the matter he will be convinced of it. The situation really was better because during the war there were only a limited number of buses and the business thrived very well here and there and surely when these bus owners, particularly

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when they combined themselves into a fleet of 20 or 30 buses, made a good lot of money. Now that the war is over, the capital expenditure has increased by leaps and bounds and thanks to the various impositions, either by the Provincial Government or the Central Government, they have all been reduced to poverty.

"I would like to say one thing in this connexion. I do not know much about it except through a little study I have made, that after this Ministry came into being they have formed what is called District Traffic Boards in every district. As I have said on a previous occasion, my charge against the Hon. Minister is, he made it a point to appoint only members of his party to all the District Traffic Boards."

THE HON. SRI B. GOPALA REDDI:—"My hon. Friend was a member quite recently."

MUHAMMAD RAZA KHAN SAHIB:—"Yes, but it is all a matter of two months and I was then in the City. But, the feeling among the members of the party, I mean the people who support the Ministry in power, is quite different. Of course, I do not want to go into this at present. Whatever it is, in regard to these District Traffic Committees, wherever you go, there is a good deal of talk about them. I do not like to blame this member or that member. Now everywhere traffic is limited and where it would have been sufficient to ply two or three buses, there are now six buses plying. Where is the traffic to come from and the Government are not going to force people to travel in those buses. The number of people who often go in these buses is dwindling while on the other hand, buses have been on the increase by leaps and bounds. Statistics will speak for themselves. You know the number of buses, taxis and lorries in the various districts of the Province from the figures you have for 1948-49.

4 p.m. "Sir, what are the working expenses of transport in these days? In the course of five or six months, what has happened? Suddenly the price of petrol has gone up by four annas. In the year 1947 in the City of Madras the price of petrol was Re. 1-7-6. To-day the price of one gallon of petrol is Rs. 2-4-6. Thus in the course of two years, it has gone up by fifty to sixty per cent.

"Recently the Government of India have increased the price of batteries and tyres by hundred per cent. What was costing Rs. 100 in 1947 now costs Rs. 250. Where is the money to be provided for? Even the cost of buses and lorries has gone up. What was had for four or five thousand rupees in the early part of the last war is now costing fourteen or fifteen thousand rupees. In spite of all these people are running buses and lorries. Now, if you are going to tax these people, without having a proper perspective of the conditions under which the industry is working, I must say you are simply killing this industry.

"Of course, I do not like to argue with my hon. Friend Mr. Varadachari on this question of transport. He is a man who always

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tries to speak sense but when he speaks about transport, generally he goes the other way. Whenever some legislation about taxation comes, he stands up and says to the Hon. Finance Minister, 'you do not follow my policy. If you only nationalize all the buses in the Province, you will get crores and crores of rupees'. I say, if you nationalize all the buses in the Province, the whole Ministry will be out and there will be Section 93 in the Province. You can judge the effect of nationalization of bus in the City of Madras where, even though you have got officers on the spot and the working establishments and all the facilities, it is not working properly. If you are going to nationalize all the buses in the Province, I do not know what is going to happen. It looks as if the Government are not here to administer but to act more or less as an Industrial Corporation. There is also another danger. If you are going to take up all sorts of business in your hands, you must be responsible for the consequences of such a step. For instance, you have introduced total Prohibition and many people have been thrown out on the road without any job. When such is the case, if you take all the buses under your control, what will happen? So many hundreds of people will be thrown out of employment. I ask, are they to live or die? Therefore, even from a practical point of view, it is not a good idea to increase the taxes. I leave it at that.

"Now, let me come to the effect of this tax on bus owners. Do you feel that the whole income of these bus owners will come to crores of rupees? Even supposing they make a profit of about a crore of rupees and if you are going to take another crore from them, how can you expect them to meet this additional taxation? You cannot expect them to meet it from their capital and thus ruin themselves in this manner. Therefore, I feel that it is not right and fair on the part of the Hon. Minister for Finance to have come out with this proposal at this juncture when these bus owners are already hard-pressed on all sides. I have said all this as a member of the Opposition but I cannot give alternative suggestions because I am not running the Government and therefore I have nothing to do with it. My hon. Friend Mr. Karanth who has had the experience of a Minister for a period of about twelve months, gave you suggestions for augmenting the revenue of the Province—I believe some of them are very constructive. I ask, will the Government accept those suggestions? I do not think so. I only admire the obstinacy of the Hon. Finance Minister in this matter and I wish everybody follows him. He says, whatever members may say, my taxation proposal should be passed. I am sure it will pay you for some time and you can go ahead with it. But you will feel the effect of it by the end of this year and then you will realize the position. Do you know the effect and the ultimate outcome of it? It will paralyse the bus transport business run by private bus owners. I am sure, the Select Committee will give ample chance to have a proper study of it and not confine itself to one or two hours' discussion here and there. It is a very important measure and if my Hon. Friend, the Finance

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Minister, simply persists in this policy, we will not have buses in the Province but only bullock carts. Instead of travelling in buses, we will be forced to go in a bullock cart. As my time is up, I close my speech."

* SRI N. S. VARADACHARI:—"Mr. Speaker, Sir, It is very difficult to find a statement of fact from the Hon. Finance Minister's speech and the data on which he has based his proposal may not be correct as he imagines them to be. [At this stage Begum Sultan Mir Amiruddin (Chairman) occupied the Chair.]

"Madam, I will dismiss the statement of my hon. young Friend on the other side, Mr. Raza Khan, that he has not successfully anticipated what I was about to say on this Bill. Well, I am an ardent advocate of nationalization of bus transport throughout the Province and I know what nationalization means from A to Z. I wish to say that, even assuming that we do not follow the policy of nationalization, this policy of increasing taxation on vehicles running at present in the Province, is certainly not a very satisfactory measure. In fact, I think that the case has not been sufficiently studied by the Hon. Finance Minister. Now, there is not much time for me to argue about all cases, viz., buses, lorries, private lorries, public carriers and lorries used for agricultural purposes, lorries used for other purposes and so on. But I shall confine my arguments to the buses alone because Government have now acquired an amount of experience in running bus service. Despite what Mr. Raza Khan may say in this respect, I say that the nationalized bus service in the City of Madras is far better than the service run in all the other Cities of India where it is not nationalized and far better than the private service except in a very few instances that we meet with in the Province of Madras. I wish Godspeed to nationalization. But, if you are not willing to go ahead with nationalization, do not kill capitalism alive and make it stand on its last legs. Keep the policy of capitalism, if you like, fully alive but do not aim at fleecing the capitalists by this method of taxation.

"Now, what is the effect of this Bill? The Hon. Finance Minister naively said that the mufassal buses will have to pay Rs. 17 per seat. He should have said, on the other hand, 'I have raised the taxation from Rs. 17 per seat to Rs. 34 per seat.' That would have been a more correct statement of fact. It is a hundred per cent increase per seat on every mufassal bus. Whether passengers sit or not, the tax has got to be paid. The tax has got to be paid not only on buses plying but also buses kept as stand-by. In addition, he has to pay other taxes and establishment charges and he has got to maintain the service with full establishment.

"Now, let me come to the earning capacity of bus owners. I say that the earnings for every running mile in the City are fairly good. Let me assume that the earnings in the mufassal buses are also high even though I will prove presently that they are not so. It is about 13 annas for every running mile. Let the

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Government challenge my figures if they like. If they are getting more, that means that they are getting more profit and there is every necessity to go ahead with nationalization. Why do you allow these people to make money and then tax them not knowing where this taxation will lead to. Why don't you take courage in both your hands and earn more than 13 annas per running mile. I say, go ahead with this scheme. Now, let me assume that 13 annas is a very good earning for every running mile. What are your expenses? The expenses may be about 11 annas per running mile after allowing for the depreciation, taxes—both Provincial and Central—and for the other charges to which a private bus company would have been subject to had it been running in Madras in place of the present nationalized bus service. What is the difference that remains? Only two annas for every running mile. Let me assume that a mufassal bus runs 120 miles per day. It is a very tall assumption to make. It may not run 120 miles. It may run only 100 miles. Let me also assume that it runs all the thirty days. Then again it is another wrong assumption. It may not run all the thirty days. Now what is the difference that it will make? I say, it will make Rs. 675. Thus there will be very little margin left to them especially when we take into consideration the fact that they run buses on bad routes and their workshop experience is less and they have to make costly repairs. Besides, there is a heavy taxation on petrol. Even the spare parts are costly. Thus everything is not in favour but against the mufassal bus owners. How do you expect them to pay this increased taxation proposed in the Bill. It is just possible that they may even cut the amenities which they are now providing under some compulsion from the State and under public pressure to labour and other staff. I ask, do you want to wage war against labour? The Government have not dared to come out with their policy for labour. There is no use blaming them if they strike work. Ordinarily, I would advise labour to come out with a manifesto and ask you, in the name of God and in the name of faithful service rendered to you, that they should have full and fair share of the profits made by you.

"Madam, I am not in favour of capitalists. I am not in favour of nationalization all at once. I have collected figures from different places and I know the gross earnings of bus service. I say, extend nationalization to Chingleput district and other districts one by one. Then you will get not ten lakhs of rupees but much more. You have better organization. You can get better facilities. You can get everything cheaper than these people. We have got men trained by our Government and the Central Government, to run this wonderful public utility service. I would recommend to you several books on 'Bus Operation.' Read them and then you will know where you are. You are feeble and you cannot stand on your own legs and you want to torture these poor people all the time. There are big companies which make a lot of profit. I ask, do you want to help these big

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companies and kill these poor people? I say, you are committing a great sin and a great crime. Are we to say to the latter 'Your field is not clear. You please clear out.'

4-15 P.m. "That is not a policy which I can allow and another matter is that there is no question of mandate in taxation matters and everything must be examined very carefully as an administrative question.

"I will come to the last argument and that is you say that you have allowed them to increase their fares by half a pie per mile. The fare per mile to-day is six pies. I have taken the rates of fares obtaining in sixty routes and I find that they are charging less than four pies and a half per mile. They are not charging even to the extent of six pies and how can they increase their fares by half a pie per mile more? If they increase their fares, what will be the result; you need not even give them the half a pie more but let them charge a mere six pies, the result will be that they will get no traffic at all. The traffic that they can get is based on the fares and not on the rules made by the Government. Suppose you want to get a man to travel from Tiruvannamalai to Madras, the fares must be sufficiently attractive with reference to the railway fares that he would otherwise have to pay. In other words it must be a sort of co-ordinated road and railway transport. You are proceeding on the footing that this is an independent transport. There are bus services run along railway routes and others running from one railway station to another cutting across a railway route, and here the system of fixing the rate per mile will certainly not work for the fares will have to be related also to the fares charged by the railways. I will produce figures and let us hold an enquiry into the matter and let us examine officials and get their aid, let us take into consideration item by item and I am sure I shall be able to convince you that this piece of taxation measure so far as buses are concerned—I have no time to deal with lorries and I shall deal with them on a later occasion—will neither pay the revenue, shall I say extract, will neither extract—I am using the word extract deliberately—the revenue nor will it be productive as a result of the expansion of bus traffic."

* SRI V. C. PALANISWAMY GOUNDER:—"Madam Speaker, I do not want to speak at length on this Bill, my intention being just to say a few words about one aspect of the Bill, namely the charges levied on private lorries especially intended for agricultural purposes. I want that the Government should show all possible concession to the producer. Now-a-days the cost of transport and the cost of production of foodgrains have gone tremendously high and unless the ryot uses mechanical process, he cannot save himself. If the Government taxes such lorries on an equal footing with the public lorries, I think the lot of the producer will be very hard. It must be remembered that owing to controls and intensive procurement, it is the producer that is hit hard and the Government want to save the producer

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and at the same time distribute the food to the consumer at a fair price. It does not mean that the producer should be throttled and put down to the advantage of the consumer. The producer forms 80 per cent of the population and that being so, it is but right that the Government should give all possible encouragement and help to him and they should give concessional treatment for the lorries used for agricultural purposes.

"Now, the present policy of the Government is to encourage small capitalists owning three to five buses. Several small capitalists, even poor Congressmen have entered into the field. The intention of the Government is to tax equally the small fleet-owner and the big fleet-owner. If that is so, I think the small fleet-owner cannot survive against the big capitalists and so, I request the Government to make a distinction between the big and the small fleet-owners. It will be in consonance with the present policy of the Government to make such a distinction. You know that in the matter of income-tax you make an exemption in respect of a certain sum and above that the income is charged. Of the same lines the small fleet-owner must be exempted if he is to survive.

"I shall just revert for a moment to the concession to be shown to lorries used for agricultural purposes, transport of food grains and manure. Manure is an important factor in the production of food and compost manure and municipal rubbish have to be transported from distant places to the villages and bullock-carts cannot satisfy the needs and requirements of the villager and lorries are being made use of for the purpose. If these lorries are taxed on a par with commercial lorries, it will be very hard for the agriculturists. I, therefore, request the Government to take note of this aspect of the matter and encourage agriculturists and poor capitalists. I think I have done."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Madam if the Hon. Finance Minister is not convinced by now that this tax will directly hit the poor, even God will not be able to help him and I cannot waste my time trying to convince him that the tax will fall directly on the poor. But some of our Hon. Ministers are going about with stock phrases and catchwords and as usual in this measure also, he has got these stock argument that he is allowing the bus-owner half a pie per mile extra and so the poor will not be taxed. Perhaps he is not aware of the fact that in the name of the tax much will be collected beyond what the Hon. Minister could comprehend or foresee and the poor man, the illiterate person or the busy man will not be sitting by the roadside arguing with the bus-owner. This is what the Hon. Finance Minister has allowed you; he is a good man and he has allowed you to charge only so much extra but how about the excess? Will the Hon. Finance Minister be able to help any person who comes forward to him with such a complaint. I would have believed it but for the frank confession he has made that

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there is leakage of information from the Cabinet, from the Secretary and from every department; he has confessed that there is leakage in the collection of revenue and the sales tax and I can tell him that there is leakage throughout and there is going to be a lot of leakage in this matter also. Has he taken into account the fact that some of our buses have to pay taxes to more than two authorities, the Provincial Government and two States? My hon. Friend, Mr. Khader Kutti, just now told me that some bus service is running in Malabar and it has to pay four Governments, the Provincial Government, Cochin, Travancore and Mysore. I wish to know whether they ever attempted co-ordination and has there been any consultations with those States? A bus is now paying 230 and hereafter it will have to pay 460 and the same bus will have to pay to this Government and States also. I wish to ask whether they have studied the implications and whether they have comprehended what its possible effects would be. I thought my hon. Friend was an expert on Forests only but he has attempted to show that he has in his hands some information which is not even available to the Hon. Finance Minister. Neither Mr. Varadachariyar nor the Hon. Finance Minister has tried to see that there is corruption and jobbery and there is everything obnoxious imaginable. Has he calculated and taken into account that the Brake Inspector and the Police Head Constable have to be paid *bhaktshis*? Can he not see that this is paid by the bus-owners in addition to the taxes? His information that we shall be getting some hundred lakhs will be completely disproved and the forecast of receipts by this Government regarding this item of taxation will not be realized. On the floor of the House the Hon. Finance Minister has said that the District Road Traffic Boards are competent to increase the number of buses and they need not approach the Government nor need they consult the Government regarding the increase. I am coming from a district where only a month ago the Road Traffic Board met and decided that for various reasons they would increase the number of buses by a hundred. There has been about 250 buses in my district for the last 10 or 15 years and now of course for political reasons there are the District Congress Committee elections and for various other reasons we do not know, the number has been increased by a hundred."

THE HON. SRI B. GOPALA REDDI:—"What were the District Superintendent of Police and the Collector doing there?"

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Poor people, what can they do? They were there but there were also the members of the Board who were directly nominated by the Government and they go there with all the force of the Government and they—M.L.A.s or the cousins of M.L.A.s or whoever they may be—do much in these matters and our officers being able to adjust themselves to circumstances the result is what we see, that they send a recommendation to the Government. I will not be able to give you information regarding the other districts but

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it may be taken that things will be much the same there also. I am concerned only with the fate of those bus-owners and what becomes of the calculation of the Hon. Finance Minister who has proceeded on the basis of the strength available here. Perhaps the Hon. Finance Minister is not also aware of the fact that fleet-owners are asked to have a spare bus with spare staff and even a fleet-owner of three buses has to maintain it and he has to pay tax and maintain the staff on it. Will the Hon. the Finance Minister be so cruel as to ask for not only the staff to be maintained but also insist on the payment of taxes in respect of them and will he clarify the position with regard to it? My time is up and I will sit down with one note to the Hon. Minister. The Hon. Minister is never tired of saying that the House is with him and the country is with him but let him not be living in a fool's paradise even after reading this morning's papers regarding the results of the Calcutta elections and claim that the people are with him. Will he continue it even after hearing Mr. Karanth and Mr. Kaleswara Rao who said that though they are opposed to it yet for party principles and discipline they are voting with him. If you still believe in spite of all this that the country is with you, even after hearing your own party men saying 'I know the conditions in the districts; I am against it but I am helpless as I have to support you for various reasons' and even after hearing in addition the Calcutta election results—that you rely upon the support of the people—and come forward with this measure, very soon you will have to face, I do not know, what."

SRI GUNTUR NARASIMHA RAO:—"Before the year 1939, we all know the condition of the buses and the money these buses were getting to the owners. During the war years there were some people who made profits, but now on account of deflation they are finding it hard to carry on the service. During the war, petrol was scarce and these buses were running on fuel. On account of this, there was much more depreciation than it would otherwise be the case. The Government have not taken into account the cost of replacement of spares to these buses which the owners are trying to put on the roads. They will not be able to withstand the strain of taxation if there is any further increase in tax. As a matter of fact the ex-service people have started a number of co-operative societies which run the public carrier system. The Finance Minister can get all information from the Co-operative department about their maintenance, allowances for depreciation and the profits they earn. If these figures satisfy him with regard to the further imposition of taxes, then he has got a good case in support of his measure. It is true that, on account of all districts going dry, there is some shortage of funds which the Finance Minister is trying to make up in this year's budget. But he has got the Revenue Reserve Fund. He can give effect to the retrenchment and re-organisation proposals. Also he can reduce the quota of expenditure. By these means, he can make up the deficit. In fact, after India was divided,

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there has been a three per cent increase in the share of income-tax which the Central Government are paying to this Province. It is, therefore, unnecessary to come forward with a number of measures for further taxation. On the other hand, the poor and the middle-class man need more relief. Already, the burden of taxation is weighing very much upon him. The index of the cost of living is rising every day and the ordinary middle-class man is not able to meet his family budget. Any further taxation will work great hardship and I request the Hon. Finance Minister not to proceed with such hasty taxation measures and create further difficulties for the people."

* SRI P. NATESAN:—"I am sure the Hon. Finance Minister is not going to bother himself about anybody's speeches. He is so callous to what Members say here. We speak hereafter studying things with the conviction that he will heed to what we say."

CHAIRMAN (BEGUM SULTAN MIR AMIRUDDIN):—"If he goes on at that rate, the hon. Member will not have more than three minutes to speak on the main motion."

* SRI P. NATESAN:—"I am only making him understand that he cannot start off by doubling or trebling the taxation without heeding to the advice given in the House. Madam, these roads are maintained by, probably, the District Board or by the Government but what is the condition of the roads? The businessman puts in a lot of capital, tries to run the buses on these roads, but the wear and tear are heavy on account of the bad condition of the roads. He is not getting any return for the money he pays by way of taxation. But the Finance Minister says that he has to augment his resources for the loss in revenue owing to prohibition. Every time he comes, he says there is no money but he launches on a scheme. We say to him to go slow. But what is the net result? I want to warn him that he cannot be sleeping to events happening elsewhere. Some Member has referred to the Calcutta elections. I do not want to go into it. Look at what happened nearer home in our own Province, that is, Virudhunagar, the very place where the President of the Tamil Nad Congress Committee, is supposed to be influential. And what about Tuticorin? My point is that the Congress is slowly losing ground. The Hon. Finance Minister seems to think that we are still under British rule, and he does not seem to realize that we are now living in 'Free India'. If the Congress Government go on taxing the people at this rate, the Congress would soon go to the wall. We are talking about the plight of the people here and at the same time, we are going to collect from them taxes in all ways. As I said, he must go into the economics and see how far a particular industry can stand the strain. I am glad that almost all Congress members who spoke day after day have all been opposing this taxation measure except that owing to discipline, they said they supported this Bill. I have nothing more to say except to lay my emphatic protest against this hundred per cent increase in taxation."

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* SINNA KAZIAR HAJI MOULVI S. A. F. IBRAHIM SAHIB BAHADUR:—"It has really become a hard task for me every day to oppose every new Bill which is brought before the House by the Hon. Finance Minister. It is becoming more tedious and monotonous also. Still, I felt it my duty to point it out when something goes wrong. After all, he is very keen and wants to have some more finance and we are not going to deny it to him. But the main point before us is the mode of taxation. He wants to tax the poor, but we want him to tax the rich. It was rather surprising to me to hear the hon. Members—it was also jarring to me—when they were saying that the motor-owners were working at a loss. It is most incorrect. Next to mill-owners, they are the fittest persons to be taxed. I am glad that the Hon. Finance Minister has come before this House with this taxation proposal. I would support him even if he had a proposal to tax them 100 or 200 per cent because they will be able to pay it, but he ought not to have made a provision to collect half a pie per mile per seat from the passenger. Government should not allow the bus-owners to collect more from the passengers as it is then more or less an indirect way of taxation on the passengers. Some hon. Members said that bus service business is not paying. I ask the Hon. Finance Minister to fix up fair prices, purchase the buses from the bus-owners and sell them in public auction with the routes. If the bus costs Rs. 4,000, he will be able to sell it for Rs. 10,000 with the route. If the business is a losing proposition, why should people purchase the buses at abnormal cost? To say that the bus-owners are not making profits cannot stand to argument or reason. Further, I would suggest a better alternative. The Hon. Finance Minister can have crores if he takes up my suggestion. Number of buses should not be restricted to certain specified routes. It is also anti-nationalistic. There was also a proposal to nationalize transport throughout the Province. That has been the voice of the Hon. Minister also from the very beginning of this session and for the last two or three years, but I am sure the Hon. Finance Minister is not going to nationalize bus services until and unless he nationalizes himself. If Government nationalize the bus services, it will be the greatest source of income. But when are they going to be nationalized? Another thing is that the number of buses in any one route should not be restricted. There is a possibility then of getting taxes from a greater number of bus-owners, thereby resulting in increased income. It is now well-known that transactions are going on, for selling buses to new owners at prices 200 or 300 per cent more than what they cost, because the purchaser gets the bus with the route. The Government may well fix up fair price for all buses, purchase them and then sell them with the routes which will fetch them a large amount of money. This is another proposal. Whether it is practicable or not, it is left to the Hon. Finance Minister to consider."

"The next thing that I want to say is, so many hon. Members 4-45
were saying that due to the use of charcoal and the high price of p.m.
petrol and the demand for high wages all round, bus-owners are

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working their business at a loss. If that be the case, let them hand over the buses to Government, let them take a fair price from Government for their buses and give room for others. All this talk of working at a loss can be said for argument's sake. In England the richest men are butchers, in Southern India the richest persons are bus-owners. The only thing that I would request the Hon. Finance Minister is to delete half a pie clause. Do not ask the bus passengers to pay the extra taxation but ask the bus-owners to pay it. That is all I have to say."

* SRI V. I. MUNISWAMI PILLAY:—"Madam, I was greatly surprised to-day to listen to some of the observations and arguments of my friends totally opposing this motion, now before the House. Yesterday it was the painful duty of myself and some others to criticise the measure brought forward. But on going through the draft amendment presented to the House, I find that nothing that has happened in the country warrants opposing it. (At this stage the Speaker assumed the Chair.) The owners of buses and motor lorries are not so poor as not to be able to pay the additional taxation. I have been in the transport authority as a member for a few months, and I know the long list of applications received for permits both for lorries and buses in my own district. That clearly shows that there are people who can afford to buy lorries and buses, ply them for hire or use them for their own purpose. Moreover, yesterday the Hon. Finance Minister clearly told us what are the implications of the introduction of prohibition which we so warmly welcomed and what is its aftermath. I feel it is a legitimate levy on motor buses and lorries and other vehicles that has been brought under the present motion. The only cry to-day is that the private lorry owners and those people who are having private cars have taken upon themselves to use these for public purposes. That is the greatest cry, and I do not think either the transport authority or the police have been informed that this kind of immoral practice is going on in the Province. Sir, the other day, when this House was considering nationalization of transport, especially of the Ghaut sections, there was much opposition here from private bus-owners, and they and owners of fleet buses were protesting against that. And to-day what do we find? They are carrying on their business jolly well. And that goes to show that in the Province there are people who can afford to run these lorries and buses and pay high rate of taxation.

"The only plea I would make here is that the Hon. Minister should not bring into this category the transport agency of buses and lorries which are being used for the transport of agricultural products. There are many marketing co-operative societies that have several lorries of their own, and in the budgets they have framed this year, I do not think they have made provision for the proposed higher rate of taxation. Sir, when the Hon. Finance Minister was in the Nilgiris last time he knows very well how a deputation waited on him to give facilities to lorry owners for transporting commodities from the Nilgiris to the plains. It is

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a very urgent matter and unless Government give them some concessions for the transport of agricultural products, the people of the Nilgiris will be greatly affected. With these few observations I support the motion."

MR. SPEAKER:—"As there are several hon. Members, who wish to speak on this motion I shall allow each Member five minutes."

SRI K. BRAHMANANDAM REDDI:—"It is too short a period; the subject-matter is an important one affecting so many people."

MR. SPEAKER:—"I suggest that we shall sit till 6 o'clock and finish this motion."

SRI T. VISWANATHAM:—"We have all-fixed previously our programme and we have fixed some engagement after 5 in the evening, and so I request the House may rise at 5 o'clock. If it is not possible to finish the work to-day we shall sit to-morrow."

MR. SPEAKER:—"Several Members have booked their seats in the train for to-night and it is but proper that we should accommodate them."

SRI R. V. SWAMINATHAN:—"The House requires sufficient time to discuss this motion, as it is an important matter affecting so many people."

SRI K. KOTI REDDI:—"We have got some other engagement after 5, and if the business is not finished to-day we can take it up to-morrow."

THE HON. SRI B. GOPALA REDDI:—"I think we can rise at 5 and meet again to-morrow afternoon at 3 o'clock."

MR. SPEAKER:—"Yes, we will sit from 3 to 5 to-morrow. As usual there will be no question hour."

MOHAMED RAFFUDDIN AHMAD ANSARI SAHIB BAHADUR:—"Mr. Speaker, Sir, it is not a matter for surprise that so many members both on this side and on the other side of the House have opposed this taxation measure. I say it is not surprising that there has been so much opposition, because I do not think that in the history of taxation there has been any measure which has met with the same amount of opposition as this. I am also struck by the very peculiar nature of criticisms levelled against this motion. Some of the hon. Members who opposed this motion seemed to be under the impression that this measure is going to hit the poor, and so they, as champions of the poor in this House are opposing it. Personally I do not think there is anything in this motion which warrants the impression that this measure is going to hit the poor in any way. Of course it is not clear to me, on what principle this taxation is being levied. On the one hand there has been the principle underlying

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motor transport, that it is a veritable gold mine and it is an item which can be easily taxed. So far as that is concerned I may be able to tell from my experience in the mofussal that the running of buses except by large fleet owners (by fleet owners is meant owners of twenty or thirty buses in number), that is, by owners of two or three buses is not profitable. They do not have any large margin of profit. I do not say that small owners are running buses at a loss. No, I do not say that. For if that is so, it is not business at all. They are only making a small margin of profit. So this measure will hit them very hard. But I will wholeheartedly support this measure if the owners of twenty or thirty buses are alone to be brought under this measure. That will entirely be unobjectionable. But if it is to hit both small owners and fleet owners, you will be placing the small owners at a disadvantage as compared with fleet owners. Already you have started them at a disadvantage along with the fleet owners, for the latter have had the benefit of previous experience and previous gain and profits, and so they will be in a much better position than the small owners. If the policy of the Government is not to adversely affect the small owners, then Government ought to change this measure suitably. From the measure framed as it is, it is not clear what the idea of Government is. Is it the idea that the passengers are to bear the full brunt of this additional taxation? Are the bus owners to collect this tax from passengers? If that is so, it is a drain on the purse of the poor. All the same it will not affect them much, because the percentage of increase is so meagre that the public at large will not grudge to pay this additional fare to reach their destination."

MR. SPEAKER:—"The hon. Member can continue his speech to-morrow. Before the House rises, I shall read out the agenda for to-morrow. The agenda is 'items of business left over from to-day's agenda.'

"I now adjourn the House till to-morrow 3 p.m."

THE MADRAS LEGISLATIVE ASSEMBLY.

Thursday, the 16th June 1949.

The House met in the Assembly Chamber, Fort St. George, at 3 p.m., Mr. Speaker (THE HON. SRI J. SIVASHANMURTHI PILLAI) in the Chair.

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

I.—GOVERNMENT MOTION.

MOTION UNDER RULE 17 OF THE MADRAS ASSEMBLY RULES.

THE HON. SRI B. GOPALA REDDI:—"Sir, according to the decision we arrived at yesterday, we have to take up to-day for the transaction of official business. I am sorry that another non-official day is being taken away. I move—

'That rule 17 of the Madras Assembly Rules be suspended and the House do resolve to transact Government business on Thursday, the 16th June 1949.'"

MR. SPEAKER:—"Motion moved—

'That rule 17 of the Madras Assembly Rules be suspended and the House do resolve to transact Government business on Thursday, the 16th June 1949.'"

The motion was carried.

RAJA SIR MUTHIAH CHETTIYAR OF CHETTINAD:—"I purposely did not object to the motion, as I should not be understood as being obstructive to the Government business ordinarily. It is the opinion of every member of this House and the public that the question-hour in the Assembly is the most interesting and the most useful hour."

MR. SPEAKER:—"May I interrupt the hon. Member and say that only in accordance with the decision of the whole House arrived at yesterday, we have dispensed with the question-hour to-day?"

RAJA SIR MUTHIAH CHETTIYAR OF CHETTINAD:—"I certainly speak with the full knowledge of the decision by which the House agreed to waive the question-hour to-day. It is all right so far as to-day is concerned. I am only appealing to the Hon. Leader of the House and the Chair to see that the question-hour is not taken away in future.

"I do not question the authority of the House. I am not saying anything about to-day because the House decided to give up the question-hour to-day.

"I do not for a moment question the right of the members to take any decision with regard to what the House should or should not do. I am only asking that the Hon. Leader of the

[Raja Sir Muthiah Chettiyar of Chettinad]

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House and the Hon. Speaker need not try to give up the question-hour. Here I wish to draw attention to the peculiar circumstances prevailing in this country. The Opposition is very small in number, and the only occasion for the members on the Opposition side as well as the Government side to ventilate grievances, elicit answers and shape the policy of the Government is the question-hour. I may say that very good results have been achieved by the question-hour during the last two years and the Hon. Ministers themselves have taken a very lively interest in it."

THE HON. SRI B. GOPALA REDDI:—"I may inform the hon. Member that under very special circumstances we are taking up this non-official day for official business. Originally we did not expect to sit on the 15th and 16th; we intended to meet on the 13th and 14th, adjourn and meet again only on the 18th so that the Select Committees might meet in the interval. But we found that more and more members were coming forward to participate in the discussion. To enable the several members to participate in the discussion, the House decided towards the end of yesterday's sitting to meet again to-day. At such short notice the Secretary of the Legislature could not get ready and circulate the list of questions and we also could not get the answers ready. But I may assure that we will not deprive the Members of their rights and privileges and that all the questions, for which answers are ready, will be answered in the course of this session."

MR. SPEAKER:—"One thing I must bring to the notice of the hon. Members. If the House, without a dissentient voice, decides that there need not be the question-hour, I do not see why that decision should not be respected."

II.—ELECTION OF MEMBERS TO THE PUBLIC ACCOUNTS COMMITTEE.

MR. SPEAKER:—"I have to inform the House that the following candidates were nominated for election of nine members to the Committee on Public Accounts for the sixth session of the Madras Legislative Assembly:—

- (1) Sri V. M. Ramaswami Mudaliyar.
- (2) Sri P. Kandaswami Pillai.
- (3) Sri N. S. Varadachari.
- (4) Sri B. Venkataratnam.
- (5) Sri T. K. T. N. R. Tatachari.
- (6) Sri N. M. R. Subbaraman.
- (7) Hajee Syed Hussain Sahib Bahadur.
- (8) Begum Sultan Mir Amiruddin.
- (9) M. Muhammad Ismail Sahib Bahadur.

As the number of candidates is equal to the number of vacancies to be filled, viz., nine, I hereby declare them to have been duly elected to the Committee on Public Accounts."

[16th June 1949]

III.—ELECTION OF MEMBERS TO THE HOUSE COMMITTEE.

MR. SPEAKER:—"I have to announce to the House that the following candidates were nominated for election to the House Committee:—

- (1) The Yuvarajah of Pithapuram.
- (2) Sri R. V. Swaminathan.
- (3) Sri P. R. Kandaswami Gounder.
- (4) Sri K. Raghavan.
- (5) Sri P. Natesan.
- (6) Mahin Schamnad Sahib Bahadur.
- (7) Sri K. T. Kosalram.

The nomination of Sri K. T. Kosalram has been withdrawn. As the number of remaining candidates is equal to the number of vacancies to be filled, viz., six, I hereby declare them to have been duly elected to the House Committee.

"In addition to the above, under rule 152 of the Madras Assembly Rules, I nominate the following two members to be members of the said Committee:—

- (1) Mr. W. J. Fernandez.
- (2) Sri M. P. Periyaswami."

IV.—ELECTION OF A MEMBER TO THE LOCAL ADVISORY COMMITTEE OF THE SOUTH INDIAN RAILWAY.

MR. SPEAKER:—"I have to announce to the House that Sri L. S. Karayalar is the only candidate duly nominated for a seat in the Local Advisory Committee of the South Indian Railway. I hereby declare him duly elected."

MUHAMMAD RAZA KHAN SAHIB:—"The Hon. Speaker said that the Finance Minister will finish his reply to the debate by 5 o'clock and that the House could adjourn at that hour. Now that the Raja of Chettinad has taken up about ten minutes, cannot the House sit till 5-10 p.m.?"

MR. SPEAKER:—"Let us see as the discussion proceeds."

V.—AMENDMENTS TO SCHEDULE II OF THE MADRAS MOTOR VEHICLES TAXATION ACT, 1931 (MADRAS ACT III OF 1931)—cont.

MOHAMED RAFEEUDIN AHMAD ANSARI SAHIB BAHADUR:—"Sir, yesterday I was pointing out to the House how this taxation would hit the small operators more than the large operator. I do not think any very elaborate arguments are necessary to canvas that point. Even from a cursory glance at the working of buses, it can be clearly seen that a large operator with the manifold advantages that he has can better withstand this burden of additional taxation than a small operator. In fact, I can even say that this tax will indirectly benefit a large operator. A small operator,

[Mohamed Rafeeudin Ahmad Ansari Sahib Bahadur]

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3-15
p.m.

unable to withstand this additional burden, will go out of the field and a large operator will become the monopolist. I take it that the policy of the Government is not to allow monopolies in the motor transport business. If that is so, it is the duty of the Government to so adjust the taxation as not to drive out small operators from the business. They should levy the tax only on big operators and exempt all small operators. I daresay the department can devise ways and means to give effect to this suggestion. If, for any reason, this suggestion cannot be accepted, the alternative is to make the tax as less obnoxious as possible, so that a small operator can survive the burden. By an executive order it is proposed to increase the maximum fare leviable from six pies to six and a half pies per mile. What I suggest is that the maximum should be so increased that even the small operator would be able to take advantage of it and get some profit out of the business, and he may be able to compensate for the loss that he will be incurring as a result of this taxation measure. The maximum leviable should be increased to at least $1\frac{1}{2}$ pies more. You will see, Sir, the tax is going to be increased by 50 per cent. If the principle is that this increased taxation should be compensated for by this increase in the maximum leviable fare then it stands to reason that the maximum leviable fare also should be increased by 50 per cent. If for any reason it is considered to be too large an increase at least 25 per cent increase should be made. That is why, Sir, I suggest an increase of $1\frac{1}{2}$ pies. Even then it is not known whether it is going to be an unmixed blessing for the bus operator, because it is not on all routes that the maximum of six pies is levied even now. It is quite possible that the operators may not be able to take full advantage of this even to the maximum extent of $1\frac{1}{2}$ pies more. Any way the barest minimum justice that we could do to them is to increase the maximum leviable fare by at least 25 per cent, thereby making it possible for the small operator to bear this burden of taxation. It does not matter if the large operator also has this additional advantage. The point to be seen is that even if a certain party is given a decided advantage over the other party, at least the other party should not be subject to an injustice in this regard. Having pleaded for the small operator of the buses I now come again to the case of the lorries.

"I do not know the case about the lorries in the City, perhaps the business is a lucrative one in the cities. But so far as the mufassal is concerned I can say from personal experience that the lorry business is not at all lucrative. What with competition among the lorry owners themselves and the increased price of spare parts and other things, the lorry owner is finding it very difficult to gain any decent margin of profit in the business. The Hon. the Minister must himself be well aware of the position of the lorry owners. Representations have been made to him about them. Therefore I suggest that the lorries should be exempted from the levy of this tax. I dare say that this taxation is not

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based on the principle of the excess profits tax or the super tax, that is to say, it is not based on the principle that because people have amassed large sums of money it is just to tax them. If the principle is not that but that some source should be tapped in order to meet the deficit in the revenue then it is just that the whole burden of the taxation should be passed on to the public at large, i.e., to the consumer.

"I do not see the strength of the argument that the whole of the taxation is going to affect the poor very much. The percentage of the population which will be affected by this tax is going to be very negligible and it is no use saying that we cannot tax this and tax that, and at the same time that we must have Prohibition and more facilities for Irrigation and everything else. Those people who supported Prohibition cannot now say that this taxation cannot be levied. Of course it is our duty to see that any tax that is now levied is as less obnoxious as it could be and in the working of the Act justice is done to all the persons concerned.

"In the matter of the small bus operator I have a few suggestions to make. In order to see that they do not suffer as a result of the taxation I suggest for the serious consideration of the Hon. the Minister that some concessions and privileges should be shown to the small operator. For instance there is the question of the rotation in the timings of starting from and reaching the termini. The large operator who has been in the field is given the earlier of preferable timings with the result that not only has he a larger field and more lucrative routes but he has also the advantage of the timings. He starts his bus at a time when he can have the maximum number of passengers whereas the small operator is given the timings which are not so advantageous. What I suggest is that there should be rotation of timings. The old operator as well as the new operator should be given equal chances in the matter of timings, etc."

* SRI K. BRAHMANANDAM REDDI:—"Mr. Speaker, Sir, I wish I belonged to the Opposition, for I could say more airy nothings than what Mr. Salam did, and yet be applauded by Mr. Hamid Khan on the performance. Now, Sir, the burden of the song seems to be that this taxation will cripple the industry and that the small bus operator would not be able hereafter to ply his bus. Let us see whether the argument will bear proper scrutiny. It will help us to remember what the budget speech of the Hon. the Finance Minister indicated. It indicated a surcharge of $12\frac{1}{2}$ per cent to be collected from the passengers, i.e., that on every rupee, you collect 2 annas from the passenger and the bus operator will be your collecting agent. Subsequently the matter was placed before the Transport Advisory Committee wherein several experienced legislators like Mr. Hamid Khan and several leading bus operators participated and it has been resolved by the Committee that instead of making the bus operator your agent for

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collecting the surcharge, it will be made as a levy on the operator himself and he will be permitted to collect the same from the passengers. That was the resolution that was unanimously adopted at the meeting. I do not know if it is open to Mr. Hamid Khan to come here now and question that. Inasmuch as the Government now propose to allow half a pie for every mile to be collected from the passengers, there is no point in saying that the bus operator, whether he is big or small, will lose. There is no question of the bus operator losing so long as the money is collected from the passengers.

"We will have to see another point also, namely, whether the half a pie which the Government propose to enhance would be sufficient to enable the operator to bear this additional taxation. Let us take a 72-mile route. Supposing on an average a bus has 24 seats. The half a pie increase would amount to Rs. 3-8-0 per day and that would be Rs. 105 per month. For a quarter it would be Rs. 300 and odd. This is on the assumption that the bus plies all the 30 days and all the 24 seats in the bus are occupied. That assumption may be wrong as Mr. N. S. Varadachari said. If for example only two-thirds of the bus is loaded and it plies only for 20 or 25 days a month, this half a pie rate will come to Rs. 250 and odd per quarter. So, Sir, I think we will have to ask the Government to increase this levy to one pie. My point is that if this rate is increased to one pie the bus operator will be able to bear the tax without his pocket being touched.

"The other question is whether it would be proper for us to levy this additional burden on the passenger. Inasmuch as this source of revenue is going to give us more than Rs. 100 lakhs and as the passengers in the mufassal are not travelling every day as in the City or in big municipal areas, and they won't mind paying a few pies more per journey, we will be justified. Even now when there is not this taxation so many bus operators are collecting something extra. So, Sir, let us not be scared away by the speeches made by several hon. Members that the poor people will not be able to bear this tax and that the bus operators, whether small or big, will be hit and that this will cripple the industry. That is my submission.

"Secondly, Sir, Mr. Salam raised the point that in every district the buses are going to be increased indiscriminately on every route. As we all know, Sir, the hon. Member, Mr. Salam, is saying things without knowing what the fact of them is. Excuse me, Sir. I have to say that, because I cannot allow a dogmatic assertion like that to go unchallenged. Before the war in the City of Madras about 150 buses were plying and now there are 250 buses and there is a clamour from the public that this number now must be increased to 500. I do not see Mr. Salam's argument, Sir, that in the districts although there is need the number of buses

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should not be increased. I quite agree that there should be no indiscriminate increase in the number; but I do not see why the Regional Transport Authority should not increase the number of buses or the routes wherever there is need."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"On a point of personal explanation, Sir."

* SRI K. BRAHMANANDAM REDDI:—"I am not going to yield, Sir, because that explanation will lead to another explanation from me. (Laughter.)

"I support this taxation, Sir, not because I want that the Government should be able to balance the budget by covering up the loss they have sustained by prohibition. For that, they must cut down their expenditure. I want that this money that would be realized from this taxation to be allotted solely for communication purposes. That is my submission. When I want a man in the mufassal to pay I want that he should derive the benefit therefrom. Not that prohibition does not give benefit to the poor. It does. But it may give some benefit only to a small section of the population. The man in the street may not be able to realize the benefits from prohibition. I very much request the Government to allot this amount particularly for communications. If this measure were to come into force from July, we will have two quarters before the next Budget Speech of the Hon. the Finance Minister and according to his own estimate, we would be getting about 50 lakhs of rupees between now and the next Budget. I want these 50 lakhs to be included for communication. That is my submission. Of course, as the hon. Member, Mr. Karanth, has pointed out, it causes a great hardship where buses ply from one province to another. But, Government should consider such extraordinary circumstances and do such things as may be necessary. Further, I would like to bring to the notice of the Hon. Minister another point, namely, that where there is rail-road competition probably this increase in fares would adversely affect the road transport. That is also a point that should be looked into.

"So far as lorries are concerned, we have no data. Neither the Government have any data. We do not know how much the lorry-man is charging and whether he is deriving any profit or not. The lorry owners only will know those details. Therefore, I am not in a position either to support the taxation or oppose it so far as these lorries are concerned.

"Another point is that when this tax is raised I want that the private pleasure cars should also be made to pay increased taxes. For these cars, we are charging Rs. 25 per quarter. It should be increased by fifty per cent so that we may get Rs. 37-8-0 per quarter for each private car. The Hon. the Minister may say that after all the money that would be got from this source would be precious little. It is not a question of money. It will

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have propaganda value, namely, that we are taxing the rich as well as the poor. After all a man going in a car is supposed to be rich, whatever his pecuniary circumstances may be otherwise. If we do that, the public will not say that we are taxing the poor people alone unnecessarily. With these observations, I support the measure."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"When I suggested yesterday that the number of buses in the districts has increased by one hundred per cent and not by thirty per cent, the impression is not that the bus owners are getting more. It will be untrue because these new bus owners will have to distribute the income. Secondly these bus routes are allotted by the Road Traffic Board on various political considerations and it is very difficult for people to understand on what basis this is done. That is why they do not know whether to support or oppose this measure."

MAHIN SCHAMNAD SAHIB BAHADUR:—"Mr. Speaker, Sir, I wish to bring to the notice of the Government the present hardships of the lorry and bus owners in the Province. It is well known that under the present conditions, motor transport has been very much affected. They are affected to a great extent by the high price of the vehicles. The prices of accessories and other spare parts are almost raily on the increase. The wheels are costing Rs. 300 now. Moreover the cost of petrol has been very much increased. At the same time, the petrol rationing for lorries has been cut to 80 gallons from 100 or 200 gallons per month. In South Kanara district, during the rainy season, for three months, road traffic is very perilous. As it is very difficult to transport goods during the rainy season, business comes to a standstill during this period. The owners of lorries will have to pay for every lorry Rs. 400 more for three months, that is, at the rate of Rs. 4 or Rs. 5 per day. In most cases, the lorries are running only for a few days in the month due to petrol rationing and for about more than twenty days, they are idle for want of petrol. Now, if the tax is enhanced, there will be a crisis in the transport trade and the lorry owners have either to sell their lorries or leave the transport trade entirely and revert back to the position of drivers. For these reasons, I pray that the proposed enhanced taxation may kindly be dropped. I understand that the Government are in need of more money for better administration. I say that the amount realized by levying these small taxes will not improve the present condition of the Government. Therefore, I suggest that instead of these small taxes on lorries and buses, heavy taxes may be levied on more important matters. That alone will relieve the Government from their present financial difficulties."

SRI R. V. SWAMINATHAN:—"Mr. Speaker, Sir, I am not one who is opposed to the taxation measure proposed by the Government. I quite sympathize with the Government in their

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anxiety to find some way for filling up the gap. The difficulty is that they have to find out the best method by which they can get that revenue. Sir, my proposal is this. Let the Government tax but those taxes should fall on rich people and not on the poor people. Sir, while the Government have increased the rate of taxation, they have also allowed these fleet-owners to increase the bus fares. After all, the people who are using these buses are the poor people and these poor people are made to bear the burden of this increased taxation. Similarly, by the increase in the sales-tax, the poor people are asked to pay more and they only will suffer. Now, the Government are considering certain amendments to the Sales Tax Bill and they propose to exempt certain items. They are not going to tax the chillies. Because the Andhras take more chillies, the Government want to exempt these chillies from the increased taxation. Similarly, they want to exempt coconuts because they want to help the Malayalis as the Malayalis take more coconuts. But, what help do the Government give to the Tamils? (Interruption: 'Plantains and tamarind.') Tamarind is also for the Andhras and not for the Tamils alone.

"Sir, this increased rate will hit hard the small fleet-owners and not the big fleet-owners because, so far as the big fleet-owners are concerned, whatever they pay will be adjusted towards income-tax and their income-tax will be reduced to that extent. But, the small fleet-owners who are having only two or three buses, and who are having small incomes, will not have their income-tax reduced and they will be affected. I hope these things will be borne in mind by the Select Committee.

"Another matter I want to bring to the notice of this House and the Road Traffic Board and the District Traffic Board is this. Certain big fleet-owners who are not able to run the service split up their fleet and transfer two or three of their buses to the small fleet-owners. If the small fleet-owner purchases a new bus, he will have to pay about Rs. 30,000. There is also the difficulty of plying these new buses because his application for plying in the new routes is always rejected by the local boards and the Traffic Board. Suppose a man buys two new buses from the existing bus companies, say from Rama Vilas, he cannot get the routes. But, if he buys even rotten old buses from the big fleet-owners he will get the right of plying the buses on the specified routes. For this purpose, even though the buses may cost only Rs. 1,000 or so, he purchases them from the big fleet-owner and pays, say about Rs. 10,000 to him, thus getting the right to ply in those routes. I can understand the Government getting the extra Rs. 9,000 paid by the small fleet-owner but, Sir, the fact is this extra Rs. 9,000 goes to the pockets of the big fleet-owner or private company. Therefore, the Government should either come forward and say that they are not prepared to allow new bus-owners to operate or put a ban on the big fleet-owners selling their buses to

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the small owners. I can understand these small fleet-owners purchasing new buses from the bus companies, but I cannot understand them purchasing the old rotten buses from the big fleet-owners. I hope the Government will look into this matter.

3.45 p.m. "Sir, I would like to say a few words about Pudukottah. It has merged with our Union Government. I understand that there are about 150 buses in that State. Of these 150 buses, about 90 are running within the territory of the State. The territory is limited only to 25 miles. Formerly they were paying Rs. 15 per carriage, but they were not paying income-tax because it was not existing in the State. Now, they are paying Rs. 17. If the rate is increased, I do not know how far it will affect them, especially the small bus-owners. I hope the Government and the Select Committee will consider the problem of the Pudukottah bus-owners and try to help those people."

* M. A. MUHAMMAD IBRAHIM SAHIB BAHADUR:—"Sir, I rise to oppose this taxation measure. No doubt, the present is a time of inflation. It is the time when the Government should tax the utmost. I do concede that position. But all the same there is another point of view which should also be borne in mind. 'To tax the poor is unfair.' The capacity to pay the tax should be the criterion in taxation proposals. From this point of view, I would submit that this measure cannot be justified. If the Hon. the Finance Minister had come forward and said on the floor of the House that the transport service or transport trade in our Province is in a flourishing condition, it could bear tax and that, therefore, he was going to tax that trade, it would have been a justification to a certain extent. But here he allows them to raise their rates of fares. Therefore, ultimately the tax burden falls on the poor people. In that way, the tax is only on the poor who resort to buses and lorries. Viewed from this point, I say that the taxation proposal is not justified.

"Technically analysing the taxation measures, I say this proposal is not justified for another reason. This taxation proposal is in the nature of a surcharge on a certain class of services. Motor vehicles are divided into six categories for the purpose of taxation under the Motor Vehicles Taxation Act. But, here the proposal relates only to two varieties, namely, goods vehicles and hired cars. Why have they left off the other categories? Why should they also not bear the equal surcharge? It does not seem to be equitable. No reason or material has been placed before the House. I only want to caution here. I do not want private cars should be taxed. My point is that there is no rationale behind this proposal. It has been brought forward in a haphazard method, without reasonable study of its effect upon the trade and without reasonable data.

"Sir, I want to bring one other consideration to the notice of this august Assembly. The return from the taxation on the motor vehicles is meant for the maintenance of public roads. It is

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really the object of the Motor Vehicles Taxation Act. Government take power under section 4 (1) of the Act to tax motor cars for using public roads. These amounts should naturally be kept apart for maintenance of roads in addition to the general revenues allotted for this purpose. But we find the condition of roads is very unsatisfactory. This aspect should also be borne in mind and when taxing more the bus and lorry-owners, the condition of the roads should also be made better and suitable for traffic.

"Sir, bus service in the mufassal is in a very unsatisfactory state. The passengers do not get their tickets for their destinations as a matter of right. Complaints have been made regarding the difficulty in getting the tickets. Why do the Government restrict certain buses to ply only on certain routes? Is it for want of petrol or engine? All these explanations are not given. Therefore, I oppose this measure from the above points of view."

* SRI V. RAGHAVAYYA:—"Mr. Speaker, Sir, myself and the Hon. the Finance Minister are at one on one matter, i.e., that this Government must have a lot of additional income to maintain itself and to serve this country. But we part on one important matter, i.e., how to get it. He wants to pamper the rich and fleece the poor. I want to pamper the poor and fleece the rich. That leads in opposite roads and naturally goes in opposite directions. Of course, the Minister for Finance as such must be thinking about getting more finance. In his greed and quest for the holy grain, he goes about touching all that comes in the way. The other day he was charitable to the officers who drew thousand rupees and more and was good enough to restore them the dearness allowance. It was taken away by his wise predecessor and the country did not feel the necessity at all for its restoration. (The Hon. Sri B. Gopala Reddi: 'It was myself, Sir, who took away that dearness allowance.') So, I am glad that the previous Mr. Gopala Reddi was wiser than the present Mr. Gopala Reddi. (Laughter.) I don't think that the Finance Minister as such has deteriorated in capacity or ability. Well, Sir, I am for his touching the big incomes and the big salaries, but he is for retrenching the peons, duffadars and a multitudinous set of small wage-earners whose touching may not after all yield substantial results. I am for nationalization of some of the major industries so that we can get a few crores of rupees, but he is for grabbing small things which create more trouble than income. Well, Sir, I am not very much amorous of these moneyed magnates or bus-owners. I know several of them have made a lot of money, particularly those people who are fleet-owners. I know of one man in my district who has made millions of rupees. I do not want that the trade should be left in the hands of people who can make huge sums of money out of the poor man's necessity. So, while agreeing with the Government that some taxation is absolutely necessary, I would urge upon the Government to exclude small bus-owners, say a man having two or three buses, and restrict this taxation to bigger men so that they can make both ends meet or

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make a small profit in so many concerns that they have got. I hope the Government will not find it difficult to accept this suggestion.

As regards the railway routes, I must tell the Government that they are not doing justice to some of the lines which ply parallel to railway line. For instance, the distance between Madras and Chingleput is 36 miles; a charge of Re. 1-2-0 is permissible under the present Act. But if any bus-owner charges Re. 1-2-0, woe to him, he will become a bankrupt, because the railway charge is only 12 annas. In India people will not mind a little discomfort if they could save a few annas by the rail rather than by bus. I am told the distance between Madras and Tindivanam is 75 miles; the charge permissible, according to the present rate, is Rs. 2-5-6; but actually Rs. 1-10-0 is being collected to-day by rail. If the charges were to be increased, people would like to go by train rather than pay to the bus, undergo the additional discomfort, and be at the mercy of the conductors and drivers who wish to charge the longest distance charge even though people want to go for a short distance. I am bound to remind the Hon. the Finance Minister that he will do well to look at this department with wide-open eyes. If he is not able to do that, better leave it in the hands of more efficient and eminent men.

"In Nellore the bus-owners charge 12 annas for half the distance; they refuse to give tickets for a lower amount. I have brought this to the notice of the authorities. But they only say 'Why do the people pay?' Why should we introduce Prohibition laws and not simply preach to people not to drink? My complaint is that Government do not function at all. It looks as though they are greedy to get money. They simply pass a Bill and keep quiet without knowing what the consequences are. This sort of attitude without taking the least care to enforce these laws in the proper manner lands the poor man in great trouble. I want the Finance Minister not to tread upon more thorns, because he could rectify things. In the present attempt on his part he is only gathering more thorns than roses.

"I am told even for the fleet-owner things are not very rosy. A new truck which was costing Rs. 5,000 in 1940 is now costing Rs. 10,000; a gallon of petrol which cost Rs. 1-12-0 in 1940 now costs Rs. 2-8-0; battery which was sold at Rs. 27 in 1940 is now sold at Rs. 100; radiator which cost Rs. 105 in 1940 is now sold at Rs. 260; new tyre which cost Rs. 83 in 1940 now costs Rs. 287-12-0. I wonder whether the Hon. the Finance Minister had taken into consideration all these factors before he struck upon this Bill. It is good that an estimate is made of these things and a committee may even be necessary to go into the earnings of these people and to arrive at the correct solution. There is no good of random legislation. You must find out what the average income of the bus-owner is. It is easy to say 'Tax the buses'. The bus-owners will certainly increase the fares by hook or crook and the

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poor man ultimately suffers. Is that the way to do things? I would rather expect the Government to arrive at correct solution by estimating the average income that a bus-owner gets and then fix the taxes that he has to pay. If the Government are anxious merely to levy taxes, the only thing left hereafter for them is to think of poll-tax; they can order that every human being in this country, whether he is poor or rich, must pay some tax. Then they can by getting much money, think of preventing starvation and misery and perhaps better things may soon come. Sir, I feel that there must be some limit to indirect taxation. Have direct taxation by all means. Tax the zamindar, the rich money-lender and the landlord who gets Rs. 10,000 and sometimes Rs. 50,000 by way of agricultural income. You do not tax him but you tax somebody else. This is indirect taxation. The poor man may not rise up to a revolution all of a sudden, but it is bound to unpopularize the Government. Even a worm will react when it is hurt."

SRI A. KAMESWARA RAO:—"Mr. Speaker, I know the difficulty of my Hon. Friend, Sri B. Gopala Reddi, the Finance Minister. He stands between the devil and the deep sea; on the one side he has to face the popular feeling against new taxes and on the other side he finds the treasury empty and he is unable to meet the expenditure. The other day a friend of mine told me a story. It seems Gandhiji visited a Provincial Governor during the days of the British Raj and the Governor anxiously asked Gandhiji by what act he could become popular with the people. Gandhiji asked the Governor to remove the tax on grazing. Thousands of people were affected by it and the people would say that he was a good Governor. After all the Government would not be losing much income. The Governor did accordingly and he was praised as a poor man's Governor. But to-day Gandhiji is no more to give us suitable advice and we do not know where we are and we do not know by what act we will be able to please the people. Take for instance the taxation of chillies and coffee. Everybody who takes a little chutney or coffee will scold the Hon. Mr. Gopala Reddi. You are taxing every strata of the people and every strata of the people will be against you. Open your eyes and see the signs of the so-called bye-elections in Bombay and Calcutta. I am interested in the Congress, the country and the poor and the unhappy people. I know you are also interested, but you do not know what you are doing. There is something wrong with the advisers who have advised the Government to bring forward such taxation measures. It will bring not only you but also us into disrepute."

MR. SPEAKER:—"Not me." (Laughter).

SRI A. KAMESWARA RAO:—"Why not think of imposing some agricultural income-tax which is a progressive tax and will affect only the rich? Ultimately all the taxes that you are now levying have to be paid by the poor people to whom you are giving a ration of 4 ounces, or 6 ounces or 8 ounces. You are unable to

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feed them and clothe them and the country is in a commotion. Congress, that great political organization, led by Mahatma Gandhi, has brought us Swaraj, but after we have come into power we give the people new taxes to pay. There is a poem in Telugu:

‘వడ్డూ మన కొద్దురా పరిపాలనచికి వడ్డూరా

కొద్దు పడ్డూలేని నన్ను, రుద్దుచు నన్నారరా.’

We said that we did not want the British Government which was levying these unnecessary taxes. That was the slogan with which we drove away the British. But now we are following the same path and we will also be driven away in a worse manner than the Britishers. At least the Britishers were clever enough to get out before the revolution which we have now to face after this great war, before the great famine and the great murder of people in this country. Even now you can get out of it. Sir, why did Gandhiji start the salt satyagraha? He knew that salt was the everyday need of the poor man. He wants it for his kanjee. Gandhiji, the politician and the saint, was clever enough to know that if he started the salt satyagraha every man would be behind him. Remember, Sir, the great Dandi March! How many people went and captured the salt cotours! Why do you forget all these things? Do not forget them for heaven's sake. It may be said that I breathe fire and nothing but fire in the Assembly. I know my responsibility. I am also a representative of the people more so because I belong to the Congress. Ever since Gandhiji started satyagraha, even in 1921, when I was a boy, I went to jail. I have been trying to keep up the name of the Congress and maintain its prestige. In the name of the Congress, I request you to withdraw these taxes. I know that these taxes are the result of our Prohibition policy. I know we have been very hasty. If we had listened to Pandit Jawaharlal Nehru or to the then Premier Mr. Prakasam and proceeded district by district or as they are doing in Bombay by having Prohibition for one day a week, two days a week and so on, or as in England by increasing the taxes on drink . . .”

SRI P. KANDASWAMI PILLAI:—“On a point of order, Mr. Speaker. Where is the relevancy of salt satyagraha, Prohibition and other things to the question before the House? The hon. Member seems to be making a speech as if, on a political platform and not confining himself to the question before the House.”

MR. SPEAKER:—“The hon. Member, Mr. Kameswara Rao, may continue his speech.”

SRI A. KAMESWARA RAO:—“I am quite relevant, Sir. My hon. Friend is quite irrelevant. Put your hand on your heart and think what you are doing. That is all I want to say. I only want to emphasize that if we had not been hasty in certain matters, we would not have come to this plight. May be, you may not listen but have this legislation passed, but our fate will be decided

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“I ask, Sir, why not introduce the agricultural income-tax which is a progressive tax and will not hit the poor who are already affected. The half-anna card now costs three-fourths of an anna and the one and a half-anna cover is now two annas. The poor man cannot write letters.”

MR. SPEAKER:—“We have nothing to do here with postage.”

SRI A. KAMESWARA RAO:—“Such being the case, if you increase the taxes, you will become unpopular and you will be responsible for the destruction of the Congress organization itself.”

SRI P. KANDASWAMI PILLAI:—“Mr. Speaker, Sir, I am very sorry for the attitude of some of our party members. I do not speak about the members of the Opposition. They are at least reasonable. But our party members forget that they belong to the Congress Legislature Party.”

SRI A. KAMESWARA RAO:—“Why should the hon. Member talk like that about our party members, Sir?” (Laughter.)

SRI P. KANDASWAMI PILLAI:—“Sir, we should feel our responsibility to our constituencies and see that the freedom that we have got is maintained. That must be our object when we transact any business on the floor of the House. My hon. Friend, Mr. Varadachari, claimed to know much about motor vehicles and motor transport, but I am afraid he is simply repeating the tuition that has been given him by the bus-owners. In my district, the bus owners are accumulating wealth like anything; they are not at all losers in any respect. In spite of paying the taxes, the mamuls and the bakshis to the officials as was mentioned by another hon. Member, they are making a lot of money. Take the accounts of a bus-owner in any district; see how he started life ten years ago and see what is the life he is now leading. Any auditor who audits his accounts will say that this is a very paying business. My hon. Friend, Mr. Varadachari, said that the bus-owners charge only 4½ pies a mile while the Government rate is 6 pies a mile. But in my district, they charge one anna a mile. From Rasi-puram to Salem it is 16 miles and the authorized rate is eight annas, but unless you pay one rupee you will not get a ticket. Half a dozen tickets are sold at the ticket windows for that rate and the rest are sold by the agents for a higher rate. If anybody protests, he will be beaten and this *zoolum* is going on in the bus-stands. The *zoolum* created in the bus-stand is now a non-cognizable offence. It must be made a cognizable offence. If any poor illiterate passenger protests against this unwarranted rate, he will be beaten, abused and driven out. There are a number of complaints against the bus-owners, but they cleverly manage things. There will be a police constable on duty in the bus-stand, but he never takes cognizance if any passenger is beaten for protesting against unjust rates of fares. (Interruption.) I seek the protection of the Speaker against such interruptions. People who claim

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to know about this must speak about all the details and give out the whole truth. Now, Sir, the two well paying concerns in South India now are the cinemas and the motor transport. There are other well-paying concerns also and when the Government want money, they must tax them. But time and again I have pointed out that the Government should adopt better methods. This is not the method of taxing motor vehicles. The Government must auction the timings and the routes; the previous speaker, Mr. Swaminathan, pointed out that if a man purchases a motor bus from a bus-owner he purchases not only the bus but also the timing and the route. If a bus costs Rs. 2,000 he pays Rs. 10,000. The eight thousand rupees going to the bus-owner may as well be got by the Government. That was the suggestion I made during my budget speech, namely, the auctioning of the routes and the timings by the Government. Now the tax is levied for every seat, but if there are 25 seats in a bus, the bus-owner puts 40 or 50 people. The rule against over-loading is never observed. If there are already 30 people in a bus, the police Sub-Inspector will get in as the 31st. If the man points out that there are already 30 people, he will be prosecuted. There is for instance a marriage party going to a long distance and they are prepared to pay any amount to the bus-owner. The rule against over-loading is never observed in the mufassal. Even the policemen do not observe it. I do not know what is the case in the City. Therefore, Sir, considering all these things, if the Government auction the timings and the routes of buses, the Government will get more money, because the person who has got the facility to pay will take the bid. It will then be to the advantage of both the Government and the general public.

4-15.
P. m.

"Now one word about the cry for the poor. Every time fresh taxation proposals are brought forward in this House, hon. Members even of the Party in power, always say that it affects the poor. For instance, if a tax is put on the cotton merchant, they say, oh! the poor man's business is gone. For everything else, without rhyme or reason they talk of the poor man, but I do not know what steps they have taken to ameliorate the condition of the poor. Everything goes on personalities. I can understand my hon. Friend, Mr. Anantachar or Kameswara Rao, talking in emotion, but I cannot understand my hon. Friend, Mr. Karanth, who was also a Minister, talking in that strain. I think, he has lost his balance . . . (An hon. Member: 'Is it in order for the hon. Member to refer to personalities and compare them?')."

MR. SPEAKER:—"The hon. Member is not comparing members."

SRI P. KANDASWAMI PILLAI:—"What I wanted to say was that when we speak we must care to know what is the subject before us and confine ourselves to the subject under discussion. That was all my point."

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MR. SPEAKER:—"The hon. Member need not teach others. They know their own responsibility."

SRI P. KANDASWAMI PILLAI:—"Therefore, my humble opinion is, people should not throw mud on the Government simply for the sake of propaganda value. They want to talk anything they like so that it may appear in the press. My own impression is that the Government are entitled to a tax on buses and I therefore entirely support the Government. Not only myself, I hope the whole House, is bound to support the Government if they are sincere and serious to maintain the independence we have got for the present."

* SRI M. S. PATTABHIRAMIAH:—"Mr. Speaker, Sir, I wish to confine my remarks to a few observations on only one aspect of this amendment to the Motor Vehicles Act, because other hon. Members more acquainted with motor transport have already spoken exhaustively on the situation which might be created by an increase in the licence fees on the different types of vehicles used in our Province. But, what I wish to point out is the injustice in enhancing the bus passenger rate from 6 to 6½ pies per mile. At the outset, I protest against the suggestion made by some hon. Members during the debate that this enhancement in licence fees should be increased still further so that the operators in that trade may be helped by increasing the fares and the men employed in the trade also may be helped. Of course, in some places people may be able to bear this enhancement. As a matter of fact, passenger traffic is not uniform all over the Province. In some of the districts, the traffic is heavy while in some others it is not so heavy. No doubt, wherever the traffic is heavy, people employed in the trade are making very very huge profits. I know in the southern districts, there is no bus operator who is losing in this particular trade. I believe, the Hon. Finance Minister has taken into account for the purpose of increasing the licence fees on vehicles, only the income which they are getting, that is, the greater income which they are getting nowadays and not simply a part of what they were getting. Therefore, I should say, that to transfer this burden on to the poor people is a great injustice."

"Sir, our country is poorly served by railways and the roads in the mufassal are very bad. If we calculate the service rendered to the public by the railways, it is only 2.5 per cent for every 100 square miles. Though some of the districts are well-served by roads, they are not good, and somehow people have to use motor transport in a greater degree than before. Now therefore, to tax them and say that they will be able to bear this enhancement is, if I may say so, something cruel. Since the old traffic system has been entirely dislocated, they have nothing else but this bus traffic. Many people in the country have lost the habit of keeping even their old bullock-carts and except a very few,

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most of the people have even lost the habit of walking long distances. So, in a modern state we cannot expect people in rural areas to go to a place about 10 or 12 miles to attend a court or a market, by walking. It is therefore the duty of the Government to provide them with transport facilities. It may be good even to subsidise bus companies in the country parts if they are losing, so as to enable the poor people to take to motor traffic. In this connexion, I would like to give an instance from my own experience. In the Mathurai district, you very rarely find a bus which is not fully loaded. Naturally, they are getting a good lot of money. After this increase of $\frac{1}{2}$ a pie, for instance, if a man goes by bus from Sholavandan to Mathurai which is 14 miles, he has to pay for every trip about $\frac{3}{4}$ annas more per trip, that means $1\frac{1}{2}$ annas up and down. Then people have to travel to taluk headquarters, in which case they have to incur an expenditure of 2 or $2\frac{1}{2}$ annas more on bus fare. Therefore, Sir, does it not amount to an indirect tax on the common man? Though the Hon. Finance Minister thinks that he is justified in raising the licence fees on motor vehicles in general, I should say, he is not justified in enhancing the bus fares, unless it be to satisfy the complaints which may arise from the motor transport operators. So, Sir, I want him to deeply ponder over this matter and see this particular proposal is dropped in the Select Committee. In this connexion, I may also remind him that it was once conceded by the Hon. Finance Minister on the floor of this House, that the Select Committee had the right even to drop a proposal. I would therefore request him most humbly and also the members of the Select Committee to drop this proposal of enhanced fare.

"Then, Sir, the Hon. Finance Minister said that he would get about 100 lakhs as a result of this amending Bill, but he has not told us what portion of this 100 lakhs will be from this enhancement of passenger fares. It may be either 10, 20 or 50 lakhs. If it is going to be a small sum of say 10 lakhs, I think the Government will gracefully drop the proposal and even though it is 50 lakhs, they may consider any other alternative for raising the revenue. With this I close."

* SRI K. LINGA RAJU:—"Mr. Speaker, Sir, it has become our unfortunate job to protest against the financial measures brought forward by our Hon. Finance Minister. During the last two or three days, day after day, we have been protesting and protesting perhaps without any response. We started with taxation on the entertainment of the poor man; next we went at his food and to-day we are on his conveyance. I am very sorry for this state of affairs for, this will ultimately affect the organization to which we belong. It will certainly affect its popularity. Of course, money is wanted for any Government to run, but it has to be found by much better means than this. If only the Hon. Finance Minister believes in the wisdom of others as well, I do not think he will not be able to find the small sum of money, he is aiming at."

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"Coming as I do practically at the end of the debate, I need not go into details, because several other hon. Members who have preceded me have argued that the trade cannot bear any more of this taxation. Perhaps it is quite possible because I have with me some figures, about which my hon. Friend, Mr. Raghavayya, has sufficiently argued. When Mr. Brahmananda Reddi spoke supporting the Bill, I thought he would not deal with the passenger fares but only with the difficulties of the trade. Without the passenger being given any protection in the Bill, it is proposed to tax him half pie more per mile. My hon. Friend suggests that he may have to pay even a pie and even more. I have to protest against this sort of loophole because this one pie will ultimately become three pies. Perhaps this is only the thin end of the wedge. If the trade is found to be losing—it is not difficult for the trade to convince the Hon. Finance Minister—passenger rates will be enhanced and it is ultimately the passenger that is hit. So, Sir, this taxation if it is going to be imposed irrationally will affect the common man very badly."

"Sir, I have only one other point and that is about the standing passenger. I do not know how this standing passenger business came into existence. Perhaps for want of chassis during the period of the war, they allowed more passengers to be accommodated in the buses. I can understand standing passengers in buses plying in the City but for a passenger in the mufassal who has to travel long distances, it is certainly impossible to keep on standing for hours. Now that there are enough number of vehicles that can be put on the roads there is no need for continuing this provision for standing passengers. If necessary, the standing passenger business may be continued in the City buses, because people have to travel only short distances, but its continuance will work great hardship on the mufassal passengers; as ordinarily a bus has to ply 40, 50 or 60 miles distance and in the Ceded Districts, even 100 miles. So, Sir, it will be a perpetual trouble to allow standing passengers in buses in the case of long distance travel. I would therefore suggest that at some stage, the provision relating to standing passenger may be eliminated. Sir, I have not much time to speak about the rationale of this taxation but only plead for the abolition of the standing passenger."

* SRI K. KOTI REDDI:—"Mr. Speaker, Sir, within the 4-30 limited time allowed to me, I am afraid I may not be able to p.m. cover the whole subject. I would have liked the Government adopting another measure of substantial taxation if necessary, rather than a large number of taxation measures which give us after all very little income but the result of it would be, that we incur unnecessarily the displeasure of a large section of the population of this Province. On the other hand I would have appreciated the Government had they effected drastic retrenchment in their own departments and I believe they have not seriously considered it at all. I do not mind even if the Hon. Finance Minister

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draws four crores of rupees from the Revenue Reserve Fund to fill up the gap in the Budget rather than the present taxation measures.

"Sir, in this connexion I should like to give you some facts and information about motor transport that I gathered from my district, Cuddapah. I know that in a district like South Kanara and probably in some other districts also, this taxation measure will seriously affect the motor transport there but I am convinced that on the whole without increasing the bus fares, it is just possible to impose taxation without really affecting the industry very much. If as a result of that, the industry is likely to be crippled and some of those buses go out, I will rather like to test it. I have given some thought to this problem ever since 1935 and I know how the industry is working.

"Sir, some hon. Members referred to the difficulties experienced by passengers travelling in the buses run in the mufassal. I feel that the only effective remedy against it is for the Government to extend the nationalization scheme throughout the Province. The World is moving in that direction and even the Congress as a party is not against nationalization. The Communists and the Socialists are ardently in favour of nationalizing all public utility services. I do not know why my hon. Friend, the Finance Minister, who promised to give us some data regarding this scheme in the City of Madras by the end of October last, is sitting quiet without doing anything for the relief of other passengers. I do not want to relate to you the difficulties that passengers are undergoing on account of allowing private bus-owners to run the bus service in the Province. Though some hon. Friends may say that the Government management of bus transport in the City of Madras is not satisfactory, I am convinced and I believe that the Hon. Finance Minister is capable of managing this job of motor transport. In case he feels he is not able to do this job quite satisfactorily, it is better that he leaves this job to some of his colleagues.

"Sir, I know to-day in my own district, four old running buses have been purchased for eighteen to twenty thousand rupees each which ordinarily would not cost more than three or four thousand rupees. Now all these buses have been used for transport and thus they are put to use to make more money. There is a keen desire among the people to purchase as many buses as possible and some have even asked me to recommend their names to the Transport authorities for permits but I told them that I could not interfere in the matter. I know that during the last four or five years, the bus-owners made a large fortune and it is just possible that others also think they can make more money in the same way and that is why they are prepared to pay a lot of money even for old buses for the sake of routes. Of course, I have no objection to the increase in the number of buses, for I know in the districts that in spite of a large number of buses, every bus is

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practically overcrowded and it is very difficult to get a seat and especially the poor passengers who have to go to short distances, do not get any accommodation at all. Even if they get seats, they will have occasionally to pay a high rate of fare. For instance, they may travel only eight miles but they have to pay fares usually charged for a distance of 20 or 30 miles to secure a seat. Thus these bus-owners are making a lot of profit even with the present rate without an increase in the bus-fares. They never ask the Government to increase the fares whenever they apply for licence. When such is the case, why do the Government want to increase the fares? Therefore, I stoutly oppose any increase in bus fares because I believe that without increasing the bus fare of the passenger, it is possible for this industry to bear a little more taxation.

"Now, I come to taxis. These taxi owners are poor people and they just manage and make both ends meet. Any further taxation on taxis would really cause hardship to them and may result in evasion. Moreover, the petrol supplied to them is quite inadequate and may not last for a period sufficient to earn good income. It may be possible that in the big cities like Madras, they may earn more money but in the mufassal there are few taxi-owners and I know for certain that they do not make a lot of money.

"Then, I come to lorries. In this poor country, small agriculturists form a major population and the income derived from agriculture is not sufficient and they have to supplement it in other ways. For instance, they used to carry groundnut and groundnut cakes in their bullock carts and earn some income. Now with the introduction of lorry transport, they are deprived of that income and they have practically lost their business. I will give you one instance. About forty to sixty bullock carts used to transport barytes from Pulivendla to Cuddapah. To-day I do not see even a single bullock cart but I see only lorries carrying barytes. Of course, I do not mind if lorries are used for transporting perishable articles like fruits and vegetables. But in all other cases Government should encourage the use of bullock carts for transport purposes. In fact I have been advising everyone including my district board to discourage the use of lorry transport. I hope Government will do something to help these poor agriculturists. Before I close my speech, I once again appeal to the Hon. Minister for Finance not to increase the bus fares."

* THE HON. SRI B. GOPALA REDDI:—"Sir, this amendment to a rule which need not ordinarily go to a Select Committee or to the Upper House at all, has already evoked much criticism and as many as 22 members have spoken on this simple amendment for three days now. Three Bills have been discussed till now. On the first Bill 16 members have spoken and on the second 17 members have spoken and on the third 22 members have spoken. On the whole, 55 members have spoken in the course of these four days. But curiously enough in this matter of motor vehicles, there

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were Members who took different views. Unlike yesterday's debate, to-day's debate showed variety and there were many opinions expressed. I am thankful to my hon. Friend, Mr. Sinna Kaziar Sahib, who started by saying that if at all anybody is making money, it is the bus man and the bus man must be taxed without increasing the fare. And lastly, my hon. Friend, Mr. Koti Reddi, said that perhaps without increasing the bus fare, this additional taxation can be imposed on motor vehicles. There is the other view taken by my hon. Friend, Mr. Hameed Khan, who said that this tax would be a great burden and would cripple the entire transport industry. So to-day we are having all shades of opinion in the matter and certainly the Select Committee will go into these details. There are also very many other details which have not been raised in this House and which have to be considered very deeply in the Select Committee. For instance, the Corporation of Madras is having over 100 lorries for doing conservancy work, etc. They are paying the usual tax and if this additional taxation is imposed on them, they have to pay about Rs. 50,000 more annually. Likewise, there are several municipalities which are having lorries and whether they can pay more or whether it is desirable to collect more or not must also be considered. There are schools and hospitals which are having buses, vans and ambulances, etc., for transporting students, patients and for other work and whether they should also pay this additional taxation or not must also be considered by the Select Committee.

"Then, there is the other problem, a very interesting problem. I had been to Pudukottah and I have found that 148 buses are running entirely within the State limits. It is after all a State comprising an area of about 1,200 square miles with a population of four or five lakhs, just as big as the Kadiri taluk. There are taluks which have an area of 1,000 square miles. One hundred and forty-eight buses are running in that State because they had no taxation previously or very little taxation. Perhaps the Durbar also encouraged all people to have buses and people also were forthcoming and they put a large number of buses on the roads. As soon as Pudukottah was merged into the Indian Union, their taxation has come on a par with the Madras taxation and already they are feeling the pinch. Ordinarily for such a small area, we would not have allowed more than 45 or 50 buses. And if we impose this additional taxation, I am sure, Pudukottah buses will go to ruin. That is again a serious matter to be considered."

"Then, there are buses in Malabar which are paying not only our tax but also the Cochin tax. Perhaps the Cochin tax is on a par with our tax or a little lower than our tax. These buses are plying from places in Madras to places in Cochin. Now, it is to be considered whether those buses can also bear this additional taxation. These are some of the matters which I thought I could safely leave to the Select Committee to be discussed carefully and come to correct conclusions."

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"That, apart, I want to know whether the Provincial Government should come forward with any taxation measure hereafter. It looks as though members generally do not want any taxation measure and whatever is done is being opposed in the name of the poor man. I want to ask whether the poor man is affected or it is only the misplaced sympathy for the poor or it is really pleading for the rich man. Many without knowing and unconsciously, just because they want to oppose these taxation measures invoke the case of the hidden personality, that unknown personality and he is brought into the arena. Let me examine what these three measures are; the first is a tax on theatres, the second is a tax on coffee hotels and certain commercial crops, not food crops, mind you, and now the last is a matter concerning the transport companies. We know what they have done during the war period, whether they have done ill or well. The last tax is the advertisement tax. I am quite sure that once more in that connexion the poor man will be dragged into the picture and they will say: 'Whatever the tax may be whether it will be the *Hindu*, the *Mail* or the *Indian Express* which will have to pay, the poor man will be the victim; all these things you are bringing in, in the name of Prohibition, these are the sins of Prohibition and we appeal to you in the name of the poor man to drop it.' I ask, Sir, where is this poor man; is it sympathy for the rural man or a cry for the urban man? We see theatres are flourishing and lakhs of rupees are being spent on the construction of new theatres. We know for a fact that in Coimbatore and Mathurai and several other places people have spent 5 or 6 lakhs for a good theatre. It is not as though they are going to the wall and they will regret for it. Despite the fact that they are all flourishing, if we impose a tax on them, immediately that poor man is dug up from the grave and his skeleton is shown to the Government saying: 'Here is the poor man for whose ruin you are responsible.' May I tell hon. Members that the average poor man does not go to the coffee hotel? The man of the rural parts, the man in the village who is an agriculturist or an agricultural labourer does not visit coffee hotels and where is the question of taxing him if I tax the hotel-keeper? The commercial crops like rubber, coffee or tea are yielding good returns to them and when we tax them three or four pies, the poor man is brought into the arena and when we tax the transport companies, the same poor man will be hit hard! If you really take the case of the poor man, not the urban man who is round about the District Collector's office, but who is an agricultural labourer or a small peasant in the village, how much is it in his domestic economy? What will be the amount that he will be spending for buses? It will be barely one or half a per cent of his income. Take the case of any of the districts, take the route from Atmakur to Udavagiri, a distance of forty miles; people trek along in the hot sun or in the cool breeze of the evening. That is the same everywhere and so it is not the poor man who is bothered about it but the

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middle class man for whom you are pleading; you cannot say: 'I am pleading for the middle class man' but you transfer your sympathies and say: 'I am pleading for the poor man.' Let us not talk of this poor man every time we bring up a taxation proposal and I appeal to you, do not drag in that poor man into our discussions."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Please advise the members of your party."

* THE HON. SRI B. GOPALA REDDI:—"I will advise my people later on and that apart, my answer is for all people whether they are on the right or left or in the back benches or the front benches."

"Let me say, Sir, that these proposals have been examined very carefully and they have been before the country from April and the reaction of the people to them is not unfavourable at all and we do not, for example, see any tendency on the part of the operators to withdraw. I am asking my hon. Friend, Mr. Hamsed Khan, what the reason may be of an operator running up to the Central Board and engaging the services of an advocate in Madras to put up his case and perhaps see the Government himself about it. It is because they know that despite additional taxation, they would not lose but on the contrary they would make a decent profit. I am sure they will not listen to his advice of dropping away from the trade. Let us, therefore, not be saying that this tax would cripple the industry. On the contrary, if you ask me for the figures of buses on the road three months hence, you will see that it is on the increase and it will not be as if lorries and buses will be withdrawn as a result of this taxation. They are shrewd businessmen and they know their business and they know that they would make profits. Therefore, it is not as though they are losing now and they are withdrawing their vehicles. This taxation is not going to affect either lorries or buses but the question is whether the passenger fares should be increased. The operator owning a fleet of 20 or 30 buses is not a poor man; on the basis that a bus costs Rs. 25,000 to Rs. 30,000 he needs a capital of from five to nine lakhs. Even let it be taken that he has a small fleet of three or four, even then he needs a capital of a lakh of rupees and even if I tax such a trade, the cry goes forth that I am taxing the poor man and he is hit. The question also arises whether a half pie should be collected from the passenger. My hon. Friends, Mr. Koti Reddi and Mr. Chinnakaziyar, have pleaded that it should not be transferred to the passenger. He is poorer than the upper middle-class man who is the operator. The poor man, of course, is nowhere near the road. On the question whether the lower middle-class man who is the passenger is to pay the half pie more or not, that is one which might be gone into very carefully. The maintenance costs have gone very high and though Mr. Venkataramayya's award has not been fully implemented, the Labour Department has

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to see that it is fully implemented and it will mean increased wages to the staff. Then the cost of petrol, the cost of tyres and the body-building charges have all gone up. It is, of course, an independent proposition which does not come into this question now but I have linked it purposely so that I may know the views of hon. Members. There is the Transport Advisory Council and others who have experience of these things and we can discuss those matters and come to certain conclusions. My hon. Friend, Mr. Ibrahim, asked whether we have any data with us. We have data with us. Our Economic Adviser had been at it for two months and he visited a number of companies and he has studied the question and has made certain recommendations and it is not as if we are coming forward with these things without any data.

"Sir, incidentally the question of petrol was raised. I may tell the House that the petrol position has eased considerably though we cannot lift ration immediately and we can certainly provide for the lorries which are allowed petrol. The question was raised about the supply of petrol to taxis. I think I have got the figures with me; taxis in the City get 100 gallons and in the mufassal they are given 60 gallons and if circumstances warrant we can also see that they are given more so that they may not suffer owing to petrol shortage."

"The question was also raised about the pleasure cars—I think it was my hon. Friend Mr. Brahmanandam Reddi who raised the point. The original idea was that the tax should be levied on vehicles running for hire without going to the individual private owner. Of course, the general assumption is that the individual pleasure car owner is a rich man though he may be an insurance agent, or a petty Government servant or a person engaged in a small industry and in a profession, such as a petty doctor. It is not as if all of them are rich. The idea of this taxation measure, as I told you, was that it should be collected from a number of people and ultimately the tax will be paid by the owner of the vehicle and that is why private cars were excluded in the original amending rules but if the Select Committee wants to levy any tax whether it be 20, 25 or even 33-1/3 per cent that is a thing which can be considered and I have no objection to include them if the Select Committee so pleases."

"The question of transfer of buses was also raised. I may tell the House that we are trying to put it down and we do not recognize it. We have also issued instructions to the Regional Transport Authorities that they should not recognize them. If they do not run them, let them surrender their permits and they will be allotted to somebody else and if he chooses he can sell the buses later on. To transfer the buses and produce the vehicle before the Regional Transport Authority saying, 'Here is the bus; please give me a permit so that it may not lie idle', is not

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6 p.m. a correct position and we want to discourage that kind of practice of compelling the Regional Transport Authorities to give the permits to them. Likewise our policy has been against the system of monopolies and we do not want any monopoly on any particular route and we want others to come in wherever people want irrespective of the number of buses now run. But when we refer an application for plying a bus on a particular route to the existing operators, they invariably object because the new man also will be sharing the profit which is enjoyed by a certain number of vehicle owners. Now the Regional Transport Authorities have got the power to issue the licences after calling for applications, and appeals can be made to the Central Road Traffic Board. In order that there is no indiscriminate granting of permits and licences, I am going to ask the Central Road Traffic Board to get all applications beforehand for scrutiny and pass on approved applications to the Regional Transport Authorities for the granting of permits or licences. I feel that there must be a central control. The necessity of each district must be carefully assessed and more lorries or buses must be put on roads if there is a real need for them. Otherwise it will be a national wastage. For every new bus purchased, we will be sending so much money outside the country. So it is better we conserve our national assets for use in other directions instead of wasting them on goods like that. In the case of lorries, we have over 9,000 lorries in the Presidency and the time has come when we must control them and add new lorries only as and when necessity arises.

“With regard to the question of Madras-Tindivanam route in which the bus operators are not charging six pies but only four and a half pies, obviously it is the fault of the operators themselves. The route is parallel to the railway line and the bus operators have to compete with the railway and so they are unable to charge six pies. It is better such buses are withdrawn from these routes. There must be better co-ordination between railways and road transport, as otherwise, the railways and the bus operators will both lose. It will also ultimately be uneconomical to Government.

“During the course of the debate Mr. Raghavayya raised the question of dearness allowance to officers drawing Rs. 1,000 and over. Some reports have also appeared in the newspapers. I shall explain what exactly had happened. In January 1948 all other Provinces were paying this dearness allowance to their officers according to the recommendations of the Salary Committee of the Government of India. We did not pay all and we decided to stop granting dearness allowance at Rs. 1,000. Later on, the Government of India wrote to us several times and the I.C.S. Association also met me. They pleaded that it is an invidious distinction and it ought to be removed. But we stood firm on the ground that we had the right, to pay or not. When Sardar Patel was in

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Madras, the I.C.S. Association met him and gave a memorandum which was sent to us. Ultimately we had to yield to the pressure of the Government of India. If I was in a position to defy the Central Government, I would certainly have done it. So when I had to give the dearness allowance to the I.C.S. officers, all provincial officers had also to be treated on a par with them. The dearness allowance is now granted to officers who are drawing Rs. 1,000 to Rs. 2,000 at the rate of 10 per cent of their salary subject to a maximum of Rs. 150. All other matters may be considered very leisurely in the Select Committee. I propose, Sir, it may be referred to the Select Committee consisting of the following Members:—

- (1) Sri N. S. Varadachari.
- (2) Sri G. Kumaraswami.
- (3) Sri K. Koti Reddi.
- (4) Sri K. Rajaram Naidu.
- (5) Srimathi C. Ammannappa Raja.
- (6) Sri K. Ishwara.
- (7) Sri V. S. Sankarasubrahmanya Mudaliyar.
- (8) Sri P. R. Kandaswami Gounder.
- (9) Abdul Hameed Khan Sahib Bahadur.
- (10) Mr. Cormack.
- (11) Sri M. A. Easwaran.
- (12) Sri K. Brahmanandam Reddi.
- (13) Abdul Khader Jamali Sahib Bahadur.
- (14) M. A. Muhammad Ibrahim Sahib Bahadur.
- (15) Hon. Sri B. Gopala Reddi.’”

MR. SPEAKER:—“The question is—

“That the draft rule under sub-section (1) of section 17 of the Madras Motor Vehicles Taxation Act, 1931 (Madras Act III of 1931), amending Schedule II to the said Act, be referred to a Select Committee consisting of—

- (1) Sri N. S. Varadachari.
- (2) Sri G. Kumaraswami.
- (3) Sri K. Koti Reddi.
- (4) Sri K. Rajaram Naidu.
- (5) Srimathi C. Ammannappa Raja.
- (6) Sri K. Ishwara.
- (7) Sri V. S. Sankarasubrahmanya Mudaliyar.
- (8) Sri P. R. Kandaswami Gounder.
- (9) Abdul Hameed Khan Sahib Bahadur.

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- (10) Mr. Cormack.
- (11) Sri M. A. Easwaran.
- (12) Sri K. Brahmanandam Reddi.
- (13) Abdul Khader Jamali Sahib Bahadur.
- (14) M. A. Muhammad Ibrahim Sahib Bahadur.
- (15) Hon. Sri B. Gopala Reddi.' "

The motion was carried.

MR. SPEAKER:—" Under rule 78 of the Assembly Rules, I appoint the Hon. Sri B. Gopala Reddi as Chairman of the Committee."

The House adjourned to meet again at 11 o'clock on Monday, the 20th June 1949.

THE MADRAS LEGISLATIVE ASSEMBLY.

Monday, the 20th June 1949.

The House met in the Assembly Chamber, Fort St. George, at eleven of the clock, Mr. Speaker (THE HON. SRI J. SIVASHANMUKHAM PILLAI) in the Chair.

I.—QUESTIONS AND ANSWERS.

STARRED QUESTIONS.

Lands assigned to the political sufferers in Ramnad district.

* 26 Q.—SRI R. S. MANICKAM: " Will the Hon. the Minister for Land Revenue be pleased to state—

(a) the number of political sufferers from Ramnad who have applied for land;

(b) how many have been assigned land; and

(c) the number of Harijans that applied for land and the number assigned, with their names and addresses? "

THE HON. SRI H. SITARAMA REDDI:—" (a) One thousand one hundred and ten political sufferers applied for land in the Ramnad district till the end of March 1949.

" (b) Two applicants were granted land till the end of March 1949.

" (c) The reference is presumably to Harijan political sufferers. The information is not available."

SRI R. V. SWAMINATHAN:—" Sir, out of the 1,110 applications received, only for two applicants, it seems, lands have been granted. May I know the reason for that? Is it due to the non-availability of land or to the inefficiency of the committee? "

THE HON. SRI H. SITARAMA REDDI:—" Out of the applications that were pending, 826 related to zamindari area, and so all those lands could not be assigned till the question of taking over of the estates is settled. That is the position with regard to these 826 applications, or for the matter of that, wherever the land to be assigned is situated in zamindari area, till such time as taking over of the estate is over there is bound to be delay."

SRI M. G. NATESA CHETTIYAR:—" May I know whether the Government had approached the concerned zamindars and ascertained whether they had any objection to giving the lands in the zamindari area applied for? "

THE HON. SRI H. SITARAMA REDDI:—" That is not necessary, as the Government have the right to take over the estates."

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SRI V. M. RAMASWAMI MUDALIYAR:—"May I ask what serious step the Government are taking to settle this question of assignment of land to political sufferers, not only in this district but in other districts also?"

THE HON. SRI H. SITARAMA REDDI:—"I would like to draw the attention of the hon. Member to the recent communiqué of the Government in the matter of assignment of land, from which it would be seen that political sufferers have been given the highest priority in the matter of assignment of lands."

SRI R. V. SWAMINATHAN:—"Sir, out of the 1,100 applications received eight hundred and odd relate to lands in zamin areas; and out of the remaining two hundred and odd applications may I know why only two have been granted lands, and what has happened to the rest of the applications?"

THE HON. SRI H. SITARAMA REDDI:—"From the papers that I have with me it is found that there was some delay due to the lack of information like necessary certificates from the various Congress Committees. I believe all those would have been secured by now or would be secured soon in view of what has been recently stated in the Government Communiqué, and so the entire matter will be expedited."

MR. SPEAKER:—"This question has come up a number of times."

SEVERAL VOICES:—"Not in this form."

SRI M. G. NATESA CHETTIYAR:—"May I know why the Government did not even before taking the zamindari area, ask the zamindar concerned to assign the land lying waste; are there any correspondence in the matter?"

SRI M. S. PATTABHIRAMIAH:—"Arising out of the answer of the Hon. Minister that about eight hundred and odd applicants wanted lands from the zamindari area, may I take it that the policy of the Government is to give only particular land applied for, and not the land available elsewhere?"

THE HON. SRI H. SITARAMA REDDI:—"I have nothing more to add to what has been announced in the matter of assignment of lands in the Government Communiqué."

SRI R. S. MANICKAM:—"இந்தக் கேள்வி கேட்கும் சம்பந்தமாக கேட்ட கேள்விக்கு கனம் மந்திரியவர்கள் சரியான முறையில் பதில் சொல்லவில்லை. எத்தனை பேர் ஹரிஜனங்கள் இருக்கிறார்கள், எத்தனை பேர்கள் land assignment-க்கு apply பண்ணி இருக்கிறார்கள் என்று கேட்ட கேள்விக்கு யாதொரு பதிலையும் சரியாகச் சொல்லவில்லை. நிலம் அப்படிக் கொடுக்காத தற்கு காரணம் என்ன என்று சொல்லவேண்டும்."

THE HON. SRI H. SITARAMA REDDI:—"பிரச்சனை சரியாகப் போடப் படவில்லை. சரியான பிரச்சனை போட்டால் சரியான ஜவாப் கொடுக்க முடியும் என்பதைத்தான் சொல்லுகிறேன்."

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SRI G. KUMARASWAMI:—"May I know from the Hon. Minister for Land Revenue the extent of acreage of land under Grow More Food Campaign in Ramnad district and whether all that land has been already leased to political sufferers this year?"

THE HON. SRI H. SITARAMA REDDI:—"Notice."

SRI R. V. SWAMINATHAN:—"Is it not a fact that there is a feeling among the people in Ramnad district that the Collector of the district is not devoting proper or due attention to the assignment of lands and also that the revenue department is not favourable in assigning lands; and if so, will the Hon. Minister instruct the Collector of the district to attend to this matter and not allow it to drift?"

THE HON. SRI H. SITARAMA REDDI:—"I take this opportunity to disabuse any such misapprehension in the minds of the people. If there is any such feeling it is ill-founded. There is no basis for it. I take this occasion to assure hon. Members that Government are anxious to see as far as possible and as early as possible that political sufferers get lands, and instructions have been issued repeatedly to the district authorities to expedite the matter."

SRI R. V. SWAMINATHAN:—"In view of the answer of the Hon. Minister that the Government are taking all possible steps and issuing all possible instructions to the Collector, may I know what is the peculiar circumstance which is being faced in Ramnad district as only two applicants have been granted lands, while in other districts, as in the adjoining district of Mathurai about four hundred or five hundred applicants have been granted lands?"

THE HON. SRI H. SITARAMA REDDI:—"That exactly shows, wherever possible the Government are anxious to see that lands are assigned. Ramnad district is peculiar in the sense that most of the area is zamin area, and as soon as the question of taking over the estates is finished, the matter will be expedited."

H. S. HUSSAIN SAHAB BAHADUR:—"In this particular area of Ramnad district as there are more than eight hundred applicants, and as the area is a zamin area, will the Government be pleased to see that steps are taken specially for assigning lands to political sufferers in the course of this year so as to avoid disappointment and frustration?"

THE HON. SRI H. SITARAMA REDDI:—"I welcome the valuable suggestion of the hon. Member."

SRI C. M. KOTHARI:—"May I know whether the political sufferers who have been allotted lands are cultivating those lands or are keeping them fallow?"

THE HON. SRI H. SITARAMA REDDI:—"I would like the hon. Member to refer to the Government Order issued on the matter."

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SRI M. G. NATESA CHETTIYAR:—" May I ask whether the Government will take steps to assign lands in zamindari areas before the Zamindari Abolition Act comes into force? "

MR. SPEAKER:—" The hon. Member is putting a general question."

SRI M. G. NATESA CHETTIYAR:—" No, I am putting the question about Ramnad district."

MR. SPEAKER:—" Will the hon. Member repeat his question? "

SRI M. G. NATESA CHETTIYAR:—" May I know whether the Government are prepared to assign lands in the zamindari areas in Ramnad district to political sufferers first, even before the Zamindari Abolition Act comes into force, as there are a large number of applications pending in that district? "

THE HON. SRI H. SITARAMA REDDI:—" We are not prepared to assign lands in the zamindari area."

SRI V. I. MUNISWAMI PILLAY:—" Arising out of the answer of the Hon. Minister to the question of Sri R. S. Manickam, that clause (c) of the question is not well worded, may I know in what form the question should be put? "

THE HON. SRI H. SITARAMA REDDI:—" I cannot suggest the form here on the floor of the House."

SRI ROKKAM RAMAMURTHI:—" According to the answer of the Hon. Minister, political sufferers in zamindari area will not be given lands soon, because there are so many things to be done before that, like survey and settlement; may I know whether it will take several years for political sufferers living in zamindari areas to get lands? "

THE HON. SRI H. SITARAMA REDDI:—" Till the land becomes available, they will have to wait."

SRI N. VENKATASUBBAYYA:—" Sir, as delays are occurring practically universally in all districts, may I suggest if the Government would take some sort of expeditious steps to hasten the assignment of lands like prescribing progress reports or periodical reports and issue of regular reminders? "

MR. SPEAKER:—" It is a suggestion to the Government."

SRI M. S. PATTABHIRAMIAH:—" Subject to the provisions of the latest Government Order issued on the subject, may I know if it is not the policy of the Government to grant lands applied for by the political sufferers to them in preference to others? "

THE HON. SRI H. SITARAMA REDDI:—" We would very much like to do that if we can."

ABDUL HAMEED KHAN SAHIB BAHADUR:—" On this question I wish to make a submission to your consideration, Sir.

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The first thing is whether it is not showing discourtesy to a Member when a Minister does not rise up when he has nothing to say in reply to a question put to him. Simply to sit quiet shows discourtesy to the Member. I ask whether that is proper. If you rule it as alright I have absolutely no objection. It does not matter if it occurs rarely. But it is becoming common. If only the Minister gets up and resumes his seat, without saying anything, that is a courteous way of answering. There is another thing and that is with regard to answer to clause (c) of the question. He said that the question is not properly worded. Mr. Manickam's question is:

' (c) the number of Harijans that applied for land and the number assigned with their names and addresses '.

So far as I can see, it is properly worded. If the answer is not available it is not the fault of the Member. The answer given by the Hon. Minister was that the question of the Member was not properly worded. I think the hon. Speaker may take notice of these things. After all we in the Opposition are very few in number and our rights and privileges are in your hands. These are the things on which I request you to give your ruling." 11-15 a.m.

MR. SPEAKER:—" In view of the suggestion of the hon. Mr. Abdul Hameed Khan, it is better that in future every Hon. Minister gets up and says that he has nothing to add to what he has already said, as that will be more courteous."

THE HON. SRI B. GOPALA REDDI:—" Is it not open to a Member of the Treasury Bench to sit quiet without replying to a question, if the subject-matter of its answer has already been furnished in reply to previous supplementary questions? "

MR. SPEAKER:—" It will be courtesy on the part of the Hon. Minister if he gets up and says that he has nothing further to add."

THE HON. SRI B. GOPALA REDDI:—" Is it not open to a Minister to sit quiet without answering a supplementary question if it does not arise from the main question? "

MR. SPEAKER:—" It is for the Chair to decide whether the question put arises as a supplementary to the main question or not."

THE HON. SRI H. SITARAMA REDDI:—" May I make a submission? Since the Hon. Speaker is well conversant with the practice in the Mother-of-Parliaments, may I know whether it is not parliamentary and courteous if an Hon. Minister sits quiet without getting up and answering a question according to the practice in the Mother-of-Parliaments? "

MR. SPEAKER:—" Whatever may be the practice in the Mother-of-Parliaments, I think it is better that the Hon. Minister gets up and says that he has nothing further to add, as the hon. Mr. Abdul Hameed Khan feels that simply keeping quiet is an act of discourtesy."

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THE HON. SRI B. GOPALA REDDI:—"If I do not want to answer a question, what should I do?"

ABDUL HAMEED KHAN SAHIB BAHADUR:—"It is not very difficult for my hon. Friend, the Leader of the House, to rise and say that he has nothing further to say by way of reply. To be merely sitting quiet is obviously an act of discourtesy."

DR. P. SUBBARAYAN:—"I have been in the House of Commons a number of times, and may I point out that it is usual for Ministers to keep sitting, to which my hon. Friend, the Muslim Member from Kurnool, objects, as it only means that they have nothing further to add. Of course, courtesy may demand getting up and saying, 'I have nothing further to add'. But Ministers might get so bored of bobbing up and down that they may as well decide not to reply. It is quite the usual practice in the House of Commons for a Minister to keep silent when he finds that there is nothing that he can usefully add to the answers already given."

MR. SPEAKER:—"It has been the practice in this House also for a Minister to keep sitting. But since the hon. Mr. Abdul Hameed Khan thinks that it is an act of discourtesy, it is better that the Minister rises and says that he has nothing to add to what he has already said."

Recovery of the subsidy given under the well-subsidy scheme.

* 27 Q.—**SRI N. GOVINDASWAMI NAIDU:** "Will the Hon. the Minister for Land Revenue be pleased to state whether any instructions have been issued by the Government recently to recover the amounts paid as well-subsidy from the ryots, in cases where the amount of subsidy has not been utilized and well sunk within the stipulated period of one year?"

THE HON. SRI H. SITARAMA REDDI:—"Instructions have been issued to recover subsidy amounts (1) in the case of well-works which were subsidized under the Accelerated and Ceded Districts Modified Schemes and which were not completed by 28th February 1949 and (2) in the case of well-works subsidized under the New Well Subsidy Scheme, 1947-48, if no appreciable progress was made by the end of January 1949."

SRI N. GOVINDASWAMI NAIDU:—"தயவு செய்து தமிழில் சொல்லும்படியாகக் கேட்டுக் கொள்ளுகிறேன்."

THE HON. SRI M. BHAKTAVATSALAM:—"28-2-1949-க்கு முன் முடிவடையாமலிருந்த Ceded Districts Modified schemes-ம் accelerated scheme-ம் அதாவது வேகமாக கிணறு தோண்டும் திட்டம் முடிவடையாமலிருந்தால் அந்த விஷயங்களில் subsidy கொடுத்ததை வசூலிக்கப்பட வேண்டுமென்றும் instructions விடப்பட்டிருக்கிறது. 1947-48 புதிய கிணறு subsidy திட்டத்தின்படி 1949 ஆடு ஜனவரிக்குள் அட்வான்ஸ் செய்து முடிவு ஏற்படாமலிருந்தால் அந்தப் பணத்தை யும் வசூல் செய்ய வேண்டுமென்று ஒரு உத்திரவு அனுப்பப்பட்டிருக்கிறது."

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SRI N. GOVINDASWAMI NAIDU:—"செங்கற்பட்டு ஜில்லா திருவள்ளூர் தாலுகாவில் தொடர்ந்தாற்போல் மூன்று வருஷமாக பஞ்சம் இருந்து வருவதோ என்று கேட்கிறேன்."

THE HON. SRI H. SITARAMA REDDI:—"I cannot say whether there has been a continuous famine for three years."

SRI N. GOVINDASWAMI NAIDU:—"அவர் என்ன சொன்னார் என்பது தெரியவில்லை."

THE HON. SRI H. SITARAMA REDDI:—"மூன்று வருஷமாக பஞ்சம் இருக்கிறது என்பது எனக்குத் தெரியாது."

SRI N. GOVINDASWAMI NAIDU:—"ஆனால் செங்கற்பட்டு ஜில்லா திருவள்ளூர் தாலுகாவில் தொடர்ந்தாற்போல் மூன்று வருஷமாக பஞ்சம் இருக்கிறது என்பதை ஒத்துக்கொள்ளப்பட்டிருக்கிறது. இப்பொழுது கொடுப்பது மானியமாக கொடுக்கப்படுகிறது. அதுவும் ரூ. 500. இதற்குமுன் கொடுக்கப்பட்டது ரூ. 300. ஆனால் கிணறு வெட்டுவதற்கு ரூ. 2,000 சிலவாகிறது. பஞ்சமாக இருக்கும் பொழுது ரூ. 300 கொடுத்துவிட்டு குறித்த காலத்திற்குள் முடித்துவிட வேண்டுமென்றும் சொல்லப்படுகிறது. அது இயலாது ஆகையால் இன்னும் ஒரு வருஷம் நீடித்துக் கொடுத்தால் அதை முடித்து விடுவார்கள். அப்படி கொடுக்க முடியுமா என்று கேட்கிறேன்."

THE HON. SRI H. SITARAMA REDDI:—"From the papers I find that extension of time has been given occasionally for the completion of well works. I believe the Government felt that the works must be completed by a definite date so that more lands might be brought under cultivation to grow more food and that was why they fixed the date. I shall have the suggestion of the hon. Member to extend the time examined and if the conditions in the particular area that he referred to are really very bad, I shall see what I can do."

SRI N. GOVINDASWAMI NAIDU:—"அவர் சொல்வது எனக்கு விளங்கவில்லை. தமிழில் சொல்லவேண்டும்."

THE HON. SRI M. BHAKTAVATSALAM:—"சாதாரணமாக எல்லோருக்கும் extension கொடுக்கப்பட்டிருக்கிறது. அம்மாதிரி காலத்தை நீடிக்க வேண்டுமென்று சொல்வது எங்கு அவசியமிருக்கிறதோ அதை பரிசீலனை செய்துதான் சொல்லவேண்டும்."

SRI N. GOVINDASWAMI NAIDU:—"நாம் கொடுப்பது மான்யம் தானே, அதை கவனித்துக் கொடுத்தால் உதவியாக இருக்கும். கொடுப்பது மான்யமாக இருப்பதாலும், அதிக உற்பத்திக்காகக் கொடுப்பதாக இருப்பதாலும் இன்னும் அதிகமாக காலத்தை நீடித்துக் கொடுத்தால் அதிக உதவியாக இருக்கும் என்பது அவர்களுக்கு தெரியுமா என்று கேட்கிறேன்."

THE HON. SRI H. SITARAMA REDDI:—"I have already said that the suggestion will be examined in view of the special circumstances in the area."

P. K. MOIDEEN KUTTY SAHIB BAHADUR:—"May I know whether the Government insist on the recovery of the subsidy from ryots who have been unable to complete the well because of reaching rock, when they have spent an enormous amount?"

THE HON. SRI H. SITARAMA REDDI:—"Some representations have been received by me about hardships in several cases where there has been an honest attempt to dig a well and pleading that the recovery of subsidy might be stayed in such hard cases. Extension of time has already been given

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in such cases and it cannot be made a uniform policy for all the wells all over the Province. As I said, I shall have the question examined and see whether some relief could not be given in cases where there is real hardship of the kind mentioned by the hon. Member."

SRI A. KALESWARA RAO:—“పావులకు డబ్బు ఇవ్వడము వల్ల ”

MR. SPEAKER:—“As the hon. Member knows English, it is better that he puts the question in English. If he puts it in Telugu, many Members may not be able to follow.”

SRI A. KALESWARA RAO:—“After spending a lot of money on the grant of subsidy for sinking wells, may I have from the Hon. Minister a general idea about the acreage brought under irrigation under this scheme?”

THE HON. SRI H. SITARAMA REDDI:—“I do not have the necessary particulars. If I remember aright, this question has already been answered on the floor of this House.”

SRI R. V. SWAMINATHAN:—“Arising out of the answer that the Government will consider the grant of extension of time, may I know whether they will consider it as a general policy or with reference to individual cases?”

THE HON. SRI H. SITARAMA REDDI:—“I cannot give an assurance as to whether the consideration will be general or individual. As I have said, representations have been received about hardships in some areas. They will be examined and whatever relief is possible will be given by the Government.”

SRI V. RAGHAVAYYA:—“Have the Government got any data of the money abused by not sinking the wells as per the agreement?”

THE HON. SRI H. SITARAMA REDDI:—“I do not know what the hon. Member means by data of the money abused. We have got data of the money used. If wells are not sunk and the subsidy amount is abused and if the abuse comes to the notice of the Government, the Government will certainly take action to recover the amount. There can be no question of the Government knowingly letting any money to be misused.”

Issue of rations for two weeks at a time.

11-30 a.m. * 28 Q.—SRI M. G. NATESA CHETTIYAR: “Will the Hon. the Minister for Food be pleased to state—

(a) whether it is a fact that the retail ration-shopkeepers in Dharmapuri Revenue Division are required to indent for rations enough for two weeks at a time from the wholesalers;

(b) whether it is a fact that the retail shopkeepers are not permitted to issue two weeks' ration at a time to the card holders; and

(c) From what date the procedure is being insisted upon and for what reasons?

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THE HON. MR. J. L. P. ROCHE VICTORIA:—“(a) No. The ration shopkeepers are required to indent only for one-week's ration at a time. The very first indent by the retailers will however be for two weeks' ration out of which one week's ration will be kept as buffer stock.

“(b) Yes. According to rules, the card-holders are to be supplied with only one week's ration at a time.

“(c) The procedure is being insisted upon ever since the introduction of rationing system as it was found to be convenient and safe both for the card-holders and the ration shopkeepers.”

SRI M. G. NATESA CHETTIYAR:—“May I know, Sir, if the wastage would not be more, if the retailers are insisted upon to take two weeks' indents at a time?”

THE HON. MR. J. L. P. ROCHE VICTORIA:—“I do not know about it, Sir, but from the information provided, it appears that if more than two weeks' rations are supplied, the retailers might exhaust the supply and they might not be in a position to meet the requirements of the consumers.”

MOHAMED ABDUL SALAM SAHIB BAHADUR:—“Is the Hon. Minister for Food aware that since he has taken charge of the Food portfolio, procurement has fallen by nearly half in this Province?”

THE HON. MR. J. L. P. ROCHE VICTORIA:—“I have no reasons to give for that, Sir.”

SRI V. RAGHAVAYYA:—“In view of the fact that admittedly large stock of rice are lying with the producers and merchants as they have not been purchased in time by the Government for want of finance or otherwise, may I state that the suggestion made by my hon. Friend Mr. Chettiyar that a fortnight's rations should be given to each individual, will not solve the problem, but that it could be solved only by taking deliveries quicker?”

THE HON. MR. J. L. P. ROCHE VICTORIA:—“The suggestion of the hon. Member will be considered, Sir.”

Minimum depth of wells under the new well-subsidy scheme.

* 29 Q.—SRI N. GOVINDASWAMI NAIDU: Will the Hon. the Minister for Land Revenue be pleased to state—

(a) whether it is a fact that in the case of wells sunk under the well-subsidy scheme a minimum depth of 25 feet from the ground level to the bottom of the well is insisted upon;

(b) if so, whether the Government have considered the cases of wells in which water is available at a depth of 20 feet or less from the ground level and with a depth of 6 feet of water; and

(c) if the answer to (b) is in the affirmative, the reasons that prompted the Government for insisting upon a minimum overall depth of 26 feet?

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THE HON. SRI H. SITARAMA REDDI:—“(a) The minimum depth of wells prescribed under the new well-subsidy schemes of 1948-49 and 1949-50 is 24 feet and not 26 feet.

“(b) The Government have already examined more than once the question of relaxing the condition regarding the depth of wells but considered that such relaxation was not necessary.

“(c) The depth of 24 feet was prescribed in order to ensure that the well has sufficient water throughout the year for irrigating at least one acre of land.”

THE HON. SRI M. BHAKTAVATSALAM:—“1948-49 ம், 1949-50 புதிய கிணறு மான்ய திட்டத்தின்படி கிணற்றின் ஆழம் குறைந்தபட்சம் 24 அடி இருக்கவேண்டும். 26 அடி அல்ல. கிணற்றின் ஆழத்தின் நிபந்தனையை மாற்ற வேண்டுமென்று கோறிக்கைகள் பலமுறைகள் அரசாங்கத்திற்கு வந்திருக்கிறது. அப்படி வந்தும் அதை மாற்ற வேண்டியது அவசியமென்பது அரசாங்கத்திற்குத் தோன்றவில்லை. குறைந்தபட்சம் ஒரு வருஷம் ஒரு ஏக்கர் நிலத்தை சாகுபடி செய்யவேண்டுமென்றால் அதற்கு வேண்டிய தண்ணீர் இருப்பதற்காக 24 அடி ஆழம் வேண்டும் என்று நிபந்தனை விதிக்கப்பட்டிருக்கிறது.”

SRI N. GOVINDASWAMI NAIDU:—“சில இடங்களில் 20 அடியிலேயே தண்ணீர் வந்து விடுகிறதே அதற்கு மான்யம் கொடுக்கக்கூடாதா, அங்கேயும் 24 அடிதான் வேண்டுமென்று சொல்வது சரியா.”

THE HON. SRI H. SITARAMA REDDI:—“எல்லாவற்றையும் யோசனை செய்துதான் 24 அடி என்று வைத்திருக்கிறது.”

SRI V. C. PALANISWAMI GOUNDER:—“Sir, various conditions have been laid down in the matter of the distribution of the subsidy and one of them is that the spot where the well is to be sunk should be previously inspected by the Revenue officers. But there seems to be no time-limit within which the officers should go and inspect the spot from the date of the receipt of the application. In view of this difficulty, will the Government issue an order prescribing the time-limit within which the inspection should be done by the Revenue officers?”

THE HON. SRI H. SITARAMA REDDI:—“The suggestion of the hon. Member will be considered, Sir.”

SRI C. M. KOTHARI:—“Sir, when the Hon. Minister-in-charge gives his reply in Tamil, I am not able to understand it. So in order to follow the train of his reply, may I suggest that the reply may also be made in English or in Hindi?”

THE HON. SRI H. SITARAMA REDDI:—“I have nothing to add, Sir.”

SRI V. M. RAMASWAMI MUDALIYAR:—“May I know, Sir, whether in places where water is available within a few feet from the ground level owing to the presence of springs and where it is not possible to go to the depth of 24 feet, the Government would still insist upon the prescribed depth of 24 feet, or whether they would relax this condition when the water available to irrigate one acre of land?”

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THE HON. SRI H. SITARAMA REDDI:—“The question of relaxing the rules, in the case of wells where water is available within a few feet, or in the case of springs, and the question of varying the depths of wells according to the availability of water, etc.—these are questions on which I should like to have special notice. If the hon. Member puts down a special question or raises a specific case, I will be able to furnish him with all details, and say whether the rule will be relaxed in its favour or not, because I have not got all the details with me.”

SRI G. RAJAMANNAR CHETTY:—“May I know, Sir, whether even in cases where water is available at a depth of less than 24 feet, and is able to irrigate more than one acre of land, they would insist upon this rule being observed, and whether the Government have got enough experts to go and satisfy themselves whether the water would be enough to irrigate one acre of land?”

THE HON. SRI H. SITARAMA REDDI:—“The whole object with which the Government have framed these rules and prescribed these conditions is to see that the public money is spent usefully. All these details, like the depth, diameter, the minimum water level, etc., have been prescribed, in order to ensure that there is adequate water at least to irrigate one acre of land. That is the whole purpose for which the scheme has been framed. If my hon. Friend is very particular to know further details about these things, let him write to me and then I shall be able to furnish him the answer more fully.”

SRI B. VENKATANARAYANA REDDI:—“சாஹீப், மான்யம் 24 அடிகளுக்கு மேல் சந்தர்ப்பம் ஏற்படாவிட்டால் 26 அடிகளுக்கு மேல் கிணறு கண்டித்து கட்ட வேண்டியிருக்கிறது. ஆனால் 24 அடிகளுக்கு மேல் கிணறு கண்டித்து கட்ட வேண்டியிருக்கிறது. இதை மாற்ற வேண்டுமென்று சொல்வது சரியா?”

THE HON. SRI H. SITARAMA REDDI:—“சாஹீப், மான்யம் 24 அடி.”

SRI K. KOTI REDDI:—“Is the Hon. Minister aware of the fact both from his knowledge as a ryot and also as a result of his tours throughout the whole Presidency that there are places where water could be found within even six feet from the ground level, and that the quantity of water does not depend upon the depth of the well and if so, what is the object of prescribing these conditions?”

THE HON. SRI H. SITARAMA REDDI:—“If my hon. Friend had followed my answers, he would have seen that that it is not the view of the Government. The depth of 24 feet was prescribed in order to ensure that the well has sufficient water throughout the year for irrigating at least one acre of land.”

P. K. MOIDEEN KUTTI SAHIB BAHADUR:—“In view of the fact that a lot of money is being wasted in this scheme, and

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a lot of abuse of the Government subsidy is going on, will the Government be pleased to consider the scrapping of the whole scheme, and restrict themselves to giving the subsidy in individual cases only?"

THE HON. SRI H. SITARAMA REDDI:—"The Government are not prepared to accept the suggestion of the hon. Member."

SRI T. VISWANATHAM:—"May I know the number of cases which have come to the notice of the Government, where existing wells were shown as new wells, the number of prosecutions launched and the number of prosecutions withdrawn?"

MR. SPEAKER:—"The hon. Member may put a separate question."

SRI N. S. VARADACHARI:—"Will the Government at least reserve to themselves the right to examine special cases and to waive such conditions where if a well is dug to a depth of less than 24 feet, there is enough water to irrigate an acre of land for the whole year?"

THE HON. SRI H. SITARAMA REDDI:—"I have already said, Sir, that if there are hard cases, I am prepared to consider them."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"May I know, Sir, if the Hon. Minister has availed himself of the opportunity of his recent visit to foreign countries, to see well-irrigation in those countries and whether he has something to tell us on this subject?"

THE HON. SRI H. SITARAMA REDDI:—"No, Sir."

Additional subsidy for sinking small wells within the old ones.

* 30 Q.—SRI N. GOVINDASWAMI NAIDU: Will the Hon. the Minister for Land Revenue be pleased to state whether the Government have any proposal before them to grant an additional subsidy of Rs. 200 to those who have already utilized the grant of Rs. 300 given to them in 1946 and who now wish to have a small well sunk within the old one?

THE HON. SRI H. SITARAMA REDDI:—"No such proposal is under the consideration of the Government."

THE HON. SRI H. SITARAMA REDDI:—"இல்லை."

SRI N. GOVINDASWAMI NAIDU:—"1946-48-ல் ரூ. 300 கொடுக்கப்பட்டது. இப்பொழுது ரூ. 500 கொடுக்கப்படுகிறது. விவசாயிகளுக்கு இப்பொழுது கிணறு வெட்டுவதற்கு ரூ. 1,000-க்கு மேல் செலவாகிறது. ஆகையால் அவர்களுக்கு இன்னும் அதிகமாக பணம் கொடுத்து உதவினால் சௌகரியமாக இருக்கும். அப்படி கொடுக்க முடியுமா என்று கேட்கிறேன்."

THE HON. SRI H. SITARAMA REDDI:—"உம், ஆனால் பணம் இல்லை."

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SRI V. C. PALANISWAMI GOUNDER:—"In view of the present policy of the Government to devote greater attention to river-fed tanks and river-irrigated projects, than sinking of wells and with a view to supplement water during scarcity under such tanks will the Government see that a special scheme is drawn up for the sinking of more wells under such ayacuts?"

THE HON. SRI H. SITARAMA REDDI:—"Sir, the scheme of sinking wells, as has already been announced, has been extended for a further period of one year and I do not know what the hon. Member refers to, by his question; but in the orders of the Government on this subject, it has been suggested that as far as possible, these new wells should be sunk in areas where there is already some irrigation and where there is not adequate supply of water, so that these wells might help irrigation to some extent, in raising food-crops."

SRI N. GOVINDASWAMI NAIDU:—"ஒருவருக்கு ரூ. 500 கொடுப்பதும் மற்றொருவருக்கு ரூ. 300 கொடுப்பதும் பாரபட்சம் இல்லையா என்று கேட்கிறேன்."

THE HON. SRI H. SITARAMA REDDI:—"இல்லை."

Relief to the retrenched staff in the Registration department.

* 31 Q.—SRI V. RAGHAVAYYA: Will the Hon. the Minister for Finance be pleased to state—

(a) the number of temporary section-writers who have been retrenched in the Registration department in the Province;

(b) the number from among the Telugu, Tamil and Malabar districts;

(c) what the amount saved thereby is; and

(d) what relief has been given to the displaced staff?

THE HON. SRI B. GOPALA REDDI:—" (a) & (b) The services of about 210 temporary section-writers were terminated towards the end of April 1949 (160 in the Telugu, 31 in Tamil and 19 in Malabar districts). In view of the representations received from several District Registrars, the employment of temporary section-writers has since been permitted wherever absolutely necessary.

" (c) & (d) The amount spent for temporary section-writers in a year is about Rs. 1,20,000 including dearness allowance. As the employment of temporary section-writers has since been ordered wherever necessary, the question of grant of relief does not arise."

SRI V. RAGHAVAYYA:—"In view of the very large number of Telugu section-writers having been retrenched, may I know whether the Government have got any proposal to prepare a list of seniority among them, so that these people might be absorbed in any other department of the Government, as and when occasions and demands arise?"

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THE HON. SRI B. GOPALA REDDI:—"Since most of them must have been re-taken by now, because we have permitted their re-employment wherever it is absolutely necessary, I do not think, there will be many among them still unemployed. However, we have not got the figures of how many have been taken and how many have not been taken, but we expect that most of them would have been taken back."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"In view of the fact that the same Minister is in charge of Finance as well as Registration, is it not possible that the Finance Minister will be upset by financial implications in this matter, rather than do justice to the retrenched staff in the Registration department?"

Delay in the assignment of lands to political sufferers.

* 32 Q.—**SRI M. G. NATESA CHETTIYAR** (on behalf of Sri S. Nagaraja Manigar): Will the Hon. the Minister for Land Revenue be pleased to state—

11-45 a.m. (a) whether the Government had in their hands assignable lands and also useful and cultivable lands ready for disposal;

(b) if the answer to (a) is in the affirmative, wherein lies the cause for delay in carrying out the object; and

(c) whether the term 'political sufferers' includes only those who went to jails or also those who resigned Government jobs during non-co-operation days?

THE HON. SRI H. SITARAMA REDDI:—" (a) There are some Government lands of varying quality available for assignment.

" (b) It is presumed that the object referred to by the hon. Member is the grant of land to political sufferers. The reasons for the delay in granting them lands are chiefly the following:—

(i) application by them for assignment of lands not *prima facie* available for assignment or for assignment of lands in the possession of others;

(ii) delay by the Congress organizations in furnishing certificates regarding proof of conviction, etc.

" (c) The term 'political sufferers' includes not only those who had gone to jail in connexion with political movements but certain other categories of persons also. Government servants who resigned their jobs during non-co-operation days do not, for that reason alone, come under the term 'political sufferers'."

MR. SPEAKER:—"The question regarding the political sufferers have been answered a number of times in the House."

SRI V. RAGHAVAYYA:—"In view of the admission of the Hon. Minister that the delay caused was on account of the delays by the Congress Committees in supplying details regarding the

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nature of suffering, conviction, etc., may I know whether the Government have not thought it necessary to dismiss these committees and entrust the work to the District Collectors who have all the data necessary with them, so that the work might be expedited and the political sufferers might be granted the lands?"

THE HON. SRI H. SITARAMA REDDI:—"The Government feel, Sir, that the orders already issued are sufficient to help the expeditious disposal of the question of assigning lands to political sufferers."

SRI M. S. PATTABHIRAMIAH:—"Will the Government consider the desirability of publishing an authoritative list of political sufferers in the Presidency and also the cultivable lands which could be assigned to them so that it may help the political sufferers in getting the lands which they hope for?"

THE HON. SRI H. SITARAMA REDDI:—"I do not think it would really help, because the mere publication of the number of political sufferers and the lands available all over the Presidency will not solve the problem. I believe, Sir, things have sufficiently advanced in each district and most of the people have already known about the availability and the location of the lands. I also believe, Sir, that in view of the recent orders of the Government there will be no further delay in the matter. Therefore the suggestion of the hon. Member cannot be accepted."

SRI A. KALESWARA RAO:—"May I know, Sir, whether in certain districts like Krishna, the advisory committees appointed by the Government do not command the confidence of the majority of the political sufferers and hence there is delay and whether in such cases the committees will be cancelled and powers will be given to the Collectors to assign the lands?"

THE HON. SRI H. SITARAMA REDDI:—"That seems to be the personal opinion of the hon. Member, Sir."

SRI N. S. VARADACHARI:—"Do the Government consider that merely because a person has changed from being a Congressman to something else, he should be denied this privilege of getting 10 acres of land as a political sufferer unless it is a case where there has been some indulgence in violent activities?"

THE HON. SRI H. SITARAMA REDDI:—"May I submit to you, Sir, that this question does not exactly arise out of the question put."

MR. SPEAKER:—"It is a general question."

SRI K. T. KOSALRAM:—"Is the Hon. Minister aware that the assignment of lands to political sufferers is delayed on account of the self-contradicting Government Orders issued from time to time?"

THE HON. SRI H. SITARAMA REDDI:—"No, Sir."

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SRI V. RAGHAVAYYA:—“Are the Government aware that in the district of Nellore some Communists, some Hindu Maha Sabhabites and other people who have not been to prison at all were given lands on the advice of these blooming committees?”

MR. SPEAKER:—“The hon. Member is putting a detailed question. He must put a separate question for that.”

SRI M. G. NATESA CHETTIYAR:—“So far as the assignment of lands to political sufferers in the zamindari areas is concerned, will the Government issue instructions to the Collectors to forward the applications to the respective zamindars?”

THE HON. SRI H. SITARAMA REDDI:—“I have nothing more to add to what I have already said, Sir.”

MUHAMMAD RAZA KHAN SAHIB:—“Is it not a fact, Sir, that instructions have been issued by the Madras Government to the various Collectors that the political sufferers are entitled to land provided only they were in the Congress Party or were loyal to the Congress Party?”

THE HON. SRI H. SITARAMA REDDI:—“Whatever orders were passed, they were passed as Government Orders, Sir, and the attention of the hon. Member is invited to the various orders passed on the subject.”

Collection of foodgrains from the poor ryots of Visakhapatnam district.

* 25-A Q.—SRI G. SANYASI RAO: Will the Hon. the Minister for Food be pleased to state—

(a) whether it is a fact that the Government have given instructions to collect foodgrains even from the poor ryots although there has been failure of crops in the deficit district of Visakhapatnam; and

(b) if so, whether it is a fact that the Government have given instructions to collect the entire produce without making any allowance for their own consumption and for agricultural purposes?

THE HON. MR. J. L. P. ROCHE VICTORIA:—“(a) & (b) No such instructions have been issued by the Government. The instructions are only to the effect that the surplus grains from all producers should be procured.”

SRI G. SANYASI RAO:—“To encourage the ryot to grow more food, Sir, is it not advisable to allow him the required quantity of foodgrains for his own consumption as well as for agricultural purposes?”

THE HON. MR. J. L. P. ROCHE VICTORIA:—“The question will be considered, Sir.”

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SRI G. LATCHANNA:—“Are the Government aware that in the Narasannapeta taluk the local procurement officers are squeezing paddy from the poor peasants whose names are not in the demand list?”

MR. SPEAKER:—“The hon. Member may put a separate question.”

SRI M. G. NATESA CHETTIYAR:—“May I know, Sir, whether the agriculturists cultivating a certain number of acres of wet and dry lands are exempted from the order for the procurement of foodgrains?”

THE HON. MR. J. L. P. ROCHE VICTORIA:—“Notice, Sir.”

MR. SPEAKER:—“Questions are over.”

SRI V. I. MUNISWAMI PILLAY:—“May I bring this point for your decision, Sir. When we were on question 26, my Friend, Mr. Manickam told the Hon. Minister that his question in clause (c) was not answered to which the Hon. Minister replied that the question was not in proper form. I wish to know, Sir, in what form the Hon. Minister wants the question. You will see, Sir, that this question is a very simple one. It has gone through the Legislature Office and also the other Departments. I do not know in what form the Hon. Minister wants it.”

MR. SPEAKER:—“Probably the Hon. Minister is a Telugu gentleman and he has not understood what the hon. Member said. Sometimes I myself am not able to follow what is said because it is half in Tamil and half in Telugu.”

SRI T. VISWANATHAM:—“What is meant by ‘probably a Telugu gentleman’, Sir?”

THE HON. SRI B. GOPALA REDDI:—“In his constituency there is Kannada also!”

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

II.—MESSAGE FROM THE GOVERNOR.

MR. SPEAKER:—“I have to announce to the House the following message received from His Excellency the Governor of Madras, dated 6th June 1949:—

“In pursuance of section 299, sub-section (3) of the Government of India Act, 1935, I, Krishna Kumarasinhji Bhavninhji, Governor of Madras, hereby accord my sanction and in pursuance of section 82, sub-sections (1) and (3) of the Government of India Act, 1935, give my recommendation to the introduction of the Madras Village Panchayats Bill, 1949, in the Madras Legislative Assembly.”

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III.—MADRAS ENTERTAINMENTS TAX (AMENDMENT) BILL, 1949 (L.A. BILL No. 19 OF 1949).

SRI P. KANDASWAMI PILLAI:—"On a point of information, Sir."

MR. SPEAKER:—"Let the hon. Member give it to me in writing."

THE HON. SRI B. GOPALA REDDI:—"Mr. Speaker, Sir, I present the report^a of the Select Committee on the Madras Entertainments Tax (Amendment) Bill, 1949, and move—

'That it be taken into consideration at once.'

"The Select Committee sat for two days and had certain representations made. We came to the conclusion, Sir, that the rates might be halved. That is, cinema shows exhibited in the City of Madras will pay only Rs. 2-8-0 instead of Rs. 5 per show as originally proposed, in municipalities of Grade I and Grade II they will be paying Rs. 2 instead of Rs. 4 as originally proposed and in Grade III municipalities, i.e., smaller municipalities, they will pay Rs. 1-8-0 instead of Rs. 3. In other places they will pay Re. 1 per show. We have also exempted a large number of touring cinemas which are exhibited in the rural parts and they will not pay anything except when they pitch their tents in municipal areas or in panchayats which have a population of over 10,000. If they exhibit their shows in smaller villages or in panchayats with less than 10,000 population they need not pay anything. Further, we have limited this Act for only one year for the present because the Government of India are also having a scheme of compelling the cinemas to exhibit some of their information films for which they are also charging something. Perhaps it may be one per cent of the gross turnover. Since we do not have a complete picture of the proposal of the Government of India we have limited the term of the Act for only one year and at the end of the year we hope we will be in a better position to review the entire question and if necessary we may re-enact the Act or if it is found to be hard on the theatres we may remove it from the Statute Book. As I have already said, Sir, we have halved the rates and exempted the touring cinemas. I think this concession must be appreciated by the House as it has been done by the Members of the Select Committee. I move, Sir, that the Report of the Select Committee be taken into consideration."

MR. SPEAKER:—"Motion moved—

'That the report of the Select Committee on the Madras Entertainments Tax (Amendment) Bill, 1949, be taken into consideration at once.'

SRI P. NATESAN:—"I would like to know from the Hon. the Minister, what amount he expects as a result of the Select Committee's recommendations."

^a Printed as Appendix I on page 256 infra.

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THE HON. SRI B. GOPALA REDDI:—"Anything between Rs. 5 to 6 lakhs, Sir."

SRI R. V. SWAMINATHAN:—"When introducing the original Bill, Sir, the Hon. the Minister said that he expected Rs. 3 to 4 lakhs. How is it, Sir, after it has come from the Select Committee . . . ?"

THE HON. SRI B. GOPALA REDDI:—"I said, Sir, that we expected between Rs. 14 and 15 lakhs."

* SRI N. S. VARADACHARI:—"Mr. Speaker, Sir, I have already indicated my views on this Bill at the Select Committee stage. It is there on record. I consider that this taxation may not be worthwhile. The Hon. the Minister says it will yield 3 to 4 lakhs of rupees. (Interruption.) I want to estimate it as properly as possible and favourably to him. I consider, Sir, that the facts of the case have not all been stated by the Hon. Minister. There are 316 permanent theatres in the Presidency, and about 600 touring cinemas and the like, most of which work only for six months in the year due to organizational and other difficulties. Sir, recently there has been a proposal by the Government of India—I do not know whether it is a mere proposal, I think it has already been put into effect—to enforce a levy in terms of a contract between the Government of India and the theatres that the latter should pay anywhere from Rs. 80 a week to Rs. 15 a week for showing information films. This levy which I will distinguish for purposes of this Bill from the taxation which we propose to levy under this Bill is three to four times as much as what the Hon. the Finance Minister proposes in terms of this Bill. I want him to consider whether the cumulative effect of this levy on the one side and this tax on the other, would not really hit the industry. I think, Sir, it will to a certain extent. I have honest fears that if these two are allowed to stand unchallenged, with the undiminished tax and a levy, the industry may not be able to bear it. The Hon. the Finance Minister may then retaliate and say, 'I have limited the tax to one year and we shall examine it at the end of that period.' I say, Sir, the proper thing would have been since the Government of India proposed this levy, at least a month prior to the taxation Bill which the Provincial Government have prepared, to negotiate with the Government of India on this matter and see that the industry is not hard-hit. I am of opinion that the Hon. the Finance Minister has minimised the effects of this levy combined with the tax that we now propose. What was the expert opinion on this matter? It was the same as it was last year. In enhancing the entertainment tax, we consulted one expert in the trade and we found that if Government had raised the tax up to a limit and left it there, the yield from the tax would give a fairly good return. Over and above that, it would only yield a diminishing return. My conviction is that if you levy both this Government of India levy and the tax, it would certainly hit the industry. You will not only not get this sur-tax but may

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well cut in the original entertainments tax. Sir, there is such a thing as the law of diminishing returns. As the strain cannot be borne, the last man on the margin naturally steps aside from the business and then drops off. Do you like that to happen? The Hon. the Finance Minister has no fears on that score. He thinks the industry will stand and will get more money and that he is prepared for examination at the end of the year. I think, Sir, it is putting the cart before the horse. The examination should be now. It is not as if we are two independent Governments in India, the Government of India and the Provincial Government. In such matters like this, where there is concurrent jurisdiction, we should, before undertaking a tax of this kind, have consulted the Government of India and made our terms with them and then worked out a solution which would make it possible for the industry to run without default or without loss, and with less people in the trade dropping aside, and at the same time, realizing our estimated revenue. Sir, I have stated in brief the objections and the fears which I entertain. Does the Hon. the Finance Minister consider that these things can be verified a year hence?

"Sir, it is just possible that cinemas may not close or even the last people in the trade may not drop off immediately. They may have obtained licences for six months; they may have lease agreements running up to a particular period. Therefore, we can know the effects of this Bill only after a year and then, it is no use saying, 'We have no data, we were not having the full facts of the situation and therefore, we shall amend it now.' I think, Sir, that is reversing the process of caution which ought to characterize such dealings with industry.

"Now, Sir, what will be the effect? Producers who are well in the trade like the expert who gave evidence before the Select Committee may not be affected and they may have their own way. But, the small producers would certainly not be able to pass on this tax below to the distributors, to the exhibitors, etc., and they will certainly be called upon to bear this tax. The effect of this will be to cut down production. The men on the margin in the production trade may also drop off alongside of the distributor. Now, Sir, what is it that the Government of India propose to make this levy for? It is for information films. They at least give something in return for the tax that they take. But, you, Sir, for a very paltry sum that you get which you could have adjusted in your Budget—I shall presently show the way by which this three or four lakhs or even five lakhs could be adjusted—are levying a tax and purchasing discontent. Is it fair to purchase discontent for such a paltry sum of four or five lakhs of rupees? I say it is not worthwhile. Come with big taxes, if you like. But let us not levy small ones which are like pin-pricks and which after all virtually affect the trade. That is my contention; that is my honest fear. Therefore, I want the department to examine this tax, even if we pass this Bill today, a little more closely, so

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that we may get at the truth in the matter. It is not too late to open up the matter with the Government of India and try to get the levy reduced in order to accommodate the trade. If we do that, then there will be some justification for the tax which the Government propose under this Bill. In the last Budget speech, the Hon. the Finance Minister has said that the cinema owners have money and why not get at that money and tax them. Sir, cinema owners have money; some others have money. If you say that you want to get at that money and therefore, you tax them, then, Sir, I say this is not taxation. I would call it by some other name. I do not wish to use that name today. It is not fair. It is only hitting the particular gentlemen in the trade. Sir, I wish to offer a better alternative. The alternative that I wish to offer is this. You have now a number of miscellaneous taxes in connection with the cinema industry. You have got the Places of Public Resort Act fees. You have the cinematograph licence fees. You have a number of such other taxes. You consolidate them all into one tax and it will simplify your administration and will assure you an income. Levy it, if you like, in one form or in one lump. By this method, get some additional amount. This would cause great satisfaction instead of the profound dissatisfaction that you are causing now by this Bill. This Bill may bring in some money but you must know that persons in the trade will be hard-hit by the combination of the Government of India levy and your provincial tax. I would therefore request the Hon. the Finance Minister to see whether it is not possible to defer this proposal. You can make up this deficit of five or six lakhs by adjustment. I will give an illustration. There is, for instance, some capital work included in this year's budget under irrigation or electricity. But this work can never be completed in the course of the year. It may take seven years to complete the work. Meantime, the amount which you charge has to be charged with interest. Why do you charge revenue with such items? It is wrong accounting; it is wrong budgeting. Please, do not debit these to capital accounts. Then the four or five lakhs will vanish. By the present procedure of taxation you will find that you are gathering thorns from roses whereas you ought to get fine flowers full of honey. Instead of raising such rich honey, you raise in all places public discontent. You are purchasing this discontent and dissatisfaction for a paltry sum which you call tax. Therefore, I would ask you to desist from this course and to re-examine your proposal."

MR. SPEAKER:—"When the Bill was introduced, a number of members took part in the debate and I think they have exhausted almost all the points. I therefore suggest to hon. Members not to repeat what they have already said at the time of introduction but to confine themselves to the changes in the Bill that have been made in the Select Committee stage."

* SRI C. M. KOTHEARI:—"I was a member of the Select Committee. The Select Committee took certain decisions and hon.

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Members of this House have a right to change the mind of the Select Committee and criticize some of the decisions that were taken by them."

MR. SPEAKER:—"There is a misunderstanding on the part of the hon. Member regarding what I have said. I said that hon. Members need not repeat what they have already said at the time of the introduction of the Bill. Now, the hon. Member may speak on the Bill."

SRI C. M. KOTHARI:—"I am sorry, Mr. Speaker, Sir, as a member of the Select Committee, I appreciate the accommodative spirit of the Hon. the Finance Minister because there are a number of changes since the Bill was first introduced. But, Sir, I still contend that it is a tax on education and not a tax on entertainment. Sir, the Government of India have issued licences for which they levy from Rs. 18 to Rs. 50 for the supply of two films for a week to the cinemas. Sir, it was brought to our notice in the Select Committee that these documentary and educational films are not much appreciated by the general public. Therefore, Sir, it is a tax on education and not on entertainment. When the Government of India have proposed such a heavy levy, is it quite proper at this juncture on the part of the Hon. Finance Minister to levy another tax ranging from Re. 1 to Rs. 2-8-0 per show on the cinemas? I think the Hon. the Finance Minister could have waited for some time to see what the effect of this levy of Rs. 18 to Rs. 50 by the Government of India would be. Sir, there is one more point on which I would like to draw the attention of the Hon. the Finance Minister. That is that no statistics are available. There is an absolute gap between the statistics with regard to each trade and the amount of tax actually paid. Therefore we want information as to how much each trade is paying and what is the turnover. There is no information at all on those points available with the Finance Department with the result that a particular trade is possible to be ruined by the heavy taxation introduced by this House. It is better we wait for some time till the after effects of this levy are well known. I hence request that Statistical Department should be created at the earliest to enable the members of this House to know how the tax is reflecting on the industry and trade.

"Then Sir, there is one more point about a promise which remains unfulfilled. Even in 1946, the Hon. Mr. K. R. Karanth said that he would appoint an appellate tribunal."

THE HON. SRI B. GOPALA REDDI:—"That was with regard to sales tax."

SRI C. M. KOTHARI:—"If we have a tribunal for sales tax, it could be used for entertainments tax also. Appeals regarding entertainments tax could be heard by that tribunal. The appointment of such a tribunal would be in the interests of the country."

"Sir, I congratulate the Hon. Finance Minister in appreciating the evidence given before the select committee and exempting

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the touring cinemas because they are the mainstay of the producers. The tax on the cinemas in the different municipalities and the City of Madras will also be detrimental to the interests of the industry and hence I feel that for a paltry sum of four or five lakhs of rupees, it is not necessary for the Finance Minister to proceed with the Bill."

MUHAMMAD RAZA KHAN SAHIB:—"Sir, I feel very glad that the strong criticisms of hon. Members of the Opposition and some of the members of the party in power have had a salutary effect on the Hon. Finance Minister because he has now taken a very, very reasonable stand. Sir, in members of the Opposition he has got better friends, because we gave him very very good advice in his own interest and in the interests of the party in power. We told him that taxation is very heavy already in this Province and further taxation is unnecessary."

"Sir, the Bill has now emerged from the Select Committee. I am sorry to say that I have to differ from the views of Mr. N. S. Varadachari. The original proposal of the Government was to tax the city cinemas at the rate of Rs. 5 and the other cinemas at the rate of Rs. 3 and Rs. 4. On reading the select committee report, I find that the Hon. Finance Minister has reduced the rates by 50 per cent. That is not an ordinary achievement. Mr. Varadachari spoke about the film exhibitors. What he said may be true. The question is whether the cinema proprietors in the city and the mufassal who put up cinema houses at a cost of Rs. 50,000 or Rs. 1,00,000 are or are not in a position to pay Rs. 2-8-0 or Rs. 2 or Re. 1 for a show. I feel, Sir, that there is some justification for the demand. The cinema proprietors may make 4 to 5 thousand rupees a month and if we ask them to pay Rs. 250 to Rs. 300, I do not think it will be harsh on them. Even if it is considered to be a sacrifice, in the interests of the Province, I think they would do well to make that sacrifice. The Select Committee and the Finance Minister have been very wise in stipulating that this Act will be in force for a period of one year only, so that if the apprehensions of Mr. Varadachari come true, there will be time enough to have this Act repealed after the expiry of one year."

"With regard to the other point raised by Mr. Kothari, namely, that after all it is not worthwhile having this legislation for a paltry sum of Rs. 5 lakhs there is some force in it, but if the Hon. Finance Minister says that he should have this legislation no matter whether it brings 5 lakhs or 2 lakhs, we shall allow him to have it. Because the Hon. the Finance Minister seems to stand on prestige. Having brought forward a Bill which has evoked so much criticism, if he should withdraw it at this stage, he may lose prestige. Therefore, as the Hon. Finance Minister has been very good and reasonable with regard to the measure, I should say that we should allow this Bill to go through. We

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may even appeal to the cinema proprietors to put up with this tax for the present even if it means a sacrifice to them, as the financial position of the Government is very bad."

SRI K. BHASHYAM:—"Mr. Speaker, the question regarding these taxes has been before the House once before and we have had our say in the matter. The Select Committee has gone into the question and I am afraid they have taken a very lenient view of the Government's position and agreed to some of the proposals for the levy of the tax. Some of the doughty opponents of the tax have come to some compromise in the matter and as we do not know what exactly took place in the Select Committee it is not possible for us to say why they agreed to it.

"After all this trouble, what does the Hon. Finance Minister expect to get from this tax? We got it from the horse's mouth as it were, and the Finance Minister himself said that he would get only Rs. 3 to Rs. 5 lakhs. How is this Rs. 5 lakhs going to help to make up the deficit of Rs. 5 crores? By putting this tax you will be simply rousing the ire of the cinema goers and the cinema-house owners. The justification for this tax is said to be that the cinema-house owners and cinema producers make a lot of money and therefore a bit of it must be got for the Government. I have no objection to the Government getting a bit out of it. But it should not be done by means of this entertainments tax. It must be done in some other way. For instance make the income-tax heavier. Ask the Government of India to do it and let the Province get a larger share. I have not the least objection. But if you tax the poor man's shows as is proposed here, it will be difficult for us to justify ourselves before the public. The Government may get 2 to 3 thousand rupees from a cinema. The cinema proprietor is not going to transfer this Rs. 2 or Rs. 2-8-0 to the cinema-goer by increasing the cost of the ticket, but he will restrict and reduce the amenities that he will be providing to the cinema-goer. In a city the cinema-goers are many, and suppose an amenity like a fan here or a fan there is taken away, they will blame the Government and not the cinema-owner, because the cinema-owner will say that the Government are taxing him heavily and he is not able to provide such amenities. That will reflect upon us. For the sake of 4 or 5 lakhs of rupees why should the Government get a bad name? The elections will be coming in 1950 and I am really anxious that Congress should not get this bad name on the eve of the elections. It is in the interests of the Congress that this measure should be dropped."

SRI P. NATESAN:—"Sir, the hon. Member, Mr. Bhashyam, has really anticipated me. I would appeal to the Hon. the Finance Minister to drop this Bill. The revenue expected from it has now been reduced from Rs. 14 lakhs to Rs. 5 lakhs. When it is actually collected, it may even be less. It does not become a Provincial Government like ours to be taxing all sorts of things and scraping some money here and some there. It is not a sound policy

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at all. The other day while the Finance Minister was replying to the debate he said that hon. Members who spoke against this Bill both on this side and on the Government side were unnecessarily digging up the poor man's skeleton from his grave. I ask, Sir, whether all these taxes will or will not cumulatively affect the resources of the poor man. Prohibition was introduced with a big flare. I cannot help referring to prohibition every time. It was said that the people affected would be provided with cinema entertainments. But now, it is proposed to tax these entertainments. It seems to be a vicious circle. Suppose there is a Harikatha Kalakshepam. You will tax it. The cinema shows will be taxed at the rate of Rs. 2-8-0 per show. If there are three shows, the tax will be Rs. 7-8-0 a day and for a month it will be about Rs. 210. Will the cinema-owner be able to pay this in addition to the enhanced rents he is paying for the films? Is it practicable? Whenever there is a taxation measure, it is said that the vested interests oppose it. The vested interests in this case are the cinema-owners and the bus-owners. There is a wrong impression in the country that if a man owns a cinema or owns four or five buses he has got all the money for it. On the other hand they all borrow. People have now got accustomed to live a life they cannot afford and they get into debt. That is the case with the cinema industry. It is said that there is money in films, and in passing on the films from one cinema to the other. The fact is that people are hard-pressed for earning a livelihood and they are trying all sorts of ways for earning money. They have made many commitments and these taxes will hit them hard. But the Finance Minister says that we are digging up the skeleton of the poor man.

"Then, Sir, is it worthwhile having this tax? This method of coming up with a taxation every now and then will certainly affect the prestige of the Congress Government in Madras when they come forward to float new loans. These small things will have a cumulative effect on the public and on the money market. Already the cinema-owners of other Provinces where there is a Congress Ministry—in Bombay, Central Provinces, etc.—are dissatisfied with the Congress Ministries because of the many taxation proposals they have brought forward. Ordinarily taxation proposals are made in March, at the time of the budget, but here we do not seem to have any definite idea. Last year, in the middle of the year, we had some taxation measures. This year again we have some taxation measures now. The Hon. Finance Minister may be sure that the Bill will anyhow be passed, but when hon. Members of the Opposition and hon. Members on the Government side speak against such taxation, their views must be given some weight. Particularly, I am surprised to see that many of the Members on the Government Benches are now speaking against this taxation. I do not know why my hon. Friends, Mr. Kothari and Mr. Varadachari, did not put up a fight in the Select Committee stage and say that these taxation proposals should not go through. I do not know why they

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have been a party to such proposals there. Mr. Varadachari spoke something about diminishing returns, about some jugglery in accounts and so on. But if the Congress Government should go on levying these taxes at this juncture when everything is not all right, God only must help the Congress hereafter."

12-30 p.m. SRI V. RAGHAVAYYA:—"Mr. Speaker, Sir, I support the Bill and I am not sorry that I support it. Even if the original rate is maintained, I do not think it is beyond the capacity of the cinema-owners to pay. If Rs. 5 per show is fixed, it should have been paid outright. But what I quarrel with the Government is this. They have not made any provision by which the cinema-owners are prevented from raising the ticket fare. On the other hand, this Bill gives a handle to many enterprising cinema-owners to raise the value of the tickets on the mere justification of this tax. Mr. Varadachari seems to be under the impression that the law of diminishing returns will operate. Diminishing return has been the law always for the past so many years but people have been making money irrespective of the law. My position is that the cinema-goers are so large in number—even poor people take to entertainments—that the law of diminishing returns does not now operate in this case. I think the Government ought to have introduced a rider by which the rates charged by cinemas, at least in the lower grades, must not be allowed to be increased. That, the Government have failed to do. That is how I wish to revert to my former charge that this Government have not got any regard for the privileges and amenities of the poor. The under-dog is sacrificed for the comfort of the top man. That is a great injustice, and I wish to bring to the notice of this House that at least hereafter in measures of enhanced taxation over these matters, the rate also may be fixed and a rider attached that the rates should not be enhanced on any account."

* M. A. MUHAMMAD IBRAHIM SAHIB BAHADUR:—"Sir, I rise to oppose this taxation proposal. I really do not understand what is the real character of this proposal—whether it is a fiscal measure or a revenue measure. If it is a fiscal measure, relevant factors have to be considered, that is to say, whether the industry can bear the tax and what will be the burden upon the tax-payer or the general public. If it is merely a revenue measure, the Finance Minister can rightaway tax certain things without consideration of any other matter. But I do not know what is the real basis of this measure. The Finance Minister himself admits that it is intended only for one year, so I take it to be a revenue measure. Then, why has he pitched upon cinema exhibition alone? There are variety entertainments, dramatic performances, circuses and so on. They can also equally be called upon to pay this tax. Therefore, I submit there is no sound data for this measure. After all, the Finance Minister is going to get about four or five lakhs of rupees. So, the question is whether it is necessary that this industry alone should be called upon to bear this tax. He ought to have considered what the real effect of this tax upon the industry

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would be. He ought to have taken into consideration all these factors before he came forward with a concrete proposal of this nature. So, I oppose the measure."

* SINNA KAZIAR HAJI MOULVI S. A. F. IBRAHIM SAHIB BAHADUR:—"Mr. Speaker, Sir, I gladly support this Bill and the report of the Select Committee. Still, I am sorry in supporting it. (Laughter.) I have just now heard the Finance Minister saying that the taxes have been halved. It was a surprise to me when so many hon. Members took a very pathetic view in favour of the cinema-owners and also the bus-owners. If those people are poor, then who are the rich? As I have already said in my previous speech on this matter, next to the textile mill-owners the richest persons are the cinema-owners and the bus-owners. It is really a pity that the Finance Minister always wants to catch fish only from the gutters and not from the ocean. What is the use of coming to the Legislature for getting merely three or four lakhs? My request to the Hon. the Finance Minister is 'Nationalize this industry'. It is high time that the Government realized that they could not be satisfying both sides, the poor and the rich. They should try to satisfy either the poor or the rich. Both this Government and the India Government are under difficulties only by adopting such a policy of trying to satisfy both sides. 'Be straightforward and try to satisfy the mass.' We see daily what changes are going on. The other day we saw how in Calcutta the Congress was not able to command a majority, and win the election. My point is that the cinema industry should be nationalized. So far as I know, everywhere people who were very poor before they started cinemas have become rich. No Member can say, unless with some vested interest, that these people are poor and that they will not be able to conduct the business."

"Sir, though I request that the cinema industry should be nationalized, I have many doubts. As I have already said, our Finance Minister may not like to nationalize the industry but to levy this tax. But I request him to see that the cinema-owners do not raise the value of the ticket."

"Sir, I saw in the papers yesterday that there was an all-India protest of the cinema-owners. As all of us know, these pictures, rather than educating the young mass, have more or less demoralized society. Of course, it is not the business of the Finance Minister but that of the censors to examine the pictures. Picture have nowadays become hopeless and have demoralized society. I would be glad even if, owing to this taxation, the cinemas stop all the shows."

"Finally, Sir, though the taxes have been halved and though I am supporting this Bill, I request the hon. the Finance Minister to consider the suggestion of nationalizing this business in the near future so that we may get more income and try to get fish from the ocean and not from the gutters."

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THE HON. SRI B. GOPALA REDDI:—"Sir, I am glad of the general support given and my only answer to 'fishing in gutters' is that only gutters are given to the Provinces while the wide ocean is taken away by the Centre. So, I cannot but fish in gutters, whether they are ditches or cess-pools, it does not matter as long as they are getting us some little money."

"The main objection seems to be that after all the return is a paltry sum of five lakhs of rupees and why we should invite the trouble of the cinema-operators? I do not think that is a sound argument. Whether it is five lakhs or one lakh, as long as we feel that the cinema theatres are flourishing, it is but right that we try to get some little money out of them. After all, many a drop make a stream or a river and we should not let go these five lakhs even if it means very little for the Provincial Government. As I said on the last occasion, in 1934 when the betting tax was introduced, the amount that the Provincial Government were getting by way of betting tax in 1934, 1937 and 1938 was less than a lakh and less than two lakhs in 1939 and 1940. Yet the Act was in the statute book. The income from the tax was 6½ per cent during those days; during war time it came to 13 and 14 lakhs and when we doubled the rate of tax in November 1947, we got as much as 34 lakhs. What was one lakh originally went up to 34 lakhs. I, therefore, do not think it is a great point that because the income will be only five lakhs we should give it up."

"The second point was that the Government of India were going to have a levy on the information films and without knowing what exactly the scope of their levy is or how it is going to affect the cinema industry, it is not right that this Government also should come forward with this new taxation. It is because we do not have full data as to how their levy is going to affect the theatres that we have limited our tax to one year. At the end of the year we can review the whole position. If they are able to pay the tax, we can retain it, or perhaps enhance the rate, or bring in the touring cinemas also. Whatever it is, we shall be in a position to review the whole matter at the end of the year. In my own opinion, it won't sit very hard on the theatres. In November 1947 when we enhanced the entertainments tax, the same gloomy and ominous picture was drawn that it would result ultimately in diminishing returns. But for last year we got about 74 lakhs and in 1948-49, about 102 lakhs from the entertainments tax. Likewise, this tax will not diminish our returns. Our 102 lakhs entertainments tax will be maintained and in addition to that, we shall be able to get the new tax. As a matter of fact, if you examine the figures for this April and compare them with those for last April, you will find that it is already a lakh more. It was seven and odd last April and this April it was eight and odd. So, we see a difference of one lakh. Thus, it was steadily on the increase and there is no fear that it will result in diminishing returns. But I am prepared to concede that we will be able to understand the position better, say after seven or eight months of

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the working of the Act. In December or January we will know how exactly we stand with regard to this new taxation and also the original entertainments tax.

"So, Sir, I have nothing more to add. I have met all the points and I request that the matter may be taken up."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"On a point of information, Sir. Regarding the point raised by Mr. Raghavayya, I want to know whether the cinema proprietor is entitled to raise the value of the tickets in view of this taxation, just as the bus-owner is allowed to charge half a pie more for every mile. Even though the tax is increased, will not the Government consider the question of controlling the rates of tickets?"

THE HON. SRI B. GOPALA REDDI:—"Just now we have no powers to restrict what the cinemas are charging from the customers. But if a large number of theatres take advantage of this taxation and put up their rates exorbitantly, I think, then will be the time for the Government to bring in fresh legislation and control the rates. Just now we have no powers, but we can induce and cajole them. We cannot coerce them at present. But if it comes to the notice of the Government that they are abusing their privileges, it will be time for the Government to control them."

MR. SPEAKER:—"The question is—
'that the Madras Entertainments Tax (Amendment) Bill, 1949 (L.A. Bill No. 19 of 1949) as reported by the Select Committee be taken into consideration'."

The motion was carried.

Clauses 1, 2 and 3.

MR. SPEAKER:—"The question is—
'That clauses 1, 2 and 3 stand part of the Bill'."

The motion was carried.

Clause 4.

MR. SPEAKER:—"The question is—
'That clause 4 stand part of the Bill'."

* SRI T. VISWANATHAM:—"Mr. Speaker, Sir, I move—
'that clause 4 be deleted.'"

"Sir, my intention is to restore the position as it is in the original Act, namely, that 90 per cent of the proceeds of the entertainments tax would go to the municipalities. I know there are certain friends who say "No" even as I start, for they are not connected with municipal administration and it reflects to the credit of those who constituted the Select Committee also that they have not included anybody representing the municipalities in the Select Committee. Not one Municipal Chairman has been put in it. Those who are in charge of the administration

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of municipalities know the difficulties. Although it is true that the Government are good enough to use their power and prestige to collect the entertainments tax, they know it is mainly intended for the benefit of the municipalities and the local areas in which these cinema theatres are situated. The principle having been conceded in the main Act, it only stands to reason that the Hon. Finance Minister should give effect to the same principle and apply it to the extra amount that is going to be collected under this amending Act. I have not gone into the desirability or otherwise of imposing this extra tax, but I submit, whether the Hon. Finance Minister will get the odium or a good name, he can take care of himself and the Government can take care of their reputation, but I am here on the question of the details of allocation of this particular item as between the local administrations and the Provincial Government. I feel very strongly about this. The resources of the municipalities are very meagre and their burdens very heavy. Therefore, I submit that in the interests of the municipalities, whatever the amount may be, whether 5 lakhs, 5 crores or even 5,000, it does not matter, it may be given to the local authorities. The cinemas are situated locally and whether it is an advantage or disadvantage it must relate to the local authorities. For doing their good work the Government are certainly entitled to 10 per cent and I certainly concede that. Therefore, I have great pleasure in moving this amendment and I do hope it will meet with the acceptance of the Hon. Finance Minister and this House."

* M. A. MUHAMMAD IBRAHIM SAHIB BAHADUR:—"Sir, in seconding this amendment I only wish to point out this historical fact, namely, that this tax on entertainments has been really a source of revenue to local bodies and municipalities and now by this measure they want to levy a rate per show. The Government will be getting about 5 lakhs or even less than that and it stands to reason that the same percentage of this extra tax should be given to local bodies. After all these local bodies have to maintain at a heavy cost, the health staff to see that the conditions in the theatres are properly maintained. It is therefore but reasonable that Government should divide the proceeds in the same ratio as they are charging the entertainment tax on the sale of tickets."

MR. SPEAKER:—"Amendment moved—
'that clause (4) be deleted.'"

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Sir, while I sympathise with my hon. Friend, Mr. Viswanatham for having championed the cause of the municipalities, for trying to take a very big slice of revenue from this source for the municipalities and for the reason offered by the cinemas that the entertainment tax was being collected by municipalities and that it has been usurped by Government, I must point out that if the Hon. Finance Minister has come forward with these measures, it is not so much to help the finances of the local bodies, but in order to fill up the gap in the Budget. He has told us that there is a deficit of 4 crores, and in order to make good that deficit he is coming forward with various

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taxation measures. That being the case, I do not know whether we will be in order or we will be justified in asking the Government to allot a major portion of this tax to the municipalities. Of course, the Government will have to consider the claims of municipalities in other respects. It is true that the municipalities have been losing from time to time their sources of revenue. As a matter of fact, the Madras Corporation has lost a considerable amount of money on account of various things, and the amount that is being given to the Madras Corporation from out of the Motor Vehicles tax is certainly not commensurate with the growing returns in respect of the Motor Vehicles tax which the Government are getting. The Government are not paying the City Corporation and the local boards on a pro rata basis, but are now paying the same amount which they were paying at the commencement of the Act. I should think they are bound to pay the local bodies and the City Corporation on a pro rata basis. I hope the Government will consider this aspect of the question. It is, however, not proper on the part of local bodies to expect the Government to pay out of this entertainment tax. At the same time, the Government will see that these cinema proprietors are not made to pay more than they can afford, for, as has been pointed out by my hon. Friend Mr. Bashyam, to the extent they are compelled to pay, to that extent they will neglect the amenities that ought to be made available and not only that, they may not even continue the existing amenities, or may not be in a position to improve the existing amenities and in fact, they may even withdraw those amenities. As a matter of fact even the existing amenities provided by the cinema proprietors are far from satisfactory for the amount they collect from the cinema-goers. It is really a great hardship. Now, the Government will be indirectly making the cinema proprietors not only withdraw the existing amenities, instead of improving them, but enable them to make up the amount they are now losing by some other means. These are some of the aspects which I hope the Government will consider when they expect the cinema proprietors to pay the tax in this shape."

THE HON. SRI B. GOPALA REDDI:—"Sir, there is a history behind this 90 per cent of the tax being given to local bodies. In 1926 or so the Entertainments Tax Act was first enacted and then out of 82 municipalities only 9 took advantage of it. Till 1937-39 also only 11 municipalities took advantage of it. Then when Prohibition was first introduced in four districts, as one of the taxation measures this was provincialised in 1939 and the municipalities levying this entertainments tax were given what they were actually getting, i.e., 11 lakhs and about 2 or 3 lakhs to City Corporation. From 1939 onwards till 1945 those municipalities were getting what they lost by giving the proceeds of this tax to the Government. Other municipalities did not lose anything at all. In 1944-45, i.e., during the Adviser Government, when the various municipalities were short of funds to pay dearness allowance to teachers and other employees, Mr. Strathie, who was then the Member in charge of Finance, agreed to give 90 per cent of the entertainment tax to the municipalities. So, Sir, from 1939 to 1944-45

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the municipalities did not get 90 per cent but only from 1944-45 they have been getting this 90 per cent and this percentage still continues. As a matter of fact, the municipalities are getting a tax on theatres for issuing licences, then they get theatre tax on the capital value of the theatre and certain other taxes, while the Provincial Government do not get either the tax on the theatre or on the show, but they will have to rest content with the 10 per cent that they are getting from the entertainments tax all told. So, we thought that the cinema theatre could be subjected to some provincial tax, besides the entertainments tax which is after all paid by the customer. The theatres as such are not paying anything to the Provincial Government. While they were paying something to the municipalities and something by way of income-tax to the Central Government, they were not paying anything directly to the Provincial Government and so we thought they should pay something to the Provincial Government. That is in essence the principle of this Bill. So, in view of that it may not be possible for the Provincial Government to share it with the municipalities.

"There is another proposal of my hon. Friend, Mr. Viswanatham. This also may be given to the municipalities, provided all the municipalities agree to 80 per cent of the entertainments tax, instead of 90 per cent. There was a proposal some time ago in the departmental files that it should be 80 per cent instead of 90 per cent. If this is agreed to, this tax could be shared by the municipalities with the Provincial Government. Otherwise, as long as it is 90 per cent for the municipalities and 10 per cent for the Provincial Government, the suggestion of my hon. Friend cannot be accepted. Therefore, Sir, in view of the long history of this tax, I request the hon. Mover to withdraw his amendment."

* SRI T. VISWANATHAM:—"Sir, I think there has been some misconception about the basis of this taxation. Certain sources of revenue have been shown to municipalities and local boards. There is no point in saying that for provincial purposes 'We will walk and dip our fingers into sources which are essentially of a local long nature.' If you pursue that logic, to-morrow the Hon. Finance Minister will come forward and say, give me 10 per cent of your auction fees of markets. (A voice: 'why not?') There is no question of, why not. In the interests of the finances of administration, not only of the Central and Provincial Governments but also of the Local Administrations in the country and generally throughout the world, there have been in force some accepted standard of allocation. There should not be an off-hand method of altering the sources of revenue allocated to various spheres of administration. So, Sir, it is not a question of why not. But, it is a conclusion based on experience and wisdom and wise procedure which has been followed on the basis of experience. I therefore submit that it is not a correct argument to advance that they have not been paying anything already and therefore they would

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take this 10 per cent. I think it is not a proper assessment of the principles of taxation. Does the Finance Minister claim a share of the profession tax collected by the municipalities? Does he claim a share of the property tax or any other local taxes which are essentially meant to be sources of revenue for the local administrations? I submit, Sir, that apart from the 1 lakh or 4 lakhs which the municipalities may get if my amendment is accepted, the principle propounded by the Finance Minister is somewhat dangerous to local finance because to-morrow whenever the Hon. Finance Member feels the need he may put his finger into something else. This sort of thing is not good for local administration. I would ask him not to proceed upon that assumption at all. They have to be content with 90 per cent. I submit, it stands to reason and commonsense that this revenue should go to the proper cash box and to the proper chest. Therefore, I am very anxious to see that there is no confusion in the sources of revenue which are mainly intended to be local as distinct from those intended to be Provincial. I, therefore, submit that it would be wrong on the part of the House to accept that principle.

"Sir, he has been good enough to make a sporting offer to the municipalities to accept 80 per cent of the Entertainment Tax. To-morrow he may say, 'accept 50 per cent and I will give you something else.' It is not a question of 50 per cent or 80 per cent or 90 per cent. There is a principle behind this 90 per cent which is now given to the local administration because as I said before, it is essentially a local source of income for the local administration. Provincial administration has nothing to do in the matter of issuing licences or giving permission for building construction or observing the rules of sanitation and things like that; they are affairs of the local administration. Provincial administration has no hand at all and that is the reason why the Government have rightly agreed to give the entire thing to the local administration. Because the collections of this tax have been provincialized, 10 per cent of the tax has been deducted towards cost of collection and administration of the tax. It is not a share that the Government get and if he once more revises his file, he could see that it is only a compensation for the work they are doing on behalf of local administration to ensure a uniformity of practice. I therefore request him to accept my amendment and it would not do him any harm. On the other hand it would help him in the long run."

* THE HON. SRI B. GOPALA REDDI:—"From 1939 it is a provincial tax. The present Governor-General of India, who was then our Prime Minister and Finance Minister made this tax a provincial tax and gave to these 11 municipalities what they were getting previously. Thus it continues to be a provincial tax from 1939 onwards and in 1944-45 the municipalities were given a share of this tax to meet the cost of living and grant of dearness allowance to the teachers working under them as they were short of funds. Therefore this 10 per cent is a sort of a share for the Provincial Government and it is not to compensate the Government

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for their work that they are given this 10 per cent. After all, the cost of collection of this tax is perhaps less than 3½ per cent and so it continues to be a Provincial taxation and it must continue for some time as a provincial taxation. Now that the municipalities are short of funds, they are getting 90 per cent of the tax. But ultimately, we do not know what will happen. From 1939 to 1944 it was a provincial tax and it must be treated as such. Whatever it is, it is a big issue and we do not know how the Constitution will emerge out of the Constituent Assembly, and what will be the provincial allocation *vis-a-vis* the central allocation. And if the Provincial Government are in a position to give it away entirely to the municipalities, certainly it should be given away because municipalities must be encouraged to spend more on the public service. Now, I request my hon. Friend to withdraw his amendment."

SRI T. VISWANATHAM:—"I withdraw the amendment."

The amendment was, by leave of the House, withdrawn.

Clause 4 was put and carried.

The Preamble was put and carried.

THE HON. SRI B. GOPALA REDDI:—"Sir, I now move—
'That the Bill be passed into law.'

There is nothing that I can usefully add at the third reading of the Bill."

MR. SPEAKER:—"Motion moved—

'That the Madras Entertainments Tax (Amendment) Bill, 1949 (L.A. Bill No. 19 of 1949), as reported by the Select Committee be passed into law.'"

H. S. HUSSAIN SAHIB BAHADUR:—"Mr. Speaker, Sir, I must really congratulate the Hon. Minister for Finance on having found fresh sources of revenue and I am glad that he has found a very good source of income in the cinema industry which has firmly established itself in this Province. But at the same time I must say that the industry needs encouragement also. The more encouragement you give to this industry, the better results it will yield to the Government in the shape of tax. It is admitted that the cinema is a great factor now in the national life of any country and our country needs the expansion of this industry not only in the big cities and towns but also in the rural areas. I hope that the Hon. Finance Minister will take this aspect of the question while enforcing his new measure of taxation on every show of a cinema company. I would therefore suggest that the Government as a whole should try to encourage the cinema industry in this Province with a view to start cinema houses in the mufussal especially in the rural areas. The more the number of cinemas the greater will be the income. Though it is now only four or five lakhs, I believe that in the course of time when the industry has been sufficiently extended with the patronage of the Government, it may yield, even

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twenty to thirty lakhs of rupees or it may be even half a crore. Therefore, I say that this industry is an essential industry and it is never a losing one. Now, I take this opportunity to congratulate my Hon. Friend the Hon. Minister for Finance for having chosen this source of revenue."

THE HON. SRI B. GOPALA REDDI:—"I have nothing more to add."

MR. SPEAKER:—"The question is—

'That the Madras Entertainments Tax (Amendment) Bill, 1949 (L.A. Bill No. 19 of 1949) as reported by the Select Committee be passed into law.'"

The motion was carried and the Bill was passed into law.

IV.—THE MADRAS GENERAL SALES TAX (AMENDMENT) BILL, 1949 (L.A. BILL NO. 20 OF 1949)

* THE HON. SRI B. GOPALA REDDI:—"Sir, I present the report* of the Select Committee on the Madras General Sales Tax (Amendment) Bill, 1949 and move—

'That the Bill as reported by the Select Committee be taken into consideration.'

"Sir, this Bill was subject to great criticism when it was introduced in the Assembly and some of the items mentioned in the Budget speech—especially articles like chillies, plantains, turmeric, coffee and tea—were severely criticised by many hon. Members. Some hon. Members even threatened to start satyagraha—chilly satyagraha, because as Mr. Kothari would have it, it would hit the poor man's stomach and his wife's kitchen.

"Sir, after taking evidence and after closely examining all items one by one, we decided ultimately to withdraw the entire clause. So much of the objection of the hon. Members and of the press will not be there hereafter because articles like coffee and tea will not be subject to commercial taxes. They are already subject to certain taxation. Even chillies, turmeric, and plantains are subject to some taxation even now but they will not be subject to any additional taxation. And it must have been received by the public and the press with great joy that at least some of those articles,—which I call as 'commercial crops'—would not be subject to any additional taxation.

"Sir, tea exported by the producer direct was proposed to be taxed at one point. But now we have exempted it from any additional taxation after taking evidence from the United Planters' Association that it will not bear any more taxation because our export trade is already on the decline and Ceylon is becoming a very keen competitor in the export of tea. We have already lost some markets especially American markets and Australian markets to some extent. While we have lost them Ceylon is gaining. Our Indian tea cannot compete with the Ceylon tea in the London

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market. So after considering all these facts, we thought it best to leave it as it was without subjecting it to any additional taxation. Also, Madras tea has to compete with Darjeeling tea, Bengal tea and Assam tea and we do not want to put any handicap on the export of Madras tea. So, the additional tax on the export of tea has also been removed. Thus, two main clauses were removed and only two clauses remain in the Bill in a truncated form.

"Sir, for the first time we are levying some tax on cotton. The original proposal was to tax three pies in the rupee on the turnover or the mill point. But there again we were confronted with many great difficulties and evidence was given before us that even cotton cannot bear any additional taxation because certain ex-mill rates of yarn and cloth are already fixed by the Government of India. Ultimately we decided that cotton should be subject to a half per cent tax at the mill point. It is not half a pie, but it is half per cent, namely, we will have to pay eight annas per Rs. 100 instead of Rs. 1-9-0 per Rs. 100. So, cotton will be subject to a half per cent tax hereafter at the mill point.

"Now, I come to the tax on coffee hotels. The Select Committee recommended that the tax on the turnover be increased from three pies in the rupee to 4½ pies in the rupee. So hotels which are paying three pies in the rupee, hereafter will have to pay 4½ pies in the rupee. After all, theatres and coffee hotels are twin sisters of the same civilization and culture and when theatres are being subject to additional taxation, we thought that coffee hotels also can be subject to some little additional taxation. Their agitation originally was that they were paying sales tax on pepper, coffee, tea, sugar, etc., and when they were converted into edible products Government also wanted to levy additional taxation on them. Now that we have removed that additional taxation on coffee, pepper, tea and other commercial crops, they will continue to pay only three pies in the rupee. So, much of their objection is not there because those articles will continue to pay general sales tax without any additional taxation. At the same time we have also taken into consideration a large number of coffee hotels in the rural areas. Such of those hotels whose turnover is above Rs. 25,000 will have to pay this additional taxation. If the turnover is below Rs. 25,000 and above Rs. 10,000, they will continue to pay only the existing rate of three pies in the rupee. And if the turnover is less than Rs. 10,000 they will not be subject to any taxation. So, there again we have examined a large number of small coffee hotels whose turnover will not exceed Rs. 25,000.

1.15 p.m. "The bigger hotels will bear this additional taxation. Originally the tax was about 22 lakhs of rupees and now we may get about 10 lakhs or so if the coffee hotel tax is accepted. These are the only two points that have emerged out of the Select Committee. Cotton will bear half a per cent tax and coffee hotels and boarding houses with a turnover of more than Rs. 25,000 will pay 4½ pies per rupee instead of three pies. Much of the objections against commercial crops has been removed as recommended by the Select committee. I move that the Bill be taken into consideration."

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MR. SPEAKER:—"Motion moved—

'that the Madras General Sales Tax (Amendment) Bill, 1949, as reported by the Select Committee be taken into consideration.'"

SRI P. NATESAN:—"Mr. Speaker, I rise to protest against any sales tax being levied in this part of the year; let it be an increase or a levy, I object. I am glad that the Hon. Finance Minister has realized the necessity for withdrawing the tax on tea. Even last year, during the Select Committee stage we brought it to his notice how important it was to protect the trade. I only want to know from him now if he will not come forward with any taxation proposals hereafter on tea. I hope he will give us that assurance.

"I have repeatedly dwelt on the atmosphere in the country as to how people are reacting to the taxation policy of the Government. You find hotel people saying that they would close down as from a certain date if the Bill is proceeded with and the cinema people saying the same thing. I only want to show how these taxation proposals are being felt by the public; not that they are going to indefinitely close down; after all we are going to tax them and somehow or other they will have to bear the burden and be content with that.

"The other thing is how much the Hon. the Finance Minister will be able to get from this tax for the half year; we have to run only six months more and is it worthwhile putting on taxation at present. Probably we may find just as we remarked during the general discussions of the Budget that there may be a lot of unspent balance with the result that it may end in a surplus Budget. Is it necessary to go on with a measure of this kind when you are perhaps going to get four or five lakhs of rupees for the half year.

"Unfortunately, Sir, I cannot get over this prohibition business. I quite realize that prohibition is necessary. We naturally told you, you had better go slow and that was what was said by the Prime Minister of India. That does not matter with you and what is the cost of enforcement of prohibition? It costs us 2 crores of rupees. I tell you: 'Please withdraw this enforcement staff and be done with it'. Why do you want to have an enforcement staff? If people commit offences, there is the regular police to take charge of them. Supposing somebody steals are you going to see that it is enforced by a particular staff to see that people do not steal. What is it that is happening to-day as a result of prohibition. There is a lot of illicit distillation and that has been admitted even by Congress members and many have been grumbling that there is so much illicit distillation (Sri T. Viswanatham: 'No.') and why then you want to spend so much. My hon. Friend may say 'No' but so many have said so and I ask: 'Why do you want to spend two crores of rupees for it in addition to the 16 crores which we have given up on account of the introduction of prohibition. . . . Now prohibition has been in force for three years and what need is there for Harikathakalakshepams for

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the addicts; they have forgotten toddy. You must see that you retrench the staff; you are keeping on squandering money on one side and then come forward with proposals of taxation. You say that the masses of people are behind you; all right; I agree; if they are behind you why not make use of the various Congress organizations and bring the offenders to book; after all the Congress has some prestige yet and you have the organization in every village and town. Select some honest people in your Congress organization and they will bring to your notice cases that they come by and you can set your Police watchdogs on them and get them to book. It is wrong and it is a sheer waste of money. Further there is plenty of corruption among the prohibition staff and Hon. Ministers themselves know so many people take drinks under their very nose. They will simply excuse them for the Minister cannot be a policeman at every place. There is no good of saying that the masses are behind you and it is wrong in the name of prohibition and in the name of the masses, to take credit for putting on more and more taxes which is really passed on to the consumer. I know that the Hon. Minister has finally made up his mind with regard to the thing as it has emerged from the Select Committee but I all the same enter my protest against the Bill."

SRI C. M. KOTHARI:—"Mr. Speaker, I congratulate and thank the Hon. Minister for his accommodation to the general public opinion. He was very reasonable at the Select Committee stage and that was because he felt that he had put the measure in such a hard way that if it had not been rectified at the Select Committee stage, to which the Hon. Finance Minister agreed, the whole economics of a number of industries would have come to grief. On behalf of my constituency, the United Planters' Association, I thank the Select Committee for appreciating the economics of tea and coffee and let me hope that each and every year, this question will not be brought before the House for taxation purposes. We had this question completely thrashed out in 1948 when the Hon. Finance Minister brought forward some suggestions and in spite of it, he was pleased to bring tea and coffee, the poor man's drink, into the picture again now. I am glad that the poor man has got some relief. In respect of cotton, however, I feel even now that it would be in the interests of the infant cotton industry in this presidency if it were dropped altogether. But I do hope that the Hon. the Finance Minister will review it at the end of the year and see what damage it has caused to the progress of the cotton trade and industry."

"Regarding coffee hotels, I feel that the upper turnover limit of Rs. 25,000 is very small. It comes to roughly Rs. 70 per day and how much can a man make out of Rs. 70 so as to enable him to pay more by way of increased sales tax. This is a tax on the middle man and the poor who resort to the hotel, for the rich do not go there. If so, is it not in the interests of the country that this limit may be raised so that the hotel-keepers may not raise their rates. There is quite a possibility that there will be a reaction to this taxation measure by way of the quantity being

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reduced or protests being lodged with the Collector to increase the rates of the various dishes prepared by them. This question is coming before the House by way of an amendment before the House and I do not want to deal with it now and I expect the Hon. Finance Minister will be pleased to agree to the suggestion of my hon. Friend, Mr. Varadachari."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Mr. Speaker, I dare say that if all the members of the House were free agents, they would certainly come forward with opposition to this taxation measure which seeks to levy additional taxation on foodstuffs in any form at any stage. It is true that at the Select Committee stage certain amendments were accepted and certain articles of food have been freed from additional taxation. Levying the tax on hotels with a total turnover of R. 25,000 does not give relief to the poor; on the contrary it is not the proprietor of the hotel that will pay this tax but ultimately it will be the consumer. There are a large number of hotels with a turnover of Rs. 60 and more per day and it does not mean that such hotels are patronised by the rich people. The poor man, the wage-earner also goes into them. There is nothing to prevent the hotel-keeper from transferring this incidence of taxation on to the poor visitor to his hotel and instead of selling coffee and other things at the particular rates now obtaining, he will certainly raise their price and the price of all these articles as well as the others will certainly go up the moment you have this taxation imposed upon hotels. This additional taxation should certainly be stopped and I am sure the Government will think twice and thrice before they insist upon imposing additional taxation of this nature for in the very nature of things, it will be an imposition on the poor consumer."

"It is not advisable for the Government to come forward with any additional taxation. Secondly, taxation should not be levied to any increased extent on articles of food. This is sought to be done under this Bill. It must be remembered that it is the consumer who will be called upon to pay the additional taxation. It is wrong for us to impose a taxation on the consumer. Certainly the person who will have to pay ultimately is the consumer and not the owner or proprietor of the hotel. These are some of the things which one has to remember when confronted with additional taxation, particularly on articles of food. Therefore I have no alternative but to oppose this measure as being not only retrograde in character but interfering with the legitimate rights of the poor consumer who is not now in a position to pay this tax. It does not appear that the Government have a complete picture of the tax-paying capacity of the people, particularly the consumers. Without taking into account the paying capacity of the people and having no knowledge of their paying capacity the Government are going on levying additional taxation which ultimately sits very high on the poor people. Government do not seem to realize that the consumer is called upon to pay in various forms, both by way of direct and indirect taxation. These will hit him very hard."

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(After lunch—2-30 p. m.)

* SRI V. I. MUNISWAMI PILLAI:—“ Mr. Speaker, in supporting the motion of the Hon. Minister for Finance, I feel—and the whole country should feel—thankful to him and to the Select Committee in coming to such wise decisions by eliminating certain items that appeared in the original Bill. Taking coffee and tea, the plantation products, they have their own history. I may tell this House that enormous capital was invested by the foreigners in the development of tea industry in this country. After the war, many of our Indian friends were taking advantage to purchase tea estates at a very high cost which was several times the original price, with the expectation that they would be getting a far better dividend in the future.” As was pointed out by the Hon. Finance Minister and also by some of the speakers, the market for the industry is not so bright as it was before. I know that some of the estates on the Anamalais, the Nilgiris and the Wynaad produce the best tea and at times they were able to top in the London market and our Province was considered to be one of the most important tea producers of the world. We must maintain that high prestige of producing the best tea in this Province. I am not so much enamoured that capitalists will be getting a big slice over the tea industry. But look at the plight if the tea estates were to go ruin. There are millions of labourers in the plantation areas whom I may call the creators of the plantation areas in our Province. What will be the fate of those millions of labourers? I may say that not less than 70 per cent of the labour are drawn from the Harijans. Now, from Ceylon, from Burma and from South Africa people are repatriated and sent back to this Province. If the existing labour population in these plantations are disturbed and those people take their place, it is very easy for any one to understand that the labour position will become very acute. It is only on this basis that, the other day, I told the Hon. Finance Minister not to tax tea. Coffee was suffering from a pest and this has hit many a coffee planter. It is only now that it is recovering from the pest and it is therefore impossible to keep coffee within the purview of this Bill. I am very glad that the Hon. Finance Minister saw the light of day and has exempted these things or rather deleted these things from the Bill. I am glad that potatoes also have been removed from the list being a perishable commodity which will not stand if it gets stagnated in an unsound market, though Government recently declared potato as one of the commercial crops and clubbed it with groundnut and cotton. Sir, some of my friends who preceded me were talking something about prohibition. They were saying ‘Why this prohibition? Why do you lose all the money over prohibition? Why do you spend money for the enforcement staff?’ I think this sounds novel to most of us. Prohibition was one of the themes of the Congress and the country as a whole. It is not the Congress regime alone, but all those parties in power that preceded it were trying to introduce prohibition. They were not able to do it. It was given to the Mahatma and the

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Congress to show to the world that they were strong enough and wise enough to introduce prohibition in this country. In fact we have succeeded. The drink evil was in existence for more than 150 years. It is not very easy to eradicate it in a year or two. Naturally we must have a prohibition staff. As far as my district is concerned, I may tell with certainty that it has been an unqualified success. Those of us who go to other districts also find that prohibition has been a success. Here and there there is bound to be some illicit distillation, but it cannot be said that prohibition is not sound in our province. Also they seem to attack by saying ‘Why should there be Congress agency in the enforcement staff?’ Sir, the pledge the Congressman has taken that he will support the fourfold constructive programme still runs in his heart and if a Congressman does not carry out this constructive programme he has no place in the Congress field. It is therefore right that Government have chosen Congressmen for enforcement. It must also be remembered that, at the same time, they have not chosen people who want to make a few rupees out of their jobs. As a matter of fact, some Congressmen have to go to dangerous hilly places and to places where there are rowdies who have been addicted to this drink evil and see that it is eradicated. So I cannot say that there is illicit distillation everywhere. Here and there there may be illicit distillation, but given time, we would be able to see that it is routed out root and branch from our country. With these observations, I feel grateful to the Hon. Finance Minister for his sympathetic heart to the poor man.”

* SINNA KAZIAR HAJI MOULVI S. A. F. IBRAHIM SAHIB BAHADUR:—“ As I have already pointed out, I wish to say that our Hon. Finance Minister has a peculiar way of taxing the poor people. The Hon. Finance Minister does not really realize the difficulties of the poor and so I have to think very seriously about this policy. There is an Urdu couplet which the Hon. Finance Minister also knows, namely:—

یہ ٹاکس ہی ہے مفت تیری پیر اور کرٹی کہے گا کیا
جو کبھی غریب رہا نہ ہو وہ کسی غریب کو دیا کیا *

It says ‘what you do shows clearly as to what you are’. To put it more lucidly, it means that, when you have never been poor, you can never know the poor. Further, there is also a Tamil proverb which says:—

‘முன்னே பின்னே செத்து இருந்தாந்தானே சுருகாடு தெரியும்?’
It can be translated to mean that we can have an idea of death only if we had a previous death. So, unless we have practical knowledge of certain things it is impossible to come to a correct decision regarding those things. The Hon. Finance Minister said the other day that these taxes are going to be paid by the cinema proprietors or bus-owners and so on. But I am sure that it is indirectly the poor man who pays it. Similarly it is the case with coffee hotels. The owners are not actually paying the tax; it is the poor consumer. So, Government should dive deep into

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the matter and then find out what the real condition in the Province is. I have already said in detail, during my first speech, about average income, agricultural indebtedness and other things. Government should take into account all these facts. I hold that it is a preposterous taxation. It is such a tax which made Aurangzebe unpopular. There are many ways for new taxes if Government want them. Government should go to the big people like the mill-owners. Even in the Budget speech, I placed before the House the fact that, during a period of two and a half years, i.e., during war time, these mill-owners made three times their capital investment. When Government are bent upon bringing legislation to snatch away the lands from a mortgagee when he enjoyed the benefits of it for thirty years, and give them back to the original land-owners without repayment of the debt to the mortgagee, then why should not Government bring such legislation to nationalize all these mills, cinema theatres and even coffee hotels if they want. Now, as regards coffee hotels, the Hon. Finance Minister may say that the poor man is not visiting hotels, but only the middle-class man. I may say he is not correct, because I go to hotels and I have never seen the Hon. Finance Minister at any time in the lunch homes. Then how can he say that only middle-class people go to hotels? It is only hearsay if he says so. If the Hon. Finance Minister goes to the mufassal, he will see that 90 per cent of the people who go to the hotels are not middle-class people but poor people.

2-45 P.M. "Again, Sir, some hon. Members were talking about the anticipated rise in prices. Sir, I tell you, to-day you go to a coffee hotel and you will find that a puri which was selling at nine pies is now selling at one anna. They have already raised its price. So under such circumstances my appeal to the Hon. Finance Minister is to drop such provisions. He can if he wants additional money get it by introducing agricultural income tax. In other Provinces they have already begun to levy it. You can resort to a tax on land. After all I do not say all these in my own interest or on behalf of anybody's interest. I am telling this to the Hon. Finance Minister to save himself from so much blame. If he wants he can get money from the rich, and there is no need to bring in this Bill here. With these words I oppose the motion."

SRI N. S. VARADACHARI:—"Speaker, Sir, I wish to make a few observations on this Bill in order to make my position very clear. The Bill, as the Hon. Finance Minister called it, is now in very truncated form. Most part of it has been omitted for very sound reasons. I would urge the Government not to undertake taxation without a full examination of each case. If we have departmental efficiency behind us it would not be impossible for us to get at the facts of each case in question. To get an accurate idea,—of course, accuracy is one of degree—to get statistical data, so that we can get at the proper rates and then proceed with the manipulation of the sales tax, we should have departmental efficiency. Sir, the sales tax is one of the most important taxes of the Province. It is the queen of taxes in the Provincial list."

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MUHAMMAD RAZA KHAN SAHIB:—"Which is the king?"

* SRI N. S. VARADACHARI:—"And I say its dignity and honour must be safeguarded."

"There are two general observations I would like to make with regard to sales tax. In our Provinces it is strictly not a sales tax, it is a turnover tax; in some other Provinces it may be a sales tax or a turnover tax as the case may be. The first thing to remember while manipulating the sales tax, either while lowering or increasing it, is that we should always safeguard the turnover and never look at the tax itself. Safeguard the turnover and the tax will take care of itself. The sales tax imposes a general responsibility on the State for keeping the turnover at a fairly high level. If you fail to discharge that responsibility you have failed in two directions; you have failed to safeguard trade and you have failed to safeguard your own revenue."

"Now, this truncated Bill—I will not refer to the other items lest I should become rambling—consists of two parts. I shall deal with the first briefly, going from the bottom to the top, as I did on the other occasion. On cotton the Hon. Finance Minister said, he has reduced the tax very much. It is only eight annas for one hundred rupees worth of cotton sold to the mill. Of course he is going to levy it at the mill point. I do not understand how to fix that point. His administrative staff will fix it as they like. It is very difficult to locate it either in respect of kapas or cotton. But that is his own look out; it is his head-ache and not mine. But I wish to say this generally that any article of industrial use when it is processed into a finished article should not be taxed at every turn of processing. It is a very good principle to follow. Cotton is converted into yarn and then into cloth, or cotton is converted into yarn and exported. I can understand a tax on the yarn exported; but that is bad because the tax on export is generally bad, it is regressive and it will tend to keep down the turnover. A tax on the finished article he may try consistent with the figures he gets from the trade. If you tax cloth no one will object; but taxing cotton at every turn is bad from the point of view of sound finance. The same would apply—of course this will lead to rambling—to jute. It has not been examined so far. Cotton trade is in a very bad condition in South India. Most of the cotton trade has vanished; cotton to-day is not purchased by the mills; but kapas is purchased by some arrangement. I do not know what evasion will be practised by the mills if cotton is to be taxed at the mill point. I do not know whether the rules would provide for this point; but it is for the Hon. Finance Minister to examine it. I am fundamentally opposed to any tax on cotton under the sales tax list."

"Now let me come to the other general principle that an increase in the sales tax should not ordinarily be attempted in periods of stagnation in trade. The Hon. Minister will not contest my view that there is no chance for a very large expansion of our trade. He would also contest my view that we are in a period of stagnation;

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big credits are contracting; industrial output is fairly stagnant, if not already lowered in several particulars. The money position is very bad, high rates of interest obtain, and there is no attempt to lower the cost of living; we are witnessing all round an increase in the cost of the essentials of life. It is a very unfortunate moment selected, however few the items may be, to vary the rates of sales tax, specially to increase it at this hour. The return is bound to be poor; the return is bound to be negligible; the return is bound in most cases even to show a diminishing result. I will content myself with these general observations.

"What is the present position in the Province. There is a total turnover of 132 crores of rupees. What is our internal trade? It will be thrice or four times our turnover. For internal trade can only be determined in terms of the general turnover. It is our duty to safeguard this, and I say we shall be neglecting our duty grossly if we do not immediately institute a statistical department to study the effects of sales tax on various articles, wherever such a study is separately possible. Differing rates should not be levied on articles of daily life. They can be levied on particular articles for which separate licensing is possible, and even there you can only choose such articles as would really bear the strain of the extra tax. Now in the course of evidence given before the select committee, very interesting it was, a particular fact as disclosed to us, which struck me very much. It was this: in Malabar due to sales tax partially and due to other causes a number of coconut oil mills had been closed down in the course of last year. Is not coconut a commodity of trade on the same footing as groundnut or any other oilseed. I tell you, part of the decline in turnover would have been averted and we would have got more tax as a result if we had only saved those mills. Sir, we should not retire into a mood of complacency or non-chalantly assert that things will take care of themselves; that sales tax would somehow assume a big figure; that year after year it will swell. There is no need to keep watch (a vigilant watch) on the course of prosperity and decline in each trade, keep if necessary at the central sales tax office a chart showing those curves and then study each trade in detail so that we may be at liberty to manipulate this tax either by raising it in periods of prosperity or by making it low in periods of depression so as to get the same receipt from the tax, if not higher receipts. Now sales tax is a cow that must be protected, sheltered and fed; and then milk can be drawn. You cannot draw milk from a cow that is growing dry or that has gone dry. You must see that the turnover is safeguarded, as I said in the beginning.

"Now I come to hotels. I do not say all hotel keepers are well off. Perhaps they may have committed the mistake of showing their wealth. Many of them are rich, have abundant money; but it does not mean the whole trade is in that happy affluent position, which the Hon. Finance Minister assumes it is in. Why should this class be made a scapegoat while you have surrendered taxation on rich people, people who make

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large sums of money and which are available for purposes of 3 p.m. taxation. I say that the Hon. Finance Minister is mistaken in assuming that the whole of the trade can bear the taxation. One peculiar feature about coffee hotels is that they cannot pass on the sales tax directly to the consumers, though they may pass it on indirectly by deteriorating the quality of their dishes and by other methods. A hotel cannot sell a cup of coffee at Re. 0-2-3 immediately the Government make up their mind to levy a pie and a half more than the usual rate. Sales tax levied on hotels does not admit of being transferred to the consumers. This is all the more reason why we should carefully examine this matter. One result of this tax will be an immediate deterioration in quality and the evasion of tax by all possible means. A high rate of income-tax, say Re. 0-15-6 in the rupee, or a fairly high rate of sales tax places a premium on evasion. It is very difficult to distinguish whether the tax is passed on to the consumers or is directly borne by the trade and to distinguish between a tax-evader and an honest man who may be paying the tax and losing in the trade all through. Our aim ought to be not to increase the cost of living if we cannot lower the prices all round. Then why tamper with cheap entertainment and healthy refreshment? I do not say that there is healthy refreshments in all hotels, as there are complaints and complaints. The Government are tightening the sanitary regulations and health requirements. By levying this tax, the Government are losing grip over the public health aspect of the question and dealing a blow to the entire population of this Province who visit hotels which is not easily measurable in terms of money. I do not know what its effect will be on the labour and the trade employees. I do not wish to expatiate on it because I may be mistaken. But I wish to say this that it will be a new factor introduced tending to bring about a less harmonious relationship between the employer and the employee. It is unfortunate. But what shall we do when the Government persist in levying this tax even though it is going to bring in only a small revenue? The Hon. Finance Minister said that Rs. 22 lakhs are realized from the sales tax on hotels. On this basis, the turnover of the hotels all over the Province is about Rs. 16 crores. I have made a rough calculation and my fear is that this turnover is already diminishing. A few big hotels may have a daily sale ranging between Rs. 1,000 and Rs. 2,000 and perhaps there is only one hotel in Madras whose daily sales reach Rs. 3,000. I have made enquiries in many hotels. I see that the curve has already begun to move in the opposite direction; there is a steady decline in the turnover. People fling at me the argument that this is a competitive trade, but they do not understand the trade properly. If the Arya Bhavan is not located at the Gorgon's mouth as it were where all people congregate in the evening after long hours of work, its daily sales will not reach so high as it is now. If it is shifted to Pycroft's Road, which is equally busy from the point of view of numbers, it may not be able to sell a fourth of what it sells at present. Look at the other side. No man especially in urban areas will go from one place to another in search of this cheap

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refreshment that he wants in the evening when he knows that coffee, even though it be of a lower quality, is available next to his door. People in Choolai will not abandon the Choolai hotels and go to Georgetown hotels to quench their thirst. The trade is not competitive in that sense. Particular men in the trade thrive because of the position they occupy in the particular area. That is the secret of success. It is very wrong to subject the trade to a general increase in tax. My own estimate is that the Government will not get an additional revenue of even 3 to 4 lakhs by increasing the rate to four and a half pies in the rupee."

MR. SPEAKER:—"The hon. Member has already taken fifteen minutes."

* SRI N. S. VARADACHARI:—"I shall conclude my speech in a minute."

"Is it worthwhile, especially during a period when the turnover of hotels is showing a tendency to decline, to increase the rate of tax, risk public health and court wide discontent from the consumers? This tax is not paid by hotel proprietors; it is paid by me, by you and by the thousands of poor people spread throughout the Province who resort to these hotels in search of a little refreshment. I say it is very wrong and very unwise for us to proceed with this Bill in this manner as it hurts the entire Province, especially the large number of poor consumers who may not be able to pay more for the little coffee and other refreshments that they take. A few rich men can afford to go to hotels and boarding houses. But what about the lakhs and lakhs of poor people, working classes like the mill and factory employees, who want this beverage (coffee) to keep up their stamina when they retire after a day of hard labour? I say the Government have launched upon this taxation without sufficient forethought. I am not pleading for anyone. I say the general effect of what they do will be that, while their revenue will not be increased to any considerable extent, they will stir up a volume of discontent consequent on making the poor consumers pay more than what they can afford. Workmen have a very small margin of income for spending on coffee hotels. They will cut down their requirements and the inevitable result will be less revenue to the Government due to decline in the turnover which the Government refuse to take note of however much I plead for it."

SRI R. RAGHAVA MENON:—"The General Sales Tax Bill as it has emerged from the Select Committee is not as bad as it was at the introduction stage, and any one cannot legitimately complain against it. In the Select Committee, the Hon. Finance Minister has agreed to the omission of many articles increasing the tax on which will hit the poor people hard. The only remaining taxes are the tax on hotels with a turnover of more than Rs. 25,000 and a small tax on cotton. I do not think that the increased tax on hotels with a turnover of more than Rs. 25,000 will cause any great hardship to the trade. Hotels have already reduced the quantity of their foodstuffs and increased the price

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disproportionately higher than is warranted by the all-round increase in prices. So I think the hotels can stand some more tax without further increasing the price of their foodstuffs. Mr. N. S. Varadachari's fear that the consumers will have to pay the tax should not be allowed to come true. The Government ought to have noted the reduced size and the increased price of the foodstuffs supplied in hotels and taken action long ago. Apart from these, the hotels resort to unhealthy practices in preparing their foodstuffs due to shortage of rice but I will not now deal with them. Something must be done by the Government to see that the consumers get the full value for the increased rates they pay to the hotels. Perhaps this subject falls under the jurisdiction of the Hon. Food Minister.

"Another thing I wish to say is that the sales tax is so very irksome not because of any inherent defect in the Act but because of the way in which it is administered. It is not administered with sympathy and sobriety by the lower officials. The tax is a most equitable tax, the rich man who purchases more articles paying more and the poor man who purchases less paying less. The officials always use their discretion in estimating the turnover against the traders. The Government cannot insist upon a small tea shop owner to employ a clerk to write accounts and to maintain a day-book and a ledger. The tax must be on the turnover and the officials can make enquiries and determine the approximate turnover of a trader. Businessmen are now feeling that the administration of income-tax is better than that of the sales tax. Many trading families have been turned out of business because the officials use their discretion in estimating the turnover against the traders. A bullion merchant in Palghat is making and selling jewels. He is not collecting any sales tax on the jewels he sells, because his object is only to increase his bullion trade. The Commercial Tax Officers recently insisted that he must pay sales tax. They did not care to enquire and satisfy themselves as to whether he was collecting sales tax on the jewels he was selling. When he was not actually collecting sales tax, the local officers must have the courage to report to the higher authorities to that effect. Instead of that, they want to show more and more collection of sales tax in their zeal for getting a good certificate from their superior officers and promotion. Thus, the equitable sales tax is made inequitable by the way in which it is administered. No respect or civility is shown. Businessmen are kept waiting for account books. Of course, for that nobody can be blamed. The unnecessarily long hours at the Commercial Tax offices with their lower officials must be instructed not to penalise merchants for not keeping accounts in the most perfect manner, to accept their estimate of turnover or to fix a reasonable turnover after making enquiries and taking into account the nature and volume of trade instead of saying that the turnover must necessarily be higher than the estimate. (An hon. Member: 'No trader will give a correct estimate of the turnover.') Certainly the tendency of a trader will be to underestimate the turnover and evade the tax. On that ground, the officials should not overestimate the turnover."

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3-15 p.m. Sir, I should like to tell the Hon. Finance Minister that he should issue instructions to the Commercial Tax Officers who go and inspect the accounts of these poor merchants for the purpose of assessing sales tax, that they should not trouble them very much, by using their discretion against them. Let them make enquiries, if necessary. Let them take their C.I.D.s if they want and enquire into the amount of their turnover. But let the merchants be not harassed in the manner in which they have been harassed now. That is the only thing that I have got to say in this connexion.

"Another thing that I want to say is this. This extra tax on coffee hotels and boarding houses, whose turnover is more than Rs. 25,000 is only very reasonable, although my hon. Friend, Mr. N. S. Varadachari, says that we will be only getting a diminishing return. In a way, what he says might be true in the case of any other trade, but I do not think it will affect this business or even cinema houses. This tax will be levied only on hotels and restaurants whose outturn is more than Rs. 25,000 and they should not grudge to pay that. But what I want is that the Hon. Finance Minister must not put the Congress Party to be always blamed and abused by the public, by not administering this Act sympathetically. As a matter of fact, any fiscal law or taxation measure must be administered with sympathy, because it is not the object of the Government to root out the merchants. Many of them have come and complained to us that the Sales Tax Act is not at all administered sympathetically. That fact may kindly be noted by the Hon. Finance Minister and that is a most important remark that I have got to offer on this Bill."

* THE HON. SRI B. GOPALA REDDI:—"Mr. Speaker, Sir, in South India to-day, the textile mill-owners have really made much money during the war, and in spite of other conditions, their cost of labour, their cost of raw materials and other things, it must be said that the textile industry, as a whole, in this part of the country, is doing very well indeed, and the question now is whether cotton or kapas can bear this half per cent taxation at the mill point or not. That is the only question that has got to be considered by us, and I am certain that there will be no disagreement when I say, that cotton or kapas, when it is purchased by the mills, can certainly bear this extra tax without any detriment to the business. It is true that ceiling prices have been fixed for ex-mill yarn and ex-mill cloth, but with all that I think, the mill-owners will be able to bear this $\frac{1}{2}$ per cent tax on all the purchases they make, of cotton or kapas at the mills.

"Sir, my hon. Friend, Mr. N. S. Varadachari, has been complaining that taxing an article at every process is wrong, especially when it is an industrial raw material like cotton, and that it ought not to be taxed at the point where cotton is purchased, at the point when it is turned into yarn and again when it is woven into cloth. Sir, if taxing every process is wrong, then taxing at every turnover must also be wrong, and perhaps it is on this principle that both in Bombay and in Bengal, sales tax

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has been made a single-point tax. I have heard from exponents of single-point taxation saying, 'What is this tax?' The same article passes through four hands and you are taxing them at all the four points. You ought to tax it at only one point, namely at the point when it reaches the hands of the consumer. This is not a scientific tax'. But, Sir, the whole structure of this tax in this Province is that when an article passes on to several hands, it is taxed at every point; the same thing must hold good in the case of industrial raw materials also, like cotton, when it undergoes every process, namely, when it is spun into yarn, and when the yarn is woven into cloth. There is therefore nothing fundamentally wrong in taxing cotton at the various points where it undergoes some process. The only fundamental point is whether cotton or kapas can bear this tax, and whether the mill-owners are in a position to bear this tax. I think, Sir, this half per cent tax will not hit them hard and they will certainly be able to bear it.

"With regard to coffee hotels and restaurants, as I have already said, except perhaps in industrial areas and urban areas, it is not as if every agricultural labourer or a peasant goes to a coffee hotel every evening after his work is over. It is only in industrial areas and urban cities that people go to the hotels and our proposal is to tax these hotels at $1\frac{1}{2}$ pies extra in the rupee only when they have a turnover of Rs. 25,000 and over. Even if it is passed on to the consumers, it will not hurt them at all. The coffee hotel industry is the only industry which gives quick returns with very little capital. With perhaps a little furniture and with a small number of cups and saucers, and almost a few rupees as capital, any coffee hotel could be started and the return is also immediate. They need not wait for two or three years for any return as in the case of industrial concerns and as I said at the beginning, many people have made enormous amounts with little or no capital at all and I am glad that my hon. Friend, Mr. Raghava Menon, who hails as he does, from Palghat, which is the centre from which people who have special aptitude for this industry are drawn, has given his unqualified support to this measure. Sir, I still hold that the turnover of these hotels will be maintained and I am sure they will not mind paying this extra tax, because I can say without fear of contradiction that when there is a turnover of Rs. 100, they must have purchased articles of foodstuffs only to the extent of about Rs. 50 and calculating the salary of staff and other things at Rs. 25, they must have a clear margin of another 25 per cent or at least 15 to 20 per cent. That being the case, and their capital being very little, their return being almost immediate, I think the coffee hotel industry can certainly bear this additional taxation. Sir, I do not apprehend, as my hon. Friend, Mr. N. S. Varadachari, does that the turnover would diminish and that we will have only a diminishing return. Whatever it may be, we can see how this tax works for a year and then revise our opinions, if our expectations do not come true. We can maintain separate accounts about the returns from these coffee hotels and boarding houses and if we find that the

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turnover is going down, and if there is any large-scale evasion of the sales tax, then perhaps it will be time enough for us to reconsider this matter. For the time being, Sir, I think, this tax will not weigh very heavily on the coffee hotel industry at all.

"Then, Sir, with regard to the complaint of my hon. Friend, Mr. Raghava Menon, that the Sales Tax Act has not been administered in a very just and sympathetic manner, I may say that we have already given enough instructions in the matter of assessing the merchants. But when it is a question between the tax-collector and the tax-dodger, the treatment cannot naturally always be very sympathetic. Of course, officers of the Commercial Tax department are trying their best to see that they settle the turnover in a very equitable manner. It is not as though they want unnecessarily to harass the merchants and want to get unjustly bloated amounts for the Government from them by means of this tax. But when they find that the accounts are not maintained properly and that the sales are not correctly entered in their books, purposely with a view to evade the sales tax, then of course, it may not be possible for the sales tax officers to give all the nice treatment which the assesseees are entitled to. Anyway, we shall see what can be done with regard to this matter and we shall certainly ask them to show all respect and civility to the assesseees concerned. But that is a separate matter altogether, which has nothing to do with the Bill under discussion.

"Sir, I move that the Bill be taken into consideration at once."

MR. SPEAKER:—"The question is—

'that the Madras General Sales Tax (Amendment) Bill, 1949 (L.A. Bill No. 20 of 1949) as reported by the Select Committee, be taken into consideration at once.'

The motion was carried.

Clause 1.

Clause 1 was put and carried.

Clause 2.

MR. SPEAKER:—"The question is—

'that clause 2 stand part of the Bill.'

* SRI N. S. VARADACHARI:—"Mr. Speaker, Sir, I move the amendment standing in my name, namely:—

'In the proposed proviso in clause 2, for the words "Twenty-five thousand", substitute the words "Fifty thousand".'

"Sir, in moving this amendment, I do not wish to say anything more than this, that a hotel whose annual turnover is only Rs. 25,000 working for 23 days in a month and for 6 days in a week is certainly not worth while running at all in any urban area. Perhaps it may be worthwhile in some small place, but even then the margin would be very little, because the average daily turnover would be only about Rs. 70, out of which the

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proprietor has to meet all his expenses and pay the sales tax as well. But the whole question should be looked at from a different point of view. If you want to keep on this cheap entertainment for the poor people working in urban areas and in crowded localities, where the only place of resort for a considerable number of people for cheap entertainment is the coffee hotel, then I say, Sir, that you must fix Rs. 25,000 as the limit of turnover up to which there should be no sales tax at all. To fix Rs. 25,000 as the limit for this extra taxation is far too low. In fact, I have objected to the Bill as a whole on principle. It does not mean that by moving this amendment, I accept the principle of this Bill. But perhaps, it will be less objectionable, if the limit is raised to Rs. 50,000 as suggested in my amendment. If the assumption of the Government that the top people are making enough margin of profit and that they could pay this extra tax without any difficulty, is really correct, then my amendment would provide a workable basis in the years ahead and the Government would perhaps get an increased yield by way of sales tax. I do not wish to go into details. The Hon. Finance Minister has said that for a Rs. 100 worth of eatables produced in a hotel, the proprietor spends only Rs. 75 all-told and that he has got a margin of Rs. 25. He has forgotten that there is always bound to be some wastage in these preparations. If some of these articles are not sold away within that day, they will have to be thrown away and this is especially the case with regard to the meals prepared in boarding houses. Therefore you have got to provide a margin for wastage. If a hotel is to be run as an economic unit, it must have a minimum turnover of at least Rs. 100 to Rs. 125 per day, even in a municipal area. Otherwise it will have to close down. With this extra tax, it is certainly bound to close down, because I know, it could really make no margin of profit to enable it to pay this tax without difficulty. Unless you raise the limit of the exemption and fix it at, say Rs. 50,000, many of the smaller hotels, both in the City and elsewhere, will have to close down and I say that there is no case at all for taxing hotels whose turnover is less than that amount, because the margin of profit, which you think that they are making is all illusory. If you want to tax the richer people, if you want to tax those hotels which are really making large profits, and want them to come into your net, then I say, the fair way of doing so, is by raising the limit of exemption. As I have already said, this is a tax which cannot be passed on to the consumer in a coffee hotel, by showing it separately in the bills. In fact, I could have urged, even for the raising of the limit of exemption in the original Sales Tax Act, from rupees 10,000 to Rs. 25,000 of annual turnover, because it is a step in the right direction. But we have not taken that step. For instance, in the case of perishables, like food, vegetables, etc., this minimum must be raised. Most of the things prepared in hotels are perishables and even cooked food is perishable after some hours and I say that they should be granted some kind of concession. I should like the Hon. Minister to examine this point most carefully. After all, the limit of Rs. 50,000 which I

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have suggested is a very reasonable one and only hotels which make a turnover of over Rs. 50,000 annually, will be able to stand this additional taxation and therefore I want the Hon. Minister to consider whether he cannot really raise this limit to that stage."

* **SRI M. G. NATESA CHETTIYAR:**—"Mr. Speaker, Sir, I second the amendment moved by my hon. Friend, Mr. N. S. Varadachari. The Hon. Minister has been telling us that it is only the rich people who are going to the hotels. But what do we see before our very eyes in the Secretariat? Within our Secretariat, there is the 'Mysore Cafe', which you may call as the resort of the rich as well as the middle-class people. Then take for instance, the small tea stall within this very compound itself, that is being run for the low-paid Government servants. How many cups of tea does this stall sell each day? It starts its business by 6 o'clock in the morning and closes only after 9 p.m. in the night. Under the present Bill, it will have to pay the sales tax. It is only the peons and the motor drivers who are employed in the Secretariat that go to this stall, because they cannot afford to go to the 'Mysore Cafe' or any other better place, and because they want to quench their thirst, instead of taking a cup of cold water, they want to take a cup of hot tea from this stall. Sir, if he could maintain accounts and if it could be seen he would be subject to taxation under the present Bill I ask if he is a fit person to be taxed. Is it the rich person that is going to be taxed?"

3.30 p.m. "It is wrong to impose this tax, Sir, which could not be passed on directly to the consumer. I am afraid, Sir, that in the coffee hotels and tea shops the sales tax that will be passed on to the consumer will be much more than what he pays to the Government. It is wrong to say that it could not be found out as he includes it in the sale price of the commodity. He should be asked to definitely state the amount of money he collects as sales tax. If the coffee hotel man reduces the quality or the quantity of the articles he sells, it will really amount to much more than the sales tax that he will pay to the Government. And the small hotel-keeper could not afford to maintain accounts. Therefore it is wrong to tax him. Therefore I support the amendment that the exemption limit should be raised to Rs. 50,000 turnover. Only such people could maintain a clerk to have proper accounts kept. Sir, I support the amendment."

SRI R. V. SWAMINATHAN:—"Sir, I want to oppose the amendment moved by my Friend, Sri N. S. Varadachari, and so ably supported by Sri M. G. Natesa Chettiar. The proposal is only to increase the tax from 3 pies to 4½ pies and there too there will be a limit up to Rs. 25,000 which could not be taxed. Mr. Varadachari made a big lecture on the sales tax, Sir, which was not necessary. He gave a lecture even on the first day when the Bill was moved. The Hon. Mr. Gopala Reddi is very reasonable, Sir, and he has left out several items that have been mentioned, like commercial crops, etc. He has been reasonable to the Andhras

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in eliminating chillies and pepper and he has been reasonable to the Malayalees in omitting copra; he was not very reasonable to us the Tamils because he has not omitted anything.

"My point is about the coffee hotels. Just now I had my lunch in a very big coffee hotel in the Esplanade and I paid annas ten for my lunch. I had my lunch there purposely as I knew that this Bill would be coming up before the House just now. I sent for the proprietor and he came. I asked him what his difficulties were in view of this tax. He said there were nothing. 'After all we are paying three pies and even if you ask us to pay 4½ pies we won't be affected, especially in big hotels. We will adjust this by way of income-tax. Instead of paying to the Central Government we will pay to the Provincial Government.' I asked him: 'Why is it that people are saying that the hotels will close down from 1st July for three days'. He replied: 'We are not considering that. Some people, some of your legislators, are talking like that. I am going to keep aloof from this move and keep my coffee hotel open.' I do not want to mention the name of the hotel, Sir. That is the position with regard to a big hotel. My point in speaking on this amendment is to request the Hon. Minister to see that the hotel keepers do not play any mischief in the matter. They may not increase the charges because there are regulations that a particular item should not be sold at more than a certain price. But they may reduce the quality. Of course some Health Inspectors go there and as Mr. Raza Khan pointed out if he is given coffee sumptuously he does not mind how it is. The Hon. Minister should see that the District Collectors take proper interest and see that the quality does not suffer. Because people like me are supporting this Bill, at least for that consideration he should see to this. With these words, Sir, I vehemently oppose the amendment and support the original clause."

MR. SPEAKER:—"Amendment moved—

'In the proposed proviso in clause 2, for the words "Twenty-five thousand", substitute the words "Fifty thousand".'

* **THE HON. SRI B. GOPALA REDDI:**—"Sir, I wish to point out that in the case of coffee hotels alone we have raised the turnover from Rs. 10,000 to Rs. 25,000. In the general line of sales tax administration for articles, whether they are perishables, vegetables, fish or mutton or flowers, the turnover level in rupees 10,000. For the first time we have introduced the new principle in the turnover level and we have made it Rs. 25,000 in the case of coffee hotels. I do not know what difficulties will crop up in the administration of the Act. Further, Sir, if we raise the level to Rs. 50,000 it will defeat the very purpose of the amendment. After all we want to get some revenue out of it and even as it is, in the raising of the level from Rs. 10,000 to Rs. 25,000 we would have lost much as many of the small coffee hotels will get exempted from this enhanced taxation. For these reasons, Sir, I am unable to accept the amendment."

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SRI N. S. VARADACHARI:—"I wish to say, Sir, that I have not been persuaded by the Hon. the Finance Minister. It is a very wrong argument that he has used. We have raised in this particular Bill the turnover with regard to hotels to rupees 25,000 only for the purposes of this enhanced taxation. It should not be misunderstood as the raising of the turnover generally for all the coffee hotels for the purpose of the general sales tax. Nothing like that is there, however much I might wish it were done in the case of perishable and on articles of food, etc.

"I am looking at it, Sir, from the point of view of pure finance and wholesome taxation. If you want to get money somehow or other, by any means, well, go ahead with your scheme. I say there will be endless difficulties and when the Government look at their figures—they have no figures at present—they will see that I am fully justified in my apprehensions and that they will not get this proportional increase in revenue. That is my argument.

"Sir, what did the Hon. Minister say to persuade me? He said 'we have raised the level to Rs. 25 thousands, we do not know what administrative difficulties there will be.' He himself has said in one of his speeches, Sir, that he wanted to tax people who have made plenty of money and people who have got surplus funds and that they can pay even if for the present their hotels might become less remunerative. I say, Sir, that my objection is more than fulfilled and I maintain that his persuasion is of little account in this matter. But I certainly accede to your request, Sir, to withdraw the amendment. However, it does not mean that I have been convinced, it does not mean that I have been proved to be wrong and it does not mean that the Hon. the Minister is right in this particular."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"On a point of clarification, Sir. How does the Hon. Minister explain the impression in the country, of course wrong, that this Ministry is anti-Brahman and because these hotels are run by Brahmans?"

MR. SPEAKER:—"Order, order. I hope the House gives Mr. Varadachari permission to withdraw the amendment."

The amendment was, by leave of the House, withdrawn.

Clause 2 was put and carried.

Clause 3 was put and carried.

The Preamble was put and carried.

THE HON. SRI B. GOPALA REDDI:—"I move, Sir—

'That the Madras General Sales Tax (Amendment) Bill, 1949, as reported by the Select Committee, be passed into law.'

MR. SPEAKER:—"Motion moved—

'That the Madras General Sales Tax (Amendment) Bill, 1949, as reported by the Select Committee, be passed into law.'

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MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Mr. Speaker, Sir, many Members have congratulated the Hon. the Finance Minister for being very reasonable in not allowing certain articles to be taxed. But somehow with regard to the question of the tax on the coffee hotels there is an impression in the country that they have been taxed because these coffee hotels are being manned by one particular community and this Government constituted as it is, is very anxious to tax and hit them. Well, Sir, there was no explanation from him and I do not think the Government are so unreasonable as to do that; yet, Sir, it is the fundamental duty of the Government to explain away such things and such circumstances against them and I hope the Hon. Finance Minister will if at all he has any answer explain how such an impression should not be created in the mind of the public."

* **SRI K. T. KOSALRAM:**—"Mr. Speaker, Sir, காப்பி ஹோட்டல் களுக்கு sales-tax போடுவதைப்பற்றி நாம் வரவேற்காமா? முடியாது. அவர்களிடமிருக்கும் மற்றெல்லாவற்றையும் விட்டு ஒன்றைமட்டும் சொல்லப் பிரியப்படுகிறேன். சாதாரணமாக ice water என்று ஹோட்டல்களில் கொடுக்கிறார்கள். அது சாதாரணமாக 100 கப் ice waterக்கு ஒரு அணு தான் விலையாகிறது. தயார் செய்வதற்கு ஆனால் அவர்கள் அதை ரூ. 3-க்கு விற்பது வருகிறார்கள். இவ்விதமாக காப்பி ஹோட்டல்களுக்கு லாபம் வருகிறது. இது போலவே லாபம் வரக்கூடிய இதர பண்டங்களும் இருக்கின்றன. அதைப்போலவே லைம்ஜூஸ் போன்ற பானங்களும் கொடுக்கிறார்கள். அதிலும் அவர்களுக்கு 300 per cent லாபம் வருகிறது சராசரியாக 40 per cent 50 per cent வரமானம் வருகிறது. இந்த வகையில் அவர்களுக்கு லாபம் வரும்பொழுது அவர்களுக்கு வரிபோடவேண்டுமென்று அரசாங்கம் சொல்லும்பொழுது அவர்கள் ஹோட்டல்களை நிறுத்தி விடுவோம் என்று அரசாங்கத்தை மிரட்டுகிறார்கள். அவ்விதம் ஹோட்டல்களை மூடினால் அவைகளை அரசாங்கம் எடுத்து நடத்துவதற்கு தயாராக இருக்கிறார்கள். பொது மக்கள் இந்த 'பில்' லில் கண்ட இந்த விட்பனை வரியை வரவேற்கிறார்கள். இந்த மாதிரி யான வரி ரொம்பவும் அவசியம் என்றுபொதுமக்கள் கருதுகிறார்கள். இதை எதிர்ப்பதெல்லாம் பாமரமக்களல்ல. உண்மையில் பார்த்தால் சுயநலக்காரர்கள்தான். தாங்கள் வருமானம் கூடவது பாதிக்கிறது என்பதற்காகவும் தாங்கள் சுரண்டுவது பாதிக்கப்படுகிறது என்பதற்காகவும்தான் இதை எதிர்ப்புகிறார்கள். அவர்களுக்கு வேறு எந்தக்காரணமும் இருப்பதாகத் தெரியவில்லை. இருக்கவும் முடியாது. அரசாங்கம் கொண்டுவந்த இந்த 'பில்லை' எதிர்ப்பதற்கு வேறு எந்தக் காரணமும் இல்லை."

* **SRI N. S. VARADACHARI:**—"Sir, I would not have spoken at the third reading but for my hon. Friend, Mr. R. V. Swaminathan. Mr. Swaminathan requires a lot of enlightenment. In fact, if I delivered a lecture on sales tax, it was wholly for people like him. I am glad I did so. I am not sorry I spoke at length on this tax because people like him ought to know that this tax is the central tax of our whole structure and it should not be monkeyed with as I said in an earlier debate. My hon. Friend is no expert on taxation. He thinks that taxes are collected as free-booters collect money from passengers on the roadside. This is not the way of collecting taxation. Taxation is collected on data and on statistics and information made available with regard to a particular trade. After such statistics are collected, then you proceed to tax with your eyes open. But, if people have their eyes closed, I am very sorry that they do so. They are

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blind even though they may keep their eyes open and they are ignorant of sound financial canons. That is what I wish to say.

"Regarding this Bill, you may pass it. But, the fear that I have expressed is still there. Of course, the Hon. the Minister was very polite and he was kind enough to concede my fear. I may be in the right; I may also be in the wrong. My general objection is to the raising of this sales tax in the present and this raising of the sales tax, even on principle, is not very sound at this stage. This is a period of declining prosperity. There are certain hon. Members who would not hesitate to join me in saying that this is a period of stagnation. Periods of stagnation are least suited to raising the tax. This is the fundamental principle.

"With regard to cotton, the Hon. the Minister made no distinction between taxing an article at every process and taxing an article at every turnover. I say taxing an article at every turnover is very sound because at no point will evasion be very much. But, there may still be evasion and that evasion will be very negligible. But, in a one-point tax, it is always possible to evade. However keen and vigilant your staff may be, evasion will be there but in the turnover tax, evasion practise at one point, can certainly not escape at the second point. The Hon. the Minister should not confuse the taxation at every point in the turnover with the taxation on the processes. For instance, the same article such as cloth may be taxed three times. But, if the various processes which go to make up the cloth are taxed, they ultimately raise the cost of the article so much that it cannot bear any further tax. That is the point I wished to explain."

SRI R. V. SWAMINATHAN:—"Mr. Speaker, the hon. Member, Mr. Varadachari, said something about me over which I am not worried because he is my best friend. He is my best friend not only here but he was my best friend even in jail. But, the only difficulty with him is that he thinks he is an expert in every matter. If there is the zamindari legislation, if there is any taxation measure or if there is anything about fishery, he thinks he is an expert. (Interruption.) Sir, I am not one who is living in a Fool's Paradise. Sir, as I said, the only difficulty with my hon. Friend, Mr. Varadachari, is that he thinks he is an expert in all matters while others are not. It should not be the case. One should be reasonable towards others. Academic qualification is not the criterion. Knowledge is not the sole monopoly of the people who have got academic qualifications. There are even among people with academic qualifications, certain fools and similarly there are also a number of intelligent people who have no academic qualifications.

"To come to the present case, if I said something on this Bill, it was because I tried to say something which I honestly felt. I never tried to argue the case with others. But, there are some people here and there who have got into associations of coffee hotels and institutions like that and who get plenty of money because they argue their cases. I am not one of those, because

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I do not know those people. I just wanted to say what I honestly felt, namely, that I should support this Government in this measure. My only request to Mr. N. S. Varadachari is that he should be very reasonable and he should know that he is not the only expert in all matters and there may be some people who know more. With these words, I support the Bill."

SRI T. VISWANATHAN:—"After hearing Sri R. V. Swaminathan, who made a lucid speech on something which did not pertain to the legislation, I am tempted to say certain things. I do not want to speak about Sri R. V. Swaminathan or Sri N. S. Varadachari but I thought that some light would be thrown on the particular clause, namely:

"Provided that if and to the extent to which such turn-over relates to articles of food and drink sold in a hotel, boarding house or restaurant, the tax shall be calculated at the rate of four and a half pias for every rupee, if the turn-over relating to these articles is not less than twenty-five thousand rupees."

MR. SPEAKER:—"Does the hon. Member want to re-open the clause?"

SRI T. VISWANATHAN:—"Sir, I only want an explanation of that proviso. Instead of making a distinction between the articles of food and drink and other articles, I do not know whether the Hon. Minister is going to tax other articles also that are sold in a hotel. In several hotels, toilet articles, such as soaps are sold. Cigarettes and match boxes and sometimes medicines are also sold. Because they give a lot of food, probably they are giving Aspirin also. (Laughter.) I want to know whether the Hon. Minister is going to raise the tax on the articles of food and drink or on the total turnover including the sale of these articles also. I request the Hon. Minister to clear this point."

THE HON. SRI B. GOPALA REDDI:—"The turnover with regard to food and drink alone will be taxed. Suppose in Arya Bhavan Hotel, they sell cigarettes, then the cigarettes are not subject to this increase in sales tax. We cannot tax any manufactured tobacco or stationery articles sold in the hotels. Therefore, the tax will be, strictly speaking, on the turnover from the sale of food and drink.

"Then, Sir, let us not introduce any communalism in this. There are many hotels which are run by many people, Muslims and non-Muslims. Those hotels also will be subject to this tax. So, let us not introduce communalism in this."

MR. SPEAKER:—"The question is—
'that the Madras General Sales Tax Amendment Bill, 1949 (L.A. Bill No. 20 of 1949) as reported by the Select Committee be passed into law.'"

The motion was carried and the Bill was passed into law.

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MUHAMMAD RAZA KHAN SAHIB:—"Sir, we have finished two Bills to-day. The next two Bills on the agenda are passed over and the next item, the Madras Irrigation Tanks (Improvement) Bill, I understand, is to be taken up now. I would request the Leader of the House to adjourn the House now and to take up that Bill to-morrow so that hon. Members may study it and come prepared for it."

THE HON. SRI B. GOPALA REDDI:—"This particular Bill in item 5, namely, the Madras Irrigation Tanks (Improvement) Bill has been partly discussed and the report of the Select Committee on the Bill is ready and we may proceed with the discussion. Therefore, I move—

'That under rule 15 (3) of the Assembly Rules, item 5 of the agenda be taken up now.'"

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"On a point of information. Since the Hon. Sri B. Gopala Reddi became the Leader of the House, we are not having any regular programme of work of this House and there is much confusion and we do not know whether there may be a sitting after two days or not. I would therefore ask the Hon. the Leader of the House to have a definite programme so that inconvenience to members may be avoided."

MR. SPEAKER:—"The motion is—

'that under rule 15 (3) of the Assembly Rules, item 5 of the agenda be taken up now.'"

SRI V. RAGHAVAYYA:—"I wish to draw the attention of the Chair once again to the point which I have already raised. We do not know how long we are going to sit in this session."

MR. SPEAKER:—"That point has already been raised and the Hon. the Leader of the House will give a reply."

M. MUHAMMAD ISMAIL SAHIB BAHADUR:—"Sir, of course, I admit that the motion of the Leader of the House under rule 15 is in order. It may be said that that item 5 is on the agenda and therefore hon. Members must be prepared for any item on the agenda and that the House should be prepared for any change of order in the agenda. However, Sir, I submit that members are human beings and when they see a certain order on the agenda paper, they keep up to it and they come prepared according to the order of items on the agenda paper. But, when it is proposed to make a sudden change, hon. Members are taken unawares. Therefore, Sir, I submit that though the rules may be quite in favour of the Leader of the House, he should give some consideration to the views of hon. Members so that they may come prepared. I, therefore, request him to accommodate the members by adjourning the House now and taking up the other items tomorrow. Then, Sir, I also join my hon. Friend, Mr. Raghavayya, and I request the Leader of the House to—"

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SRI N. S. VARADACHARI:—"Sir, this is a Bill which has gone to the Select Committee and has come back. At the time of its original introduction, several defects were pointed out in the Bill, specially with regard to the compensation clauses. I suppose the Select Committee has gone into those clauses and has made its report. Sir, these clauses have got to be looked into carefully and members like me may like to speak on those points. Of course, I ask to be excused for not having come prepared with those portions of the Bill to-day. If the Hon. Minister agrees, we can have the discussion on the Bill to-morrow so that those portions of the Bill may be gone into properly. I, therefore, plead that we may adjourn the House just now."

THE HON. SRI B. GOPALA REDDI:—"If it is the desire of the Leader of the Opposition and some other hon. Members that this Bill should be taken up to-morrow, I have no objection."

MR. SPEAKER:—"Then, the Hon. the Leader of the House should withdraw his motion."

THE HON. SRI B. GOPALA REDDI:—"I withdraw my motion and this may be put as the first item to-morrow."

"As regards future programme of the House, we meet on the 21st, 22nd and 23rd. 23rd will be a non-official day. On the 24th and 25th, the Council will meet. 26th is Sunday. On the 27th, the Assembly meets again when the Panchayat Bill, the Advertisement Tax Bill and the Anti-Blackmarketing Bill will be introduced."

MR. SPEAKER:—"That means we will have to continue till the end of this month."

THE HON. SRI B. GOPALA REDDI:—"Yes, Sir. We will have to meet from the 27th to 29th. I withdraw the motion under rule 15 and this item may be taken up as the first item to-morrow."

The motion was, by leave of the House, withdrawn.

The House then adjourned to meet again at 11 a.m. the next day.

V.—PAPERS LAID ON THE TABLE OF THE HOUSE.

Notification issued with G.O. Ms. No. 1753, Home, dated 4th May 1949, making certain amendment to the Madras Motor Vehicles Rules, 1940 published with Home Department Notification No. 857 dated the 20th March 1940, as subsequently amended.

[20th June 1949]

APPENDIX I.

[Vide item III on page 214 supra.]

To
THE HONOURABLE THE LEGISLATIVE ASSEMBLY,
MADRAS.

The Select Committee appointed to consider the Madras Entertainments Tax (Amendment) Bill, 1949 (L.A. Bill No. 19 of 1949) has the honour to make the following report.

2. This Bill was published in English in an extraordinary issue of the *Fort St. George Gazette* on the 6th June 1949.

3. The Select Committee was appointed on the 12th June 1949.

4. The Select Committee met on the 15th and the 16th June 1949 in the Council Chamber, Fort St. George.

5. At its meeting on the 15th June, the Committee examined Sri S. S. Vasan and other representatives of the South India Film Chamber of Commerce and Sri Ramachandran of the Minerva Talkies.

6. The following were the important decisions arrived at by the Committee:—

(1) The rates proposed should be halved.

(2) All touring cinemas except those situated within municipal areas and panchayats with a population of 10,000 and more should be exempted from the tax. The rates to be paid should be the same as those payable by permanent cinemas in those areas.

7. The other changes made in the Bill are shown in the Bill as amended. It was not considered necessary to refer to them in detail.

8. The Committee decided that it was not necessary to republish the Bill.

9. A copy of the Bill as amended by the Committee is annexed.

FORT ST. GEORGE,
16th June 1949.

B. GOPALA REDDI,
Chairman.

20th June 1949]

ANNEXURE.

[Note.—The changes made by the Select Committee are shown in clarendon type.]

L.A. BILL NO. 19 OF 1949.

(As amended by the Select Committee.)

A Bill further to amend the Madras Entertainments Tax Act, 1939.

WHEREAS it is expedient further to amend the Madras Entertainments Tax Act, 1939, for certain purposes; It is hereby enacted as follows:—

1. (1) This Act may be called the Madras Entertainments Tax (Amendment) Act, 1949. Short title and commencement.

(2) This section shall come into force at once; and the rest of this Act shall come into force on such date as the Provincial Government may, by notification in the *Fort St. George Gazette*, appoint.

(3) This Act shall cease to be in force on the expiry of one year from the date notified under sub-section (2):

Provided that section 8 of the Madras General Clauses Act, 1891, shall apply upon the expiry of this Act as if it had then been repealed by a Madras Act.

2. In the long title of, and the preamble to, the Madras Entertainments Tax Act, 1939 (hereinafter referred to as the said Act), for the words "a tax on amusements," the words "taxes on amusements" shall be substituted. Amendment of long title of, and preamble to, Madras Act X of 1939.

3. After section 4 of the said Act, the following section shall be inserted, namely:— Insertion of new section 4-A in Madras Act X of 1939.

"4-A. (1) In the case of cinematograph exhibitions, in addition to the tax under section 4, there shall be levied and paid to the Provincial Government a tax calculated at the following rates, namely:—

Rate of tax.

(i) Exhibitions held in the City of Madras. Two rupees eight annas for every show.

(ii) Exhibitions held in municipalities notified in this behalf by the Provincial Government in the *Fort St. George Gazette*. Two rupees for every show.

(iii) Exhibitions held in other municipalities. One rupee eight annas for every show.

Madras Act
X of 1939.

Madras Act
I of 1891.

Madras Act
X of 1939.

Additional tax on
cinematograph
exhibitions.

[20th June 1949]

Rate of tax.

(iv) Exhibitions held elsewhere, other than those held with cinematograph apparatus and plant taken from place to place, either in panchayat areas with a population of less than ten thousand at the last census or in non-panchayat areas.

(2) The tax levied under sub-section (1) shall be recoverable from the proprietor.

(3) The provisions of this Act other than sections 4, 6, 7 and 13 shall, so far as may be, apply in relation to the tax payable under sub-section (1) as they apply in relation to the tax payable under section 4."

Amendment of section 13, Madras Act X of 1939. 4. In section 13, sub-section (1), of the said Act for the words "the tax collected under this Act every year", the words and figure "the tax under section 4 collected every year" shall be substituted.

APPENDIX II.

[Vide item IV, page 231 supra.]

To

THE HONOURABLE THE LEGISLATIVE ASSEMBLY,
MADRAS.

The Select Committee appointed to consider the Madras General Sales Tax (Amendment) Bill, 1949 (L.A. Bill No. 20 of 1949) has the honour to make the following report.

2. The Bill was published in the *Fort. St. George Gazette Extraordinary* on the 6th June 1949.

3. The Select Committee was appointed on the 14th June 1949.

4. The Select Committee met in the Council Chamber, Fort St. George, at 11 a.m. on Thursday, the 16th June 1949 and again at 11 a.m. on Friday, the 17th June 1949 and concluded the consideration of the provisions of the Bill.

5. At its meeting on the 16th June 1949, the Committee heard Mr. J. M. Mitchell, Secretary, United Planters' Association of Southern India, and representatives of the Madras Provincial Coffee Hotels' Association and the Madras Hotels' Association. On the 17th June, the Committee examined the representatives of the Madras Chamber of Commerce, the Andhra Chamber of Commerce, the Southern India Chamber of Commerce and the Hindustan Chamber of Commerce, and also representatives of the Malabar Millers' Association and the Malabar Produce Merchants' Association.

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6. The following were the decisions arrived at by the Select Committee:—

(1) Hotels, boarding houses or restaurants with a total annual turnover of Rs. 25,000 and more should pay sales tax at four and a half pias for every rupee on their total turnover and in case of others *status quo* should be maintained.

(2) The following items in the proposed proviso in clause 2 of the Bill be deleted:—

Cashew.

Chillies, dry.

Coconuts including copra.

Coffee.

Oil-seeds including groundnuts.

Pepper.

Potatoes other than dehydrated potatoes.

Rubber, but not including goods made of rubber.

Sugarcane.

Turmeric.

(3) In view of the possible adverse effect on the tea trade, the present exemption of the exports to places outside the Province be continued.

(4) Sales-tax should be levied at the rate of half a per cent on cotton and kapes at the mill point.

7. The changes made in the Bill are shown in the Bill as amended.

8. The Committee decided that it was not necessary to republish the Bill.

9. A copy of the Bill as amended by the Select Committee is annexed.

FORT ST. GEORGE,
18th June 1949.

B. GOPALA REDDI,
Chairman.

(Annexed.)

[20th June 1949]

ANNEXURE.

[Note.—The changes made by the Select Committee are shown in clarendon type and the portions omitted are indicated by dots.]

L.A. BILL No. 20 OF 1949.

(As amended by the Select Committee.)

A Bill further to amend the Madras General Sales Tax Act, 1939.

WHEREAS it is expedient further to amend the Madras General Sales Tax Act, 1939, for the purposes hereinafter appearing; Madras A
It is hereby enacted as follows:— IX of 1939

Short title
and com-
monement.

1. (1) This Act may be called the Madras General Sales Tax (Amendment) Act, 1949.

(2) This section shall come into force at once; and the rest of this Act shall come into force on such date as the Provincial Government may, by notification in the Fort St. George Gazette, appoint.

Amendment
of section 3,
Madras Act
IX of 1939.

2. To section 3, sub-section (1), of the Madras General Sales Tax Act, 1939 (hereinafter referred to as the said Act), Madras A
the following proviso shall be added, namely:— IX of 1939

“Provided that if and to the extent to which such turnover relates to articles of food and drink sold in a hotel, boarding house or restaurant, the tax shall be calculated at the rate of four and a half ples for every rupee, if the turnover relating to those articles is not less than twenty-five thousand rupees.”

Amendment
of section 5,
Madras Act
IX of 1939.

3. In section 5 of the said Act—

(a) in clause (i), the words “of cotton,” shall be omitted;

(b) in clause (ii), after the words “the sale,” the words “of cotton (including kapas) and ” shall be inserted.

THE MADRAS LEGISLATIVE ASSEMBLY.

Tuesday, the 21st June 1949.

The House met in the Assembly Chamber, Fort St. George, at eleven of the clock, Mr. Speaker (THE HON. SRI J. SIVASUBRAMANIAM PILLAI) in the Chair.

I.—QUESTIONS AND ANSWERS.

STARRED QUESTIONS.

Removal of the statutory bars to the appointment of women to certain posts.

* 33 Q.—BEGUM SULTAN MIR AMIRUDDIN: Will the Hon. the Premier be pleased to state the steps taken by the Government to implement the resolution that I moved in this House in regard to the removal of the statutory bars that existed with reference to the appointment of women to certain posts?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—“A list of services and posts in the Province for which there was a statutory bar in the case of appointment of women, was placed on the table of the House on 17th March 1947. The Indian Administrative Service and the Indian Police Service have since taken the place of the Indian Civil Service and the Indian Police referred to in items (1) and (2) in that list. The Government of India have directed that women shall not be disqualified for appointment to the Indian Administrative Service and the Indian Police Service. In respect of the remaining posts mentioned in the list, this Government have re-examined the question as a result of which the statutory bar has since been removed in respect of the following services and posts:—

- (1) Clerks and typists including steno-typists in the Madras Judicial Ministerial Service (outside the City of Madras).
- (2) Inspectors in the Madras Factory Service (Men's branch).
- (3) Clerks and typists (including steno-typists) in the offices of the Registration department and Excise department [other than the Board of Revenue (Excise)].
- (4) Clerks in the Revenue Department including Board of Revenue (Land Revenue).

The question of removing the bar in respect of some more posts is separately under consideration of the Government.”

BEGUM SULTAN MIR AMIRUDDIN:—“Is not the Hon. Minister aware that the article pertaining the removal of the sex disqualifications has already been adopted by the Constituent Assembly a few months ago, and is not this Government flouting the decision of that Assembly by not removing all the bars that exist with regard to the appointment of women?”

THE HON. SRI B. GOPALA REDDI:—“There is no intention of flouting the constitution which is being drafted by our

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leaders in the Constituent Assembly. As soon as the constitution comes into force, we shall examine the question and see what should be done."

BEGUM SULTAN MIR AMIRUDDIN:—"Is the Hon. Minister aware that some jurists have held that once an article is adopted by the Constituent Assembly it comes into force at once? Is it not then the duty of this Government to take steps to remove the bars forthwith?"

THE HON. SRI B. GOPALA REDDI:—"The mere passing of a clause in the Constituent Assembly does not mean that it comes into force at once. There is the third reading to be gone through. Perhaps it has to be signed by the President of the Republic or the Governor-General. A day must be fixed as the day on which it comes into force. Probably it will be 26th January next year. Till then, the old provisions will continue."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"In view of the fact that the list was laid on the Table of the House a long time ago, may I know what are the services for which the bar still exists?"

THE HON. SRI B. GOPALA REDDI:—"Quite a large number of them, Sir, such as the Madras Civil Service (Executive Branch), the Jail Department and so on. Certain services have been taken out of the list placed on the Table of the House in 1947."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"I dare say, Sir, that the Government have very judiciously placed a bar against the appointment of women to certain services for which they are not suitable?"

THE HON. SRI B. GOPALA REDDI:—"Quite so, Sir. That is the opinion of departmental heads also. For instance, women cannot be put in charge of men's business like the jailor or the superintendent of a men's jail."

M. S. ABDUL MAJID SAHIB BAHADUR:—"Does the Hon. Minister agree with the view expressed by His Excellency the Governor-General in the course of his speech at a Women's College at Delhi that women are best suited for home-crafts and that it is much nobler than service in the administration of the country?"

THE HON. SRI B. GOPALA REDDI:—"I have not seen the report of that speech, Sir. Anyway, we can safely agree with His Excellency that women are best suited for domestic craft and not for State-craft."

SRIMATHI RUKMANI LAKSHMIPATHI:—"May I know, Sir, why in the Medical department women are not appointed as Civil Assistant Surgeons and for general surgical and medical work, and why these posts are reserved for men only? May I know whether sex disqualification still exists in the Medical department and whether the Government will consider the question of removing the disqualification particularly in this department where there are highly qualified women, both in the surgical and medical lines?"

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THE HON. SRI B. GOPALA REDDI:—"We have consulted the Surgeon-General about it and he has given his opinion in the matter. It is under separate consideration."

M. S. ATAULLAH SAHIB BAHADUR:—"May I know whether any woman has been appointed as an electrical supervisor?"

THE HON. SRI B. GOPALA REDDI:—"Not as far as I am aware, Sir."

SRI R. V. SWAMINATHAN:—"As the Hon. the Leader of the House is inclined to have this disqualification removed everywhere, may I ask him, Sir, whether he is satisfied that this removal will not go against the best interests of ours?"

MR. SPEAKER:—"What does 'ours' mean?"

THE HON. SRI B. GOPALA REDDI:—"The only point is that they do not want any statutory disqualification attached to any candidate, but it does not mean that as soon as the ban is removed, everybody is fit for every job."

SRI V. RAGHAVAYYA:—"May I know the basic principles underlying the ban upon women occupying administrative posts, particularly when we have no such ban in Travancore and other places?"

THE HON. SRI B. GOPALA REDDI:—"I made some enquiries myself when I was in Trivandrum and I learnt that women constables are deputed only for the escort of women prisoners."

SRI V. RAGHAVAYYA:—"I refer to administrative posts."

THE HON. SRI B. GOPALA REDDI:—"Even in Travancore, I do not think that all the posts are thrown open to women. I am aware that certain Ministerial posts have been thrown open."

SRI C. M. KOTHARI:—"Will it not be better to have a lady as a Minister, because she must be much better suited to deal with medicine and sanitation?"

THE HON. SRI B. GOPALA REDDI:—"Certainly I agree with the hon. Member."

SRI V. M. RAMASWAMI MUDALIYAR:—"May I know whether any women have been recruited to the constabulary in this Province as it has been done in Bombay?"

THE HON. SRI B. GOPALA REDDI:—"I am answering a separate question on the subject to-day."

H. S. HUSSAIN SAHIB BAHADUR:—"Is it not a fact that women labour under certain well-defined physical disabilities which make them unsuitable for certain jobs which men alone can perform?"

THE HON. SRI B. GOPALA REDDI:—"That is the opinion of some biologists also."

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MOHAMED ABDUL SALAM SAHIB BAHADUR:—"In view of the fact that there seems to be a prejudice against the potential capacities of women and in view of the anxiety of the Hon. the Premier to have a broad-based Ministry, will the Government consider the feasibility of having a woman as Minister so that she may be able to represent the cause of women better?"

THE HON. SRI B. GOPALA REDDI:—"It is a very difficult question to answer, Sir, whether the inclusion of a woman as Minister will make the Ministry broad-based or not. Anyhow it is an entirely different question."

MUHAMMAD RAZA KHAN SAHIB:—"Is it not a fact, Sir, that the appointment of women to most of the services will, as a natural result cause unemployment among men, and may I know whether the Government have any scheme for giving training in home-crafts to men so that they may take up this job?"

THE HON. SRI B. GOPALA REDDI:—"There is no ban on men students taking up domestic science as their optionals."

BEGUM SULTAN MIR AMIRUDDIN:—"May I know what is the principle underlying the exclusion of women from the appointments of principal, vice-principal and professor of the Law College and Teachers College?"

THE HON. SRI B. GOPALA REDDI:—"Grown-up adults are admitted in these colleges and all of them cannot be trusted, Sir."

M. S. ABDUL MAJID SAHIB BAHADUR:—"Is the Hon. Minister satisfied that the new arrangement will not undermine and disorganise home life in this country?"

THE HON. SRI B. GOPALA REDDI:—"But in this matter we have to follow all civilised countries where women take a large share in public services."

SRI G. RAJAMANNAR CHETTY:—"May I ask the Hon. Minister whether one of the posts to which women are supposed to be disqualified is a place in the Ministry?"

THE HON. SRI B. GOPALA REDDI:—"I do not find it in the list with me, Sir."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"May I know what exactly is the significance of the word 'trusted' which the Hon. Minister used with reference to women being appointed as principals, etc., in institutions where there are men students?"

THE HON. SRI B. GOPALA REDDI:—"They cannot be trusted to behave in as decorous a manner as they should behave where a woman is principal."

SRI V. M. RAMASWAMI MUDALIYAR:—"May I know whether any proportion is fixed for the recruitment of women candidates to posts thrown open to women and can the Hon. Minister give us an indication of the number of women who have been appointed as a result of the bar being removed?"

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THE HON. SRI B. GOPALA REDDI:—"There is no definite proportion fixed for women candidates. As regards the number of women appointed to any particular service, a separate question may be put."

SRI R. V. SWAMINATHAN:—"The other day in answer to a question the Hon. Minister said that he was perfectly satisfied with the work of the women conductors. May I ask him whether he will extend this system, recruit more women conductors and see whether they work properly or not?"

THE HON. SRI B. GOPALA REDDI:—"Just now we are retrenching the number of conductors and drivers. This is not the time to recruit more women conductors."

SRIMATHI RUKMANI LAKSHMIPATHI:—"Is it the policy of the Government to appoint women as mere quill-drivers and glorified midwives?"

THE HON. SRI B. GOPALA REDDI:—"Certainly we want them to occupy all high positions and privileged positions."

MR. L. C. PAIS:—"May I ask whether, in throwing open some of the posts to women, conditions of service such as age, qualification, etc., have been relaxed in the past or are likely to be relaxed in the near future?" 11-15 a.m.

THE HON. SRI B. GOPALA REDDI:—"No, Sir. There won't be any relaxation of age rule or academic qualification. Women must compete with men candidates in all matters."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Is it not time that our women are satisfied with being rulers in their homes?"

THE HON. SRI B. GOPALA REDDI:—"But unfortunately for us, they are not satisfied with the position they are occupying now."

P. K. MOIDEEN KUTTY SAHIB BAHADUR:—"In view of the liberal policy of removing disqualification on grounds of sex, may I know whether the Government have any plan or proposal to take women as personal clerks to the Ministers?"

THE HON. SRI B. GOPALA REDDI:—"There is no ban against Ministers taking women as personal clerks or stenotypists. If any Minister wants, he can certainly appoint women as personal clerks."

BEGUM SULTAN MIR AMIRUDDIN:—"In reply to my question, the Hon. Minister stated that women were not appointed as principal and vice-principal of professional colleges because they would not be able to manage as well as men. I want to know whether there is not a woman Deputy Speaker in this House who can manage the men Members of this House just as well as any other?"

THE HON. SRI B. GOPALA REDDI:—"But the students entering the colleges are not of the same sobriety and temperament as the Members of this hon. House."

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SRI R. V. SWAMINATHAN:—"Will the Hon. the Leader of the House set an example by acceding to the request made by certain lady Members of this House to allot a separate part in the Chamber?"

MR. SPEAKER:—"Regarding allotment of seats, the Hon. the Leader of the House has nothing to do. It is the Speaker who is concerned with it."

SRI R. V. SWAMINATHAN:—"Sir, I want to know whether the Leader of the House will put in a request to the Speaker, in order to set an example to others."

MR. SPEAKER:—"Nobody need make a request to me. I am myself going to allot a seat."

THE HON. SRI B. GOPALA REDDI:—"It will be a retrograde step, Sir. That all women Members should be sitting together is not a progressive step."

MR. SPEAKER:—"The Hon. Lady Member, Srimathi Lakshmiipathi, came to me the other day and told me that all the lady Members wanted to be in a separate Bench. I understand from the Secretary that she has since withdrawn her request."

SRIMATHI RUKMANI LAKSHMIPATHI:—"I do not think I requested you to accord a separate seat for all the women Members. I wanted a bench nearest to your Chair in order to catch your eye."

SRI G. RAJAMANNAR CHETTY:—"In view of the fact that the Hon. Minister has stated that he has employed a number of women in the Secretariat, may I know whether he has called for information from the heads of departments who have got personal experience whether women really do better work than men and, if so, will he extend the policy to employ more women in the Secretariat?"

THE HON. SRI B. GOPALA REDDI:—"As and when suitable occasion arises, certainly there is recruitment of women to the posts of clerks and superintendents also."

Interest-free loans to agriculturists for digging wells.

[* 34Q.—MR. SPEAKER:—"The hon. Member Mr. Govindaswami is not in his place and the answer will be printed in the proceedings."]

SRI N. GOVINDASWAMI NAYUDU: Will the Hon. the Minister for Land Revenue be pleased to state—

(a) whether the Government propose to give interest-free loans to the agriculturists for digging wells in addition to the subsidy under the Wells Subsidy Scheme;

(b) whether the loans, if given, are expected to be recovered in instalments; and

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(c) whether it is a fact that the proposal is to have interest demanded after the instalments for the first two years are recovered?

THE HON. SRI H. SITARAMA REDDI:—" (a) Under the New Well Subsidy Scheme, 1949-50, a ryot to whom a subsidy has been advanced may also be given a loan of the balance of the cost of the work subject to the provisions of the Loans Rules.

" (b) Yes.

" (c) The loans are free of interest for the first year. Re-payment of the loan will commence after three years, and it will be in equal annual instalments discharging both the principal and interest."

Alleged issue of bogus ration cards in the Madras City.

[* 35 Q.—MR. SPEAKER:—"The hon. Member, Sri M. Kanniappan, is not in his seat. The answer will be printed in the proceedings."]

SRI M. KANNIAPPAN: Will the Hon. the Minister for Food be pleased to state whether it has been brought to the notice of the Government that bogus ration cards have been issued by the staff of certain Rationing offices in the Madras City and if so, what those offices are and what action has been taken by the Government to stop recurrence of issue of such cards?

THE HON. MR. J. L. P. ROCHE VICTORIA:—"The Government consider that it is not desirable to divulge the information now in the interests of administration. Necessary action is being taken by the Government to eliminate bogus cards."

Retrenchment in the Legislature Secretariat.

* 36 Q.—SRI G. RAJAMANNAR CHETTY: Will the Hon. the Minister for Finance be pleased to state with reference to the answer given by the Hon. the Minister for Finance on 22nd April 1949 to a supplementary question on Question No. 1074 that the recommendations of the Retrenchment and Reorganization Committee will not be applied to the Legislature Secretariat—

(a) whether the recommendations of the Retrenchment and Reorganization Committee have been applied to the Legislature Secretariat; and

(b) if so, what the reasons are for going against the statement made in the Assembly on 22nd April 1949?

THE HON. SRI B. GOPALA REDDI:—" (a) & (b) The general recommendation of the Retrenchment and Reorganization Committee, namely, a reduction of 12½ per cent in the strength of the entire existing staff (gazetted and non-gazetted and permanent and temporary) was not accepted by the Government in the case of the Legislature Secretariat

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staff. Consistently with the policy of the Government to effect retrenchment wherever possible without impairing essential efficiency, the question of retrenchment in the Secretariat of the Madras Legislature was examined, and out of a total of 48 posts the Government retrenched only 2 posts of lower division clerks and converted one post of upper division clerk into that of a lower division clerk."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Is the Leader of the House aware that the Legislature Secretariat is suffering for want of adequate staff with the result that hon. Members of the House are not getting the facilities that they ought to get from the Secretariat for there are not enough members of the staff in the Legislature Secretariat?"

THE HON. SRI B. GOPALA REDDI:—"Whenever there is some little retrenchment in any office, there is some dislocation of work, and perhaps in the Legislature Secretariat also there is some little dislocation. But with regard to the specific complaint made that the conveniences of the Members are not looked after adequately, the matter is under consideration."

SRI R. V. SWAMINATHAN:—"During the budget debate several Members pointed out that the Legislature Secretariat should be made independent and left entirely in the hands of the Speaker. May I know whether the Government propose to implement that request so that the retrenchment question can be considered afterwards?"

MR. SPEAKER:—"That question has nothing to do with retrenchment."

M. S. ABDUL MAJID SAHIB BAHADUR:—"Is the Hon. Minister aware of the fact that the work in this department suffers considerably due to low staffing?"

THE HON. SRI B. GOPALA REDDI:—"Certain representations have been made by the Secretary of the Legislature Secretariat and the matter is under consideration."

SRI G. RAJAMANNAR CHETTY:—"In view of the statement made by the Finance Minister on the floor of the House on the 22nd April and in view also of the fact that hon. Members of the House have been impressing upon the Government the necessity of employing more men in the Legislature Secretariat on the floor of the House not only during other debates but also during the budget debate, will the Hon. Minister consider the possibility of immediately reinstating and increasing the staff?"

THE HON. SRI B. GOPALA REDDI:—"As I have said, the matter is under consideration."

SRI M. S. PATTABHIRAMIAH:—"Is the Hon. the Finance Minister aware that by the retrenchment of a few clerks

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in the travelling allowance section of the Legislature Secretariat, many Members are put to great inconvenience and that they are not paid their travelling allowance as promptly as formerly?"

THE HON. SRI B. GOPALA REDDI:—"The hon. Member made a representation yesterday and we will certainly look into the matter."

SRI V. M. RAMASWAMI MUDALIYAR:—"May I ask whether there is any chance for the promised debate on the report of the Retrenchment and Reorganization Committee coming at an early date inasmuch as the piecemeal information given in regard to these things from time to time is very unsatisfactory?"

THE HON. SRI B. GOPALA REDDI:—"I thought the request had lapsed with the prorogation of the Assembly."

MUHAMMAD RAZA KHAN SAHIB:—"Is it a fact that most of the staff in the Legislature Secretariat are on a temporary basis and even here a good number of them have been retrenched in recent months?"

THE HON. SRI B. GOPALA REDDI:—"Yes, whether it is temporary or permanent, it makes no difference. The original rule was that one-eighth of the staff must be retrenched. In the case of the Legislature Secretariat, we have not retrenched one-eighth. Out of 48 posts, 2 have been retrenched and 1 has been reduced."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Apart from the very humorous reference to the lapse of the request, may I ask the Hon. Minister when he can give an early opportunity for considering the Retrenchment Committee's Report as well as the action taken by the Government?"

THE HON. SRI B. GOPALA REDDI:—"The action taken by the Government was given in the form of answers to several questions put on the floor of the House both here and in the other House. But with regard to a debate, I do not know whether we can have it this session, but perhaps if it is needed, we can think of it at the beginning of the next session."

SRI V. RAGHAVAYYA:—"Does the figure given by the Hon. Minister just now that the number of posts is 48 include peons or only clerks?"

THE HON. SRI B. GOPALA REDDI:—"It does not include peons."

SRI M. G. NATESA CHETTIYAR:—"May I know whether even before retrenchment the Government created services which were recommended by the Retrenchment Committee to be created only after effecting retrenchment in a particular department?"

THE HON. SRI B. GOPALA REDDI:—"They did not contemplate any fresh appointments; they contemplated only retrenchment."

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SRI M. G. NATESA CHETTIYAR:—"Sir, I shall make my question clear. The Retrenchment Committee recommended some appointments in substitution of some other posts to be retrenched. It seems that the recommendation for substituted appointments has been given effect to before retrenching the staff in the Department. Is it correct?"

THE HON. SRI B. GOPALA REDDI:—"May be in some department it is so."

SRI N. S. VARADACHARI:—"Is it part of the austerity measures of the Government to send Select Committee roving to Ootacamund and other places?"

SRI G. RAJAMANNAR CHETTY:—"May I know why the statement made on the floor of the House by the Hon. the Finance Minister on the 22nd April 1949 that this would not apply to the Legislature Secretariat was not given effect to?"

THE HON. SRI B. GOPALA REDDI:—"Even now, I maintain that the full implication of our retrenchment proposals, namely, 12½ per cent retrenchment, has not been given effect to. Otherwise we would have retrenched 6 of them instead of 2."

SRI G. RAJAMANNAR CHETTY:—"May I know whether these retrenchment proposals apply to the Ministry also and that is why they have not appointed more Ministers?"

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Knowing as the Hon. the Leader of the House does that the Secretariat of the Legislature is under-staffed, what is the sanctity attached to his being so consistent as to have a nominal reduction, as it were, of even 2 clerks in the Legislature Secretariat?"

THE HON. SRI B. GOPALA REDDI:—"After a full examination by the department, we thought we could safely retrench two clerks, but now in view of the fact that the Secretary has again addressed the Government, it is under consideration, as I said."

*Additional staff for the Harijan Welfare Department,
Visakhapatnam district.*

* 37 Q.—SRI S. GURUVUJU: Will the Hon. the Minister for Rural Development be pleased to state—

(a) whether any representation has been made to the Government that the staff for the Harijan Welfare Department sanctioned for Visakhapatnam district is inadequate; and

(b) if so, whether there is any proposal to increase the staff?

THE HON. SRI B. PARAMESWARAN:—" (a) Yes.

" (b) The matter is under consideration."

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SRI D. V. RAMASWAMI:—"May I know whether the Honorary Director of Harijan Welfare has paid a visit to Visakhapatnam or received any representations from the Harijans in this connexion?"

THE HON. SRI B. PARAMESWARAN:—"A separate question may be put."

SRI V. RAGHAVAYYA:—"Is it a fact that in most of the Harijan Welfare Departments in the districts, particularly Visakhapatnam, the clerks employed are people punished elsewhere and are not retained for more than two months with the result that the papers in those offices leave them a year or two later thereby causing a lot of inconvenience and delay in the disposal of Harijan matters?"

THE HON. SRI B. PARAMESWARAN:—"It has not come¹¹⁻³⁰ to the notice of the Government till now. Anyhow the^{a.m.} matter will be considered."

Issue of warning to Government officials against making representations through M.L.A.s or M.L.C.s.

* 38 Q.—MUHAMMAD RAZA KHAN SAHIB: Will the Hon. the Premier be pleased to state whether it is a fact that this Government have recently issued a warning to their officials and subordinates that their promotions would be stopped either permanently or temporarily if they were to send representations through M.L.A.s or M.L.C.s to secure promotions or for redressing grievances?

THE HON. SRI B. GOPALA REDDI: (on behalf of the Hon. the Premier):—"The answer is in the affirmative."

MUHAMMAD RAZA KHAN SAHIB:—"Is it a fact that only very recently this communiqué was issued and if so, what were the immediate reasons for the issue of such a communiqué?"

THE HON. SRI B. GOPALA REDDI:—"There is nothing new about it. It is only an amplification of rule 26 of the Government Servants' Conduct Rules."

BEGUM SULTAN MIR AMIRUDDIN:—"Does this new rule imply that if a legislator on his or her own accord draws the attention of the Government to the need for the application of some equitable principle to the services, will the person or persons that will be benefited by such a principle be victimized on that account, although he had not made any representation to the legislator?"

THE HON. SRI B. GOPALA REDDI:—"If it is felt that the officer is himself responsible for the interpellation or for any public comments and thinks like that, then only he will be responsible. In that case he will have to prove his innocence that he is not responsible for what is done by others and he will be quite safe."

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ABDUL HAMEED KHAN SAHIB BAHADUR:—"On this question, Sir, may I request you to give your deep consideration, though you may not give your ruling, whether this order does not infringe on the rights and privileges of the Members of this House, because you will see that it is not only the officers who are asked to conduct themselves one way or the other, but the order says that they should not take matters up to the Members of the Legislature. So far as I can see, we are here representing all the people without any exception, but this order of the Government seeks to make an exception with regard to the citizens who are serving the Government. They are as much citizens as anybody else and we, as legislators, have got the right to represent the grievances of all people, including officials. My hon. Friend, the Hon. Leader of the House, or perhaps the Hon. Premier, has issued this communiqué stating that Government officers should conduct themselves in a certain way according to them, but they are prevented from representing their grievances through M.L.A.s or M.L.C.s Does it not mean that the M.L.A.s or M.L.C.s are not trusted to represent the grievances of even officers? For instance, there may be cases where the Ministers themselves might treat the officers rather in a manner which needs consideration by the Members of this House."

MR. SPEAKER:—"May I inform the hon. Member that the Government have a right to make rules for their own services?"

ABDUL HAMEED KHAN SAHIB BAHADUR:—"My submission is that it is not only the Government servants that are involved in this, but it is also the M.L.A.s and M.L.C.s Does not this order say that the servants of the Government have no business to meet M.L.A.s or M.L.C.s or represent their grievances? To that extent we are prevented from expressing their grievances or taking up questions in this House on behalf of the services."

THE HON. SRI B. GOPALA REDDI:—"While it is certainly open to legislators and other public men also to take up general questions regarding service conditions of the Government servants, specific and particular individual grievances should not be brought about through legislators. Rule 36 of the Government Servants' Conduct Rules is very clear in this matter. It says:

'No Government servant shall bring or attempt to bring any political or other outside influence to bear upon any superior authority for the furtherance of his interests. The penalty for a contravention of this rule shall be the withholding of promotion from him either permanently or for such period as the competent authority may determine.'

'Explanation.—A Government servant causing his own case to be made the subject of an interpellation in the Central or Provincial Legislature contravenes this rule.'

'That is the old standing rule and what was done recently was only an amplification of that old rule.'

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ABDUL HAMEED KHAN SAHIB BAHADUR:—"I would request you, Sir, to visualize hard cases and though there may be individual cases, they may be cases involving certain principles

MR. SPEAKER:—"Hon. Members should know that in every Government it is the case. Even in England individual grievances should not be represented through the Legislature, but there are other proper ways of redressing their grievances."

M. MUHAMMAD ISMAIL SAHIB BAHADUR:—"I beg to submit, Sir, that the Government servants also are as much citizens as others, because they are also given a voice in electing Members of this House. That is the first point. Then secondly, it is through this House that the Members have to voice forth the grievances they are in possession of. Now, the rule may be there . . ."

MR. SPEAKER:—"General grievances can be voiced by Members. The point here is, Government servants should not bring their grievances through the hon. Members."

M. MUHAMMAD ISMAIL SAHIB BAHADUR:—"The rule may be there, but I am contesting the correctness of the rule itself. The rule has no doubt been made by the Government. It may be right or it may be wrong."

MR. SPEAKER:—"This Government is merely following the rule made by the previous Government."

M. MUHAMMAD ISMAIL SAHIB BAHADUR:—"But that does not mean that the rule is right. We are now discussing the correctness or otherwise of the rule itself. It really infringes even the rights of Members, because this rule speaks of questions being put in the Assembly. It does not speak of the Government servants putting certain things before the Members of the House so that they may go and speak to other higher officials, but it refers to questions put by Members . . ."

MR. SPEAKER:—"If it is a question of individual grievance I do not allow such a question. In this matter, I am following the other Legislatures including the House of Commons."

M. MUHAMMAD ISMAIL SAHIB BAHADUR:—"Individual cases there may be, but they may be typical of a number of instances. For instance, such individual cases may represent a class of people or the nature of certain actions. Even in such cases if Members are not entitled to bring them before the House, I think, it is a clear case of infringement of the rights of Members of the House. In a way the question is put openly and there is nothing clandestine or secret about it and why should the Government deny us that right?"

ABDUL HAMEED KHAN SAHIB BAHADUR:—"May I submit for your consideration, Sir, that there are cases which come to our notice of not only Ministers but even some of the

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officers taking a different view of promotions of officers and dismissal of officers and about various other things? Suppose an officer or Minister promotes a relation of his over and above a person who is not his relation?"

MR. SPEAKER:—"The aggrieved person has the proper channel for redressing his grievances."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"But, if I come to know about the matter, am I prevented from bringing it to the notice of the House?"

MR. SPEAKER:—"The point is, the particular Government servant concerned should prove to the satisfaction of the Government that he is not responsible for the question if it comes to that. But, there is no objection to any hon. Member putting a question on his own accord. Government servants should not go to Members of the Legislative Assembly or Members of the Legislative Council and ask them to put interpellations in the House. That is the order. If hon. Members want any further information I can allow half-hour debate. But, since this is the question hour, let them not take any more time on this matter."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Is it not a fact that Members of the party in power have infringed this rule more than the other Members of this House?"

THE HON. SRI B. GOPALA REDDI:—"I have no information."

SRI N. S. VARADACHARI:—"I just wish to say this, that while I generally agree it is a very salutary principle that no Member of the Legislative Assembly or Member of the Legislative Council should take direct cognizance of the case of a Government servant either for promotion or for transfer. I would respectfully point out that once a man has been sent out of the service and all appeals have proved to be in vain and if a Member of the Legislative Assembly or Member of the Legislative Council is convinced of the wrongness of the case and is prepared to put his reasons down in writing and ask the Government for a reconsideration of the entire case on its merits, the Government should not quote this rule and debar him from getting justice. That is all I wish to say on this, Sir, because this is a well-known principle accepted by other Governments. For instance, if I interfered in the middle of the case . . ."

THE HON. SRI B. GOPALA REDDI:—"When once he is actually sent out, he is no more a Government servant and so does not come under rule 26. If, on the other hand, he is on pension or it is a case of preparatory to retirement, it does not matter if he takes up the case through a Member of the Legislative Assembly."

SRI PYDAH VENKATANARAYANA:—"May I know whether the officials concerned could send their representations to the concerned Minister through other Ministers?"

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THE HON. SRI B. GOPALA REDDI:—"No, Sir."

SRIMATHI RUKMANI LAKSHMIPATHI:—"If an injustice is done in the case of a particular individual and if it becomes a question of policy, has this House got a right to discuss it?"

THE HON. SRI B. GOPALA REDDI:—"It will be very difficult in individual cases. Suppose a Member asks me, why a particular Sub-Inspector is superseded or why he is dismissed and sent out, all the relevant data cannot be given on the Floor of the House and it will be difficult for the Government to answer it either. That apart, it is not desirable that the Sub-Inspector concerned should utilize his friendship with a particular Member or a public man and try to get his case interpellated in this House. That is all what I want to say now."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"May I know whether it is not advisable that the rule which they want to apply to Members of this House should also be followed by them?"

SRI M. KANNIYAPPAN:—"தலைவர் அவர்களே, இன்றையதினம் மேல் உத்தியோகஸ்தர்கள் கீழ் உத்தியோகஸ்தர்களுக்கு ஏதாவது தவறுதல்கள் செய்வார்களானால் தொழிலாளர்களுடைய பிரதிநிதிகளாகிய எங்களிடத்தில் கூட சொல்லக்கூடாதா என்று கேட்கிறேன்."

THE HON. SRI B. GOPALA REDDI:—"There is no difference in this House between representatives of labour or the representatives of zamindars. All have equal status in this House."

SRI V. RAGHAVAYYA:—"I have absolutely no objection to such a rule being strictly followed and the Ministers note down the names of Members of the Legislative Assembly or Council coming to them for this promotion or that transfer. I will be the first man to recommend it. But may I know whether the Hon. Minister meant it seriously and if so, honestly?"

SRI M. S. PATTABHIRAMIAH:—"Sir, is not this warning a measure to emphasise and enforce discipline among the Government servants? Does it reflect anything on the capability or the privileges of Members of either House? I hope the Hon. Finance Minister will assure the House that it does not in any way infringe on the privileges of the Members of this House."

THE HON. SRI B. GOPALA REDDI:—"It is only meant to enforce discipline among the Government servants that they should not at a psychological moment try to put political pressure on Ministers or departmental heads."

SRI D. V. RAMASWAMI:—"I want to ask the Hon. Leader of the House definitely whether this rule applies only to interpellations or any official representation to any Hon. Minister directly?"

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THE HON. SRI B. GOPALA REDDI:—"It does not relate only to interpellations, but it means any political pressure brought to bear on departmental or executive heads."

MR. SPEAKER:—"If it is a question of individual grievance, it is the Speaker that disallows such a question."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Instead of informing the Government servants that they should not go to the Members of the Legislative Assembly or Council, would it not have been better for the Government to inform the Members of the Legislature not to do the work in future?"

THE HON. SRI B. GOPALA REDDI:—"Members of the Legislative Assembly and Council will certainly take care of themselves. But, in the case of Government servants, it is up to us to point out to them the rules that exist in the Government Servants' Conduct Rules."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"May I know what exactly my hon. Friend means by saying 'political pressure'?"

THE HON. SRI B. GOPALA REDDI:—"Suppose a Sub-Inspector is transferred and if the Muslim League or the Congress or the Hindu Mahasabha passes resolutions protesting against such a transfer, it will be called 'political pressure'."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"May I ask, whether the Hon. Minister is so weak as to be oppressed and give a decision against his own conscience and be influenced so easily by a Member of this House making a representation to him?"

THE HON. SRI B. GOPALA REDDI:—"It will be very difficult to resist good friends like my hon. Friend, Mr. Hameed Khan, coming and representing at a very psychological moment." (Laughter.)

SRI T. VISWANATHAM:—"As I understand these questions and answers, it looks as if the Members of this Legislature are debarred from making representations to secure promotion or for redressing grievances of Government officers. Have we got a right to make a complaint against the Government officers to the Ministers?" (Laughter.)

THE HON. SRI B. GOPALA REDDI:—"They have got every right to complain against any vagaries of officers to the Ministers."

SRI T. VISWANATHAM:—"When we have got a right to complain against them, may I know why we have not got an equal right also to speak for them?"

THE HON. SRI B. GOPALA REDDI:—"No, Sir."

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SRI G. RAJAMANNAR CHETTY:—"As the Members of this House who represent Labour constituencies have to perform their duties to their constituencies—where the Government employees are also labourers—will the Government consider the desirability of exempting them from the operation of this rule?"

THE HON. SRI B. GOPALA REDDI:—"Members of the Assembly can certainly champion the cause of labour, and try to improve their condition but individual cases are not desirable to be championed by them."

MUHAMMAD RAZA KHAN SAHIB:—"May I ask as to how this rule is applicable in the case of higher officials of the Madras Government who may like to have direct contact with the Ministers and put up their case? Are they allowed to do so or are they asked to put up their case only through the Chief Secretary of the Government?"

THE HON. SRI B. GOPALA REDDI:—"Departmental heads have access to the Ministers. People who wish to see the Ministers must get the permission of departmental heads."

SRI R. V. SWAMINATHAN:—"May I know, what will happen to a particular officer if he is the subject of interpellation in this House?"

THE HON. SRI B. GOPALA REDDI:—"If it is felt that the officer is responsible for the interpellation, then certainly action will be taken against him but if it is felt that he is not responsible for it, he would not be taken to task."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"May I know whether action will be taken on a feeling or on the basis of information?"

THE HON. SRI B. GOPALA REDDI:—"We cannot get direct information. Circumstantial evidence will be there."

SRI T. VISWANATHAM:—"May I know, having debarred Members of the Legislative Assembly from making any representation on behalf of Government officers, whether the Government would also debar the brother or brother-in-law or other relations of a Member of the Legislative Assembly from making representation?"

THE HON. SRI B. GOPALA REDDI:—"Any political pressure is undesirable whether it is from a Member of the Legislative Assembly or from anybody."

SRI P. KAKKAN:—"தலைவர் அவர்களே, இதுபரியந்தம் சட்டப்படி promotion விஷயத்தில் பிற்போக்கு வகுப்பினர்களுக்கும் ஹரிஜனங்களுக்கும் நியாயம் வழங்கப்படாமலிருக்கும் பொழுது அவர்களுடைய குறைகளை நீக்குவதாக இருந்தால் இந்த உத்தரவு பிரகாரம் எவ்விதம் நீக்க முடியும் என்பதை மந்திரியவர்கள் சொல்லுவார்களா?"

THE HON. SRI B. GOPALA REDDI:—"There is nothing wrong in pleading the cause of backward communities or Harijans or any other community in a general sense. They

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can certainly plead for greater representation in the Police and other executive branches. But this question relates to individual cases."

SRI M. KANNIYAPPAN :—" தலைவர் அவர்களே, இந்த உத்திரவு விடுவதற்கு முன்பாக கவர்ன்மெண்டு தொழிலாளர்கள் விஷயமாக தலையிட்டு வந்ததால் இந்த உத்திரவு வந்தவுடன் அவர்களையே பழிவாங்கும் தோரணையில் அவர்களுக்கு நோட்டீஸ் கொடுக்கப்பட்டிருக்கிறது என்பது அரசாங்கத்திற்கு தெரியுமா என்று கேட்கிறேன்."

MR. SPEAKER :—" இது விஷயமாக தனியாக ஒரு கேள்வி போடவேண்டும்."

H. S. HUSSAIN SAHIB BAHADUR :—" As the Government generally see no reason to interfere with the order of the departmental head, should it not be open to the Government servant concerned to bring to the notice of the Minister concerned or the Government the cases of hardship and injustice by any other means? "

THE HON. SRI B. GOPALA REDDI :—" He can apply to the departmental head for an interview with the Minister."

SRI D. V. RAMASWAMI :—" Is the 'pressure' referred to by the Hon. Minister confined to political sphere or does it extend to social, economic and moral spheres also? "

THE HON. SRI B. GOPALA REDDI :—" The wording is like this: 'to bring any political or other outside influence'. Under 'outside influence' comes social, economic and moral pressures also."

Appointment of Settlement Officers in connexion with the abolition of zamindaris.

* 39 Q.—**SRI M. G. NATESA CHETTIYAR**: Will the Hon. the Minister for Land Revenue be pleased to state—

(a) whether Settlement Officers have been appointed under the Madras Estates (Abolition and Conversion into Ryotwari) Act of 1948;

(b) what the programme for the abolition of the Settlement is and whether it is proposed to be done regionally or as a whole; and

(c) whether the Government propose to begin abolition of the zamindaris with the small, uneconomical partible zamindaris or as a whole or portion after portion or year after year regionally?

THE HON. SRI H. SITARAMA REDDI :—" (a) Six posts of Settlement Officers in the grade of Deputy Collector have been created by the Government to start with. Officers have not yet been appointed to these posts.

"(b) & (c) The Government have not come to any decision in the matter as yet. The whole question is under examination."

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SRI M. G. NATESA CHETTIYAR :—" May I know whether the Government will hear any representation before they formulate the method and procedure in abolishing zamindaris? "

THE HON. SRI H. SITARAMA REDDI :—" There is an Act that has been passed by the Legislature. If any hon. Member or any member of the public feels that he has got a representation to make, the Government will certainly welcome it."

SRI M. G. NATESA CHETTIYAR :—" May I know, whether Government would give a chance to this House and thus take the confidence of this House before they formulate their method and procedure of abolishing the zamindaris? "

THE HON. SRI H. SITARAMA REDDI :—" No, Sir."

SRI R. V. SWAMINATHAN :—" May I know whether the Government have decided to take over the management of certain zamins in the Province and if so, how many estates they are taking over in Tamil Nad and Andradesa? "

THE HON. SRI H. SITARAMA REDDI :—" I have nothing more to add to what I have already said."

SRI M. G. NATESA CHETTIYAR :—" May I know, whether the Government are aware that there was an announcement in the newspapers that the Government propose to take up the abolition of zamindaris in the Krishna district. Is it a correct information? "

THE HON. SRI H. SITARAMA REDDI :—" It is not a Government communiqué."

SRI V. RAGHAVAYYA :—" Do not the Government consider that the taking over of these zamindaris is very slow and causing a lot of discontent and unnecessary litigation in the Province? "

THE HON. SRI H. SITARAMA REDDI :—" It is a question of opinion."

SRI B. VENKATANARAYANA REDDI :—" జమీందారీ రద్దుకట్టకు పాస్ చేయబడి చాలాకాలము అయినప్పటికి ఇంతవరకు ఎక్కడా అమలులోనికి లేవదని వారణం చేత ప్రజలలో ఈ చట్టాన్ని తమకన్న తడవటానికి ప్రయత్నమువారు pass చేసినారనే ఆరోపణ ప్రబలుచున్న సంగతి గుర్తించినారా? అట్లయినచో ఇటు వంటి ఆరోపణను తొలగించుటకుగాను చట్ట) మండంతో సాధ్యమైనంత త్వరలో జమీందారీ రద్దు అమలుచేస్తారా? "

THE HON. SRI H. SITARAMA REDDI :—" ఈ చట్టము నిజయమునా మీరు ప్రజలలో ప్రచురించని దెప్పిన అధికాయమునా కేవలము ఆరోపణకాదు. జమీందారీను సాధ్యమైనంత త్వరలో రద్దుచేయటానికి చట్టము పాస్ చేయబడినది "

MUHAMMAD RAZA KHAN SAHIB :—" Is it a fact that from the way in which the Rent Reduction Act is worked, it will take not less than six years for the departmental people to finish it? "

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THE HON. SRI H. SITARAMA REDDI:—"I would suggest to the hon. Member to put a separate question."

SRI R. V. SWAMINATHAN:—"Arising out of the answer given to my supplementary question, am I to take it that the Government are not going to take over the managements of certain estates until after six months from now?"

THE HON. SRI H. SITARAMA REDDI:—"The whole question is under examination, as I have already said."

SRI M. G. NATESA CHETTIYAR:—"May I know whether the Government would allow at least representation of zamindars to be made in respect of the method and procedure relating to the abolition of the zamindaris?"

THE HON. SRI H. SITARAMA REDDI:—"I have already said that the Government would welcome any representation and we do not prevent anybody from making any representation at all."

SRI A. VEDARATNAM PILLAI:—"May I know, whether the same officer will look after inam lands also or a separate officer will be appointed?"

THE HON. SRI H. SITARAMA REDDI:—"I should like to have notice."

SRI A. KALESWARA RAO:—"May I know whether the Government are aware that on account of the delay in taking over control of these zamindaris, repairs are not made to irrigation works and consequently ryots are suffering considerably?"

THE HON. SRI H. SITARAMA REDDI:—"Yes, Sir. This information has been received by the Government."

SRI G. LATCHANNA:—"If the Hon. Minister thinks that the discontent is only presumption, will he tour the zamindari areas and know the real feeling of the zamindari ryots?"

THE HON. SRI H. SITARAMA REDDI:—"I never indicated that there was any such presumption at all."

SRI A. KALESWARA RAO:—"May I know, whether the Government propose to take any immediate steps with regard to maintenance and repairs of irrigation works even though there may be some delay in the actual taking possession of the zamindaris?"

THE HON. SRI H. SITARAMA REDDI:—"That aspect of the question is also being examined."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Arising out of the answer given to the previous question, may I know whether the Government will allow the zamindars to make their representation through M.L.A.s?"

THE HON. SRI H. SITARAMA REDDI:—"I cannot prevent the zamindars from making representation through M.L.A.s. How can I prevent it?"

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SRI R. V. SWAMINATHAN:—"May I know the cause for the delay in examining this question—whether it is due to the question of fixing compensation or due to administrative difficulties?"

THE HON. SRI H. SITARAMA REDDI:—"Everyone of these aspects will have to be examined. The question of compensation, the availability of staff and such other questions are being examined. I can assure the hon. Member that the Government are anxious to see that the Act is implemented as quickly as possible."

SRI M. G. NATESA CHETTIYAR:—"May I know what time Government will take to formulate their policy in respect of these zamindaris?"

THE HON. SRI H. SITARAMA REDDI:—"I cannot give the programme of the Government because I have not got it ready. But so far as representation is concerned, I have already said that it is open to zamindars to make representation at any time."

SRI D. V. RAMASWAMI:—"May I ask, whether the Hon. Minister agrees with the view of the former Revenue Minister, Mr. Kala Venkata Rao that it will take at least five years before the Rent Reduction Act is put into effect?"

THE HON. SRI H. SITARAMA REDDI:—"It is not a question of agreeing with anybody's views but it is a question of fact."

Appointment of women to the Police force.

* 40 Q.—BEGUM SULTAN MIR AMIRUDDIN: Will the Hon. the Premier be pleased to state whether the Government now intend to fall in line with other Provinces in the matter of appointing women to the Police force in this Province?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—"Government have decided that the matter should be deferred for the present."

BEGUM SULTAN MIR AMIRUDDIN:—"Is not the Hon. Minister aware that in many of the other Provinces—the last Province being Bengal—women have been recruited to the Police force? May I know why this Government are so retrograde in their attitude towards women?"

THE HON. SRI B. GOPALA REDDI:—"We have seen a certain news item in the newspapers. Beyond that, we have no information."

BEGUM SULTAN MIR AMIRUDDIN:—"Will the Government call for information from the other Provincial Governments in regard to the steps that they have taken in this matter and apprise this House of it thereafter?"

THE HON. SRI B. GOPALA REDDI:—"The opinion of the heads of departments like the Inspector-General of Police

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is 'for the present it will be a mere ornamental auxiliary to the men's force and they would not be able to do any real service'."

SRI G. RAJAMANNAR CHETTY:—"May I know whether the appointment of women in the Police force is receiving the same consideration as that of the appointment of women in the Ministry and is it a fact that this appointment of women will synchronize with the appointment of women in the Ministry?"

THE HON. SRI B. GOPALA REDDI:—"I cannot assure the hon. Member about this question of synchronization."

BEGUM SULTAN MIR AMIRUDDIN:—"Is the Hon. Minister aware that the Advisers' Government were prepared to appoint women to the Police force at the time they went out of office and do the Government realize that there is need for it particularly to deal with women prisoners?"

THE HON. SRI B. GOPALA REDDI:—"Their opinion seems to be slightly different. The Women Sub-Committee of the Post-War Reconstruction Committee recommended that women should be employed by the Madras Government on the same lines and for the same purposes as in Travancore but the duties seem to be: escorting of women prisoners, assisting Police in the searching and interrogation of female offenders and children, moving about in the City and to pick up information regarding commission of offences under the Indian Penal Code and the Suppression of Immoral Traffic Act, collecting information in a similar manner about destitute and delinquent children and these things can wait for a little time."

SRI V. M. RAMASWAMI MUDALIYAR:—"May I ask, Sir, whether Government is not aware that the open door movement in respect of recruitment of women obtains among the civilized Government not only in the civil departments but also in the Army and Police?"

THE HON. SRI B. GOPALA REDDI:—"It may be in Russia and other countries."

BEGUM SULTAN MIR AMIRUDDIN:—"Is the Hon. Minister aware that it is difficult to work the provisions of the Suppression of Immoral Traffic Act unless women are appointed to the Police and might I ask why this matter is to be deferred still further?"

THE HON. SRI B. GOPALA REDDI:—"Somehow the departmental heads seem to be nervous about the utility of the women Police constabulary."

M. S. ABDUL MAJID SAHIB BAHADUR:—"In Bengal they appointed women constables because the women created a lot of trouble and may I know is there any such trouble apprehended in this Province?"

THE HON. SRI B. GOPALA REDDI:—"No, Sir. Our Madras women are quite well behaved."

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SRI P. NATESAN:—"If the departmental heads are nervous about the appointment of women may I know what is the nervousness due to so far as the Ministers are concerned?"

THE HON. SRI B. GOPALA REDDI:—"After all Ministers are not going to deal with them but the officer on the spot."

SRI G. RAJAMANNAR CHETTY:—"May I know, Sir, whether the Hon. Minister remembers that in the year 1942-43 when the Indian National Army under Netaji's leadership was formed in Burma and Malaya, Indian women were recruited to the army and they were given all the training just as men and they acquitted themselves on the Burma front much better than men?"

THE HON. SRI B. GOPALA REDDI:—"I have no direct information about it."

SRI A. KALESWARA RAO:—"May I know whether in regard to the treatment of women prisoners, women would be more humane and therefore, would add to the dignity and prestige of the Government?"

THE HON. SRI B. GOPALA REDDI:—"When women are actually put into prison, there are women warders there but with regard to women constabulary, their duty will only be to arrest offenders and put them up before courts."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Inasmuch as the Government have women warders in jails, does it not follow that even outside the jails there are certain cases where women constabulary will be able to do very much better than men in dealing with women and children offenders particularly?"

THE HON. SRI B. GOPALA REDDI:—"That is why the proposal has not been dropped but deferred and it is awaiting further fuller consideration by the Government. But for the time being it is said that they will merely be ceremonial adjuncts to the men Police."

MU. SPEAKER:—"Questions are over."

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

II.—ADJOURNMENT MOTION *RE* PERUSAL OF GOVERNMENT RECORDS BY SRI SHANKER RAO DEO.

MR. SPEAKER:—"I have received notice of an adjournment motion under Rule 36 of the Assembly Rules by Mr. Salam and the motion reads as follows:—

'I give notice of a motion for adjournment of the business of the House for the purpose of discussing a definite matter of urgent public importance, to wit: the action of the Government in making available official and confidential files of the Provincial Government to Mr. Shanker Rao Deo who is not connected with the Government in any way and thereby constituting an infringement of the Official Secrets Act.'

So far as the Chair is concerned, it is perfectly in order but I wish to know from the Hon. Minister as to what he has to say."

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THE HON. SRI B. GOPALA REDDI:—"Sir, I object to the motion because we are perfectly sure that such confidential and official files which ought not to be placed in his hands were not placed in his hands. There are files and files and documents and documents and it is up to us to draw a distinction as to which files should be placed in his hands and which not. The fact that certain matters were discussed with him with the aid of files does not mean that all the files and documents were placed in his hands. I, therefore, object to the motion being made."

MR. SPEAKER:—"I wish to know whether the House gives permission for the motion being made . . . (Mr. Mohamed Abdul Salam rose.) If he wants to withdraw it, let him do so."

"I am not going to allow a discussion regarding this matter. The only point is taking the sense of the House, whether it gives permission for the motion being made."

SRI P. NATESAN:—"Mr. Speaker, I am not going to enter into a discussion regarding the merits of the question. Mr. Speaker, you know that this Opposition is perpetually in a minority and would never be able to get the leave of the House for a motion of this nature being made. We must have some opportunity of dealing with this matter and if you are going to follow technically the rules whether the House is going to give permission for the motion being made, sure as anything as long as this Assembly exists, the House is not going to give permission to anything which goes against the Government."

MR. SPEAKER:—"I wish to know if the House gives permission for the motion being made. Those hon. Members who are in favour of the motion will please rise in their places."

(Nineteen members rose in their seats.)

MR. SPEAKER:—"The House has not given permission."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"At least a half-hour debate may be allowed on this, Sir."

MR. SPEAKER:—"It is only on the subject-matter of a question raised during the day, on a short-notice question or other question, that I can allow a half-hour debate. On this motion, the rules do not contemplate a half-hour debate."

III.—MOTION UNDER RULE 15 (3) OF THE ASSEMBLY RULES.

THE HON. SRI B. GOPALA REDDI:—"Mr. Speaker, I move—

'That under rule 15 (3) of the Assembly Rules, item (5) on the agenda, i.e., the Madras Irrigation Tanks (Improvement) Bill, 1949, be taken up first.'

MR. SPEAKER:—"The question is—

'That under rule 15 (3) of the Assembly Rules, item (5) on the agenda, i.e., the Madras Irrigation Tanks (Improvement) Bill, 1949, be taken up first.'

The motion was carried.

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IV.—THE MADRAS IRRIGATION TANKS (IMPROVEMENT) BILL, 1949—*cont.*

THE HON. SRI M. BHAKTAVATSALAM:—"We were in the second clause."

MR. SPEAKER:—"It seems the Government want to re-open consideration of clause 1 and for that the permission of the House is necessary under rule 60."

THE HON. SRI M. BHAKTAVATSALAM:—"Mr. Speaker, I move—

'that under rule 60 of the Assembly Rules permission of the House be granted to re-open clause 1 as I have given notice of certain verbal amendments.'

MR. SPEAKER:—"The question is—

'That under rule 60 of the Assembly Rules permission of the House be granted to re-open clause 1 as I have given notice of certain verbal amendments.'

The motion was carried.

THE HON. SRI M. BHAKTAVATSALAM:—"Mr. Speaker, I move—

'That after clause 1 the following be inserted:—

"1-A. In this Act, unless there is anything repugnant in the subject or context—

- (a) 'Government' means the Provincial Government;*
- (b) 'owner' in relation to any land or property, includes any person having an interest in such land or property;*
- (c) 'prescribed' means prescribed by rules made under this Act;*
- (d) 'tank' means an irrigation tank in the Province of Madras."*

MR. SPEAKER:—"The question is—

'That after clause 1 the following be inserted:—

"1-A. In this Act, unless there is anything repugnant in the subject or context—

- (a) 'Government' means the Provincial Government;*
- (b) 'owner' in relation to any land or property, includes any person having an interest in such land or property;*
- (c) 'prescribed' means prescribed by rules made under this Act;*
- (d) 'tank' means an irrigation tank in the Province of Madras."*

The new clause was carried.

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Clause 2.

THE HON. SRI M. BHAKTAVATSALAM:—"Mr. Speaker, I move—

That for clause 2, the following be substituted—

"2. (1) Notwithstanding anything contained in any other law for the time being in force, the Government shall have power to raise the full tank-level of any tank or to take any other measures for increasing its capacity or efficiency, wherever it may be situated and whether in a ryotwari zamindari, inamdari, or other area.

(2) The owner of a tank not belonging to the Government shall not be required to bear any portion of the cost of carrying out any measures in respect of the tank under sub-section (1).

(3) Where, in pursuance of sub-section (1) any measures are carried out in respect of a tank, the cost of carrying them out or such portion of the cost as the Government may specify may be recovered by the District Collector from the owners of the lands and other properties benefited by the work in such proportions and in such manner as may be prescribed."

"I move this amendment in order to cover certain points raised by an hon. Member by way of amendments."

MR. SPEAKER:—"Amendment moved—

"2. (1) Notwithstanding anything contained in any other law for the time being in force, the Government shall have power to raise the full tank-level of any tank or to take any other measures for increasing its capacity or efficiency, wherever it may be situated and whether in the ryotwari zamindari, inamdari or any other area.

(2) The owner of a tank not belonging to the Government shall not be required to bear any portion of the cost of carrying out any measures in respect of the tank under sub-section (1).

(3) Where, in pursuance of sub-section (1) any measures are carried out in respect of a tank, the cost of carrying them out or such portion of the cost as the Government may specify may be recovered by the District Collector from the owners of the lands and other properties benefited by the work in such proportions and in such manner as may be prescribed."

12-15 P.M. SRI N. S. VARADACHARI:—"Mr. Speaker, I want a clarification of the new amendment proposed to clause 2 of the Bill as amended by the Select Committee. It is the responsibility of Government to keep tanks in efficient condition and in good repair. It is a correct principle that owners of lands should not be compelled to pay the cost of such improvements as may be effected. But to give District Collectors and others powers to levy,

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in such proportions as they may think fit, the cost of such improvements on those who may have been benefited by them is not fair, since it is the primary duty of the Government to keep tanks and spring channels in good repair. May I suggest to Government that, even if there is a provision in the Act, it should not be thought of that a proportion of the amount spent for a good purpose should fall on owners or proprietors of lands. When Government come to clause 4, I will have something to say in that connection."

SRI R. V. SWAMINATHAN:—"Sir, I cannot understand hon. Mr. Varadachari. By moving this amendment, the Government are just and right in taking power to recover any amount spent on improvement to tanks located in the property of private parties. Suppose it is situated in an Inam land. That Inam land belongs to a particular individual. He does not spend a pie in the improvement of the tank in the land. But he collects the cost of the improvement done by Government from his tenants. It is to remove this inequity that the proposal was made to abolish inams also. When this proposal was brought forward, Mr. Varadachari opposed it. He wanted the inamdar, say sitting in Madras, to reap all the advantages of cultivation done by his tenants without spending even a pie on cultivation. The poor villager who cultivated the inamdar's land was not to get much benefit out of his labour."

SRI N. S. VARADACHARI:—"I protest. The hon. Member has not understood what I said on past occasions and he is speaking falsehood."

MR. SPEAKER:—"Order, order. The hon. Member is not right in using the expression 'falsehood'. I have already pulled up the hon. Member."

SRI N. S. VARADACHARI:—"While I protest against the mention of certain things which are not correct, I withdraw the word 'falsehood'."

SRI R. V. SWAMINATHAN:—"My point is that Government are right and just in having the provision to collect money spent over a tank whether the tank is in an inam land or in a zamindari. What is required is that the inamdar or zamindar should spend money to improve the tank. If he fails to improve it, Government will come forward and they will do all things themselves, and collect the amount from the individual party. That is the point. I therefore support the motion of the Government."

SRI M. G. NATESA CHETTIYAR:—"Sir, in clause 2 it is proposed to include private tanks also. It looks as if the Government may take even wells dug by a private individual for public use. Private tanks on either ryotwari, zamindari or inam land may be or might have been constructed and maintained by private individuals to benefit irrigation to their own lands. It is wrong for Government or Government officers to go to them and force them to increase the level according to their whims and fancies. It is much better

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in these hard days to leave some properties for individuals to be utilized for some enterprising avocations or occupations. Agriculture to-day requires every sort of help from the Government. For that purpose they have been spending a lot of money and the expenses on the Grow More Food scheme are really considerable. When they propose to spend on the one hand from their own budget, I do not understand their interference with private properties on the other hand. Private properties like tanks should be exempted under this Act. Government should not insist on the private individuals to repair them. In this province tank construction is such that one is below the other, and it would create a lot of trouble if the level of a particular tank is raised, since it would result in the deficiency of water-supply to the lower tank. That means supply of water to that tank is reduced whereas the Ayacutdar has been assured of water-supply for a designed period and land revenue is collected from him. In view of this assurance, many dry lands have been converted into wet lands. If Government were to cancel their own previous order by enacting this Bill, there will be diminution in the supply of water and consequent fall in revenue. In my opinion, it is not right for the Government to interfere like this frequently with respect to the restoration of tanks and raising their level. Very many complications are bound to arise if this clause is included in this Bill. It is proper if Government insist the owners to repair the tanks in order to maintain full tank level so that the designed water-supply is assured. But if Government want to convert a six-month's tank into a nine-month's tank, it is wrong. I am very glad that Government have at least recognized now that they were not keeping their tanks in proper order. They recognize at least now that there is silt and it is impossible to remove it and to retain the designed period of water-supply to the ayacut lands, they have to take steps as one provided in the Bill. But they should diminish the water-supply of the lower tanks by effecting repairs to the tanks above. It has also been stated in the subsequent clause of this Bill that there will be no compensation for this reason. It is certainly wrong to deny compensation when the cess is collected on a definite promise that water would be supplied for six months. It is not really giving any encouragement to the agricultural industry which Government profess to help. It is unnecessary to have a legislation or a Bill like this. Besides this, there are many other water-supply sources which ought not to have been included in this clause, e.g., anicuts. I am also doubtful whether minor irrigation tanks are included in this. The Bill piloted by the Hon. Minister for Public Works may or may not include these, but I want a clear understanding about all these things. I want to know the necessity for this clause, when Government have already got the power to restore tanks as a matter of their duty."

12-30 P.M. SRI A. KALESWARA RAO:—"Mr. Speaker, Sir, I am glad the Government are bringing a bill like this. Waters must be nationalized; they should not be the property of individuals. If

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is the duty of Government to control all rivers and rivulets, etc. Whenever they see that a particular tank is not kept in the proper way or the whole ayacut is not irrigated it is necessary that Government should step in and restore the tank in good state. By doing so they are helping proper irrigation of the land and raising good crops. Of course there are officers to decide the point as to whether the whole ayacut is irrigated. For the repairs done by Government it is but right that the cost should be recovered from the owner and the beneficiary. Therefore, I support the amendment of the Government."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Mr. Speaker, Sir, Government, it is stated, have got the inherent right to step into anybody's property, if they want to improve the tank, so that it may be useful to the general public. They could have brought this Bill earlier. I understand they come forward with this measure in pursuance of their policy of drive to improve food production. I do not know how they come forward with this amendment suggesting that the cost of raising the level of the tank should be recovered from the owner. If it is in ordinary times, then I can understand Government asking the owner or beneficiary to pay for the repairs done to the tank. But when the repairs are to be done under the policy of increasing the production of food grains in the province I do not know whether the Government have the right to call upon the owner to meet the cost of repairs. Under this policy of stepping up production Government can spend a large sum of money. In the original Bill Government did not contemplate recovering the cost from private individuals. Now Government have come forward with this amendment, and that itself shows that it is in pursuance of the policy or drive to increase food production that they are going to improve the several tanks. Further under clause 3, complete freedom is given to the District Collector to recover the cost of repairing the irrigation works from the owners of lands and other properties benefited by the works repaired in such way as may be prescribed. I do not know in what manner the collection of this cost is to be and in what proportion. If they agree to pay it, well and good. But if they do not agree to pay I trust Government in prescribing the rules for collection, and in fixing the proportion will not sit very high on the owners of land; and I hope the instalments will be large and the period of collection will be spread out over five to ten years instead of a shorter period of one or two years. Because I know, in the case of private owners of tanks the chief reason for allowing the tanks to be in disrepair is their inability to meet the expenditure involved. They can bear only a small sum of expenditure; but if the expenditure involved is excessive they do not repair the tank. Now to call upon them to pay the heavy expenditure involved will hit them hard and work hardship to them. So I request Government to see that the recovery is made during a long period in easy instalments."

SRI V. RAGHAVAYYA:—"Mr. Speaker, Sir, I want some clarification of one or two points. And that is, in case of the owner of the tank to be repaired is a zamindar, what is the procedure

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to be adopted? Now the zamindari system has been abolished but several zamindaris have not been taken over, and so the relationship between the owner of the tank and the Government has to be defined. Another point is whether without passing any irrigation act which would take away or destroy the ownership of the zamindar once for all the Government are competent to partially destroy their rights. Further it is well known in some cases there are some water courses leading to tanks running through zamindari areas, and the zamindars have certain rights in respect of those courses; now this Bill which comes in through a backdoor way, though it does not take away that right (only an irrigation bill can destroy that right) seeks to destroy that partially; I want to know what the position of the zamindars is. I would like to be enlightened upon that. Then, there is another point. In collecting the cost of repairs to the tank from the owner, it is but right that it is so as he is the person who will be benefited. But you cannot recover it from two persons, the owner and the beneficiary. The object of the Government in this Bill is to give a fillip to the Grow More Food Campaign as well as to keep the tanks in repair as a safeguard against famine. But why should Government collect the repair charges when they are entitled to raise the rate of taxation of lands under the ayacut of the tanks repaired. So it will be double taxation. Then, what is the point in Government saying that they are going to collect from the owners? How do the owners come into the picture, except it be you want to recover from the inamdar? How can you do that when you are not going to collect the cost of repairs from the zamindars? I request Government to consider this aspect of the matter before they come to a decision on it."

* M. A. MUHAMMAD IBRAHIM SAHIB BAHADUR:—"Mr. Speaker, Sir, while I welcome the Government motion I find there are some difficulties in working out sub-section (3) of the proposed amendment. If the tank to be repaired belongs to Government, there cannot be any difficulty; and if the tank belongs to a particular individual, there may not be any difficulty in working the measure. But if the tank belongs to a zamindar or a whole inam proprietor, it is then the difficulty arises. If the tank belongs to a whole inam proprietor then he is not liable to pay the cost of repairs. But the owners of the adjacent lands may be called to pay to the repairing cost of the tank if a betterment levy is to be collected from them as proposed under sub-clause (3). I want Government to give a clear idea of their intention. Is it the owner who has to pay, or whether the ryots under the zamindar or inam lands. I want this point to be cleared."

THE HON. SRI M. BHAKTAVATSALAM:—"Mr. Speaker, Sir, regarding the points raised by Mr. Raghaviah, I may state, I have already mentioned while introducing the Bill that a comprehensive irrigation bill is under examination, and this Bill regarding improvement of tanks has been brought forward as an urgent measure. This Bill has been so drafted as to fit in with

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the comprehensive irrigation law we propose to enact. Objection has been raised by some hon. Members as to the scope of the amendment enabling Collectors to recover the cost of repairs from the owners of tanks, either the entire cost or a portion thereof. I would like to point out that the hon. Sri A. Vaidyanatha Ayyar, who has very wide experience of the condition of tanks and the legal position about them particularly in the Mathurai and Ramnad districts, moved an amendment. The principle of that amendment has been taken, the clause has been redrafted in consultation with the Legal Department, and I am now moving the amendment. The object behind the amendment is to enable the Government to recover from the owner of a tank who benefits largely, if not entirely, by the improvements effected to it the whole or a portion of the cost of the improvements. The hon. Sri Varadachari suggested that the expression should be 'may be recovered'. The word used in the amendment also is 'may'. The amendment only enables the recovery of the cost, and it does not make the recovery obligatory in all cases.

12.45 p.m.

"We do not propose to levy a betterment fee on the ryots whose lands stand to benefit by the improvements effected to a tank, if the cost of the improvements is recovered from the owner of that tank. Therefore there cannot arise any double taxation at all.

"The hon. Sri M. G. Natesa Chettiyar has given notice of two amendments. One is for the addition of the word 'anicut' in clause 2, about which he mentioned when speaking on this amendment. That is beyond the scope of the Bill. This Bill is primarily intended for the improvement of irrigation tanks. His other amendment is covered by the amendment which I have moved. I hope hon. members will agree that it is but right that the owner of a tank, who largely benefits from the improvements effected to it, should be asked to contribute towards the cost of the improvements. I appeal to the House to accept the amendment."

The amendment was put and carried.

* SRI T. VISWANATHAM:—"Sir, I move—

"Add at the end of clause 2 the following:—

"Provided that any measure or work undertaken by the Government shall not diminish the quantity of accustomed supply of water to any field or to a tenant under the ayacut of the tank entitled to it."

"When the Bill was under discussion last time, I took some pains to explain the nature of the irrigation tank system in our Province, how in most of the districts there was a linked system of tanks and how the conservation of water in, or diversion from, one tank would affect the lands which are already registered under the ayacut of that tank or the tanks linked to it. In some cases, the tanks are directly connected; in other cases the surplus flow of one tank feeds the tanks lower down. I have got knowledge of records in the East Godavari district relating to the period 1820-30 in which it is clearly mentioned that certain irrigation channels and fields are entitled to the surplus water flowing from a certain

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tank or drainage channel. While I am one with the Government in the anxiety that the tanks in this Province must be repaired and repaired urgently, I submit that the repairs to tanks should not be done in such a way as to jeopardise the existing rights of the owners of land registered under the ayacut of the irrigation sources concerned. In saying this, I am not propounding a new principle. A man who executes a work should do it in such a way as not to injure the interests of any one else. It is an elementary principle of the Law of Torts and is equally applicable as in other legal and social spheres. Applying the same principle, if a person takes water from an irrigation source, it should not result in diminution of water-supply to any field or tenant under the ayacut of that source. This is a principle which has been accepted for centuries. It cannot be contended that, being an accepted principle, it need not be enunciated in the Bill. This Bill not only deals with the customary rights but also supersedes in a sense the existing rights. Therefore I am very anxious that the principle should be mentioned in the Bill. I request the Hon. Minister for Public Works to accept my amendment, which embodies the above principle."

SRI M. G. NATESA CHETTIYAR:—"I second the amendment."

MR. SPEAKER:—"Amendment moved—

'Add at the end of clause 2 the following:—

"Provided that any measure or work undertaken by the Government shall not diminish the quantity of accustomed supply of water to any field or to a tenant under the ayacut of the tank entitled to it."

SRI A. KALESWARA RAO:—"I rise to support the amendment. The Bill provides for payment of compensation for lands submerged as a result of raising the full tank level of irrigation tanks. As has been pointed out by the mover of the amendment, there is a link between one tank and another. The repairs effected to one tank may adversely affect its ayacut lands or the ayacut lands of the tanks linked to it. Therefore, it is necessary to introduce a provision to protect the interests of those who are already irrigating their lands with the water from the tank sought to be repaired. This amendment is very necessary and I hope that the Hon. Minister will accept it."

THE HON. SRI M. BHAKTAVATSALAM:—"Sir, I am unable to accept the amendment. The amendment postulates that the accustomed supply of water should not be diminished to a land as a result of repairs effected to a tank. I am afraid that it is very difficult to define 'accustomed supply'. The original capacity of a tank might have been considerably reduced for a number of years. As a result of repairs, the owners of land might get extra quantity of water and they might say that this extra quantity is their accustomed supply. When we confer a large benefit on the people, we should not mind some small injury. Our maxim in this Bill is the conferment of large benefit, with less injury if

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we cannot help avoiding the injury altogether. Hon. Members will notice that I shall be moving an amendment to another clause which provides for payment of compensation for diminution of supply of water. Therefore, I request the House to accept my amendment and reject the amendment moved by the hon. Sri T. Viswanatham."

* SRI T. VISWANATHAM:—"Sir, I think the Hon. Minister has not fully appreciated what I said. I crave your indulgence for some time to explain. The Hon. Minister said 'accustomed supply of water' was very intriguing. It is a well understood phrase which is used from the Collector's office up to the Privy Council in this country. In other countries also this phrase is well understood. The Minister's point is this. Because a certain tank is repaired and the lands under it are getting extra quantity of water, the owners of those lands might treat and claim this extra quantity as their accustomed supply. If a tank is not under repair, there would be less water and the extent of the lands under the ayacut can only be less and not more. More lands could not be brought under cultivation because of less water in the tank as the tanks are out of repair. Therefore, there could never arise any complaint on that ground. In introducing the Bill the Hon. Minister pointed out that due to certain measures which the Government might carry out, it might become necessary to divert the water of a certain tank to some other lands not registered under the ayacut of that source. The result will be that the lands registered as the ayacut lands of that source will suffer from diminution of the accustomed supply of water. To provide against such a contingency, I am moving this amendment.

"Sir, take for example a river. Under the river, there are two or three villages which are entitled to the accustomed supply of water. Suppose a riparian owner wants to have an anicut or to divert the water. He may be permitted to do it, but only so as not to affect the accustomed supply of water to the lands already under the system. Similarly, it stands to reason that the person whose lands are already under cultivation should not be affected by this particular change, and I, therefore, submit, Sir, that mine is a very reasonable amendment, and a very proper thing, and if it is not accepted, there will be a lot of troubles from the owners of these lands in the future.

"Sir, the Hon. Minister for Public Works says that it is in the interests of the Grow More Food Campaign that he is bringing forward this measure. I want to know, how it will help the Grow More Food Campaign, if he diminishes the extent of land which is already under cultivation. What is going on in the Province to-day after the inauguration of this Grow More Food Campaign? After the great and earnest efforts taken by the Government during the last three or four years in this direction, the results produced are somewhat staggering. In 1945-46 the total area of lands under the cultivation of paddy was something like 110 lakhs of acres in this Province and to-day it is about 103 lakhs of acres. The total area of cultivation of paddy has been diminished by

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about seven lakhs of acres and this is the effect of the earnest efforts and strong measures taken by the Government under the Grow More Food Campaign. Therefore, whatever we do, we should not do any damage or cause loss to the lands of tenants who had been already enjoying certain benefits under the tank, not for 10 or 20 years, but for some 150 or 200 years, as their records would show. I, therefore, submit, Sir, that my amendment is a very good and a very reasonable one, and I request once more that it may be reconsidered. If the Government think that the language of my amendment is not suitable for incorporation in the Bill, let them redraft it, if they want, and have it incorporated. Otherwise, the Bill as it stands, will be landing several tenants and also the Government as well into endless troubles in the future."

M. A. MUHAMMAD IBRAHIM SAHIB BAHADUR:—"Mr. Speaker, Sir, let me make this small suggestion to the amendment of my hon. Friend, Mr. T. Viswanatham, which will make it acceptable to the Government. If for the word 'accustomed to' in the amendment of Mr. T. Viswanatham, the word 'existing' is substituted, then I think, the difficulty of the Government would be met and the amendment would be acceptable to them."

THE HON. SRI M. BHAKTAVATSALAM:—"Sir, so far as the Government are concerned, there can be no question of showing partiality to one tank as against any other tank. The Government are going to take up the restoration or improvement of a particular tank, only when they are convinced that there will be some larger total benefit on account of such improvement or restoration, than what is now available to the people around that tank. Therefore, it is, that I insist on the clause which I have moved, being retained, and at the same time, we have provided for compensation for those who will be affected by such action of the Government."

The amendment was put and lost.

MR. SPEAKER:—"The question is—

'That clause 2, as amended, stand part of the Bill.'

Clause 2, as amended, was carried.

Clause 3.

MR. SPEAKER:—"The motion is—

'That clause 3 stand part of the Bill.'

THE HON. SRI M. BHAKTAVATSALAM:—"Mr. Speaker, Sir, I move—

'That for the words "Provincial Government" wherever they occur in clause 3, substitute "Government".'

MR. SPEAKER:—"The question is—

'That for the words "Provincial Government" wherever they occur in clause 3, substitute "Government".'

The amendment was carried.

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MR. SPEAKER:—"The question is—

'That clause 3, as amended, stand part of the Bill.'

Clause 3, as amended, was carried.

Clause 4.

Sub-clause (i).

THE HON. SRI M. BHAKTAVATSALAM:—"Sir, I move—
'That in sub-clause (i), omit the words "or other person interested therein".'

MR. SPEAKER:—"The question is—

'That in sub-clause (i), omit the words "or other person interested therein".'

The amendment was carried.

THE HON. SRI M. BHAKTAVATSALAM:—"Sir, I move—
'That for the proviso to the same sub-clause, substitute the following proviso:—

"Provided that where the loss or damage was sustained by reason of the diminution of the supply of water to any land or to any tank or other source from which water is supplied to any land, compensation shall be payable only in such cases and to such extent as may be prescribed".'

MR. SPEAKER:—"Amendment moved—

'That for the proviso to the same sub-clause, substitute the following proviso:—

"Provided that where the loss or damage was sustained by reason of the diminution of the supply of water to any land or to any tank or other source from which water is supplied to any land, compensation shall be payable only in such cases and to such extent as may be prescribed".'

* SRI T. VISWANATHAM:—"Mr. Speaker, Sir, the original proviso was that no compensation shall be payable even if damage is caused. Now the amendment is that compensation will be paid. Having said that compensation will be paid, the Government should not say 'only to such extent as the Government may prescribe'. The loss or damage sustained by the tenant cannot be 'prescribed' by the Government. The extent of the loss sustained, can be assessed only by other persons than persons who have suffered the loss and persons who have caused the loss. If compensation is to be paid, it must be to the extent of covering the loss or damage sustained. I therefore submit, Sir, that the words 'to such extent as may be prescribed' should be dropped."

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* SRI N. S. VARADACHARI:—"Mr. Speaker, Sir, I understand the change made by the Government. As the clause stood originally, no compensation shall be payable solely on the ground that the loss or damage was sustained by reason of the diminution of the supply of water. Now the change is for the better, that is to say, compensation will be paid according to the rules prescribed under the Act for that purpose. The damage may be partial or may be whole. The damage may be permanent or semi-permanent. If it is only loss to the crop in a particular year, then the damage caused will not be much. But if the land is liable to erosion and thereby permanent loss is caused, and if no crops could be raised thereon, certainly it will be treated on the same footing as a permanent damage inflicted, even in the course of raising the level of the tank. I think, Sir, that that is the real meaning of the amendment, and if that is so, I certainly support the amendment, because it is a better one and it improves the structure of the clause as a whole."

SRI A. KALESWARA RAO:—"Mr. Speaker, Sir, the amendment is certainly for the better, but the words 'to such extent as may be prescribed' are open to objection. If the words 'in the manner prescribed in the rules' were substituted for those words, then the amendment would not have been open to much objection. The extent of the loss sustained, will be according to the market value of the land, and if every year, there is some recurring loss, on account of the raising of the tank level, then in the course of twenty years, the loss sustained will be very great. Therefore, the extent of the loss also should be prescribed. These will lead to a lot of complications and therefore, I suggest, that some better wording might be put in its place, Sir."

* SRI M. G. NATESA CHETTIYAR:—"Sir, the damage to be assessed by the Government must be not only for the diminution of water-supply to a particular land, but also for the permanent loss to the value of the land sustained by reason of the raising of the tank bund. The Hon. Minister might have intended both, but it is not quite clear in the Bill as it stands and it is unjust and improper to make people lose the value of their property in an industry which is supposed to be very essential, without providing for adequate compensation thereof. Suppose a tenant has purchased a piece of land under a tank bed, knowing that he is entitled to the supply of water from the tank, and supposing that he has been cultivating it for ages together, and if on account of the raising of the tank bund, his land is deprived of the usual supply of water, then surely, he is entitled to compensation, both on account of the diminution of water supply and also for the permanent damage caused to the value of his land. Therefore these things must be clearly specified in the Bill itself. Again, the damage prescribed must not be by the Government, but by a separate impartial tribunal or by a separate department of the Government. I, therefore, request the Hon. Minister to bring in an amendment in that form."

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THE HON. SRI M. BHAKTAVATSALAM:—"Sir, the matter is not so simple as my hon. Friends have suggested. It is not possible to lay down rules which would clearly show the way as to how compensation should be paid. And, therefore, it is that it has been stated that compensation will be payable only in such cases and to such extent as may be prescribed. Sir, my hon. Friend, Mr. N. S. Varadachari, has answered the objection raised by Mr. Kaleswara Rao and by Mr. T. Viswanatham and I think, this amendment is very necessary. I may say that circumstances might vary. It is not practicable to lay down how compensation should be paid and whether invariably compensation should be paid. Therefore, we have drafted the clause as it is and I request the House to accept it in its present form."

MR. SPEAKER:—"The question is—

'That for the proviso to the same sub-clause substitute the following proviso:—

"Provided that where the loss or damage was sustained by reason of the diminution of the supply of water to any land or to any tank or other source from which water is supplied to any land, compensation shall be payable only in such cases and to such extent as may be prescribed." "

The amendment was carried.

Sub-clause (3)

THE HON. SRI M. BHAKTAVATSALAM:—"Sir, I move—

'That in sub-clause (3), for the words "in the manner prescribed by rules made under this Act" substitute, "in the prescribed manner".' "

MR. SPEAKER:—"The question is—

'That in sub-clause (3), for the words "in the manner prescribed by rules made under this Act" substitute "in the prescribed manner".' "

The amendment was carried.

Sub-clause (4).

THE HON. SRI M. BHAKTAVATSALAM:—"Sir, I move—

'That for sub-clause (4) substitute the following sub-clauses:—

"(4) The compensation payable to any person under this section shall be a lump sum in all cases including those where the loss or damage sustained by him is a recurring one, and shall be determined by the District Collector in the prescribed manner.

(5) All compensation payable to any person under this section shall be paid by the Government, and the total amount paid by way of compensation in consequence of

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any measures taken in pursuance of section 2 in respect of any tank or such portion of the total amount aforesaid as the Government may specify, may be recovered by the District Collector, from the owners of the lands and other properties benefited by the measures, taken, in such proportions and in accordance with such rules as may be prescribed ” ” ”

MR. SPEAKER:—“ The question is—

‘ That for sub-clause (4), substitute the following sub-clauses:—

“ (4) The compensation payable to any person under this section shall be a lump sum in all cases including those where the loss or damage sustained by him is a recurring one, and shall be determined by the District Collector in the prescribed manner.

(5) All compensation payable to any person under this section shall be paid by the Government, and the total amount paid by way of compensation in consequence of any measures taken in pursuance of section 2 in respect of any tank or such portion of the total amount aforesaid as the Government may specify, may be recovered by the District Collector, from the owners of the lands and other properties benefited by the measures, taken, in such proportions and in accordance with such rules as may be prescribed ” ” ”

1-15 P.M. * M. A. MUHAMMAD IBRAHIM SAHIB RAHADUR:—“ I do not want to move my amendment, Sir, if I could get an explanation from the Government regarding this. In sub-clause (2) of clause 4, a time-limit of three years has been fixed for preferring an application for claims for compensation for any loss or damage sustained. My submission is that the limitation need not be placed. The ordinary law may be allowed to take its own course. Either the Government may by themselves pay the compensation to the person affected or any person who is affected may apply. The latter portion of sub-clause (4) has been clearly amended by the Government amendment. I do not, therefore, press my amendment. I request the Government that in making the rules under this Bill they should see that this three years’ limitation is not insisted upon even though there may be this provision in the enactment. If within a reasonable time a person applies for compensation that must be considered.”

THE HON. SRI M. BHAKTAVATSALAM:—“ The Government will consider the suggestion made by the hon. Member, Sir, while framing the rules.”

MR. SPEAKER:—“ The question is—

‘ That for sub-clause (4), substitute the following sub-clauses:—

“ (4) The compensation payable to any person under this section shall be a lump sum in all cases including those where the loss or damage sustained by him is a recurring one, and shall be determined by the District Collector in the prescribed manner.

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(5) All compensation payable to any person under this section shall be paid by the Government, and the total amount paid by way of compensation in consequence of any measures taken in pursuance of section 2 in respect of any tank or such portion of the total amount aforesaid as the Government may specify, may be recovered by the District Collector, from the owners of the lands and other properties benefited by the measures, taken, in such proportions and in accordance with such rules as may be prescribed ” ” ”

The amendment was carried.

MR. SPEAKER:—“ The question is—

‘ That clause 4, as amended, stand part of the Bill ’.”

Clause 4, as amended, was carried.

Clause 5.

MR. SPEAKER:—“ The motion is—

‘ That clause 5 stand part of the Bill ’.”

THE HON. SRI M. BHAKTAVATSALAM:—“ This is a consequential amendment, Sir. I move—

‘ That in sub-clause (1) of clause 5, before the words “ may appeal against such order ” the words and figures “ or any person deeming himself aggrieved by any recovery ordered by the District Collector under section 2, sub-section (3), or under section 4, sub-section (5) ” shall be inserted, and ‘ For the words “ in respect of which compensation is claimed ” the words “ to which the order relates ” shall be substituted ’.”

MR. SPEAKER:—“ The question is—

‘ (1) That in sub-clause (1) of clause 5, before the words “ may appeal against such order ” insert the words and figures “ or any person deeming himself aggrieved by any recovery ordered by the District Collector under section 2, sub-clause (3), or under section 4, sub-section (5) ” ’.

‘ (2) For the words “ in respect of which compensation is claimed,” the words “ to which the order relates ” shall be substituted ’.”

The amendment was carried.

MR. SPEAKER:—“ The question is—

‘ That clause 5, as amended, stand part of the Bill ’.”

Clause 5, as amended, was carried.

Clause 6.

MR. SPEAKER:—“ The motion is—

‘ That clause 6 stand part of the Bill ’.”

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THE HON. SRI M. BHAKTAVATSALAM:—"I move, Sir—

'That in sub-clause (2) of clause 6, in paragraph (c), for the words and figures "under section 4, sub-section (2)" substitute the words "under this Act."

(d) For the words and figures "under section 4, sub-section (1)" substitute the words "under the Act".'"

MR. SPEAKER:—"The question is—

'That in paragraph (c), for the words and figures "under section 4, sub-section (2), substitute the words "under this Act."

In paragraph (d), for the words and figures "under section 4, sub-section (1)" substitute the words "under this Act".'"

The amendment was carried.

MR. SPEAKER:—"The question is—

'That clause 6, as amended, do stand part of the Bill.'"

* SRI T. VISWANATHAM:—"I have only a submission to make, Sir. I am not going to move any amendment seeing that the Hon. the Minister for Public Works is not in a position to accept any amendments. All that I am submitting is this. The Provincial Government may by notification in the *Fort St. George Gazette* make rules to carry out the purposes of this Act. There are different methods, Sir, in the making of the rules. One is to make rules without previous publication and the other is to make rules after previous publication. There is also a third method of placing the rules on the table of the House and getting its approval. This matter not being a very serious one, I do not propose to ask the Government to bring forward these rules for approval before the House. But I do insist that the rules which are to be made should be previously published. Under the Rules Publication Act, there is a provision that whenever the Government wish to make rules after previous publication, they should publish it in the gazette and invite objections and after the consideration of the objections, the rules should be confirmed. That is a procedure which is well worthwhile being pursued on every occasion and especially in this particular case. In making rules it is not incumbent on the Government, if this language is retained to publish the draft rules beforehand. Therefore, I submit, Sir, that the Hon. Minister himself may be pleased to move an amendment or he may make it a practice of previously publishing the rules and inviting objections for consideration before the rules are confirmed."

THE HON. SRI M. BHAKTAVATSALAM:—"I shall be very glad, Sir, to accept the suggestion of the hon. Member and I do undertake on behalf of the Government to previously publish the rules before they are confirmed."

Clause 6, as amended, was carried.

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THE HON. SRI M. BHAKTAVATSALAM:—"I move, Sir—

'Re-number the clauses in the numerical order and make changes consequential on such re-numbering.'"

The motion was put and carried.

Preamble.

The Preamble was put and carried.

THE HON. SRI M. BHAKTAVATSALAM:—"I move, Sir—

'That the Madras Irrigation Tanks (Improvement) Bill, 1949 as amended be passed into law.'"

MR. SPEAKER:—"Motion moved—

'That the Madras Irrigation Tanks (Improvement) Bill, 1949 (L.A. Bill No. 6 of 1949) as amended be passed into law.'"

MUHAMMAD RAZA KHAN SAHIB:—"Mr. Speaker, Sir, I will be failing in my duty if I do not congratulate the Hon. the Minister for Public Works for getting this Bill through. This Bill is in consonance with the policy adumbrated by the Government of India about which there was also some discussion here when the Hon. the Food Minister in the Government of India came down to Madras. The policy of the Central Government should also be the policy of the Madras Provincial Government to see that by 1951 we are self-sufficient in the matter of food. I am sure, Sir, that this measure which will be passed into law will really go a long way in trying to supplement or augment our food resources.

"I should like to say on this occasion, Sir, that if there is one good department in our Province it is the Public Works Department, which has got a good programme and policy. It is a department which is really developing and which has shown a sort of good work as far as we can see. The reasons for this are not far to seek. From the first day we came into the Assembly we find the Hon. Mr. Bhaktavatsalam, being the Minister in charge of the Public Works Department. I can say this to his credit, Sir, that he is the one Minister in our Province who is continuously in possession of his portfolio right from that day. Therefore being the Minister who has run this administration for the last three or four years he was able to do a good deal and it has been a remarkable achievement on his part. More than that, Sir, I am sure he is the one Minister of our Province who has the good fortune of having served three Premiers one after another, the Hon. Mr. Prakasam, the Hon. Mr. O. P. Ramaswami Reddiyar, and now he is serving the Hon. Mr. Kumaraswami Raja. From the way in which he has run his portfolio, I can say, Sir, that he will surely continue as Minister in this particular department as long as the Assembly lasts. For the good work he has done, I may say, Sir, that Congress Ministries may change, and Premiers may change, but I am sure the Hon. Mr. Bhaktavatsalam will continue

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as the Public Works Minister and do the greatest service possible. (Cheers.) For he has made himself indispensable to the department and that indispensability will continue and he will show a good record and development of his department. On behalf of the Opposition, Sir, I wish him all success."

* SRI A. KALESWARA RAO:—"Mr. Speaker, Sir, I have already said that this is a good Bill and a necessary Bill. I support the motion that it should become law. But I wish to point out that there is some complexity in the present situation. The Government are taking possession of all zamindaris, agra-harams, inam villages, mokhasas, etc. At this juncture they are introducing this Bill. It empowers the Government to step into the tanks and improve them and make them more fit for irrigating more land. According to the Zamindari Abolition Act (which has been passed) all the estates will vest in the Government. But it is provided in this Bill that when repairs are carried out, the cost of the repairs will be recovered from the owners. I do not know who is the owner now. I do not know who is to bear the cost of the repairs which may be done between now and the time when it is actually taken over. I want to know whether the Government will do the repairs on behalf of themselves or on behalf of the present owners, and recover the cost from them, or whether they will deduct the cost from the compensation that will be paid to them. My opinion is that the law having been passed, even though the Government may not have actually taken possession of the estates, they are the owners and so most of the cases to which the Bill was originally intended to apply will go out of its purview. The tanks, etc., will naturally now belong to the Government and they have the right to step in and repair them. Therefore there is no necessity for the Government to take any special power. This Bill will only apply to those private persons, a big ryot or so, having a tank in the midst of his land if it is useful for the grow-more-food scheme. All that happens under this Bill is that some old estates which do not come under the Zamindari Abolition Act will only be affected; I mean those inam villages which became estates under the law made in 1936. I therefore want to tell the Government that they should take care about all these things. I support the motion that the Bill be passed into law."

MR. SPEAKER:—"The House is now adjourned for lunch to meet again at 2-30 p.m."

The House adjourned.

(After lunch—2-30 p.m.)

* SRI K. KOTI REDDI:—"Mr. Speaker, Sir, I welcome the passing of this measure in the expectation that there would be considerable improvement in the cultivation of wet lands in places where there has not been any permanent source of irrigation. Sir, having some experience of the dry areas in the Presidency where

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rain is rather very precarious, I am not so sanguine as the Hon. the Minister for Public Works as to the great benefit that this legislation is likely to confer on the people in the dry areas. But, however, to the extent to which it is possible, for undertaking to do the repair work and increasing the capacity of the tanks, we should certainly be the better for it. I may make a suggestion in this connexion. For increasing the capacity or the level of water, it is generally understood that we are going to raise the tank bund. That is really the usual way of doing it. But that is not the only way by which it can be done, I would rather request the Hon. Minister to go into the suggestion which has been made in this House before lunch on this subject of increasing the levels of the bunds. You are aware, Sir, that most of the tanks, particularly, the small tanks to-day are so silted up that they can receive very little water. I want the silt to be removed in order to increase the capacity of the tanks instead of raising the level of the bunds. For the same purpose, I would rather request the Government to investigate the question whether it is not more economical ordinarily to remove this silt than raise the bund. Not only that. If the object should be achieved, this removing of the silt is preferable for many reasons. First of all, there is no question of submerging the land because by removing the silt, more water is received by the tank. Secondly, no question of compensation arises on account of this, because, as I said, as a result of removing the silt in order to increase the water-supply, it will not in any way submerge any land. The second advantage would be that except in tanks where you have brackish water and where the soil is alkaline, in tanks where you do not have this alkaline soil, the silt is really very good. It is good as a manure and sometimes it is much better. The silt in the tank like Cumbum in Kurnool district, which is practically a forest area, is very good. The silt there is so valuable that I am sure if an attempt is made to remove that silt and supply it to the ryots, they would be willing to pay much more than what they would pay for manure. Of course, it is a very big affair because the tank is silted up to the extent of ten to fifteen feet. As that silt is very valuable, I have often thought whether a small railway line cannot be run alongside of the tank in order to remove that silt and take it up a few furlongs or even a few miles. Sir, it is a very big tank which irrigates four to five thousand acres and it is one of the most valuable tanks in Rayalaseema and if by some mechanical process, that silt is removed and supplied to the ryots, I am almost certain that it would be very useful and paying. In this connexion, I would like the Hon. Minister to try the experiment of using the bull-dozers for removing this silt. Raising the bund without removing the silt, is in some cases not worthwhile. As it would be very costly if not difficult to remove the silt by manual labour, I would suggest the use of bull-dozers and it is possible to remove that silt economically by means of them. After all, the scheme may not be very costly. It may cost only as much as for raising the bund. If you do that, and supply the silt to the

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ryot, you may get good value. Therefore, you can incur this expenditure for the use of the bull-dozer instead of incurring an expenditure for raising the level of the bund. I would therefore like to see that this experiment is tried calculating the cost of the use of bull-dozer before finally deciding upon the raising of the tank bund.

"Sir, the Bill as it is amended to-day, has certainly come out with very little disadvantage to the people who are concerned. As originally drafted and even passed by the Select Committee, many people were likely to be affected by the raising of the tank bunds and there would have been great hardship. Now, Sir, a provision has also been made for appeals against the decisions of the Collectors and there is a second appeal also provided for. But, Sir, I would like to see that the Collectors are very very careful in weighing both the advantages and disadvantages before they recommend to the Government to take up the work. It appears, Sir, that in many cases where the lands are irrigated by a tank, some ryots have no right to use the water unless permitted by the Government. It is known in Telugu as 'thirvai jasti'. The permission of the Government usually means the permission of the karnam or the village munsif there and sometimes, these people collect the penalty for the use of the water, for which they have no legal claim. This is a great disadvantage to the other ryots concerned.

"Then, Sir, in some cases, some ryots may be using the water for more than twenty years even though they have no legal claim to do so. Therefore, in passing the rules, account should be taken of this and in cases where the ryots have been using the water for a long number of years continuously, even though Government may consider that such ryots have no legal right for the use of the water, compensation may be given to them.

"Then, Sir, with regard to compensation, in cases where the lands abutting the tank are submerged as a consequence of raising the level, it is not to be treated as a mere question of some compensation at the will and pleasure of the Collector. Under those circumstances, I would rather like such cases treated practically on the same basis as the cases coming under the Land Acquisition Act; persons who have a claim for a particular land, if it is submerged on account of the raising of the level, should be treated as persons who have claims for compensation as under the Land Acquisition Act. We have to pass this Bill to-day but we should not deprive such people of the compensation to which they are legitimately entitled under the Land Acquisition Act. Sir, the Land Acquisition Act procedure is so slow that it sometimes takes months and even years and the benefit of that Act cannot be properly got in time. It is only on account of that delay this legislation is to be passed and therefore I suggest that such ryots whose rights are affected as a consequence of this legislation ought not to be deprived of the rights to which they would ordinarily be entitled to under

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the Land Acquisition Act. I hope the Hon. the Minister in framing the rules under this Act will see to it that such people are not adversely affected on account of this measure."

* M. A. MUHAMMAD IBRAHIM SAHIB BAHADUR:—"Sir, I really congratulate the Government for bringing in this beneficial measure which would certainly increase the food production in this Province. Sir, even though the Government have decided to give top priority to the improvement of the tanks and their restoration to the proper level and the improvement of the irrigation sources, I would warn the Government against certain pitfalls relating to the deltaic areas. In those areas, kudimaramath has been neglected by giving top priority to this scheme. I only really want the Government not to forget kudimaramath in deltaic areas. They should see that the kudimaramath in those areas is not neglected if they really want this Province to be self-sufficient in the matter of food production. Sir, I am not one of those who believe that the Government are sincere in carrying out the kudimaramath work in deltaic areas. Sir, the food production in the deltaic areas would be at least 25 per cent more—if not 50 per cent more—than the actual production if the kudimaramath work is carried out. I therefore really want the Government that in the deltaic areas they should take up the kudimaramath work side by side with the repair work of the irrigation sources."

P. K. MOIDEEN KUTTY SAHIB BAHADUR:—"Mr. 2.45 p.m.
Speaker, I am glad that Tamil Nad and Andhra are going to be benefited by this measure. In fact when this Bill was discussed in the Select Committee I put a query to the then Premier how this measure was going to benefit Malabar. He said that Malabar because of its natural conditions was not going to be benefited by this measure. Therefore in rising to support this Bill to-day, I want to draw the attention of the Government to the fact that this lump sum that is going to be allotted by the Government of India for irrigation schemes will not be available to Malabar. On behalf of Malabar I put forward a claim for a share of this amount also. It has become a commonplace thing to point out to the Government the utter lack of irrigation facilities in Malabar. Therefore I request the Hon. Minister to see that Malabar also is given its quota of money out of the amount given by the Government of India."

SRI N. S. VARADACHARI:—"Sir, I just wish to know from the Hon. Minister whether the word 'tank' has been defined so as to include spring channels. This was mentioned by me when the Bill was introduced. The Hon. Minister then almost spoke in terms which made me hope that he would deeply consider the matter so that spring channels also may be included in the definition of tanks. I wish to know whether this has been done."

THE HON. SRI M. BHAKTAVATSALAM:—"Sir, I am very much obliged to hon. Members for their valuable suggestions and for the support given to this Bill. The hon. Member Mr. Varadachari asked whether 'tank' has been so defined as to include

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spring channels also. The object of this Bill is to restore the capacity of the tanks and improve some of the tanks. Spring channels do not come within the purview of this. But I can assure the hon. Member that we have included the question of spring channels in our scheme of improving irrigation tanks and we are taking up the question of bestowing necessary attention to the improvement of the supply channels which are the support of several of these tanks.

"The hon. Member from Cuddapah expressed his preference to removal of silt from tanks to raising the full tank level. But our technical advisers tell us that removal of silt generally is not a practical proposition and that it is much costlier than raising the full tank level. It was pointed out that in some cases the removal of silt from tanks would be thirty times as costly as raising the full tank level. Wherever it is feasible, we would certainly take up the question of removing silt and thus improve the tanks.

"I can assure the hon. Member from Tanjore that by taking up these tanks we are not going to neglect delta areas. We are already examining the question of substituting a practical system for the old kudimaramath system. We shall be taking up the question of improvements and repairs to the supply channels in the delta areas also. The hon. Member from Malabar expressed his apprehensions about Malabar. I can remind him that we have already passed the Malabar Irrigation Act which gives power to the Government to acquire private tanks and to enter into private lands so as to improve irrigation sources. I do hope, Sir, that with the passing of this Bill into law, the Government will be enabled to go ahead with the scheme of improvement of tanks in this Province."

MR. SPEAKER:—"The question is—

'That the Madras Irrigation Tanks (Improvement) Bill, 1949 (L.A. Bill No. 6 of 1949) as amended be passed into law.'

The motion was carried and the Bill was passed into law.

V.—CHANGE IN THE ORDER OF BUSINESS.

THE HON. SRI B. GOPALA REDDI:—"Under rule 15 (3) of the Assembly Rules, I move, Sir—

'That the Madras Sugar Factories Control Bill, 1948,, be taken up now.'

MR. SPEAKER:—"Motion moved—

'That under rule 15 (3) of the Assembly Rules, the Madras Sugar Factories Control Bill, 1948, be taken up now.'

"If the Sugar Factories Bill is disposed of will not the Motor Vehicles Bill automatically come up as the first item to-morrow?"

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THE HON. SRI B. GOPALA REDDI:—"Even if there is something of it left over, I should like to take the Motor Vehicles Bill as the first item, Sir."

The motion was put and carried.

VI.—THE MADRAS SUGAR FACTORIES CONTROL BILL, 1948 (L.A. BILL No. 9 OF 1948).

THE HON. SRI K. MADHAVA MENON:—"Sir, I beg to present the report * of the Select Committee on the Madras Sugar Factories Control Bill, 1948, and move—

'That the Bill as reported by the Select Committee be taken into consideration.'

"Sir, the report has been circulated to hon. Members. You may remember, Sir, that when this Bill was introduced there was strong criticism from one section of the House and particularly from the hon. Member representing European Commerce, Mr. B. W. Batchelor that this Bill is not a Sugar Factory Control Bill but a Sugar Factory Destruction Bill. Certain provisions were pointed out to be very drastic and it was apprehended by many members that the Bill would make investors rather nervous of starting sugar factories at all if conditions of working them were made uncertain and difficult. On the other hand a majority of the members of the House felt that the sugarcane growers required protection from the arbitrary way in which some of the factories were dealing with them. The experience of the Government during the last two years, at least my experience has been that at the time of the crushing season or just when it begins, there is always some trouble in fixing the price of sugarcane, the factories claiming that the price should be fixed in a particular way and the growers claiming that the price should be fixed in another way. It was found that the Government had not sufficient powers under the existing law to protect the interests of both the parties. There were cases where sugarcane growers have refused to supply sugarcane to the factories with the result that the factories could not work. The Government had no power to compel them to supply sugarcane to the factories. These considerations weighed with the Government in bringing forward this Bill. The Government want to see that neither the industry nor the agriculturists suffered. The interests of the agriculturists so far as sugarcane is concerned are not opposed to those of the factories; they are complimentary to one another. The troubles arise only on account of want of a little bit of mutual understanding. Luckily for us, the Select Committee has been able, with the help of experts and other witnesses who appeared before it, to examine the question thoroughly and modify the original Bill in such a way that it has been unanimously accepted, so far as unanimity could be obtained.

"The Select Committee sat in various places where there were large areas of sugarcane and big factories. The Committee first

* Printed as Appendix I on page 331 infra.

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sat at Bobbili. We visited the sugar factories at Bobbili and Seetanagaram. We heard witnesses on behalf of the ryots and we were able to understand the difficulties of the ryots on the spot. We also visited Vuyyuru, Hospet and Nellikuppam and in all these places the members of the Committee had the advantage of seeing how sugarcane was being brought to the factory, sorted, weighed and payment made. Various complaints which the growers had, we were able to understand on the spot. This experience has considerably helped the work of the Select Committee. The Bill as amended by the Select Committee is before the hon. Members and the amendments are clearly shown in clarendon type. I need not take much trouble to explain them in detail.

"The main objection to the Bill from the point of view of the factories was that the Cane Commissioner was absolute in all matters, that while there were provisions for advisory bodies in other sugar factory control Bills, there was no provision for an advisory committee in this Bill. The Government have in the new section made the following provision:—

'3. The Government shall, by notification, constitute in such manner as may be prescribed an Advisory Committee which shall be representative as far as possible of all the interests concerned, for the purpose of advising the Government on all matters on which consultation with the Committee is obligatory under this Act or the rules made thereunder and on such matters as the Government may refer to it.'

In other portions of the Bill you will find that provision has been made that the Advisory Committee should be consulted at every stage either by the Commissioner or the Government. The conditions of the licence in the original Bill were felt to be very drastic by some of the members and they have been modified in such a way that much objection cannot be taken to the conditions in clause 7. In all such cases where provision has been made for the cancellation of a licence, it has been said that it can be done only after consulting the Advisory Committee. (Interruption.) My hon. Friend says that it is a body constituted by the Government, but the volume of evidence given before us in this respect was to the effect that they would rather have the Advisory Committee nominated by the Government than elected, because it was very difficult to exactly determine what should be the electorate for the growers and the factories. We have made provision that the Advisory Committee should represent the interests of growers as well as the industry. Objection was taken that it would be difficult for the factories as they were uncertain about the period of the licence. Renewal of licence every year was provided for in the original Bill. But on the suggestion of Messrs. Batchelor and Kothari, it has been provided that the factories which are existing now and all the factories for which permission has been given for construction before the publication of the notification under section 6 (1) will get their licences automatically and the

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licence shall be for a period of ten years and every renewal also shall be for a term of ten years and not for one year as in the original Bill.

"Then, it has been provided that agreements between sugarcane grower and the factories in the reserved area should be taken so that the parties will not resile out of the agreements either by the grower saying that he shall not supply or the factory saying that it will not take the sugarcane.

"The other important change made in the Select Committee is to insert clause 14 by which Government may, by notification, levy a cess not exceeding four annas per standard maund, on sugarcane brought into any area specified in such notification, for consumption, use or sale therein. The maximum only is four annas. The cess may be anything between one pie and four annas. I may say, at the outset, that there was not much of objection from the point of view of growers even to this cess. As a matter of fact, the Madras sugarcane-grower gets the cess advantage even now, because there is a cess in the United Provinces and Bihar and there is no cess in Madras which year before last was entirely given to the grower and last year was shared between the grower and the factory. The growers were very particular and said, 'You may take the cess. We do not want that the cess should be taken by the factory. You take the cess and improve the cultivation of sugarcane and the interests of the sugarcane growers.' So, there was not much of objection from the point of view of the growers to the cess. The factories, of course, have objection because the cess has to be paid by them. It must be left open to the Advisory Committee to decide how and from whom the cess should be collected. Provision has, therefore, been made that the Advisory Committee may decide the rate of cess and from whom it should be collected.

"One very serious objection was raised in the original Bill with regard to clause 12 by which the Government took power to prescribe the efficiency of factories. The Select Committee has omitted that clause altogether. So, the factories need not be nervous on that score.

"Messrs. Batchelor and Kothari pleaded, while we were writing the report, that the provisions for licensing were unnecessary and for the same reason sections 9, 10 and 11 were also unnecessary. If sections 6, 7, 9, 10 and 11 are omitted, there will be no Bill before you. The main object of the Government was to take powers to license the factories and provide penalties for breaking the conditions of licence. If those provisions are to be omitted, it will obviously mean the dropping of the Bill which, I am sorry, I cannot accept.

"With these words, Sir, I commend the Bill to the House and I request that the Bill may be taken into consideration."

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MR. SPEAKER:—"Motion moved—

'That the Madras Sugar Factories Control Bill (L.A. Bill No. 9 of 1949) as reported by the Select Committee be taken into consideration.'

* MR. B. W. BATCHELOR:—"Mr. Speaker, Sir, the Hon. Minister has explained to you how hard the Select Committee have worked and modified the provisions of the Bill. I should like to explain to you, Sir, how he met the opposition in every way he could, but in doing so, he took care to see that he would lose not a single vote from the sugarcane growers. He has explained to you and I do not propose to weary the House with the details of how we modified the provisions of the Bill. There are still some objectionable features in the measure but not so many as there were before it went to the Select Committee. But not all the sting has been removed from it by the Select Committee. The only justification for the Sugar Bill should be the promotion of the welfare of the sugar industry which includes not only the cane growers but also the sugar factories. If that were the aim of this measure, then the Government would require power only for two things. The first is to prevent the overcrowding of factories and the second is to ensure the grower a fair price for his cane. The views I expressed in the Select Committee are those briefly quoted by the Hon. Minister from the end of the printed report. Our feeling was that the Government were taking unnecessarily wide powers to secure those objects. The position of the opposition was the sugar industry did not need the shackles of control which this Bill now seeks to put into operation. There is no overcrowding of factories now in the Madras Province; on the other hand, we need more. Our submission was that the conditions of licence imposed by sections 6 and 7 were not really necessary, certainly not at this stage. Those provisions would tend directly to discourage the establishment of new sugar factories in the Province. The only power needed by the Government is to control the location of sugar factories to avoid overcrowding.

"Then, Sir, the second point is this: though the Government are taking power to fix the price of sugarcane, the Bill has failed to provide for the method by which sugar should be paid for. In the Select Committee we were faced with two opposing points of view—the growers wanted to be paid according to the weight of the cane supplied and the highest price they could get, and the factories which were concerned with the output of sugar, wished to base their payment on the sugar yield or sugar content of the cane.

"Sir, in the present context of the industry in India, we are paying much more for local sugar than for sugar imported from other countries. The consumer has a right to be heard and he will certainly object to paying for the sugarcane a price higher than the landed cost of sugar from Java or Sumatra. Obviously if the Indian sugar industry is to prosper, that sort of thing

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cannot go on indefinitely. The price of Indian-made sugar is far too high in the context of world prices. The object of control is to avoid hardship to the grower. Surely if the grower wants a better price for his cane, he must improve the yield from his cane. Therefore, Sir, one main objection of the opposition was that the Bill did not provide the only sound method of calculating the price of sugarcane.

"Well, Sir, the Hon. Ministers are the trustees of the industry. They have the power and it is up to them to see that the industry is not thrown on the mercy of an army of inspectors which would lead to corruption and inefficiency. It is up to them to see that the sugar industry is not thrown to the wolves and that the Cane Commissioner fixes the price by a method which will promote industrial efficiency and its ability to face competition. Otherwise, Sir, the industry is doomed and that is the reason why I oppose the Bill."

MUHAMMAD RAZA KHAN SAHIB:—"Mr. Speaker, Sir, when the Hon. Minister was presenting the report of the Select Committee, I thought that he would do well, as a duty to the Members of the House, to make a strong ground for the Madras Government to pass a measure of this kind. In fact, he took some pains when replying to the debate on the first reading, but I am sorry to say they were not at all convincing. Now after all his experience in the Select Committee and with all the evidences which he had either in Madras or in Bobbili or Nellikuppam or even in Ooty, I thought he would try to make a strong case for the Government that there was a necessity and justification for a measure of this kind. In this connexion, I am sorry to say that it has become the habit with some of our Ministers to have some Act or other whether there is necessity or not. I am one of those who strongly believe that the Government should not bring any measure or legislation unless and until they are satisfied that there is a necessity for the same. Therefore, Sir, except for the argument of the Hon. Minister with regard to the fixation of the prices of the sugarcane, he did not make out any case for a measure of this kind. In fact, even in the report he says that some Members have brought it to his notice that the Government of India contemplate some legislation in regard to sugarcane industry for the whole of India. It is said that 'at the outset, the Committee decided that the Bill should be proceeded with in spite of the proposed legislation by the Government of India assuming control over industries including the sugar industry.' My Friend, Mr. Batchelor, who surely has got a good idea of the industry gave a sketch as to the exact position of the sugar industry in the whole of India. The other day you might have seen in the papers in what an unfortunate state of affairs this industry is placed in the United Provinces and Bihar who supply the requirements of the whole of India. As was said by Mr. Batchelor, the present price of sugar prevailing in this country is 40 or 50 per cent higher in the world market. Now we have no export market. Even the little which we were sending to Pakistan is not received by them for the price is rather high.

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To-day from the report of the Sugar Committee, I find there is a balance of 3 lakhs tons of last year's production remaining unsold. Therefore, Sir, one might ask what would be the result of this legislation on the people of this Province who are in a way trying to start fresh sugarcane factories in this Province? I think it will have a sort of damping effect on them. No doubt, we are having a good deal of sugarcane cultivation particularly in recent years, because sugarcane has been getting a good price, being a commercial crop. People convert it into jaggery and get good value by exporting it to other Provinces. The whole case of the Government is, that there is some difficulty with regard to fixation of the price of sugarcane, either because the growers may not be able to realize the real value or the market value of the sugarcane or the factory owners may not be able to have necessary quantity of sugarcane. But it is always the case that if these things are left to their natural course without any interference by Government they will adjust themselves. Therefore, I feel there is practically no case or justification for the Government to proceed with this measure, and they could as well have allowed things to have their own course, so that they may settle themselves.

"Now, Sir, the Hon. Minister for Law has confused the members of the Opposition when he made some concession with regard to the Advisory Committee, because he thought it would be well to have persons connected with the trade and representatives of sugarcane growers, so that they may understand each other and advise the Government. But, the result of this Act will be, we have to find a new department, we should have a Cane Commissioner, who may possibly be a new official or one who has been working in some other job in the Agricultural department and these Sugarcane Inspectors will be subjected to all sorts of rules and regulations. It is all going to be a cumbersome procedure. On the face of it it may look innocuous but when once the Act is passed, the people concerned will be at the mercy of the small officials and may feel difficulty in developing the trade.

"Another thing as far as our Province is concerned is, we are in short supply of sugar, because our production is not more than 30 or 40 per cent of the requirements of this Province. Of course, I speak subject to correction. (The Hon. Sri K. Madhava Menon: 'It is 20 per cent.') The Hon. Minister says it is only 20 per cent. Therefore, if really it is in the interests of the Government to have more sugar factories in this Province, they ought not to have brought in this measure. People who have the necessary capital for starting these factories, will think hundred times before venturing on the business, because there is already a good deal of interference by the Government at every stage. At a time when we want more sugarcane factories started in the Province—let me not take into account the All-India picture for the moment—this Act, as soon as it is passed, is going to have a damping effect, because at every stage the people who are going to put their capital will have to be at the mercy of the executive or people at the top

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at every stage and instead of their trying to give an impetus to people for starting more and more factories they will be simply retarding the progress.

"With regard to conditions of licence and other things, of course, during the Select Committee stage, some of the clauses which seemed very very objectionable have been removed and they were substituted in an amended form. I do not like to deal with them at present but would like to deal with them when we discuss the Bill clause by clause. The natural corollary of this legislation will be, the Government will have to spend some money on the Advisory Committee and on other officials and therefore the Hon. Minister perhaps thought it was necessary to levy a cess for the purpose. While moving the Bill, though he said that the maximum may be 4 annas, the Government may charge anything. This seems an unnecessary burden both on the factory owners and the sugarcane growers. When the industry should have its own way of adjusting itself, I feel this cess is quite unnecessary and it is the result of a legislation of this type.

"In conclusion, I feel that at this stage it is too much for us to expect the Government to withdraw the Bill. According to the Bill, the Government have taken power to fix the price and it is going to put the Government in an embarrassing position. As the Government stand at present surely they would like to see that justice is done both to the sugarcane growers as well as to the factory owners. But it is going to be a very very difficult problem, because there will be pressure from both the growers and the factory owners and when Government assume the position of a judge, the position will become difficult. Either party will feel that they have got a good case and the factory owners may feel they should have a concessional price because the market rate has fallen. Then the Government will be placed in a very very difficult position.

"In fine, I feel there is no justification for a measure of this kind to be passed by this House, except for the reason adduced by the Hon. Minister, namely, the difficulty of fixation of price. Of course, there is bound to be some trouble here and there, but in the long run things would adjust themselves and there would be no need for a measure of this kind."

* SRI V. C. PALANISWAMI GOUNDER:—"Mr. Speaker, Sir, I am rather surprised to hear the remarks of my hon. Friend, Mr. Raza Khan, that this Bill is almost an unwanted Bill, and that it emanated from the imagination of the Hon. Minister in a haste. I am sure, if he has understood the difficulties of the grower, he would have been the last person to have made such a remark. I would say that this Bill is an urgent necessity in order to improve the lot of the cultivators and at the same time to supply the ever-needed sugar in our country. The production of sugar in India is far short of demand, as everybody knows. But for the imposition of tariff restrictions on the foreign markets, this advance in the matter of sugarcane growth would not have arisen. Now, the ryots feel that owing to the raising of the tariff wall against

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foreign imports their economic condition has very much improved. I would therefore deprecate any idea of removing this tariff wall against the importation of sugarcane from foreign countries in the near future. It will rather affect the grower. Of course, it was pleaded in the interests of the consumer that the price of sugar in India is about 40 per cent over and above the foreign sugar, but we have to put up with it for some more time if we want to make India self-sufficient in this important matter of food.

"Now, Sir, coming to this Bill itself, I would say that it has come not a day too soon. The sugarcane grower will feel that his interest is protected under this Bill because he has to supply cane to the factory on a fair price and we want the factory also to think that it exists in the interests of the producer, but on the other hand the factory should not think that the ryots exist for the factory alone. It is the duty of the Government to see that the producers' interests are also protected. There was a lot of cry from several areas in this Province that the growers were exploited in the interests of the industry and it is because of that this Bill has been brought forward. No doubt, the Bill contains very drastic provisions. The Select Committee sat over the matter, heard witnesses, visited several factories in the Province, both in the north as well as in the south, studied the question and understood the situation both from the point of view of the grower as well as from the point of view of the industry. The present Bill is a compromise, more or less, and it may be said that it is a fair deal as regards the interests both of the grower and the industry. I therefore, welcome this Bill. It goes a long way not only to help the grower but also to help the development of sugarcane in this land. Sugarcane is now more or less an industrial crop unlike the cereals. After the sugarcane is harvested, people manufacture gur out of it, and it is a difficult process, because it has to depend on several considerations. For instance, weather is an important factor and the necessary appliances for milling have to be found, also pans and moulding articles, which have to be obtained from various places. Therefore, at the time of the manufacture of gur the owner has to be at the mercy of several people. Therefore, if the factory is there, he can simply deliver the cane at the factory and get his price. Therefore, Sir, it is to the mutual advantage of the producer and the industry that this Bill has been brought into existence. There are also certain other provisions in the Bill on which I would like to say a word or two.

"As was remarked by the previous speaker, the grower should not be left at the mercy of the inspectors, because he is a very important link in this organization. Therefore, he should not be left at the mercy of the Inspector who wields large powers under the Bill. He is the person to see whose crop has to be delivered first to the factory. I would, therefore, suggest that a local advisory committee may be appointed so that that Committee, together with the inspector, may settle the arrangement of delivery of sugarcane to the factory in the order of production. As

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a matter of fact, several producers have experienced the tyranny of these inspectors. If the growers are in the good books of the inspector, well and good, but if they are not, he will see that their sugarcane is sent to the factory only at the end, and the result of it will be that if the period of maturity of cane is over, there will be great loss to the grower.

"There is also another aspect which has been introduced here in copying the United Provinces Act. No doubt, there is no harm in collecting the cess properly and without the least burden to the producer and spent in the interests of the improvement of sugarcane.

"Of course, the Central Government have got the Sugarcane Breeding Station at Coimbatore. It has done a lot to the grower. It has improved the quality of sugarcane. The sugarcane growers are very much benefited by this Research Station and they have improved their sugarcane cultivation. Therefore, I request that a greater part of the amount collected from this cess may be utilized for further improvement of sugarcane cultivation in the Province. But it is not definitely stated in the Bill whether it should be collected from the producer or from the factory owner. Of course, no producer will welcome any further amount to be paid for his cane delivered at the factory. But the factory owners who are earning a lot of money can afford to pay this cess of four annas per maund. At the same time I would request the Government that this four annas should not be collected at every time because it will retard the interests of the producer. Already the price fixed by the Government is not fair and in addition to it, if a cess is to be levied on the producer, he will rather resort to production of Gur rather than sugar. Therefore, in the collection of this cess, the interests of the producer should be sympathetically considered.

"In conclusion, I request the Government to show greater sympathy to the growers and that a fair proportion of producers should be given representation in the Advisory Committee proposed in the Bill. With these words, I strongly support this Bill."

* SRI M. A. EASWARAN:—"Mr. Speaker, in supporting the Bill, I wish to say a few words. This Bill is brought before this House just to protect the interests of sugarcane growers because last year some factories—especially factories in Hospet and Nellikuppam refused to take sugarcane on the plea of its bad quality and sugarcane growers were put to a lot of trouble. Everyone knows that if sugarcane is not taken immediately by the factories and if it is left there for two or three days, certainly it can be used only for fuel purposes. Such was the condition of these growers last year and they pressed the Government to help them overcome these difficulties. Thus the Bill has come before this House. Of course, the Select Committee visited nearly all the factories and also took evidence from sugarcane growers. Mr. Batchelor said something on two points. There is a conflict of opinion between the growers and the factory owners. Factory

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owners take only cane with more sucrose content and want to fix the price according to the sucrose content but the sugarcane growers want that the amount should be paid according to the weight of the sugarcane. There the difficulty comes and how to overcome it? So, after visiting factories and taking evidence from both the sugarcane growers and factory owners, they have brought this Bill in its present form. They want to protect the interests of sugarcane growers but at the same time they also want to protect the interests of factory owners. For that purpose, they have made provision in this Bill for the constitution of an Advisory Committee to assist them. In such cases where the conflict comes between the sugarcane grower and the factory owner, they are to consult this Advisory Committee and come to an amicable settlement. Therefore, this Bill is not intended to crush the sugar industry or the sugarcane growers but it is intended to help both of them. With these words, I wholeheartedly support this Bill."

* SRI N. S. VARADACHARI:—"Mr. Speaker, Sir, it is no doubt true that this Bill was subject to considerable criticism and it has emerged out of the Select Committee with a number of changes which have already been explained by the Minister concerned.

"Sir, much talk has been indulged in about the man who is most oppressed. Everybody has been trying to suggest that either the factory owner is the oppressed person or the sugarcane grower. May I respectfully submit that the man who is subject to oppression all these days is the consumer of sugarcane who is to pay a very high price for sugar because of the necessity to protect the local industry against imports. I admit that there is a certain amount of necessity for protecting the sugarcane industry but protection cannot be given indefinitely and the consumer cannot indefinitely be asked to bear this burden of increased price for sugar and in return what do we get?

"First sale of sugarcane is not subject to any tax and the grower goes off with all the cash in his pocket and accumulates an amount of purchasing power which may not be usefully spent in all instances. I do not suggest that the factory is always disregarding the interests of the sugarcane grower. This Bill has adopted a truly democratic method of constituting an Advisory Committee which will act more or less as the arbitrator between the producer and the factory owner. Here I want to draw the attention of the Hon. Minister concerned to the fact that the object of clause 3 seems to constitute 'one' Advisory Committee for the whole Province. Conditions may be totally different in the Circars from what they are in South Arcot or Tiruchirappalli district and for administrative reasons, it is better to constitute Regional Advisory Committees which will take into account special factors obtaining in particular districts in order to fix the price of sugarcane in those areas. I am not quite clear whether the Hon. Minister means only 'one' Advisory Committee for the entire Province. I

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think it requires looking into and perhaps administrative convenience demands that even if the Commissioner is one, the Advisory Committees should be on a regional basis and they should be constituted for such regions as the Government may determine from time to time. Of course, these regions should comprise all such areas where conditions are similar and where circumstances will be taken into account which will determine the fair price as between the grower and the factory owner.

"Sir, I now come to the functions of this Advisory Committee. It is now given a very wide function. It will be constituted, I suppose, on truly democratic lines. It is no use giving more representation to producers than they can legitimately bear. So also factory owners should be given such representation as would be legitimate on behalf of the factory but the majority of them should be those who will determine more or less by the method of arbitration, as to what would be fair between the cane grower and the cane crusher. That is the point which ought to be really borne in mind. The whole object of the Bill will depend on the constitution of the Advisory Committee and the manner in which it performs its duties. Of course it is the body which will more or less initiate negotiations and settle terms of agreement which will be entered into between the factory owners and the owners of land and will also determine the quality of cane—the one vital consideration on which the price of cane should depend. I agree with Mr. Batchelor that we should not pay for mere wood. But at the same time I want that the factory owners should not forget that rejections made by them may ultimately group themselves into such a figure that it may well cut into the legitimate income which ought to be made by sugarcane growers. Sugarcane crop is no doubt an important crop but we have no crop control and we have no limitation imposed on it with the result that it has sprung up in areas where it has taken the place of other important food crops, over which the Bill is not concerned. The Bill is only concerned with the adjustment of relations, so to say, between the growers and the factory owners. To that extent, the Advisory Committee or Committees—if he is prepared to amend clause 3 of the Bill—constituted by the Government would certainly look into it. That is the point I wished to make.

"Sir, I am glad that the Government have adopted the suggestion I have made with regard to the levy of cess. The cess is to be levied subject to a maximum of four annas per standard maund. The maximum is no doubt there. Of course the Government need not immediately levy the maximum in all cases but you should not start with the minimum which would make the cess really ridiculous. If you really want to safeguard the sugarcane crop, improve the yield and raise the quality from time to time as would ensure the production of cheaper sugarcane. I say the cess should be such as would at least bring in a substantial sum which can be devoted for the improvement of sugarcane. I know that to-day the margin of profit for the grower is considerably

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more in sugarcane than in other food crops. I am not here to suggest that he is a total profiteer. Nothing of the kind. But the compensation that he should make when he is growing some other crop instead of the food crop which he is expected to raise either for himself or for his unfortunate neighbours in the locality, should be such as would compensate the State for the loss in the total quantity of foodgrains thus sustained. To-day factories may require in all, I suppose, about 40,000 tons a week. I have made a very rough estimate of the whole thing. Even after allowing for the manufacture of jaggery which is a necessity in every home to-day especially in South India considering the number of uses to which it is put to in ceremonies and even in the ordinary course of daily life, I say there is room for a diversion of twenty to thirty thousand acres under this head. Now, this cess levied at four annas per standard maund, works out roughly to about six rupees per ton. I am speaking subject to correction. And I think it will bring in some substantial revenue if levied even at the commencement at the rate of two annas per standard maund.

3-46 P.M. "There is a case for the Government to take up the responsibility of improving the cane in all the areas; to-day it is one thing in one area and quite another in another area and there is a lot of headway to be made in the matter of sugarcane production. If you want to produce well enough and in such quantities as would meet the demand of the factories allowing for the manufacture of jaggery in such quantities as the country may take then there is ample room for improvement even in the existing areas in the matter of production of sugarcane and that is what I would say in support of the levy of cess.

"Another thing with regard to controls is that they should not be made indefinite and there should be, in my opinion a period after which should follow a natural adjustment and then people would give up all ideas of control. It becomes a vice if it is a continuous control in certain directions; but it may be necessary in certain areas. I do not say that the Government should enforce the provisions of the Act in all areas all at once and that is why I suggested the constitution of more than one Advisory Committee. If really the factory-owners and growers are not able to agree upon mutual terms in particular areas, then this Bill may be put into effect and the Advisory Committee constituted for that area may endeavour an arbitrament between them and it need not necessarily extend to the whole Province. If the Government think that this infection will spread to all areas, then the Government may enforce the Act throughout the entire Province. If you find eventually by means of this control that neither party stand to gain and it throws a burden on the consumer, then I suggest that there must be a certain amount of relaxation of the control at the end of the period. So I suggest to Government to examine the position very carefully and enforce the Act only in such areas as would immediately require it and even then I would wish them to reserve power to themselves and not bind themselves

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as in clause 3 to an Advisory Committee but provide for Regional Advisory Committees as would usefully function in the matter of arbitrament between the producer and the factory owner."

* SRI D. V. RAMASWAMI:—"Mr. Speaker, Sir, I rise to express the thanks of the sugarcane growing community as also of some of the persons who are interested in the development of the industry in our part of the country where there are not too many sugar factories. The Bill as originally drafted revealed that it was capable of much improvement and that object was fully achieved as would be seen if you compare the Bill as it has emerged from the Select Committee with the original as introduced in the House. I would respectfully suggest that my hon. Friend, Mr. Batchelor, in presenting his criticism with regard to the fixing of the price with reference to the sucrose content of the sugarcane rather than on the basis of tonnage has not taken care to give that respect to the opinion of the Government of India Sugar Technologist that it deserves. It is evident if you take his opinion that the question of basing prices on sucrose content is not only contestible but also it is not safe in the conditions existing in India to-day. It is a moot point and the present system of basing the price on tonnage should be continued. That is the clear opinion that has been stated by him.

"Secondly, the apprehension of my hon. Friend, Mr. Raza Khan, is baseless. You know, Sir, that my district of Visakhapatnam is a very large sugarcane growing area for the last two or three centuries and I know that they expect the provisions of the Bill to be accepted by this House. So, since this Bill contains provisions regarding the majority recommendations in the memorandum presented to the Hon. Minister when he toured the several sugarcane growing areas in our district, we feel that this is really a great protector of the interests of the growers both with regard to guaranteeing them regular sale to the factories as also honest ways of dealing with the sugarcane in the matter of weightment at the time of delivery to the factories as also with regard to forcing factories so that all the sugarcane need not unnecessarily be tied down to particular factories with the possibility of being rejected much to the detriment of the growers as it occurred in 1944 and 1945 causing them enormous loss. The interests of the growers have been carefully noted and provided for in the Bill. There is any amount of scope for starting more factories as only 30 per cent of the cane grown is being now utilized and that is why provision has not been made to restrict the export of sugarcane from one province to a neighbouring province.

"The provisions in the Bill regarding the Sugarcane Commissioner have been characterised by my hon. Friend, Mr. Raza Khan, as cumbersome; I do not find anything cumbersome about it. In the present infant stage of our sugar industry what is the use of a number of appointments, as Regional Commissioners? We are in fact making a start on the lines of the U.P. legislation and we have individualized in order to suit the needs of our Province

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which is not so developed as the United Provinces in the matter of sugar industry. Therefore, we have to proceed very carefully and I welcome the provisions for the constitution of one Central Sugarcane Advisory Committee with a Sugarcane Commissioner. The Advisory Committee is to consist of representatives of all interests, not only growers but also factory-owners and consumers as well as labourers in the industry and I feel that even the wording has been very carefully chosen. With regard to the imposition of cess although Mr. Varadachari welcomes it, it has been opposed by several hon. Members but still it has to be remembered that it is intended not only for meeting the cost of the new establishment but also expenses for research in sugarcane cultivation and advising the sugarcane growers how to enhance their output and improve the quality of their produce which will be of great advantage both to the producer and to the factory-owner. It is based upon a scientific evaluation of the present position of the industry and I wholeheartedly welcome the Bill and I also feel that in the light of the provisions in the Bill particularly clauses 6 to 12, they will not be raising objections but support the Bill."

* SRI T. VISWANATHAM:—"Mr. Speaker, before offering my remarks on the Bill, I wish to thank the Hon. Minister in charge of the Bill, Mr. Madhava Menon, who was good enough to allow me to be present at the Select Committee meetings which produced the result which is now before us for consideration. I shall confine my remarks to certain aspects of the Bill not touched upon by other hon. Members to avoid repetitions—not that I agree with them nor do I disagree with them entirely.

"The main point to which I wish to address myself is with reference to sections 15 to 17 of the Bill as also sub-clause 3 of section 11. All these relate to one matter namely, the appropriation by the executive of the powers of this Legislature and I think it would be convenient to take them up all together. There is also the other point of the ousting of the jurisdiction of civil Courts. This is a matter which has come on the floor of the House quite a number of times and they are again repeated in this Bill. Let me take clause 15. It says:

'Where a person committing any offence is a company or an association . . . the Manager, Secretary, agent or other principal officer managing the affairs . . . shall be deemed to be guilty of such offence.'

Instead of saying that the Manager, Secretary or the principal officer of the company shall be the person liable for any contravention of the provisions of the Bill, it has been said that they shall be presumed to be guilty of such offence. In every other case—in other words—if it is an individual, the prosecution has to prove the guilt but in the case of a company or an association, the question of proof, the burden of proof is immediately shifted on to the accused. I say, Sir, the same principle should be applied to both cases as in every criminal case—the prosecution has to prove the guilt of the accused persons. I thought during the course of

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my discussion with the Hon. Minister that the wording of this section would be changed so that the ordinary rule of proof of guilt by the prosecutor would be embodied. It is true after my discussion with him, the clause was changed to some extent in that while the original clause sought to make punishable even an absentee director, the Hon. Minister has been good enough to omit that portion and confine the liability only to the principal officers in charge of the affairs of the particular firm. I still say that the other point will have to be looked into and I trust the Hon. Minister will himself move an amendment to the effect that in the case of corporations or companies, the persons liable for the contraventions of the provisions of the Act will be the principal officers and the others mentioned in it but that there shall be no initial presumption of guilt against them.

"Secondly, I come to clause 16. This is a clause to which in many of the previous discussions your attention has been drawn on a number of occasions. 'No suit, prosecution or other legal proceeding shall lie against the Government or against any authority' is not such a bad thing because there is this qualification, namely, 'for anything which is done in good faith or intended to be done under this Act.' But may I call your attention to clause 2, which is the most offending clause, the greatest offender created which is the creation of this legislature and which finds a place in every piece of legislation?—

'No decision of the Government of the Sugarcane Commissioner or any Inspector in the exercise of any discretion or authority conferred by or under this Act shall be liable to be questioned in any Court of Law.'

I submit that this is the very limit to which legislative decency could go. In England till recently the liability of the Crown was somewhat similar to the position of the Government here; the King can do no wrong was the proposition and from it flowed a number of propositions.

"Sir, in 1947 an Act was passed. It is called the Crown Proceedings Act, 1947. After the attainment of independence, we are not of course looking to the legislation of England. But let us examine what had happened after 1947. Formerly the Crown was not liable and it was the officers that were liable unless it was proved that the Crown was a direct party. But now, under this Act, this is the main provision:

'Subject to the provisions of this Act, the Crown shall be subject to all those liabilities in tort to which, if it were a private person of full age and capacity, it would be subject:—

- (a) *in respect of torts committed by its servants or agents;*
- (b) *in respect of any breach of those duties which a person owes to his servants or agents at common law by reason of being their employer; and*

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(c) *in respect of any breach of the duties attaching at common law to the ownership, occupation, possession or control of property.*

Sir, I submit exactly the reverse of it is the position taken up by the Government of Madras. In this Bill, it will be seen that in a number of provisions, discretionary power is vested not only in the Government and the Advisory Committees, but also in the Sugarcane Commissioner, and the various Inspectors appointed by Government wherever there are factories. Vast powers to the extent of cancellation of licences completely and fixation of prices are also vested in these authorities. I submit there must be a safeguard in this matter. These decisions have therefore to be subjected to review by a Court of Law and if this is not done, there will be no protection for the citizen against indiscretions of officers. Not merely civil liberties are involved but there are also punishments and penalties, like fines and imprisonment for the offences. Sir, if we take pride that we are a democratic Government and if we take pride that, after the attainment of independence, we are progressing on safe and smooth lines to make it safer for the Indian subjects to live in this Union with a sense of security for personal liberty and protection of civil rights, I submit a provision like this ought not to find a place in any legislation. It is only the rule of law on which the liberty of the subject and the protection of his rights depend.

"I would also refer to one of the recommendations of a Committee of the House of Commons appointed to go into the Ministers' powers. In their report to the Lord High Chancellor, they made a scathing criticism on the growing tendency of Government to concentrate powers in the executive hands and deprive the Courts of the legitimate exercise of their functions. I submit that one of their recommendations is:

'The jurisdiction of the High Court of Justice to compel Ministers and Ministerial Tribunals to keep within their powers and to "hear and determine according to law", i.e., to exercise their judicial and quasi-judicial powers in good faith and uninfluenced by extraneous and irrelevant considerations and fairly and not arbitrarily, should be vigilantly maintained.'

Even in enlightened England, the Executive had to be reminded of its limitations and its position in relation to the Court of Justice. The Committee thought that no such delegation of powers of Ministers to their subordinates was safe in the interests of the liberty of the subject unless their decisions are subject to the scrutiny by the High Court. It is the primary duty of the Courts of Judicature to see that the Executive and the Officers of the Government have exercised the powers according to law and without reference to extraneous considerations. That is why the recommendation runs in that language.

"The fundamental point therefore is that the High Court must be empowered to compel the Government to be within the bounds of law. Here certain functions are assigned to the Inspectors

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and others. If a subject of this Province feels that powers have not been exercised in the way in which they ought to be exercised, he must have a right to go to the Court of Law to agitate his right, and the Court must have the power to correct the Ministers and their officers. Thus the one supreme function of the Court of Justice is to compel Ministers and the Officers to exercise their judicial and quasi-judicial powers in good faith and uninfluenced by extraneous and irrelevant considerations and fairly and not arbitrarily. On the other hand it is said here that no decision of the Government, the Sugarcane Commissioner or the Inspector in the exercise of his discretionary powers will be liable to be questioned in a Court of Law. Though I was not a member of the Select Committee, the Hon. Minister for Law gave me every indulgence and heard me and even then I wanted to impress upon him this point but somehow he was not able to agree. So I left it at that and there it remained. But I submit once more for his consideration that clause (2) of section 16 might go away in toto. So far as "good faith" mentioned in clause (1) of section 16 is concerned, the Penal Code also gives protection to all officers who exercise their duties in "good faith". Here it is superfluous; but the second sub-clause to section 16 shall not stand there in the interest of the fair name of the Congress Organization and the Congress Government.

"Then in section 17, there is a small clause 'The Government may make rules'. As I submitted on a previous occasion there are two methods of making rules. One is simply publishing the rules in the *Fort St. George Gazette*. The second is inviting criticism first and then confirming the Rules. I submit, if the Hon. Minister is good enough, he may himself alter the wording to 'The Government may after previous publication make rules to carry out the purpose of this Act.' The Hon. Minister may modify it in that form, since the sugarcane season is still a long way off and there is enough time for publishing, inviting criticism and confirming the rules. As Mr. N. S. Varadachari stated, the ordinary consumer is forgotten whenever a legislation is brought forward in the interests of the producers or the manufacturers. It is the consumer's cost that is made to rise higher and higher. Personally I wonder why we should pay a higher price when foreign sugar costs 50 per cent less. This Government have not much to do with regard to this I know. It is up to us to press upon the Centre that they must be content with certain powers and should not be so anxious to have every power for themselves, to control food and also that small article, sugar. Sugar is necessary not only for coffee but also very often for medicines. The poor man cannot afford to pay higher price. I request the Hon. Minister to address the Central Government in this respect. There is one other point I want to mention. Only one Sugarcane Commissioner is to be appointed under this Act. It is all very well to have one Central Officer. But the sugarcane factories are situated in a number of places. The conditions in the Visakhapatnam district are different from the conditions in the deltaic districts like Krishna or Hospet.

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There are also other places in the south where conditions are still different. It is not easy for one Sugarcane Commissioner to exercise all functions by himself, viz., supervision of Inspectors, consultation with the various Advisory Committees, etc. All these functions which are assigned to him under this Act have got to be exercised during a short period of time before the crushing season begins and sometimes before the planting season begins. It will be very difficult to settle disputes and come to satisfactory conclusions within the short time at his disposal. Delay would recur. Every day's delay that occurs will mean a loss of 100 to 1,000 tons: it is a loss to the nation. I therefore submit that a provision might be made for the appointment of Regional Commissioners in the interest of expedition of work and in the interest of avoiding any possible national loss.

"There is one other clause in the bill about which I wish to say a few words, and that is clause 11 (3). It gives large powers to executive authority. The clause runs thus:

(3) The Government may either *suo motu* or on application call for, and examine the record of any order passed by, or any proceeding recorded by, the Sugarcane Commissioner."

4-15 p.m. The clause says that Government may *suo motu* examine the record of any order passed. Sir, a regular machinery is provided for and so Government should be content to follow the regular procedure rather than take power to call for the records *suo motu* and pass any order they like. Government seem to be under the comfortable sense of delusion—"for what do we exist here when we have no power to call for the records and do what we like". That seems to be their view of the matter. I think the action of Government in taking power to act *suo motu* will give rise to the possibility of patronage, and though sometimes it is useful to do justice, it must be recognized that it will equally give room to abuse. Why should Government subject themselves to this when they have the Advisory Committee and the Sugarcane Commissioner. I submit Government should deprive themselves of the luxury of *suo motu* calling for records from the office of Sugarcane Commissioner and others."

* THE HON. SRI K. MADHAVA MENON:—"Mr. Speaker, Sir, I did not go into the details of the necessity for this Bill in my speech. That was the charge of Mr. Raza Khan, and he said that that obviously shows that there is no necessity for this Bill. Sir, I took it for granted that after two days' discussion in the first reading stage the House accepted the principles of the Bill when it referred the Bill to a Select Committee. In the Select Committee stage we examined the objections raised against the Bill, we heard evidence tendered, we saw the working of the factories and every effort was made to improve the Bill; so that I did not want to repeat the arguments I made when I introduced the Bill once again now. I only wish to say exactly what happened last year, just at the beginning of the crushing season. Then the

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power of Government to fix the price of sugarcane was very limited. As you all know, the price of sugarcane is more or less not fixed by Delhi, as Mr. Viswanatham wanted to make out. He said, 'we should not allow Delhi to interfere and fix the price of sugarcane'. The price is fixed in the United Provinces and Bihar by the Sugar Syndicate and not by Delhi. When the Sugar Syndicate have once fixed the price of sugarcane we cannot do anything here, for our powers are very limited. Last year the factories refused to accept the price fixed by Government, and the result was a very serious calamity was threatening the cane-growers. Year by year the area of sugarcane grown for supplying the factories is growing. The sugarcane-growers were forced by factories to accept the price they offered. The growers cried out to Government, 'For Heaven's sake do not fix the price of sugarcane'. The situation was such, last year, that if for a day more there was delay in settling the dispute, the whole cane would have had to be burnt, and the growers would not have got even a single pie. That was the position that Government were faced with. However, it may be that only twenty per cent of our total supply of sugar would have suffered thereby. But it is the duty of the Government to see that protection is given to the grower, that he gets a fair price and that he does not lose anything, whatever be the quantity that he grows. Year after year, at the time of crushing season this question of fixing the price of sugarcane, the factories refusing to pay the price fixed by the Sugar Syndicate and the Government having no power face us. Luckily since the last crushing season, previous to the commencement of planting of cane the factories and growers entered into an agreement between themselves without the intervention of Government as to the price at which the mills should be supplied with cane. We have to prevent the greedy producer of cane demanding a high price and the greedy factory owner willing to give only a low price. So we have to make a provision for such a contingency. It is not necessary that we should exercise all the provisions of the Bill in every case. It is only when a dispute arises that this Bill will have to be enforced. As far as possible disputes are avoided by compelling parties to come into agreement with factories. Only when there is dispute between the growers and factories, will this measure have to be carried out. The reverse case happened in Hospet year before last. The price of jaggery went up and it was more than what the factory could offer; and the factory might have to be closed. But such a contingency should be avoided. We must see that they should be protected against such a contingency. Both should be protected.

"Now, coming to the point of Mr. Raza Khan, about the necessity for this Bill, the vituperative portion I will rather leave alone, though oftentimes I can return it in the same coin, but he is not here, and so I do not deal with it here. Mr. Batchelor said that the main objection to this Bill is the omissions of this Bill and not the commissions. The main omission he has pointed out is that Government have not said how they are going to fix

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the price of sugarcane. That was the very point the Joint Select Committee was faced with; whether they should here in the Bill itself lay down the method of fixing the price. The factory owner as well as the industrialist in his evidence was very very vehement that the payment of price for sugarcane should be based entirely on the sucrose content and that every other thing is unscientific. But the growers say they should be paid for the cane supplied irrespective of the quantity of sucrose content. They say, they have no facilities to find it out, they do not know how the factories manipulate to extract the sucrose; they do not have admission into factories and they do not know what machinery they have to extract the sucrose, and so they should be paid for the sugarcane they supply. They further ask: 'are the cotton growers paid on the basis of how much yarn is turned out of the cotton they supply? In every other case of raw material supplied the producers are paid on the basis of quantity of raw material supplied then and there'. . . . So the Select Committee said 'we need not put the method of determination of price in the Bill itself; let us leave it to the Commissioner and the Advisory Board and let them decide whether payment to the cane-growers be by sucrose basis or on the quantity of cane supplied.' So that is not an omission; it is a deliberate act of the Committee; they thought that they should not commit themselves to anything.

"Mr. Palaniswami Gounder supported the Bill, but said that due to this Bill the growers should be at the mercy of the Inspectors. Sir, if the Bill becomes law there must be some staff to work it. I certainly agree that neither the growers should be put at the mercy of the Inspectors nor the Inspectors' discretion be fettered at every stage when he has to do his duty. So it is a common ground that neither of them should be fettered.

"Mr. Viswanatham said that there should be an advisory Committee for every region. It is not possible. What is contemplated is that the Advisory Committee comes in only at certain stages. There is one Commissioner; there is no necessity for one Advisory Committee for every region. At the present stage more than that is not necessary. Then I come to the objection of Mr. Viswanatham. The gravamen of his charge is we have gone against all sense of decency in making legislation under clause 16 (2). I do not know as much about the question of legislative decency as Mr. Viswanatham, and I am certainly prepared to learn it from him. But in this particular case I am afraid he has not thought about the matter as much as some of us have in the Select Committee or myself at least. Indeed he was kind enough to be present in the Select Committee by invitation, and I am glad of it, as otherwise more objections would have come from him. The clause under objection runs thus: 'No decision of the Government or the Sugarcane Commissioner or any Inspector in the exercise of any discretion or authority conferred by or under this Act shall be liable to be questioned in any court of law.' Apart from quoting precedents which is habitual with lawyers, he has commended me to the United Provinces Act on the subject. That Act has been

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worked for a long time; and an identical provision I find there also. That has been drafted long ago and they have worked it. That provision says 'the exercise of any discretion or authority conferred on the Government or the Sugar Commission or Sugar Commissioner or the Cane Commissioner by this Act shall not be questioned in a civil court.' So if precedents are worth anything, precedents are there. Apart from the question of precedents, whatever may be said about the justification that civil courts should not be deprived of their powers of jurisdiction, there is a great danger to the sugar industry if at every stage for the action of the Inspector a civil suit is filed."

SRI T. VISWANATHAM:—"That is not what I said. I shall explain myself. I did not mean to say or I do not propose to say that every decision made or order passed by the Inspector should be made the subject-matter of a suit. But the question is the jurisdiction to go into the fact whether the various officers exercised their powers within law and under the terms imposed by the statute must be scrutinized by courts. If that is not to be so, the law that we pass is not worth anything."

THE HON. SRI K. MADHAVA MENON:—"The explanation does not alter my position very much. The sub-section reads:

'No decision of the Government or the Sugarcane Commissioner or any Inspector in the exercise of any discretion or authority conferred by or under this Act shall be liable to be questioned in any court of law.'

Sri Viswanatham says that the courts should have the power to see whether the Commissioner or the Inspector has exercised his authority or discretion properly. Improper exercise of authority will always be covered by civil courts. In the Seethanagaram area of Bobbili, a large quantity of sugarcane is grown mostly for export to the Rayagedda factory in Orissa. Suppose the Inspector grants a permit for exporting the extra quantity of sugarcane to the Rayagedda factory. The factory owner can file a suit and get an injunction order against the permit issued by the Inspector. But unless the cane is transported within twenty-four hours, it will deteriorate and become only fit for burning. Is it possible to regulate the movement of sugarcane with a provision like the one suggested by the hon. Sri T. Viswanatham? It is not because of my dislike for civil courts that this clause has been introduced; it is introduced for protecting the interests of the sugarcane growers. In this matter, I am unable to accept the suggestion of Sri T. Viswanatham.

"The other objection of Sri T. Viswanatham is to clause 15. The clause, as it stood in the original Bill, was more drastic than the clause as amended. The original clause provided that every director, manager, secretary, agent or other officer or person concerned with the management of the corporation shall be deemed to be guilty for an offence committed by the corporation, with the saving proviso that he can prove that the offence was committed

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without his knowledge. Sri Viswanatham complained that the clause was too wide. But there was a similar section in the United Provinces and the Bombay Acts. The members of the Select Committee were unanimous in suggesting the amendment which has been made, and Mr. Batchelor, particularly in the last meeting of the Select Committee, said that he would prefer the present clause than to retain the provision in the original clause giving opportunity to the concerned person to prove his innocence. Sri Viswanatham says that according to the amendment the burden of proof is shifted—shifted not to the extent he thinks. Most of the sugar factories are registered companies. If a company or firm commits an offence, the commission of the offence has to be proved by the Government. Once the offence is proved, somebody must be held responsible for it. Therefore we have said that the manager, secretary, agent or other principal officer managing the affairs of such company shall be deemed to be guilty of the offence. The burden of proving the offence still rests with the prosecution side, and it is not shifted as Sri T. Viswanatham believes.

"As regards publishing rules and inviting objections, I have not read or heard of inviting objections to the rules with respect to any Act. The rules will be published in the *Fort St. George Gazette* and I shall persuade my Colleague, the Hon. Sri A. B. Shetty, to invite objections."

MR. SPEAKER:—"The question is—

'That the Madras Sugar Factories Control Bill, 1948 (L.A. Bill No. 9 of 1949), as reported by the Select Committee, be taken into consideration.'

The motion was carried.

Clauses 1 to 12 were put and carried.

Clause 13.

M. A. MUHAMMAD IBRAHIM SAHIB BAHADUR:—"Sir, I move—

'That after clause 13, add the following as clause 13-A and 13-B:—

"13-A. No court shall take cognizance of any offence punishable under section 13 except on a complaint in writing of the Sugarcane Commissioner or any person authorized by him in writing in this behalf:

Provided that no prosecution will be instituted in respect of an offence punishable under section 13, sub-sections (1) and (3) except with the previous sanction of the Provincial Government or any officer authorized by them in writing in this behalf.

13-B. No offence punishable under the Act shall be enquired into and tried by any court inferior to that of a Presidency Magistrate or any Magistrate of the first class."

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"In the scheme of the Act, I found certain omissions. Provision has not been made in the Bill for taking cognizance of offences. I want that prosecution in certain classes of offence should be instituted with the previous sanction of the Government. No provision is made in the Bill about the class of Magistrates who shall try the offences punishable under this Act. To rectify the above omissions, I have moved the above amendment. The amendment is reasonable and I hope the Hon. Minister will accept it."

Haji Moulvi Abdul Khader Jamali Sahib Bahadur:—"I second the amendment."

MR. SPEAKER:—"Amendment moved—

'That after clause 13, add the following as clauses 13-A and 13-B:—

"13-A. No court shall take cognizance of any offence punishable under section 13 except on a complaint in writing of the Sugarcane Commissioner or any person authorized by him in writing in this behalf:

Provided that no prosecution will be instituted in respect of an offence punishable under section 13, sub-sections (1) and (3) except with the previous sanction of the Provincial Government or any officer authorized by them in writing in this behalf.

13-B. No offence punishable under the Act shall be enquired into and tried by any court inferior to that of a Presidency Magistrate or any Magistrate of the first class."

THE HON. SRI K. MADHAVA MENON:—"I am sorry I cannot accept the amendment. At the same time I am glad that the hon. Member has got confidence in the Government. The amendment proposes that the complaints shall be made by the Sugarcane Commissioner in writing and that certain prosecutions should be launched with the previous sanction of the Government. I don't think there is any particular reason for departing from the ordinary laws. An offence becomes cognizable or non-cognizable according to the nature of the punishment provided for in the Criminal Procedure Code, and in this respect also we need not depart from the ordinary law.

"No offences will come up for trial by the Presidency Magistrate, as there are no sugar factories in the Madras City area. When the Bill provides for a fine of two thousand or five thousand rupees, the offences relating to such fines must necessarily be tried by first-class magistrates."

The amendment was, by leave, withdrawn.

Clauses 13 to 18 were put and carried.

Preamble.

The Preamble was put and carried.

THE HON. SRI K. MADHAVA MENON:—"I move—

'That the Bill, as reported by the Select Committee, be passed into law.'

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"Though I did not accept certain suggestions made by Sri T. Viswanatham, I may say that if any defects are found in working the Act at least during one season, necessary amendments will be brought forward to rectify the defects. The object of the Bill is that the sugar factories and growers should work as complements and not as opponents, so that the sugar industry and the sugarcane grower may prosper and the consumers also might get sugar at a cheap price."

MR. SPEAKER:—"Motion moved—

'That the Madras Sugar Factories Control Bill, 1948, as reported by the Select Committee, be passed into law'."

SRI T. VISWANATHAM:—"As I do not wish to detain the House at this late hour, I shall be very brief in what I wish to say. The Hon. Minister was at pains to explain that giving jurisdiction to courts of law would delay matters. It was never my intention to create such an impression and I was not responsible for that impression. What I said was that the courts must have jurisdiction to judge whether the officers have exercised their authority or discretion properly within the ambit of the Act. A provision to the effect that no court of law shall have the power to see whether the officers have used their discretion properly or not will engender in the minds of the officers a psychology of utter disregard for the rights of individuals, and it is not right that the Government should be a party to the creation of such a psychology. If, after working the Act for some time, the Government feel that such a psychology has been created, I hope they will come forward with suitable amendments, then at least."

THE HON. SRI K. MADHAVA MENON:—"I have nothing more to add."

MR. SPEAKER:—"The question is—

'That the Madras Sugar Factories Control Bill, 1948 (L.A. Bill No. 9 of 1948), as reported by the Select Committee, be passed into law'."

The motion was carried and the Bill was passed into law.

The House then adjourned to meet again at 11 a.m. the next day.

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APPENDIX I.

[Vide item VI on page 307 supra.]

To

THE HONOURABLE THE LEGISLATIVE ASSEMBLY,
MADRAS.

The Select Committee appointed to consider the Madras Sugar Factories Control Bill, 1948 (L.A. Bill No. 9 of 1948), has the honour to make the following report.

2. This Bill was published in English in the *Fort St. George Gazette* on the 14th December 1948.

3. The Select Committee was appointed on the 11th February 1949.

4. The Select Committee met altogether on nine days, viz., 3rd March 1949, 15th and 16th April 1949, 6th, 9th and 16th to 18th May 1949 and 4th June 1949.

5. At its first meeting on the 3rd March 1949, the Committee decided to call for opinions from persons interested in the Bill by notification in the press, to visit sugar factories in the mufassal and take oral evidence on the spot, if necessary. The Committee accordingly visited the Sri Rama Sugar Mills at Bobbili and at Sattanagaram, the K.C.P. Sugar Factory at Vuyyuru, the Indian Sugars and Refineries, Limited, Hospet, and the East India Distilleries and Sugar Factories, Limited, Nellikuppam. The Committee also examined the witnesses who appeared before it at Bobbili, Hospet, Nellikuppam and Ootacamund. It finally met at "Stonehouse Hill," Ootacamund, for consideration of the clauses of the Bill with reference to the evidence taken by them.

6. At the outset, the Committee decided that the Bill should be proceeded with in spite of the proposed legislation by the Government of India assuming control over industries including the sugar industry.

7. The Committee then subjected the Bill to a thorough scrutiny. As the result of such scrutiny and in the light of the evidence which they have heard, new provisions have been inserted for—

(1) the constitution of an Advisory Committee on the lines of the United Provinces Sugar Factories Control Act, 1938,

(2) agreements with growers for sale of sugarcane, and

(3) the levy of cess by notification on sugarcane brought into any area specified in such notification for consumption, use or sale therein.

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It has also been provided that the licensee shall be given an opportunity to show cause against the refusal, suspension or cancellation of the licence and that the Advisory Committee shall be consulted in regard thereto.

8. The other changes made in the Bill are all shown in the Bill as amended. It was not considered necessary to refer to them in detail.

9. Mr. B. W. Batchelor and Sri C. M. Kothari pleaded that the licensing provisions under sections 6 and 7 were unnecessary as there was no overcrowding of sugar factories in Madras Province and the only power needed by Government was to control the location of sugar factories to avoid overcrowding, and that for the same reasons, the provisions of sections 9, 10 and 11 were also unnecessary and the cost of administering them would be an unnecessary burden on public funds. They were also of opinion that, under section 12, the Government took power to fix the price of sugarcane, but did not specify the method of calculating the same and that, having due regard for the interests of the grower, convertor and the consumer, the principle of payment for cane by the recovery of sugar should be written in the Bill.

10. The Committee decided that it was not necessary to re-publish the Bill.

11. A copy of the Bill, as amended by the Committee, is annexed.

FORT ST. GEORGE,
6th June 1949.

K. MADHAVA MENON,
Chairman.

ANNEXURE.

[Note.—The changes made by the Select Committee are shown in clarendon type and the portions omitted are indicated by dots.]

L.A. BILL No. 9 OF 1948.

(As amended by the Select Committee.)

A Bill to provide for the licensing of sugar factories and regulating the supply and the prices of sugarcane used in such factories and for other incidental matters.

Whereas it is expedient to provide for the licensing of sugar factories and regulating the supply and the prices of sugarcane used in such factories and for other incidental matters; It is hereby enacted as follows :—

1. (1) This Act may be called the Madras Sugar Factories Short title
Control Act, 1948. extent and
- (2) It extends to the whole of the Province of Madras. commence-
ment.

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(3) This section shall come into force at once, and the Government may, from time to time, by notification, apply all or any of the remaining provisions of this Act to the whole or any portion of the Province of Madras from such date or dates as may be specified in the notification.

2. In this Act, unless there is anything repugnant in the Definitions subject or context,—

(a) 'Advisory Committee' means the Committee constituted under section 3.

(b) 'crushing season' means the period beginning on the 1st November in any year and ending on the 30th June next following :

Provided that the Government may, either generally or in respect of any particular factory, by notification, extend the period aforesaid beyond the 30th June ;

(c) 'factory' means any premises, including the precincts thereof, wherein ten or more workers are working or were working on any day of the preceding twelve months and in any part of which any manufacturing process connected with the production of sugar by means of vacuum pans is being carried on or is ordinarily carried on with the aid of power ;

(d) 'Government' means the Provincial Government ;

(e) 'Inspector' means a person appointed to be Inspector under section 5 ;

(f) 'notification' means a notification published in the Fort St. George Gazette ;

(g) 'occupier of a factory' includes the managing agent or other person responsible for the management of the factory ;

(h) 'prescribed' means prescribed by rules made under this Act ;

(i) 'Sugarcane Commissioner' means the officer appointed to be Sugarcane Commissioner under section 4.

3. The Government shall, by notification, constitute in such manner as may be prescribed an Advisory Committee which shall be representative as far as possible of all the interests concerned, for the purpose of advising the Government on all matters on which consultation with the Committee is obligatory under this Act or the rules made thereunder and on such other matters as the Government may refer to it.

4. The Government may appoint one of their officers by name, or the holder for the time being of any office subject to their administrative control, to be Sugarcane Commissioner ; and he shall exercise the powers and perform the duties conferred or imposed on the Sugarcane Commissioner by or under this Act.

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appoint-
ment of
inspectors.

5. (1) The Government may appoint as many persons as they may consider necessary by name or by virtue of their office to be Inspectors for the purposes of this Act, within such local limits as they may specify.

(2) The Inspectors shall be subordinate to the Sugarcane Commissioner and exercise such powers and perform such duties as are conferred or imposed on them by or under this Act.

licence for
crushing
sugarcane.

6. (1) On and after such date as the Government may, by notification, specify in this behalf, no sugarcane shall be crushed in any factory unless a licence for that purpose has been obtained in respect of that factory from the Government.

(2) Every application for a licence under sub-section (1) shall be made to the Government in such form and shall be accompanied by such fee not exceeding one thousand rupees as may be prescribed.

(3) The Government shall grant the licence applied for, if the factory was in existence on the date of the publication of the notification under sub-section (1) or its construction had been commenced or machinery for it had been ordered before that date; in other cases, the Government may either grant the licence or, for reasons to be communicated in writing, refuse to grant it:

Provided that no licence shall be refused unless the applicant has been given an opportunity to show cause against such refusal, and the Advisory Committee has been consulted in regard thereto.

(4) A licence granted under this section shall be valid for a period of ten years; but may, subject to the provisions of sub-section (5), be renewed by the Government, from time to time, during the last year of its currency for a period of ten years on each occasion.

(5) The Government may, for reasons to be communicated in writing, refuse to renew a licence on the ground that the licensee has been guilty of a breach of any of the conditions of his licence or of contravening any of the provisions of this Act:

Provided that the licensee shall be given an opportunity to show cause against such refusal and the Advisory Committee shall be consulted in regard thereto.

Conditions
of licence.

7. (1) A licence granted or renewed under section 6 shall be subject to such conditions as the Government may, after consulting the Advisory Committee, impose at the time of its grant or renewal or at any time during its currency, in respect of all or any of the following matters:—

(a) the minimum quantity of the sugarcane that shall be crushed during the crushing season in each year;

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(b) the manner in which sugar produced in the factory shall be graded, marked, packed or stored for sale;

(c) any other matter which may be prescribed.

(2) Where the Government are satisfied in respect of any licence granted or renewed under section 6 that there has been a breach of any of the conditions to which the licence was subject, they may, without prejudice to any penalty which may be imposed on the occupier of the factory in respect of such breach under section 13, suspend or cancel the licence for reasons to be recorded in writing:

Provided that the licensee shall be given an opportunity to show cause against such suspension or cancellation and the Advisory Committee shall be consulted in regard thereto.

(3) Where a licence is suspended or cancelled under sub-section (2), no person shall be entitled to any compensation from the Government on the ground of any loss or damage arising from such suspension or cancellation or to the refund of any fee paid to the Government in respect of such licence.

8. The occupier of every factory shall submit to the Sugarcane Commissioner on or before a date specified by him in this behalf, an estimate, in the prescribed form and manner, of the quantity of sugarcane which would be required by that factory during the crushing season immediately following.

9. (1) The Sugarcane Commissioner may, after taking into consideration the estimate, if any, submitted to him in accordance with section 8 and any other circumstance which he may consider material, by notification, declare any area to be a reserved area for such factory and during such crushing season or seasons, as may be specified in the notification.

(2) The Sugarcane Commissioner may, at any time by notification, modify or cancel any notification issued under sub-section (1):

Provided that before doing so, he shall give a reasonable opportunity to the occupier of the factory and the growers of sugarcane concerned, for making their representations, if any, in regard thereto.

(3) Any person aggrieved by an order of the Sugarcane Commissioner under sub-section (1) or sub-section (2) may, within the prescribed time, appeal to the Government and the Government may pass such orders as they deem fit on such appeal.

10. (1) Before each planting season, any sugarcane-grower in a reserved area may offer, in such form and on or before such date as may be prescribed, to sell such quantity as he may specify of the sugarcane which may be grown by him for crushing in the crushing season immediately following, to the occupier of the factory for which the area has been reserved:

Estimate of
the quantity
of sugarcane
required by
that factories.

Declaration
of reserved
areas.

Agreements
with
growers for
sale of sugar-
cane.

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Provided that the quantity offered shall not exceed the quantity, if any, specified for such grower in respect of such season by the Sugarcane Commissioner or by an Inspector authorized by him in this behalf.

(2) The occupier of such factory shall enter into an agreement with the sugarcane-grower for the purchase of all sugarcane offered by him in accordance with sub-section (1); and the agreement shall be in such form, shall be executed on or before such date, and shall contain such terms and conditions, as may be prescribed:

Provided that the occupier may refuse to enter into such an agreement where the sugarcane is offered for delivery during a period in respect of which he has already entered into agreements with sugarcane-growers in the reserved area for the purchase of a quantity of sugarcane equal to the maximum consumption of the factory during such period.

(3) An appeal shall lie to the Sugarcane Commissioner against any refusal of the occupier to enter into an agreement under the proviso to sub-section (2); and the decision of the Sugarcane Commissioner on such appeal shall be final.

(4) The occupier of the factory shall maintain a register in the prescribed form and manner showing (i) all sugarcane-growers who offered to sell sugarcane to him under sub-section (1) and (ii) the manner in which such offers were dealt with.

Certain transactions prohibited in a reserved area.

11. (1) So long as the notification as issued under sub-section (1) of section 9, or as modified under sub-section (2) of that section, remains in force, except with the previous permission in writing of the Inspector—

(a) no one shall sell any sugarcane grown in any area declared by such notification to be a reserved area, to any person other than the occupier of the factory specified in it unless such occupier has refused to buy the sugarcane under the proviso to sub-section (2) of section 10, such refusal not having been set aside on appeal under sub-section (3) of that section;

(b) the occupier of the factory shall not refuse to purchase any sugarcane offered to him under sub-section (1) of section 10, except in the case referred to in the proviso to sub-section (2) of the section;

(c) no one shall export any sugarcane out of the reserved area except where the sale of the sugarcane to a person other than the occupier of the factory is permissible under clause (a);

(d) no one shall import any sugarcane into the reserved area except in cases where export of the sugarcane from some other reserved area is permissible under clause (c) as applied to such other area.

(2) Against any order of the Inspector refusing the permission referred to in sub-section (1), an appeal shall lie within the prescribed time to the Sugarcane Commissioner who may pass such order as he deems fit on such appeal.

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(3) The Government may, either *suo motu* or on application, call for and examine the record of any order passed by, or any proceeding recorded by, the Sugarcane Commissioner under sub-section (2) for the purpose of satisfying themselves as to the legality or the propriety of such order, or as to the regularity of such proceeding and may pass such order in reference thereto as they think fit.

12. (1) The Government may at any time before the commencement of a crushing season, after consulting the ^{Power of Government to fix} ~~Advisory Committee~~, by notification, specify either generally or in respect of any factory, either the price which the occupier of a factory shall be bound to pay for any sugarcane purchased by him during the season or the method of calculating such price:

Provided that the Government may specify different prices or different methods of calculating the prices of different varieties of sugarcane.

(2) The Government may at any time, after consulting the ~~Advisory Committee~~, by notification, vary any price or method of calculation specified under sub-section (1):

Provided that no such notification shall apply to any sugarcane purchased by the occupier of a factory before the publication of such notification.

(3) The Government may, after consulting the ~~Advisory Committee~~, by notification, permit the occupier of a factory to pay the price payable by him under this section in such number of instalments as may be specified in such notification.

(4) The occupier of a factory shall not make any deductions from the price payable by him in accordance with this section, except such as may be prescribed.

13. (1) If sugarcane is crushed in any factory without ^{Penalties.} a licence under section 6 or in case a licence under that section has been granted in respect of any factory, if there is a breach of any of the conditions to which the licence was subject, the occupier of the factory concerned shall be punishable with fine which may extend to five thousand rupees for each day on which sugarcane is so crushed or on which the breach continues.

(2) If the occupier of a factory —

(a) in contravention of section 11 refuses to purchase any sugarcane, or

(b) refuses to pay for any sugarcane purchased by him the price payable in accordance with section 12 or makes any deduction from such price in contravention of that section he shall be punishable with imprisonment which may extend to six months or with fine which may extend to two thousand rupees or with both.

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(3) If any person imports or exports or sells any sugarcane in contravention of section 11, he shall be punishable with imprisonment which may extend to six months or with fine which may extend to two thousand rupees or with both.

(4) Any person contravening any of the provisions of this Act for which no penalty is provided in sub-sections (1) to (3), shall be punishable with fine which may extend to two thousand rupees.

Levy of cess. 14. (1) The Government may, after consulting the Advisory Committee, by notification, levy a cess not exceeding four annas per standard maund as defined in the Standards of Weight Act, 1939, on sugarcane brought into any area specified in such notification, for consumption, use or sale therein. Central Act IX of 1939.

(2) Subject to the maximum aforesaid, the Government may, from time to time, after consulting the Advisory Committee, by notification, alter the rate of levy of such cess.

(3) The Government may, by order, remit in whole or in part any cess paid or payable under this section in respect of any sugarcane specified in such order.

(4) The Government may, after consulting the Advisory Committee, make rules specifying the authorities by which, the persons from whom, and the manner in which, the cess levied under this section shall be collected.

(5) Any sum payable under this section may be recovered as if it were an arrear of land revenue.

Offences by corporations. 15. Where a person committing any offence punishable under this Act is a company or an association or a body of persons, whether incorporated or not, the manager, secretary, agent or other principal officer managing the affairs of such company, association or body, shall be deemed to be guilty of such offence.

Protection of action taken under the Act. 16. (1) No suit, prosecution or other legal proceeding shall lie against the Government or against any authority, officer or person for anything which is in good faith done or intended to be done under this Act or the rules made thereunder.

(2) No decision of the Government or the Sugarcane Commissioner or any Inspector in the exercise of any discretion or authority conferred by or under this Act shall be liable to be questioned in any Court of Law.

Power to make rules. 17. (1) The Government may make rules to carry out the purposes of this Act.

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(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for —

(a) the constitution of the Advisory Committee, the term of office of its members, the manner in which casual vacancies among them shall be filled, and the procedure for the conduct of its business,

(b) the form of application for the grant or renewal of a licence under section 6 and the fee which should accompany each such application,

(c) the time within which appeals under section 9 (3) or section 11 (2) may be filed,

(d) the correct weighment of sugarcane, the provision of facilities for weighment and for checking weighments and timings of weighments,

(e) the method of determining the percentage of recovery of sugar from sugarcane,

(f) the form of the records to be kept and of the returns to be made, and the information to be furnished, by persons liable to pay the cess under section 14,

(g) the inspection or search of any place or vehicle used or suspected to be used for the storage or carriage of sugarcane, and

(h) any other matter expressly required or allowed by this Act to be prescribed.

(3) In making any rule under sub-section (1) or (2) the Government may provide that a breach thereof shall be punishable with fine which may extend to two thousand rupees.

Central Act XV of 1934. 18. The Sugarcane Act, 1934, in so far as it applies to the Repeal. Province of Madras, is hereby repealed.

THE MADRAS LEGISLATIVE ASSEMBLY.

Wednesday, the 22nd June 1949.

The House met in the Assembly Chamber, Fort St. George at eleven of the clock Mr. Speaker (THE HON. SRI J. SIVASHAN-MUKHAM PILLAI) in the Chair.

I.—QUESTIONS AND ANSWERS.

STARRED QUESTIONS.

* 40-A Q.—SRI V. RAGHAVAYYA:—" I am not putting the question, Sir."

Removal of portraits, statues, etc., of Britishers from public places in the Province.

* 41 Q.—P. K. MOIDEEN KUTTY SAHIB BAHADUR: Will the Hon. the Premier be pleased to state—

(a) whether the Government have considered the question of removing all portraits, statues and other monuments that commemorate British Raj in the Province; and

(b) if not, why not?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—" (a) No.

" (b) The Government have had no occasion to consider it."

P. K. MOIDEEN KUTTY SAHIB BAHADUR:—" May I ask, Sir, whether the Government do not consider that it would not be in keeping with the self-respect of the people and that of the Government of this Province to retain such statues as those of Lord Willingdon and others, that are now publicly exhibited in the City of Madras? "

THE HON. SRI B. GOPALA REDDI:—" There is nothing wrong in those statues remaining there, Sir; if at all, they will be a reminder of our transformation from slavery to freedom."

SRI V. M. RAMASWAMI MUDALIYAR:—" May I know whether the Government do not consider it desirable to remove such landmarks of the British occupation of India from the public view? "

THE HON. SRI B. GOPALA REDDI:—" No, Sir, it would not be possible."

SRI V. RAGHAVAYYA:—" Arising out of the curious explanation of the Hon. Minister, may I ask will it not be a reminder more of our slavery than of our freedom? "

P. K. MOIDEEN KUTTY SAHIB BAHADUR:—" Is it not a fact that the Congress Government was responsible for the removal of the statue of Neil from Mount Road, during the time of the previous Congress Ministry? "

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THE HON. SRI B. GOPALA REDDI:—"We are aware, Sir, that the Neil Statue was removed from Mount Road to the Museum, but it was done under entirely different circumstances."

SRI S. NAGAPPA:—"May I know, Sir, whether it will not be in order in removing all these portraits and statues from public view to the Museum unless it be that the Hon. Minister is very fond of being reminded of past memories?"

THE HON. SRI B. GOPALA REDDI:—"Sir, they will not be removed from those places, till the Government decide otherwise."

M. S. ABDUL MAJID SAHIB BAHADUR:—"If, as the Hon. Minister has said that these things should remain as a sort of reminder to us because they are landmarks in the history of our political struggle, then why should the Government show so much anxiety in changing the names of places and towns which are also as important as these statues, in the history of our political struggle?"

THE HON. SRI B. GOPALA REDDI:—"That is a different thing altogether. We have changed the names of places for an entirely different reason. If people of a town want that the name of their town should be changed from Bezwada to Vijayanada, then we have to change the name accordingly."

SRI N. VENKATASUBBAYYA:—"Is it not a fact that these statues and portraits are erected usually to glorify those men, and if so, does the Hon. Minister want them to be still glorified?"

THE HON. SRI B. GOPALA REDDI:—"There is no more glorification needed for these people, because they have all become ex-pillars of the old imperialism and there is nothing in these statues and portraits to be glorified, Sir."

SRI V. M. RAMASWAMI MUDALIYAR:—"May I know, Sir, whether there is any proposal to replace the portraits in the Rajaji Hall by the portraits of Indian leaders?"

THE HON. SRI B. GOPALA REDDI:—"A separate question may be put, Sir."

SRI V. RAGHAVAYYA:—"Particularly, Sir, when we see in the Rajaji Hall, belligerent portraits of people riding on horse-backs pouncing upon the Hon. Minister, may I know, what particular charm has the Hon. Minister got for these outlandish, out-belligerent and out-of-date pictures?"

THE HON. SRI B. GOPALA REDDI:—"I do not think, Sir, they are pouncing upon the Hon. Minister or upon the M.L.As. and particularly the hon. Member. They are not pouncing upon anybody."

SRI S. NAGAPPA:—"Arising out of the answer of the Hon. Minister, that unless the Government think otherwise, these portraits will remain there, may I know whether the Government have begun to think?"

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Alleged misappropriation in the Co-operative Sale and Loan Society, Sullurpet.

* 42 Q.—SRI V. RAGHAVAYYA: Will the Hon. the Minister for Local Administration be pleased to state whether there was any case of misappropriation in the Sale and Loan Society, Sullurpet, since the question No. 891 was answered on 15th March 1949 and if so, what the amount involved is and what action has been taken?

THE HON. SRI K. CHANDRAMOULI:—"No other case of misappropriation of funds in the society has so far been detected or reported to the Registrar of Co-operative Societies."

SRI V. RAGHAVAYYA:—"Will the Hon. Minister be pleased to state whether a sum of Rs. 3,000 has not been lost about five months back which fact was not brought to the notice of the authorities?"

THE HON. SRI K. CHANDRAMOULI:—"A separate question may be put, Sir."

SRI S. NAGAPPA:—"May I know, Sir, whether it is called the sale and loan society or loan and sale society; and am I to understand, Sir, that they first sell the produce and then lend the amount or that they first lend the amount and then sell the produce and then make good the amount?"

THE HON. SRI K. CHANDRAMOULI:—"It is called Sale and Loan Society, Sir."

SRI V. RAGHAVAYYA:—"Are the Government aware of the fact that in one case a sum of about Rs. 50,000 was given on the pledge of paddy, that the paddy has been removed long ago and that the loan has been remaining unpaid for the last five years in this society?"

THE HON. SRI K. CHANDRAMOULI:—"The Government know, Sir, that there were certain irregularities in this society, like the removal of pledged produce by the borrowers without discharging their loans, and these were reported to the Government and the Government are considering the matter."

SRI S. NAGAPPA:—"May I know, Sir, whether the Government are aware that there are no such societies as sale and loan society, and if at all, there are only loan and sale societies?"

Proposal to change the system of Road Transport administration, etc.

* 43 Q.—SRI V. RAGHAVAYYA: Will the Hon. the Minister for Finance be pleased to state—

(a) whether the Government propose to change the present system of Road Transport Authority, Area Rationing of petrol and general control of Motor Transport;

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(b) whether it has been brought to the notice of the Government that motor bus permit holders have been selling their routes unauthorizedly and without the knowledge of the Government in the Nellore district; and

(c) whether the Nazeria and the United Bus Services have been found guilty of malpractice and if so, what action has been taken against them?

THE HON. SRI B. GOPALA REDDI:—“(a) The matter is under consideration.

“(b) Enquiries reveal that there have been some such cases.

“(c) The answer is in the affirmative. The question of taking disciplinary action against the operators concerned is engaging the attention of the Regional Transport Authority, Nellore.”

SRI V. RAGHAVAYYA:—“May I know, Sir, what machinery the Government have got in every district to find out such illicit transaction of sales, as well as to check the hundred and odd irregularities which are causing huge loss to the Government by way of profession tax, sales tax and to the Central Government loss from income-tax?”

THE HON. SRI B. GOPALA REDDI:—“Sir, we have got the Motor Vehicles Inspector in the district who is looking after these arrangements. There is also the Regional Transport Officer who is in charge of the work besides the District Magistrate and the District Superintendent of Police and there are other non-official members of the Regional Transport Authority also.”

MOHAMED ABDUL SALAM SAHIB BAHADUR:—“Till the whole matter is considered and settled, will the Government take steps to see that there is no indiscriminate increase of bus routes in some of the districts, because there bus routes are being increased not for some specific reasons, but for various other considerations?”

THE HON. SRI B. GOPALA REDDI:—“We are issuing instructions to the Regional Transport Authorities that before they actually sanction a route, they must first get the approval of the Central Road Traffic Board.”

SRI M. G. NATESA CHETTIYAR:—“May I know, Sir, whether as the rules stand to-day, the selling of bus service with its route is not a malpractice and that it is not against the law or rules framed under the Madras Motor Vehicles Act?”

THE HON. SRI B. GOPALA REDDI:—“Sir, the position seems to be that such a practice is not strictly against the rules, but we are definitely discouraging such transfers without the approval of the Regional Transport Authority and it is also very difficult to detect cases where transfers have been made, because the original owner still continues to be the owner of the permit.”

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SRI S. NAGAPPA:—“Arising out of the answer of the Hon. Minister that the position seems to be like that, at present, and that even with the transfer of a bus route from one person to another, there is no legal binding, and in view of that, will the Government consider the desirability of amending the Madras Motor Vehicles Act?”

THE HON. SRI B. GOPALA REDDI:—“The question will be examined, Sir.”

SRI V. RAGHAVAYYA:—“May I know, Sir, if the Government have already been informed, or have come to realize that these various authorities, such as the Regional Transport Authority, the Area Rationing Authority for the distribution of petrol and other similar authorities are becoming only a multiplicity of officers, and that quite a lot of time is being wasted in applying for and getting permits, and that sometimes a month's delay is involved in respect of these permits, and that in view of all these things, may I know whether the Government do not think it desirable to dispense with all these authorities and concentrate the entire authority into the hands of the District Collector and the District Superintendent of Police, and if necessary, into the hands of the District Board President, and that they might be formed into a small Committee?”

THE HON. SRI B. GOPALA REDDI:—“Perhaps they may be formed into a Committee, but they cannot distribute petrol and sanction permit and things like that. The Petrol Rationing Authority is entirely under the control of the Government of India and we are only acting as their agents and whatever new arrangement is to be made, we must obtain the sanction of the Government of India for it. The question of having one single officer for attending to the duties of the Petrol Rationing Authority and of the work of the R.T.O. is engaging the attention of the Government.”

* 44 Q.—BEGUM SULTAN MIR AMIRUDDIN:—“Mr. Speaker, Sir, as printer's devil has probably crept into this question. The word ‘men’ should read ‘man’ and the word ‘women’ should read ‘woman’, because that goes with the Inspector and not to the schools?”

Proposal to change the designation of men and women Deputy Inspectors of Schools.

* 44 Q.—BEGUM SULTAN MIR AMIRUDDIN: Will the Hon. the Minister for Education be pleased to state whether the Government propose to change the names of Deputy Inspector of Schools (Men) and Deputy Inspector of Schools (Women) into those of Deputy Inspector and Deputy Inspectress of Schools respectively?

THE HON. SRI K. MADHAVA MENON:—“Deputy Inspectors (both men and women) will be designated according to ranges, East, South, West or North according to postings.”

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BEGUM SULTAN MIR AMIRUDDIN:—“ May I know why the Education Department is so deficient in its knowledge of grammar as to adopt such cumbrous designation for its officers, as Deputy Inspector of Schools (man), Deputy Inspector of Schools (woman), and not use the correct designations, as Inspectress and so on? ”

THE HON. SRI K. MADHAVA MENON:—“ It is not really want of knowledge of grammar, Sir, in this matter. When the boys' and girls' ranges were amalgamated and made into one range of inspectors some years back, the Director of Public Instruction styled the range, as the Deputy Inspectors (Men) in brackets and the Deputy Inspectors (Women). Some women did not like to remain in brackets and they said that they did not like to be called women in brackets. But no such objection has come from men and as such, they were shown in brackets. Whatever that may be, it is proposed to have a sex-less inspectorate in the Education Department and all the Deputy Inspectors (both men and women) will be designated according to ranges, such as East, South, West or North according to their postings.”

11-15 a.m. BEGUM SULTAN MIR AMIRUDDIN:—“ Does the Hon. Minister know that women find it so inconvenient to style themselves Deputy Inspector (Woman) and moreover the method of styling them is very cumbersome, namely, Deputy Inspector (man) and Deputy Inspector (woman)? Will the Government revise their ideal about these things and call the Woman Deputy Inspector as the Deputy Inspectress and the man as the Deputy Inspector? ”

THE HON. SRI K. MADHAVA MENON:—“ In that case my hon. Friend will have to call a Woman Sub-Inspector of Police as Sub-Inspectress, Sir.”

THE HON. SRI B. GOPALA REDDI:—“ May I know what is the feminine gender for the Speaker, Sir? (Laughter.) ”

SRI K. BRAHMANANDAM REDDI:—“ If hereafter the designation ‘Deputy Inspector (Man) West’ and ‘Deputy Inspector (Woman) East’ is adopted, may I know, Sir, where will they meet? ” (Laughter).

THE HON. SRI K. MADHAVA MENON:—“ They can meet at the borders of the ranges if they want to. But they will be known only by the ranges, Sir. The ‘man’ and ‘woman’ in brackets will be removed.”

Standards of physical fitness prescribed for Government servants.

* 45 Q.—SRI V. RAGHAVAYYA: Will the Hon. the Premier be pleased to state—

(a) what the standards and criterion of physical fitness prescribed for Government servants are;

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(b) whether the standards are general and common for all kinds of services or whether they vary according to the nature of work; and

(c) who the final authority in deciding the fitness is?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—“ (a) & (b) The hon. Member is referred to G.O. No. 2436, Public (Services), dated 10th August 1942, containing the regulations for the medical examination of candidates for appointment to the several posts in the Madras Provincial and Subordinate Services, a copy of which has been placed in the Legislature Secretariat Library for reference.

“ (c) The certificate given by the competent medical officer is ordinarily accepted by the selecting authority, but in doubtful cases, it is referred to the Surgeon-General whose opinion in the matter will be final.”

SRI V. RAGHAVAYYA:—“ Is it a fact, Sir, that one Mr. K. Narasimham Murthi was congenitally lame on account of the deformity of the leg and that he obtained a certificate that it did not come in the way of his typing and that he was pronounced to be quite all right and that two years ago the Government took it into their head to make him unfit and remove him from service? ”

MOHAMED ABDUL SALAM SAHIB BAHADUR:—“ Before the Leader of the House answers the question, Sir, I wish to know whether it does not refer to an individual case? ”

THE HON. SRI B. GOPALA REDDI:—“ A separate question may be put, Sir.”

SRI V. RAGHAVAYYA:—“ The point is this, Sir. May I know if the deformity of the leg which has been found to be quite inoffensive and unobstructive by the D.M.O. comes in the way of his typing? ”

THE HON. SRI B. GOPALA REDDI:—“ As I said, Sir, if a separate question is put, we will try to get the necessary information.”

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

II.—AMENDMENTS TO SCHEDULE II TO THE MADRAS MOTOR VEHICLES TAXATION ACT, 1931 (MADRAS ACT III OF 1931).

* THE HON. SRI B. GOPALA REDDI:—“ I present the reports of the Select Committee on the draft rule amending Schedule II to the Madras Motor Vehicles Taxation Act, 1931, and move—

‘That the draft rule as reported by the Select Committee be approved’.

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"This is not an amendment of the Act itself, Sir, but an amendment to a schedule. It was referred to the Select Committee and it went into the question rather thoroughly. This is a taxation measure which ultimately might give about Rs. 70 lakhs. As originally proposed it would give between Rs. 100 to Rs. 105 lakhs but the Select Committee was good enough to reduce it in favour of the operators and to that extent it is a relief. Under the revised proposals a mufassal bus operator will have to give an additional sum of Rs. 13 per seat per quarter. The original proposal was that he should pay an additional Rs. 17 besides the Rs. 17 which he is now paying making up a total of Rs. 34. Under the revised proposal the total is Rs. 30. That is, he has to pay per day two annas four pies per seat. Rupees 13 may look large but when actually calculated it comes to Rs. 4-5-4 per month and per day it comes to about less than two annas and four pies per seat.

"The urban operator will have to pay Rs. 23 instead of the original 50 per cent increase, i.e., an addition of Rs. 6 only. In view of this only the mufassal operator will be permitted to enhance the fare by half a pie. Though it does not form part of this motion to-day, a separate notification will be issued and separate orders will be issued with regard to some of the concessions in the case of certain buses. The main proposals are that they will be permitted to levy half a pie in excess of the six pies they are now charging and in view of that they will be paying Rs. 13 per quarter extra.

"Standing passengers in the urban services are not charged at all. The new rule also will continue to keep that distinction. In the mufassal the buses were paying Rs. 5-11-0 which was one-third of Rs. 17. We have maintained that proportion and made it Rs. 10, i.e., one-third of Rs. 30.

"With regard to lorries the original proposal was to increase it by 50 per cent whether it was a private carrier or a public carrier, but we have modified it to 33½ per cent.

"In the case of taxis also, whether they were city taxis or mufassal taxis the original proposal was to increase it to 50 per cent but we have reduced it to 25 per cent in the Select Committee. But private cars which were not included in the original proposal are also brought under the rule and they will be paying 20 per cent extra. These are the main proposals, Sir.

"There were certain difficulties expressed on the floor of the House when the motion was first moved. We have tried to meet all those difficulties. For instance, the hon. Member Mr. Karanth specifically raised the question of buses running between two ferries in his own district. We have met it by saying that where a bus does a total mileage of less than 50 in a day, i.e., the permitted mileage, then that bus need not pay the enhanced taxation. Mr. Swaminathan raised the point of the Pudukottai buses. We have met the point by saying that the existing buses in Pudukottai need not pay the additional taxation for two more years to come.

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If the old buses are replaced by new ones they have to pay the enhanced rate. But if the old buses continue to run entirely within the Pudukottai limits then they will pay only the previous rate of Rs. 17 and this extra Rs. 13 need not be paid."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"What about spare and relief buses?"

THE HON. SRI B. GOPALA REDDI:—"That is a matter, Sir, which we will have to consider separately. The Select Committee considered it and it thought that it required separate consideration and the department is examining the question as to how best to give them some relief.

"The question of lorries which are exclusively used for agricultural purposes was considered by the Select Committee. After all, Sir, they are used only for two or three months in the year for agricultural purposes and during the rest of the year they are used for other purposes also.

"As regards the routes parallel to the railway line if it is not possible to co-ordinate the railway and road transport, it is desirable that we should limit the number of buses that ply on such parallel routes to the minimum possible. Where it is paying of course they should run, but if it is not paying, the number of buses should be the minimum instead of competing with the railway. That was the decision taken by the Select Committee.

"There are buses, Sir, that run from Madras to neighbouring States and territories like Pondicherry, Coorg, Mysore, etc. There again we have given them some concession. Previously the rate used to be Rs. 15 and on the other side also, i.e., in the States, they were charging Rs. 15. Now we have raised the tax only to Rs. 20. Perhaps in the other territory also they will have to pay Rs. 20. On the whole it may not be more than Rs. 40, while our operator will pay Rs. 30.

"I know, Sir, that there is the criticism that the taxation on the motor vehicles in Madras is the highest in India. I am aware of that criticism, Sir, and what is the highest is being sought to be made higher still, i.e., higher than the highest. But, Sir, I may claim in compensation for this taxation that the Madras Province gives the largest mileage of roads and no other Province including the United Provinces can boast of this mileage. We are also spending large sums of money on the improvements of roads and on rural communications also. We are trying to spend more and more money on that. So in view of the deficit that we are anticipating this is the only substantial taxation that is going to yield somewhere about Rs. 70 lakhs. We have passed the Entertainments Tax Amendment Bill and we have passed the Sales Tax Amendment Bill and we may also pass the Advertisements Tax Bill. All these will yield less than about Rs. 30 to Rs. 35 lakhs. The present proposal will give us about Rs. 70 lakhs and on the whole it will be about a crore of rupees, for an anticipated deficit of Rs. 4 crores. We have taken credit for Rs. 4

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crores of additional taxation and now it falls very much short of the original proposal. We will have to be content with this quarter taxation that we may realize, but, Sir, in times to come, perhaps we will have to devise other means to cover the deficit. In the meanwhile, Sir, the Constitution Act also may be passed by the Constituent Assembly and we will have the final picture of the allocation of the revenues between the Centre and the Provinces. I am told that the Hon. Dr. Mathai has invited some Members of the Constituent Assembly and all the Premiers and Finance Ministers of the Provinces for a settlement about this outstanding issue, namely, the Centre versus the Provinces, in the allocation of revenues. So for the time being we will have to be content with this taxation and I, therefore, commend the report of the Select Committee for the acceptance of the House."

MR. SPEAKER:—" Motion moved—

' That the report of the Select Committee on the draft rule amending Schedule II to the Madras Motor Vehicles Taxation Act, 1931, be approved '."

BEGUM SULTAN MIR AMIRUDDIN:—" Mr. Speaker, Sir, I am afraid in spite of the fact that this rule has emerged from the Select Committee I cannot lend my support to it. Although certain changes have been made the principle of taxation remains the same, namely, that the poor will still be affected and that the motor bus industry will be hard hit at a time when it is finding it difficult to make both ends meet. The effect of this measure in course of time will be that the small operators will have perforce to go out of the field and they will find it impossible to meet the high cost and the heavy taxation in which they will be involved. The result of this measure will be that in course of time only the bigger operators will be able to ply in the various routes. The Hon. the Minister acknowledged that the taxation on motor transport industry in this Province happens to be the highest in India. But he remarked that he was going to make the highest higher still. This was the remark that was made by the Hon. Minister. Well, Sir, I am afraid that such a remark is not at all justified or warranted. If only the Hon. the Minister had visited some places in the mufassal and seen the condition of roads there, he would find that they are in an abominable condition. Sir, some of the roads in Nagapattinam and other places in the Tanjore district are in such an abominable condition that he will at once accept that some of the roads in other parts of India are much better than these roads which we find in the Nagapattinam and other places in the Tanjore district."

THE HON. SRI B. GOPALA REDDI:—" The hon. the Lady Member might have been there years ago. But, I had been there only a few months ago."

BEGUM SULTAN MIR AMIRUDDIN:—" Even now those roads continue to be in a most unsatisfactory state of disrepair. Of

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course, in Madras City, the Hon. Minister may ply on very good roads. We cannot compare our roads with the roads that we find in Bengal to-day, because things have deteriorated considerably in Bengal. So, let us not compare ourselves with a Province which is backward, and let us compare ourselves with a Province that is forward such as Bombay."

THE HON. SRI B. GOPALA REDDI:—" Our mileage is much more."

BEGUM SULTAN MIR AMIRUDDIN:—" I have not studied that question. However, I do not think that the Hon. Minister is justified at the present time in making the taxation higher still. There is a limit, Sir, to the taxation that one can bear. Sir, the Hon. Minister has added a further burden on the people. For instance, Sir, he has included the private cars also for this extra taxation. It is wrong to assume that everybody who owns a car is rich. The Hon. Minister may be somewhat justified in raising the taxation on big cars like 'Mercury' which the Hon. the Minister is having. But, the smaller cars could have been exempted. Thus, those who can afford to own big cars may be asked to pay this extra taxation instead of persons who own small cars for their official business. Sir, there are some men with small means, for instance, there are the Assistant Civil Surgeons and there are other private doctors who own small cars for their purposes. If you increase the taxation on those cars also, then it will be very difficult for them. Therefore, Sir, I suggest that the Hon. Minister should exempt these small cars. In the Select Committee, the Hon. Minister has introduced this new clause and made matters worse. He has brought in the private cars also within the scope of the Bill so that they will also have to pay the extra 20 per cent taxation. It is not an improvement in the Bill so far as certain people are concerned. Therefore, Sir, having regard to all these factors, it is impossible for me to lend my support to this measure although I would very much like to help the Hon. the Finance Minister as I have done in the past. It is very inadvisable for the Hon. the Finance Minister to launch upon this taxation measure for the sake of seventy lakhs of rupees. I would sincerely advise him to desist from further taxation until the next general elections. You cannot antagonize any section of the people if you want their support at the next general elections. By every measure that the Government bring in now, they should try to get the support of all the sections of the people if they really want their support at the next general elections. So, they should withhold themselves, for the time being, from passing any Act or measure which will antagonize any section of the people. If they do so, then I am sure they will reap the benefits thereby. Therefore, in the interests of the Congress, I am appealing to the Hon. the Finance Minister not to bring forward this measure because it is bound to hurt a good section of the population of this Province. It is unwise to launch upon measures of this kind at this moment. It will really have a bad psychological effect on the people."

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"Sir, I wish the Hon. the Minister travels in some of the buses that are plying in the City. He would then find for himself what abuses are thrown at the Government. If he goes to the beach or frequents such places, he will see that this Government are condemned in various ways. Therefore, Sir, it is no use at the present moment to bring in such measures as this. You should see that you carry the people with the Government and you ought to seek their sympathy. If you want to gain their sympathy at this time, you should not burden them with more taxes. Therefore, Sir, in the interests of the Hon. the Minister and his party, I think it is most inadvisable to push through this measure and I, therefore, oppose this Bill."

ABDUL HAMFED KHAN SAHIB BAHADUR:—"Mr. Speaker, Sir, this is one of the taxation measures of the Government of Madras which has come up for consideration on account of the plea that the Hon. the Minister for Finance put forward during his Budget Speech that the Government were making a budget with a deficit of four crores of rupees. In order to make up this deficit in the budget, he said that the Government would come forward with various taxation measures and this is one of them."

"Sir, when the tolls were abolished in this Province, a provincial tax on these motor vehicles which ply here came into existence. Before that, the local bodies were levying a certain amount of tax on these vehicles and they were deriving some revenue from that source. Sir, that is a very good source of revenue which went to make up the resources of the local bodies. It was taken away by the Provincial Government and at that time, on agreement, the Government's guarantee was that whatever was collected would be divided *pro rata* among the various municipalities or the Corporation of Madras and the Government. Sir, when the provincial tax on motor vehicles was imposed, the revenue that was collected by the Government from this source was certainly very much less than what it is to-day. The Government were paying Rs. 2,68,000—if I remember right—to the Corporation of Madras from this source and that amount was paid when the provincial revenue from this source was very very much less than what it is to-day. Now, Sir, the Government is still paying the same amount to the Corporation of Madras. It is certainly not the proper thing to contravene the terms of the agreement and the guarantee which the Government gave at that time. I, therefore, plead, Sir, on behalf of the Corporation of Madras that the Government should give a proportionately large amount to the Corporation of Madras on account of the fact that they have been getting a much higher revenue from this source than what they did at the time the tax was levied in the first instance."

"Then, Sir, another observation that I would like to make on this particular subject is that when the provincial tax on motor vehicles was levied it was also stated—and categorically stated—that a very large portion of this amount would be utilized for the maintenance of the roads. But, as time went on, the idea that

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a large slice of this revenue should be utilized for maintenance of roads was put in the background and to-day, my hon. Friend, the Minister in charge of Transport practically lost sight of that idea altogether. I do not think he has ever been able in his mind to connect the relationship between the motor vehicles taxation and the maintenance of roads in good order. His only consideration has been as to how to fill up the gap that has come into existence on account of the loss of revenue and the consequent deficit in the budget. He does not say how much money of this revenue he is allowing for road maintenance. Not only that. We were also told that the amount collected from the tax on petrol would also be utilized on maintenance of roads. It is true that we have got the department of Highways. It is a very high officered department intended to look after the highways, but in spite of that, as the present provision for the maintenance of roads is very inadequate, the roads are certainly not satisfactory and the department cannot do much. Government should collect increased tax on motor vehicles for the maintenance of these roads, particularly those roads where a number of lorries and buses are running and where the roads are torn and patches are made. This fact ought to be taken into account by the Hon. the Finance Minister and the Hon. the Public Works Minister. The buses and lorries which ply on these roads suffer damages and there is considerable amount of money spent for the maintenance of these buses. Also, considerable time lapse between one repair and the next repair of these roads. It is generally once in three years or once in five years and what is done in the meantime is mere patching-up work, with the result that there are many breaches and ditches on the roads here and there. That will not do. If you are taxing the buses, if you are taxing the lorries and if you are taxing even the private cars, it is your duty and responsibility to see that they get proper facilities by way of good roads so that they could pay this taxation without any grumble. Sir, these are some of the things which my hon. Friend, the Finance Minister and the Hon. the Minister for Public Works may bear in mind in increasing the tax on these motor vehicles. Sir, I do not know why the Select Committee thought of increasing the tax on private cars also. It is unfortunate that some of us are overpowered by our own feelings that whilst we are taxing what is called the poor man's vehicle, we should also burden the rich man, that is, the owner of a private car also. That is a mentality which I am unable to understand. It is perhaps due to an inferiority complex or to the overflow of the milk of human kindness for the unseen and unknown poor man and the common man whom my Hon. Friend the Finance Minister has not yet seen. It is in order to bring about an equipoise between the so-called poor man and the so-called rich man who owns a car that this additional taxation has been imposed by some hon. Members of the Select Committee. The hon. Member Begum Sultan Mir Amiruddin also referred to the question of motor cars. They are not owned only by the rich people. Many people have to have a car now a days for their work. A doctor, for instance, must have a car if he has to reach his patients in time. It is a necessity for

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him. But such people are not in a position to pay the extra taxes. I am not in a position to understand the mentality which thought it necessary to impose this additional taxation even on private cars. One would understand if the tax is put on rich people who own more than one car. But to tax people who own a small Baby Austin for instance just to enable them to serve their fellowmen better is certainly a heavy imposition. Sir, I am not going to say that I oppose this measure, but I am sorry that certain things which have been done are not satisfactory."

* SRIMATHI C. AMMANNA RAJA:—"Mr. Speaker, Sir, the plea that the poor people who go by buses will have to pay more on account of this increased taxation cannot be true, because in all cases, even though the tax is enhanced, the bus fares are not necessarily enhanced. The bus-owners may not think it worthwhile to enhance the fares. Not only that, in regard to the buses plying in Madras City and in the urban areas, the owners are not allowed to enhance the fares even by half a pie. I am afraid the people are misled when they think that the poor people will be made to pay this extra taxation. If you say that the smaller bus-owners will have to go out of the field, even that, I think is not correct. If you have any idea of the applications that come to the transport board for route permits, you will know what a rush there is. That very fact shows that these people are making a lot of money. Sir, I have spoken to many people who know something about buses and they think that they are really paying. Only when they are asked to pay taxes or to give evidence about taxation measures, they say that buses are not paying and that further taxation will kill the trade. But actually we all know that they are paying. If the Government would only auction the routes they will know what a lot of money they can get from this source. Many people will rush to this business, because it is really paying.

"Sir, as I said before it is not true that the poor people are being taxed by this measure. It is perhaps with that idea that some of the Members of the Select Committee have proposed that when poor people are taxed, there is no reason why private car-owners also should not be made to pay a little more. Some of the private car-owners have perhaps their cars only as their private possession. They may not have anything else. They keep the car out of necessity and not as a luxury. As Begum Sultan Mir Amiruddin pointed out, you may perhaps enhance the tax on bigger cars which may be a luxury. But in many cases, people have to keep a car out of necessity for their daily work and it does not mean they are rich people. Already they are paying so much by way of sales-tax for the various things they need for the maintenance of the car; they are paying increased prices for petrol and increased salaries for drivers on account of increase in the cost of living and so on. After all, the Government must be interested in raising the standard of living of the people and not force them to give up their cars and go about in buses which

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will be very difficult for these people to do. It may be asked why I agreed to the suggestion in the Select Committee. Unfortunately I had to leave the meeting of the Select Committee before it adjourned and I did not know about this taxation proposal till I saw it in the papers. The decision was taken by the members after I went away, probably because they thought they would be criticized if private cars were not included. As regards taxis, enhancement of taxes on taxis in the mufassal is not at all desirable, because you do not find enough number of taxis there. They are not paying. If you enhance the taxes, perhaps even the few that are there will go out altogether. So, I hope that the extra taxation on private cars and taxis in the mufassal will be dropped."

MUHAMMAD RAZA KHAN SAHIB:—"Sir, as usual the Hon. the Finance Minister made a very polite speech and he thought he has made out a very good case and that the House would be able to support his taxation proposals. As I said on the last occasion and I am forced to repeat it now, the Hon. the Finance Minister—to use a mild language—has miserably failed to make out a case that there is necessity for this fresh taxation. Except for the fact that there is a deficit in the budget, he did not make out a case either in the Select Committee or here that the bus-owners, whether they are big fleet-owners or small owners, are making a huge profit and that therefore the Provincial Government is perfectly right in getting some share of it for itself. Unfortunately that seems to be the tendency of the Hon. the Finance Minister. For if we peruse the proceedings of the Select Committee we find that one Member said that the tax should be increased by 50 per cent, another Member said that it should be increased by 70 per cent, and in between the Hon. the Finance Minister said that it might be 75 per cent. But that is not the way of levying taxation. The Finance Minister should convince the Members of the Select Committee and this House that here is an industry which is having a large margin of profit and that it is perfectly right for the Provincial Government to try and get a slice out of it. That does not seem to have been done by the Finance Minister. Whether the Select Committee sat for 3 hours or 4 hours. . . (The Hon. Sri B. Gopala Reddi: 'For a full day.') We may count the hours, Sir. I only see in the proceedings that Mr. Hameed Khan was for 50 per cent increase in the tax, with half a pie increase in bus fare per mile, that Mr. Koti Reddi opposed this increase in bus fares, that Mr. Rajaram Naidu suggested 75 per cent increase in the tax and that the Chairman proposed that the tax should be Rs. 30. Nowhere do I find that the Finance Minister was able to make out a case on the materials placed before the Select Committee that a bus-owner having 5 or 10 or 15 buses is getting such a margin of profit that he is justified in increasing the taxes. As I have said on a number of occasions and as I am forced to repeat it now, this is not the way of bringing forward a taxation measure. It will ruin the prestige of the Government. The Finance Minister

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does not seem to have a proper grasp and perspective of the thing. If one Member says Rs. 70, another Member says Rs. 50 and a third says Rs. 45, and if something is agreed to, you are not going to enhance the respect and prestige of the Government.

"Sir, the other day the Hon. the Finance Minister was having a tilt at the Members of the Opposition when he said that we are always speaking for the poor and asked, 'Where is the poor man whom they speak about?' Sir, it is not merely a question of speaking on behalf of the poor people. May I ask the Finance Minister whether he is aware that to-day in our country, it is the middle-classes who are hit very hard? Therefore it is not wrong on my part or on the part of any Member of the House to take up the cause of the middle-classes. To-day, the richer classes can afford to pay, and as regards the poor classes, their wants are very limited and their requirements are very few and more taxes will not hit them much. The difficulty comes in only for the middle-classes who cannot make both ends meet and so any increase in taxation will really affect them badly. There is nothing wrong on my part or on the part of other Members in taking up the cause of the middle-classes. Of course, there are always persons like the Finance Minister who will do anything in the name of the poor people. But he is a very bold man who will plead for the middle-classes.

"Sir, people who tendered evidence before the Select Committee—I find from the meagre report of the proceedings—seem to have made out a good case that the small bus-owners are not in a position to pay the increased taxes. As has been pointed out already, during the last four or five months, there has been an increase in Central and Provincial taxation and the prices of petrol, tyres, batteries and everything necessary to maintain buses have gone up. Why should you increase this tax to Rs. 30? The other day the Finance Minister asked, if it was true that the buses were not paying why there was so much clamour for route permits? He should know, Sir, that in this Province the avenues open to the people to make money are very limited. The transport trade is very easy and if a man has 30 or 40 thousand rupees, he tries to ply 6 or 7 buses and make some money. Unfortunately in this transaction he is going to lose and it is going to affect all bus traffic altogether. (At this stage, the Deputy Speaker took the Chair). The Deputy Speaker tried to make out a case for the taxis, but she confined herself to the taxis in the mufussal although she has been a resident of the City for the last twenty years. She could have been a little bit charitable to the City taxi-owners. There are hundreds of taxis waiting in Mount Road and other places and they do not have as much income as they had before. If you increase the taxes on taxis, it will hit them very hard.

12 noon. "With regard to the lorries, they are indispensable as far as our Province is concerned. It really helps the agriculturists in bringing and marketing their products. Here also the Finance Minister did not make out any case. He simply said 'It is 33-1/3 per cent.' Perhaps the Finance Minister anticipated some of the

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remarks of the previous speakers that as far as the taxation on motor vehicles was concerned, it was the highest in India. As a matter of fact, as was said by some Member, it is the highest in the world. But came our Finance Minister and said 'What of that? If the taxes are the highest, what about the mileages of roads?' Most probably he is not aware of the geography of the Madras Province. From one end to the other end it would take thousand miles. For instance, if you take Cape Comorin, it is 1,500 miles. Therefore, it is not the Ministers who brought these long roads, but it is the incidence of geography. But it does not make out a good case for the Finance Minister to say that because we have got a good deal of mileage, let the taxation also be the highest. It is beside the point.

"Madam, I want to refer to a new feature introduced in the proceedings of the Select Committee. Of course, the Finance Minister was charitable enough. When introducing his original Bill, he said 'No more increase of tax on private cars and cycles.' But when it went to the Select Committee (not that I would like to cast any aspersion on the Members), they thought 'Why not we try to tax the private motor buses and cycles?' After all, they are not letting them for hire; they are having them for their own use. In these days motor car or cycle is not a luxury. People are having it out of sheer necessity. They know the difficulties under which they are having it. I do not know how the Finance Minister who by himself had no intention when he introduced the original Bill, thought he would be doing good by accepting the view of some Members that private cars also should be taxed. I feel it would have been well on the part of the Finance Minister to have confined himself to the original proposal. I still maintain, in spite of all his remarks, that there is no case for the Government to tax these people heavily. The Finance Minister will probably say, 'Whatever may be your speeches and arguments, I am accustomed to them; I only want more money.' If he would adopt that attitude, I may only appeal to him—because he may be amenable now—to reduce the tax to some fair percentage. Fifty or 75 per cent tax will not help the industry. Have a margin. If more money is needed, let us have 25 or 30 per cent increase. That would have been a better way than having an increase of such a nature. It is not that we feel we have to support the bus-owners and the lorry-owners. Our one anxiety is that the increased taxation should not affect the trade. It is quite possible that many of the bus-owners may feel that they have to withdraw their buses. In fact, the other day and even this morning the Finance Minister said that the Government took a serious view of the bus-drivers. I do not know much about it. But it is a positive proof that people who are in the line feel that the buses are not paying so much as formerly. They think, instead of having the buses, paying 99 per cent taxes either to the Provincial or the Central Governments, and being at the mercy of some official, it would be much better to sell off their buses and bus routes also and convert their money in some property. As was

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said by the Begum Sahiba the other day, bus route or bus trade is not a gold mine. If it is really the view of the Finance Minister that he should see these buses are not affected, he would take a very reasonable view of things. I know the Madras Government are in a difficulty—they have to balance the Budget. But whatever the present position of the Budget is, it is due to their own making, as was pointed out on a previous occasion. I thought when very recently our Finance Secretary went to Delhi. . .

SRI K. BRAHMANANDAM REDDI:—"Madam, the hon. Member says that the Budget is not balanced. I want to know what programme he suggests for balancing it."

MUHAMMAD RAZA KHAN SAHIB:—"I have already told many times that it is not the duty of the Opposition to suggest ways and means. However, when our Finance Secretary went to Delhi, I thought the Madras Government were going to have a good share of the tax on tobacco, because I understand that the Central Government is having 5 to 6 crores from Madras. I am sure the Finance Minister will press on the Central Government to see that we get a good share of this tax so that this Province will be saved from all the taxation measures which are coming one after another, and we do not know how many more will come. For any measure to come, the only thing is that the Finance Minister should sit for a while and brood over the matter and the next day the measure is brought before the Legislature. He would do well to spare the buses at least for some more time till conditions improve. When the trade is in a position to make some money, surely we will be the people to support him if he wants more money. So, I oppose the amended Bill."

SRI M. G. NATESA CHETTIAR:—"Madam, Deputy Speaker, although I am not in favour of additional taxation on essential services like motor transport and other communications, I have to submit to the Hon. Minister for Finance that some exemption must have been shown in respect of private lorries used for developing the agricultural industry. When he introduced the Bill as amended by the Select Committee, he said that the lorries used by the agricultural cultivators were used only for two or three months in a year. It is not so. I have got personal experience and I am having a lorry to transport manure and various other articles of fodder for enriching the soil. A lorry is really required to enrich the soil and increase the produce of the land which will very much serve our purpose on hand. I need hardly mention that the foodgrain shortage in this Province has been very severe and we are committed to programmes of self-sufficiency in respect of food and clothing by 1951. I think, therefore, there must be exemption of these lorries. If and when the lorries intended for private purpose are used for the purpose of any trade, such exemptions may be withdrawn. In these circumstances, I feel there should be some sort of exemption, leniency and concession to lorries used for private purposes."

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"Madam, I would very much like to say something about the original basis of taxation in respect of transport vehicles. It is not as if it was fixed on the profit or loss of the concern. It was fixed in proportion to the use that the vehicle could be put to on the road. For the purpose of maintaining the roads and other facilities, the tax was based on various varieties of vehicles. Simply because the lorry-owners or bus-owners had earned a little money during the peak periods of war and the railways were used for transport purposes of the State, it could not be taken that they have earned more. It is wrong to say that merely because the lorry-owners get a profit, they should pay a tax. The tax must be based on the services. Suppose there are not lorries or buses in any country part of the Madras Province. Then it is the duty of the Government to set up a service to provide convenience to the public for moving about. If the places are not connected by railway, the State is bound to give them services for their travel. The Government are not taxing on the profit or loss of the concerns, but are actually taxing the travel of the people, which must be very much encouraged in these days of civilization. Contact between rural parts and the urban parts must be made more easy and cheaper and available at any time. When such are the conditions under which we have to progress, if the Government are going to tax the vehicles, I think it is a wrong policy altogether."

"In regard to taxation, there is a difference between the tax paid on lorries and tax paid on private cars. There is a jeep car now converted into a lorry and used for the purpose of transporting manures and other necessary articles for agriculture. Then what is the tax to be paid on it? The number of the car, routes, cylinders, tonnage, everything is the same. But why should there be a distinction when there is not so much of wear and tear? In taxing pleasure cars and private cars, the capacity of the person to pay should not be taken into account. The capacity is diminishing and we are up against the rich people who own cars and things like that. They have also got various difficulties to withstand. It is not good to go on making a distinction at every stage between the rich and the poor. The Government are keeping alive a thing which is coming to a sort of amicable settlement. They are going on setting up a class of people one against the other and making a distinction in a common essential service like the transport. I would very much request the Hon. Minister to take into consideration all the factors and see what he could do to rectify the hardships."

K. M. SEETHI SAHIB BAHADUR:—"Madam, Deputy Speaker, it has become the subject-matter of comment throughout the Presidency that the present Government are indulging in a series of taxation measures which prove unbearably burdensome for the ordinary tax-payer as well as for those who are engaged in various useful industrial pursuits in this Presidency which would

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make for the general economic prosperity, contentment and progress of the country. It is not enough for the Government to say that for public administration to be carried on efficiently, money is required. There has been a lot of shortage of funds caused by healthy reforms introduced by the Government by way of prohibition and other measures, and to make up the deficit this accursed taxation has become necessary. I respectfully submit that the necessity for taxation is not the only alternative to making up the deficit in public revenues. As has been pointed out more than once, we have got a very big Reserve Fund from which we can draw in times of emergency and whatever might be said by economic pandits about the inadvisability of drawing upon the Reserve Fund, I maintain, along with my hon. Friends, that there is now an emergency in which it can very well be drawn upon without any substantial injury to the finances of the State. Of course, when financial conditions improve, it will be time enough for the Government to recoup the Reserve Fund by adding to it what has been taken out of it. It is very unfortunate, Madam, that the Congress Government which should command the respect and universal approbation and the support of the public, is losing that support day by day by these taxation measures, good, bad and indifferent and the arguments that are advanced against these taxation measures are really a manifestation of the discontent that the man-in-the-street has against the present administration. If you analyse the arguments advanced in favour of these taxation measures that they are absolutely good to the public and that we should not find fault with the Government, it will be conclusively proved that they are very unpopular especially in the situation in which we are placed at present in the country. With the disappearance of inflation and money becoming shy, the purse of the people becoming thinner, if people are called upon to pay more taxes, their resentment would be all the more pronounced and telling as far as the measures are concerned. So, Madam, what I would respectfully submit is, by drawing on the Reserve Fund and by following a policy of progressive retrenchment the financial difficulty could be overcome by this Government rather than resorting to taxation measures. I really appreciate the intentions of the Government in having brought forward these taxation proposals, but the unpopularity that has been brought on the heads of the present Ministry on account of these measures cannot be helped. Of course, such unpopularity is not really helpful for the carrying on of successful administration in this Presidency. The man-in-the-street is very much discontented with these measures and the Government should therefore see that the earlier the causes of this discontent are removed the better for all parties concerned.

"Madam, I have also to point out that the persons engaged in this very useful industry of transport have become subject to a feeling that the maximum amount of their bearing capacity in the matter of taxation has been reached and the present Bill will

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only make it extremely difficult for them, because a very high percentage of the bus-owners and persons employed in this industry feel that they cannot carry on their pursuit any further. It is therefore, not desirable that peoples' essential needs in the matter of food, clothing and transport should be taxed in this manner by Government in whose hands the destinies of these people are placed. With these words, I oppose the measure that has been brought forward."

* SRI P. KAKKAN :—"கனம் உதவி சபாநாயகி அவர்களே, கனம் நிதி மந்திரியவர்களால் கொண்டுவரப்பட்ட இந்த மோட்டார் வரி திருத்த மசோதாவை ஆதரிக்கும் முறையில் சில வார்த்தைகளைப் பேச நான் முன் வந்திருக்கிறேன். இப்பொழுது வரி போட்டிருப்பது நியாயமானது என்றே சொல்லுகிறேன். இப்பொழுது அரசாங்கம் மதுவிலக்கு மூலம் ஏழை மக்களுக்கு பெரிய நன்மையைச் செய்திருக்கிறார்கள். அந்த நன்மையைச் செய்ததனால் அரசாங்கத்திற்கு அதிக நஷ்டம் ஏற்பட்டு அந்த நஷ்டத்தை ஈடு செய்வதற்காகவும், ஏழைகளுக்கு அதிக பணம் படைத்தவர்கள் உதவி செய்யவேண்டுமென்ற நோக்கத்துடனையும் இந்த வரியைக் கொண்டு வரப்பட்டிருக்கிறது. ஆகவே இந்த வரி மிகவும் வரவேற்கத்தக்கது.

"இப்பொழுது கிராமங்களில் பிரயாண போக்கு வரத்து ஜாஸ்தியாகி விட்டது. நிறைய பணம் சிலவு செய்து போக்கு வரத்து செய்துவருவதால் அதன் மூலம் ஜனங்கள் அரசாங்கத்திற்கு வரி கொடுத்து வருகிறார்கள். அவ்விதம் இப்பொழுது அதிகம் மோட்டார் போக்கு வரத்து மூலமாக வருமானம் வருவதால் அந்த மோட்டார் போக்கு வரத்தையே தேசிய மயமாக்கி விட்டால் இன்னும் அதிகம் வருமானம் வரும். அப்பொழுது சாப்பாட்டு தானியம் போன்றவைகளுக்கு அதிகம் வரி போடவேண்டியதவசிய மில்லாமலிருந்திருக்கும்.

"இன்னும் ஒன்றைமட்டும் சொல்லிவிடுகிறேன். வரி போடும் காலத்தில் அதை யார் ஜாஸ்தியாக அரசாங்கத்திற்கு செலுத்துகிறார்கள் என்று பார்த்தால் ஏழை மக்களும் பாட்டாளி மக்களும் தான். அவர்கள் அரசாங்கத்திற்கு யாதொரு தொந்தரவும் கொடுக்காமல் போடும் வரியைக் கொடுத்து அரசாங்கத்தை ஆதரித்து வருகிறார்கள் என்று நான் சொல்வேன். ஆகவே இப்பொழுது போட்டிருக்கும் வரிகளும் நியாயமென்றே நினைக்கின்றார்கள். ஒன்றை மட்டும் இந்த அரசாங்கம் செய்தால் ரொம்பவும் நல்லதாகவே இருக்கும். இப்பொழுது சொந்த மோட்டார்கள் வைத்திருப்பவர்களுக்கு அதிகம் வரி போடாமல் குறைத்து விட்டார்கள். இன்னும் பயம் ஆகவில்லை வேண்டுமென்றால் வேண்டியதைச் செய்து கொள்ளலாம். சொந்த மோட்டார்கள் வைத்திருக்கும் பணக்காரர்கள் எல்லோரும் ஏழை பாட்டாளி மக்கள் உழைத்து சம்பாதித்த பணத்திலிருந்துதான் மோட்டார்கள் வைத்துக்கொண்டிருக்கிறார்கள். ஏழை மக்கள் factory-யிலும் வயலிலும் வேலை செய்து சம்பாதித்த பணத்திலிருந்துதான் சொந்தமாக மோட்டார்கள் வாங்கிவைத்துக் கொண்டிருக்கிறார்கள். மதுவிலக்கைக் கொண்டு வந்து ஏழை மக்களுக்கு அரசாங்கம் நன்மையைச் செய்ததுபோல் இந்த சொந்த மோட்டார்கார் வைத்துக்கொண்டிருக்கிறவர்களுக்கு இப்பொழுது போடப்போகும் 20% வரியை விட இன்னும் அதிகமாக 25% ஓ அல்லது 30% அதிகமாக வரி போட்டால் அதனால் ஒரு தவறுதலும் இல்லை. ஆகவே பணக்காரர்களுக்கு இன்னும் அதிகம் வரி போடவேண்டுமென்று சொல்லிக்கொண்டு முடித்துக்கொள்ளுகிறேன்."

SRI V. RAGHAVAYYA :—"Madam, I have absolutely no hesitation in supporting this measure, but my grievance is only against the usual policy of the Government that is exhibited in this piece of legislation also, and that is, trying to help themselves and not having the interests of the poor man at heart. Here, I do not want to rub the Hon. Finance Minister on the wrong side,

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for he is obsessed with the idea of the ghost of the poor man appearing before him day and night. But, the real point is this, Madam. If the Government say that they are prepared to enhance the taxation on pleasure cars, by all means let them do it, because if a man wants to change his car once every three months for the colour of it, let him have it and pay for it. But my quarrel is when you come to tax the poor man, I mean the pedestrian who wants to have a ride in a bus for the sake of quick transport, the Hon. Finance Minister asked, has his grandfather gone to a cinema or got into a bus. That is the sort of answer that is given to a rising India, to a civilized country which wants to assert itself. I say it is not the proper type of reply that a Government ought to give. Last year, Madam, this House was taken aback at the transaction made by the predecessor-in-office of the present Minister for Transport, I mean, when these Diesel oil buses were imported from Italy at a huge cost of Rs. 49,000 per bus. I shall immediately give out the relevancy of the point and I may rather explain in advance what I wish to say. Instead of trying to make some money out of the spoils of a few poor men's earnings, why don't you cut short your running expenditure by introducing some new type of transport and making more money? That is exactly what I wish to point out in this connection. I may also mention that a petrol-driven bus costs 7 pies per mile while a Diesel oil bus costs about 4½ pies per mile. I am also told that a Diesel oil bus with a trailer attached to it would cost only 3 pies per mile. Recently we had a demonstration of it from the M.L.A.s' quarters. A huge trailer was attached to a Diesel oil bus and I asked the proprietor who came there to show us this transport and explain to us what the cost of a Diesel bus would be. He replied that it would cost about Rs. 42,000 per bus. When I asked him why the Government purchased the same type of buses in 1947-48 from a firm in Italy at a huge cost of Rs. 49,000 per bus, he replied that it was the foolishness of your own Government."

SRI S. NAGAPPA:—"On a point of information, Madam. May I know when the Leader of the Opposition crossed the floor and joined the Government?"

SRI V. RAGHAVAYYA:—"It will take many many years for him to cross the floor and go over to the Government."

"So, Madam, calculated at the rate of Rs. 70,000 per bus the cost of 50 buses would come to something like 3½ crores of rupees. Adding to this running expenses for all these buses, some of which I hear are not in good working order."

DEPUTY SPEAKER:—"I would like to know what the hon. Member is trying to suggest. If it is a mistake that these buses have been purchased, it is there. But, what is it that the hon. Member wants to say?"

SRI V. RAGHAVAYYA:—"Madam, the only point I want to make out is, instead of taking the seats in a bus for purposes of

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calculating the tax and making a man pay one pie more, why not introduce easier, better and cheaper type of locomotion. I have exhausted myself with regard to this point and I do not want to bore the Madam Deputy Speaker or this House.

"The immediate result of this tax would be the bus-owner would be allowed hereafter to collect half a pie more from the passenger than what he was paying before. I am sure Madam Deputy Speaker knows—and she should have had occasion to board a bus—what is being done, because rounding up also is allowed by the Government. Supposing the rate is 6½ pies, it would not be available to the poor man and he has to pay 9 pies. So, instead of increasing it by half a pie, why not increase it by a full pie. Nine pies would be quite alright. You may create, what are called, first class, second class and third class seats and for a poor man who wishes to travel in the last class you need not charge anything extra.

"Another point I would like to mention is this. Why do you exempt bus-owners with only two or three buses. If a man has to run his buses in a route he has to possess at least three buses. If he has purchased these buses at a cost of Rs. 16,000 each, one has to be kept as a spare without being used and kept in a corner and worshipped. So, Madam, this spare bus system is a white elephant to a poor bus-owner. I would therefore suggest, either you transfer the spare bus requirement or do not apply this taxation to people who possess not more than three buses, so that they may have a bare chance of running these buses in a decent condition. The result of this merciless and unscientific taxation, as my hon. Friend Mr. Raza Khan remarked, would be putting on the road several old buses, whose repair charges would be much. Of course, I cannot commit the Government itself to this taxation. The Government is also slow to check up these things and prevent the use of these buses on the road.

"Madam, if the Deputy Speaker had any chance of seeing the countryside—I hope so—she would have seen that most of the buses running in the mufassal are very bad. But so far as Madras is concerned, they are very rickety and noisy. Even the Government buses have become of late very noisy because the Hon. Minister has promised to reduce the noise of the music that is dinned into our ears willingly or unwillingly. I would rather suggest that better buses be put on the road and better control be placed on the buses. In Guntur and Nellore districts, to my knowledge, most of the bus owners do not issue tickets at all. People pay money but most of them do not get tickets in return. When I was in Guntur six months ago I travelled in three buses. I asked the conductor to give me a ticket but he refused. I reported this matter to the District Superintendent of Police, Guntur. Four months later, I was called in as a prosecution witness in the Sub-Magistrate's Court, Guntur. There was also another instance. Once the bus in which I was travelling was overloaded and accidentally a bus inspector was

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passing by the bus and I told him that the bus was overcrowded. Instead of checking the number of passengers in the bus, he exchanged greetings and salaams with the bus people. I reported to the District Superintendent of Police against the bus-inspector but he told me that he was a very good man. That is how things have come to pass and we are unable to get out of the rut. Yesterday I got a communication from the District Superintendent of Police informing me that he has enquired into the matter and reported against the bus inspector. Well, what will happen to the bus man? He will immediately rush and catch every limb of the Hon. Minister for Transport and say, 'For God's sake, help me.' So, the only way for the Government to avoid these things, is to place the transport system on a scientific basis. Otherwise, these people will continue to cheat the Government and Government would be losing money thereby. Even now the Central Government are losing money in income-tax because the bus-owners are not keeping proper accounts. This is what is being done in almost every district. No wonder that several bus owners have become very rich. Whether you admit it or not, I know several people in Guntur and Nellore have amassed a lot of money by running bus service. Why do you want to make the rich man richer and the poor man poorer? That is my complaint. I hope Government will have absolutely no reason to differ from me on this matter. I also hope that the Hon. Minister for Transport will accept this belated suggestion that a scientific basis can be found for taxation and that a limit should be fixed by which the value of a ticket should not be raised"

* SRI T. VISWANATHAM:—“Madam, Deputy Speaker, I am not going into the principle behind the enhancement of the tax. I am, for the present, confining myself to some of the exceptions referred to in page 2 of the Report of the Select Committee. I find, among the vehicles to be exempted from the present taxation proposal, are included ‘conservancy lorries in the Corporation and municipalities.’ The proposal is that they should be exempted from any further additional taxation. It is a right policy but there are some other lorries also which have got to be exempted. In the municipalities it is not merely the conservancy lorries that cater to the convenience and comforts of the citizens but there are also Public Works lorries.

“The municipal administration is generally divided into two or three departments. One is the Public Works Department and the other is the Public Health Department and both these departments are absolutely essential, one to maintain communications and keep them in good order and the other to keep public health and sanitation under good conditions. In either case, the municipalities use a good number of lorries and the very same principle which has actuated the members of the Select Committee to exempt conservancy lorries from this taxation proposal, should also be

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extended to these cases. I submit, when the notification is issued under this Bill, it may be modified in the following manner: ‘All lorries used by the Corporation and municipalities are exempted.’

“Now, I would go to another exemption. In these days when the cost of food is going high and the Government have to take some measures to reduce the cost of living, the lorries which are exclusively used for carrying rice and other articles of food must also be given some exemption. (Interruption.) Not merely Government lorries but there are also private lorries which carry agricultural produce like rice and other food materials. I would therefore submit that in the interests of the common man and in the interests of the poor and hungry man, those lorries should also be exempted from this taxation.

“Now, I come to the question of private cars. There seems to be some divergence of opinion on this subject. Some hon. Members were anxious that private cars should not be exempted from this taxation, as they are owned by rich people. It is true that a good number of rich people own private cars but the converse is not true—all who own private cars are not rich. I am thinking of my own municipality where recently one order came from the Government that an Engineer or Health Officer must maintain a car if he is to be efficient. All officers are not senior officers. As it is, in my municipality for example, the Engineer and the Public Health Officer had to borrow money from the municipality for purchasing cars. It is not therefore right to think that everybody who purchases a car is a very rich man. Of course the case of Government officials is known. But what about the case of others who purchase cars with borrowed money? Those cases are very many and therefore some solution must be found to separate the persons who can afford to have these private cars and the persons who have cars because they must. I admit, there is no rough and ready rule. The size of the car may be taken into account. All cars which are below a particular weight like Austin 10, might be exempted from this taxation. The very fact that men are obliged to buy small cars rather than big cars show that they cannot afford to have big cars. Therefore, some criterion must be found which would meet the ends of justice. Either have the test of weight of the car or the test of horse-power. In England, the horse-power of a car is taken into consideration for taxation purposes. You can follow that course and exempt small cars from this enhanced taxation. At the same time the cases of officials in the municipalities and local boards who are obliged to purchase cars with borrowed money must also be considered favourably in granting exemptions.

“Madam, even if my suggestion is accepted, much will not be lost to the Government as I understand that the number of private cars plying in this Province is about 14,000 or a little more. Even assuming that in the 87 municipalities, you exempt some

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87 cars from this taxation, the Provincial Government are not going to lose much. I hope that my suggestion will be favourably considered.

"Madam, I now come to the enhancement of the passenger fare. It is true that in many cases it may not be possible for the passenger to pay only half a pie and therefore a higher fare will be collected. It is not merely a possibility but a fact because we know it by experience. A full pie will be taken from him and if it is not available, three pies will certainly be taken from him. When we do not have even three pies, one full anna will be taken. Not only that. When passengers get into the bus in the middle of the journey, full fare is collected from them. One method by which we can avoid these things, is to institute a system of opening ticket selling stations. If we introduce a new system by which a passenger can purchase tickets at stations—just as we purchase railway tickets at the various stages—this defect will be removed. There will be no rush or blackmarketing or hiding of the tickets. There will not be cheating as between the conductor and the proprietor and as between the conductor and the passenger. I was talking about this matter to some friends experienced in this line and they told me that in some of the American cities, there is what is called the 'slot' system, just as we have slot system for the purchase of platform tickets in the Central Station. At the various prescribed stages in the route, the bus owners can be asked to install slot machines to facilitate issue of tickets."

M. MUHAMMAD ISMAIL SAHIB BAHADUR:—"Does the hon. Member want a slot machine at every bus stop?"

* SRI T. VISWANATHAM:—"I do not want a slot machine at every bus stop but at every stage. Of course, one has to pay a little more or little less for his journey. This system is working smoothly in some of the American cities."

12-45 p.m. "I am not suggesting it for the acceptance of the House off-hand and no objection need be raised against it. I have not seen it in actual working and you need not bother me over these details. A gentleman who has come from America told me that it is working in certain cities in America. My suggestion is that it might first be experimented in the City of Madras if some of the anxious legislators are willing to have it. If that system is not permissible we should be content to hang upon the conductor and the conductor to fall upon us and in the meanwhile to have the bus come to a stop. Last night I was returning from the Y.M.C.A. at about eight o'clock, the bus was stopped for nearly ten minutes because the conductor could not issue tickets; there were so many passengers on the bus who were protesting but come what may, the bus would not move; there were standing passengers, there were sitting passengers, there were hanging passengers and there were falling passengers too."

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"These things apart regarding exemptions, I feel that it should be extended to lorries exclusively used for food purposes as also lorries which are used by municipalities, and smaller cars which are used by Government officials and others. I submit that these things may be taken into consideration at the time of the issue of rules with regard to exemptions."

* SRI N. S. VARADACHARI:—"Madam, Deputy Speaker, the only part of the draft rules to which I unreservedly assent is the taxation of private cars; I even wish it were a little more; only I am sorry it is a little less than what I would have urged had I a free hand in the matter. I would pay it willingly, cheerfully and smilingly and I want every owner of a private car in the province to do the same and not to shed tears over a small flea bite."

"It is very unfortunate that I have got to express a divergent opinion on the draft rules which relate to private buses. Hon. Members might be wondering why an ardent advocate of nationalisation prevents, if he possibly can prevent, the Hon. Minister for Finance from levying a tax on private buses. It is because I am all anxious that motor transport should be made cheap and efficient and should be run by the State as a public utility service; but that is apart from the draft rules. The 75 per cent increase demanded from private buses will not, I am afraid, work in many cases. It is not as if hon. Members are unaware of remunerative and unremunerative routes. Several of the remunerative routes have become overcrowded and there is an unwanted competition over those routes. Several unremunerative routes have been opened up in recent years because of the need for cheap and efficient transport and there were people forthcoming to take up and operate even those comparatively unremunerative routes. If we were not a tax-collecting department, as unfortunately we are, we would have taken care to put our cards on the table and give convincing proofs that the increase now proposed is absolutely warranted and justifiable. There has been no traffic census ever attempted. We have not taken it for an average period of three months or six months for that matter over typical routes, routes that run along railway lines, routes that run across but connecting two places on railway lines, and routes that serve places not served by the railway and routes that are remunerative or less remunerative as the case may be and we have no notion of the occupancy ratio in all these buses. In the City of Madras we have some experience and we know that the occupancy ratio ranges from 68 per cent on the best routes to 34 per cent on the less remunerative routes. In the mufassal there is no reason to assume that the occupancy ratio will be anything more than this and it is wrong to make any such assumption against private bus-owners while calculating taxation levies. Now, Madam, what will happen? The Police overburdened with other onerous responsibilities have no time for all this. They have only time for getting at the man, collecting the tax."

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and remitting it into the treasury. Of course we know that there are so many private lorries, so many buses and so many private cars but that is not statistics. What we should have is a detailed data regarding the load factor, routes that can be classed as remunerative, unremunerative, routes claiming fierce competition and routes that are comparatively monopolistic but we have no such data before us. I say, Madam, that the result of this tax will be that in some cases the operator may get out of business. Even the grant of chassis is under control orders. There are several people who have been given 38 seaters to run on comparatively unremunerative routes. It means that the operator will have to pay Rs. 1,000 per quarter extra taxation. Unless he resorts to other measures to defeat the law and to set at nought traffic rules and regulations, he cannot pay this amount honestly and yet remain in the trade. He will have to shift his buses to other routes or sell his line altogether and clear out of business. That will be the result in the case of big buses. Now, how is occupancy ratio to be determined on these routes. During festival days, you may get traffic one way and no traffic the other way. I know buses running from Kurnool to Srisaillam during festival days carry huge loads one way but return practically empty when they return and I can quote several other instances of such traffic loads. It is where all the difference between big fleet-owners and small fleet-owners arise. The big fleet-owners may tell you: 'I may pay but yet survive' but the meaning is: I only can survive and not the rest who run their buses on comparatively unremunerative routes, who are poor and who have entered the field much later and who cannot at all subsist on the present rates of taxation. Madam, let me tell the House that fleet-owners are already heavily indebted to Commercial Credit Corporations and individual Marwaris in Madras who have practically all their fleet under their control. I have gone to one or two of such parties—I am not going to mention names—and I found out that they have already begun to tighten the noose and they have asked the smaller owners to pay because they apprehend that they may not last in the business for long and may have to clear out on account of this heavy taxation and that is why I suggested going slow taking into account the rate of taxation and the routes as such. Now, Madam, I wish to give certain figures so far as they are available to me. We have no experience of mufassal routes. The other day one fleet owner gave evidence before the Committee; he challenged the figures of the Government but refused to give his figures. Perhaps if taken into confidence, he might show them and I am sure if this Bill is put into effect, he may get out of business and the Government might well place him in such a position as to acquire other routes for which I shall not be sorry if your aim is rationalisation of the entire bus ramifications in the province. Then this draft rule may be all right. But if it is your aim to collect taxes preserving the passenger traffic and preserving the cheap,

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I will not say efficient but, tolerable management of traffic in the province, then I say, you are wrong and you will not get it in the proportion that you expect. It may be that you may look at it six months hence or a year hence. There may be commitments and commitments and they may not be able all at once to clear out and it may take time; it is a painful process but pain there will be and the result will be people clearing out of business altogether.

"Now, Madam, let me come to our figures. There are three hundred buses running in the City of Madras and they are making a profit of 12 lakhs of rupees a year for two years. Taking it on an average I will take it as one year and a half. If so the net profit may be said to be about nine lakhs a year or Rs. 3,000 per bus per year. And as against this we have not provided for amenities to the public. I have been complaining repeatedly not only here but as a member of the Advisory Committee that the first charge on these funds should be the provision of public amenities. Mr. Viswanatham referred to a particular system. It may not be practicable and it cannot work not only in this Province but in other countries. It may be working all right if the fare is uniform for all mileages; it might work in the City if we had one fare, say 2½ annas for the entire route. The frequency with which buses are run having regard to the varying 1 p.m. stages with different fares and the long distances they will have to cover make its application impossible here and there is no running away from tickets. The issue of tickets must be made obligatory. In earning profits, no money is set aside for amenities for labour. Government must first set the example in sharing profits with labour, and if they do so then the net profit left over to them will be less than 4 lakhs, or Rs. 1,000 per vehicle. It is not possible to raise taxation to this level in the mufassal where the occupational ratio is considerably less. Buses have to run for many miles, sometimes only one way and not both ways and sometimes on good days with a fair amount of traffic and on bad days with comparatively bad traffic. Can Government levy further taxation and yet think this will work all right and will not injure trade? Probably Government may be able to get some money from the big fleet-owners but the small bus-owners will be crushed unless Government and the Police combine and connive at setting at naught the rules of traffic regulations and allow overcrowding at will. Now let me take up the other point. Government may say that they are raising the rates and they are going to allow half a pie more. It is temporary. Six pies are not charged on routes that lie along the rail route as railway charge is not more than 4 or 4½ pies a mile. Rates are dependent on what traffic can bear and on the nature of the routes. For instance, if the rate from Madras to Chingleput is increased by four annas, i.e., from Re. 1 to Rs. 1-4-0, there will be overcrowding in the trains where the rate is certainly far less and the convenience afforded is better. Traffic does not adjust itself to Government's orders but it will

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be taking the route which is advantageous to it, that is, it will turn to the road or rail route whichever gives it better return for what it pays. This is a common law which Government ought to understand. The only effect of increasing the rates will be that it will give room for propaganda that Government have allowed the bus-owners to raise rates. The bus operators will not be able to collect six pies which is allowed under the present draft rule, leaving out of account this extra half a pie. These are my arguments for saying that I must express my unfortunate difference of opinion on this matter. I shall however wait and see how the buses work. But I am looking forward to the day when cheap and efficient transport will be made available for people throughout the country, not at the rate of six pies, but if possible, at a lower rate comparable with the rates charged by the railway in this country. (Abdul Hameed Khan Sahib Bahadur: It is not possible.) It is not possible for legislators like him. Not only it is possible but it can be undertaken immediately if we have officers and men in the country on whom we can have confidence. I can challenge that it is possible if only the Hon. Minister gives me an assurance that, if private owners fall away from running buses, he will take those routes himself and run the service. Then I shall show him that even with the existing taxation, he would be able to nationalize the service and work it cheaper. Therefore I ask him for an assurance that, if as a result of the draft rules some bus owners do not run the buses, Government should step in, make it State-owned and run it themselves. If he can give it, I will be one with him in spite of the difference of opinion I have. A trial may be made and the position may be reviewed year after year. I may emphasize again that the aim and object of State ought to be providing cheap and efficient transport. Even the best men in the trade are not giving all amenities to labour. We may take for example the service that runs between Trichinopoly-Madura or Madras-Vellore. We see no sunshades provided for passengers. People have to stand in the open in rain and sun showing up their hands to every bus that passes by to stop and waiting all the time for a seat. This is a chaotic state of affairs which the State alone can put an end to. Therefore I want the State to take it up immediately. Again I want the Labour Award to be respected. Workers should be provided with all amenities. It is no use for State to pay a certain amount as salary and some allowances, and think their duty stops there. Workers do not have the benefit of a share in the profits. They must be provided with some free entertainment at the end of a hard day's work. For instance, a cup of coffee or tea to refresh them up. Their children should get free education or half-fee concessions. The houses in which they live should be comfortable to them; I do not mean to say that they should be given palatial mansions as those which Ministers enjoy. Some sort of fabricated houses would be enough. Then alone they would feel that they have a guardian in the State

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to look after their interests. It ought to be our policy to keep them contented and happy. Are not Government aware that the railways provide their guards with quarters? Likewise Government may build up quarters for them. If Government have money, let them do it. If not, let them try to earn more and then do it. But let them not follow the policy of mere capitalism."

SRI M. S. PATTABHIRAMIAH:—"Madam, Deputy Speaker, I am sorry to note and to observe that we are in a particular stage of political evolution after the attainment of independence when a law-making Assembly is almost in the state of registering the decision taken by the executive. In this particular instance, when these taxation measures were brought forward, it was unfortunate for that trade that attention was not properly focussed on the enhancement of taxation on motor transport and on the enhancement of fares to bus passengers. Regarding sales-tax when it was first taken up, the Hon. Finance Minister was able to compromise, accommodate and satisfy the public and in order to compensate what is lost, he is persistent in having the taxes on motor vehicles. This motor transport industry is a necessity for any advancing country in the modern times. This enhancement of taxes on buses and lorries will almost kill the industry which is in infant stage in our country. We are really going to kill the goose which lays the golden eggs. As was pointed out by my hon. Friend Mr. N. S. Varadachari, we have no data of the different routes in the province. We are not quite sure whether the small bus-owners are making any profit at all. I reliably understand that the small fleet-owners are already in debt. The big marwaris have them under their thumb. It will result in driving out the small bus-owners or small lorry-owners if the rates of taxes are increased. Only a few companies like T. V. Sundaram Ayyangar & Sons, or Simpson & Co., or the Government Transport will be able to run. I have received a telegram from my constituency that the lorry-owners in Dindigul will have to stop their service if these taxes are levied. 33½ per cent for lorries is a very high percentage. I do agree—it will not be palatable to some—that private car owners may be taxed still further. It may be doubled. These lorry-owners are doing real service, since they carry materials for agriculture and trade between places not served by railway. If further taxes are levied, Government will be ruining the industry, which in turn means ruining the prosperity of the country. A curious argument was put forward by the Hon. Finance Minister that Madras Presidency was giving the longest mileage for routes and so there was every justification for its tax being the highest in the country. As was pointed out by an hon. Member in the Opposition, I am sorry that such an argument is being advanced. If it is said that the total sum Madras is getting is five crores from our motor trade, the Hon. Finance Minister will be safe in his assertion that our mileage is very long. Simply because we have provided roads—

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and the roads are of a questionable character—it does not justify
1-15 a higher taxation than our province can bear. It is hard to do so
p.m. and more than that it is something, I am sorry to say, ridiculous.

“Then, the enhancement of bus fares is very unfortunate. It is unfortunate that even in the Select Committee some of the members seemed to have approved of such enhancement. That will be a hardship to the poor people. I am not here talking of the poor people referred to by the Hon. Finance Minister. I am not talking of those who have nothing to eat, nothing to wear and nowhere to live. I am not thinking of the destitute. I am thinking of those who are voters and who will be ruling this province in future. I say they will not be able to bear this taxation. The enhancement of one anna per day in their daily expense will be a real burden to them. This is perhaps a case which may not appeal to the imagination of those living in towns. Madam, I protest against this enhancement, though I cannot prevent this taxation. I will rather again request the Hon. Finance Minister to reconsider this point and if possible reduce the tax on lorries and take away the enhancement of passenger bus fares, which, if done, will be doing a great justice and will enhance the reputation of the Hon. Finance Minister as a very accommodative and successful Minister able to get taxes from the Province.”

* SRI K. BRAHMANANDAM REDDI:—“Madam, Deputy Speaker, I do not wish to enter into a discussion on the main proposal, because even at the first reading stage of this measure every conceivable argument against additional taxation was made and the Hon. Finance Minister has replied suitably. I shall confine myself to the protest made here against the additional levy on private motor cars. It was I, Madam, that suggested this additional levy on private motor cars at the first reading stage. (A voice: ‘Psychological reason.’) Not only psychological reason, because I feel there is every cause for an increase of tax on private motor cars. It may be easy for hon. Members like Mr. Hameed Khan to bring in and trot out the ghost of poor man. The poor man is exploited too much by the Opposition. I am afraid my hon. Friends on the other side prostituted the word ‘poor’. I wish Government supplied to us information about the number of owners of private cars in the province. If we look at that picture we would see whether this levy is justifiable or not. I still maintain that at present in India private car is a luxury and not a necessity. I do not know what it may be a decade hence, but to-day I can certainly prove by facts and figures that all private car owners are able enough to bear this additional burden. My friend, Mr. Viswanatham, has advanced a very trickish argument that many of these gentlemen have borrowed money and bought cars, and that it is out of necessity they borrow money and purchase cars. But I wish to meet him this way. If a man who advances money to another, say, ten

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thousand rupees, to purchase a car, he does so not because he feels he deserves it, but because he has sufficient property to repay the money. He thinks the other man's financial position is sound enough to repay the loan. So let us not be under any misapprehension that these owners of private cars will not be able to bear this small burden. I proposed a levy of 50 per cent, but the Select Committee was not willing for it and they reduced it to 20 per cent. Even that Mr. Hameed Khan has chosen to oppose. I am only sorry that he should have done so.

“The second submission I wish to make is that even with regard to this additional levy on the other services, namely, buses, the matter has been considered at great length, and many operators who wanted to have a say in the matter represented their grievances, and after very lengthy discussion, the Select Committee came to the conclusion that the proposed levy should be made at a reduced rate. Madam, I do not propose to traverse the ground already covered by previous speakers. I wish the House accepts the proposal made by Government.”

SRI S. NAGAPPA:—“Madam, Deputy Speaker, before we approve the draft rules regarding the tax on motor vehicles I feel I should pity the poor Finance Minister who had been taken to task from this side of the House. No doubt it is we who wanted Prohibition to be introduced and so it is we who are responsible for the deficit budget. I have studied the taxation policy of different countries, and I find there is no country which does not grumble to pay tax. The only difficulty is the wealth of the country has not been distributed equally. There is maldistribution of wealth. A very few people hold the wealth of the Province and a very large number of people are without any means to subscribe to this taxation. So first before tax is collected from people they should be made in a position to pay. That must be the criterion of the Minister.

“As regards private cars, Mr. Brahmanandam Reddi rightly pointed out that they are in a position to pay. All he said was that private car is more a luxury now than a necessity. Those who cannot afford a car are going in bullock carts. If a car is not a luxury, may I know which else is a luxury, and which is not a luxury; I am yet to learn that. As regards taxing buses, I feel rather we are hitting hard not the owners of buses but the people who travel in them. Government propose to increase the fare rates in buses by half a pie per mile. Well, it may look grand; but has anybody understood the implications of it? For every mile half a pie has been increased. Suppose a person goes from Kurnool to Anantapur, a distance of one hundred miles. The increase in fare comes to fifty pies. That comes to four annas. It means one day's earning for the poor man. (Several voices: ‘Hear, hear.’) So may I ask, from whom are Government going to collect this additional tax? It is not from bankers and from rich people but from poor people. People owning

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other means of locomotion will not travel by bus. Bus traffic is lucrative only to those who know that trade. There are so many people who have miserably failed in that trade. Our Government have tried it in the city of Madras and has miserably failed. They have not been able to save more than twelve lakhs. One view is that is a creditable achievement. But one must see how much they have invested in that trade. I am told they have invested forty-five thousand rupees on Diesel buses. I do not know how long they will work. Already we have been hearing so many complaints about them. Most of them do not run for most of the year, and there is nobody to take care of them. As Mr. Anwar said, every part of that bus makes noise except the horn. The other day when I had occasion to travel in it I experienced every part of it was making a rattling noise. Don't you feel that the same will be the experience of those coming from the mufassal? May I know what prevents Government from nationalizing bus service in the whole province. They could have done in stages as they did with Prohibition by taking the neighbouring two districts at each stage of extension. They could do so from the experience they gained by running buses in the City of Madras. In this way they can extend it to the entire presidency before they vacate their seats. (A voice: 'When is it?'). Not to-morrow; don't be in such haste; it will be in two years.

"Then, I come to another point. There are some places especially in Rayalaseema where there are some motor transport co-operative societies. They have come into existence only recently in Anantapur and Kurnool. They never knew or anticipated that the Hon. Minister for Finance would come forward with this taxation proposal. They are not fleet-owners; they have not earned any big profit in the past, and yet they have to compete with the longstanding individual fleet-owners."

The House then adjourned for lunch.

(After lunch—3-30 p.m.)

SRI S. NAGAPPA:—"Mr. Speaker, Sir, I was referring to motor transport co-operative societies which have been recently formed in Rayalaseema, one in Anantapur and another in Kurnool. These societies consist of poor people like drivers, conductors, cleaners and other motor transport workers. As a stepping-stone to nationalization, the Government must help these societies with route permits and financial help."

MR. SPEAKER:—"The hon. Member has already taken seven minutes in the forenoon."

SRI S. NAGAPPA:—"I have only two more points to mention. I have been associated with one of these societies and I know that lack of finance stands in the way of their progress.

"As I said in the beginning, I am not opposed to taxation at all. A good Government is that which collects the maximum

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tax from the people. But it must also spend the maximum on the people. I am yet to know what percentage of the revenue of this Province is being spent on the betterment of the people. The criterion by which any Government is judged is the extent to which it attends to the requirements of the poor people. Because of the introduction of prohibition, this taxation has become necessary. Taxation is a painful duty and I know how painful it is for the Hon. Finance Minister to levy the taxes. When the members were urging for the introduction of prohibition, they must be generous in allowing the Finance Minister to levy taxes to make good the loss of revenue. The Government are going to collect half a pie more per mile from buses. But are they going to provide more amenities corresponding to the increased rate? The roads of our province are bad and they cannot stand comparison even with the third-class roads of other provinces. The Minister may say that this Province has got the largest mileage of roads as compared with any other Province. But that is no consolation unless the roads are kept in a good condition. Unless a thing has got utility value, it cannot be called a good thing. I do not grudge levying the taxes but the revenue must be returned to the people in the shape of amenities. My hon. Friend, Sri Varadachariar, was describing the pitiable position of bus passengers at intermediate stations. They have to wait for long hours taking a sun bath or rain bath. (The Hon. Sri B. Gopala Reddi: 'Shower bath'.) It may be a shower bath for the Hon. Minister but it is a sun bath for the poor passengers.

"I have been trying to explain to this House the need for cutting down expenditure. Year after year the administrative machinery is expanding and I do not know when it will burst. Why should there be an area rationing officer for petrol and a road transport authority? Cannot the functions of these two officers be combined in one and the same officer? Instead of having a road transport authority for every district, the work could be entrusted to the District Collector. The huge administrative machinery is taking away a good portion of the revenue. The Government are spending more money on administration than is necessary.

"Once again I request the Government to encourage the motor transport co-operative societies with route permits and by giving loans as they give to local boards and municipalities instead of driving them to the necessity of borrowing at exorbitant rates of interest, and see that similar societies are formed all over the province. The Government can have a close watch over these societies through the Co-operative department. There is no scope for strikes and lockouts in the societies, because the workmen and the owners are one and the same. By encouraging the societies, the Government will be helping the motor transport workers and at the same time building up a sound transport system for the province under effective Government control."

* SINNA KAZIAR HAJI MOULVI S. A. P. IBRAHIM SAHIB
BAHADUR:—"Mr. Speaker, Sir, it is rather sickening to hear from

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the beginning of this session Member after Member attacking the taxation policy of the Hon. Finance Minister. When we, Members, go to our constituency, the voters ask us why we were keeping silent when proposals for levying so many taxes were before the House. That is our difficulty. Whatever the reason may be, I am on my legs to say a few words.

"From the beginning I have been pleading for nationalization of bus transport. What is the use of myself and the other members saying the same thing? We can wake up a sleeping man, but we cannot wake up a man who is already awake but pretends to sleep all the time. Similarly, we can convince a man who keeps an open mind. But it is hard to convince a man who refuses to be convinced. That is our present position. At the outset of my speech, let me make it clear that this is the only taxation measure that will have my support, because I feel that there is some justification for it. There is no use in always opposing every taxation measure. At the same time, there is no use in the Hon. Finance Minister bringing before the House measures which do not stand to reason and commonsense.

"Sir, though I am going to support this Bill, I am going to give only 90 per cent of my support. The remaining 10 per cent, I am constrained not to give, because you have not removed the half-an-anna clause, and unless and until you eliminate that clause, I will be going on saying from the house-tops that you have taxed the poor. It is always a fashion with us, Members of the Legislature, to drag in the name of the poor man every now and then, but at the same time we try to exploit him in every possible manner. If we are really sincere in pleading for the cause of the poor man, we must be very careful in dragging his name into all the measures before us, because we might be spoiling his cause by overdoing it.

3.45 p.m. "Sir, most of the Members were saying that they oppose this Bill with a view to safeguard the interests of the poor. So far as I have followed their speeches, I have found that their arguments have always been very curious; they start with a comedy, then gradually they draw a very tragic picture of their condition and finally in the end, they forget the poor altogether. Therefore in arguing the cause of the poor, they forget the poor altogether in the end. They say that the bus-owners are a very poor people, that they have invested so much money in their business, that they have borrowed so much, and that they are likely to lose all their money on account of this Bill, but they have not said anything about this six-pies clause which the poor has to pay ultimately. Therefore they have been only advocating the cause of the rich people and not the cause of the poor people.

"Again, Sir, they were saying that the bus-owners are not able to make both ends meet. If that is true, let me ask how many bus-owners have stopped their bus-service. As a matter of fact, I know personally that so many motor lorry drivers have

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become bus-owners, that so many motor bus owners have become fleet owners, and so many fleet owners have become land owners and sometimes petty zamindars whom we want to abolish altogether. There is therefore no use saying at a tangent that all bus owners are incurring losses in their business. Whatever we say, we must say with some conscience and we must have some justification in what we say. Although I am not an expert on this subject, at least I know as much as any of the members on the other side who have taken part in this debate, because I have got so many friends in Mathurai, Coimbatore and in the Ramnad districts who know much about this business and I have heard them saying that in the pre-war days, the bus owners were not earning much, that their position during the war period was much better and now during this post-war period, their financial position has been very much better. So they can pay this extra amount. Finally, I would submit, Sir, that if any bus owner thinks that after this new taxation he cannot run a bus, and if the Hon. Minister would only give me an assurance in this matter and would also give me a notice of it, within 24 hours, I will be able to bring as many persons as he wants to purchase all those buses, the owner of which says that he cannot run his service further because of this taxation. I know there are enough people to take up these buses. I know that there are many people who are going about day in and day out, either to the Road Traffic Board or to the Hon. Minister and pressing upon them to open some more new routes to run new buses.

"Then, Sir, with regard to the taxation of private cars and taxis, I have got only to say this much. I would only ask hon. Members who have doubts about it, to come with me to Mathurai and see for themselves what is going on there. It is also a religious centre and they may spend a week there comfortably. These taxi-wallahs, I say, are making a lot of money there, like hot cakes. At least in Madras, you have got the meter system. Here, you get into a taxi, go wherever you want and when you get down, you see the meter and pay according to its reading. But in Mathurai, they have not got any such taxi system. They sometimes charge as much as Rs. 6 for the first hour. If there are more number of taxis in front of the railway station, then probably you may get at a cheaper rate, but almost invariably they will be charging at the rate of Rs. 2½ or 3 for every subsequent period. For a long distance, the minimum is Rs. 1-8-0 per mile. This is the position there and why do you want to show sympathy to these taxi-wallahs?

"Sir, I do not know anything about the conditions here in Madras, but there are many hon. Members from Madras who are the best authority in the matter and they have put forward the case of Madras before the House.

"Sir, the next thing that I want to say is about the private car owners. As pointed out by some hon. Members, they might have

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borrowed money from some other persons for the purchase of their cars. But it must be remembered that unless a man is worth something and is known very well to the person who lends, certainly nobody would lend him, say Rs. 10,000 for the purchase of a car. Sir, before you lend a thousand rupees to me, you would at least make a thousand inquiries about me and my financial position, from such of my friends and from such persons who are intimately acquainted with me, and unless you are sure of the return of the amount, you would not easily lend it. Therefore, Sir, it is only such persons who might have borrowed money from their friends for the purchase of their cars. As regards Government servants, of course, they get loans from the Government and repay them in instalments and in the course of a number of years, they wipe off the loans and become the owners of the cars. There are perhaps some doctors, also, who have borrowed money for the purchase of cars. So far as my experience goes, I might say, that doctors have become like Jews of Germany or America. They earn quite a lot of money in these days. At least in the case of other professions, you can change from one man to another, but so far as doctors are concerned, oh, it is very dangerous to do so! Take my family doctor. It is no use at all taking one doctor to-day as your family doctor, another doctor to-morrow and a third the next day. But, let me say plainly, Sir, that if I want to save a five rupees by going in for another doctor, I must insure my life for another Rs. 1,000, because here is such a lot of danger in changing from one doctor to another. Sir, let me not go more into these details, because hon. Members are aware of them. (Mohamed Abdul Salam Sahib Bahadur: 'What about lawyers?') Sir, about lawyers, I know much more, but there is no time now, and if I am to talk about lawyers, the hon. Member cannot sit here.

"Sir, cars in these days are certainly a luxury. I know many friends in the business line who are having not only one car for the sake of their business, but also another car for their family and for their private use. If it is for business purpose alone, can anybody go in for black-market petrol even at the rate of Rs. 8 and Rs. 10 per gallon? I know many merchants are going in for such black-market petrol at such a high cost, simply for the purpose of going on a holiday trip, either to Kodaikanal or Courtallam.

"Finally, Sir, let me say one thing. Of course, we are all politicians and legislators here. It is no good being mere politicians. If you want to be successful politicians and successful legislators, you must have circumvention and tact. Now you have brought forward this Bill along with some other taxation measures which cannot stand to any reason or justification. If you had brought in this Bill alone, then you would have got the universal support from all sections of this House. But because you have

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mixed it up along with some other preposterous Bills, there has been so much opposition from hon. Members of this House against this Bill also. If you come forward with such Bills as are intended to tax only the rich, you will have my best support as also the support of other Members of this side."

Mr. L. C. PAIS:—"Mr. Speaker, Sir, I am not going to make a long speech but I only want to make a few observations on this measure. Sir, I do not want to make a secret of my views concerning these taxation measures. My objection is not against this or that particular measure of taxation. In fact, my objection is against the levy of any tax in the peculiar and particular conditions prevailing in the country to-day. Sir, I have been listening carefully to the speeches of the various Members of this House and especially to the speeches of hon. Members from the other side. I listened to the speech of the hon. Lady Member, Begum Sultan Mir Amiruddin. She gave us a very correct picture of the present condition of things in this country and especially in this province to-day. She has also said that any attempt at a new legislative enactment and especially of a measure of taxation must not have the effect of estranging the feelings of the masses and it must be especially so by the Congress Government. That is a point which should not be overlooked and I am inclined to think that there is considerable force in what she has said. But at the same time, you will ask me, 'There is a deficit in the budget; there is a gap in our Provincial revenues on account of the introduction of total prohibition. That gap has got to be filled up. How is this deficit to be made up?' Sir, my simple answer to this is, 'Who is responsible for this deficit? Is it not of your own making?' When once it is conceded that this gap is of your own making, then it is incumbent upon the Government to exert their level best to see that every alternative mode of filling up this gap is exhausted before resorting to this extreme measure of new taxation. Sir, we have introduced a number of socio-economic reforms. Certainly it does not lie in my mouth to say at this time of day that we shall go back upon our programme of prohibition. I am a Congressman and I am a believer in all socio-economic measures introduced by the party in power. At the same time, I must ask you to remember, what is the opinion of the public so far as these major schemes and policies of the present Government are concerned. In so far as some of these major socio-economic measures are concerned, if they are worked out efficiently and properly and without any waste of money, then certainly the public would not say anything about them. But what do we see to-day? A good lot of money is being wasted on certain socio-economic schemes, because we are not able to work out those measures to the extent to which one would wish them to be worked out, with the result that many of our nation-building activities are allowed to suffer. At the same time, we are now forced to find out some alternative mode of taxation so as to fill up the deficit created in

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our provincial revenues. Sir, I have been listening the other day to the forceful speech of my hon. Friend Mr. Karanth, the Ex-Revenue Minister of this Government. He said that with a little retrenchment here and a little adjustment there, this deficit of Rs. 4 crores could be made up. He actually gave us some concrete suggestions as to how best this deficit could be made good. Sir, we have yet to hear from the Hon. Finance Minister whether this aspect of the problem has been properly and sufficiently considered. Sir, I should, in this connexion like to make a reference to some other methods and modes which are certainly available to us, which if earnestly and sincerely adopted, would help greatly to fill up this gap. Some three days back, I had been reading an editorial of the *Madras Mail*, wherein the provisions of the new Panchayat Bill were discussed. One of the important suggestions made by that paper in that connexion was that when once that Panchayat Bill comes into force in every village, and the village panchayats are constituted, there would be no need to continue the present firka development centres there and that so much money that is now spent upon these schemes could be saved. That is a very relevant and useful suggestion made by that paper, which the Government would do well to consider in all seriousness. These village panchayats can very well take up the work of these firka development centres without any additional expenditure to the Government.

"Sir, in this connexion, I should be permitted to point out whether a slight modification of the scheme of prohibition may not be considered necessary, having regard to the peculiar conditions which are now prevailing in many of the villages in this province. One such modification that I should like to suggest is this. An exemption may be given for the manufacture of what is known as sweet toddy in all the villages and towns in the province. We are told that so far as the palm juice or sweet toddy is concerned, it only contains about 5 per cent of alcohol. Sir, recently we had a political conference in South Kanara on this subject and the expert opinion that was expressed at that conference was that the palm-juice contains only 5 per cent of alcohol. If this is allowed to be used by the poor people in the villages as a beverage in the morning, it would certainly be welcomed by the people and would not do them any harm at all. I make this suggestion for the consideration of the Government, because it was felt by many people in the districts that giving such exemptions to the manufacture and sale of sweet toddy would help the poor people very greatly and that it would be something like a substitute for food and coffee in these days, and if this suggestion is adopted, I think, it will go to fill up the coffers of the Government to some extent.

3 p.m. "I am a member of the District Prohibition Committee, Sir, and I know that every member will remember we get a report every month that there is no co-operation from the public. If we go deeper into the matter, Sir, we will know what the reason

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is for this lack of co-operation from the public. People are starving without food and they do not have enough rice and they say: 'we are denied even the little toddy which we were taking for years together.' That is all I have to say, Sir."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Mr. Speaker, Sir, I rise to oppose the measure. I am not accustomed to speak unparliamentary language, Sir, but I was very carefully hearing the hon. Member, Mr. Brahmanandam Reddi. He was saying, Sir, that whenever the Opposition members spoke about the middle classes, they were prostituting the word 'poor' and the words 'poor people'. I must say here, Sir, that it is in their name that the hon. Mr. Brahmanandam Reddi is sitting here. It is in their name that these Governments are formed and elected every year whether it is necessary or not and it is in their name that they pilot these Bills; they must fully realize, Sir, that they do not represent them. I ask the Hon. the Finance Minister to choose any platform or test, or let there be a gallop poll or let the Finance Minister himself prescribe any test on these 4 or 5 financial measures and let him demonstrate that the poor and the middle class are with him. It is no use depending upon the forefathers or on the past when the elections were held. The times have now changed completely and it is for the people who can see and it is not for the blind to see the changed times. It is not proper for people like Mr. Brahmanandam Reddi to use that language when we argue on behalf of the same class of persons.

"I gave last time, Sir, an illustration to show that the basis of these financial measures was completely wrong. The Hon. Minister said that the bus owners were getting a lot of money. But today if he adds one hundred buses more let him see whether they will get more. The objections have been answered by Mr. Brahmanandam Reddi. I am thankful to the Hon. the Minister for Finance for saying that he will not hereafter allow the nonsense of increasing the number of buses unless he feels that there is real need for increasing them. I shall add some sentences, Sir, to strengthen the view of the Hon. the Finance Minister. I want to know whether the Finance Minister is aware that there are only a very few number of buses that ply over 50 or 60 miles. Of course there are buses that ply 120 miles. But what about those buses that are able to run only 40 miles?"

THE HON. SRI B. GOPALA REDDI:—"If it is less than 50 miles, Sir, they need not pay the additional taxation."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"I am grateful to him, Sir, for the information.

"Then, what about the buses which are not able to get enough petrol. There are some fleets or union of buses in a particular line in Guntur which are not able to get enough of petrol. There are 12 buses which instead of running four times as normally they can be asked to run only 2 times, but they will be asked to pay

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the full tax. They are not responsible for the non-availability of petrol and they are all the same asked to pay the enhanced tax.

"I thank the Finance Minister, Sir, for his reasonableness on many matters. In one particular matter this morning he said that it was still under consideration. That is a vitally important part and he agreed that what I said was reasonable. I do not know how he can now pilot this Bill and ask for 'ayes' or 'no' when such an important matter is still under the consideration of the Government. The point is this, Sir. According to the present rules a fleet owner has to keep two or three buses as spare or relief buses and he has to pay the full tax for them on all the seats even though that spare bus might have been used only once in the day. And now we are doubling the tax even on those buses and asking them perhaps to pay the tax for the entire month or the entire quarter even though they might have run only for a day or two. When this matter is still under consideration how can we double the tax. I do not know if the Hon. Minister is still anxious to proceed with this taxation on spare buses even though they have been used on the road only for a day.

"I have been all the while saying, Sir, that this Government has been run on slogans only. Now this measure is to be passed on promises. I have raised a vitally important matter, namely, that our District Road Traffic Boards are proceeding at a great pace to increase the number of buses. The Finance Minister has promised that the Government will go into the matter. I say that either the increase of buses should be stopped or the increase in taxation should be stopped. It is not enough to say that they are considering the matter and they are going to pass orders and that they will ask the Central Road Traffic Board to stop the increase in the number of buses hereafter in any particular line. And it is only a promise. They cannot ask us to support the measure simply on promises. Before they ask us to support the measure they must say something with regard to the number of buses and also the question of spare buses. The Hon. Minister knows how there is a race for new permits and how all sorts of influences are being brought to bear. It is in the fitness of things that the Hon. Minister should follow his own decision and see that the buses or the lines are not increased except for absolute necessity. Mr. Brahmanandam Reddi comes from my district and he also claims to know something about this matter. I ask him whether he has got any basis to say that the number of buses should be increased. For the last 10 or 15 years there are about 200 buses in our district and if one fine morning you say that the number shall be increased by 100 more buses, they will burn their fingers. If there is going to be any increase of buses in the existing lines, I must say that on calculation they will find that the expected income will not be there. Unless the Hon. Minister implements his promises, I feel Sir, it is wrong to support the measure."

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* SRI K. BRAHMANANDAM REDDI:—"On a point of personal explanation, Sir. (This morning when you were not presiding, while I was supporting the additional levy on private cars, because the Opposition was using the words 'poor man' and he was being brought into the picture unnecessarily, I said, 'do not exploit the word "poor"'. That was all I said, Sir, and I do not know how my hon. Friend can take exception to it. Probably he did not hear me properly. On the first day when the measure was under discussion, I said that I was against any indiscriminate increase in the number of buses in the mufassal. If my friend did not hear me properly and if he were to fly at a tangent I cannot help it."

SRI A. KAMESWARA RAO:—"Sir, my hon. Friend, Mr. Salam, is always in the happy position of catching the wrong end of the stick. He argues things in a different way. I am surprised, Sir, when there is so much scarcity of buses in the Guntur district and when there is a proposal to increase the number by 50 or 100, he should grudge it. Probably somebody in the trade might be affected, but that is not the thing. After all, Sir, traffic is increasing and people are moving about from place to place either due to hunger or in search of employment or for the marketing of their produce. I do not see any reason why these buses should not be increased.

"I should like to congratulate the Select Committees Sir, generally for the way in which they have decided the fate of these taxation measures. That only shows the courage of conviction and vigilance and the responsibility of the Members of the House. They have really set an example to the whole of India and even to the Central Government in their vigilance by throwing out the proposal to tax chillies, pepper and other things which were put in ill-advisedly by the Advisers to the Finance Minister.

"This measure which is before the House may on the whole look too much, but as my hon. Friend, Mr. Brahmanandam Reddi has pointed out the amount realized from such taxation is to be used for the improvement of the roads in the Province and for improving the travelling facilities. On all these things money has to be spent and I think the taxation proposal is justifiable to the extent to which the Select Committee has agreed.

"I would only wish to draw the attention of the Government to the worst condition of the roads in the mufassal. I had a tour to make of 2 or 3 districts recently. Even if you put a Rolls Royce on those roads it will get utterly spoiled in no time. The Chevrolet buses and lorries that are run on those roads are getting spoiled soon and their life is shortened. Instead of 10 years they are giving service only for 4 years. This is a loss, Sir, to the owner of the buses as well as to the Government. I press, Sir, that there must be good shelters and good roads, more buses

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on the roads, etc., so that there may not be overcrowding. When I was travelling in the West Godavari district, Sir, recently I found that in a 21-seater bus they loaded 58 people and even on the top people were sitting. I was surprised and asked if there was no police to control that and if there was no Government at all. I found the same condition in the Guntur district also. I must say, Sir, that there is neglect of these officials in all the departments. We must be aware of the things that are happening today, namely attacks by Communists, murders, etc. All these things go to show that there is no Government. [The Government must beware. They must take courage in both hands and they must be more vigilant in protecting the people at large. With these suggestions, Sir, I support the measure.]

8-15
p.m.

* SRI M. P. GOVINDA MENON:—"Mr. Speaker, Sir, on the day when the first of these unfortunate taxation Bills was introduced in this Assembly, I raised my voice of protest. My objection to this series of Bills, Mr. Speaker, is not on financial grounds. But, I think that all these measures will make the party in power very unpopular in the country. After an administration of three years, you are going back to the electorate with empty hands. You not only approach them with empty hands, but hereafter after passing these measures there is something in our sleeves and that is in this series of fresh taxation. Whatever may be the financial position, I can tell the Government that they are committing a political blunder by introducing these taxation proposals at this stage. Of course, the Government want to make up the deficit of about four crores of rupees in the Budget. But,

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this can be done by wise retrenchment. I feel there are possibilities of retrenchment whereby we could make up this 4½ crores of rupees instead of passing these stringent measures. It seems the Government do not want to touch the services and abolish the unnecessary posts created by the previous Government in this country for their purposes. But, if the Government is afraid of touching the services, I would request them to dip their hands very deep into the Revenue Reserve Fund and meet the situation for the present. Anyway, the financial question may be decided by the Constituent Assembly, questions like the financial position of the Centre and the Provinces after a few months, and then we will be in a better position to know what are the taxation measures that can be introduced by the Centre and what are the taxation measures that can be introduced by the Provinces and how the Provinces can meet their deficit and so on. So, till the constitution is finally made and the financial powers of the Centre and the Provinces are decided, let us not make ourselves unpopular by introducing all sorts of taxation measures in this Province.

“ Now, Sir, there is another aspect of the question. Originally, the Hon. the Minister for Finance proposed various taxes on various articles but during the Select Committee stage, many of these dropped off. This haphazard method will only bring us unpopularity. Some of these measures including the motor vehicles rules are changed to a certain extent in the Select Committee. They will only make the Government unpopular in the eyes of the public without securing sufficient fund for the Government. I would therefore advise the Government to drop all these unpopular measures. I might also tell the Hon. the Finance Minister what the people in the country are talking about these things. They feel that they have been betrayed by the Congress Party after the attainment of Independence. Of course, our Hon. Leaders on the Treasury Bench will turn round and say, ‘ We know what is going on in the country more than you.’ But, Sir, I may draw their attention to the recent statement made by the Prime Minister of India who said that we should contact the masses; that we should go to the villages and find out the real position. Our Hon. Leaders on the Treasury Bench should take the advice given by the Prime Minister of India. Of course, they are touring and every Minister is touring almost every day. They are not going to the masses but they are spending unnecessarily on their tours. If they really go and approach the masses, they will understand the position. I do not mind even if the Congress Party goes under but unfortunately, there is no other alternative party which can run the Government properly. The only alternative is anarchy. Considering these things, I would request our Hon. Leaders on the Treasury Bench to revise their position and to drop all these taxation proposals and to find out other means of making up the deficit.”

THE HON. SRI B. GOPALA REDDI:—"Sir, there was a diversity of views expressed on this Bill. There were some hon.

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Members who expressed an opinion that there should not be an enhancement of the bus fares while there were others who were pleading that there should not be an enhancement of taxation. There were still others who pleaded that these taxation measures are unnecessary and that I could dip into the Revenue Reserve Fund. Of course, there were also others who suggested that there should be wholesale retrenchment and saving of expenditure in the actual administration. Sir, these are all very big issues which could be raised in the Budget discussion, but on the Bill concerned, I must say that there was no unanimity of opinion of all the members, as it was the case, for instance, in the case of commercial crops. I should say that some members in the Select Committee were against taxing certain articles like turmeric, plantains, etc. There were also friends like Sinna Kaziar Sahib who said that bus-owners have become millionaires and have become land-owners and zamindars on the eve of zamindari abolition. There are others who believe that this additional taxation of Rs. 13 will hit very hard the bus-owners and if they declare their inability to run the buses, then we must take over those services and run them under our nationalization scheme. Thus, there was a great variety of opinion on this matter.

"Sir, I admit that we have no statistics or data on the matter. Except the impression that we get and also what we hear from the people we have no actual statistics. But, it is not as if we have no statistics at all. Our Economic Adviser went into the whole question some time ago and he has prepared a rough data because, these services also do not maintain any statistics, and on that date, and the information given by him, these amendments to the rules were prepared. This question of maintaining statistics was also discussed at the Transport Advisory Council and it was agreed that hereafter, there must be a sort of sheet wherein all these particulars may be entered at the end of the day and it may be sent to the District Transport Officer or the Regional Transport Officer. Thus, we are trying to systematize the machinery and see that we get regular statistics from these operators. Sir, the present taxation on all the vehicles was introduced in 1931 consequent on the abolition of the tolls in the Presidency. You must remember the background of this taxation. You know the conditions prevailing in 1931. World depression was then obtaining and this tax was imposed on all motor vehicles at that period. But, many events happened since then. Many taxation measures have gone through except perhaps the land tax. Therefore, it was up to us to see whether the motor vehicles also in this Presidency could not bear enhanced taxation in view of the general rise in taxation in other departments. Sir, from 1931 to 1949 this taxation remained unchanged. It was not changed at all and now we feel the necessity for enhancing it and we are enhancing it. There is apprehension in some quarters that it will hit very hard on the operators. But, I may assure you, Sir, that if the operators make out a case that this Rs. 13 per seat per quarter will hit them very hard, I will

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not hesitate to come again before the House and ask for a reduction. Similarly, if the operators also make out a case that this 6½ pies which they are going to levy is not sufficient to meet the cost of maintaining their vehicles and to make a decent profit out of the capital which they have invested, it is again up to me and the Transport Advisory Council—in all these major matters, I am seeking the advice of the Transport Advisory Council and it is certainly their duty to advise the Government—if they also advise that this 6½ pies is not sufficient, then it may be raised further. So, all these matters are still open for scrutiny and examination. Sir, we do not want to drive away the operators from the routes. We want the public conveyances to be running in good order and to provide all travelling facilities to our rural people. Whilst we are taxing, it is not our intention to hit anybody hard or to suck their blood as it were, but we want to see that they make a decent profit and also bear this additional taxation.

"Sir, Mr. Abdul Hameed Khan has raised the point about compensation to be paid to the Corporation of Madras. He said that while our revenue has gone up by four times since 1932, we are giving the same amount to the corporation as compensation. Sir, in 1932, we gave no assurance to the local bodies or to the Corporation that the compensation would be a definite proportion of the income derived. On the other hand, what we said was that we would compensate them for their loss on the tolls and that assurance was kept up."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"May I ask whether the Hon. Minister believes that the tolls would have continued to be the same from 1931 to 1949?"

THE HON. SRI B. GOPALA REDDI:—"It is a very doubtful proposition. I shall not venture on any hypothesis. Whatever it is, the assurance given to them was that the entire loss on tolls would be made good to them. Sir, for a few years after the abolition of these tolls, the income from motor vehicles was very much less than the compensation which comes to nearly 68 lakhs. During the last four years, the entire deficiency of compensation to the local bodies was made good to them by paying them 272 lakhs of rupees in four instalments. The last of the four instalments 3-30 p.m. was paid last year. What was not paid during the lean years was paid to them during the last four years and they have had full compensation for all these years. Hereafter the burden on the provincial revenues will be Rs. 68 lakhs by way of toll compensation plus Rs. 22 lakhs which we are paying to the local authorities as compensation for the power of licensing motor lorries which was taken away from them in 1938. All told, about Rs. 90 lakhs are a charge on the income derived from motor vehicles taxation. If the Madras Corporation want a definite percentage of the income from motor vehicles taxation, that is a different matter to be negotiated separately. But as things stand, the assurance given to them is being fulfilled by making good their loss of tolls income."

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"Sir, the reorganization of the department has been suggested by Mr. Nagappa, Mr. Raghavayya and others. They wanted that there should be a thorough re-examination of the entire position and a reorganization of the department. For instance they asked why there should be so many officers in the same region, one for distribution of petrol, one for giving permits and so on and why there should be this duplication. That matter is being examined. As I said in the morning in the course of my answers to supplementary questions, the entire petrol rationing is the Government of India's concern and we are acting only as their agents. Whatever we do with reference to the Area Rationing Officers will have to get the prior consent of the Government of India. We have already addressed them. If they agree to our proposal, we shall amalgamate the Area Rationing Officers and the Regional Transport Officers and have district transport officers who will look to the entire needs of the traffic in the district. Under the present arrangement there is one regional transport officer in charge of six districts. The Regional Transport Officer, Cuddapah, is in entire charge of the four districts of Rayalaseema, Chittoor and Nellore. The present arrangement is very inadequate. We must have district transport officers who will collect all the statistics that we want and enforce all the rules under the Motor Vehicles Act.

"The hon. Member, Mr. Salam, raised the question of national wastage of buses. I have already consulted the Transport Advisory Council as to how best to prevent national wastage, because if there are buses and lorries lying idle without permits, it is not merely a loss to the operators but to the nation as a whole, because we have to import vehicles at great cost much to the detriment of our dollar position. We want to conserve our national assets and see that there is no wastage of motor vehicles. We do not want vehicles to be lying idle without permits. In many districts there are vehicle-holders without permits and permit-holders without vehicles. All this confusion should be eliminated. There must be a greater check on the working of the department in the districts.

"With regard to temporary permits also there seems to be some confusion in the districts. The operators are unable to invest their money in this transport business because they are nervous about the future programme and policy of the Government. They are issued temporary permits only for 12 months. It used to be 4 months before. I am taking up that matter also in order to see that we should restore the three-year permit rule. In case of nationalization, we can give them six months' notice. That will, I think, ease conditions very considerably, create confidence in the minds of the operators who will put their vehicles in good order and even order for new vehicles, instead of running 1937 and 1938 vehicles as I have seen on some roads. I am taking up that matter and I want to create confidence in the minds of the operators.

"The petrol position has eased considerably and buses and lorries which are not fitted with gas plants and vehicles against

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which there is no ban are being given petrol. More petrol is given to us by the Government of India and we will be able to give more petrol for some of these lorries and buses and the complaints with regard to petrol will not be there.

"With regard to the spare buses, the point was raised by Mr. Salam. The matter was considered by the select committee. I do want to give them a very fair deal with regard to taxation. Unfortunately for us there is no mention of a 'spare bus' in the Motor Vehicles Act. But we shall certainly go into the question and see that a spare bus is not taxed unnecessarily and only what is legitimately due from it is collected. I shall certainly examine that matter. The point raised by Mr. Viswanatham that municipal lorries whether they belong to the conservancy department or the Public Works Department must be exempt from additional taxation seems to be very reasonable. We certainly propose to issue instructions, because this has to be done by notification under section 11. That section says that the Provincial Government may by notification, published in the official gazette, make an exemption or reduction in the rate or other modifications with regard to the tax payable. Under that power we shall certainly exempt municipal lorries, Corporation lorries or district board lorries. In some places I have seen lorries belonging to the district board also. . . . (Interruption.) They would not pay enhanced rates; the position will be *status quo*. That will be done separately.

"With regard to the general taxation, I have already given an assurance that if I find that things are not quite happy as they ought to be under this taxation, we shall certainly consider what should be done and if necessary re-examine the entire position. For the time being, as I said in the beginning, this ought to stand, because this is the one measure which is going to yield us some little money. When compared with the proposals enumerated in the budget speech what is being done finally is very little indeed.

"With regard to bus passengers also, the original proposal was to levy a surcharge of 12½ per cent on a passenger ticket, but now we have enhanced the rate by half a pie on six pies which works out only to one-twelfth and not the original one-eighth. Instead of the Government themselves collecting this surcharge, we are laying that responsibility on the operators by increasing the tax on the operators. The average mileage of a bus is about 100 miles a day. Some run 150 miles and some run 80 miles. As pointed out in the select committee, the load percentage also varies from route to route and sometimes from district to district. It also depends on the number of vehicles plying on the route. On an average we can safely say—allowing for standing passengers and sometimes for the overcrowding of passengers—that 75 per cent occupancy may be taken for the mufussal buses. Seventy-five per cent of 100 miles will easily cover the additional taxation. The half a pie is not meant to meet their expenditure on the maintenance of the vehicles. It is meant entirely for the additional taxation of Rs. 13 per seat per quarter. Whether the Venkatarama Ayya's award has hit them hard, whether the tyre position has deteriorated and the petrol

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prices have gone up—all these are matters which have to be considered independently. Under this proposal, they have to pay Rs. 13 per seat per quarter extra and they are allowed to charge half a pie per mile more. These two must be equated. We have carefully calculated this. Even if it is Rs. 17, it would cover the extra expenditure in a large number of cases, but in a few cases it would hit them hard, now that it has been reduced to Rs. 13, I am confident that the half a pie will meet the additional taxation. That is my justification. There is also the relief to the passengers, because originally the surcharge was proposed to be one-eighth but now it is only one-twelfth of the value of the ticket.

“With regard to agricultural lorries referred to by the hon. Member, Mr. Natesa Chettiar, I may state that if a lorry is used exclusively for agricultural purposes and not for marketing produce—if it is used for carting manure and so on—even under the existing Act there is no taxation on it at all. That privilege is still there. But most of the so-called agricultural lorries are used for marketing their produce also. They are also used for some other purposes. (Interruption.) A private carrier is being used as a public carrier. Under the circumstances it cannot enjoy any exemption. These lorries can pay the taxation which any private carrier pays. There was a lot of distinction in taxation between a private carrier and a public carrier, but as quite a large number of private carriers were used to carry the goods of other people,—were used practically as public carriers—owing to this large-scale abuse, we removed that distinction in 1938. Every lorry is now treated alike whether it is a private carrier or a public carrier, with regard to taxation. If it is used entirely for agricultural purposes, the exemption is still there; it need not pay the original tax or the enhanced tax. I think that must satisfy my hon. Friend, Mr. Natesa Chettiar.

“With regard to private cars also, there was no unanimity of opinion. There are people who plead that private cars must be exempt from taxation, because they are not hired vehicles and they are often used by small officers, the insurance business people and others. There are others like my friend, Mr. Varadachari, who pleaded for cent per cent increase of taxation of private cars in the select committee. Ultimately the select committee thought it fit to raise the tax only by 20 per cent. Some people felt that politically it would be advantageous if you bring in private cars also. (An hon. Member: ‘Politically?’) When we tax lorries, buses and taxis, if we leave alone the 14,000 private cars, it will look as if we are taxing only the middle-class people’s conveyance and exempting the rich man’s conveyance. So it was thought fit to bring in private cars also.

“I have examined whether I could exempt small cars from this additional taxation. But, Sir, the difference in the taxation is so little. They used to pay Rs. 17-8 per quarter previously and now they will have to pay Rs. 21. The addition is only Rs. 3-8-0 per quarter which comes only to one rupee or so per

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month. I think one rupee a month may not be very hard on the owners of small cars and therefore it may be retained. In the case of the big car it was paying Rs. 25 per quarter previously and hereafter it will have to pay Rs. 30. That too may not sit very tight on the owner of the big car. So, for the time being I think the entire proposal, including the tax on motor cycles and private cars, may stand and the entire amendment may go through. I request Mr. Natesa Chettiar not to move his amendment.”

MR. SPEAKER:—“It is not Mr. Natesa Chettiar. It is Messrs. Majid and Raza Khan who have given notice of an amendment.”

THE HON. SRI B. GOPALA REDDI:—“I request them not to move the amendment but to retain the rule as it is.”

MR. SPEAKER:—“Mr. Raza Khan, are you not moving your amendments?”

MUHAMMAD RAZA KHAN SAHIB:—“No, Sir, I am not moving.”

MR. SPEAKER:—“Mr. Raza Khan is not moving his amendments. Mr. Majid also is not in his place.

“The question is—

‘That the report of the Select Committee on the draft rule amending Schedule II to the Madras Motor Vehicles Taxation Act, 1931, be approved.’”

The motion was carried.

III.—THE MADRAS LAND IMPROVEMENT SCHEMES (CONTOUR BUNDING AND CONTOUR TRENCHING) BILL, 1948.

MUHAMMAD RAZA KHAN SAHIB:—“Sir, we shall adjourn now. The taxation measure has already made us tired.”

THE HON. SRI B. GOPALA REDDI:—“Contour Bunding Bill may be finished to-day, Sir.”

THE HON. SRI K. MADHAVA MENON:—“Sir, when the Bill was originally introduced in the House, there were only encomiums that the Bill was necessary. Even friends like Mr. Raza Khan did not think it was unnecessary. There was only support from every quarter. Though the Bill may be very long, there will not be much of controversy in this matter. So, Sir, I move. . .”

SRI T. VISWANATHAM:—“May I submit, Sir, the Hon. Minister can move the Bill to-morrow? Although to-morrow is a non-official day, there is so much of official business. So, I request that the matter may be taken up to-morrow. In fact, some of us are not familiar with the provisions of the Bill because it was circulated to us so long ago that we have forgotten the proposal.”

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THE HON. SRI K. MADHAVA MENON:—"I shall now explain the provisions of the Bill."

SRI T. VISWANATHAM:—"After the Hon. Minister explains the provisions, we may adjourn and the matter may be taken up to-morrow."

* THE HON. SRI K. MADHAVA MENON:—"Sir, I present the report of the Select Committee on the Madras Land Improvement Schemes (Contour Bunding and Contour Trenching) Bill*, 1948 (L.A. Bill No. 7 of 1948) and move—

'That the Bill as reported by the Select Committee be taken into consideration.'

"I am sure even Mr. Viswanatham will find the usually objectionable clause regarding Courts modified here. The jurisdiction of the Courts has not been taken away in this Bill. The Bill is mainly intended to conserve the soil and save it from erosion. The amount of loss that the country is suffering for not taking proper care about soil erosion is apparent from the position of the Rayalaseema, particularly now, and so when the Bill was introduced the Members from Rayalaseema were vying with each other about the advantages of this Bill.

"In 1937 when the Congress Ministry was in office, the Ministry appointed a Rayalaseema Economic Development Enquiry Committee and one of the recommendations of that Committee was that steps should be taken for land improvement schemes, particularly contour bunding and contour trenching schemes. Their suggestion was taken up and later on given up for some reason or other. Recently in 1943, when the Director of Agricultural Production, Food Department, Government of India, visited that area, he suggested that instead of spending money on famine relief which left no permanent benefits behind, it was better to take up such schemes as dry farming and contour bunding schemes in the Ceded districts, on the model of the Bombay scheme for the Bijapur district. Thereupon this Government deputed a District Agricultural Officer and an Executive Engineer to study the bunding work done in the Bombay Presidency. On the basis of the reports of these officers, the Board of Revenue and the Director of Agriculture prepared an experimental scheme for contour bunding over an area of 25,000 acres in the Bellary and Anantapur districts lying outside the Tungabhadra Irrigation Project area, and this scheme was generally approved by the Government in May 1945, with the object chiefly of utilizing the data collected and the experience gained in working the scheme for execution of the larger scheme of water and soil conservation in the Bellary and Visakhapatnam districts provided for in the five-year plan at an estimated cost of Rs. 2,62,47,700. So, we found that we had sufficient legal authority to proceed with the scheme. Thereafter, on the basis of the Bombay Land Improvement Schemes Bill, our Bill was drafted and placed before the House.

* Printed as Appendix II on page 403 infra.

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"The Bill provides for the Government in the first instance to direct the Board of Revenue, in consultation with the District Collector, the Director of Agriculture, the Chief Engineer for Irrigation and the Chief Conservator of Forests, to prepare detailed plans and estimates for a land improvement scheme for any specific area. Various other provisions relate to how those plans and schemes are to be proceeded with. Originally when I introduced the Bill, I did not claim originality for this Bill. This is a legacy and a good legacy that was left to me by the present Premier, Mr. Kumaraswami Raja, who was then the Agriculture Minister. The Bill was initiated by him but was not brought before the House then for some reason or other. With very slight modifications in that scheme, the Bill was placed before the House. The Select Committee has not made very many changes in the Bill. It has only changed the definition of 'owner' to include lessees also, at the instance mainly of Mr. Muniswami Pillay. The definition of 'owner' has been enlarged by saying 'any person holding land in severality or jointly or in common under a ryotwari settlement or in any way subject to the payment of revenue direct to the Government; or a landholder as defined in the Madras Estates Land Act, 1908, or a ryot as defined in that Act; or an inamdar, not being a landholder defined as aforesaid; or a landlord as defined in the Malabar Tenancy Act, 1929, or a tenant as defined in that Act, and includes a mortgagee with possession, a lessee or a sub-lessee.'

"Another major change made by the Select Committee is this. In case any amount has to be collected from any party, the original Bill provided that 'it shall be collected in a lump sum'. The Select Committee said 'it shall be recovered either in a lump sum or in equated annual instalments not exceeding 20 in number at the option of the person or persons by whom it is payable'. The same concession has been extended in the case of payment of contribution to cost of works by the person benefited by the work. It has been provided that it may be realized either in one lump sum or in twenty annual instalments.

"Then, the entire clause in the original Bill regarding the power of Government to make rules has been changed because the original clause simply said 'The Government may, subject to the condition of previous publication, by notification published in the Fort St. George Gazette, make rules . . .'. It was not clear on what points the Government might make rules. So, the new clause 23 (1) has been provided 'The Government may, by notification published in the Fort St. George Gazette, make rules to carry out the purposes of this Act.' The purposes for which they make rules have also been made definitely clear by the Select Committee in clause 23, sub-clause (2).

"Mr. Viswanatham took up objection yesterday to another rule and said that the notification should be published and opinion invited. It has also been provided in the amended Bill, because 'by notification published under the General Clauses Act' means notification inviting objections.

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"Regarding the usual complaint about the ousting of the jurisdiction of Courts, there is not so much of it in this Bill. We have said in clause 21, sub-clause (2), that a suit can be filed against any officer or servant of the Government or any public servant for any act done or purporting to be done under this Act only with the previous sanction of the Government. We have also provided that if anybody wants to file a suit against the Government or its officer, it must be done within one year from the date of the act complained of. So, the jurisdiction of Civil Court has not been restricted in this Bill.

"I hope, Sir, that I need not go into all the details of the Bill which were explained at length by me when I introduced the original Bill. The main object of the Bill is to save places like Rayalaseema. Now, very bad soil erosion is going on in the Nilgiris district where due to the Grow More Food Campaign all the hills look bald as no protection by contour bunding or trenching is being done. If the scheme is prepared and approved by the Revenue Board, it will benefit not particular small areas but larger areas. It will give protection not to particular individual classes but to areas in general. We have already certain schemes on hand, but we have not got the necessary powers to enter upon property to conduct or execute the schemes. That is why the Bill was introduced, and referred to a Select Committee. The Select Committee has sent up its report modifying the Bill, which is now before the House. I move that the Bill be taken into consideration."

MR. SPEAKER:—"Motion moved—

"That the Madras Land Improvement Schemes (Contour Bunding and Contour Trenching) Bill, 1948 (L.A. Bill No. 7 of 1948), as reported by the Select Committee, be taken into consideration."

IV.—PROGRAMME OF THE SITTINGS OF THE HOUSE.

SRI R. V. SWAMINATHAN:—"I should like to know whether there is any change in the programme of the House. I suppose we are meeting on the 27th. There is some rumour that it may be postponed to some other date. I, therefore, want to know the programme."

THE HON. SRI B. GOPALA REDDI:—"The entire agenda has to be gone through in this very session. We are meeting to-morrow for non-official business, and also for official business if there is time. We meet again on the 27th and the 28th for the Panchayat Bill and we expect it will be over in a few hours. On the 29th the Council may meet and on the 30th we meet again and go on with the other Bills, namely, the Black-marketing (Prevention) Bill and the Advertisements Tax Bill. The Madras Buildings (Lease and Rent Control) Amendment Bill has been put as the last item. There seems to be some trouble about it in view of the judgment of the Federal Court. Anyhow the Hon. Minister is considering it, and if he proposes to move it in

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this very session, we will have it also. If he withdraws the Bill, it may come up later in a different form. We may have to continue to sit perhaps till the 30th or even the 1st of July, so that we may not meet again in the whole of July and August but meet only about the 10th or 11th of September."

III.—THE MADRAS LAND IMPROVEMENT SCHEMES (CONTOUR BUNDING AND CONTOUR TRENCHING) BILL, 1948—cont.

* SRI KALLURI SUBBA RAO:—"Mr. Speaker, Sir, I congratulate the Ministry for having brought forward this Bill even after so long a time. It is very essential in parts of Rayalaseema which are mainly dry districts where contour bunding is essential. Contour bunding helps the land and fertilizes the soil and that is the reason why this Bill has come up. The Select Committee has also recommended that the Bill should be passed as early as possible. I once again congratulate the Ministry for having brought forward this Bill."

* SRI T. VISWANATHAM:—"Mr. Speaker, Sir, I would have been very glad if the Bill had been taken up to-morrow, not that there are many details, but because I have not been able to go through so many pages of the Bill. However, I took the assurance of the Hon. Minister that there is nothing wrong in this Bill and, therefore, I passed over 20 clauses and then I came to clause 21 and this clause reads—not exactly what the Hon. Minister stated—as follows:—

'21. (1) No suit or other proceedings shall lie against the Government for any act done or purporting to be done under this Act or any rule made thereunder.'

It is a clause which is obnoxious according to him and he has also agreed that it is so. May I submit that it is up to him to remove that clause and satisfy himself, satisfy the House and satisfy the natural principles of justice? I shall not dilate upon this except saying as I stated yesterday, that even in England the Government have put aside the maxim that the King can do no wrong and have passed a law that the Government also shall be equally liable with the officers. Therefore, I submit that it is high time that our Government also should do the same thing. May I request the Hon. Minister to move an amendment to the effect that sub-clause (1) of clause 21 be deleted and sub-clause (2) may be re-numbered as sub-clause (1)? With these remarks I support this Bill."

MR. SPEAKER:—"The hon. Member may continue his speech."

* SRI T. VISWANATHAM:—"I just requested him that this particular sub-clause which he does not like—and he has also agreed about it—might be removed, namely:—

'21. (1) No suit or other proceeding shall lie against the Government for any act done or purporting to be done under this Act or any rule made thereunder.'

I was only waiting for his answer to it, not that I have finished my speech."

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MR. SPEAKER:—"I think the Hon. Minister will reply to it at the end of the debate."

* SRI T. VISWANATHAM:—"I have nothing more to say. Further, I do not know about the other provisions and I take it that everything he has done is good."

THE HON. SRI K. MADHAVA MENON:—"Sir, this request of my hon. Friend, Mr. Viswanatham, that sub-clause (1) of clause 21 be removed, was raised during the debate when the Bill was first introduced. There is a difference between action against the Government and action against the officers of Government who execute certain orders of the Government. In this particular Bill, there are very few cases where the Government directly take action except through their officers. For instance, the Government may direct the Board to draw up a scheme and so for any action of the Government in such matters, namely, contour bunding or entering upon certain property, a suit is instituted against the Government, it is difficult to carry out the work. That is why a distinction has been made in clause 21 between the Government and the officers of Government. After all the Government can only direct that a certain scheme shall be prepared and nothing more and the rest has to be done by the Revenue Board. It does not prevent a suit against the Revenue Board or the Commissioner. That is why sub-clause (2) has been put in. It says:

'21. (2) No suit, prosecution or other proceeding shall lie against any officer or servant of the Government or any public servant for any act done or purporting to be done under this Act or any rule made thereunder, without the previous sanction of the Government.'

Then there is clause 22 which says:

'22. No suit, prosecution or other proceeding shall be instituted against any officer or servant of the Government or any public servant for any act done or purporting to be done under this Act, after the expiry of one year from the date of the act complained of.'

So that, Sir, it has been advisedly put as a safety for the Government in this matter. It is absolutely necessary. The only action the Government by themselves can contemplate doing is the ordering of a scheme to be prepared and got approved by Government, and the Government have to be protected in this matter. There is nothing obnoxious in it as my hon. Friend, Mr. Viswanatham, thinks."

MR. SPEAKER:—"The question is—

'That the report of the Select Committee on the Madras Land Improvement Schemes (Contour Bunding and Contour Trenching) Bill, 1948 (L.A. Bill No. 7 of 1948) be taken into consideration.'

The motion was carried.

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[Mr. Speaker]

Clauses 1 to 23 were put and carried.

The Preamble was put and carried.

THE HON. SRI K. MADHAVA MENON:—"I move—

'That the Bill as reported by the Select Committee be passed into law.'

MR. SPEAKER:—"Motion moved—

'That the Bill as reported by the Select Committee be passed into law.'

* SRI T. VISWANATHAM:—"Sir, the Hon. Mr. Madhava Menon has not done justice either to himself or to me or to this House in his attempt to draw a distinction between the obnoxiousness of the clause which he considered obnoxious yesterday but not to-day. He said that Government requires protection. I am submitting in all seriousness, not merely as a matter of argument or exchange of words, that in all advanced countries, including England, they have changed their views about the immunity of the Government. So, Sir, representing a democracy as we do, and belonging to the Congress as we do, I submit, to make the Government immune from all civil actions is altogether unjustified. As I said, in England, the Crown Proceedings Act was passed in 1947. It is true that yesterday the Hon. Minister was able to show some legislation of some other Province of India—in the Select Committee stage I used to remark that it is his Bible. It is no good bringing in all these out-worn pieces of legislation as analogy. I submit that the time has come when the Madras Government have to revise their views regarding the immunity of Government from all civil actions. I will ask him again whether at least in the other pieces of legislation he is going to bring forward after some time not to press forward this absolute immunity of Government against all tenets of democracy."

THE HON. SRI K. MADHAVA MENON:—"I have already answered my hon. Friend, Mr. Viswanatham's objection when I said that the Bombay Contour Bunding Act contains an identical provision."

MR. SPEAKER:—"The question is—

'That the Madras Land Improvement Schemes (Contour Bunding and Contour Trenching) Bill, 1948 (L.A. Bill No. 7 of 1949), as reported by the Select Committee be passed into law.'

The motion was carried and the Bill was passed into law.

The House then adjourned to meet again at 11 a.m. the next day.

[22nd June 1949]

APPENDIX I.

[Vide item II on page 347 supra.]

To

THE HONOURABLE THE LEGISLATIVE ASSEMBLY,
MADRAS.

The Select Committee appointed to consider the draft rule amending Schedule II to the Madras Motor Vehicles Taxation Act, 1931, has the honour to submit the following report.

2. The Select Committee was appointed on the 16th June 1949.

3. The Committee met in the Council Chamber, Fort St. George, on Saturday, the 18th June 1949, and concluded the consideration of the draft rule.

4. The Committee also examined Mr. J. M. Kennedy, representative of the Indian Roads and Transport Development Association, Sri L. K. Moorthy and Sri Govindarajulu of the Pudukkottah Bus Transport, Mr. Sundaram Ayyar, representing the Chingleput, South Arcot and North Arcot Bus Owners' Association, and Sri T. S. Krishnan, representing the Madras Motor Vehicles and Allied Merchants' Association. Mr. Chengalvarayan, Advocate, Madras, also appeared before the Committee on behalf of the Madras Provincial Motor Union Congress.

5. The Committee arrived at the following decisions:—

(1) (a) The additional tax on buses running in the mufassal areas including the existing tax should be Rs. 30 for every seated passenger per quarter and the operators should be permitted to charge half a pie per mile extra on this account.

(b) As regards standing passengers on buses running in the mufassal areas, the additional tax including the existing tax should be Rs. 10 for every standing passenger for every quarter.

(2) The tax including additional tax on buses plying in the urban areas should be Rs. 23 for every seated passenger per quarter. Operators will not be permitted to increase the fares. No additional tax on standing passengers will be imposed on these buses.

Buses plying in urban areas must be taken to mean buses plying exclusively in municipal areas. Exceptions are—

Buses plying between Tiruchirappalli-Srirangam and Palamcottah-Tirunelveli. These buses will also pay tax as buses in urban areas.

(3) *Lorries*.—Both private and public carriers should be asked to pay additional tax at 33-1/3 per cent of the existing tax rounded off to the nearest rupee.

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(4) *Taxis*.—The additional tax should be 25 per cent of the existing tax both for city and mufassal, rounded off to the nearest rupee.

(5) *Private cars*.—The additional tax should be 20 per cent of the existing tax, rounded off to the nearest rupee.

(6) *Motor cycles*.—The additional tax should be 20 per cent of the existing tax rounded off to the nearest rupee.

(7) Exceptions to the above taxation measures are—

(a) Existing buses running exclusively in the Pudukkottah territory should be exempted from the additional tax for a period of two years. This exemption should not apply for any new buses which are put on the territory. If any of the existing buses running exclusively in the Pudukkottah territory was replaced by a new bus, the increased tax should be collected in respect of that bus;

(b) in regard to buses running on routes lying partly inside and partly outside the Province, the existing rates of tax should be increased by 33-1/3 per cent rounded off to the nearest rupee;

(c) buses running for short distances, e.g., those in South Kanara where the routes were interrupted by ferries, should be exempted from the additional taxation if the total permitted mileage per day for the bus was 50 and less. The onus of proving and claiming exemption should rest on the operator;

(d) conservancy lorries in the Corporation and municipalities should be exempted from the payment of additional tax; and

(e) buses owned by educational institutions should be treated as cars; the decision on cars will apply to them.

(8) Agricultural lorries should not be exempted from additional tax leviable for lorries.

6. The Committee decided that it was not necessary to publish the draft rule.

7. A copy of the draft rule, as amended by the Committee, is annexed.

FORT ST. GEORGE,
20th June 1949.

B. GOPALA REDDI,
Chairman.

[22nd June 1949]

ANNEXURE.

[Note.—The changes made by the Select Committee are shown in clarendon type.]

Draft Rule amending Schedule II to the Madras Motor Vehicles Taxation Act, 1931.

(As amended by the Select Committee.)

In the said Schedule II, for clauses 1, 3, 4 and 7, the following clauses shall, respectively, be substituted, namely:—

Classes of vehicles.	Maximum quarterly tax					
	For vehicles fitted with pneumatic tyres.			For other vehicles.		
	RS.	A.	P.	RS.	A.	P.
“1. Motor cycles (including motor scooters and cycles with attachment for propelling the same by mechanical power) not exceeding 8 cwt. in weight unladen—						
(a) Bicycles below 3½ horse-power if not used for drawing a trailer or side-car.	9	0	0	12	0	0
(b) Bicycles below 3½ horse-power if used for drawing a trailer or side-car and bicycles of and above 3½ horse-power whether used for drawing a trailer or side-car or not.	12	0	0	15	0	0
(c) Tricycles	12	0	0	15	0	0
“3. Goods vehicles—						
(a) Dot motor cycle trucks not exceeding 650 lb. in weight, laden.	33	0	0	43	0	0
(b) Other vehicles not exceeding 20 cwt. in weight, laden.	67	0	0	100	0	0
(c) Vehicles exceeding 20 cwt. but not exceeding 30 cwt. in weight, laden.	133	0	0	200	0	0
(d) Vehicles exceeding 30 cwt. but not exceeding 45 cwt. in weight, laden.	160	0	0	240	0	0
(e) Vehicles exceeding 45 cwt. but not exceeding 60 cwt. in weight, laden.	200	0	0	300	0	0
(f) Vehicles exceeding 60 cwt. but not exceeding 85 cwt. in weight, laden.	240	0	0	360	0	0
(g) Vehicles exceeding 85 cwt. but not exceeding 110 cwt. in weight, laden.	293	0	0	440	0	0

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Classes of vehicles.	Maximum quarterly tax.					
	For vehicles fitted with pneumatic tyres.			For other vehicles.		
	RS.	A.	P.	RS.	A.	P.
(h) Vehicles exceeding 110 cwt. but not exceeding 150 cwt. in weight, laden.	360	0	0	540	0	0
(i) Vehicles exceeding 150 cwt. but not exceeding 180 cwt. in weight, laden.	427	0	0	640	0	0
(j) Vehicles exceeding 180 cwt. in weight, laden.	467	0	0	700	0	0
(k) Additional tax payable in respect of vehicles used for drawing trailers—						
(i) for each trailer not exceeding 20 cwt. in weight, laden.	27	0	0	40	0	0
(ii) for each trailer exceeding 20 cwt. but not exceeding 60 cwt. in weight, laden.	100	0	0	150	0	0
(iii) for each trailer exceeding 60 cwt. in weight laden.	200	0	0	300	0	0
Provided that two or more goods vehicles shall not be chargeable under this clause in respect of the same trailer.	200	0	0	300	0	0
“4. Motor vehicles plying for hire and used for the transport of passengers and in respect of which permits have been issued under the Motor Vehicles Act, 1939:—						
(i) Vehicles permitted to carry in all not more than five persons.	75	0	0	113	0	0
(ii) Vehicles permitted to carry more than five persons and plying exclusively in the City of Madras, or within the limits of municipalities governed by the Madras District Municipalities Act, 1920, or between the Tiruchirappalli and Srirangam or the Tirunelveli and Pa'ayam-kottai Municipalities.						
(a) for every seated passenger (other than the driver and the conductor) which the vehicle is permitted to carry.	23	0	0	35	0	0

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Classes of vehicles.	Maximum quarterly tax.					
	For vehicles fitted with pneumatic tyres.			For other vehicles.		
	RS.	A.	P.	RS.	A.	P.
(b) For every passenger (other than a seated passenger, the driver or the conductor) which the vehicle is permitted to carry.	5	11	0	8	8	0
(iii) Vehicles permitted to carry more than five persons and not plying exclusively in the City of Madras or in the municipalities or routes aforesaid.						
(a) for every seated passenger (other than the driver and the conductor) which the vehicle is permitted to carry.	30	0	0	45	0	0
(b) for every passenger (other than a seated passenger, the driver or the conductor) which the vehicle is permitted to carry	10	0	0	15	0	0"
"7. Motor vehicles other than those liable to tax under the foregoing provisions of this schedule—						
(a) weighing not more than 15 cwt., unladen.	21	0	0	30	0	0
(b) Weighing more than 15 cwt., but not more than 30 cwt., unladen.	30	0	0	45	0	0
(c) Weighing more than 30 cwt., but not more than 45 cwt., unladen.	39	0	0	60	0	0
(d) Weighing more than 45 cwt., but not more than 60 cwt., unladen.	48	0	0	72	0	0
(e) Weighing more than 60 cwt., unladen.	60	0	0	90	0	0
(f) Additional tax payable in respect of such vehicles used for drawing trailers—						
(i) for each trailer not exceeding one ton in weight, unladen.	12	0	0	18	0	0
(ii) for each trailer exceeding one ton in weight, unladen.	24	0	0	36	0	0"

Provided that two or more vehicles shall not be chargeable under this clause in respect of the same trailer.

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APPENDIX II.

[Vide item III on page 392 supra.]

To

THE HONOURABLE THE LEGISLATIVE ASSEMBLY,
MADRAS,

The Select Committee appointed to consider the Madras Land Improvement Schemes (Contour Bunding and Contour Trenching) Bill, 1948 (L.A. Bill No. 7 of 1949), has the honour to make the following report.

2. The Bill was published in English in the *Fort St. George Gazette*, dated 2nd November 1948.

3. The Select Committee was appointed on the 25th January 1949.

4. The Select Committee met in the Council Chamber, Fort St. George at 4 p.m. on Thursday, the 10th March 1949, and again at 10 a.m. on Monday, the 14th March 1949, and concluded the consideration of the provisions of the Bill.

5. The definition of "owner" has been expanded so as to include lessee also and it has been provided that the amounts payable or recoverable under this Act are to be recovered in a lump sum or in twenty annual instalments at the option of the person or persons by whom they are payable.

6. The other changes made in the Bill are all shown in the Bill as amended. It was not considered necessary to refer to them in detail.

7. The Committee decided that as the changes effected by them were of minor character, it was not necessary to republish the Bill.

8. A copy of the Bill as amended by the Select Committee is annexed.

FORT ST. GEORGE,
19th April 1949.

K. MADHAVA MENON,
Chairman.

[22nd June 1949]

ANNEXURE.

[NOTE.—The changes made by the Select Committee are shown in clarendon type and the portions omitted are shown by dots.]

(L.A. BILL No. 7 of 1948.)

(As amended by the Select Committee.)

A Bill to provide for the preparation and execution of land improvement schemes in the Province of Madras including contour bunding and contour trenching schemes.

WHEREAS it is expedient to provide for the preparation and execution of land improvement schemes, in the Province of Madras, including contour bunding and contour trenching schemes; It is hereby enacted as follows:—

Short title, extent and commencement. 1. (1) This Act may be called the Madras Land Improvement Schemes (Contour Bunding and Contour Trenching) Act, 1949.

(2) It extends to the whole of the Province of Madras.

(3) This section shall come into force at once; and the remaining provisions of this Act shall come into force in such areas and on such dates as the Government may, by notification in the *Fort St. George Gazette*, appoint.

Definitions. 2. In this Act, unless there is anything repugnant in the subject or context—

(a) "Board" means the Board of Revenue and where the Government, by notification in the *Fort St. George Gazette*, empower any other authority or officer to perform the functions of the Board under this Act, means such other authority or officer;

(b) "Collector" means the Collector of the district;

(c) "Executing Officer" means an officer appointed; under section 8;

(d) "Government" means the Provincial Government;

(e) "Inquiring Officer" means an officer appointed under section 5 (2) (b);

(f) "owner" means—

(i) any person holding land in severalty or jointly or in common under a ryotwari settlement or in any way subject to the payment of revenue direct to the Government, or

(ii) a landholder as defined in the Madras Estates Land Act, 1908, or a ryot as defined in that Act, or

(iii) an inamdar, not being a landholder defined as aforesaid, or

(iv) a landlord as defined in the Malabar Tenancy Act, 1929, or a tenant as defined in that Act, and includes a mortgagee with possession, a lessee or a sub-lessee;

(g) "prescribed" means prescribed by rules made under this Act;

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(h) "record of rights" or "record" means the record of rights and liabilities published under section 13;

(i) "scheme" means any land improvement scheme, prepared under this Act including a contour bunding and contour trenching scheme;

(j) "work" means any work carried out or to be carried out under any scheme.

3. The Government may direct the Board to prepare detailed plans and estimates for a scheme in respect of any area.

Power of Government to direct Board to prepare draft scheme in respect of specified area.

4. (1) The Board shall thereupon appoint an officer to prepare, in accordance with its instructions, a draft scheme setting out—

Preparation of draft scheme.

(a) the objects of the scheme;

(b) the boundaries and approximate area of the lands to be included in the scheme;

(c) the persons, including the Government, who will be affected by the scheme;

(d) the works, if any, to be carried out under the scheme;

(e) such other particulars as may be prescribed.

(2) The draft scheme so prepared shall be submitted to the Board which may approve it either with or without modifications or may reject it and prepare, or cause to be prepared, a fresh scheme in lieu thereof.

5. (1) Copies of the scheme as approved or prepared or caused to be prepared by the Board, together with the connected maps and plans, if any, shall be forwarded to the Collector and shall be made available by him for inspection by the public free of charge in every village, and at the headquarters of the taluk, in which the lands proposed to be included in the scheme are situated, at such places as the Collector may direct.

Publication of draft scheme.

(2) A general notice shall be published in the District Gazette and also in such newspapers, if any, circulating in the locality as the Collector may direct—

(a) intimating that the scheme has been prepared and that copies thereof have been kept and may be inspected by the public free of charge at the places aforesaid and also that copies of the scheme may be obtained on payment of the cost thereof (which shall be specified in the notice) from the Collector or the Tahsildar and also from any other officer specified in the notice;

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(b) requiring all persons affected by the scheme who wish to object to it or to any part thereof, to submit their objections in writing to an officer appointed by the Board in that behalf, or to appear before him and state their objections, within thirty days of the publication of the notice.

(3) Separate notices to the same effect shall also be served in the prescribed manner on all owners of the lands affected by the scheme and on all persons shown in the village records as interested in such lands, so far as such service may be practicable.

Inquiring Officer to consider objections and submit report to Board.

6. The Inquiring Officer shall inquire into the objections received or recorded by him and submit them to the Board together with his report thereon and his recommendations, if any, for the modification of the scheme.

Power of Board to sanction or reject scheme.

7. (1) After considering the objections and the report and recommendations of the Inquiring Officer and any further report which the Board may require from him, the Board may—

(a) sanction the scheme with or without modifications; or

(b) reject the scheme, and direct that, in lieu thereof, a fresh scheme be prepared and submitted for its sanction.

(2) If the scheme is sanctioned by the Board, the scheme as sanctioned shall be published in the District Gazette and also in every village, and at the headquarters of the taluk, in which the lands included in the scheme are situated, at such places and in such manner as the Collector may direct.

Copies of the scheme shall also be sold at the offices of the Collector and of the Tahsildar and at such other offices as the Collector may specify in this behalf.

(3) The scheme shall come into force and shall have effect as if it were enacted in this Act, on and from the date of its publication in the District Gazette.

Execution of scheme.

8. When a scheme comes into force, the Board shall appoint an officer to execute it.

Liability of owner to carry out works.

9. (1) The owner of any land in which any works are carried out by the Government in pursuance of the scheme shall pay the cost or part of the cost of such works, if the scheme so provides.

(2) If any owner desires to carry out any of the said works himself, he shall give notice in writing to that effect in the prescribed manner to the Executing Officer within twenty-one days of the publication of the scheme in the District Gazette.

(3) The Executing Officer shall thereupon fix the date before which the owner shall carry out the works specified

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by him and inform him, by notice given in the prescribed manner, of such date and of the details of the works to be carried out.

(4) If any work is not carried out to the satisfaction of the Executing Officer before the date fixed in that behalf, or within such further time as he may allow, or if the owner intimates to the Executing Officer in writing that he is unable to carry out any work before the date or within the time aforesaid, the Executing Officer may cause the work to be carried out and recover the expenses from the owner.

(5) Any amount payable under sub-section (1) or sub-section (4) shall, at the option of the person liable to pay it, be paid either in a lump sum or with interest at such rate as may be prescribed, in equated annual instalments not exceeding twenty in number:

Provided that where a person who elects to pay in instalments, commits default in the payment of any instalment, the entire unpaid balance shall become immediately payable.

10. In land owned by the Government, all works shall be carried out by, or under the authority of, the department having the control or management of the land, unless the Board directs the Executing Officer to carry out the works himself.

11. (1) If in consequence of any work carried out in any land, any person (including the Government) other than the owner of the land is, in the opinion of the Board, likely to be benefited, such person shall pay to the owner of the land, by way of contribution, such amount and within such time as the Board may determine:

Provided that, before any person is required to pay any such contribution, he shall be given a reasonable opportunity of making his representations, if any, in regard to the matter:

Provided further that the Board may in its discretion permit any such contribution to be paid with interest at such rate as it may determine in equated annual instalments not exceeding twenty in number:

Provided also that any such contribution may be waived by the Government in whole or in part, in respect of any work carried out in land owned by them.

(2) If default is made in the payment of any such contribution or of any instalment thereof, as the case may be within the time determined in that behalf in pursuance of sub-section (1), the contribution or where payment is made in instalments, the entire unpaid balance (which shall be deemed to have become payable immediately on the occurrence of the default) shall be recovered by the Board and paid to the owner.

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Record of
rights and
liabilities.

12. The assessment on any land shall not be reduced merely on the ground that the unprofitable area therein has increased as the result of any work, notwithstanding anything to the contrary in any orders issued by the Government or the Board of Revenue.

13. (1) The Executing Officer shall prepare, in the prescribed manner, a record of rights and liabilities setting out—

(a) the names of the owners of the lands included in the scheme;

(b) a map and plan, if any, showing the situation, nature and dimensions of all works;

(c) in regard to each such work, the owner or owners liable to maintain and repair it, and the extent of the liability of each such owner;

(d) the rights, if any, of the owners or any of them in regard to the use of any such work;

(e) such other particulars as may be prescribed.

(2) If on any matter which is not covered by the scheme a dispute exists which, in the opinion of the Executing Officer, it is necessary to decide for the purpose of preparing the record, he shall inquire into and decide the dispute.

(3) After the record has been so prepared, a notice shall be published in the prescribed manner, in the language of the district, intimating that the record has been prepared and that copies thereof in the said language are kept and may be inspected at such places as may be specified in the notice, provided that there shall be at least one such place in every village, and at the headquarters of the taluk, in which the lands to which the record relates are situated.

(4) Against any entry in the record so published, an appeal shall lie to the Collector within two months from the date of publication of the notice referred to in sub-section (3).

(5) The Collector may also revise the record from time to time, subject to such rules as may be prescribed; and whenever the record is so revised, notice shall be given of the fact of such revision in the prescribed manner, and the record kept at each of the places referred to in sub-section (3) shall also be revised accordingly.

(6) Every entry in the record shall be evidence of the matter referred to in such entry, and shall be presumed to be correct until the contrary is proved or until a new entry is lawfully substituted therefor.

(7) In any suit or proceeding in which the correctness of any entry in the record is called in question, whether

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directly or indirectly, the Court shall, before the final settlement of issues in the case of a suit and at as early a stage as possible in the case of any other proceeding, give notice of the suit or proceeding to the Collector, and shall make the Province of Madras a party to the suit or proceeding, if moved to do so by the Collector.

14. (1) Every owner of land who is bound to maintain or repair any work in accordance with the entries in the record shall do so to the satisfaction of the Collector, and all repairs shall be executed within such time as he may fix or such further time as he may allow.

(2) If any owner fails so to maintain or repair the work, the Collector may—

(a) authorize any other person who, in his opinion, is interested in such maintenance or repair, or any officer appointed by the Government in this behalf, to maintain or repair the work; and

(b) recover the expenses incurred by such person or officer from the owner and pay the same to such person or to the Government, as the case may be.

(3) Any dispute as to the amount of the expenses shall be decided by the Collector, and his decision shall be final.

15. Any of the following officers or persons may after Powers giving such notice as may be prescribed to the occupier of any land, and if the occupier is not the owner also to the owner in all cases where it is practicable to give notice without undue delay to the owner, enter upon, survey and demarcate such land and do all such other acts as may be necessary for the purpose of preparing, inquiring into, or executing any scheme or of preparing any record of rights—

(a) The officer appointed by the Board under section 4.

(b) The Inquiring Officer.

(c) The Executing Officer.

(d) Any officer or person authorized by the Board, the Collector, or any of the officers referred to in clauses (a), (b) and (c).

16. All amounts payable to, or recoverable by, the Government, the Board, or any officer of the Government, under this Act may be recovered as if they were arrears of land revenue.

17. Any authority having power to make an inquiry under this Act shall make the inquiry in the manner provided in the Madras Revenue Inquiries Act, 1893, and shall have all the powers which are or may be vested in revenue officers by that Act and by the Madras Revenue Summonses Act, 1869.

Madras Act
V of 1893.

Madras Act
III of 1869.

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- Provisions in respect of records, documents, plans or maps connected with sanctioned schemes.
18. (1) Nothing in the Indian Registration Act, 1908, Central Act XIV of 1908, shall be deemed to require the registration of any record, document, plan, or map prepared, made or sanctioned in connexion with a scheme which has come into force; and all such records, documents, plans and maps shall, for the purposes of sections 48, 49 and 50 of that Act, be deemed to have been duly registered in accordance with its provisions.
- (2) Subject to such rules, and to the previous payment of such fees, as may be prescribed—
- (a) all such records, documents, plans and maps shall be open to the inspection of any person applying for such inspection; and
- (b) copies of such records, documents, plans and maps shall be given to any person applying for such copies.
- Delegation of powers by Collector.
19. Subject to such rules as may be prescribed, the Collector may delegate any of the powers conferred on him by or under this Act, to any officer in the district or having jurisdiction over the district or any part thereof.
- Certain officers to be public servants.
20. All officers and persons authorized or appointed in pursuance of sections 4, 5, 8, 14 and 15 shall be deemed to be public servants for the purposes of this Act and the Indian Penal Code. Central Act XLV of 1860.
- Bar of certain suits, prosecutions, etc.
21. (1) No suit or other proceeding shall lie against the Government for any act done or purporting to be done under this Act or any rule made thereunder.
- (2) (a) No suit, prosecution or other proceeding shall lie against any officer or servant of the Government or any public servant for any act done or purporting to be done under this Act or any rule made thereunder, without the previous sanction of the Government.
- (b) No officer or servant of the Government, and no public servant, shall be liable in respect of any such act in any civil or criminal proceeding, if the act was done in good faith and in the course of the execution of the duties or the discharge of the functions imposed by or under this Act.
- Limitation for certain suits and prosecutions
22. No suit, prosecution or other proceeding shall be instituted against any officer or servant of the Government or any public servant for any act done or purporting to be done under this Act, after the expiry of one year from the date of the act complained of.
- Power to make rules.
23. (1) The Government may, by notification published in the Fort St. George Gazette, make rules to carry out the purposes of this Act.
- (2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for—
- (a) all matters expressly required or allowed by this Act to be prescribed;

(b) the manner in which publicity shall be given to the appointment of the officer referred to in section 4, sub-section (1);

(c) the time within which any amount due under section 9, sub-section (1) or sub-section (4), shall be payable; the manner in which such amount shall be apportioned where there are two or more owners in respect of the same land; and the time within which, and the authority or officer to whom, any option exercised in pursuance of section 9, sub-section (5) shall be intimated; and

(d) any other matter for which there is no provision or no sufficient provision in this Act and for which provision is, in the opinion of the Government, necessary for giving effect to the purposes of this Act.

(3) The power to make rules conferred by this section shall, except on the first occasion of the exercise thereof, be subject to the condition of previous publication.

THE MADRAS LEGISLATIVE ASSEMBLY.

Thursday, the 23rd June 1949.

The House met in the Assembly Chamber, Fort St. George, at eleven of the clock, Mr. Speaker (THE HON. SRI J. SIVA-SHANMUKHAM PILLAI) in the Chair.

I.—QUESTIONS AND ANSWERS.

STARRED QUESTIONS.

* 46 Q.—SRI V. RAGHAVAYYA:—“ I am not putting the question, Sir.”

Confirmation of temporary Government employees.

[* 47 Q.—MR. SPEAKER:—“ The hon. Member Mr. Rajamannar Chetty is not in his seat. The answer will be printed in the proceedings.”]

SRI G. RAJAMANNAR CHETTY:—“ Will the Hon. the Premier be pleased to state—

(a) whether it is a fact that certain proposals are being considered by the Government at present to confirm all the temporary Government employees who have put in a minimum of three years service; and

(b) if so, when the Government are likely to come to a decision in the matter?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—“ (a) No.

“ (b) Does not arise.”

Levy of Sales Tax on the gross amount of the Bills.

* 48 Q.—SRI M. G. NATESA CHETTIYAR:—“ Will the Hon. the Minister for Finance be pleased to state—

(a) whether Sales Tax is levied by the Commercial Tax Officers on the gross amount of the Bills;

(b) whether the gross amount of the Bills include also the amount of Sales Tax collected by the dealer from the consumer; and

(c) whether it is a fact that such a levy of Sales Tax on Sales Tax is not contemplated by the Sales Tax Act and if so, what steps the Government have taken to remove the hardship?

THE HON. SRI B. GOPALA REDDI:—“ (a), (b) & (c) Dealers are assessed to tax on their net turnover. The expression ‘turnover’ has been defined in the Act and means the aggregate amount for which goods are either bought

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or sold by a dealer. The net turnover is arrived at by deducting from the turnover certain amounts prescribed in the rules. The amount collected by a dealer by way of Sales Tax from his customer is not among the charges to be deducted from the gross turnover to arrive at the net turnover. That means, whatever he collects from the consumer will be taken into consideration for levying sales tax."

SRI M. G. NATESA CHETTIYAR:—"What are the certain things excluded for the purpose of turnover assessment?"

THE HON. SRI B. GOPALA REDDI:—"Packing, cartage and other expenses."

SRI M. G. NATESA CHETTIYAR:—"Arising out of the answer given by the Hon. Minister, am I to understand that the sales tax is levied on Sales Tax collected from the consumer?"

THE HON. SRI B. GOPALA REDDI:—"That is what exactly I mean. Whatever is collected from the customer including the sales tax, is taken as turnover. It is a meaningless formality that the merchants are observing in collecting the sales tax separately from the customers. It does not help them either."

SRI V. M. RAMASWAMI MUDALIYAR:—"That means it is a sales tax on a sales tax?"

THE HON. SRI B. GOPALA REDDI:—"It is not a sales tax on sales tax. The original intention of the Act is that the merchant is not expected to pass it on to the customer. But he is passing it on to the customer and whatever is collected from the customer including sales tax is taken as the net turnover."

H. S. HUSSAIN SAHIB BAHADUR:—"Will the Hon. Minister for Finance be pleased to tell us in what way or method of procedure the merchant calculates the sales tax on goods sold and puts it in his bill?"

THE HON. SRI B. GOPALA REDDI:—"I presume that he puts the sales tax separately in the Bill at Rs. 1-9-0 per Rs. 100. Sometimes it is more. Whatever it is, that also is included in the net turnover."

SRI M. G. NATESA CHETTIYAR:—"May I know whether the merchant is insisted upon to put the Sales Tax amount collected from the customers separately in the Bill?"

THE HON. SRI B. GOPALA REDDI:—"It is all unnecessary to put it separately. I am told Messrs. Spencer & Company are not charging sales tax separately but it is included in the price of the goods sold. Even if they do it separately, it does not help them either."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Is it not illegal for the Government to collect Sales Tax on the Sales Tax itself?"

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THE HON. SRI B. GOPALA REDDI:—"If it was illegal, it would have been challenged in a court of law, long long ago by the sales tax assesses."

SRI V. RAGHAVAYYA:—"Are not Commission Agents who are as good salesmen as any other salesmen liable to pay sales tax? If not, why not?"

THE HON. SRI B. GOPALA REDDI:—"Under section 8 of the Sales Tax Act, if they take separate licence as Commission Agents, they are treated as middlemen and not as dealers."

SRI K. BRAHMANANDAM REDDI:—"In view of the fact that the Hon. Minister has stated that the sales tax is not intended to be passed on to the consumer, may I know what steps the Government have taken to prevent that kind of thing being done?"

THE HON. SRI B. GOPALA REDDI:—"If I take some steps to prevent it, they will put up the price and it does not help the customer at all."

SRI S. NAGAPPA:—"May I know the rate of sales tax charged for jewels made out of silver and gold?"

THE HON. SRI B. GOPALA REDDI:—"I think the usual rate of sales tax is applied. But if the hon. Member wants definite information, he may put a separate question."

M. S. ABDUL MAJID SAHIB BAHADUR:—"May I know whether the Government would at least see that exemptions from sales tax are given to commodities exported from this Province to other Provinces?"

THE HON. SRI B. GOPALA REDDI:—"There is a proposal under the consideration of the Government of India, by which articles going outside the Province for outside consumption should not be taxed (sales tax) in the Province from where they are exported."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Inasmuch as the sales tax has been defined as a tax on the sale that has taken place, I should like to know on which sale, does the Government levy this additional taxation, thus calling it a sales tax on Sales Tax itself?"

THE HON. SRI B. GOPALA REDDI:—"On all articles, whatever tax is supposed to be collected from the customer separately is also taken into consideration when the entire turnover is calculated."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"From the answers the Hon. Minister has given to us, it appears that the Government are levying sales tax on a sales tax already levied on a particular transaction. I should like to know what exactly the transaction is on which the additional sales tax is levied?"

THE HON. SRI B. GOPALA REDDI:—"The sales tax is levied on an article, whenever it changes hands, as from one dealer to another dealer. Suppose, one dealer has passed it

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on to another dealer, he collects the sales tax from that dealer. Again that dealer passed it on to another dealer and whatever he collects from him, will be taken as the net turnover. Suppose the original price of an article is Rs. 100, the sales tax is Rs. 1-9-0 and the net turnover is Rs. 101-9-0. If it is passed on to another dealer, he charges Sales Tax on Rs. 101-9-0."

SRI M. G. NATESA CHETTIYAR:—"Arising out of the answer given by the Hon. Minister, am I to take it that the sales tax is a consumer commodity transferred or given on sale?"

THE HON. SRI B. GOPALA REDDI:—"What is taken into consideration is the actual amount collected from the customer—it may be Rs. 100 or Rs. 101-9-0."

M. S. ABDUL MAJID SAHIB BAHADUR:—"Commodities exported to foreign countries are not subject to sales tax, but it has been brought to my notice that the Sales Tax Officers are collecting sales tax on commodities exported to foreign countries. Will the Hon. Minister look into the matter?"

THE HON. SRI B. GOPALA REDDI:—"There are certain articles which are exempted. A 50 per cent rebate is given. The tax has to be paid in the first instance and then the rebate must be applied."

H. S. HUSSAIN SAHIB BAHADUR:—"When an article passed through two or three hands in the course of sale, sales tax is charged at every stage. What will be the ultimate rate of sales tax on that particular article and its price? Have the Government got any idea of the rate at which it will work out to?"

THE HON. SRI B. GOPALA REDDI:—"If some time is given to me, I will certainly calculate and give you the figure."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Inasmuch as the sales tax is given for every transaction, will not the Government finally deduct the total amount of tax paid for levying sales tax on the last transaction?"

THE HON. SRI B. GOPALA REDDI:—"No, Sir."

SRI M. G. NATESA CHETTIYAR:—"May I know whether the Government insist that the sales tax collected from the customer should be put in the bill?"

THE HON. SRI B. GOPALA REDDI:—"No, Sir."

1-15 SRI S. NAGAPPA:—"Arising out of the answer of the Hon. Minister that certain commodities that go out of the province are not taxed, may I know whether bullion that goes out of our province is taxed?"

THE HON. SRI B. GOPALA REDDI:—"It does not get any exemption."

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SRI K. LINGA RAJU:—"Are not the Government aware that even now sales tax is mentioned in the Bills that are passed on?"

THE HON. SRI B. GOPALA REDDI:—"We are aware of it; but it is a useless thing the merchants are doing now."

SRI T. VISWANATHAM:—"Will it not be more correct to call it a turnover tax and not the sales tax?"

THE HON. SRI B. GOPALA REDDI:—"Probably the hon. Member is correct."

Introduction of formal rationing in the upland areas of the East Godavari district.

* 49 Q.—SRI K. LINGA RAJU: Will the Hon. the Minister for Food be pleased to state—

(a) whether the Government have passed orders introducing formal rationing in the upland areas of East Godavari;

(b) whether the District Food Committee has been consulted in the matter; and

(c) if not, why not?

THE HON. MR. J. L. P. ROCHE VICTORIA:—" (a) Yes.

" (b) No.

" (c) The decision to reintroduce rationing in the upland taluks of surplus districts including East Godavari district was taken on the directions of the Government of India. Therefore the question of consulting the District Food Committee did not arise."

SRI K. LINGA RAJU:—"Are the Government aware of the fact that the re-introduction of food control is only enhancing the price of paddy in the surplus districts? Is the enormous increase in the price of rice due to the announcement about the re-introduction of controls?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"No, Sir."

SRI K. BRAHMANANDAM REDDI:—"Government of India or no Government of India, are the Government aware that people in these areas are totally opposed to this rationing?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"We have to depend upon the Government of India's instructions in certain matters and this is one of them."

SRI V. BAGHAVAYYA:—"Are the Government aware that the landless agricultural labourer in these areas is obliged to pay not less than 12 annas per seer of rice whereas the control price is anything less than seven annas?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"I require a separate question."

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ABDUL HAMEED KHAN SAHIB BAHADUR:—"Is it not sheer selfishness on the part of the surplus districts to oppose rationing?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"I shall suggest a separate question being put regarding it."

SRI K. BRAHMANANDAM REDDI:—"Before the Government decide to re-introduce rationing in the upland taluks especially of the surplus districts, why not the Government consult the District Collector and the District Food Committees and take the particular position of the district into consideration and then leave it to the committee itself?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"It will be considered hereafter."

SRI K. LINGA RAJU:—"Will the Provincial Government represent to the Government of India that this rationing will not help the problem, and will they recommend to them, the reconsideration of the matter?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"The matter is being considered."

SRI S. NAGAPPA:—"May I know, Sir, whether when the Government of India Food Minister was here the Madras Government brought it to the notice of the Central Government through him that the food position of the Province was not so bad as to require rationing?"

MR. SPEAKER:—"The question refers to the re-introduction of rationing in the upland areas of East Godavari but the hon. Member is putting a general question. So, let him put a separate question."

SRI K. BRAHMANANDAM REDDI:—"In answer to my question, the Hon. Minister for Food was pleased to reply that it will be considered, may I take it that the Minister proposes to consider that matter quickly and arrive at a decision?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"Yes, Sir."

Audit of the accounts of the Government Motor Transport for 1948-49.

* 50 Q.—SRI V. RAGHAVAYYA: "Will the Hon. the Minister for Finance be pleased to state—

(a) whether the accounts of the Government Motor Transport for 1948-49 have been audited;

(b) what the net profit earned is; and

(c) what is the rate of interest (percentage) earned over the investment of the Government in this enterprise?

THE HON. SRI B. GOPALA REDDI:—" (a), (b) & (c) The accounts of the Government Bus Service, Madras City, for the year 1948-49 have not yet been audited. A statement showing the income and expenditure for that year

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will be placed on the table of the House as soon as the *pro forma* accounts are finally settled. But I have got some tentative figures."

SRI V. RAGHAVAYYA:—"May I know why the Government have not got the accounts audited even though the transport system is being operated by the Government for the last two years, and I wish to know if the rules exempt Government business undertaking from the annual rules of audit, the rules being that every business should have its accounts audited every year?"

THE HON. SRI B. GOPALA REDDI:—"We ourselves have addressed the Accountant-General to depute a competent officer to look into the accounts and the officer has been deputed by the Accountant-General. He is just now looking into the *pro forma* accounts and it will be ready in a week or so."

SRI V. RAGHAVAYYA:—"Will the figures be of help to us for our present purpose?"

THE HON. SRI B. GOPALA REDDI:—"The profit for the entire period may be taken provisionally as Rs. 15,83,635, that is, Rs. 6,00,461 for the previous year and Rs. 9,83,174 for the year 1948-49, after making adequate provision for interest on capital invested at 4 per cent leave, pension and other contributions, depreciation reserve fund and accident reserve fund at rates prescribed by the Government. These figures do not include profits from the Coachbuilding Factory and also the Automobile Workshop for which separate accounts are maintained."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"May I know the percentage for depreciation that was allowed for the first year and the second year?"

THE HON. SRI B. GOPALA REDDI:—"Formerly it was 25 per cent on a telescopic basis, but now we have obtained the permission of the Accountant-General and the Auditor-General also to have it on a flat rate of 25 per cent. Every year that is the rate adopted so that in four years, it will be scrap."

SRI V. M. RAMASWAMI MUDALIAR:—"The tentative figures mentioned by the Hon. Minister did not include figures for the Coachbuilding Factory and the Automobile Workshop. May I submit that this is an integral part of the Transport system and the figures should go together. Are they available with him, Sir?"

THE HON. SRI B. GOPALA REDDI:—"They are available; but the accounts are kept separate."

H. S. HUSSAIN SAHIB BAHADUR:—"The Hon. Minister has said that the profit was fifteen lakhs of rupees for the City of Madras for two years. May I know, Sir, if the Hon. Minister

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has worked out the figures for the whole Province in connection with nationalization of bus service and found out if it is possible to get more than 70 lakhs which he is expecting to get by reason of the recent amendment to the Motor Vehicles Rules?"

THE HON. SRI B. GOPALA REDDI:—"Mathematics is on our side; but organisation is a little difficult matter."

M. S. ABDUL MAJID SAHIB BAHADUR:—"May I know whether the incomes under this department is income-tax free; if not, whether credit has been given to it in calculating the profits?"

THE HON. SRI B. GOPALA REDDI:—"The Government of India Act is definite on the matter, namely, that all Government State trading schemes are not subject to income-tax and so, there is no need to provide anything for income-tax."

SRI V. RAGHAVAYYA:—"While arriving at these figures for profits, may I know if the establishment charges by which I mean the pay of the Transport Commissioner and other Government officials managing the system have been deducted from the total incomes from buses and then the figures has been arrived at?"

THE HON. SRI B. GOPALA REDDI:—"Yes, Sir. It has been worked out on a certain percentage. For instance from the pay of the Deputy Transport Commissioner who is an I.C.S. officer 80 per cent is debited to this, 10 per cent to the Coachbuilding Factory and 10 per cent to the Workshop and likewise apportionment is made in the pay of the Transport Commissioner also."

SRI V. M. RAMASWAMI MUDALIAR:—"In view of the profit earnings of the Transport enterprise in the City of Madras, may I know why the nationalisation in the entire province has been held up?"

THE HON. SRI B. GOPALA REDDI:—"It requires organisational efficiency and we will have to look to that also and also labour conditions."

SRI V. RAGHAVAYYA:—"Is it a fact that on the petrol account the Government have been terribly losing because buses are not yielding more than nine miles per gallon whereas in other routes they are yielding between 12 to 15 miles per gallon?"

THE HON. SRI B. GOPALA REDDI:—"I am not quite familiar with actual details but whatever it is, we are anxious that this department of activity should be looked into very carefully by some outside operators and we are constituting a three-man committee to go into the entire working of the department from A to Z."

ABDUL JAMEED KHAN SAHIB BAHADUR:—"What is the depreciation that is allowed to diesel buses and what is the life of those buses?"

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THE HON. SRI B. GOPALA REDDI:—"We have taken it that they will run for six years; other petrol vehicles will run for four years."

SRI M. S. PATTABHIRAMIAH:—"May I know whether there is any great disparity between the profits made by the Government in the City of Madras and the profits made by private operators who were formerly running the buses?"

THE HON. SRI B. GOPALA REDDI:—"Our Economic Adviser is looking into that matter."

M. S. ABDUL MAJID SAHIB BAHADUR:—"May I know whether depreciation is calculated on principles adopted by other business concerns or have the Government got their own principles of depreciation?"

THE HON. SRI B. GOPALA REDDI:—"It was originally on a 25 per cent telescopic basis every year, but now it is applied at a flat 25 per cent basis, so that at the end of four years the value of the vehicle will be nil."

SRI S. NAGAPPA:—"Arising out of the answer of the Hon. Finance Minister that a three-man Committee is to be constituted may I enquire who those three men are, are they experts, or members of this House or somebody else?"

THE HON. SRI B. GOPALA REDDI:—"They are not members of this House. They are Mr. Ladden of Simpsons, Mr. Sundaram of T. V. S. and the Deputy Transport Commissioner."

SRI V. RAGHAVAYYA:—"May I know what is the basis of the selection, particularly in view of the Government's admission just now that they had been lacking efficiency in the management and what is the need to take in private operators whose object will always be to see the end of the transport enterprise by the Government?"

THE HON. SRI B. GOPALA REDDI:—"Whatever their predilection with regard to nationalization may be, we expect the three gentlemen to give an impartial view of the entire working of the scheme and we shall certainly welcome their suggestions."

H. S. HUSSAIN SAHIB BAHADUR:—"Are the profits likely to be increased by the attachment of trailers to the buses?"

THE HON. SRI B. GOPALA REDDI:—"If and when we decide to go in for them, certainly it will increase."

SRI KANDASWAMY PILLAI:—"May I know what the name is of the three-man committee referred to by the Hon. Minister?"

THE HON. SRI B. GOPALA REDDI:—"We have not yet given a name to it and on a proper occasion, we may give it. Just now the three gentlemen will go into the entire working of the system and suggest ways of how to improve efficiency, how to prevent pilferage and other such things."

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SRI T. VISWANATHAM:—"From the nature of the constitution of the Committee, might I ask whether the dice is not heavily loaded against the Government in view of its membership just now announced?"

THE HON. SRI B. GOPALA REDDI:—"It is not at all loaded against the Government. They are all big operators with considerable experience in the business, namely, Mr. Ladden and the ex-General Manager of T. V. S. Organization, the largest bus organization in Southern India."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Is it not a fact that all these gentlemen belong to concerns which had done immense lot of business in bus transport, but are now disappointed on account of the Government taking up the nationalization of the bus services?"

THE HON. SRI B. GOPALA REDDI:—"But I think they are patriotic enough to see that the Government concern goes all right. When we sent out our invitations to them, they gladly accepted and they said they would devote time and attention to suggest ways and means of improving the working of the system."

SRI S. NAGAPPA:—"May I know whether the Government have any objection to convert the three-man committee into a five-man committee and take one from Hyderabad and Travancore each who had considerable experience of running State services there?"

THE HON. SRI B. GOPALA REDDI:—"Some little time later, we can certainly appoint another Committee if necessary and meanwhile the report of this Committee will also be available to them and they can review the entire position."

11-30 a.m.

SRI V. RAGHAVAYYA:—"May I know, Sir, whether the profits of the concern have not been substantially brought down on account of the fact that the Government purchased diesel buses at Rs. 49,000 per bus, whereas recently an offer has been made for the same bus and same design at Rs. 42,000 this year?"

THE HON. SRI B. GOPALA REDDI:—"There is another offer for Rs. 25,000. When diesel buses of different varieties are bought, the costs differ."

Working of the Government Motor Transport.

* 51 Q.—**SRI M. KANNIYAPPAN:** Will the Hon. the Minister for Finance be pleased to state—

(a) the number of Malayalees that have been recruited in the Government Transport so far;

(b) the average collection per day by running special buses to Kancheepuram, Tirupathi, Mahabalipuram and the batta that is given to the workers of these buses;

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(c) the average collection per day for all the buses in the City and the number of gallons of petrol consumed per day by the buses; and

(d) the average collection per day in the following routes:—

Theagaroyanagar to Parrys,
Triplicane to Parrys,
Perambur to Parrys,
Mylapore to Parrys,
Poonamallee to Parrys,
Adyar to Parrys, and
Saidapet to Parrys?

THE HON. SRI B. GOPALA REDDI:—" (a) 327.

" (b)

	Daily average collection.			Amount of batta paid.		
	RS.	A.	P.	RS.	A.	P.
(i) Kancheepuram ..	694	0	0	27	4	0
(ii) Tirupathi ..	220	0	0	5	0	0
(iii) Mahabalipuram ..	360	0	0	13	0	0

" (c) The average daily collection from the City buses is Rs. 21,400. The average however varies from month to month.

On an average 3,150 gallons of petrol are consumed by the buses daily.

" (d)

	Average collection per day.	
	RS.	
(i) T. Nagar to Parrys ..	2,500	
(ii) Triplicane to Parrys ..	1,400	
(iii) Perambur to Parrys ..	2,150	
(iv) Mylapore to Parrys ..	1,550	
(v) Poonamallee to Parrys ..	335	
(vi) Adyar to Parrys ..	250	
(vii) Saidapet to Parrys ..	160	

SRI M. KANNIYAPPAN:—"தலைவர் அவர்களே, Transport department-ல் வேலை செய்யக்கூடிய மலையாளி தொழிலாளர்களுடைய எண்ணிக்கை 327 என்று சொல்லப்பட்டது. அந்த டிபார்ட்மென்ட்டில் மொத்தமாக வேலை செய்யக்கூடியவர்களுடைய எண்ணிக்கை எவ்வளவு என்று கேட்கிறேன். அதோடு ஆந்திரர்கள் அதிகமாக இருப்பதாக சொல்லப்படுகிறது. அதையும் தெரிவிக்குமாறு கேட்டுக்கொள்கிறேன்."

THE HON. SRI B. GOPALA REDDI:—"I have no information as to how many Andhras and how many Kannadigas have been appointed. The Malayalees are 327 and the entire establishment is over 1,800."

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SRIMATHI A. V. KUTPIMALU AMMA:—"Is it a disqualification to be a Malayalee?"

THE HON. SRI B. GOPALA REDDI:—"It is neither a disqualification nor a qualification."

SRI M. KANNIYAPPAN:—"தலைவர் அவர்களே, route-கள் விஷயத்தில் மைலாப்பூருக்கும் திருவல்லிக்கேணிக்கும் அதிகமாக பஸ்கள் ஓடிக்கொண்டிருக்கின்றன. தொழிலாளர்கள் பெரம்பூர் முதலிய இடங்களுக்குப் போவதற்கு மிகவும் கஷ்டப்படுகிறார்கள். அவர்களுடைய சௌகரியத்திற்காக அந்த route-களில் பஸ்களை அதிகப் படுத்த முடியுமா என்று கேட்கிறேன்."

THE HON. SRI B. GOPALA REDDI:—"All these matters, as to how many buses should run in each route, etc., should be taken up by the City Advisory Council of which the hon. Member is himself a member."

SRI M. P. GOVINDA MENON:—"Is the Transport Department intended for Tamilians and Tamil Province alone?"

THE HON. SRI B. GOPALA REDDI:—"It is for the residents of the City of Madras."

SRI G. RAJAMANNAR CHETTY:—"May I know why adequate number of buses are not placed in Perambur-Parrys route which comes next only to Theagaroyanagar-Parrys according to the Hon. Finance Minister's statement of average collections per day for different routes? Is it because the workers' voices are not heeded to by the Government?"

THE HON. SRI B. GOPALA REDDI:—"I do not think so, Sir. A number of buses are being run on this route also. If more buses are needed, it is entirely for the City Transport Advisory Council to decide."

M. S. ABDUL MAJID SAHIB BAHADUR:—"May I know the basis of recruitment and who are the recruiting authorities?"

THE HON. SRI B. GOPALA REDDI:—"The recruiting authority is the Deputy Transport Commissioner or even the Transport Officer. Whatever it is, we have to take all people who were under the previous operators. It is a condition precedent to our acquisition that these people would be absorbed before recruiting others."

* 47 Q.—**MR. SPEAKER:**—"When this question came, the hon. Member was not in his seat and I said the answer would be printed in the proceedings. I am now taking up Question No. 47 as the hon. Member gave a valid reason for his absence. The hon. Member may put supplementary questions."

SRI G. RAJAMANNAR CHETTY:—"Will the Hon. Minister pass orders for confirmation of employees who have put in more than three years' service?"

THE HON. SRI B. GOPALA REDDI:—"I think it is not right to pass orders now. I presume the Departments of the Secretariat are examining the question."

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SRI G. RAJAMANNAR CHETTY:—"In view of the fact that these unfortunate people have served the Government when they were in need of the former's services, is it not the duty of the Government to see that they are absorbed?"

THE HON. SRI B. GOPALA REDDI:—"Usually, unless a department functions for at least five years, that department is not made permanent. Even after its working for five years, it is again examined whether it should be continued permanently or not, and if it satisfies that criterion also, then the question of confirmation is taken up."

SRI G. RAJAMANNAR CHETTY:—"In view of the fact that no less a daily than the valuable daily 'The Hindu' has published on 13th May 1949 that it is being considered favourably by the Government, may I know, even if Government have not come to a final conclusion, whether Government can promise that it would be considered favourably and if so, when?"

THE HON. SRI B. GOPALA REDDI:—"It is perhaps engaging the attention of certain departments and they have not taken any final decision in the matter."

SRI T. VISWANATHAM:—"Is the Leader of the House aware that in the Medical Services there are people who have put in eight years of service and they are not confirmed?"

MR. SPEAKER:—"It is a matter for the Hon. Minister for Public Health."

SRI S. NAGAPPA:—"May I know whether Government is aware that the Central Government have confirmed thousands of people who have put in three years temporary service?"

THE HON. SRI B. GOPALA REDDI:—"I am not in a position to state what is happening in the Central Secretariat."

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

II.—ADJOURNMENT MOTION *RE* COMMUNIST MENACE IN THE KRISHNA DISTRICT.

MR. SPEAKER:—"Hon. Sri Raghavayya has given a motion, to discuss a matter of urgent public importance. The motion is as follows:—

"I propose to move an adjournment of the House on the 23rd June 1949 soon after the question time is over to discuss a definite matter of urgent public importance, namely, the serious communist menace in Krishna district in particular and other districts in general and the threatening imminent occurrence of lawlessness of an open and widespread nature in those districts as well as the grave insecurity to life and property of the general public and congressmen in particular of Krishna district in particular and other districts in general and the great scare and panic caused in the minds of the public owing to the very recent happenings of the above nature in those districts."

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THE HON. SRI B. GOPALA REDDI:—"It may be taken up at 4 o'clock if the official and non-official business are over."

MR. SPEAKER:—"As soon as the whole business is over, both official and non-official, it will be taken up."

III.—NON-OFFICIAL BUSINESS.

(a) BILLS.

THE MADRAS DEVADASIS (PREVENTION OF DEDICATION) AMENDMENT BILL, 1949

SRI T. VISWANATHAM:—"Sir, I beg to move—

that leave be granted to introduce a Bill "The Madras Devadasis (Prevention of Dedication) Amendment Bill, 1949."

SRI R. V. SWAMINATHAN:—"I oppose the Bill."

MR. SPEAKER:—"The rule is 'If a motion for leave to introduce a Bill is opposed, the Speaker, after permitting, if he thinks fit, a brief explanatory statement from the Member who moves and from a Member who opposes the motion, may without further debate put the question thereon.'"

THE HON. SRI B. GOPALA REDDI:—"May I request the hon. Member to have this on the next non-official day, because we are not ready."

SRI T. VISWANATHAM:—"I accept the suggestion of the Hon. Leader of the House."

*(b) RESOLUTIONS.

(1) RESOLUTION re COMMUNAL REPRESENTATION IN RECRUITMENT TO SERVICES.

SRI A. SUBRAMANIAN:—"தலைவர் அவர்களே, நான் இந்த தீர்மானத்தைக் கொண்டுவந்ததின் நோக்கம் பிற்போக்கு இனத்தவர்கள் அரசாங்க உத்தியோகங்களில் பெரிய பதவிகளை அடைய முடியாமலிருப்பதாலும், மானாண, ஜில்லா காரியாலயங்களில் மேல் பதவிகளுக்கு Promotion ஆகாமல் தடைபட்டிருப்பதாலும், கல்வி, செவ்வம், பொருளாதாரம், சுகாதாரம் முதலியவைகளில் பிற்போக்குத்தன்மையிலிருப்பதாலும் இவைகளை யெல்லாம் போக்கி நல்லெண்ணத்தையும் சமத்துவத்தையும் உண்டாக்க வேண்டுமென்பதற்காகவேதான் நான் இந்த தீர்மானத்தை."

MR. SPEAKER:—"முதலில் நீங்கள் தீர்மானத்தை படித்து விடுங்கள், பிறகு பேசலாம்."

SRI A. SUBRAMANIAN:—"இந்த தீர்மானத்தை நான் வாபஸ் பெற்றுக்கொள்ள போகிறேன். இந்த தீர்மானத்தின் கருத்தை எல்லோரும் வரவேற்பார்கள் என்பதற்காகவே இதைப்பற்றி சொல்லுகிறேன்."

MR. SPEAKER:—"ஆகையால் நீங்கள் விவரமாக பேசக்கூடாது. சீக்கிரம் முடித்து விடுங்கள்."

SRI A. SUBRAMANIAN:—"இந்த தீர்மானத்தை கவர்ன்மென்ட் டாரின் பரிசீலனைக்கு விட வேண்டுமென்று சென்னை சட்டசபை காங்கிரஸ் கட்சியின் நிர்வாகக் கமிட்டி தீர்மானித்திருக்கின்றது. இதையும் ஒரு நல்ல ஆயிரத்தான். இதனைக்கண்டு நான் மகிழ்ச்சியடைகிறேன். இதனை கவர்ன்மென்ட்டாரும் நன்கு பரிசீலனை செய்து உபநாயக தகுந்த

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நடவடிக்கை எடுத்து தங்கள் கருத்தை வெளியிடும் வரையில் இந்த தீர்மானத்தை நான் இன்று இங்கு பிரேரேபிக்கவில்லை. அவசிய மிருந்தால் பின்னால் இதை ஒரு மசோதாவாக கொண்டுவர விரும்புகிறேன். ஆகவே நான் இதை பிரேரேபிக்க விரும்பவில்லை."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"May I submit, Sir, for your consideration, that hon. Members should treat this House with a little more regard and respect than what has been shown this morning? One hon. Member tries to move a resolution and then another hon. Member tries to move another resolution; they give notice of a motion knowing the decision of the party but they pretend to move it and then withdraw it."

MR. SPEAKER:—"I may tell the House that, whatever be the party considerations, we have nothing to do with them as far as this House is concerned. The Hon. Minister himself requested the Member not to move it and so he is not moving it."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"I have nothing to say about the hon. Member's party. But I had to say something about the conduct of my colleagues in this House. because it was not understood whether they really wanted to move it or they did not want to move it."

MR. SPEAKER:—"The hon. Member says that he does not want to move it."

(2) CANCELLATION OF ALL GOVERNMENT ORDERS REGARDING ADMISSION OF STUDENTS IN EDUCATIONAL INSTITUTIONS ON A COMMUNAL BASIS.

SRI T. VISWANATHAM:—"Sir, I am not moving the resolution standing in my name."

IV.—OFFICIAL BUSINESS.

(1) MOTION UNDER RULE 17 OF THE MADRAS ASSEMBLY RULES.

THE HON. SRI B. GOPALA REDDI:—"Mr. Speaker, Sir, I move—

'that rule 17 of the Madras Assembly Rules be suspended and the House do resolve to transact Government business on Thursday, the 23rd June 1949.'

MR. SPEAKER:—"Motion moved—

'that rule 17 of the Madras Assembly Rules be suspended and the House do resolve to transact Government business on Thursday, the 23rd June 1949.'

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Sir, I rise on a point of order to enquire whether this motion should not have come soon after the question hour is over, and whether it is in order to bring it now?"

MR. SPEAKER:—"The thing is we have finished non-official business and now the Government want to transact official business."

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ABDUL HAMEED KHAN SAHIB BAHADUR:—"Inasmuch as there is no non-official business on the agenda they can without a motion proceed to transact official business."

MR. SPEAKER:—"We are concerned only with the non-official business on the agenda, since to-day is a non-official business day."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Since there is no more non-official business on the agenda the Government can proceed with their business. So where is the need for such a motion as the present one?"

MR. SPEAKER:—"That means I shall have to adjourn the House at the termination of non-official business." (Laughter.)

The motion was put and carried.

(Interruption by Sri S. Nagappa.)

THE HON. SRI K. MADHAVA MENON:—"Sir, I bring to your notice that Mr. S. Nagappa has characterized your ruling as high-handed. I want your ruling, Sir."

SRI S. NAGAPPA:—"No, Sir, I said the action of the Government is high-handed."

MR. SPEAKER:—"I take the hon. Member at his word. The hon. Member himself says he did not characterize the ruling as high-handed. So I take his word."

THE HON. SRI K. MADHAVA MENON:—"He did not allow us even to speak; it is high-handed. That is what I heard." (Sri S. Nagappa rose in his seat and kept standing.)

MR. SPEAKER:—"The hon. Member, Mr. Nagappa, has been in Delhi for some time; he must have observed there that Members do not interrupt another hon. Member. If he has to say something he should raise it on a point of order or point of explanation. Only after the Chair allows him to speak he should speak and not interrupt another Member while speaking. Hereafter (if he has forgotten this during his sojourn in Delhi) (laughter) he should not interrupt."

SRI R. SUBBA IYER:—"Sir, is it open to a Member of the House to characterize the action of Government as high-handed?"

MR. SPEAKER:—"Yes, it is open to him to say so."

(2) LEGISLATION WITH REGARD TO PROPERTIES BELONGING TO EVACUEES AND SITUATED IN INDIA.

* THE HON. SRI K. MADHAVA MENON:—"Mr. Speaker, Sir, I move—

Whereas it is expedient that legislation which should be uniform as far as possible throughout India should be passed with regard to the protection, administration,

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transfer, alienation and devolution of property situated in India and belonging to persons (i) who have migrated or may migrate from India to Pakistan or elsewhere or (ii) who have acquired or may acquire any interest in property situated in Pakistan which belonged to persons who have migrated or may migrate from Pakistan or (iii) who are residents of Pakistan.

Now, therefore, this Assembly hereby resolves under section 103 of the Government of India Act, 1935, that the matters aforesaid and all others connected therewith or incidental thereto, in so far as they fall within the Entries in the Provincial Legislative List, shall, in this Province, be regulated by an Act of the Indian Legislature.'

"Sir, this resolution is the result of the unfortunate partition of India. We know as a result of the partition there has been a large exodus of people from Pakistan to India and a few cases from India to Pakistan. We ourselves have got evacuees from Pakistan though the evacuee problem here is not as big as for some other Provinces and the Central Government. Various problems have arisen regarding the properties of evacuees when they left Pakistan for India or India for Pakistan and the Government of India feel that there will be advantage in dealing with the evacuee property in India if it is brought under a uniform law throughout the country, as there have been differences in treatment of the evacuee property in different parts of India and that it will enable the Government of India to negotiate more effectively with the Pakistan Government on matters connected with the evacuee property. A central law dealing with these matters exists in Pakistan. To that extent that country is more advantageously situated in dealing with the evacuee property. The Government of India explored the possibility of enactment of a central act immediately. On examination it was found just now a central act dealing with this matter cannot be enacted until the Provincial Legislatures concerned pass resolutions under section 103 of the Government of India Act authorizing the Central Legislature to legislate in the matter. As it would take some time to pass a resolution like that, the Government of India thought that the only way of having immediately in force uniform legislation throughout India dealing with evacuee property is for the Government of India to issue an Ordinance dealing with this subject in so far as the centrally administered areas are concerned and to request the Provinces to issue similar ordinances to enable uniform provisions of law relating to evacuee property to come into force immediately all over India.

"The Government of India, therefore, suggested to issue the Ordinance immediately. But it is impossible to pass an Ordinance here as the Legislature is in session. And even if an Ordinance is passed, that has subsequently to be approved by the Legislature. Further, even if we want to get the legislation rushed through this House, it will not be possible to get this done before the date on which the Government of India wants this All-India legislation

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to come into effect. Therefore, if a resolution is passed by this legislature, as desired, under section 103 of the Government of India Act, 1935, and if a similar resolution is passed by other Provinces the legislative powers as far as this Province is concerned will pass from the Provincial Legislature to the Dominion Legislature and it will enable the Governor-General to issue an Ordinance applicable to the whole of India. But any Act passed by the Dominion Legislature on the basis of this resolution can be amended or repealed by our legislature under section 103 itself. It is for that purpose that this resolution is being moved. Fortunately for us, owing to the good sense of our parties concerned, the evacuee problem is not a serious and acute one in this Province. But it should not delay us in going to the rescue of other Provinces or the Central Government where the problem is very very acute. Therefore, I move that the House do accept this resolution."

Mr. SPEAKER:—"Motion moved—

'Whereas it is expedient that legislation which should be uniform as far as possible throughout India should be passed with regard to the protection, administration, transfer, alienation and devolution of property situated in India and belonging to persons (i) who have migrated or may migrate from India to Pakistan or elsewhere or (ii) who have acquired or may acquire any interest in property situated in Pakistan which belonged to persons who have migrated or may migrate from Pakistan or (iii) who are residents of Pakistan.

'Now, therefore, this Assembly hereby resolves under section 103 of the Government of India Act, 1935, that the matters aforesaid and all others connected therewith or incidental thereto, in so far as they fall within the Entries in the Provincial Legislative List, shall, in this Province, be regulated by an Act of the Indian Legislature.'"

M. MUHAMMAD ISMAIL SAHIB BAHADUR:—"Sir, before we proceed with the discussion, may I request the mover of the resolution to give us further information as to the interest involved so far as this Province is concerned, what is the number of properties and the amount of properties involved and whether we are justified in giving up the Provincial legislature's right of regulating such a thing and whether the interests are such and complicated that we are called upon to take this extraordinary step of giving up one of the valuable rights of the Provinces and provincial legislatures."

* THE HON. SRI K. MADHAVA MENON:—"Sir, I do not agree that we are giving up any valuable right. As I said, under section 103, 'any Act so passed by the Dominion Legislature, as respects any Province to which it applies, be amended or repealed by an Act of the Legislature of that Province'. We are only enabling the Government of India to pass legislation to have a uniform policy regarding evacuee property. I am very glad to say that there is not very much of evacuee property in this Province

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now. The object of the Government of India is to have effective control over evacuee problem. One such control is to use such property for accommodating non-Muslim evacuees from Pakistan and the other is to secure proper and just treatment in respect of properties left behind by those non-Muslim refugees from Pakistan. As I said, the problem of evacuee problem is very little in our Province. I am not in a position to say the exact amount of property, because it is very very little. But it is possible that these properties may come into existence in future, though it seems to be a remote possibility. It seems desirable for the sake of uniformity of treatment throughout India that there should be effective legislation as proposed in the resolution."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Sir, I do not have anything to say on this resolution except that I hope the inter-Dominion agreements that have been taking place between Pakistan and our country have been satisfactory and I trust that in future also any legislation or anything that is passed by the Government of India will be done to complete satisfaction by negotiation between these two Dominions so that friendly relations may grow between them and thereby both may prosper."

* THE HON. SRI K. MADHAVA MENON:—"I also pray for the consummation which my hon. Friend Mr. Abdul Hameed Khan has in view.

"There is a Central legislation in Pakistan with regard to properties belonging to evacuees and situated in that dominion. The existence of a Central legislation gives to Pakistan an advantage in negotiations which India does not have. I already explained this, but I do not know whether it has been clearly understood."

The motion was put and carried.

V.—GOVERNMENT BILLS.

(1) THE PRISONERS (MADRAS AMENDMENT) BILL, 1949.

THE HON. SRI K. MADHAVA MENON:—"Sir, I beg to introduce the Prisoners (Madras Amendment) Bill,^a 1949, and move—

'that the Bill be taken into consideration at once'.

"This is a very small legislation. Under section 38 of the Prisoners Act, 1900, a court which wants to summon a prisoner to give evidence cannot send an order direct to the officer in charge of the prison concerned to produce the prisoner before the court, if the prison is situated in a different district from that of the court. The court has to send the order through the District or Subdivisional Magistrate within whose jurisdiction the prison lies. If the prisoner is confined in a prison within the Presidency town or in a prison more than 100 miles distant from the court concerned, section 39 of the Act lays down a still more elaborate procedure. The court has to apply to the High Court, the High Court has to

^a Published in *the Fort St. George Gazette*, dated 7th June 1949.

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write to the Magistrate concerned, and the Magistrate to the officer in charge of the prison. Sections 38 and 39 thus lay down a very circuitous procedure involving delay. The result is that sometimes a superintendent of a prison is not able to produce the prisoner in court at the appointed time. The result of omitting sections 38 and 39 is that the court can send an order to produce a prisoner to give evidence direct to the superintendent of the prison concerned. This will save delay in the conduct of suits. Therefore, I am moving this amending Bill."

MR. SPEAKER:—"The question is—

'that the Prisoners (Madras Amendment) Bill, 1949, be taken into consideration at once'."

The motion was carried.

Clauses 1 to 4 were put and carried.

The Preamble was put and carried.

THE HON. SRI K. MADHAVA MENON:—"I move—

'that the Bill be passed into law'."

MR. SPEAKER:—"The question is—

'that the Prisoners (Madras Amendment) Bill, 1949, be passed into law'."

The motion was carried and the Bill was passed into law.

(2) THE MADRAS COTTON (TRADE STOCKS) CENSUS BILL, 1949.

* THE HON. SRI K. MADHAVA MENON:—"Sir, I beg to present the report * of the Select Committee on the Madras Cotton (Trade Stocks) Census Bill, 1949, and move—

'that the Bill, as reported by the Select Committee, be taken into consideration'."

"When I introduced the original Bill in the Assembly, there was no controversy. The Indian Central Cotton Committee has been urging this Government and the other Provincial Governments to enact legislation to enable the collection of correct statistics in regard to stocks of Indian cotton in the interests of trade as well as agriculture. Other Provinces have passed legislation, but for some reason or other it has been delayed in this Province. The Agricultural department is now collecting statistics on a voluntary basis for incorporation in the All-India Statistics published by the Indian Central Cotton Committee and this has proved unsatisfactory. The Industrial Statistics Act, 1942, no doubt provides for the collection of statistics but that Act can be utilized only to collect statistics of cotton held by factories and not by other persons in the trade who have no concern with factories. Government, therefore, consider it necessary to enact legislation making it obligatory on owners of cotton ginning and pressing factories and all persons trading in cotton to furnish returns in respect of stocks of cotton held by them. Provision has been made to the effect

* Printed as Appendix on page 464 infra.

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that the information contained in such returns will not be utilized for any purpose other than in connexion with the compilation of statistics required by the Committee or for any purpose specified by the Government.

"When certain changes were suggested, I agreed to refer the Bill to a Select Committee. The Committee has changed the heading of the Bill so as to include traders also. The main change made by the Committee is the amendment of the definition of 'owner' so as to mean the lessee or mortgagee in case the factory has been leased or mortgaged with possession and the owner in any other case, and includes any agent of such lessee, mortgagee or owner having control over the factory. The Committee has also amended the definition of 'cotton' so as to mean not only raw cotton but also cotton waste. The other changes are more or less of a verbal nature. I don't think any objection will be taken to any of the clauses. The Select Committee has carefully considered the Bill and its report is before the House."

MR. SPEAKER:—"The question is—

'that the Madras Cotton (Trade Stocks) Census Bill, 1949, as reported by the Select Committee be taken into consideration.'"

The motion was carried.

Clauses 1 to 13 were put and carried.

The Preamble was put and carried.

THE HON. SRI K. MADHAVA MENON:—"I move—

'that the Bill as reported by Select Committee be passed into law.'"

MR. SPEAKER:—"The question is—

'that Madras Cotton (Trade Stocks) Census Bill, 1949, as reported by the Select Committee be passed into law.'"

The motion was carried and the Bill was passed into law.

VI.—AMENDMENT TO THE MADRAS GENERAL SALES TAX (TURNOVER AND ASSESSMENT) RULES, 1939.

THE HON. SRI B. GOPALA REDDI:—"Sir, I move—

'that the following draft of an amendment to the Madras General Sales Tax (Turnover and Assessment) Rules, 1939, which it is proposed to make in exercise of the powers conferred by section 3, sub-sections (4) and (5), of the Madras General Sales Tax Act, 1939 (Madras Act IX of 1939), be approved:—

Draft amendment.

In the explanation below rule 18 (2) of the said rules, for clause (b), the following clause shall be substituted, namely:—

"(b) 143 lb. of groundnut or 100 lb. of kernel shall, when converted into oil, be taken to yield 40 lb. of oil; and"

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"According to the present calculation, 143 lb. of groundnut or 100 lb. of kernel will yield 43 lb. of groundnut oil and this is taken as the basis for purposes of Sales Tax. The output of oil varies from district to district. Some trade associations said that 143 lb. of groundnut or 100 lb. of kernel might not yield 43 lb. of oil and represented that the yield might be taken at 40 lb. This is a concession shown to merchants and not a taxation proposal. So I am sure that the House will approve the amendment."

MR. SPEAKER:—"The question is—

'that the following draft of an amendment to the Madras General Sales Tax (Turnover and Assessment) Rules, 1939, which it is proposed to make in exercise of the powers conferred by section 3, sub-sections (4) and (5), of the Madras General Sales Tax Act, 1939 (Madras Act IX of 1939), be approved:—

DRAFT AMENDMENT.

In the explanation below rule 18 (2) of the said rules, for clause (b), the following clause shall be substituted, namely:—

"(b) 143 lb. of groundnut or 100 lb. of kernel shall, when converted into oil, be taken to yield 40 lb. of oil; and '"

The motion was carried.

MR. SPEAKER:—"The next item in the agenda is 'Bills left over from agenda for 22nd June 1949 or to-day at 3 p.m.'"

THE HON. SRI B. GOPALA REDDI:—"We can take up that item on the 27th June."

MR. SPEAKER:—"There is an adjournment motion to be taken up to-day. If the House is going to take it up at 3 p.m. no Member should insist that the debate should go on till 6 p.m."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"So far as I see, this motion can be taken up only at 4 p.m. If the House is not going to sit till then, the motion should go out of the agenda. If it can be taken up at 3 p.m., I think it can be taken up even now."

MR. SPEAKER:—"This suggestion to take it up now is a surprise move. The mover of the motion is not in the House."

THE HON. SRI B. GOPALA REDDI:—"I think we can take up the motion at 3 p.m. and terminate the debate at 5 p.m. The principle should be that the debate should terminate after two hours from the beginning."

MR. SPEAKER:—"If we take it up at 3 p.m., no Member should then raise a point of order that under the rules it can be taken up only at 4 p.m. and the discussion concluded at 6 p.m."

THE HON. SRI B. GOPALA REDDI:—"Even if a Member raises a point of order, the Chair is all powerful."

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MR. SPEAKER:—"I do not want to give room for any point of order."

The House then adjourned to meet again at 3 p.m.

(After lunch—3 p.m.)

ADJOURNMENT MOTION RE COMMUNIST MENACE IN
KRISHNA AND OTHER DISTRICTS.

* SRI V. RAGHAVAYYA:—"Mr. Speaker, Sir, the adjournment motion that I want to move to-day is this. I propose to move—

'the adjournment of the business of the House, to discuss a definite matter of urgent public importance, namely, the serious communist menace in the Krishna district in particular and other districts in general, and the threatening imminent occurrence of lawlessness of an open and wide-spread nature in those districts as well as the grave insecurity to life and property of the general public and the Congressmen in particular of Krishna district and other districts in general and the great scare and panic caused in the minds of the public owing to the very serious happenings of the above nature in those districts.'

"Sir, before I begin my remarks on this adjournment motion, I do not want it to be understood or rather misunderstood that I am being actuated by any motive to criticise the policy and the actions of the Government. It is far from my idea. Sir, it requires a little courage to-day to condemn the Communists openly either in the platform or in the pulpit. But, Sir, I am not an alarmist and I cannot fail to take note of realities, particularly when they are threatening. The reason for my tabling this motion is this. In the whole of this Province, to-day, and particularly in the Krishna, East Godavari and West Godavari districts and even in Guntur and the borders of my own district of Nellore, not to speak of Tanjore and other districts, the Communist menace has been rather threatening all along. It is no good on the part of the Government to be often telling the people, that they are taking all the measures possible to allay discontent among the masses. I am prepared to accept the assurances of the Government, but I want them to take note of one thing, which they have often failed to do. It has always been our experience that when strong vigorous and urgent action is required on the part of the police or the military, our police man to-day begins to consult the Police Act and the soldier begins to consult the Army Act, before he begins to take any effective measures in that direction, and if this thing goes on every day, then I am afraid, we cannot keep peace in the land. Of course, we have been crying hoarse against the previous foreign Government, and have been saying that they were autocratic, that the Poldiceman in their regime, was always carrying the lathi in his hands and using it on the heads of Congressmen

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ever and anon, but thanks to the present circumstances, we have fought and won the battle of freedom and have secured the independence of our country, and it is now our duty and responsibility to restore order and maintain peace and order in the land. If we cannot maintain peace and order in the country, then we go the way of Chiang-kai-Shek; we go the way in which our neighbouring country, Burma has gone at present. We will be facing all the troubles, anarchy, disorder and misrule which those countries are now suffering. We have got a foretaste of these things in East Bengal very recently. It is these things that have made me take this matter up to the notice of the Government and to draw their attention to the seriousness of the situation and to warn them that if things are allowed to go on in this sort of complacent mood, we may not know where they will lead this country to. Not only that, but this occasion will give an opportunity to the Government to explain to us and to the public through the Legislative Assembly what measures they have taken to combat this growing communist menace in those districts since our Hon. Premier has visited those parts and especially the place called Vilovolu, which is situated near Krishna, where all sorts of atrocities have happened recently. Sir, we have to keep one thing clearly before our minds, when dealing with a problem of this sort, and that is that this communist menace is not confined to one particular district or one particular area. It is wide-spread throughout the Province. It has been said by the previous Premier in reply to a previous debate on the floor of this House that the problem of the Krishna district was not an isolated one, and that the whole problem of the communist menace is so inter-related and inter-connected with a number of other things, that it should be tackled as a whole and not in a piecemeal fashion in this or that area. This is what he said on that occasion:

'It should also be remembered that the trouble is not purely local, that the focal centre of Communist activities is in Talingana and that till normal conditions are restored there also, try as we might, it will be difficult to prevent infection from across the border.'

"Sir, these were the memorable words of the Hon. Ex-Premier. I want that the present Hon. Premier of this Government should remember these words, not only in the context of Hyderabad, but also in the context of other neighbouring districts. I want to bring to the notice of the Government that what the Ex-Premier has said of the Communist activities as a link between Krishna and Hyderabad, has further links with other districts and other countries as well, namely, our Eastern and Far-eastern neighbour and also with our distant neighbour, the Soviet Russia. Sir, several instances have happened in the past which require a little recapitulation before we can understand the real gravity and seriousness of the present situation.

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"Sir, some two days back, the Military Governor of Hyderabad has given us an account of the murders which have been committed by the communists in a sister province of ours, within the past six or seven months. He said that about 207 people were killed in cold blood and that most of them were Congressmen. Therefore it must be remembered that Congressmen alone are singled out for such dastardly murders and for being cut of their limbs and tortured in all manner of ways. Sir, they have got their own volunteer organization within themselves and they also think, as Congressmen did in former days, that by going to jails and serving there for a term of sentence in A or B class, they could come out with glory, appeal to the masses and get their votes and displace the Congress Government from power. Sir, a Communist is a man who knows his business and he knows that it would take several more years for him to reach his destined goal and so he is adopting all sorts of tactics to win over the masses to his side. Sir, I will never take a Communist at his word, because I know what he is about. I am not one of those who believe, as several people are prepared to believe, including our Hon. Minister for Jails in particular, the words of a Communist when he comes and says, 'I have become a good boy; I have given up my creed; I have given up Communism and have severed my connexion with the Communist party. So, please take me at my word as a gentleman and release me.' Sir, I know of two such people in the Krishna district who have come out of jails with such promises—their names are also noted—they are one Peddapadu Nageswara Rao and the other Comrade Sheik Umar—and they have issued printed leaflets, after they have come out of jails, in which they have said the following in Telugu:

'పాటిపండ్ల నాగేశ్వర రావు వ్రాసిన రాజీనామాలో "నేను యువజన సంఘంలో (కమ్యూనిస్టులది) చేరి పార్టీ ఆ దేశానుసారం కాంగ్రెస్ వారిపై దౌర్జన్యములు చేసి కాంగ్రెస్ వారి యెడల జరుపు పింసా కాండకు అన్ని విధముల తోడ్పడితిని. ఈ సందర్భములో ముఖ్యంగా కొందరు కాంగ్రెస్ వారిని హత్యచేయించెదమని ప్రకారం జరుపబడినది" అని వ్రాస్తూ యికనుండి కాంగ్రెస్ ను యెడలనాభావం మార్చుకొని సోషలిస్టు భావంతో ప్రవరిస్తున్నాను అని వ్రాశాడు.'

In the leaflet in my hand, comrade Umar says, 'ఇంకో "ఈ మేడ" మీ ఉమర్ "నేను లోగడ కమ్యూనిస్టు పార్టీ సభ్యుడను. . . సరకు పార్టీకార్యక్రమం ప్రకారం కాంగ్రెస్ వారిపై దౌర్జన్యము జరిపి కాంగ్రెస్ వారి యెడల జరుపబడిన పింసాకాండకు అన్ని విధముల తోడ్పడితిని. ఈ సందర్భంలో కాంగ్రెస్ వారిని హత్యచేస్తామనిమీ ప్రకారము జరుపబడింది. కాని యిప్పుడు మీరు పరిశీలన చేసికచ్చునిగిపించితిని" అంటూ రాజీనామాలో వ్రాశాడు.'

"These two gentlemen say that they contributed their mite as members of the Communist party by killing and looting, and by destroying all Congressmen whom they have met. Are we to take them at their word and release such people from the jails, so that when that terrible organisation, that terrible Red Army invades and marches into this country, they might join hands with

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them? Sir, I am not one of those who will be prepared to take such risks with the Communists. When the Communist menace is so threatening in Krishna and other border districts, I ask, 'is this the time for Hon. Ministers to tour wherever they like in other districts and other places and for other purposes in this Province?' If they should tour in any district in this Province, it is the Krishna district and the borders of that district that they should tour. If they want to open cinema halls, if they want to open bridges or if they want to address public meetings, let them do so in the Krishna district and its borders, where entry is banned and where speech is risky. That is the way to create confidence among the people and that is the way to bring cheer to them.

'Then, Sir, the Military Governor of Hyderabad goes on and says that about 250 persons have been killed in cold blood in the district of Nalgonda alone and gives a narrative of the various sorts of atrocities perpetrated by the Communists in the district of Warangal and other places on the other side of the border, which are linked with Hyderabad, where about 400 people were killed in cold blood. Sir, all these questions are connected with the bigger question, whether this Government should sit complacently over these things and whether it is good for them to allow such things to go on in this manner. That question has not been answered till now. It is high time for us to think more deeply and more seriously of the consequences that would befall this country if such things are allowed to go on.

'Sir, in the Krishna district there are a number of small villages in the borders between Vijayavada and the Hyderabad territory which are no man's land, which are God-forsaken places, and which are strongholds of the Communists, where no Congressman can go, either in the day or in the night. Here the Communist soldiers are posted behind mango graves, with their General sitting under the shade of a tree with some fifteen persons surrounding him. These Communists have got their own courts to try cases, and hold a mock trial of the Congressmen and other people who are captured from these border villages, and after the trial is over, they carry them to their General who gives a lecture to these people, telling them how the Congress Government are not able to keep peace in their territory, how our police are not able to protect the citizens and how much discontent is prevailing among the poor people in this Province. In this way, they are able not only to threaten our people, but also to appeal to the people who are uninformed and gullible to join their ranks and aid them in their work. Sir, I want to ask, what has happened to our police and what has become of those lathis and guns and bayonets and a lot of those harrowing instruments, which used to make a hell of noise and which were used against Congressmen like us, during the days of the British regime? Why could not those things be used now to put down this Communist menace in these places?

'Sir, let me now come to the West Godavari district. There you have got a place called Chintapalle and nearby there are a

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number of villages which are the hotbed of Communist activities. If you take East Godavari, you have got there, a place called Bodancherry, which is a breeding place for the Communists. Now, Sir, at this stage, I should like to draw the attention of the Government to one salient factor which was mentioned in that memorable statement of the ex-Premier, Sri Omandur Ramaswami Reddiar, when he replied to the debate on the last occasion and which will be found on page 456 of the Assembly Proceedings. This is what he says in that statement:

'But such following will not be there, unless the soil is fertile for it. In Krishna such a fertile soil existed in the dissensions amongst Congressmen. Many Communists pass for staunch Congressmen and have infiltrated into Congress ranks as "Progressive Congressmen." Not only do they avoid the attention of the authorities, but they also enlist the support of one or other of the rival Congress groups in the district making the task of officials extremely difficult and delicate.'

My submission is this, Sir. These Congress Committees have been misbehaving not knowing what they were talking. I say, ban these committees, scrap them at once, not only them but any committee which calls itself a political organization. Tell them that no other Government exists except the Government of Mr. Kumaraswami Raja. There is nothing wrong in the Congress Committees going into oblivion for some time. They won't lose anything. Tell the Communist Party, tell the Congress Party which seems to be more powerful and therefore more dangerous, tell the other parties like the Muslim League Party, 'banish yourselves for some time, say six months, and after that we shall have you restored.' Nobody need be afraid, there is nothing wrong in that though some of my friends may object. Where they cannot be mended they must be put an end to. If I ask now that these committees be banned there is nothing wrong in it and there is nothing undignified because it is very essential and necessary.

'When I remember the words of Mr. O. P. Ramaswami Reddiar, it is unfortunate that in these districts the Congressmen have been rent into two divisions carrying tales one against the other. One group goes to the policeman and says that so and so is a Communist. The policeman immediately arrests him. Another group immediately goes and says: 'No, no, he is a tried Congressman, he is wearing a Gandhi cap too.' The situation is like this in the Krishna district. The officials have been prevented from doing their lawful duties. Why should the Congress M.L.A. interfere and poke his nose and make the administration impossible? Sir, this state of affairs must be remedied with the utmost speed. In Vilivolu to which the Hon. Premier has gone, which is very near the capital of our Rashtrapathi and in several other villages in the districts the Communists went in a body of about 300 and they killed several people, maimed others and committed other sins which no civilized Government would allow to happen. Of course, people were arrested and they were bailed out the next day. Several

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cases of criminal trespass were filed against them and they were discharged or acquitted or fined in the ordinary course of law. I therefore feel, Sir, that the ordinary law of the land is not adequate. My view is this. Since the Krishna district is closely linked with Hyderabad why not tack on the administration of the district with that of Hyderabad and allow the Military Government to deal with it. The Hon. the Minister for Motor Transport is jubilant over my remark. He is not able to put an end to the various disorders in his own district. Even in my district several costly things have happened. In one village 100 people have been arrested and in another village . . .

Mr. SPEAKER:—"The hon. Member has one more minute."

SRI V. RAGHAVAYYA:—"I am so sorry, Sir."

Mr. SPEAKER:—"There are several hon. Members who are anxious to take part in the discussion apart from two Hon. Ministers. I have allotted half an hour for both the Hon. Ministers, namely, the Hon. Minister for Law and the Leader of the House. I want to give five minutes for other Members."

SRI V. RAGHAVAYYA:—"The proceedings were commenced five minutes late, Sir. I shall finish in five minutes more."

Mr. SPEAKER:—"The hon. Member had a talk with me and he told me that he would require only 20 minutes. The hon. Member should finish in one minute."

* SRI V. RAGHAVAYYA:—"I would only say, Sir, that in these incidents which have happened in Guntur about 100 people were arrested recently. These are matters which should be taken serious note of by the Government. In Nellore the same things have happened. My suggestion is that a Minister can be deputed to these places and he can stay there and be responsible for the peace of the districts. Another thing is that the districts should be subdivided and there should be mobile police force who should be entrusted with the task of going round and putting down the menace. More than all that is the most important thing of putting down the menace not by force alone, because the Communists are forceful and they will inflict terror. What I feel is that we must open a popular front. The Government have now taken so many years to assign the lands to the Harijans. Whenever they ask for some land they quote 1,001 rules and they get dissatisfied. In the Guntur, Godavari and Krishna districts there is not even one relief shop and the poor agricultural labourers purchase rice at a cost of twelve annas per measure while the controlled price is six annas per measure. How can you prevent the spread of Communism when such is the condition of the poor?"

Mr. SPEAKER:—"I shall allow 10 minutes for the seconder and 5 minutes for the other hon. Members."

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SRI ALLURI SATYANARAYANA RAJU:—"Mr. Speaker, Sir, I second the motion. I am glad to inform the Government that the Congressmen in the West Godavari district are definitely against the Communists. The Congressmen there are united against the Communists and their treacherous and anti-national policies. Yet the Communist Party there in West Godavari has launched a violent struggle against the people. They are not hesitating to kill anybody who do not agree with their policy and programme. To-day the tax-payer is paying, the kisans are paying the tax all right. But there is no safety and protection for them. The duty of the State is to protect at least the lives of the people from these anti-national criminals, the Communists. To-day it may look as if the Government are preventing freedom of speech, freedom of the press and the freedom of meeting. But in the Moscow papers you do not find even a single sentence criticizing the Government or giving constructive suggestions to the Government. If it is found then that paper will immediately be stopped. If anybody stands in the streets of Moscow and tries to criticize the Moscow Government immediately he will be shot dead or hanged on the nearest tree. And the Communists who worship Moscow and its system to-day want the right of speech and the right of meeting and the right of everything. In the name of freedom of speech, they want to provoke the people against the People's Government, against the Government of the people, for the people and by the people. They want to-day to overthrow this Government by violent means. Any Congressman or whoever speaks against them receives threatening letters. They wrote several letters to me threatening that my days were numbered. As you know, Sir, we were not afraid of our lives under the British Raj. For the sake of our principles and the freedom of the country, Congressmen fought and they were not afraid of their lives. They were used to the lathis and bullets everywhere and they have faced every sort of tyranny. Now that is not the case with the Communists. No Congressman can go now outside his house into the open air in the nights. For instance in the Tanuku taluk in the West Godavari district, in my constituency, one Reddi of Yelledupalu was asked by the Police to show the house of a Communist in order to search that. Immediately that man, a law-abiding citizen, did his duty and showed the house. For that sin, the next day a bulletin was issued by the Communist Party from Lalkella. He was given three days notice and on the third day a gang of Communists fell upon him in open daylight and used sticks and knife and he was stabbed throughout the body. And he was admitted in the local headquarters hospital at Ellore. I do not know how far even the most efficient doctors could save his life. Immediately, a leaflet was issued by the Communist Party of Tanuku taluk—and it was widely distributed in many villages—stating that the Reddi's fate was awaiting other Congressmen. After fifteen days last month in Elaparu village, one Satyanarayana Raju, a prominent Congress worker, has been stabbed while coming back from the badminton court. He was stabbed through

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out the body and both his legs were broken. He was admitted in the hospital. This can be verified if necessary from the hospital in which he has been admitted.

"Three days back, one leader of the weavers had been hoisting the national flag on his house and it was demanded of him that he should remove that flag which he did not do. That gentleman aged 65 years by name Kala Subbarayudu, who is respected throughout the area, a Congressman from the very beginning of the Congress organization, was going from his village to Palakolu and in daylight he was dragged from his bullock cart and beaten to death in the street. He died before he could be removed to the hospital. This is the state of affairs, Sir, in the West Godavari district. I have several other instances to bring to the notice of the Government but there is no time for me now as only 10 minutes have been allotted."

Mr. SPEAKER:—"The hon. Member has already taken 7 minutes."

SRI ALLURI SATYANARAYANA RAJU:—"I should like to offer some constructive suggestions to the Government. A purge of the Police department is very essential. (Hear, hear.) The moment the District Superintendent of Police starts from his headquarters the matter is leaked out as to where he proceeds. In the Police ranks to-day, there are a number of members who belong to the Communist Party. The moment the Police reach a place, the Communist gangs run away from that place. There must be a radical purge and the whole department must be reorganized. Surely, the old constables who served the British Government are tempted by Rs. 10 and Rs. 15 or Rs. 100 and they leak out information. It is a hard reality. It may pain some people and even the Government when I say this, but I do not mind. It must be taken note of by the Government. Young, energetic and cultured people are available and people with nationalistic outlook must be recruited to the department in order to check the Communist menace.

"Then, Sir, there is lack of propaganda on the part of the Government and on the part of Congress organizations also and other organizations. We must do propaganda against the anti-national propaganda made by the Communists. Their pamphlets must be replied to. I strongly urge, Sir, that the Premier of the Province must tour throughout the Province instead of looking at files alone here. He must go from district to district and ask the people to combat the Communist menace and he must infuse confidence into the people saying here is the Government, I am here and I protect your life and therefore you need not be afraid of your life.

3-30 P.M. "I regret to state that some of the Hon. Ministers are not touring the districts. This is the exact time when they should tour the districts and they should do propaganda against the Communists. I suggest that all legislators irrespective of parties

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or groups, the Muslim Leaguers, the Congressites and everyone of us, must go to the constituencies and take up this cause first and foremost. Otherwise, there is no safety in this country and there will be a danger, which must be averted at all costs."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Mr. Speaker, Sir, when this motion was brought forward for the adjournment of the House, I felt that it would have been very much better if it was not at all brought before the Legislature, for, I believe that these are matters which are done better in an executive manner rather than by having a discussion in the open House. In any case, hon. Friends who have spoken before me have narrated all the troubles and difficulties which their people are experiencing in some of the districts in Andhradesa.

"Sir, this Communist menace can be dealt with in two ways. One of them is by Police action and military action. But, the more important and constructive method is the change of outlook of the Government so far as the economy of the country is concerned. We find a large number of legislations brought before the House but I have not so far seen any legislation which would really remove the causes for the prosperity of Communism in our Province. We have to tackle the basic problem on account of which this Communism has been spreading and Communists are becoming more and more prosperous. Therefore, Sir, you should sit down and think in a constructive way as to how best to deal with this Communism in our Province. Besides, Sir, our people should become patriotic. We should love our country before ourselves. Instead of being selfish and narrow-minded, if we love the country more than ourselves, I am sure we can deal with the problem more effectively and I am sure that even the Communists will find it difficult and things will not be allowed to take the shape they have taken in other countries. Then, Sir, we want real unity among our people. That has been wanting amongst our people. We have not been patriotic enough to deal with the problem in a constructive way all these days. Our Friends who are now dealing with the situation are giving their attention more to putting it down by violent methods, and they are bent upon dealing violence with violence. Even though it is one way of dealing with the Communist movement, the more effective and more successful way, as I have said, is to deal with the basic difficulties which the people of our Province are experiencing. There is no use merely creating a scare and saying there is trouble all over and that we should deal with those people harshly and prevent them from going underground, and so on. How can you prevent them going underground when there is no safety for them? If we do not fight shy of them, then certainly we will be able to deal with them in a more effective manner. Of course, the Police people and the Police officers are doing their duty, but it is not the Police staff alone who can tackle this question successfully. First of all, people must be united; they must be patriotic and they must be prepared to serve and suffer for the sake of the country. If we do all these things, then we will succeed in putting down this movement.

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"One thing more which I would like to suggest is that at least in the Congress Party, there must be unity. There must be unity so far as policy is concerned and so far as action is concerned. Disunity in the party is certainly a thing which affects adversely all sections of the party and also the Government. Therefore, the Government must be united. They must not only be united but they must also be powerful. They must have a broad view of things and should not be narrow-minded. If they take a narrow view of things, and if they are not united at this juncture, they will certainly widen the distance between the people and themselves. Our Prime Minister has told us recently that we must contact the masses, contact them more and more frequently and in facing the situation, not only the Congress Party but all parties in the country should unite in order to have concerted action. Government should think out in a constructive way and deal with the situation in a concerted manner. Unless the people are united, they cannot deal with this growing menace."

* THE YUVARAJA OF PITHAPURAM:—"Mr. Speaker, Sir, the present situation is a legacy given to us by the past. Its origin is both provincial and national and perhaps even international in character. Therefore, I am not here to blame anyone for the unfortunate situation in which we find ourselves to-day. The situation created by certain chaotic forces has its roots deep in certain very fundamental causes. Mere suppression would not remove these causes. So, to remove the evil root and branch, one has to go into the causes and remove those causes. I may submit with reference to this that the breeding ground for these chaotic forces, is the discontent of the people. The empty stomachs, the roofless houses and the torn clothes are the places where the chaotic forces grow. Therefore, I submit to the Government that while they should with an iron hand, put down these disturbances, they should remove these causes that breed these forces of chaos."

"Sir, I may submit to you that most of us are not against some of the methods that are used by such but are only against some of the methods that are used by the Indian variety of the Communists. Whether these chaotic forces of lawlessness and disorder are Communist in origin or whether they are born of the activities of some other organization, it is immaterial. It is the duty of the Government and the collective duty of every member of this House to see that irrespective of the origin, these forces of disorder are brought to book and brought under control. In the words of the great Prime Minister of India, it can be seen that only by removing the causes to which I have referred, we can suppress these forces of lawlessness. Therefore, Sir, this is an occasion for heart-searching, introspection, and firm action based on realities and not on shibboleths."

* SRI V. KURMAYYA:—"Mr. Speaker, Sir, to suppress the Communist menace has now become a problem. I do not think many of the members have understood how to suppress this Communist menace. If the Government is determined to suppress this

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Communist menace, it is not a very difficult thing. I would advise the Government that the Police should not entirely depend on the advice given by the local Congressmen, who are divided into groups and should not act entirely on the advice given by the Congress Seva Dal who are giving false information and thus harass the villagers. Recently, Sir, I visited nearly sixty villages in Krishna and in West Godavari district where people gave many representations to the Government through me to save them from the harassment of the Police in their villages on false representations made by the Congress Seva Dal and home guards and other such organizations. I would request the Hon. the Leader of the House to follow me on tour in the Krishna and West Godavari districts and I promise that I will prove every word that I have spoken here. I know the Official Congress in that area has been going on doing propaganda against the Government here and saying that the Government is impotent and that it is not able to suppress the Communist movement. Sir, it is an entirely false propaganda. If the Congress Organization there is in co-operation with the Provincial Government, it is very easy to root out the Communist menace in this Province. It is only the groups in the Congress Organization such as the Congress Seva Dal that is responsible for the present day unrest and atrocities in those villages. I have said a number of times to Congressmen that they should give up these groups in the Congress Organization. In the Krishna district, there are two or three parties even among the Congress. One party is actively working against the Communists while another party is Communist-minded and is doing propaganda that all the Congress people there are Communists. Thus, if we go to those villages, in every village we find that the Congress is divided into two or three groups. The reason is that some Congress people are becoming Communists."

"Sir, the other day, I told the Hon. Mr. Gopala Reddi when he was going to Jalaprole what I have just now said. In Divi taluk, there is trouble. But, are they all really due to Communists? There may be a few Communists. But, they are mostly agricultural labourers. Their villages are raided, they are beaten and their womenfolk are insulted by the Police. I would ask the Hon. the Premier whether they are all Communists. They are not. I am glad the Inspector-General of Police is present here. The other day, I represented these facts to the Deputy Inspector-General of Police Vishakapatnam that these instances have come to my notice in which poor Harijans have been harassed and their womenfolk insulted on the information furnished by local Congressmen to the effect that they are Communists. Womenfolk are the flower of the nation and no Government which insults its womenfolk will exist for a long time. That is my feeling. I would therefore request the Government that they should give proper instruction to the Police that they should not insult the womenfolk or harass the Harijans on the pretext of putting down the Communists. For instance, the present General Secretary A.I.C.C. went to Indupalli to do propaganda for elections. They never allowed—(not clear) his car. That was a

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village which opposed the Congress candidate last time. There are persons in that village who have paid Rs. 10,000 to the Communist Party. Poor innocent Harijans and agricultural labourers are harassed. I want that the system of home guards should be abolished. The police who are new to the conditions in the villages are acting on false representations made by the home guards. The home guards should be removed. The Police should be given instructions that they should not act on representations made by Congressmen unless both the groups join in the representations. I have much more to say, but the time allotted to me is short. I therefore request the Government to instruct the Inspector-General of Police to instruct the local Police not to harass the Harijans or insult the women. I know, Sir, that women were insulted."

* SRIMATHI V. SEETHAMAHALAKSHMAMMA :—“అభ్యుదయ ప్రచారములో విస్తరించిన పార్టీ కేంద్రాలను, ముద్రాపత్రము దేశములో కలిగియుంటి వివరిత పరిస్థితులను, ఆధారంగా చేసుకొని కమ్యూనిస్టులు తమస్వేచ్ఛాతమును ప్రజలలో ప్రచారముచేసి వారిని రెవ్యూకొట్టి తమ పార్టీని బలపరుచుకొనానికి సర్వవిధాల ప్రయత్నిస్తున్నారు ఇంకేకాకుండా ఎక్కడైతే దార్శిద్యము పెచ్చుగా ఉంటుంటే అక్కడ, కమ్యూనిజం వర్ధిల్లడానికి అవకాశముంటుందని మనవిచేస్తున్నాను. మా కృష్ణా జిల్లాలో ఏ తాలూకాలను ప్రభుత్వము వారుకొల్ల ప్రాంతాలుగా ప్రకటించారు. ఈ ఏ తాలూకాలలోను జమించారులున్నారు. ఈ జమించారులు రైతులను అనేక విధములుగా దాదలు పెట్టుచుండడంచేత రైతులు కొన్ని కొన్ని సందర్భములలో కమ్యూనిస్టుల ప్రచారమునకు లొంగవలసి వస్తోంది. మిగతా ఏ తాలూకాలలోను జమించారీ ప్రాంతముతక్కువ. ఈ తాలూకాలో కమ్యూనిస్టుల వర్తనలు శక్కులే. అనగా మా జిల్లాలో ఏదీ తాలూకాలలో జమించారుల ప్రాంతము పెచ్చుగా ఉన్నదో అచ్చటనే కమ్యూనిస్టుల వర్తనలు ఎక్కువగా ఉన్నవికాని మిగతాచోట్ల చాలాతక్కువ. ఈ కల్ల ప్రాంతాలలో జరుగుచున్న వివరిత హత్యలకు దౌర్జన్యమునకు కారణము నుభ్యంగా రెండు వర్గములవారు అవి ఒకటి జమించారీ వర్గము. రెండవది కమ్యూనిస్టు వర్గము. ఈ జమించారులు 1946 : సంవత్సరమునందే కాలు రేతలు వట్టి అమలులోకి వస్తుందనగానే లోక భూములను పోరంబోగులను అనేక భూములను అమ్మడిము ప్రాంధించినారు. అప్పటినుంచే మా జిల్లాలో ఈ కల్లలాలు ఎక్కువ అయినవి. స్వాతంత్ర్యముతో జమించారులు చెరువుభూములను, పోరంబోగులను, అడవి భూములను అన్యాయకాంతము చేస్తున్నవారు. ఇండ్లపై రైతులకు స్వీకృత సాయానికి స్వకృతంగా నీను అందక పోవడం, వారి పశువులను మేపుకొనుటకు నీను లేక పోవడం, తటస్థించిరి అడవులలోనుంచి పల్లెలు రెవ్యూకొట్టడం కూడా కట్టముగా పరిగమించింది ఏదీకొరకై వారు జమించారుల దయాదాక్షిణ్యమీద ఆధారపడవలసి వస్తోంది. మనము ఈ శాసనసభలో ఇదివరకు జమించారులు పోరంబోగులను, అడవులను అన్యాయకాంతము చేయకూడదని, కాలభూములలోనుంచి రైతులను తొలగించకూడదని శాసనము చేసినాము. ఈ శాసనాల ద్వారా మనము తమకు కలుగజేసిన హక్కులను రక్షించుకొనడానికాను రైతులు జమించారులు చేస్తున్న అన్యాయకాంతము అక్రమాలను ప్రతిఘటిస్తున్నారు కాని జమించారులు ఎవరైతే వారికి స్వలింగముగా ఉన్నారో వారి నందరిని కమ్యూనిస్టులని చెప్పి కొట్టింది అనేక విధములుగా దాదలు పెట్టుతున్నారు. ఈ విషయాలును గురించి నేను చుర దుదాగు ప్రభుత్వమువారికి అనేక

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సార్లు రిహార్సు చేసింప, మండపించి వె. కుమారయ్య వేద వెంకటవరస్వయ్య అనేటము వంటి కాంగ్రెసువారు శురూజువరిను దీక్షాస్వామిగా ఉన్నాడు. ఈ విధంగా జమీందారులు హిరీకుకారి సహాయముతో తమకు వ్యతిరేకంగా ఉన్నటువంటి రైతులను కమ్యూనిస్టులని చెప్పి జైలుకు పంపించుట, వారి మనుష్యులచేత కొట్టించుట చేస్తున్నారు. అందువల్లనే ఈ కిక్కిరింపు ప్రాంతాలలోని రైతులకు హిరీకుమీద, ప్రభుత్వముమీద వ్యతిరేక భావములు కలుగుచున్నవి. కాబట్టి కాంగ్రెసు ప్రభుత్వంవారు లోగడ ప్రతిపక్ష ప్రభుత్వము వారు జమీందారులకు సహాయము చేసినట్లుగా కాకుండా, మనము ప్రజా ప్రతినిధులము కనుక, ప్రజాసామ్యవానికి ఉపయుక్తులుగా ఉండేట్లుగా జమీందారిలకు తెలుపనే స్వార్థము చేసినాని రైతులను సహాయ పడవలసికదని కోరుచున్నాను. కాబట్టి ప్రభుత్వమువారు, శాసనసభ్యులు, ఉద్యోగులు ఆందరు కలసి ప్రజలకు కలుగుచున్న కష్టాలను గొలిపించటానికి ప్రయత్నించినవారు కమ్యూనిస్టు ప్రాజెక్టు దానంతటదే అంగీ హతులవనీ, ప్రజలు కమ్యూనిస్టులను ఎదుర్కొని మన ప్రభుత్వము వారికి మునిచేసే జ్ఞాపకముతో కలెక్టరును గొలిపించున్నాను.”

SRI M. P. GOVINDA MENON:—"Mr. Speaker, Sir, the Communist menace cannot be isolated in one place. Some months ago, I warned the Treasury Benches and the other members that the menace was not confined to Malabar, that it is not a disease peculiar to Malabar and that it is likely to spread throughout the Presidency. Now the cry is heard from another part of the Presidency, where the trouble has gone deep down. How are we to combat this menace? It has become an international question and it is taxing the best brains of this country and other countries. So far as this Presidency is concerned, with great respect to our leaders on the Treasury Benches, may I tell them that they are not showing themselves as a strong Government. They must show to the people that they are there to govern and govern forcibly. Sir, when so many Communists against whom there are warrants for arrest are abroad and underground and when the Police are not able to trace them even with the help of the people at large, that shows the weakness of the Government. There is something definitely wrong somewhere; there is something rotten in the State of Denmark and we must soon find a remedy for it. When a Communist prisoner is taken from one jail to another with a police escort, it is shameful to see that the prisoner escapes in a car. There seems to be something wrong with the Police department. Some very strong action should be taken to see that such things are not repeated. Communist prisoners easily escape from Cannanore Central Jail. I ask the Hon. Minister what action was taken against those responsible for the custody of the prisoners, when they are allowed to escape easily. That shows that the Government are not showing sufficient strength in administering this country. With great respect to our leaders here, I submit that the Government must show its strength. Malabar is not free from Communists. We are very near Cochin State. There is a bridge connecting Malabar with Cochin and across that bridge two poisons are coming into Malabar. One is liquor and the other is Communist literature. The Communist literature is freely distributed under the very nose of the Police officers. Of course there

[Sri M. P. Govinda Menon] [23rd June 1949]

is no use of repression and I concede the position taken up by Mr. Hameed Khan. You must see that the people are contented and that there is no soil for communism to grow. I am sorry to say that by a series of actions on our part we have alienated the sympathies of the masses. As an example, recently there was an election and in that election a Communist defeated a Congress candidate. But during the last General election, the Congress candidate won and his opponent had to forfeit his deposit. Now the situation is quite different. You have passed a series of taxation proposals and you have burdened the people with taxation, but you do not give them anything positive to encourage them. As far as Malabar is concerned, we have been crying hoarse for an amendment of the Tenancy Act. The Kerala Provincial Congress Committee asked for it; the District Congress Committee asked for it; meetings were held all over the place and the kisans have asked for it; but you do not help them by passing the necessary legislation at the proper time. I request the Government not only to confine themselves to repressive measures but also to take the necessary ameliorative measures to help the people and combat the Communist menace."

* SRI A. VEDARATNAM PILLAI :—“கனம் சார நாயகர் அவர்களே, இந்த கம்ப்யூனிஸ்ட் தொல்லைகளைப் போக்குவதற்குப் பல யோசனைகளை இப்பொழுது கூறினார்கள். அதிலும் முக்கியமாக அவர்களுடைய குறைகளை நிவர்த்திசெய்யப் படவேண்டுமென்றும் அப்பால்தான் இந்த தொல்லைகள் இராது என்றும் பலர் கூறினார்கள். நான் சொல்வதெல்லாம் நாம் என்ன செய்தாலும் அவர்கள் அதோடு நிற்கப்போவது இல்லை என்பதைக்கூற விரும்புகிறேன். தஞ்சாவூர் ஜில்லாவைப் பொறுத்த மட்டில் அங்கே அவர்களுக்கு குடியிருப்பு வசதி இல்லாததாக இருக்கிறது என்று காரணத்தை எடுத்துக்காட்டி குடியிருப்பதற்கு அவர்களுக்கு ஈழத்து செண்டு வீதம் கொடுக்க வேண்டுமென்றும், அதுவும் இலவசமாக கொடுக்க வேண்டுமென்றும் உழுகிறவர்களுக்கும், விவசாயிகளுக்கும், மிசான் ஹரிஜன குடியானவர்கள் நபர் ஒன்றுக்கு ஐந்து எக்கர் நிலம் கொடுக்க வேண்டுமென்றும், புரம்போக்கு நிலங்களை அபமானம் செய்ய வேண்டுமென்றும் அவர்கள் திட்டம் செய்திருக்கிறார்கள். ஒருவருக்கு 7/8 எக்கர் நிலம்கூட வராதபொழுது அவர்களுக்கு ஐந்து எக்கர் நிலம் கொடுக்க வேண்டுமென்று தீர்மானித்திருக்கிறார்கள். அதை அப்படிக் கொடுத்தாலும் அவர்கள் திருப்தியடையப் போவதில்லை. அங்குள்ள மிரகதாரர்களையே நிலங்கள் எல்லாவற்றையும் எடுத்து இப்போது பங்கு போட்டுக் கொடுத்தாலும் அதோடு அவர்கள் திருப்தியடையப் போவதில்லை. அவர்கள் வேண்டுவதெல்லாம் தங்களுக்கு அதிகமான வாரணண்டுமென்ற ஒரே லட்சியத்துடன்தான் அவர்கள் இந்த மாதிரியான விளாச்சிகளைச் செய்து கொண்டு வருகிறார்கள். நிலங்களிலிருந்துவரும் வசதி குறைவுகளினால் மட்டும்தான் அவர்கள் இந்த கொலை, கொள்ளை போன்ற குற்றங்களைச் செய்து வரவில்லை என்பதை நான் சுட்டிக்காட்ட விரும்புகிறேன். அதிகாரத்தை தாங்கள் கைக்கொண்டு இப்பொழுது பறக்கும் கொடியை மாற்றி ரஷ்யக்கொடியை பறக்கவிட வேண்டுமென்ற நோக்கத்துடன்தான் அவர்கள் இம்மாதிரியான வேலைகளைச் செய்து வருகின்றார்கள். அதன் பிறகுதான் அவர்கள் இங்கு அமைதியாக இருப்பார்கள் என்பதை நான் இச்சமயத்தில் சுட்டிக்காட்ட விரும்புகிறேன். இதிலேனாலியில்தான் அவர்கள் பலாத்கார முறைகளை கையாண்டு வருகிறார்கள். பல இடங்களில் அவர்கள் வெற்றி கண்டதைப் பார்த்துவிட்டு அதே வெற்றியை இங்கும் காண்பதற்காகவும் அந்த வெற்றியையே இங்கும் அடைத்துவிட முடியும் என்பதற்காகவுமே மெரிய மெரிய சிப்பங்களைப்போட்டு பல வேலைகளைச்செய்து

23rd June 1949] [Sri A. Vedaratnam Pillai]

[illegible]

MR. SPEAKER :—“ நாயவுசெய்து நிற்குக. முடித்துவிட்டு வ. 4 p காருங்கள்.”

SRI A. KAMESWARA RAO:—“Sir, I am sorry to find that the very cause of this Communist menace has not been found out by the Government. Which are the districts and what are the places where the seed of communism is growing? They are the districts where there are zamindars, jagirdars and mirasdars, for instance, Krishna, Tanjore and Malabar. It is these people who are creating more trouble than the Communists themselves. I agree mostly with my friend, Mr. Kurmayya. Really speaking, in Divi taluk, zamindari men have suddenly become Congressmen and taken the anti-communist attitude and are trying to brand

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everybody as 'Communist'. We are not able to probe into the problems of the people to see what are their troubles. Unless the Government remove them, they cannot do anything. That is not the only reason. The pot is new, but the steering stick is the old one. That is, the Government is the People's Government, but the people that are executors are the same old people. That is called in Telugu "కుంభాభివృద్ధి". That is why the trouble is going on. Moreover they are also caught between the devil and the deep sea. They have themselves a People's Government. Tomorrow those people who are now outside the Government may come into power. That is their fear. Generally speaking, in any country, after a revolution, there should be a thorough purge of the officialdom, of the old executors of the law. That has not taken place here. For instance, in Russia, after the revolution, no man was kept who served in the Capitalist Government. A common man is entrusted with the duties of the Military Commanders and with the duties of other important police militia. General Voroshilov who was once grazing the pigs has become a General. Therefore, go to the cherries, organize volunteer corps, do not depend upon these samindars and gundas to protect the Congress. Tell them 'The Congress is yours, the Government is yours' and organize committees and sevadals from among the poor cheri people who are oppressed. Tell the zamindars, jagirdars and mirasdars that they have no place in society and ask them to get out. Let us enact laws that one man cannot own 15 or 20 acres. Let all the lands belong to the tiller of the soil and let not the zamindars have the lands by mere right. The problem can be solved only in that way. No amount of police force can stop this menace. Could the British Government force the people of this country to see that the Congress did not come into power? No. The propaganda machinery of the Congress is absent. When there are troubles in the districts, try to remove the cause on one side and on the other side go and do some propaganda."

Sri K. T. KOSALRAM:—Mr. Speaker, Sir, கம்யூனிஸ்ட் நூர்களைப் பற்றியும் அவர்கள் எந்த வழிகளிலெல்லாம் அக்கிரமம் செய்கிறார்கள் என்பதைப்பற்றியும் பல நண்பர்கள் பேசிவிட்டார்கள். ஆனால் கம்யூனிஸ்ட் தோழர்கள் என்ன செய்கிறார்கள் என்றால் அவர்கள் நாட்டில் அராஜகத்தை உண்டு பண்ணுவதும், கொலை செய்வதும் கொள்ளையடிப்பதும், தீவைப்பதும், அதன்மூலம் இந் நாட்டில் அராஜகத்தைக் கொண்டுவர முடியும் என்பதாகச் செய்துவருவது எல்லோருக்கும் வெட்டவெளிச்சமாக தெரிந்த நடந்து வருகிறது. அவ்விதம் நடக்கும்பொழுது இம்மாதிரியான காரியங்களை எல்லாம் பார்த்துக்கொண்டிருக்க முடியாது. அதைப் போக்குவதற்கு அராஜகம் எல்லாவிதமான ஏற்பாடுகளையும் செய்யவேண்டும். ஆனால் இப்பொழுது காந்தியம் என்று சொல்லக்கூடிய காங்கிரஸ்காரர்கள் ஏழைகளுக்கு சட்டங்களைச் செய்யும்பொழுது அவர்கள் சரியான முறையில் சட்டங்களைச் செய்யவில்லை. இப்பொழுது ஏழைகளுக்கு சௌகரியமான பிரதமர் அவர்களுக்குச் சொல்லுகிறேன். இன்னும் பார்க்கும்பொழுது முதலாளிகளுக்கு சௌகரியமான எந்த விதமான சட்டங்களையும் செய்திருக்கிறார்கள். ஏழைகளுக்கென்று ஒரு சின்ன அமைதிமைக் கொண்டு

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வந்தாலும் அதை ஹைக் கோர்ட்டிற்குக்கொண்டுபோய் அந்த சட்டம் செல்லாது என்று செய்து விடுகிறார்கள். ஆனால் நில சுவாந்தாரர்கள் என்ன சொல்லுகிறார்கள்: ஏழைகளும் விவசாயிகளும் காந்தியின் முயற்சிகள் என்று சொல்லுகிறார்கள். உண்மையில் நில சுவாந்தாரர்கள் காந்தியத்தை கடைப்பிடிக்கிறார்களா என்று கேட்கிறேன். அனாவசியமாக போலீஸ்காரர்களின் மீது ஏதாவது கொண்டிருக்கவேண்டாம். உண்மையில் போலீஸ்காரர்கள் ஏழைகளுக்கு நன்மையைச் செய்யவேண்டுமென்று தான் நினைத்துக்கொண்டிருக்கிறார்கள். ஆனால் முதலாளிகள் இவர்களை வேறு விதமாக நினைத்து விடுவார்களோ என்றும் பயப்படுகிறார்கள். ஆனால் கம்யூனிஸ்டுகள் அக்கிரமம் செய்யவில்லை என்று சொல்லவில்லை. கொலை செய்கிறார்கள், கொள்ளை அடிக்கிறார்கள், தீவைக்கிறார்கள். அவர்கள் எவ்வளவோ திட்டம் போட்டு வேலை செய்து வருகிறார்கள். அந்த திட்டத்தை அடியோடு குழி தோண்டி புதைக்கவேண்டியது தான். கதர் கட்டியவனெல்லாம் காங்கிரஸ்காரர்கள் இல்லை என்பதை அரசாங்கம் எடுத்துக்காட்டுவேண்டுமென்று பிரதமர் அவர்களைக் கேட்டுக்கொள்கிறேன். இந்நிலைமையில் தமிழ் நாட்டில் தஞ்சாவூர் ஜில்லாவில் நமக்கு சந்தோஷமான செய்திவருகிறது. இதர இடங்களைப்போல இங்கே கம்யூனிஸ்டுகள் கதர் உடையில் தோன்றவில்லை. அது விஷயமாக ஓரளவிட நாம் பாக்ய சாலிகள் தான். ஆந்திர தேசத்தில் நடப்பதுபோன்று கனம் A. காளைஸ்வர ராவ் சொன்னதுபோல் போலீஸ்காரர்களுக்கு காங்கிரஸ்காரர்களைப் போல் காட்டிக்கொடுப்பது முதலியவைகள் நடக்கவில்லை. காங்கிரஸ்காரர்கள் என்று சந்தேகப்படுவதற்கு இடம் இல்லை. அது விஷயத்தில் தமிழ் நாடு பாக்யசாலிகள் தான் என்று நான் நம்புகிறேன். குண்டூரில் கனம் நண்பர் சொன்னது ரொம்பவும் பரிதாபகரமாக இருந்தது. காங்கிரஸ்காரர்கள் என்று சொல்லிக்கொண்டு காட்டிக்கொடுக்கிறார்கள் என்று சொன்னார்கள். அது ரொம்பவும் பரிதாபகரமான விஷயம் தான். இந்த நிலைமையில்

Sri T. VISWANATHAM:—"I take strong objection to his characterizing that there are groups and quarrels only in Andhra. He cannot make that distinction."

Mr. SPEAKER:—"He never said that. Some Member said that and Mr. Kosulram is only quoting it. It did not originate from him."

Sri K. T. KOSALRAM:—"கனம் விஸ்வநாதம் அவர்களுக்கு நான் சொல்லுவது என்னவென்றால் நான் அப்படி சொல்லவில்லை என்பதும் நண்பர் ராகவய்யா சொன்னதையும் நண்பர் அல்லூரி சொல்லியதையும் தான் நான் சொல்லுகிறேன். நான் சொல்வதெல்லாம் என்னுடைய சொந்த அபிப்பிராயம் இல்லை என்பதை நண்பர் விஸ்வநாதம் ஒப்புக்கொள்வதேண்டும். ஆனால் அதற்கு மாறாக அவருக்கு கோபம் வருவானே என்றுதான் நான் கேட்கிறேன். இந்நிலைமையில் அரசாங்கம் ஒன்று செய்யவேண்டும். இந்த கம்யூனிஸ்ட் இயக்கமே நாட்டில் இல்லாமல் ஒழித்தக்கூடுவதற்கு கம்யூனிஸ்ட்டு கட்சியை சட்ட விரோதமாக்கவேண்டும். அதற்கு வேண்டி எந்த சட்டத்தை வேண்டுமென்றாலும் இந்த சட்ட சபையில் நிறைவேற்றிக்கொள்ளலாம். அத் துடன் ஏழை தொழிலாளர்களுக்கும் விவசாயிகளுக்கும் சாதாரண எந்த விதமான சட்டத்தையும் செய்யவேண்டும். அங்ஙனம் செய்யாவிட்டால் இந்த கம்யூனிஸ்ட் இயக்கத்தை நாட்டிலிருந்து போக்கிவிட முடியாது. உண்மை காந்தியத்தின் பெயரால் அரசாங்கத்தை நடத்தவேண்டும். அது இன்னமும் போலீஸ்காரர்கள் மீதும் சர்க்காரின் மீதும் குறைகளைச் சொல்லிக்கொண்டிருப்பதில் பிரயோஜனமில்லை. பிராமணத்தை திருத்தவேண்டும். விவசாயிகளுக்கும் ஏழைகளுக்கும் சாதகமாக சட்டங்களை இயற்றினாலொழிய இந்நாட்டிலிருந்து இந்த கம்யூனிஸ்ட் வாசனையை ஒழிக்கமுடியாது என்பதை நான் சொல்லிக்கொள்ள விரும்புகிறேன்."

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* SRI A. KALESWARA RAO:—" Mr. Speaker, Sir, to-day on account of a gentleman who does not belong to my district taking up this adjournment motion, some new difficulties have been created. He does not know the conditions of the district. He said in his original way or aboriginal way (laughter) that Krishna District should be added to Nizam's Dominion and the Congress Committees which were misbehaving should be scrapped. So many Members have spoken about our district without knowing about the trouble. I am sure and the Premier also knows that so far as the Congress Committees are concerned, at any rate, my portion of the District Committee is concerned, we are dead earnest in getting all the Communists suppressed and putting down the menace. My taluk is nearest to the Nizam's territory. Nobody has been known to be a stronger fighter than myself against the Communists for the last at least six years. No doubt there are groups. I am sorry to say, and there are some people who support Communism in the name of Congress. But this is not the time for attacking anybody. Some people who wear khaddar go to the Police and ask them to release the communist prisoners. It is quite wrong on their part to do so. I am glad the Inspector-General is here; he knows the conditions of our district very well; he is one of the strongest men in the Police department. He knows that I always pleaded 'whoever goes and pleads on behalf of the community, you do not mind.' You should not release any communist simply because the person who recommended pretends or professes to know some person in authority. I do not bother which side of the party or group it is. When one Communist is arrested by the police, he should not be released unless there are very strong reasons and unless the record shows that the arrest has been a mistake. Any Magistrate should not be afraid of A, B or C in order to give bail, etc. Therefore, it is not correct that the Congress Committees should be scrapped and the Krishna district should be added to the Nizam's territory.

" I want to make only one or two general remarks within the short time allowed to me. The Communist menace is a general question. The Communists started in Vijayavada a branch of the All-India Communist Party and they always claimed that the Telugu country is their strongest part. They have spread in all the Telugu districts, including Nellore, to which my hon. Friend, Mr. Raghavayya belongs. The leader of the Communist Party of Andhradesa is Sundarayya who belongs to that district; he is underground. Therefore they have spread and strengthened themselves in the various parts of the Telugu districts, whether zamindari or non-zamindari areas. I went to the Divi taluk the other day and saw that the Communists were more in the non-zamindari areas than in the zamindari areas. The Premier also knows that. Zamindari questions and Harijan questions should not be clubbed with Communist activities. The Communist problem is an international question. Russia is pulling the string of the Communists; they are the agents and C.I.Ds. of Russia. They want to create anarchical

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conditions and destroy the democracy and the Congress Government of this country. Therefore, Sir, afterwards it spread from the British Telugu districts to the Nizam's State where they took advantage of the anarchical conditions, the forests, the hills and amassed a lot of wealth amounting to a crore of rupees. They have obtained up-to-date arms. I warned the Government, whether it was under O. P. Ramaswami Reddiyar or my Hon. Friend, Mr. Kumaraswami Raja, to take note of this and adopt stronger measures against this menace. Unless we have a long-range programme of economic amelioration of feeding and clothing the people, these things will not go. At the same time, I want to suggest two or three things. The right of Habeas Corpus should be removed from this Act with regard to Communists. I am strongly for it. There is no use saying we are treating people very well in jails, they are given smoking and other things. Those people are organizing conspiracies, the treatment must be different. They are behaving like wild beasts. I would like to suggest to the Government that the Communist party must be banned in this district. That is one thing.

" The second point is, whoever comes and asks for release, he should not be released. There is a lot of corruption going on. I want to tell the Hon. Premier and the Inspector-General of Police to deal with this."

* SRI K. LINGA RAJU:—" Mr. Speaker, Sir, during the course of the Budget discussion last year, several hon. Members on this side of the House pointed out the growing menace of Communist propaganda, but I do not think much has been done to counteract it. Coming as I do from the East Godavari district, I know that we had early warning about this state of things even a year ago, one labour leader of Rajahmundry changed over from the Communist party to the Congress party, and that was enough for the Communists to attack him and they threw acid on his face. As a result, his two eyes are gone for ever. He is an absolute cripple and is useless for any work now. The case against him is still going on. We have to take a warning from incidents like that.

" Again, Sir, the escape of prisoners from Central Jails have also been pointed out and I do not know what steps have been taken to counteract the influence of the Communists in this regard. Now-a-days, Sir, very strange things are happening. For instance, even the condemned prisoners are escaping. I remember the days when we were being taken from jails to jails, when we used to be escorted by 7 or 8 constables. In fact, this was not necessary in our case, because, if we were merely told, we would have gone to the particular jail and reported ourselves for duty. I may just point out what happened recently in Ellore. A Communist condemned prisoner was being escorted only by 2 or 3 constables, and he escaped. Such things are giving confidence to the Communists and they think they can do anything and everything with the Police. For want of time at my disposal, I am afraid I cannot

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refer to several of the things I would like to. For instance, my hon. Friend, Mr. Venkataratnam, has been recently given a warning. Near his place, a big ryot was murdered the other day at Ventur. My hon. Friend, as I said, got a beautiful notice in which he is asked to keep only 25 acres for himself and distribute the rest to other people. This is the type of notice that important man is receiving. Whenever the Communist party is attacked in public meetings, we used to get these notices or otherwise warnings are given by means of writing on the wall saying 'beware of your life; take care, your life will be finished in 3 or 4 days.' Very often, we do not take these notices seriously, but now we have reached a stage when we have to take note of these things and take adequate action. Having narrated some instances, I cannot keep quiet without referring to certain causes and remedies in this connexion. I shall take only one or two minutes, Sir. I can only refer to my constituency in particular. In the course of one year, six Subdivisional Officers have been transferred from such an important division like Rajahmundry; and six Deputy Superintendents of Police have been transferred from the same place. The fact that before these officers could understand even the topography of the place they are transferred, gives a handle to these Communists, because the officials are not able to plan adequate action. For instance, eight prisoners who ran away from the Central Jail concentrated themselves in one particular area. I am very sorry to observe that responsibility cannot be placed on the people alone in regard to this matter. These people are now doing propaganda, and the attention of the Police has also been drawn to this several times, but nothing has so far been done."

* Sri K. SURAYYA :—“ అధ్యక్షా, కృష్ణా జిల్లాలోని కొన్ని తాలూకాల్లో కమ్యూనిస్టుల దౌర్జన్యము పెద్దగా ఉన్నదని దానిని అణచుటకు ప్రభుత్వమువారు తగిన చర్య తీసుకొనవలసినదని రాసుకయ్యగారు తెచ్చిన అధ్యక్ష ముఖ్యమంత్రిగారి జరుపుకున్న సందర్భములో, కృష్ణా జిల్లా నుంచి వచ్చిన ప్రతినిధి కనుక నాకు తెలిసినంత వరకు ప్రభుత్వమువారికి తెలియజేయుట స్వాభావికమని, ధర్మమని భావించి కొద్దిగా చెప్ప వలసినాను.

“ ఈ కృష్ణా జిల్లా 9 తాలూకాలు ఉన్నటువంటి పెద్ద జిల్లా. ఇంకాలో ఏడు తాలూకాలు జమీందారీకు సంబంధించిన తాలూకాలు. కమ్యూనిస్టు దౌర్జన్యములు ఇవి అయిదు తాలూకాల్లోనే ఎక్కువగా కనిపిస్తున్నాయి. ఈ విషయాన్ని ప్రతినిధి తన మహమ్మద్యుగారు కూడా చెప్పియినారు. ఈ తాలూకాల్లో జమీందారులు తమకంటే అంగ, అధికములను అందకో పోలికనువారియొక్క, ఉద్యోగములయొక్క సహాయమును పొంది, తమకు వ్యతిరేకులైన రైతులను కమ్యూనిస్టులతో చేతుతో అనేక కష్ట సమస్యలను చేస్తున్నారు. జమీందారులు చేసే ప్రకారానికి ప్రభుత్వ ప్రభుత్వములు ఎక్కువగా నిర్బంధ విధానం పాటించడం కూడా కలదు. ఇందువల్ల జమీందారులకు ఎక్కువ ప్రాధ్వలము ఉత్పలముతోంది. దీనిఫలితము రైతులు ప్రభుత్వమునకు వ్యతిరేకులుగా మారడం, కమ్యూనిస్టుల వలకును దీనిని పోవడం. మనము 1942 వ సంవత్సరమునందు 1945 వ సంవత్సరము వరకు జైల్లో ఉన్నాము. ఈ మూడు, నాలుగు సంవత్సరాలలో కమ్యూనిస్టులు ప్రచారము పోషించారు. కాని వారు తమకుండి సంపాదించ లేక

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పోయారు. 1946 వ సంవత్సరం జరిగిన ఎన్నికలలో వూర్తిగా ఓడిపోయినారు. అప్పుడు కాంగ్రెస్ సభలో ఓరికలు లేవు. కాని ఈ నాడు కాంగ్రెస్ సభలో ఉన్న టి.టి. విజేధములను అవకాశముగా తీసుకొని కమ్యూనిస్టులు ప్రాజెంటులోనికి రాగలుగుతున్నారు. కాబట్టి మనము అందరిము జేదములను పాటించుటకు మృదయ పూర్వకంగా విశేషించి ప్రచారము చేసినట్లుంటే ఈ కమ్యూనిస్టు దౌర్జన్యములను పది రోజులలో అణచగలమని నా నమ్మకము. కాబట్టి ప్రభుత్వమునకు, పోలిసువారి మీద ఒత్తి తీసుకొనినట్లు ఉన్న కాకుండా మనవందరిము ప్రచారము మూలముగా కమ్యూనిస్టులను అణచగలమని నా విశ్వాసము. ”

THE HON. SRI K. MADHAVA MENON :—“ Sir, I am afraid we are giving too much prominence to the Communists and unnecessarily making them too big by a debate like this. After all, though there is the Communist trouble, any discussion like this will only encourage them and may give them a feeling that they have made themselves felt. (Interruption.) Sir, my hon. Friend, Mr. Kallur Subba Rao, pertinently asks, 'why did you allow it?' We did not want to shirk it. It is not as if there is something serious in the matter because we do not want to discuss it. On the other hand, we wanted to give an opportunity and tell the House and through the House tell the people outside that though there is the Communist trouble, it is not such a thing as we need be scared away. It is not a thing about which we do not know. In fact we have taken note of it. But we want the co-operation of the House in this matter. Of course the co-operation is there, but we want more co-operation and greater co-operation and greater interest on the part of this House and the people to tackle this menace. That is why we gladly acceded to a discussion of this motion. I am glad that except for one statement of my hon. Friend, Mr. Raghavayya, which I wish he had not made, the discussion has gone on the lines of asking the Government to take stronger measures and telling the Government that we have not done anything sufficient; we have not been hasty in taking action; we are callous and so on. Then, my hon. Friend, Mr. Raghavayya, said that it requires a little more courage in these days to condemn the Communists. I say it does not require courage itself. The Communist is nothing short of a bully and nothing more. In fact, I have lived with them sufficiently long in the jail. (Interruption.) Yes, as a Communist in 1940 during the individual Satyagraha movement when the whole Congress was in jail along with the Communists. While in jail, I knew them. As I said before, they are nothing but bullies and cheeky and nothing more. There is no necessity to be afraid of them and it is the expression of fear about them that makes it more encouraging to them. Most of us who were in jail know if there is any discussion in the Assembly, or if, for instance, my Friend, Mr. Raza Khan, wants a half-hour debate on the Habeas Corpus application, what will be the encouragement of the people in the jail? They will be feeling that to-morrow they will be released or the Government will reconsider their case. In fact, that was the feeling we had while in jail. I am glad that after this debate is over, the impression

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in the mind of the Communists will be that the House wants this Government to take firmer and stronger action against the Communists and be more watchful in the interests of the country.

"Now, Sir, I do not want to speak about the Police, because my hon. colleague will speak about all that. I would only deal with one or two other matters. My hon. Friends, Mr. Raghavayya, Vedaratnam Pillai and some other friends referred to the fact that indiscriminate release from jails has increased this Communist trouble. It is not correct to say that we have been indiscriminately releasing anybody. There are about 1,000 detenus in jails under the Public Safety Act, which was passed by the House itself. Under this Act, we have created an Advisory Board presided over by an eminent retired High Court Judge. If the Advisory Board makes a recommendation, we have to think twice, not only twice but ten times before we disregard the advice of the Advisory Board. Hundreds of Habeas Corpus applications have been made and in half a dozen or ten cases the applications were allowed by the High Court. In some of those applications, certain statements were made that sufficient particulars were not given, in some cases there were delays and so on and much was made of these things in this House on an half-hour debate. After all, it is such things that encourage the Communists more than want of action on our part. Where we have released any persons, I can assure the House, we have released only where the Advisory Board have advised that they should be released. And, even in cases where we have released, we have released them only on parole and watch their conduct. If we release men who are detained without trial, it is done only where there is no danger to public safety. My own feeling is, when a man offers proof of innocence, he must be tried and it is necessary that a chance should be given to him to prove what he says. In a few cases where we have tried, I do not think we have failed or done a wrong thing in having done so.

4-30 p.m. "Sir, the two persons referred to by Mr. Raghavayya have not been released at all because they have not been arrested. My hon. Friend now says that they have not been arrested. It may be that they have not been arrested. There are very many persons who are not arrested because there are not sufficient grounds for detention under the Public Safety Act.

"My hon. Friend Mr. Kaleswara Rao suggested that the provision for Habeas Corpus application should be removed from the Act. I am not for removing it and Government do not want to remove it. But at the same time we will devise ways and means to trace the Communists who have disturbed the peace of the country and have gone underground. Except what Mr. Raghavayya has stated on this matter, there is absolutely no evidence against them and the hon. Member should not find fault with the Government for not having arrested them.

"My hon. Friends Mr. Govinda Menon and Mr. Linga Raju referred to some escapes from jail. Escapes are not peculiar to the present situation. Charges have been laid in regard to some

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of these escapes and the matter is now before courts. As it is *sub judice* I will not say anything more on this matter. It is wrong to think that Government have not taken any action in the matter. Suitable action has been taken and is being taken. I should like to point out that escapes from jails are not new. It is true that some Communists did escape from the Central Jail and from the Cannanore Jail. These escapes were due to the prisoners being left unlocked at night. Now, we have issued instructions to the jail authorities that they should be locked in at night. Sir, these escapes are confined not only to Communist prisoners but also to ordinary prisoners. I am sure about ten prisoners who escaped from the Vijiawada sub-jail are not Communist prisoners but only ordinary prisoners. These are incidental things that generally happen and it is not due to any lack of vigilance on the part of the Government.

"My hon. Friend Mr. Hameed Khan and some hon. Friends have stated that mere repression would not do and that we must find out the root cause for this trouble and the root cause is the discontent. For alleviating discontent among the people, steps are being taken. We have passed the Zamindari Abolition Act and it will be implemented as quickly as possible. We have also passed the Prohibition Act which is certainly an ameliorative measure. Mr. Govinda Menon complained that Government have not done some concrete work in Malabar. Sir, hon. Members are aware that amendments to the Malabar Tenancy Act have been accepted at a Conference held at Kozhikode and I hope Government will be able to bring them up before this House before the expiry of the stay of suits now in force.

"Sir, the Communist trouble was once very serious in Malabar. It has been tackled and put down to a considerable extent. To-day in many places which were 'Moscovs of Communist activity' there is practically very little trouble, thanks to the absolute and wholehearted co-operation given by the people of Malabar to the Government in putting down the Communist menace. But for their co-operation, Government would not have been able to control it to such a considerable extent. I hope such co-operation will be forthcoming in other districts also. Given that co-operation, I am sure the Communist menace can easily be handled and suppressed. I have nothing more to say because other matters like police will be dealt with by my hon. Friend Mr. Gopala Reddi."

* THE HON. SRI B. GOPALA REDDI:—"Mr. Speaker, Sir, this debate has served a useful purpose though, of course, the Communists have been given a prominence which they do not deserve. Yet an occasional debate like this—where the actual situation in the districts has been given out to the Government and to the Officers will serve a useful purpose and we therefore welcomed this debate. After this debate and after having a good picture of the situation in the districts, both the Government and the officers concerned—whether they are at the top or in the districts—will go with a new determination and self-confidence that

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after all, the situation has to be tackled more efficiently and successfully and we cannot allow things to drift further. Because of the element of determination and self-confidence given by this debate, I can say that it has served a useful purpose. I am sure, the Inspector-General of Police and the Home Secretary who are here, will certainly take note of the various opinions expressed on the floor of the House and they will do as they used to do, in a greater measure to deal with the Communist menace.

" Incidents, accidents and events that have occurred in all the districts during the last 16 or 18 months and the retaliations made by the Police are all given seriatim—district by district—and I have gone through the whole list including the events in the Krishna, Malabar and Tanjore districts, and it does not dismay me at all. Even in Krishna district, there were only 20 incidents all told. Remembering the background of the movement itself and the encouragement it has received from outside agencies and the post-war confusion in which we are finding ourselves to-day, I can say that the trouble has not reached any very menacing proportion and is now actually under control. We are doing all that is possible and necessary to tackle this situation. There is no self-complacency in the matter. Things were very bad some time ago in Malabar; but to-day there are no reports of incidents in that district. Of course the Communist party is there and some members of the party have gone underground and a large number of people are detained in that district. Yet outwardly and on the surface we do not see any incident or event. Just now, there is some activity in the Circars. Yet I think I can say that in the next few weeks or months (Interruption)—after all it is an underground work and it would take some little time—the Government would be able to put down the menace completely. What is being done by the Government is also required to be enumerated because people may be under the nervous impression that the Government are sleeping over the matter when the Communists are writing 'Red' letters every day. Krishna district unfortunately has been dragged into the picture very much since the advent of the Communists and it is a district bordering the Hyderabad State where before the police action there was a lot of confusion. Even to-day, after the police action there is confusion. Since it is very remote from the headquarters, perhaps the Hyderabad Government are finding it a little hard to tackle the situation in Nalgonda and Warangal districts.

" Sir, now let me come to the details of the measures taken by the Government to deal with the situation. Special Officers including a Deputy Inspector-General of Police were deputed to the district with the necessary staff to deal with the Communists. Some time ago, there was a special staff on duty in the Tanjore district. That staff is being continued in the Krishna district and they are making raids for wanted Communists. Munagala and Lingagiri Parganas have been notified as 'disturbed areas'. We have strengthened a number of police stations and we have

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also opened a number of outposts and police stations. Four Companies of the Special Armed Police and three Companies of the Madras Special Police are stationed in the district, besides seven platoons of the District Armed Reserve. Stronger platoon posts have been opened from where frequent raids and patrols are carried out. The Deputy Inspector-General of the Special Armed Reserve has been placed in charge of the police bandobust arrangements on the Hyderabad border. Besides, permission has also been given to our police to enter Hyderabad territory in pursuit of the wanted Communists. Their tactics seems to be hit and run away under cover of darkness, and our Police have been pursuing them and if necessary they even cross the Hyderabad territory in chasing those wanted Communists and many times they were also shot at.

" Sir, the affected areas have been declared as 'disturbed areas' and the assembly of five or more persons is banned and the carrying of weapons or things capable of being used as weapons is prohibited in those areas. So, whatever measures are necessary have been taken already and there is also a proposal to strengthen the police further in those districts after the recent events and shortly orders will be passed with regard to the general strengthening of the police. The Deputy Inspector-General of Police, Northern Range, who is just now having his headquarters at Visakhapatnam, is far away from the scene of operations in the West Godavari and Krishna districts and a proposal is also under the serious consideration to shift his headquarters either to Vijayawada or somewhere near about. Then only he will have easy access to the scene of operations and be guiding the activities of the police against the Communists. That will also go a long way in tackling the situation expeditiously.

" Sir, the Communists have a technique of their own. They had been encouraged during the war by the British Government. Their slogan in those days was 'People's War'. They raised a hue and cry against the Nazis because Russia was threatened and invaded. The British for their own purpose utilized these Communists and encouraged them—sometimes it is even said that they financed them—for carrying on their anti-Nazi and pro-war propaganda. They mustered their strength during those days. Communists are a legacy of the war to this country and we will have to tackle that menace from that point of view also. The fluid and confused post-war situation, the high cost of living, occasional scarcity of essential foodstuffs and like conditions offered a congenial ground for the Communists to grow and they are making the best use of those conditions against the Government. But that need not dismay us because this fluid state of affairs cannot last long. We are already seeing signs of things easing a bit. Sometimes the cost of living index is also coming down. That is a factor which will certainly go against them.

" Sir, 'The Grow More Food Campaign' gave a little strength to them. In the name of the 'Grow More Food Campaign' lands

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were allowed to be occupied in the beginning by anybody and everybody and when we asked them to get out of the lands they were occupying because they were to be assigned for somebody else certainly there was a little unrest and discontent. In the Divi taluk and in some districts, we see the unauthorized occupation of tank beds, etc., and it is causing some friction between some of the Harijans and the landlords. All these difficulties are being fully exploited by these Communists. There are factors which are congenial for Communism, namely, the international situation, the national situation, the situation obtaining in the Far East and also the economic situation. Communists even in the remotest parts celebrated the fall of Shanghai and they issued pamphlets saying that what is obtaining in China will be repeated in Burma, it will be repeated in the Malay States, in Indonesia and again here in India and it will have to fall into line with the Eastern countries. Every little thing that is happening in China, in Malay and other places is being taken advantage of by the Communists and they are trying to exploit that situation. Though national, international and even economic factors may be said to be in a way responsible for the growth of Communism, yet it can be safely said that the small tenants, the artisans and the people in the villages are not generally in favour of Communism and they loathe the methods and manners of Communism and their godless activities and our own civilization and culture will ultimately stand, I am sure, as a bulwark against the growth of Communist menace in this country. They usually practise the hit and run methods; they will not face the Police; they will not come into the open; they occasionally direct their attention to an out-of-the-way out-post and catching hold of the police try to lecture to them that they are after all servants of the Government but that the Communists are serving the people and so, the constables must sympathise with them. Recently a case came to our notice of a police constable being taken to the *dhalam* leader and he was lectured to for half an hour: we are fighting for you; we are serving the people just as you are trying to serve them and we are their friends as much as yours. These are very catchy phrases very pleasant for the time being, for the hungry man, the ill-paid Government servant but ultimately when he looks back, he realizes the illusion and finds that it is all propaganda, interested propaganda in favour of some terrorist activities. These hit and run methods are very easy. In a crowd of fifty thousand, two can create confusion, by waving black flags or sprinkling chilly powder in the crowd and that will be the talk of the day and nobody takes note of the fact that a large number of people had been silent. Just like that, a few organized determined young men take to these hit and run methods under cover of darkness trying to create terror in the minds of the people. Our people also are loosely knit and there is no team spirit among them and to add to that there are factions in the villages and their existence is being utilized by the Communists. They catch hold of the faction leaders and interpose themselves between them and exploit the situation in their favour. It is not

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because of lack of vigilance on the part of the police that communism is growing or that anybody is satisfied with the activities of the Communists; there are certain factors which are inherent in the situation and it is not as though it has taken roots only in famine-stricken areas or in poor districts. For instance, it is not a problem in Rayalaseema; if on account of poverty and want it can strike roots in any place, the districts of Bellary, Kurnool or Anantapur would have been very congenial to its growth; it is not so; on the other hand it is beginning to take root as it were in the delta districts where the average young man is a little prosperous and is somewhat half-educated and he has some notion of communism and socialism. It is always safe for him in that age to hold extremist views and to propagate those views. He is not a poor man; he has a small holding of 15 to 20 acres of land and he is not poor; he may be a small mirasdar or a landholder and he has taken to this communism in a sort of spirit of bravado, he wants always to be on the left and to give expression to leftist views and theories. They have a little platform value also because they appeal to the stomach low wages, ignorance and poverty. Whatever it may be, the Communists will be dealt with strongly and our department is alive to its responsibilities. As I said the department will be strengthened in the very near future and our officers have been instructed to deal with them in a very effective manner.

“ But one difficulty for the police is that when they deal effectively with any trouble in any particular place, immediately there is complaint in the press and on the platform regarding the police excesses at that place. Mr. Raghavayya began by saying that of late the police have begun consulting the Police Acts before they do anything. That is because they know that whenever they do anything—it may be a little in excess sometimes but the situation may warrant it—immediately there are protests in the Assembly, in the press and on the platforms and the cry is raised that the police have been let loose on women and poor people are being attacked and arrested. It arises from an ill-directed sympathy, but I want sympathy for the police who are dealing with a difficult situation. Sometime ago the Malabar Special Police had to deal with a very difficult situation in Krishna and immediately there were protests and questions. The morale of the police cannot be kept up when this sort of agitation is kept going on either in the press or on the platform. It is a very difficult situation for the police and you must allow them a little latitude—it may be a little in excess but the situation might warrant it—not that I want them to do anything in excess of their powers and duties—but sometimes they are faced with difficult situations when they have to do certain things which might in the opinion of some people outside seems excessive. They have to deal with unscrupulous people who have specialized in the tactics of hit and run and that at night. Let us realize their difficulty; they are ill-paid people and sometimes the Communists exploit their situation. But that does not mean that they

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have not rendered to us useful service after the attainment of Swaraj and we cannot simply say that they have been serving the British Government all right but now they have become useless instruments in our hands in an independent India. Far from it; we rely upon them and whatever we do and whatever we believe or not believe, it all ultimately depends upon the Police force; in times of crisis we have to requisition their services and when matters are taken up by them, they must be left free to deal with the situation as it arises. Otherwise if we begin instituting enquiries, judicial or quasi-judicial enquiries regarding what may seem very little to object to in the conduct of the Police, then the morale of the Police will not be high and so it will be very wrong to subject their actions to inquisitorial proceedings. I plead for sympathy with the Police in their difficult and delicate task and they have been doing their delicate work in times of stress and strain. Instead of making a purge and removing wholesale officers or constables we must trust them and we must treat them with sympathy and allow them a little latitude to deal with difficult situations and I think they will certainly discharge their duties to their best ability and to the satisfaction of one and all, to the Government and to the Opposition. I am happy that to whatever party you may belong, whether it be the main Opposition or the second Opposition, we are all united and the Government are all determined that this Communist menace must be put down and I am sure that the Police will be given all the strength by this House, from the Government side and the Opposition side, and they will be asked to deal with the Communist menace in an effective manner. If that assurance is forthcoming from this House, within a period of two or three months, we shall hear no more of these incidents. There was an incident in Kovvur in West Godavari district and immediately there was a cry for a sort of judicial enquiry into the conduct of the Police; that has really unnerved; whatever it is whether it is an agrarian trouble, or zamindari trouble or kisan trouble, the Police must be given some latitude and we should not ask for inquisitorial proceedings to be started whenever there is a small incident or a lathi charge. (An hon. Member 'Even if the people are innocent') Whether they are innocent or not, the man on the spot, the Magistrate and the Police, will deal with the situation and you must trust them and their discretion in the matter. After all we have seen that in 1937 when Rajaji was in charge of the Police Department, there was an incident in Chirala and a High Court Judge was appointed to go into it. But next time when there were incidents in Vaniambadi and Ambur the Police were reluctant to go into action immediately. No doubt when there are excesses you must certainly find fault with them and stern measures must have to be taken against them but that does not mean they should not be given discretion and a small latitude in handling difficult and delicate situations. We must allow them that latitude and I am sure the House will give that latitude to them. And as I said, the Government are also alive to the situation and we have opened up new roads and given them jeeps so that places hitherto inaccessible

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might be easily reached and also we have opened new posts and telegraph offices so that we can get information regarding incidents and movements promptly and we can deal with situations as they arise in a very effective and expeditious manner. The machinery takes some little time to gain momentum and the machinery, I am sure, is getting tightened and in fact, we have already controlled the situation in Malabar, Tanjore, Krishna and West Godavari districts and they can never reach the menacing proportions they have obtained in Burma. We shall deal with the situation in an efficient and prompt manner and I request the hon. Member not to press his motion. We have had a very useful discussion and I request the hon. Member to withdraw the motion."

MR. SPEAKER:—"There is only one minute for Mr. Raghavayya for his right of reply. He must close within a minute."

SRI V. RAGHAVAYYA:—"Thank you Sir. I thank the Government for the assurance that they have given. The one thing needed at the present moment is courage and bold lead from above for in that lies the strength of the Police. I do not wish to cite the example of the good woman liking strong man for it may irritate some people. What is wanted is strength exhibited in a thousand answers given to the people in the country. I am greatly satisfied with the Hon. Gopala Reddi's assurance and I have no objection to withdraw the motion. I only wish to say one thing. Do not bring such instances of the escorting policemen being talked to by the prisoner he is escorting: You are the driver and you are taking me, you are a poor man and I am also, working for them; you and I are friends and so saying he gets into the driver's seat and the car is driven along and it is taken somewhere and the drivers disappear. Such instances must not take place and they must be exemplarily dealt with. The strength of the Government is more known when it is exhibited than when professed. I hope under the efficient lead of the Hon. Premier Mr. Kumaraswami Raja, the Hon. Minister Gopala Reddi will no more allow any of his men to approach him to withdraw cases. In Nellore three Communists have been released and as such

MR. SPEAKER:—"It is five of the clock. I adjourn the House to meet at 11 a.m. on Monday, the 27th June 1949."

[23rd June 1949]

APPENDIX.

[Vide item V (2), page 432 supra.]

To
THE HONOURABLE THE LEGISLATIVE ASSEMBLY,
MADRAS.

The Select Committee appointed to consider the Madras Cotton (Trade Stocks) Census Bill, 1949 (L.A. Bill No. 18 of 1949), has the honour to make the following report.

2. The Bill was published in English in the *Fort St. George Gazette*, dated the 22nd March 1949.

3. The Select Committee was appointed on the 19th April 1949.

4. The Select Committee met in the Stonehouse Hill, Ootacamund, on Friday, the 13th May 1949, and again in the Council Chamber, Fort St. George, on Thursday, the 16th June 1949 and concluded the consideration of the Bill.

5. The definition of 'owner' has been amended so as to mean the lessee or mortgagee in case the factory has been leased or mortgaged with possession and the owner in any other case, and include any agent of such lessee, mortgagee or owner having control over the factory. The definition of 'trader' in the Bombay Act has been adopted in the place of the existing definition. The clause relating to offences by corporations has also been amended on the lines of the corresponding provision in the Bombay Act.

6. The other changes made in the Bill are all shown in the Bill as amended.

7. The Committee decided that as the changes effected by them were of a minor character, it was not necessary to republish the Bill.

8. A copy of the Bill as amended by the Select Committee is annexed.

FORT ST. GEORGE,
16th June 1949.

K. MADHAVA MENON,
Chairman.

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ANNEXURE.

[Note.—The changes made by the Select Committee are shown in clarendon type and the portions omitted are indicated by dots.]

THE MADRAS COTTON (TRADE STOCKS) CENSUS
BILL, 1949.

L.A. BILL NO. 18 OF 1949.

(As amended by the Select Committee.)

A Bill to provide for the collection of statistics relating to stocks of Indian raw cotton held, by traders and owners of ginning and pressing factories, in the Province of Madras.

WHEREAS it is expedient to provide for the collection of statistics relating to stocks of Indian raw cotton held by traders and owners of ginning and pressing factories in the Province of Madras; it is hereby enacted as follows:—

1. (1) This Act may be called the Madras Cotton (Trade Stocks) Census Act, 1949. Short title, extent and commencement.

(2) It extends to the whole of the Province of Madras.

(3) This section shall come into force at once; and the rest of this Act shall come into force on such date as the Provincial Government may, by notification in the *Fort St. George Gazette*, appoint.

2. In this Act, unless there is anything repugnant in the Definitions, subject or context—

(a) "Committee" means the Indian Central Cotton Committee constituted under the Indian Cotton Cess Act, 1923;

(b) "cotton" means ginned or unginned Indian raw cotton or cotton waste;

(c) "cotton ginning factory" means any place where cotton fibre is separated from cotton seed by any process involving the use of steam, water or other mechanical power or electrical power;

(d) "cotton pressing factory" means a factory as defined in the Factories Act, 1948, in which cotton is pressed into bales;

(e) "Director" means the Director of Agriculture, Madras;

(f) "owner" in relation to a cotton ginning or pressing factory, means the lessee or mortgagee in case the factory has been leased or mortgaged with possession, and the owner in any other case, and includes any agent of such lessee, mortgagee or owner having control over the factory;

(g) "prescribed" means prescribed by rules made under this Act;

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(h) "trader" means a person, other than an owner, carrying on the business of buying or selling cotton for the purpose of gain or profit, and includes—

(i) a manufacturer, an importer or an exporter who carries on such business; and

(ii) a broker or commission agent who enters into contracts for the sale or purchase of cotton on behalf of others, and stocks cotton on their behalf.

Returns.

3. Every trader and every owner shall, in respect of each place where he carries on business—

(a) keep books of account in the prescribed form; and

(b) furnish to the Director or other prescribed authority, within the prescribed time, a return in the prescribed form showing (i) the quantity of each variety of cotton held by him on the 31st January and the 31st August of each year and (ii) such other particulars as may be prescribed:

Provided that where there is more than one owner, and one of them has furnished the return aforesaid, it shall be deemed to have been furnished by all of them.

Right of inspection, entry and search.

4. (1) All accounts, documents and vouchers relating to stocks, purchases, sales and deliveries of cotton kept by any trader or owner and all stocks of cotton held by him shall be open to inspection at all reasonable times by the Director or any officer authorized by him in writing in this behalf.

(2) The Director or any officer so authorized shall have power at all reasonable times to enter and search any building, vessel, vehicle or place where any trader or owner is reasonably believed to carry on business or keep stocks of cotton, for the purpose of collecting any information required for the purposes of this Act or any rule made thereunder, verifying the correctness of any such information, or satisfying himself whether the provisions of this Act or of any rule made thereunder are being complied with and to examine any person found in or about any such building, vessel, vehicle or place.

Use of returns, statistics and information.

5. The Director may use the returns furnished under section 3 and the information obtained under section 4 for compiling the statistics required by the Committee or for any other purpose specified by the Provincial Government by general or special order.

Restriction of publication of returns and information.

6. (1) Save as provided in this Act, no particulars contained in any return or information furnished or obtained under this Act shall, without the previous consent in writing of the trader or owner concerned, or an agent authorized by him in this behalf, be published in such a manner as to permit of their identification as referring to a particular cotton ginning or pressing factory or the business of a particular trader or owner.

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(2) All particulars contained in any return or information furnished or obtained under this Act shall be treated as confidential; and no such particulars shall be disclosed to any person except for the purpose of investigating any offence punishable under this Act or any other law for the time being in force or of prosecuting any person in respect of any such offence.

Penalties.

7. (1) Whoever—

(a) fails to keep books of account as required by section 3, clause (a), or

(b) without lawful excuse refuses, or fails to furnish a return as required by section 3, clause (b), or

(c) furnishes any return under section 3, clause (b), which he knows or has reason to believe to be false, incorrect or incomplete, or

(d) without lawful excuse, refuses or fails to answer, or gives any answer which he knows to be false, to any question put to him under section 4, sub-section (2), or

(e) voluntarily obstructs any officer in the discharge of his functions under this Act,

shall be punishable with fine which may extend to five hundred rupees, and with an additional fine which may extend to two hundred rupees for every day after the first during which the offence continues.

Explanation.—If a false, incorrect or incomplete return has been furnished under section 3, clause (b), the offence shall be deemed to continue until a true, correct and complete return has been furnished.

(2) Whoever wilfully discloses any particulars contained in any return or information furnished or obtained under this Act otherwise than in the lawful discharge of his functions shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

8. No Court shall take cognizance—

Cognizance of offences.

(i) of an offence punishable under section 7, sub-section (1), except on a complaint in writing of the Director or any officer authorized by him in writing in this behalf; and

(ii) of an offence punishable under section 7, sub-section (2), except with the previous sanction of the Provincial Government or an officer authorized by them in writing in this behalf.

9. No offence punishable under this Act shall be inquired into or tried by any Court inferior to that of a Presidency Magistrate or a Magistrate of the first class.

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Protection
of acts done
in good
faith.

10. No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done in pursuance of this Act or any rule made thereunder.

Offences by
corporations.

11. Where a person committing any offence punishable under this Act is a company or an association or a body of persons whether incorporated or not, the manager, secretary, agent or other principal officer managing the affairs of such company, association or body shall be deemed to be guilty of such offence.

Exemptions.

12. The Provincial Government may, by general or special order published in the *Fort St. George Gazette*, exempt any . . . class of traders or any . . . class of owners, from all or any of the provisions of this Act.

Power to
make rules.

13. The Provincial Government may, after previous publication, make rules to carry out the purposes of this Act.

THE MADRAS LEGISLATIVE ASSEMBLY.

Monday, the 27th June 1949.

The House met in the Assembly Chamber, Fort St. George, at eleven of the clock, Mr. Speaker (THE HON. SRI J. SIVA-SHANMUKHAM PILLAI) in the Chair.

I.—QUESTIONS AND ANSWERS.

STARRED QUESTIONS.

Proposal to supply water to the Poondi reservoir from the Krishna river.

* 52 Q.—SRI N. GOVINDASWAMI NAYUDU: Will the Hon. the Minister for Public Works be pleased to state—

(a) whether there is any proposal before the Government to supply water to the Poondi reservoir from the Krishna river by means of a canal; and

(b) if so, whether it is proposed to take the canal via Mappedu firka in the Trivellore taluk, Chingleput district, so that supply of water may be made available to the firka?

THE HON. SRI M. BHAKTAVATSALAM:—“(a) The South Main Canal of the Pennar reservoir contemplated under the Krishna-Pennar project which is under investigation will supply water to Poondi reservoir.

“(b) No. The canal will pass a few miles east of Mappedu firka, and about 50 feet lower than the average elevation of the firka. It will be impossible to realign the canal so as to command the firka.”

SRI N. GOVINDASWAMI NAIDU:—“Sir, தயவு செய்து தமிழில் சொல்லும்படியாகக் கேட்டுக் கொள்ளுகிறேன்.”

THE HON. SRI M. BHAKTAVATSALAM:—“(a) கிருஷ்ண-பென்னார் project இப்பொழுது பரிசீலனை செய்யப்பட்டு வருகிறது. பென்னார் ரிசர்வாயரின் தெற்கு மெயின் வாய்க்கால் இந்த பூண்டி ரிசர்வாயருக்கும் தண்ணீர் கொடுக்கும் என்று எதிர்பார்க்கப்படுகிறது.

“(b) இல்லை, அந்த வாய்க்கால் மெய்ப்புரி பிரக்காவிற்கு கிழக்கு பக்கத்தில் போகும்போது அந்த பிராந்தியம் சாதாரணமாக 50 அடி குறைவாக இருப்பதால் அந்த பிரக்காவிற்கு தண்ணீரைக் கொண்டு போகும்படியாக அமைப்பது அசாத்தியம்.”

SRI N. GOVINDASWAMI NAIDU:—“மெய்ப்புரி பிரக்கா கிருஷ்ண ஆற்றின் மீது திறக்கு எவ்வளவு உயரமாய் இருக்கிறது என்று கேட்கிறேன்.”

THE HON. SRI M. BHAKTAVATSALAM:—“50 அடி உயரமாக இருக்கிறது.”

SRI N. GOVINDASWAMI NAIDU:—“ஆனால் 800 அடி உயரமாக இருப்பதாக தெரிகிறது. மெய்ப்புரி பிரக்கா 50 அடி உயரமாக இருக்கிறது என்பதில் தண்ணீரைக் கொண்டு வரக் கூடாது என்று சொல்கிறேன்.”

THE HON. SRI M. BHAKTAVATSALAM:—“பன்னத்திலிருந்து மெய்ப்புரி தண்ணீர் போகாது.”

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SRI S. NAGAPPA:—"Arising out of the answer of the Hon. Minister that the Krishna-Pennar project is under investigation, may I know since how long it is under investigation and how long it will take to complete the same?"

THE HON. SRI M. BHAKTAVATSALAM:—"It has been under investigation for more than a year and perhaps it will be under investigation for another year."

SRI P. KANDASWAMI PILLAI:—"Is it a fact, Sir, that the Krishna river is running 800 feet above the sea level?"

THE HON. SRI M. BHAKTAVATSALAM:—"I am not aware of it, Sir."

SRI G. RAJAMANNAR CHETTY:—"May I know whether Mappedu is not lower than the Krishna by 800 feet and whether water can flow easily to Mappedu and irrigate vast areas there?"

THE HON. SRI M. BHAKTAVATSALAM:—"We are informed that the level of Mappedu is 50 feet higher than the average level of the canal alignment."

SRI N. GOVINDASWAMI NAIDU:—"உயரம் 800 அடி இருக்கு மாணு தண்ணீரைக் கொண்டு வரக் கூடாதா என்று கேட்கிறேன்."

THE HON. SRI M. BHAKTAVATSALAM:—"அந்த 800 அடியைப் பற்றி கவலைப்பட வேண்டியதில்லை. வாய்க்கால் போகும் மட்டம் மெய் பேடு பிரக்கா மட்டத்திற்கு 50 அடி கீழே இருக்கிறது. அதனால் தண்ணீர் கீழிருந்து மேலே பாயாது."

SRI N. GOVINDASWAMI NAIDU:—"தண்ணீர் எங்கேயிருந்து வர ஆரம்பிக்கிறதோ அந்த இடத்திலிருந்து மெய்பேடு பிரக்காவிற்கு தண்ணீர் வராதா என்று கேட்கிறேன்."

THE HON. SRI M. BHAKTAVATSALAM:—"அது அசாதாரணமான காரியம் என்று இஞ்ஜினியர்கள் சொல்லுகிறார்கள்."

SRI S. NAGAPPA:—"In view of the answer of the Hon. Minister that it will take one more year to complete the investigation of the Krishna-Pennar project, may I ask him to consider the possibility of increasing the number of hands employed in the work of investigation so that the time may be reduced to three or six months?"

THE HON. SRI M. BHAKTAVATSALAM:—"The time taken for the investigation cannot be correspondingly reduced by increasing the staff."

SRI S. NAGAPPA:—"May I know whether the Poondi reservoir is intended for the supply of water to the City of Madras or for irrigation purposes also?"

THE HON. SRI M. BHAKTAVATSALAM:—"It is intended absolutely and exclusively for the supply of water to the City of Madras."

SRI N. VENKATASUBBAYYA:—"In view of the great importance of this project, may I request the Hon. Minister to be good enough to let us have a map giving the alignments of the several canals under the project?"

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THE HON. SRI M. BHAKTAVATSALAM:—"I shall invite the hon. Member and the other hon. Members to visit the soil mechanics laboratory at Chepauk where all these will be shown to them and demonstrated."

SRI M. G. NATESA CHETTIYAR:—"May I know whether the object of the Poondi reservoir has been fulfilled and whether the water-supply to the City has been assured?"

THE HON. SRI M. BHAKTAVATSALAM:—"Certainly so, Sir. The water-supply to the City has been improved by the Poondi reservoir, although the supply is not quite adequate to the needs of the situation."

SRI G. RAJAMANNAR CHETTY:—"In view of the categorical statement of the Hon. Minister that the Poondi reservoir is exclusively for the use of the citizens of Madras, may I know whether the Hon. Minister will assure us that at least this year he will not allow water to be drawn from it for irrigation purposes?"

THE HON. SRI M. BHAKTAVATSALAM:—"The hon. Member is making a mistake; no water is drawn from the Poondi reservoir for purposes of irrigation, but the ryots are entitled to water when there is a certain level of water in both the Red Hills and the Cholavaram tanks. Whenever there is a particular level, the ryots are entitled to it under a decree of the High Court. To that extent we allow water."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Is it a fact that the Government have ordered the Corporation to stop all the measures they have taken to add to the supply of water in the City?"

THE HON. SRI M. BHAKTAVATSALAM:—"I would suggest to the hon. Member to put a separate question to the Hon. Minister for Public Health."

SRI G. RAJAMANNAR CHETTY:—"Is the Hon. Minister aware that even in December 1948, the Corporation pleaded with the Government not to draw water from the Poondi reservoir because on account of the drought there was not enough water for the next year? In spite of that, water was drawn till February 7th, and that is the reason for the water scarcity in Madras."

THE HON. SRI M. BHAKTAVATSALAM:—"We cannot help it. As I have already said, water had to be drawn from the Red Hills and the Cholavaram tanks up to a certain point, because the ryots were entitled to it under a decree of the High Court. Otherwise we would have to pay damages to the ryots apart from the loss of the crops that could be produced."

SRI K. BRAHMANANDAM REDDI:—"If, as is said by the Hon. Minister, under the decree of the High Court, water has to be given to the ryots for irrigation purposes and consequently 11-15 a.m."

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the City is to be threatened with water famine, why do not the Government consider the question of acquiring the rights of the landowners, paying such compensation, as may be necessary?"

THE HON. SRI M. BHAKTAVATSALAM:—"The citizens cannot live on water alone; they want rice also to live."

SRI S. NAGAPPA:—"Arising out of the answer of the Hon. Minister that the investigation of the Krishna-Pennar project will take one more year, may I know whether the Hon. Minister has in anticipation ordered for such tools as are necessary from foreign countries for implementing the project?"

THE HON. SRI M. BHAKTAVATSALAM:—"I shall consider the very valuable suggestion made by the hon. Member."

Alleged selling away of paddy pledged in the "Sale and Loan Society", Sullurpet.

[* 53 Q.—MR. SPEAKER:—"The hon. Member, Mr. Raghavayya is not in his place. The answer will be printed in the proceedings."]

SRI V. RAGHAVAYYA: Will the Hon. the Minister for Local Administration be pleased to state—

(a) whether it is a fact that paddy pledged to the Sale and Loan Society, Sullurpet, has been sold away stealthily by the pledgers;

(b) the amount involved in this matter and the number of and the period during which such pledgers were found guilty; and

(c) what action has been taken by the District Co-operative Bank and the Government in regard to this?

THE HON. SRI K. CHANDRAMOULI:—" (a) to (c) The answer* is printed and placed on the table of the House."

Instructions issued regarding distribution of mill yarn to the wholesalers.

* 54 Q.—SRI M. G. NATESA CHETTIYAR: Will the Hon. the Minister for Industries be pleased to state—

(a) whether it is a fact that the Provincial Commissioner of Textiles has issued instructions that the wholesalers should receive their quota of mill yarn without any reference to the variety of yarn required in the area; and

(b) if so, what the circumstances are under which the said instructions were issued and when they were issued?

THE HON. SRI C. PERUMALSAMI REDDI:—" (a) No.
" (b) Does not arise."

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Restoration of the railway loop-line between Nidadavole and Narasapur.

* 55 Q.—SRI G. VENKANNA: Will the Hon. the Minister for Public Works be pleased to state whether the Madras Government represented to the Central Government to restore the railway loop-line between the stations of Nidadavole and Narasapur in the West Godavari district which was dismantled during the wartime?

THE HON. SRI M. BHAKTAVATSALAM:—"It is presumed that the hon. Member refers to the loop-lines at Tanuku, Viravasaram and Palakol stations which were removed in 1944. No representation was made to the Central Government to restore these loop-lines. It is understood that there is a proposal to restore these loop-lines but that it is not possible to restore them at present due to shortage of permanent way materials."

SRI S. NAGAPPA:—"In view of the statement that it is not possible to restore the loop-line due to want of materials, may I know when the Government will try to impress upon the Central Government to take up this important line?"

THE HON. SRI M. BHAKTAVATSALAM:—"The hon. Member is a Member of the Central Legislature. I would suggest to him to take up the matter with the Government of India."

Extension of the Shop Assistants Act to the workers serving in newspaper offices.

* 56 Q.—SRI N. VENKATASUBBAYYA (on behalf of Sri A. Vedaratnam Pillai): Will the Hon. the Minister for Land Revenue be pleased to state whether there is a proposal to extend the Shop Assistants Act to workers serving in journals and newspaper offices?

THE HON. SRI H. SITARAMA REDDI:—"Most of these offices come within the scope of the Madras Shops and Establishments Act. The question of extension does not, therefore, arise."

Condition of the aeroplane 'Hanuman'.

* 57 Q.—SRI G. RAJAMANNAR CHETTY (on behalf of Sri V. Raghavayya): Will the Hon. the Minister for Public Works be pleased to state whether the aeroplane, 'Hanuman' is in use or under repair?

THE HON. SRI M. BHAKTAVATSALAM:—" 'Hanuman' is in sound condition and in use."

SRI G. RAJAMANNAR CHETTY:—"May I know whether 'Hanuman' is in a fit condition to cross the waters and whether it can carry our Ministers to Lanka?"

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MR. SPEAKER:—"Do our Ministers go to 'Lanka'?"
(Laughter.)

THE HON. SRI M. BHAKTAVATSALAM:—"I do not know what the hon. Member means by 'Lanka'."

SRI P. NATESAN:—"May I know when 'Hanuman' was last used?"

THE HON. SRI M. BHAKTAVATSALAM:—"The Hon. Premier, the Hon. Minister for Industries and myself had a trial flight within a month and we have found it absolutely fit and it is as good as a new plane."

MUHAMMAD RAZA KHAN SAHIB:—"If really this plane is in such good condition and for which the Government of Madras have spent 5 to 6 lakhs of rupees, how is it that it is not being used by our Ministers except for a joy ride here and there?"

THE HON. SRI M. BHAKTAVATSALAM:—"We do not indulge in joy rides. We wanted to test the fitness of the 'Hanuman' in view of the criticisms made. Whenever we are in need of it, we do use it. Sometimes when one Minister has to go to Delhi or such other place, we use the ordinary service."

H. S. HUSSAIN SAHIB BAHADUR:—"Will the Hon. Minister be pleased to consider the suggestion of allowing the Members of the House to have a joy ride occasionally so that they may have an idea of the condition of 'Hanuman'?"

THE HON. SRI M. BHAKTAVATSALAM:—"If any hon. Member proposes to go to Bangalore, I would suggest to the Director of Civil Aviation there to give a joy ride. If, however, when 'Hanuman' is here, hon. Members want to have a ride, I would arrange for it."

M. S. ABDUL MAJID SAHIB BAHADUR:—"When there are already very efficient Airways operating in this country, is it worthwhile to maintain the costly 'Hanuman'?"

THE HON. SRI M. BHAKTAVATSALAM:—"Maintaining the 'Hanuman' is economic and not costly and we do feel it necessary to own a plane for emergent purposes, and several Provincial Governments and several States are owning more than one plane."

MUHAMMAD RAZA KHAN SAHIB:—"Will the Hon. Minister for Public Works admit the fact that the Government of Madras have spent up to now 6 to 7 lakhs of rupees and it has been a sheer waste, because the Hon. Ministers could not make use of the plane and whenever they have to go out, they have to use the ordinary service?"

THE HON. SRI M. BHAKTAVATSALAM:—"I am sorry I am unable to admit that fact. We have not spent 6 to 7 lakhs. It costs only 1.5 lakhs. Even recently cylinder heads were

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replaced and we got the work done free although its cost was Rs. 10,000. Whenever we have the need for it, we do use it."

SRI P. NATESAN:—"Arising out of the answer of the Hon. Minister, may I know whether he will kindly place it at my disposal for the next visit to Bangalore?"

THE HON. SRI M. BHAKTAVATSALAM:—"If the hon. Member would pay for it, I would certainly place it at his disposal."

SRI P. NATESAN:—"May I know how much it costs for an individual Member like me to go up and down?"

THE HON. SRI M. BHAKTAVATSALAM:—"The hon. Member may put a separate question."

SRI S. NAGAPPA:—"May I know whether it is a fact that the 'Hanuman' is stationed in Bangalore and if so, when the Madras Government owns it, what is the necessity for placing it at the disposal of the Mysore Government?"

THE HON. SRI M. BHAKTAVATSALAM:—"We consulted the Airways for having it here and they wanted higher maintenance charge than what is now being paid to the Mysore Government. But there is now a proposal which we are considering, to have the 'Hanuman' placed with the Madras Flying Club which will be more convenient to us."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"May I know whether the Government have framed any rules according to which the plane 'Hanuman' is being used and the charges that one is expected to pay either in the case of Ministers or non-officials or officials other than the Ministers? If there are rules, will the Hon. Minister place them on the table of the House?"

THE HON. SRI M. BHAKTAVATSALAM:—"We do charge other States and those travelling other than Members of Government. Regarding the rules, I would like the hon. Member to put a separate question."

SRI D. V. RAMASWAMI:—"After the plane 'Hanuman' was restored to its proper condition, has it been used by any one of the Ministers in any normal trips to the mufassal areas?"

THE HON. SRI M. BHAKTAVATSALAM:—"I would like to have notice, Sir."

SRI G. RAJAMANNAR CHETTY:—"Will the Hon. Minister be pleased to state whether there is any truth in the fact that 'Hanuman' is not being attended to by competent men where it is now kept, as a result of which it has gone into disuse of late and also it ceased to function on its way to Delhi and had to land in some dangerous place?"

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THE HON. SRI M. BHAKTAVATSALAM:—"We have information that 'Hanuman' is very properly looked after, and if there was a forced landing, it was not due to improper handling or want of proper attention."

SRI GUNTUR NARASIMHA RAO:—"The Hon. Minister said that the machine is as good as a new plane. Has any new machine been purchased or has the old machine been repaired?"

THE HON. SRI M. BHAKTAVATSALAM:—"It was a new machine that was purchased."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Arising from the answer of the Hon. Minister asking me to put a separate question with regard to rules, may I know whenever a Minister or a set of Ministers want to travel, how they order for it? Do they order for it as if it were a private property or as Ministers for it belongs to the Government?"

THE HON. SRI M. BHAKTAVATSALAM:—"Ministers order for it only when they go on State duty."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Arising out of the answer that the Hon. Premier and two other Ministers had a recent ride just to test the fitness of the plane, may I know whether the Government realize that those three Ministers are not technical persons to test the plane and this Province cannot afford to allow the Ministers to travel on a plane which has been tested by non-technical men?"

THE HON. SRI M. BHAKTAVATSALAM:—"If non-technical hon. Members could put searching questions on the condition of 'Hanuman', we could also know it. As a matter of fact, I found the pilot stopped one of the engines and we flew with one engine, and thereby even laymen like us could see that the plane was in absolutely good condition."

H. S. HUSSAIN SAHIB BAHADUR:—"May I know if the 'Hanuman' can undertake long-distance flights to Europe or America?"

THE HON. SRI M. BHAKTAVATSALAM:—"When the plane was bought, it was actually flown from Great Britain to Madras."

M. S. ABDUL MAJID SAHIB BAHADUR:—"Is it a fact that because a mishap overtook the plane when it carried the late Premier, Sri O. P. Ramaswami Reddiar, the other Premiers are afraid of getting into the plane?" (Laughter.)

THE HON. SRI M. BHAKTAVATSALAM:—"Even after that incident, the Mysore Government have used it and several other Ministers have also used it."

SRIMATHI C. AMMANNA RAJA:—"Has the name of the aircraft been changed, since Mr. Kumaraswami Raja, has become the Premier, into 'Mayura' because the *vahana* of Kumaraswami is peacock?" (Laughter.)

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THE HON. SRI M. BHAKTAVATSALAM:—"I don't think the Hon. the Premier is an enemy of 'Hanuman'."

MUHAMMAD RAZA KHAN SAHIB:—"Is it not a fact that since the plane has been purchased, the number of trips undertaken in it by the Ministers has been very few and as such it is a loss to the Provincial Government in maintaining this plane?"

THE HON. SRI M. BHAKTAVATSALAM:—"This plane is mainly intended for emergent use and when there is need, we do use it. We have also an eye on economy. Whenever we can travel by the ordinary service, we prefer it. But we still feel it necessary to have a plane for emergent service."

SRI M. S. PATTABHIRAMIAH:—"May I know if there are landing facilities in every district of our Province so that the Ministers may use the 'Hanuman' for their journeys in the Province itself?"

THE HON. SRI M. BHAKTAVATSALAM:—"I have discussed this question recently with the Hon. Minister for Communications in Delhi."

SRI S. NAGAPPA:—"Arising out of the answer of the Hon. Minister that the Mysore Government is also using 'Hanuman', may I know what is the understanding or agreement that the Government have entered into with the Mysore Government, so far as the use of the 'Hanuman' is concerned?"

THE HON. SRI M. BHAKTAVATSALAM:—"The Mysore Government bear the expenditure for their travel."

M. S. ABDUL MAJID SAHIB BAHADUR:—"May I know why this Government plane should be looked after by another Government and our money should be wasted in some other Province?"

THE HON. SRI M. BHAKTAVATSALAM:—"I have already stated that we were told that maintenance here would cost Rs. 10,000 per month while now we are paying only Rs. 4,000 per month to the Mysore Government."

M. MUHAMMAD ISMAIL SAHIB BAHADUR:—"In view of the fact that this 'Hanuman' is being very very rarely used by our Ministers, will the Hon. Minister for Public Works consider the suggestion whether it would not be more practicable and more economical to travel by the ordinary regular service and on occasions when they want any special facilities, I want to know whether they cannot make any special arrangements with the regular services and thereby save the Province a lot of expenditure over the maintenance and the other expenses connected with 'Hanuman'?"

THE HON. SRI M. BHAKTAVATSALAM:—"I have already stated other than using the regular service, we do feel it necessary to own a small plane like this for emergent purposes."

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MUHAMMAD RAZA KHAN SAHIB:—"In view of the fact that the Hon. Minister for Public Works feels very strongly that the plane is in perfect and good condition, are we to take it that our Ministers will travel only in this plane and not in the other usual planes in future?"

THE HON. SRI M. BHAKTAVATSALAM:—"Whenever we have to travel in a special plane, we will certainly take the 'Hanuman'."

H. S. HUSSAIN SAHIB BAHADUR:—"In view of the protest made in regard to the maintenance of the plane 'Hanuman' by this Government, may I request the Hon. Minister concerned to place on the table of the House the total number of flights and the total distance covered by 'Hanuman' up till now?"

THE HON. SRI M. BHAKTAVATSALAM:—"I would suggest to the hon. Member to put a separate question."

11-30 a.m. **ABDUL HAMEED KHAN SAHIB BAHADUR:**—"Sir, will the Hon. Minister inform the House what are the emergencies that he has in view when flight in such a plane becomes necessary?"

THE HON. SRI M. BHAKTAVATSALAM:—"The hon. Member as well as other hon. Members are quite well aware of the possible emergencies and I therefore need not enlighten the House on this point, because I feel I should be presumptuous if I stand up and say what are the possible emergencies."

Introduction of statutory rationing in the municipal areas of surplus districts.

* 58 Q.—**MOHAMED ABDUL SALAM SAHIB BAHADUR:** Will the Hon. the Minister for Food be pleased to state whether the Government have decided to introduce statutory rationing in the municipal areas of surplus districts?

THE HON. MR. J. L. P. ROCHE VICTORIA:—"Yes. Government have decided to introduce statutory rationing only in the following municipal towns of surplus districts:—

East Godavari district—Rajahmundry and Peddapuram.
Krishna district—Vijayavada.

Guntur district—Guntur, Chirala, Ongole and Narasaraopet."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"May I know whether the Government are aware that the District Committees, especially of Guntur, have informed the Government that it is not advisable to introduce statutory rationing in that district?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"Under the instructions of the Government of India it was proposed to introduce statutory rationing in certain pockets where we

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are likely to meet with difficulties during lean months and the Government considered that in these places they might introduce statutory rationing."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Sir, are we to take it that the Provincial Government have no choice in the matter of introducing rationing even in surplus districts and that they are bound to follow the instructions of the Central Government?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"It is only if the Government of Madras agree with the Central Government for the introduction of statutory rationing in certain places that they introduce it."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Sir, is it not inherent in the very object of rationing that rationing should be introduced in all districts, whether surplus or deficit without any difference between one or the other?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"At present we are only following this policy."

Inclusion of Bhogapuram Panchayat area in Gollaprolu Panchayat.

* 59 Q.—**SRI K. LINGA RAJU:** Will the Hon. the Minister for Local Administration be pleased to state—

(a) whether it is a fact that the Government have issued orders including Bhogapuram Panchayat area in Gollaprolu Panchayat (Pithapuram taluk—East Godavari district);

(b) if so, what the reasons are;

(c) what the distance of Gollaprolu from Bhogapuram is; and

(d) what the population and income of Bhogapuram Panchayat are?

THE HON. SRI K. CHANDRAMOULI:—" (a) Yes.

" (b) Certain members of the Bhogapuram Panchayat and certain residents of the village represented that the panchayat existed only in name and that it did not confer any benefit on the village as the panchayat's only source of income was land cess. They therefore requested that the Bhogapuram Panchayat may be amalgamated with the neighbouring panchayat of Gollaprolu. The Inspector of Municipal Councils and Local Boards was accordingly directed to amalgamate the two panchayats.

" (c) Two and a half miles.

" (d) 2,536 and Rs. 600."

SRI K. LINGA RAJU:—"Sir, is not this amalgamation the very negation of the spirit of the Panchayats Bill which is going to be introduced to-day?"

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THE HON. SRI K. CHANDRAMOULI:—"Generally, as matters stand at present, we follow the wishes of the people."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"As a matter of common knowledge, is it not a fact that whenever small villages are grouped into one small panchayat, administration in regard to so many matters is neglected?"

THE HON. SRI K. CHANDRAMOULI:—"I do not agree with the hon. Member in his presumption."

SRI K. LINGA RAJU:—"May I know, Sir, whether all the villagers have represented against the amalgamation?"

THE HON. SRI K. CHANDRAMOULI:—"If the people do not want amalgamation, I will not stand in their way."

SRI K. LINGA RAJU:—"May I know, Sir, whether they made any representation to the Hon. Premier against this amalgamation?"

THE HON. SRI K. CHANDRAMOULI:—"Some of them have made representation afterwards and I can assure the hon. Member that if the case is strong, I will reconsider the matter and see that the wishes of the people are respected."

Alleged issue of bogus ration cards by the Assistant Rationing Officer, Perambur Barracks.

* 60 Q.—**SRI M. KANNIYAPPAN:** Will the Hon. the Minister for Food be pleased to state—

(a) whether it has been brought to the notice of the Government that bogus ration cards have been issued by the staff of the Assistant Rationing Officer, No. III-B Circle, Venkatesa Bhattan street, Perambur Barracks in Madras City; and

(b) if so, what action has been taken by the Government to stop recurrence of issue of such cards there and elsewhere?

THE HON. MR. J. L. P. ROCHE VICTORIA:—" (a) & (b) The Government consider it undesirable to divulge the information now in the interests of administration. Necessary action is being taken to eliminate bogus cards."

SRI M. KANNIYAPPAN:—"Sir, தயவு செய்து தமிழில் பதிலை சொல்லவேண்டும்."

THE HON. MR. J. L. P. ROCHE VICTORIA:—"கவான்மென்டார் தற்சமயம் இந்த விஷயத்தைப்பற்றி தெளிவாக எடுத்துச்சொல்ல முடியாமலிருக்கிறார்கள். ஆனாலும் அதற்குவேண்டிய நடவடிக்கைகளை அவர்கள் எடுத்துக்கொண்டிருக்கிறார்கள்."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"May I know, Sir, whether it is a fact that bogus cards have been discovered in that area?"

THE HON. MR. J. L. P. ROCHE VICTORIA:—"Only after they were discovered, investigation is going on."

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UNSTARRED QUESTION.

Appointment of Sri S. Satyamurthy as Chief Accounts Officer by the Corporation of Madras.

SRI M. KANNIYAPPAN: Will the Hon. the Minister for Local Administration be pleased to state whether it is a fact that one Sri S. Satyamurthy who was involved in the Textile Bribery case in Madras, has been appointed as Chief Accounts Officer by the Corporation of Madras?

A.—Yes."

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

II.—MESSAGE FROM THE COUNCIL.

MR. SPEAKER:—"I have to announce to the House that in accordance with Rule 108 of the Madras Council Rules, I have received messages from the Hon. President of the Madras Legislative Council transmitting copies of the following Bills as agreed to by the Council without any amendment:

- On 24—6—1949 .. The Madras Entertainments Tax (Amendment Bill, 1949 (L.A. Bill No. 19 of 1949)
The Madras General Sales Tax (Amendment) Bill, 1949 (L.A. Bill No. 20 of 1949)
- On 25—6—1949 .. The Madras Sugar Factories Control Bill, 1949 (L.A. Bill No. 9 of 1949)
The Madras Irrigation Tanks (Improvement) Bill, 1948 (L.A. Bill No. 6 of 1949)
The Madras Land Improvement Schemes (Contour Bunding and Contour Trenching) Bill, 1949 (L.A. Bill No. 7 of 1949)
The Madras Cotton (Trade Stocks) Census Bill, 1949 (L.A. Bill No. 18 of 1949)
The Prisoners (Madras Amendment) Bill, 1949 (L.A. Bill No. 21 of 1949)

and signed by him."

III.—THE MADRAS ADVERTISEMENTS TAX BILL, 1949.

SRI P. NATESAN:—"Sir, I would like to know from the Hon. Premier whether it is a fact that he has received a communication from the Prime Minister of India that the Advertisements Tax Bill should be dropped."

MR. SPEAKER:—"In these matters it would have been better if the hon. Member had given notice to me in writing, so that I might pass it on to the Hon. Premier. I never thought the hon. Member was going to put the question."

SRI P. NATESAN:—"I saw about it in the papers, Sir."

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MR. SPEAKER:—"If the Hon. Premier is prepared to answer, I have no objection."

THE HON. SRI P. S. KUMARASWAMI RAJA:—"I am getting so many private letters and I cannot be revealing them to hon. Members."

IV.—ABSENCE OF THE HON. LEADER OF THE HOUSE.

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"On a point of order, Sir. You have been pleased in the past to give a decision that almost all the Ministers should be present in the House when it is in session. Very strangely, even though the Hon. Leader of the House fixed the dates for the Assembly meeting—he has not, however, been very regular or punctual in the matter of fixing dates—he is himself absent from the House, and has gone to open a school or hospital in some place. I do not know, Sir, whether your ruling is binding on the Hon. Leader of the House or not?"

MR. SPEAKER:—"It was not exactly a ruling that I gave. I only said that it was desirable that all the Ministers should be present. I think the hon. Member, Mr. Salam, misunderstood me."

GOVERNMENT BILL.

V.—THE MADRAS VILLAGE PANCHAYATS BILL, 1949.

11-45 a.m. ✓ THE HON. SRI-K. CHANDRAMOULI:—"Sir, I beg to introduce the Madras Village Panchayats Bill, 1949 and move—

that under Rule 111 of the Madras Assembly Rules that the concurrence of the Legislative Council be obtained in setting up a Joint Select Committee of both the Houses consisting of 30 members to consider the Bill, 20 members from the Assembly and 10 members from the Council.

"Mr. Speaker, Sir, I rise to introduce the Village Panchayats Bill standing in my name to be sent to the Select Committee. The basic principles and policies underlying the Bill have been explained to the public in a Press Communiqué, dated 30th April 1949, and the draft Bill was published in the *Fort St. George Gazette* on 7th June 1949 for the purpose of eliciting public opinion. The salient features and the fundamental principles of this Bill can be well evaluated and visualized in their proper perspective and duly appreciated only when the origin, the genesis, the history and the various stages of development and working of village institutions in this country are briefly described.

"From time immemorial, India has been a land of villages. It has continued to be so right down to the present day in spite of all the vicissitudes through which it has passed. In early days, every village was an entity by itself managing its own affairs and providing all the daily and essential necessities for the sustenance of life; the society being organized on the basis of appropriate division of labour. By common consent, the village

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elders were the custodians of the health, wealth and progress of the village folk. They settled their disputes, organized for communal activity and concerted action whenever necessary. The country, or the kingdom, was a collection of such village units administered on a highly decentralized basis. The people, imbued with a strong sense of village unity, worked as one in all matters relating to their common interests and were consequently happy and contented. Simple living and high thinking were their distinctive characteristics. They were peace-loving, unselfish and public-spirited. Tolerance and hospitality were their watchwords. It was under these favourable conditions that Indian culture developed. The economic prosperity of the people was assured by this local self-sufficiency and the local initiative which it encouraged. Religion flourished and a system of philosophy which won the admiration of the whole world was perfected.

"In later days, however, subjugation to foreign domination gradually dislocated the original structure of Indian society, deprived the people of their initiative and almost wholly destroyed local patriotism. The taxes paid vanished into the central coffers of the Government and were being spent in ways not directly beneficial to the villages or the villager. A highly centralized administration sapped the vitality of the people. With an unnatural growth of towns and of a more sophisticated urban population, the village lost its importance and usefulness, as the basis of economic and cultural development.

"It was at this juncture we had the good fortune to have, in our midst, Mahatmaji, who came to the rescue of the village and the villager. He secured independence for the country and at the same time shifted the centre of gravity of the whole nation back to the village. In him the teeming millions of India's villages found a saviour. A re-orientation of administrative methods and a reorganization of society, with a view to bring the village back into the centre of the picture were called for by him; and under his lead the Indian National Congress took up the watchword, 'The Nation for the Village and the Village for the Nation'. It was thus that the rehabilitation of rural life became one of the main items on the programme of the Indian National Congress.

"In a country like ours which is predominantly rural in character, and where there is still, in our villages, a live sense of corporate unity, the village must necessarily be the basic administrative unit. It is already so in matters relating to agricultural taxation and the collection of land revenue. The next step is to make every village a self-contained unit, managing its own affairs and meeting as far as possible all its needs in the matter of food and clothing by local production and providing on its own initiative for all the social, economic and cultural necessities of the people.

"During the British rule, in 1884, the first Local Boards Act was passed constituting Unions which are more townships rather than villages. This system did not apply to all villages and

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a vast majority of them were left unattended. Then in 1920, the Madras Village Panchayats Act was passed but the panchayats constituted under this Act could not thrive for lack of finance and the necessary powers to execute the works. In 1924, Sri N. Gopalaswami Ayyangar (now Hon. Minister for Railways in the Central Government) wanted to constitute panchayats compulsorily and to enable them to carry out certain works compulsorily. The Provincial organization of the panchayats also voiced the feelings and desires of the people through several conferences. Later, in 1930, the Madras Local Boards Act was amended bringing within its scope the panchayats constituted under the Village Panchayats Act thus placing the panchayats on the same footing as the Unions. The supervision and control of panchayats were divided between the taluk boards while they existed and subsequently between the district boards and the Government through the Inspector of Local Boards with certain reserve powers for Collectors. It is under this system that panchayats are at present working. There are 7,200 panchayats of which 374 are major.

"When the Congress Ministry assumed office in 1937, Sri T. Prakasam, then Revenue Minister, prepared a draft to make these panchayats autonomous village units but before the proposals could take some concrete shape, the Ministry had to quit office in 1939. During the Advisers' Regime, the Advisers consulted representative non-official committees and the Madras Act XII of 1946 was placed on the Statute Book and the new Act became law in the same year. The Advisers desisted wisely from bringing it into force and left it to the popular Ministry.

"During Sri Prakasam's premiership again an attempt was made to make the panchayats autonomous units. Ever since I was in charge of Local Administration I took up this question with a view to the development and growth of village panchayats which will be self-contained and self-governing units of Local Administration invested with larger powers in all matters relating to village life and village economy with minimum outside interference or control. What was aimed at was not merely functional efficiency but the vesting of the dynamic power to reorganize and control village life in all its aspects so as to ensure for the people pure drinking water, clean surroundings, healthy food, self-sufficiency in all matters governing their daily life and immense opportunities for co-operation for their mutual welfare. This is the brief history behind the present Bill."

VILLAGE PANCHAYATS—FORMATION.

"I now narrate briefly the provisions of the present Bill. A panchayat will be formed for each village or hamlet with a population of 500 and above. Villages with a lesser population will be grouped with other contiguous villages and a single panchayat formed for the group. The formation of panchayats will be compulsory and will not be left, as at present, to the choice of either the local inhabitants or officials. It is expected that panchayats will be established in all villages within a period

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of two years from the date on which the new Bill becomes law. Panchayats formed in villages with a population of 5,000 and above with an income of Rs. 10,000 and above will be called first-class panchayats and it will be open to Government to appoint executive officers working under the control of the panchayats to this class.

"The panchayats will consist of elected representatives of the people, elected by secret ballot—the residential areas of the village being suitably divided or grouped for the purpose. The village headman will be an ex-officio member with no right to vote in the meetings of the panchayat. The president will be elected directly by the whole electorate. A vice-president will be elected by the members of the panchayat. There will be no reserved seats in the panchayats for any community or class. If, however, members belonging to minority communities or women are not elected, they will be co-opted by the panchayat board up to a maximum of three. The electoral roll, for the time being, of the Provincial Legislative Assembly pertaining to any panchayat area will be the electoral roll for elections to that panchayat. When electoral rolls on the basis of adult franchise are ready, and have been adopted for provincial legislative elections, they will become automatically the electoral rolls for village panchayat elections also. There will be no nominations to the panchayat.

"The president will be bound to carry out all the resolutions of the panchayat; when, however, he is of opinion, that a particular resolution is not in the interests of the village, he may refer the matter to Government for their decision. The decision of the Government shall be final and binding both on the president and the panchayat. Provision will be made for dissolving or reconstituting panchayats by Government under certain circumstances and for the removal of the president from office if he commits defalcation or some such serious misdemeanour or if he otherwise misbehaves or abuses his powers. The president may delegate any or all of his powers to the vice-president. They will devolve automatically on the vice-president during the president's absence from the village.

POWERS OF VILLAGE PANCHAYATS.

"The village panchayat will manage all the local institutions and deal with all local matters—civic and administrative. It will look after the construction, repair and maintenance of public roads in the village or leading to neighbouring villages; the lighting of streets and public places, the construction of drains and the disposal of drainage water and sullage; sanitation; the cleaning of streets; removal of rubbish, the provision of public latrines and the cleaning of latrines whether public or private; the provision of protected supply of water for drinking and the sinking and repairing of wells or ponds or tanks for washing and bathing purposes; and the construction and maintenance of water works.

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"The panchayat will also be entrusted with the administration of civil and criminal justice; the Registration of Documents; all the unreserves; grazing grounds, threshing floor, topes and other communal porambokes in the village.

"Village panchayat can also make such provision as it thinks fit for carrying out the requirements of the village in respect of the following matters, viz.:—

- (a) Planting and preservation of trees on the sides of public roads in the village.
- (b) Opening and maintenance of public markets.
- (c) The control of fairs and festivals in the village.
- (d) The opening and maintenance of public cart-stands, cattle sheds, etc.
- (e) The opening and maintenance of public slaughterhouses.
- (f) Improvement of agriculture and agricultural stock and the holding of agricultural shows.
- (g) The promotion and encouragement of cottage industries.
- (h) The opening and maintenance of reading rooms and libraries.
- (i) Setting up and maintaining wireless receiving sets, playgrounds and centres of physical culture.
- (j) The opening and maintaining of dispensaries, maternity and child welfare centres.
- (k) Other measures of public utility calculated to promote the safety, health, comfort or convenience of the inhabitants of the village.

FUNDS.

"The funds necessary for carrying out these duties will be provided partly by Government and partly by the panchayat through its own taxation. The levy of house tax, vehicle tax and profession tax will be compulsory in all panchayats; but panchayats will have power to grant exemption from house tax to specified classes of houses (like thatched houses) or of certain persons on the grounds of poverty. The maximum and minimum rates of these taxes will be fixed by the Government. Panchayats will have power to levy, if they think fit, other taxes suitable to the village such as a tax on advertisements, village 'kaval' (guarding) fees, acreage fees and such alike. Panchayats will be paid the whole or a portion of the land cess collected in the village as may be determined by Government from time to time; and in addition, the Government propose to set apart a minimum of 12½ per cent of the land revenue (including water cess) of the Province for distribution as grants, on a per capita basis, to village panchayats whose income is less than Rs. 10,000 per annum and whose population is less than 5,000. Government will also continue to give

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liberally special and ex-gratia grants to panchayats from time to time as may be necessary to enable them to carry out schemes which are beyond their own means.

"As annual audit of the accounts of every village panchayat will be compulsory and will be conducted by persons unconnected with the supervision of their administration.

"District Boards will no longer have any control or supervision over panchayats; nor will Collectors have any, except certain emergency powers for ensuring the safety of life and property and for preventing breaches of peace. The working of village panchayats will be supervised and controlled by Government through the Inspector of Municipal Councils and Local Boards assisted by his deputies, District Panchayat Officers and Deputy Panchayat Officers.

PANCHAYAT RAJ.

"When these new panchayats come into being there will be, throughout the province, in every village, a statutory body, exercising wide powers affecting every side of rural life, which if it functions properly, should be able to increase the happiness, well-being and prosperity of our village people, and look after their interests in every sphere of their life. People in our villages will now have an opportunity for self-development. Local initiative and leadership will get a chance to grow. Local enthusiasm will be harnessed for the common good. Party bickerings and factions will cease. Selfish individualism will receive a set back. Village people will rise to the occasion and resolve to work these autonomous village institutions in the proper spirit. Then the essential needs of all sections of the people, in the village will be met. There will be an immediate increase in the number and kinds of amenities available to our village people and there will be all-round happiness and contentment.

"Mahatmaji wanted to establish Ramarajya through panchayat Raj; and under the impetus of his high ambition, he propagated his ideas and ideals of voluntary sacrifice and self-less service. It is such service and sacrifice that will be called for and needed to work these village panchayats. Then they are bound to redound to the happiness and prosperity and well-being of our simple village folk.

"Optimists may say that the Bill is drastic and revolutionary and it may do more harm to the already faction-ridden villages. The Bill does not warrant any such apprehension as it seeks only to rehabilitate the villages on their natural and traditional basis. Initiation and the natural dynamic drive for continuous evolution has been sought in this Bill. It makes the village as a self-developing unit and thus gives life and sustenance to the whole village. Selfish individual vision is replaced by a broad neighbourly outlook so that each may understand and sympathise with the other and all may work for the common good. Again Sir, pessimists may say that the Bill has provided neither real independent powers nor sufficient financial resources to give fillip and impetus

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for the speedy development of the villages. This view also is incorrect. All the potentialities for the healthy growth and the vital germs to stimulate, sustain and develop the full vigour and life of the village are found in the present Bill.

"I assure the House that the Bill is neither optimistic nor pessimistic. Nor is it revolutionary. It is evolutionary and progressive in its very nature and conception. It is humble and modest in its set up. It is a product of considerable amount of deliberation and labour. In one word, Sir, it is a simple Bill for the simple village folk. It seeks healthy adjustment of various temperaments and feelings and thus enables and encourages all sections and professions of people to come together and work harmoniously like a single joint family and thus enjoy the fruits of their collective labour and effort to the entire satisfaction of one and all.

"In conclusion, let me frankly tell this House and the people of this Province through you, Sir, that I do not profess that the Bill is an embodiment of perfection. The ideal is always far ahead of practical or else it is not an ideal at all. The highest ambitions, expectations and dreams of some of us might have been brought under practical control. Some of the noblest ideals might have been diluted and moderated. I concede that some of the provisions incorporated in this Bill may obstruct rather than help the efficient administration and speedy execution. The provision of checks, brakes and the powers given to departments may at times serve as convenient levers for unnecessary interference with the elected representatives and cripple the enthusiasm of the public workers. They may also now and then impede the healthy growth of democracy. There may be some such defects. It may need some amendments and improvements. It may need certain alterations and corrections. It may need modifications and additions. It is for this House to improve the Bill and give it a bright and beautiful shape. It is for this House to instill enthusiasm, hope and self-confidence in the villager and cheer him up. This is the motive with which the consent of this Assembly is now sought to send the Bill to a Select Committee. Hence I request the House to accept it in that spirit and give its unanimous verdict."

MR. SPEAKER:—"Motion moved—

'Under rule 111 of the Madras Assembly Rules that the Concurrence of the Legislative Council be obtained in setting up a Joint Select Committee of both the Houses consisting of 30 members, 20 members from the Assembly and 10 members from the Council, to consider the Madras Village Panchayats Bill.'

12 noon. MUHAMMAD RAZA KHAN SAHIB:—"Mr. Speaker, I move the amendment standing in my name, namely—

'that the Madras Village Panchayat Bill, 1949, be circulated for eliciting public opinion.'

and I reserve my speech to a later occasion."

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MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Mr. Speaker, this is a very historic occasion and in spite of certain unacceptable trends in the Bill, I must congratulate the Hon. Minister on this important Bill. After the Prohibition Act and the Zamindari Abolition Bill, perhaps this is the most revolutionary bill of a far-reaching consequence that we are asked to consider at the present juncture. When we heard the Hon. Minister's speech it was a very pathetic story that he was describing because he was speaking of the conditions in the village. He has not perhaps read the beautiful poem, Oliver Goldsmith's *Deserted Village*. The village which he described is not the village of the present day but of the past, centuries old, when ideal conditions are imagined to have existed in the past. (The village of to-day is a deserted village; there is no educated man there; if a man gets some education, he immediately leaves his village and goes to some city; if a man is qualified in something, he leaves his village for the town; so, there is nothing there in the villages except superstition and ignorance and I am sure the object will not be fulfilled by only introducing the Bill.) My humble opinion is that this should go to the public so that they might have an opportunity of offering their opinion upon it. The Hon. Minister stated that the Bill was published in the Gazette on the 7th of this month and I do not know the number that went out of the press. Does the Hon. Minister think that the public will be able to know the contents of the Bill, this far-reaching and complicated Bill, drafted in English by the Law experts—to digest it and to be able to give suggestions and criticism on it within such a short time as eighteen days? I think that only a few hundreds of the Gazette will be published and they are sent to some gazetted officers and some offices where they are not even opened and what opportunities the public have of the provisions of the Bill are by way of newspaper reports or through some interested persons who are either for or against the Bill. I know the Hon. Minister presided over one or two conferences consisting of persons some for and some against the Bill. Take the district of Cuddapah; the District Congress Committee passed a resolution saying that the present time is not favourable for the introduction of a Bill of this nature but the District Congress Committee of my own district passed a resolution saying that the provisions of the Bill should be implemented at once. The District Congress Committees which according to the opinion of the Government, reflect the public opinion are not able to agree with regard to the Bill. I am not opposed to the Bill. It is a Bill all of us are bound to accept but my point is that the publication of the Bill took place only about eighteen days ago and there are several villages in our Province which for want of proper postal arrangements and due to meagre postal service, would not have seen the Bill or known the nature of the provisions of the Bill and so, I think more time should be given so that we may have an idea how it is received by the people.

"I shall not subject this Bill to a detailed examination but I shall refer to one or two important points. The one idea of the Bill is the decentralization of powers. Any intelligent person who

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studies the making of the constitution would have noted that there is more and more of centralisation of powers and the underlying principle in the constitution is to centralise power in the hands of the Centre, and the Provinces are reduced to the position of municipalities. I am sure the Hon. Minister will not deny that that attempt is being made and that is perhaps very good for certain reasons. But whatever power is left by the Central Government, our Minister wants to throw it on the villages and I do not know if this is the proper time to do such a thing, seeing that we have to meet so many problems, the Communist menace, the food problem, the problem of control and equal distribution of things in short supply; I do not know if the time is opportune to distribute powers and then sit here in Fort St. George waiting things to take shape as they like. It is but proper that we should have an idea of the future before we give such powers to the public. Does the Hon. Minister not know that for the last ten or twelve years, there have been no elections to the district boards and for the last three or four years no elections have been held in the panchayat areas. The Government may say that they are not entirely responsible for this situation. In spite of the changes in the Ministry, their policies continue unchanged. You do not know, Sir, what is going to happen if there is going to be any election and whether your party will be there and you will be there. I am sorry, Sir, I am not referring to you (Sri Kalluri Subba Rao: 'We will be there in larger numbers'). There is no person more blind than the one who will not see and who refuses to see and if my hon. Friend, Mr. Subba Rao, can see and use his eyes properly, he will see the changing conditions of the country to-day, and that is why the Government have not been prepared to have elections for the last three or four years for the panchayats. What about district boards? They have been taken over by the Collectors with a view to have the elections; that nothing has happened. I have no time to go into the reasons. But my point is: you do not know how the country is drifting and changing. And there should be gauging of the public opinion by this Government and their criticism must be taken into consideration in proceeding with the Bill. While describing the village of the past of Ramarajya dreamt by Mahatma Gandhi, the Hon. Minister enumerated the powers that are to be given to the villages. He has also said that there are no proper personnel in the villages. If a person gets qualified or is educated he leaves his village and goes to the city. If the Government can take lessons I think they can very well do it from the village food committees. There were a number of them created by the ex-Premier, Mr. Prakasam and the House and the Province know that they were only advisory bodies and my God, what a fight for membership of those bodies. What hustle and how many appeals. If only the Hon. Minister for Food is here he would be able to tell us the number of appeals and counterappeals which had been received by the Government. There were appeals on cases decided by the Parliamentary Secretaries—now happily defunct who created confusion in the past—and there were counter-appeals to be decided by the Government.

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What is the point and the lesson? We are having in our villages persons though not fully qualified who have not much work to do; they work in a particular season and have no work at other times and the panchayats will be the playground where they can go about fighting each other. In addition to providing funds for them they are given powers for registration of documents. Would we allow the documents to be kept by the party in power, in the hands of a person to whom I have not given my vote? Can I trust my documents to be kept safely by him? A document registered means a document preserved for life and a document preserved for ever. Could a man who is elected for a temporary period be enabled to keep valuable documents? I shall refer to an actual incident which arose in regard to the disposal of an appeal. It was ordered by the tahsildar that the karnam or the munsif should give his document to the President of the Village Food Committee and he said: 'I am here charged with the safety of these documents; the President is a man who is temporarily there and what is to happen if a few pages are removed from the document? Who will take up the responsibility for it?' Is it proper to keep valuable documents with a person elected for a temporary period who is not responsible and at the same time does not depend upon the pleasure of the Government for his continuance in office. Is it proper giving such powers to them? Of course, the Hon. Minister said that some of the provisions in the Bill are revolutionary and that we must face them and there should be some trials and they must take place if we are to succeed. At the same time, he admitted that there are some really revolutionary provisions, namely, the direct election of the president of the panchayat when the members are elected by the divisions. I do not know if the House realises the implications of a direct election of the president; but the vice-president is elected by the members who are returned from the divisions. I say with all the emphasis at my command that there will be always friction and trouble between the president and the members and to add to this trouble, there is the vice-president who is to be elected by the members. I do not know what stretch of imagination prompted the Hon. Minister to have direct election of the president while the members are elected by the divisions.

"I have no time to cover all the clauses one by one and so let me now take the village munsif. He is to be a member and, of course, the Hon. Minister might say that he will have no vote. Of course, votes may not be taken but what really counts is the influence. The village munsif may not have a vote but his influence will be there. Votes were taken four years ago and we see what is influencing the administration. I am unable to understand why he should be given a seat even though he is not bound to go to the electorate. I am sure that in his reply the Hon. Minister will be able to explain the reasons which prompted the Government to give a seat to one of their officers without going to the electorate.

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12-15 P.M. "We have had nominations and the Hon. Minister says that there are no nominations by this system. I do not think that is obtainable in any country where there are Government panchayat boards and municipalities. Perhaps this system is only found in certain committees where, if there are vacancies, the committee may co-opt members. The Hon. Minister cannot say that we do not have nominations. What happens after the election is over? If there were no representations on behalf of Harijans, ladies or Muslims, there should be a co-option in that case. The majority party must take three people from the electoral rolls and say 'you three people walk in.' What is this then except nomination? It will constitute a doubtful majority if this clause is inserted. I had already said that it would be a doubtful majority, if the Inspector is empowered to appoint a person in the cases of panchayats failing to observe this provision. If people are elected by dubious methods, we cannot say they would be able to do anything independently. It would mean only commandeering certain people to get in by the majority and these people will be at the pleasure of the majority. It is nothing but virtually to perpetuate a group of small majority to have a permanent majority that this dubious method is thought of. My point is either we should have nomination or we should not have nomination. There were days, when the Justice Party was in power, when the Government used to have power of nomination. When there was a tie in the district or municipal election one party used to go to Madras and get one nominated. That means entire canvassing and the position is changed. I do not understand the point in giving power to nominate persons. Of course, they may be Harijans. Can we imagine that proper persons are always taken? We cannot expect a majority party to act fairly in calling in the representatives of the Harijans or the backward classes or ladies. This Government have come into existence by slogans. They are ruling by repeating the slogans. I ask 'why don't we have electoral rolls for the panchayats?' Why has this Government come forward with a list which was prepared five years ago? We have waited for long, and we can wait for some time more. Sir, the Collector's powers are there for use only in an emergency. But who is to decide whether there is emergency? The Inspector of Municipal Councils and Local Boards has been mentioned in the Bill in many places. I do not know if he is free to act in his individual discretion after going through the pros and cons of the question. The Hon. Minister for Local Administration may think fit to phone him a message and he may have to act according to his orders. Is he to be there as one of the glorified head clerks? I want a clarification. Either Government should take powers directly or give statutory powers to these gentlemen. Sir, power of taxation is given to them. Even sugar is not properly distributed. The same is the case with cloth. This was the reason why the present Government abolished the food committees. They cannot deny that. When such is the case, this Bill aims at giving powers of taxation to them. We are not ruled by a democracy, but by Reddis and Nadars and some

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others. It gives good reading when the Hon. Minister says that the Bill seeks to canalise what the Mahatma visualised as to how a village should be as stated in the puranas. But he knows and this House knows that those conditions have ceased to exist long before. I therefore stand here to second the amendment to move the Bill for circulation."

MR. SPEAKER:—"The amendment moved—

that the Madras Village Panchayat Bill, 1949 be circulated for eliciting public opinion."

"The motion as well as the amendment are before the House for discussion."

RAJA SIR MUTHIAH CHETTIYAR OF CHETTINAD:—"I rise to support the motion for the circulation of the Bill. Ordinarily I would not have supported this move. But I feel under the circumstances, nothing will be lost in circulating this Bill for the opinion of the public who are interested in the administration of Local Bodies in this Province. Sir, I think I am right in mentioning that no progress has been achieved in the field of local administration during the last ten or twelve years. It has been the misfortune that political parties in this country should have neglected the local bodies. The Justice Party, you might all know, suffered reverses in the elections and the country has suffered by the mistake they committed in abolishing the taluk boards. It was the lonely voice of Mr. Patro and myself to say that they should not be abolished; that was in vain. Putting off elections to the local bodies will bring disaster to elections to Legislatures as well. If Pandit Nehru says to-day that mass contact had been given up and that there should be mass contact, there would be no better occasion than the provision by the party in power to be in touch with the masses through these bodies. Sir, I raise this question as the panchayat is the last unit in the local administration and due to various circumstances, mainly because of the war and the existence of the Advisers' regime, it had not been possible for us to expect the Advisers to conduct elections as against the support for the war effort. That being so, the Congress Party should never have neglected the elections. My own humble opinion is that the population of this country has increased and politicians have increased. It is necessary that they give the politicians a chance to function in the local bodies before they rush for elections to the Provincial Legislature. That is the reason why the party executive in the Tamil Nad Congress Party found it difficult to choose candidates. I may tell hon. Members through you, Sir, that it is necessary that the local bodies, panchayats, municipalities and district boards should be the training ground of politicians. If taluk boards are revived many people may go there. If they survive their lifetime in those local bodies, such of those members may go to the major spheres and give their ripe experience as taluk board Presidents, etc. I entreat the Hon. Minister that he should bring forward a comprehensive legislation for the renewal of the

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taluk boards immediately. If he does that, he may not find it necessary to invest so much powers in the panchayat boards. What I feel is that the opinion of the country should be expressed on this Bill, for I am sure there are a large number of people with a lot of experience of local bodies who will be able to give very useful advice. Some of them hold strong views for reviving the taluk boards. The Government may consider the advisability of reviving the taluk boards, and in the light of their revival, what amount of power should be vested with the panchayats is a matter for consideration. So, Sir, it is for that reason I want the Bill to be circulated to elicit public opinion. When I say that, I should not be misconstrued that I am doing it in a dilatory spirit. After all, we are now in the month of June, and we can, say in a month's time, from now get the opinion of the people, and we can bring this Bill in the month of August, when, the Hon. Minister, if he is so minded, may bring a small Bill for the revival of taluk boards, and refer both to the same Select Committee. I see one of the provisions in the Bill is for empowering the panchayats to levy a tax on the entrance of consumption goods in the village. It will be a most harassing tax, more than the sales and other taxes now levied. Besides that, it is seen that some of the roads, now administered by the Highways Department are to be administered by panchayats. Originally they were managed by District Boards and Taluk Boards, and they are now administered by the Highways Department. There are two opinions about the administration of roads by the Highways Department. One view is that that department is the most competent for that work and the other view is that except one or two main roads the other roads in the district are not looked after by the Highways Department. So my own view is that the entire Bill be referred to elicit public opinion so that Government may find out correctly what the popular view of the affair is, and whether they are of the opinion to revive taluk boards. I know what reply the Minister will give on the question of revival of taluk boards. But I want to impress on him this fact, that long before the general elections for the legislature are to be held—very much in advance of that—many are anxious to hold elections to Municipalities and District Boards so that there may be a stable Government and administration in the Province. Finally Sir, I hope Government will accept the amendment in the spirit in which it has been made and not construe it as being made in a dilatory mood."

* SRI M. S. PATTABHIRAMIAH:—"Mr. Speaker, Sir, I rise with light heart to support the Bill introduced by the Hon. Mr. Chandramouli for the betterment of panchayats in the Province. I oppose the amendment tabled for circulating the Bill to elicit public opinion. In the course of my speech I propose to discuss both these points, and in doing so I would try to answer some of the specious arguments advanced by the seconder and the supporters of the amendment."

"Sir, this Bill has been overdue for a long time. (When we were struggling for independence under the guidance of Congress

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Mahatma Gandhi inspired in us an ideal of independence in a state in which all people would have equal opportunities and would be equally well off in economic and social spheres . . . (At this stage the Deputy Speaker took the Chair.) and he envisaged a peaceful country with village communities as units of administration. Unfortunately the legacy we have got, or rather the inheritance we got from the British Government is such that we cannot immediately go forward and form village communities as idealised and expressed by Mahatma Gandhiji and as we imagine our ancient village communities were. Madam, such a state is not a mere imagination of ours. Ancient village communities were perfect specimens of small republics able to sustain a great empire, a high culture and a progressive civilization. It is not, as pointed out, by the seconder of the amendment, that the village communities were only in the Puranas. I would ask him particularly to look into the epigraphical records of Southern India. The famous inscriptions of Uttiramerur, not far away from this capital city, which will enlighten him on this point, and convince him that we had very well organized village communities and that they were working well. These inscriptions found in South India, with copious details, are all dated from about 500 A.D. to 1300 A.D. We have also evidence of such village communities in Northern India, though not on stone, but in records and in Buddhist and Hindu literature. Apart from this, the idealistic state we envisage cannot be brought about all on a sudden; for the present day circumstances are such that we can proceed only slowly. Therefore, I believe this Bill is more or less an expansion or rather a projection of the old District Boards Act, 1920 and the Municipalities Act, 1920. And so naturally at this stage we are adopting this easy process of political evolution. As we have not yet adopted the Constitution Act, we cannot make a revolutionary change and bring about village republics immediately. It is because of this, some people are not happy over this measure.

"I wish to point out the difficulties of the present Government owing to their peculiar structure. Our independence has been got by a revolution. But this revolution is not of the type of the French Revolution or of the Russian revolution. Nor is it, though we can call it, a non-violent revolution. Government want to bring in close conformity the society with the State. For that we do not command the means. For to do anything immediately we have to work with the bureaucracy we have, we have to work with the machinery the British have left with us. For practical purposes, we may find some of the village communities and their elections not suited to modern times as we would wish them to be. Here I would quote a few sentences from the book called 'The Gandhian Plan' written by S. N. Agarwal with a foreword by Mahatma Gandhi. The writer says: 'In order to reconstruct India on peaceful and democratic foundations, it is desirable to establish self-governing Village Communities or Gram Panchayats as of old, with necessary modifications to suit modern conditions. These

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panchayats will be very different from the present local or district boards which possess limited powers. They will be autonomous so far as their internal administration is concerned, and will be, as far as possible, self-sufficient in regard to at least the basic necessities of life, like food, clothing and building materials. They will, however, be linked up with the taluks, districts, province and the country as a whole, for purposes of common policy and interests. In the village communities there will be universal adult franchise and a system of direct elections. But in the case of taluks, district and other higher councils, indirect election will be the general rule. The merits of such decentralised economic and political units have been already discussed in the previous chapter. The foundation of our planning will be the village unit; the economic reconstruction will be from the bottom upwards, and not from the top downwards. Most of the criticism against the Bill centred round the present deplorable conditions of the villages. It is all due to the concentration of power in a higher place. If the State had permitted the exercise of powers over village affairs by the villagers themselves, the present bad state of affairs would not have arisen. This Assembly has got a good set-up, a good background and artistic appearance. Devoid of all these, this Assembly will be no better than any village assembly elected by the villagers on the basis of adult franchise. We have known of heroic people administering justice in village panchayats, sacrificing their own interests and the interests of their relatives for the sake of justice. It was the aim of Mahatmaji that we should train our people to rule themselves, attend to their wants, produce their necessities of life, and live peacefully in their own places and bring peace to the rest of the world. It is said that the educated, intelligent and capable people are coming out of the villages and that only those who are devoid of these qualities are left in villages. If the people who have come out of the villages possess the abovementioned good qualities, they should go back to the villages. The villages are depleted of not only men but also of the necessities of life. This must be stopped. Frustration which has overtaken the villages is the cause for driving away many youths to the towns. If villages are made the real centres of culture and education, nobody will leave the villages for towns in pursuit of the will-o'-the-wisp of wealth and power. The people do not realize their ambition of wealth and power and that is the cause of much discontent in the country.)

(“Allotment and collection of land revenue on behalf of the village should be one of the main functions of the village panchayat. Formerly the villagers were collecting the land revenue themselves, because the lands belonged to the village community as a whole. In my speech on the Zamindari Abolition Bill, I pointed out that the ryotwari system was the direct cause for the disintegration of ancient village communities in India. The ryotwari system was introduced by the British. We have taken steps to abolish the zamindari system. The ryotwari system also should go. For the successful reformation of ryotwari system,

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formation of village community is essential. Panchayats which will be formed under this legislation will help the formation of village communities.

“Panchayats should look to the maintenance of peace and order in the villages with the help of local police. In England and certain other European countries, the local self-governing bodies maintain and direct the Police. It is no good of having the department of Police, whose duty is to maintain peace in the land, under the control and direction of a few people at the headquarters of the Province with an area exceeding a lakh of square miles.

“Panchayats should also attend to the administration of justice in local disputes by arbitration and amicable settlement. The present system of litigation is not only complicated and highly expensive, but has also cut at the very roots of village honesty and *esprit de corps*. Justice that is now being administered in Courts situated far away from the villages is, to put it mildly, not justice but only injustice. Only a man with a long purse, a corrupt man, a man who can browbeat and terrorize the witnesses is able to get the so-called justice from the Courts. Members of the panchayat are local people. They know the facts of the case and the parties to the dispute, and they will administer justice more equitably if only they are honest and impartial, though lawyers may not agree that persons who know the facts of the case should sit in judgment over it. We expect every man in this Gandhian India to be honest, impartial above corruption and free from nepotism. If the people come up to our expectations, the political glory of India will reach the zenith in a short time.

“Organization of basic and adult education should be another main function of panchayats. The schools should be under their management. There is one defect in the Bill which must be rectified in the Select Committee. Education should be included in the list of obligatory functions of a panchayat. Under the Bill, it is now only an optional item. Without giving education to every boy and girl, it is not possible to build up a happy, peaceful, prosperous and contented society in our country. Therefore the first charge on the revenues of a panchayat should be the imparting of education to every boy and girl.

“The panchayats should provide medical aid by the establishment of dispensaries, cottage hospitals and maternity centres. There are about 7,000 dispensaries in the whole of India, and probably 1,000 dispensaries in this Province. There are several places in this Province where no medical aid is available within a distance of ten to fifteen miles. In many thickly populated areas, there are very few dispensaries. Therefore provision of medical aid is an urgent need of this country. As has been provided in the Bill, two or more panchayats may establish and maintain common medical institutions. They should not be costly institutions but cheap clinics where medical aid and advice are available in any system which will be cheaper than the allopathic system, whether it be Homeopathy, Ayurveda, Unani or Biochemistry.

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A group of villages may have a common medical man, who need not be a Medical Graduate who wants a fat salary and huge equipment.

" I think it is necessary to entrust panchayats with sanitation and maintenance of buildings, roads, tanks, wells and other public places. Our countryside is notorious for insanitation. A sense of sanitation should be inculcated among the people.

" Panchayats should attend to the improvement of agriculture by co-operative effort. Fortunately our Minister for Local Administration is also in charge of Co-operation. I think every panchayat should develop a co-operative organization for improving agriculture.

" There should be the regulation of village trade, industry and commerce by organizing credit and non-credit co-operative societies under the supervision of panchayats. Even though education, medical aid and other amenities are available, the people must have something to eat. Some villages may not be self-sufficient in foodgrains. To enable the movement of foodgrains from surplus to deficit villages, trade, industry and commerce should be developed. The Select Committee should make provision enabling every panchayat to develop cottage industries. The Select Committee will do well to co-opt the Pirka Development Officer as a member of the Committee or seek his co-operation by inviting him to give evidence. To live we have to work and earn, and we can find sufficient work only when cottage industries are developed. Centralization leads to the destruction of humanity. Development of cottage industries, which proceeds on the basis of decentralization, is the only salvation for the ills of the modern world. Countries with centralized power and industries are fighting with, and destroying each other.

" Another main function of panchayats should be the making of arrangements for the co-operative purchase of raw materials and consumption goods, and the co-operative sale of farm produce and articles of village handicrafts. People do not believe in the present co-operative movement, because it was foisted from above and did not have its roots in the Indian soil. Co-operative societies and local bodies were imposed by a foreign power. That foreign power framed the Local Boards Act from their knowledge of the working of the local boards of their country. They were careful to see that no power in respect of any important items which was essential to the successful working of local boards was given to them. The arguments of the Opposition are based on reform from top downward. But the reformation should be from the bottom upward. Even though we may commit mistakes in the initial stages, the reform must be from bottom upwards. The Panchayat Acts in different Provinces have also not produced satisfactory results owing to their limited scope and power. We know, Madam, that the Government have got rule-making powers under this Act and I am sure, in making rules, they will see that these panchayats are given greater scope and greater powers and greater finance to enable them to enlarge their activities. You will be surprised,

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Madam, to know that the previous Government have prescribed different rates for contractors and coolies who are working under district boards and local bodies and those working under the Public Works Department of the Government, for laying out the same roads and other public works; and generally the rates for the district board contractors would be lower than those paid to Government contractors. Why, because the previous Government wanted to bring into contempt, the administration of these local bodies, by prescribing less rates for them. Similarly the powers given to the district boards and local boards were very little, compared to the corresponding departments of the Government and the rates of salaries paid to the employees of these local bodies, like the overseers, engineers, school-masters, doctors, etc., were also less. The same policy is still being continued. Even now the salaries paid to the local board employees are lower than those paid to the same employees under the Government. Generally people think that those who get lower salary are inferior and so this feeling of inferiority complex is still prevailing among the employees and workers under the district boards and local bodies. Madam, do we not think, sitting here on these cushion chairs, that we are superior to the people living in villages with their dirty and unwashed clothes on? Generally we think that they are an inferior people. It is but natural, but it is unfortunate that it should be so. This psychic phenomenon and this feeling of superiority and inferiority should be changed. Otherwise people in the villages will not improve and the district boards, the local boards and the panchayat boards will not function properly and efficiently. I submit, Madam, that the rules to be made under this Act should be framed in such a way as to allow for higher rates of pay to their employees, so as to attract better type of people for service in the villages, and to enable the people to have better educational facilities, better roads and better amenities there. It is true that the resuscitation of the village community system will have to proceed slowly, though steadily. That is why, Madam, I heartily support the Bill brought forward by the Hon. Minister for Local Administration.

" Madam, objections may be raised by some people that enough powers are not given to the panchayat boards. But others may contend that if more powers are given, there will be factions in the village. It is true that we should have had this reform of village panchayats earlier. But the Government were engaged in the preparation of electoral rolls under the new constitution, and since they are not yet ready and would take some time more, they have notified the elections to the district and local boards. So they have thought it right to introduce this Bill now for the benefit of the people in the villages.

" We will have to face a number of practical difficulties. The existing caste divisions and the growth of individualism will stand in the way of the smooth working of these panchayats. But in their revival alone lies the hope and prosperity of the Indian nation."

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Therefore, Madam, it is only in the revival of the village panchayat system, there is hope for the Indian nation. The judicial powers which are contemplated in this Bill are very necessary. While speaking of the powers of justice, I am not thinking of those powers in terms of law and justice as prescribed or conceived in the law college or in law Courts. Such laws are not administered in these villages. But, if the administration of justice is entrusted to the panchayats, I am sure, that true, genuine and full justice would be administered. Now there are already village courts where justice is administered. There the election is by show of hands. When the Tahsildar or some other Revenue officials come to the village for conducting elections, it is possible that they will be able to influence the elections, because in the village, nowadays the big man is almost always a rowdy and he will be able to get the largest number of votes. We will not be able to get the best type of people in the panchayat boards by this system of elections, because it is by show of hands that the elections are conducted. That is why I want that the elections to the village panchayats should be by the system of voting by ballot, because it is by such a system that the best men would be forthcoming. In the olden days, the system of election to the village committee was a little peculiar and strange. But I think that was the most proper form that was adopted. The names of the best eligible men were written in slips and put into a pot. Then the required number was drawn. This method would give no scope to canvassing and other electioneering methods of doubtful utility and ethical value. The present-day system of canvassing for a candidate was unknown in those days."

SRI K. BHASHYAM:—"Madam, evidently the hon. Member is referring to some inscription which is found in a village in the Chingleput district. There it is said that the names of a number of best persons in the village will be written in a number of slips and all these slips will be put in a pot and some young child or boy will be asked to pick out from the pot a number of slips equal to the number of persons that are required for the panchayat board. Probably that is the system the hon. Member is referring to. That is only a system of casting lots."

SRI M. S. PATTABHIRAMIAH:—"Whatever that might be, Madam, there will be no recrimination, no resentment and no disappointment with the result of such elections. But now, under the present system, if a man, who expects to get elected, does not succeed, he becomes desperate. Owing to frustration and disappointment, he acts in an inhuman way; out of despair, he becomes an enemy of the man who is elected. It was not so in the good old days. Then, people knew the candidates who stood for the elections and they used their full discretion and voted. There were a number of special committees in a village, and many of them were technical committees, elected for special purposes with special powers to deal with technical matters relating to the village. Even now in Uttiramerur in the Chingleput district, we see the remnants of records of those special committees. This was

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quite a common feature in all the villages in the ancient India. In the Chola territory, in South India, there were hundreds of such village communities which were working very well. Therefore, Madam, though this Bill proceeds a little slowly, I think, this will pave the way for the coming in of such village communities in our Province.

"It was pointed out, Madam, that all powers are concentrated in the hands of the Inspector of Local Boards and that he would become a Hitler of this Province, so far as this Bill is concerned. I entirely agree with that. We will have thousands and thousands of panchayats in our big Province and do you believe that the Inspector of Local Boards will be able to look into all the complaints of appeals coming out from each village panchayat? No, it would be impossible for him to inspect most of the panchayats. Every day he would receive thousands of files for disposal. Some newly recruited clerk will put down some notes and the Inspector will simply pass them on. Owing to this great concentration of power in the hands of a single individual, you will bring disaster in the administration of this Bill. Surely, most of the powers contemplated under this Bill should be decentralized in a manner which is suitable to our local conditions. The Inspector should not be given the powers of control over all the panchayats in the Province. I think that this Bill requires a number of modifications and improvements and I am sure that they will be done in the Select Committee stage."

"The income of the panchayats, as envisaged in the Bill, is not quite sufficient for the proper and efficient working of the panchayats. It has also been pointed out in a resolution that has been passed at the Andhra Panchayat Conference recently held in the Andhradesa, that at least 25 per cent of the land tax should be handed over to the panchayats so that they should not be put under any disability for want of finance. But I would go further and say that the whole of the land tax should be given over to them. That should be the ultimate end and aim of the Government, because it is the villages that are the backbone of our country, and therein lies the real prosperity and happiness of our masses. We are asking only for 25 per cent of the land revenue for the present. That is not only the opinion of the Andhra Panchayat Conference, but also the opinion of all people connected with the local administration in other parts of this Province. Our present Premier was the President of a district board and the Hon. Minister who pilots this Bill was also the President of another district board and many of our Cabinet Ministers were also either Presidents of district boards or Chairmen of municipalities and so, they are well acquainted with the working of the local bodies and know how their activities suffer from want of finance. There are many hon. Members in this House who are also very well acquainted with the internal administration of these local bodies in the Province and they also know quite well how the activities of these local bodies had been confined within the four corners of the District Municipalities and the Local Boards Acts, which give

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them only very limited scope and powers. The experience of all these members should be able to give the Government a correct perspective of the future working of the panchayats, as envisaged in this Bill.

"Lastly, Madam, I would appeal to the Hon. Minister that wherever possible suitable changes should be made to improve this Bill in the Select Committee, so that the administration of village panchayats might be made more efficient and more useful. The Hon. Minister for Local Administration pilots this very important Bill for the first time and as I have already pointed out, this must be a more revolutionary measure than even the Zamindari Abolition Bill which was recently passed in this House and therefore he should not stand on prestige and feel that the Bill that he has brought forward should not be altered or modified in any way, but that he should welcome all changes and improvements, however radical they might be, at the hands of the Select Committee, if they are really in the interests of the proper working of village panchayats."

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p.m.

SRI B. VENKATANARAYANA REDDI.

శ్రీ B. VENKATANARAYANA REDDI:—“అధ్యక్షులారా! ఇప్పుడు ప్రభుత్వము వారి యొక్క డిపార్టుమెంటులకు సంబంధించిన కొద్దిమంది కట్టకట్టడి ఉన్నటువంటి ఈ వంచాయితీ బిల్లును పైకితీసి ఇంతవక్కుగా సవరించి ఈసభ వారి ఎదుట పెట్టిన ప్లానిక కాళామాత్యులగు గౌరవనీయులు ప్రతిపక్షానికి గాని మౌనపూర్వకముగా అంగీకరించుచున్నాను. పల్లెటూళ్ల ప్రజలు ఇటువంటి అత్యుపయోగమైన బిల్లును మన కాంగ్రెస్ ప్రభుత్వమువారు చట్టముచేయ తల పెట్టినందుకు చాలా సంతోషిస్తున్నారు. ఈ బిల్లు ఎంత త్వరలో కాననమగునా అని కనిపెట్టుకొని ఉన్నారు. ప్రజా సామాన్య మంతయు దీనిని మౌనపూర్వకంగా ఆమోదిస్తున్నారని, ప్రభుత్వము వారిని అభినందిస్తున్నారని మనవిచేస్తున్నాను. ఇప్పుడుకూడా ఈ బిల్లును ప్రజాభిప్రాయమును తెలుసుకొనుటకుగాను పంపవలసినదని ప్రతిపక్ష సభ్యులు సవరణను ప్రతిపాదించారు. ఈ సవరణ యుక్తముగా లేదని నేను మనవిచేస్తున్నాను. రెండు నెలల క్రితము, దీనిని ప్రభుత్వమువారు ప్రకటించారు. ఇది ప్రజలకు ఉపకరించునది కనుక పల్లెటూళ్లను బాగుపరచుటకు ఉద్దేశించబడిన కారణంచేత దీనిపై ఎక్కువ విమర్శలు రాలేదు. అంతే కాకుండా, ఈ బిల్లులో అక్కడక్కడ లోపములుండవచ్చునని వాటిని ఏ విధంగా సవరించిన బాగుండుకో చూపి యుక్తమగు సూచనలనుచేసిన ప్రభుత్వమువారు తప్పక అంగీకరింతురనియు, నిర్దాణాత్మకమైన విమర్శను ఆహ్వానించుచున్నామనియు మంత్రిగారు తమ ఉపన్యాసములో విన్నవించియున్నారు. అటువంటి సందర్భంలో ఈ బిల్లును ప్రజాభిప్రాయానికి ఇప్పుడు పంపవలసిన అవసరము ఎంత మౌనములేదని మనవిచేస్తున్నాను.

“మొట్టమొదట పంచాయతులకు అధ్యక్షుని ఎన్నుకొనే విధానాన్ని గురించి మనవి చేస్తున్నాను. ఈ విల్లులో గ్రామములోని ప్రజలు అందరు అధ్యక్షుని సహసరి ఎన్నుకొనవలసియిస్తుంది. ఇది చాలా యొక్తముగా ఉన్నది. ఒక గ్రామములో అధ్యక్షుని ఎన్నికకు ఇద్దరుగాని, ముగ్గురుగాని, నలుగురుగాని నిలబడవచ్చును. గ్రామములోని ప్రజలు ఈ విధంగా ఎన్నికకు నిలబడినవారిలో ఎవరు తమకు వచ్చేదరో వారినే ఎన్నుకొనెదరు. ఏని వలన గ్రామాలకు చాలా ఉపకారము కలదు. ఈ విధంగా కాకుండా మొదటి తరు అధ్యక్షుని ఎన్నుకొనవలెనంటే, పంచాయతీ పంచాలన విడో ఒక పక్ష

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[Sri B. Venkatanarayana Reddi]

మువారి చేతులలోనే ఉంటుంది. ఇతర పక్షములవారికి పంచాయితీ పరిపాలనలో. పాల్గొనటానికి విమత్రము నాచకాశము ఉండదు. కాబట్టి బిల్లులో సూచించినట్లు అధ్యక్షుని సహాసరి గ్రామములోని ప్రజలందరూ కలసి ఎన్నుకొనడమే చాలామంచిదని మనవిచేస్తున్నాను.

“ఈ విల్లు ప్రకారము పంచాయితీ పరిపాలన పంచాయితీ ఆఫీసర్లు చూడవలసి యున్నది. ఈ విధంగా ఒక ప్రత్యేక డిపార్టుమెంటును ఏర్పాటుచేసినందువలన లక్షల కొలది డబ్బు ఖర్చవును. ఇంత డబ్బు నిల్పిందికి ఖర్చుచేసే నష్టమింతే గ్రామాలలో అభివృద్ధి కార్యకలాపములను హెచ్చుడబ్బు ఉండదు. ప్రజలకు సౌకర్యములు కలుగజేయుటకు పంచాయితీలు సక్రమంగా పనిచేయలేవు. కాబట్టి పంచాయితీల ఖర్చు తగ్గించుటకు నేపాళ సూచనచేయదలచినాను. మంత్రిగారు ఈ సలహాను ముఖ్యంగా గమనించవలసినదని మనవిచేస్తున్నాను. మనప్రభుత్వమువారు త్వరలోనే న్యాయశాఖను, కార్యనిర్వాహక శాఖను విభజించెదరని ప్రతికలలో చూస్తున్నాము. అటువంటి సందర్భములో రెవిన్యూ డిపార్టుమెంటువారికి ఇవ్వడున్నంత వసూలు ఉండవు. రెవిన్యూ ఇన్ స్పెక్టర్లు, తహసీల్దార్లు, డిప్యూటీ కలెక్టర్లు, కలెక్టర్లువారి అజమాయిషీ కాలములో పంచాయితీలను జూచి వాటికి రావలసిన ఆదాయాన్ని వసూలు చేసేనట్లయితే పంచాయితీలకు ఖర్చు చాలావరకు తగ్గిపోతుంది. ఈ విషయంలో ఆయా గ్రామాధికారుల సహాయంతో వసూలు వసూలు చేయవచ్చును. కాబట్టి పంచాయితీల నిర్వహణార్థము ఇంకొక ప్రత్యేక డిపార్టుమెంటును స్థాపించుట అనవసరమని, అందులకై లక్షలకొలది డబ్బును ఖర్చుపెట్టుట అనవసరమని మనవిచేస్తున్నాను. పంచాయితీ పాలనపై అజమాయిషీ అధికారమును రెవిన్యూ ఇన్ స్పెక్టర్లకు, తహసీల్దార్లకు, రెవిన్యూ డివిజన్ ఆఫీసర్లకు, కలెక్టర్లకు అప్పగించినట్లయితే, వారు తరచు ఆయా గ్రామాలకు వెళ్లి చూడడం తటస్థమిది. ఖర్చు తగ్గుతుంది, పంచాయితీ పరిపాలన సక్రమంగా జరగటానికి అవకాశముండుంది అని మనవిచేస్తున్నాను. అంతేకాకుండా, మనరాజధానిలోని జమీందారీల నన్నింటిని త్వరలోనే రద్దుచేసి రైత్యుల ప్రాంతాలుగా మార్చదలచుకొనినారు కనుక నేను తెలిపినట్లుగా పంచాయితీలపై అజమాయిషీని రెవిన్యూ శాఖకి వప్పగించడం చాలా విధాల యోగ్యమైనది. అంతేకాక రెండవతరగతి పంచాయితీలలో ప్రభుత్వమువారు నియమించుచున్న ఎగ్జిక్యూటివ్ ఆఫీసర్లకు జీతములు చాలాపెచ్చుగా ఉన్నది. అందువల్ల పంచాయితీ వచ్చు ఆదాయములలో ఎక్కువభాగము ఈ ఆఫీసర్ల జీతములకే ఖర్చు అయి పండ్లితులు విర్వడుటకు అవకాశములున్నవి. కాబట్టి రెండవతరగతి పంచాయితీలకు ప్రత్యేకంగా ఎగ్జిక్యూటివ్ ఆఫీసర్లను నియమించుట మానివేసి, ఆయా గ్రామాలలో ఉన్నటువంటి గ్రామాధికారులకే ఆ పనిని వప్పగించి, వారిని పంచాయితీలకు కార్యదర్శులుగా నియమించి, పంచాయితీల ఆదాయమునుబట్టి వారికి వరుమానమును నిర్ణయించినట్లయితే పంచాయితీలు వస్తులను వసూలుచేయుటకుగలిగి ఖర్చు చాలావరకు తగ్గిపోవుటకు అవకాశమున్నది. కొందరు సభ్యులు గ్రామ మునసబుకు, కరణమునకు పంచాయితీలలో స్థానము ఇవ్వడం ఎంతమాత్రము మంచిదికాదని చెప్పియున్నారు. ఈ నాడు సాధారణంగా గ్రామాలలో మునసబుకు, కరణానికి పలుకుబడి ఉండుంది. వాళ్లు కుకూడా పంచాయితీలలో సంబంధము విర్వరత పోయినట్లయితే వారికి పంచాయితీలపై వ్యతిరేకభావాలు కలగటానికి సహకరించక పోవటానికి అవకాశములుండగలవు. కాబట్టి ఇటువంటి పరిస్థితులు విర్వరతండా ఈ మునసబు, కరణాలనుకూడా కార్యదర్శులతో, మరోచేరుతోతో ఈ పంచాయితీలలో సంబంధమును కలిగించినట్లయితే పంచాయితీ పరిపాలన సక్రమంగా జరగటానికి, ఖర్చు తగ్గటానికి వీలుకలుగుతుంది.

[Sri B. Venkatanarayana Reddi]

[27th June 1949]

“గ్రామములలో ప్రజల సౌకర్యము చిన్న చిన్న పనులు చేసుకొనుటకు కావలసిన డబ్బును గ్రామస్థులకే చెల్లించి పన్నుల ద్వారా వసూలుచేసుకొనుటకు అధికారము ఈ బిల్లులో కలుగజేయబడినది. ఇది చాలామంచి సూచన. మనదేశంలోని ప్రజలు ఇప్పుడు తమకు స్వతంత్రమువచ్చినదని, పరప్రభుత్వము పోయినదని, అధికారములోకి వచ్చి కాంగ్రెస్ పార్టీ తమకు స్వతంత్రపాలనాధికారము కలుగజేస్తారని, తమ కష్టాలన్నీ తొలగిపోయినావని, ఇంక సౌఖ్యముగా ఉండగలమని చాలా ఉత్సాహవంతముగా ఉన్నారు. ఈ సోపాన పల్లెటూర్లలో ఏ విధమైనటువంటి సౌకర్యములు లేవు. సరి అయిన పాఠశాలలుగాని, ఆసుపత్రులుగాని లేవు. బాటలు ఏమాతము కాగుకలేవు. నీటి సదుపాయములు చాలా తక్కువ. ఇంకను అనేక ఇబ్బందులనేకము ఉన్నవి. కాటన్ అన్నింటిని తొలగించుటకు అవసరమగు బాధ్యత, అధికారము ఆ గ్రామస్థులయందే ఉండుట ముదావహము. ఇందుకుగాను చాలా డబ్బు అవసరము. ఇటువంటి చిన్న చిన్న పనులను చేసుకొనుటకు తక్కువ వసూలుచేసుకొనే అవకాశములు పంచాయితీలకు కలుగజేయుట చాలా అవసరము. ప్రభుత్వమువారు, రాజకూడ సాగరం, కృష్ణా-సంగమేశ్వరం మొదలైనటువంటి పెద్దపెద్ద ప్రాంతములను నిర్మించుటానికి స్వయంగా పూనుకొనినాని, గ్రామ బాటలు చేసుకోవడం, పారిశుధ్యానికి ఏర్పాటులు చేసుకోవడం, చెరువులు, ఇతర జలాధారములను బాగుచేయుటకోసమో, మొదలైనటువంటి చిన్న చిన్న పనులను చేసుకోవటానికి పంచాయితీలకే అవకాశములు విస్తరించాలి. ఇందుకు కావలసిన డబ్బును పన్నులమూలకంగా వసూలుచేసుకొనుటకు అధికారములనుకూడా పంచాయితీలకు కలుగజేయాలి. అవసరమున్న సందర్భములలో ప్రభుత్వమువారు పంచాయితీలకు గ్రాంటులను ఇవ్వటానికికూడా ఏమి కలుగజేయాలి.

“పంచాయితీలకు క్రిమినల్ కు సంబంధించిన అధికారములను ఇచ్చే సందర్భంలో కొంచెము మనవిచేస్తాను. క్రిమినల్ అధికారములను పంచాయితీలకు కలుగజేసినట్లైతే ముఖ్యంగా ఈ నాడు గ్రామాలలో అక్కడక్కడ జరుగుచున్న దౌర్జన్యాలను తొలగించుటానికి చాలా అవకాశముంటుంది. ఈ విషయము గురించి కొంతమంది గౌరవ సభ్యులు మాట్లాడుచు పంచాయితీలకు క్రిమినల్ కేసులను విచారణ చేసేటటువంటి అధికారములను ఇచ్చినట్లైతే గ్రామస్థులకు అన్యాయము జరగటానికి చాలా అవకాశముంటుందని తెలిపిచ్చి ఉన్నారు. గ్రామాలలోని పరిస్థితులు వారికి తెలియక ఈ విధంగా చెప్పి ఉండవచ్చును. గ్రామాలలో దౌర్జన్యాలు ఎందుకు జరుగుచున్నాయో, ఇందుకు ఎవరు బాధ్యులూ గ్రామస్థులయినటువంటి పంచాయితీలారికి, ఎక్కడో పట్టణములలో ఉన్నటువంటి మేజిస్ట్రేటుకన్న చక్కగా తెలియనని, దోషి ఎవరో నిర్ణయించుటకు వారికి ఎక్కువ సావకాశములున్నవని వారు తెలుసుకొన గోరొచ్చును. అంతే కాకుండా ఎవరికైనను గ్రామాలలో అన్యాయము జరిగినప్పుడు పంచాయితీల రియలైజేషన్ మేజిస్ట్రేటులకు ఆఫీసు చేసుకొనే సావకాశము కలుగజేయుట చాలా అవసరము. అంతేకాకుండా సివిల్, క్రిమినల్ కేసులను విచారించే అధికారము పల్లెటూర్లలోనే ఏర్పాటుచేయుటవలన ప్రజలకు న్యాయము జరుగుటకే ఎక్కువ అవకాశముంటుంది. ప్రస్తుతము ఉన్న కోర్టులవల్ల లక్షాధికారులు గర్భదర్శిమలగుచున్నారేగాని న్యాయము సక్రమంగా జరుగుట లేదు. డబ్బు ఉన్నవారికి ఈ కోర్టులు అందుబాటులో ఉన్నాయి. న్యాయాన్యాయ వివక్షలు తక్కువగా ఉన్నదని చెప్పుటకు విచారించుచున్నాను. కాబట్టి ప్రతివారికి తక్కువ వ్యయముతో న్యాయము జరుగజేతనన్న పంచాయితీలలో సివిల్ క్రిమినల్ కేసుల విచారణాధికారము ఉండవలసినదని ప్రభుత్వమువారిని కోరుచున్నాను.

[27th June 1949]

[Sri B. Venkatanarayana Reddi]

“పంచాయితీలను పరిపాలించుటకుగాను, First Grade పంచాయితీలకు Second Grade పంచాయితీలకు Executive Officerలను నియమించవలసినదని బిల్లులో ఉన్నది. ఈ ఉద్యోగముల జీతములు చాలా పెద్దగా ఉన్నవి. ఇంత పెద్ద జీతములను పంచాయితీలు భరించుట కష్టము. ఈ ఖర్చు తగ్గించుటకు ప్రభుత్వమువారు తగిన సవరణలు చేయవలసినదని కోరుచున్నాను.

“అంతేకాక Public Works Department కు సంబంధించిన చిన్న చిన్న కాంట్రిబ్యూషన్లు, ఏ ఏ ఏ గ్రామాలలో ఆ పనులు ఉన్నాయో, అయినా గ్రామ పంచాయితీలకే ఇవ్వవలెనని చూడగోరొచ్చును. ఈ చిన్న పనుల ఆ గ్రామస్థులే చేసుకొన్నట్లైతే తక్కువ ఖర్చుతోనే, ఎక్కువ ప్రయోజనం చేసుకొందురు. ఇది చాలా అవసరమైన విషయము కాబట్టి మంత్రిగారు బిల్లులో ఇటువంటి నిబంధనను ఏర్పాటు చేయవలసినదని కోరుచున్నాను.

“హరిజనులకు పంచాయితీలలో స్థానములను ఇచ్చే విషయములో కొందరు కొన్ని అనుమానములను చెప్పియున్నారు. ఇటువంటి అనుమానములకు సావకాశము లేకుండా చేయుటకుగాను, హరిజనులకు విశ్వాసపాత్రులైనటువంటి ఇక్కడ ఉన్న 80 మంది శాసన సభ్యులను మంత్రిగారు ఆహ్వానించి, వారితో సంప్రదించి ఒక నిర్ణయమునకువచ్చి, ఆ ప్రకారముగా హరిజనులకు పంచాయితీలలో స్థానములను ఏర్పాటు చేయవలసినదని ప్రభుత్వమువారికి మనవి చేస్తున్నాను. ఈ కాంగ్రెస్ ప్రభుత్వమువారు అధికారములోనికి వచ్చిన తరువాత, జమీందారీ రద్దు చట్టము, ఈ గ్రామ పంచాయితీ బిల్లు మొదలగు ప్రజోపయోగకరమగు శాసనములను చేయించుటకు వారిని వ్యవధయే పూర్వకంగా అభివేదిస్తూ, అది సంతోషముతో ఈ బిల్లుకు నేను విలపరుస్తున్నాను.”

DEPUTY SPEAKER:—“The House will now adjourn and meet again at 2-30 p.m.”

The House adjourned.

(After lunch—2-30 p.m.)

SRI S. NAGAPPA:—“Mr. Speaker, Sir, I am very glad to support the Bill that is before the House. At the same time I oppose the amendment moved by my hon. Friend, Mr. Raza Khan. We can classify this Bill not as a Village Panchayat Bill, but as a Village Republic or a Village Autonomy Bill. While I am taking part in the discussion of this Bill I feel as if I am framing the constitution of the villages. This is the right time now that we have attained independence and we are wedded to the idea of democratic republic, when the villager has to be taught what representative government is. I should like the Hon. the Minister to change the name of the Bill into ‘Village Republic Bill’ or ‘Village Autonomy Bill’. That will suit better.

“I have gone through the Bill very carefully with all the respect it deserved. To my surprise I see that the Hon. the Minister who has been all his life very kind to the poor scheduled classes has deviated from his work of uplifting the Harijans. Here he wants a novel experiment. It may be a plaything for him to make experiments at the cost of the poor people. But I request him to let me know whether the people in the village have come to the

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same standard in which the Hon. Minister finds himself to-day. It is good for him and myself to say that we the people in the country should not be hanging on to communalism. Yes, Sir, I am the first and foremost to support it. But I want that we should practice it to its fullest extent before we apply the theory to the villages. I will challenge the Hon. Minister to let me know whether there is a single Harijan member who has been returned from the general constituency in any one of the local boards or even in a panchayat board. Therefore, Sir, I request him not to make this experiment at our cost. This is not the opportune time for it. This is not my own view. All the hon. Members in the House belonging to my community have to say the same thing. Not only Members of the House but 99.9 per cent of the people belonging to my community hold the same view. I hope the Hon. the Minister will reconsider and do the needful at the Select Committee stage.

"Having attained autonomy, the village should have all the paraphernalia. There is no provision made here for a village Cabinet. You elect the President. He will be elected like the President of the Indian Republic. Then instead of electing a Vice-President, have a Prime Minister for the village and let him have a Cabinet with a minimum of three and a maximum of five members. That is how village autonomy should be. Of course the Cabinet should have a Harijan Minister.

"When they say that the President of the village should be elected on the democratic principle, I quite agree. But no President should be elected continuously for more than three terms. You see in America they have provided that a President can be elected only for three terms. If no such provision is made with reference to a village, a tyrant of the village will be the President for his lifetime. I would request the Government to see that no President is elected for more than three terms whether continuously or in the aggregate. As I have already mentioned let there be a Prime Minister elected and let him form the Cabinet. Let the President be like the President of the Indian Republic.

"Then, Sir, much power has been vested in the hands of the Inspector of Local Boards or in the Government. The power that is given to the village republic with one hand has been taken away by the other. If this is to be the case, hereafter we must have half a dozen Inspectors of local boards. I do not think one Inspector will be enough to manage all the village panchayats if all of them come into existence. I request the Government to curtail the powers of interference of the Inspector of Local Boards. Let the Government be the supreme authority and have supreme powers but why should the Inspector have these powers, who is after all a servant. Whatever rank he may hold, a servant is a servant. Why do you have more confidence in him than in the President of the village who is elected on adult suffrage by the whole village? Take the President into confidence and invest him with more powers instead of making the Inspector of Local Boards the supreme authority over the panchayat.

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"I have been searching in vain, Sir, to find out whether any privileges have been provided for the members of the village panchayat. The Government have taken power to protect them, they have defined their duties, functions and responsibilities. But what about their privileges? Is the Hon. Minister prepared to work without salary I ask. Has he not some privileges as a Member of the Cabinet? Should he not give the same facilities to the members of the village panchayats, if not on the same scale at least at a reduced scale?

"Here and there, Sir, I find the word 'Crown' in the Bill, in the place of 'Government'. Where is the 'Crown', I ask, in a democratic Government. Is the President going to wear a Crown, or is the Prime Minister of India going to wear a Crown. I do not understand why the word 'Crown' is found there in the Bill. I would request the Hon. the Minister in charge of the Bill to see that the word 'Crown' is replaced by the word 'Government'.

"Sir, the fixing of the scales and rates of establishments, etc. are left to the sweet will and pleasure of the Inspector of Local Boards. What else has the President to do then? If the Inspector is to hold the reins in the matter of appointment, etc., why should there be a panchayat at all? Is the President a mere figurehead? Is he not a man elected on adult suffrage by the whole village? Then, Sir, the Executive Officer is not subordinate to the President. As it is, in the day to day administration, if the Executive Officer and the President are not going to work together in the same direction there will be conflicts. If for every conflict and difference of opinion, these people are to go to Madras to refer the matter to the Inspector of Local Boards or the Government, in these days of red-tapism God only knows at what state the village administration will be. Are they to look to the omnipotent Inspector of Local Boards in their day to day administration? I do not know why the Hon. the Minister has fallen in love with the Inspector of Local Boards (Laughter.) He has vested so much power in him. Whatever may be his rank, after all he is a public servant and you have more confidence in him than in the elected President of the village panchayat. I request the Hon. Minister to think this over in his calm mood and come to a right conclusion. Let him give more powers to the President and not to the Inspector of Local Boards. It does not mean that I am not for the Inspector at all. Of course he must be there, but only to inspect and not to ride rough-shod over the panchayats.

"If the President is not willing to implement any of the resolutions passed by the panchayat he has to refer it to the Inspector of Local Boards. What is the Board for then? Is it democracy, I ask? If a particular resolution is passed by a majority or unanimously by the panchayat and if the resolution is made dead because the President differs from it, only the Daniel, the Inspector of Local Boards, will have power to decide whether the action of the President is right or that of the Board is right. I am not able

[Sri Kallur Subba Rao]

[27th June 1949]

వారికి తెలుపుచున్నాను. అసాధారణముగా మన దేశములో అమలులోనున్న పంచాయితీపద్ధతి శ్రమలను విడదీసింది. ఇదేలా ఒక చోట చేరి తిరుగు నిచ్చేటటువంటిది కాదు. ఇదివరలో మన పూర్వులు అవలంబించినది పంచాయితీ పద్ధతిలో సక్రమముగా నిర్వహించబడిన రాసురాజ్యము. అందరి తాత్పర్యము గ్రామపరిపాలన నిర్వహించేది. ఇదేలా రాసు, అక్షయ, భరత, శత్రుఘ్నులవలె నిరాదంబకతతో, నిష్కామకర్తృత్వ స్వాధీనాస్వాద్య విశదలతో పరిపాలనలు నడుపుట. తల్లి రాజ్యపాలనాధికారమును తనకు సంపాదించిపెట్టినను, దానిని నైతము తృణీకరించి ధర్మము కొరకు, న్యాయము కొరకు పాటుపడిన భరతునివంటి నిర్దోష. శ్రమలూసాటి పంచాయితీదారులు. అట్టి పాలననే ఈ నాడు మన ప్రజలు ప్రభావములు ఆశించుచున్నారు. ఇటువంటి పంచాయితీ ద్వారా ప్రజలకు విద్య, విజ్ఞానము, విశాసము, నిరాదంబర జీవనము, నిష్కామ విశ్వాసము అందరచి గ్రామములను, తద్వారా దేశమును, సునితముగా చేయుటే ఈ విల్లుయొక్క ఆంశర్యము.

గ్రామ సభలకి లిక్కానమును బలపరచుచు ప్రతిపక్ష సభ్యులు, పట్టెటారి ప్రజలు విజ్ఞానంబులుగా, అవిరుల మతకక్షలకు పుట్టినిట్లు, అందుచే ఇట్టి పరిస్థితులలో వారికి స్వపరిపాలనాధికారము ఇచ్చినట్లైతే ప్రజలకు సుఖసౌభాగ్యములు కలుగుట ముఖ్యముగా, అన్యాయము జరుగకలదని శంకించినారు. ఇది చాలా నిస్సారమైన, అర్థరహితమైన వాదన. ఈ నాడు గ్రామములలో అక్కడక్కడ కక్షలున్నవనుటకు కారణము గత 150 సంవత్సరములనుంచి అమలులో నున్నటువంటి కేంద్ర కృతపాలనమేగాని చేరుగాదు. ఈ కారణముచేతనే పట్టెటారి ప్రజలు స్వపరిపాలనకు దూరమైనారు. తగినంత అధికారమునిచ్చి పరిపాలనను గ్రామస్తుల హస్తగత మొనరించినవారు అత్యంత సమర్థతతో నిర్వహించగలరని నా భృత విశ్వాసము. విద్యావంతుల మనుకొనే పట్టెటారి వాసులకన్న గ్రామస్తులే న్యాయాన్యాయవిషయలలో ప్రవర్తించగలరు. కులమతకక్షలు విర్రదుటుకు పట్టెటారి నివాసమే కారణము. పట్టెటారినుంచే ఈ కక్షలు వల్ల ప్రాంతములకును పాకుడున్నది. వదులినన్నా మనుకొనేవాళ్లే ప్రజలలో తగాదాలు పెట్టి వారి శక్తిమునకు కారణభూతులగుచున్నారు. కాబట్టి ఎట్టి సంశయములకు, సందేహములకు తావియ్యక గ్రామ ప్రజలకు స్వపరిపాలనాధికారము హస్తగతమగుట అత్యంత అవసరము.

“పంచాయితీసభ్యుల నెమ్మకొను విషయములో కొంతము మనవి చేస్తాను. ఈ విల్లు ప్రకారము పంచాయితీ సభ్యులుగా అన్ని కులములవారు, జాతులవారు ఎన్నిక అగుటకు అవకాశమున్నది. అయినప్పటికీ ప్రాతినిధ్యములేనిచోట్ల nomination అనే విధానాన్ని తినివేసి వది మంది సభ్యులు ఉన్నచోట ఒక్కస్థానము హరిజనులకు నిర్ణయించినట్లైతే చాలా యుక్తముగా ఉంటుంది. ఇటువంటి విధానమును అమలుచేసి కేంద్ర nomination వలన జరిగే అక్రమాలు తాత్తండదు. గ్రామస్తులకు విశ్వాస వాత్యమైన ఒక హరిజన సభ్యుడు ఎన్నికగుటకు అవకాశము విర్రదుతుంది. ఈ సలహాను మంత్రిగారు పరిశీలన చేయించెదరని నమ్ముచున్నాను.

“ఈ విల్లులో పంచాయితీలకు గ్రామాధికారులకు సంబంధముండునట్లు చేసినారు. ఇది చాలా ప్రాధాన్యమైన విషయము. ఇంతవరకు ఈ గ్రామాధికారులు గ్రామములలో వేళ్లు పాతుకొనిపోయి యున్నారు. వారికి అప్పుట కలుగుబడి ప్రావిజ్యను పేర్కొని ఉన్నది. వారినిచూడ పంచాయితీలలో ex-officio సభ్యులుగా చేర్చబడెదలదలచుచు ఉపకారము జరుగకలదు. వారిని పంచాయితీలలో చేర్చకపోయినచో గ్రామములలో కక్షలు వియలుచేరుటకు అవకాశములుండును. ఈ సందర్భములలో

[27th June 1949]

[Sri Kallur Subba Rao]

ఇంతకొక విషయము మనవిచేయదలచుకొన్నాను. ఈ పంచాయితీలలో గ్రామకరణము లకునూడా సంబంధము కలిగించుట చాలా అవసరము. వారిచేత పంచాయితీ రెవ్యులను తయారుచేయుటకు మొదలగు కనులను చేయించి, అందుకుగాను కొంత శత్రుమును వారికి నిర్ణయించినట్లైతే పంచాయితీలకు ఖర్చు తక్కువగుటే కాకుండా గ్రామములలో కక్షలుండుటకు అవకాశముండదని చెప్పుచున్నాను.

“ఈనాడు గ్రామములు చాలా అభ్యాస పరిస్థితులలో ఉన్నవి. అందరి ప్రజలు అనేక ఇల్లుండులకు లోనుగావలసి వచ్చుచున్నది. వారికి ఉన్న సౌకర్యములు నాను మౌత్రములు. ఇప్పుడు గ్రామములనుంచి రాష్ట్ర ప్రభుత్వమే కన్నులను వసూలుచేసి గ్రామములకు చాలా స్వల్పమొత్తములే ఇచ్చుచున్నారు. ఇందువలన ఇప్పుడున్న పంచాయితీలు గ్రామములను ఏ విధముగను అభివృద్ధిపరుప జాలకున్నవి. ఈ విలు ప్రకారము గ్రామములలో వసూలగు భూమి కిన్నులనుంచి రూపాయకు రెండు అణాలు (అనగా నూరు రూపాయలకు పందెండున్నర) పంచాయితీలకు ఇవ్వబడి యున్నారు. ఈ విధముగా రాష్ట్ర ప్రభుత్వము పంచాయితీలకు ఇవ్వ సంకల్పించిన మొత్తములను ప్రభుత్వమువారు తమ ఖజానాలలోనే ఉంచవలసినదిగా కోరుచున్నాను. కాని ఈ డబ్బును పంచాయితీ అధ్యక్షుడు ఆయన పేరుతో, పాప్టు ఆఫీసులలో ఉంచు కొనేటట్లుమాత్రము చేయవద్దు; ఇదిచాలా అసర్వదాయకము. అంతేకాకుండా పంచాయితీ ఆదాయములను గ్రామాధిపతికిగాను ఖర్చుచేసినప్పుడు నూరు రూపాయలకు మించిన మొత్తములను చెక్కులద్వారానే ఇచ్చేది విచ్చాట్లు చేయగోరాను. ఇందుకు అనుకూలముగా ఉండునట్లు ఈ విల్లులోని క్లాజును నెరేర్చు కమిటీ చర్చలలో సవరింపవలసినదని నా సలహా.

“గ్రామములు స్వయంసాక్షకులుగా ఉండవలెననిచో, వాటిలో మంచి పంటలు పండుటకు అవకాశములుండవలయును. హచ్చుపంటలు పండుటకు ఉమ్మడి నేత్రము చాలా దోహదమిచ్చును. ఇటువంటి Group Cultivation గాంచి నేత్రము చేయించుటకు అవసరమగు అధికారములను పంచాయితీలకు కలుగజేయుట చాలా ముఖ్యము. అందువలన మనదేశములో కమ్యూనిజము కాకుండా అపకమని నా అభిప్రాయము. గ్రామములకు ఇతర సౌకర్యములను కలుగజేసుకొనుటకు, కృతసాయాధివృద్ధికి అవసరమగు చిన్న చిన్న పనులు చేసుకొనుటకునూడా పంచాయితీలకు అధికారములుండుట ఎంతయేని అవసరము. ఈ కార్యములను జరుపుకొనుటకు కావలసిన డబ్బును నేకరించు కొనుటకునూడా వాటికి అవకాశములు కలుగజేయవలయును.

“ఈ విల్లులో గ్రామములలో అక్రమములు, దౌర్జన్యములు జరుగకుండా చూచుటకు సంరక్షకులను విచ్చాట్లు చేయుటకు అవకాశములు కల్పించబడలేదు. గ్రామ సంరక్షకులను నియమించుట అత్యంత అవసరము. అప్పుడే గ్రామములలో దొంగతనములు, కులము నియమించుట అత్యంత అవసరము. ఇందుకుగాను ప్రభుత్వమువారుగాని, పంచాయితీలుగాని ఇతర దౌర్జన్యములు జరుగవు. ఇందుకుగాను ప్రభుత్వమువారు వరకును తరిగిదు చేయించి ఒక్కొక్క గ్రామములో నుమారు ఇరువదిమంది యువకుల వరకును తరిగిదు చేయించి వారికి గ్రామ సంరక్షకుల పనిని వర్గీకరించవలసిగా కోరుచున్నాను. పంచాయితీలకు ఇట్టి అవకాశములను విచ్చాట్లుచేయుటకునూ ఈ విల్లులో ఒక కలమును చేర్చవలసినదిగా మంత్రిగారికి మనవి చేయుచున్నాను. ఇప్పటికిని మా ప్రాంతములలో, గ్రామములలో తగాదాలు ఉన్నాయి. ఈ తగాదాలు రాత్రిండు గ్రామమును కావచుండును. ఇట్టి పరిస్థితులవలన గ్రామస్తులకు చాలా ఉపయోగముకలదు. ఈ సంరక్షకులను మనము పీటలుగా గుర్తించి వారి ప్రాముఖ్యతను గుర్తించవలసినదిగా కోరుచున్నాను. ఇప్పటికి మా ప్రాంతములో ఇటువంటి పీటగా చిత్తములు అక్కడక్కడ ఉన్నవి. కాబట్టి గ్రామ

[Sri Kallar Subba Rao]

[27th June 1949]

పంచాయతీ రాజ్ బిల్లును ప్రతిపక్షాలు ఎదుర్కొన్నాయి. మంచూరు లెక్కలకు అనుగుణంగా ప్రభుత్వము వారికి 12½ శాతము, నేటి వరకు సమాజము పరిశీలన చేయించవలసినది ఇంతటితో విడుదలయ్యింది.

3 p.m. **SRI D. V. RAMASWAMI:**—“Mr. Speaker, Sir, it gives me great pleasure to wholeheartedly support this very important measure as it has got a very intimate connexion with the aspirations of the people at large. The history of this measure has been traced in fairly good detail by the Hon. the Minister in moving the Bill for consideration and for reference to Select Committee. So, I do not propose to traverse the same ground over again. I will just mention in passing that the people of our Province have been long expecting a measure of this kind. In fact the subject has been before the country for the last ten years. The previous Premier, the Hon. Mr. Prakasam toured the country far and wide and raised hopes in the hearts of the people that fully representative panchayats will be constituted in almost everyone of these lakhs of villages that abound in our country. Sir, it is rather a very difficult matter to constitute such panchayats satisfactory in all its bearings.

“Sir, the Leader of the Independent Group said that nothing would be lost by circulating the Bill for public opinion. But, I ask him what is to be gained by such a circulation. By postponing this legislation, it will only involve waste of time and nothing tangible will be gained.

“Then, Sir, my hon. Friend, Mr. Salam asked whether we are seeking to create another sort of Hitler because, he said that too much power will be concentrated in the hands of the presidents of the panchayat boards. What will be the actual state of things? The opinion of the people is that such presidents will not use their powers unnecessarily. The president would certainly act in the best interests of the welfare and the happiness of the people who have voted for him. Therefore, there need not be any fear that they will misuse their power.

“Sir, in fact, this kind of decentralization of administration has been engaging the minds of various leaders of the country. Even the rishis of old have given their support to this form of administration. Decentralization in administration is also one of the aims of the Congress and most of our people, who live or are interested in the villages, also feel that legislations like this is necessary. The ancient culture of India flourished in these villages and therefore if India should regain her old culture, then we should co-ordinate all our activities and pool all our wisdom, experience and resources in order to make these villages healthy centres. Therefore everyone in this House should co-operate in pushing through this measure because a measure of this kind will be a harbinger of the happiness and the prosperity of the long-forsaken villages and also of the well-being of the country at large.

“Sir, I entirely agree with Mr. Pattabhiramiah who said that at least 25 per cent of the land revenue collected must be allotted to the villages for the purpose of compulsory elementary

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education, public health, etc. In the present Bill, it is provided that 12½ per cent of the total land revenue collections of the Province will be set apart for grants to panchayats for the above purposes. This amount that is envisaged in the Bill is not sufficient for these purposes because in almost every panchayat the Department of Public Services will be a liability on them and therefore, I say that at least 50 per cent, if not 75 per cent, of the land revenue should be earmarked and placed at the disposal of the panchayats to carry out these salutary objects. I would therefore request the Select Committee to go through everyone of these sections carefully and see how they can translate or bring into realization the very good intentions of the Hon. Minister.

“I would also refer to the remark made by my hon. Friend, Mr. Nagappa, with regard to reservation for Harijans. Sir, the Constituent Assembly has accepted this principle of making reservations for Harijans and backward classes for a period of ten years and it is an absolute desideratum as far as the more backward communities in our country are concerned. Now, the argument urged by Mr. Nagappa is that in the case of Harijans and other Depressed Classes, provision must be incorporated in the Bill so that a decent number of seats may be reserved for them in the formation of these panchayats. Sir, the hon. Member Mr. Nagappa need not be pessimistic on this point as the constitution itself has accepted that principle and necessary provision may also be made in this Bill to give effect to that principle.

“Then Sir, some interference by the so called autocratic officer like the Inspector of Local Boards is very much apprehended by some hon. Members. But I think, Sir, that such officers also would feel that the spirit of the Bill should be carefully followed. In the meantime, the new Constitution will come into force and I submit, Sir, that if the panchayats are properly constituted and the people and the officers are enlightened, there will be no occasion for the latter to interfere in the affairs of the panchayats and the panchayatdars will have the support of the people at large. Such being the case, every dispute that may arise will be certainly amicably settled. Therefore, the argument that the Inspector of Local Boards will be a tyrant and that he will interfere with the administration of the panchayat every now and then is baseless because, with enlightened panchayatdars, the Inspector of Local Boards will feel that it is in his own interest that he does not unnecessarily interfere. If all the electors of the village give their support to the panchayats, the panchayats need not apprehend that there will be unnecessary interference. Therefore, I hope the electors in the village will give this Bill their wholehearted support as this is intended for the well-being of our villages. Sir, this is one of the best pieces of legislation. I do not see any reason why the existence of the various district boards and local boards should in any manner take away the efficiency and good work of these panchayats that are going to come.

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"Sir, there are several other matters which the panchayats have got to take up from the present district boards and taluk boards. Therefore, the wider powers and discretion that is left to the Presidents of the panchayats is necessary. Sir, this is a very big experiment but this experiment is worthwhile undertaking. There may be some pitfalls but it will be a real government of the people by the people and for the people. If this measure comes into force, it will certainly fulfil the high expectations of the people. By the efficient discharge of their functions, these panchayats may certainly hope to bring into existence 'Ram Raj,' and thus bring into being the dream of Mahatma Gandhi."

SRIMATHI K. LAKSHMI AMMAL:—தலைவர் அவர்களே, இந்த கிராம பஞ்சாயத்து நிர்வாக மசோதாவை நான் ஆதரித்து அதிலுள்ள சில முக்கியமான அம்சங்களையும் ஆதரிப்பதுடன் சில மாறுதல்களையும் செய்ய வேண்டுமென்று Select Committee யாருக்கு சில வார்த்தைகளைச் சொல்ல விரும்புகிறேன்.

"இந்த மசோதாவின் நோக்கம் நம் மாகாணத்திலுள்ள கிராமங்களைச் சீர்திருத்தி அமைப்பதாகும். நம் நாட்டிலுள்ள மொத்த ஜனத்தொகையில் மிகப் பெரும்பாலானோர் அதாவது நூற்றுக்கு 90 பேர்கள் கிராமத்தில் வசிப்பவர்கள். நாட்டிலுள்ள ஜனங்கள் சௌகரியமாக இருக்கிறார்கள் என்றால் கிராமத்திலுள்ள கிராமவாசிகள் சுபிட்சமாக வாழ்கிறார்கள் என்று அர்த்தம். நம்முடைய கிராமவாசிகள் சுபிட்சமாக இருந்தால்தான் நாட்டிலுள்ளவர்களும் சுபிட்சமாக இருக்க முடியும் என்பது எல்லோருக்கும் தெரிந்த விஷயம். இந்த உண்மை நம்மில் பலருக்கு தெரிந்திருந்தாலும் இதனுடைய அவசியத்தையும், அவசரத்தையும் வற்புறுத்திய பெருமை மகாத்மா காந்தியடிகளுடையதாகும். இந்தியாவின் உயிர்நாடி கிராமமே என்று காந்திஜி அடிக்கடி கூறியுள்ளார் என்பதை நாம் மறக்க முடியாது. இயுமிருக்கிறார். நாட்டிலுள்ளவர்களுடைய சுபிட்சமெல்லாம் கிராமத்திலுள்ளவர்களுடைய கையில்தான் இருக்கிறது. அவர்களுக்கு வேண்டிய சௌகரியங்களை நாம் கவனிக்க வேண்டும். ஆகவே கிராமத்திற்கு செல்ல வேண்டுமென்று அடிக்கடி மகாத்மா காந்திஜி சொல்லியிருக்கிறார். மூன்றாம் அறிவுறுத்தலாகவே இப்பொழுது இந்த மசோதா வந்திருப்பதை நான் ஆதரிக்கிறேன்.

"சர்க்காரின் வருமானத்தின் பெரும்பகுதி கிராமங்களிலிருந்தே கிடைக்கிறது. நாம் அந்த வரும்படியை வைத்துதான் நாம் நகரங்களில் நாகரிகமான வாழ்க்கையை நடத்திக்கொண்டு வேண்டிய சௌகரியங்களைச் செய்து கொண்டு வாழ்ந்து வருகிறோம்.

"இந்த மசோதாவில் பஞ்சாயத்துகளை இரண்டு பிரிவுகளாக பிரித்திருக்கிறார்கள். முதலாவது 5,000-ம், 5,000-க்கு மேற்பட்ட ஜனத்தொகை கொண்டதும், ரூ. 10,000-க்குமேல் வருஷ வருமானத்தை எதிர்பார்க்கப் படுவதுமான பஞ்சாயத்துதான் முதல் வகுப்பு பஞ்சாயத்துகள். இரண்டாவது 500-ம், 500-க்கு மேற்பட்ட ஜனத்தொகையுள்ள ஒவ்வொரு ரிவினியூ கிராம பஞ்சாயத்துகள் இரண்டாவது தர பஞ்சாயத்துகள் என்றும் பிரித்திருக்கிறார்கள். இந்த மசோதாவில் சாதாரணமாக நடக்கும் தேர்தல் முறையை மாற்றி அமைத்திருப்பது வரவேற்கத்தக்கது. இந்த மசோதாவில் சாதாரணமாக முனிசிபாலிட்டிகளில் நடக்கும் தேர்தல் முறைகளின்படி சில மாறுபாடுகள் இருக்கின்றன. முதலாவதாக பஞ்சாயத்து போர்டு தலைவரை வேட்டர்களே நேரடியாக தேர்ந்தெடுக்க வேண்டுமென்பது வரவேற்கத்தக்கது. இந்த முறையில் சிலருக்கு கருத்து வேற்றுமை இருக்கலாம். என்னுடைய சொந்தக் கருத்து கிராமங்கள் சம்பந்தப்பட்ட மட்டில் இது மிகவும் நல்ல முறை என்றே கருதுகிறேன். தேர்தலுக்கு முன்னதாகவே தலைவரை நிச்சயம் செய்து கொண்டு அந்தத் தலைவரை ஆதரிக்கக்கூடிய அபேட்சகர்களை நிறுத்தும் சில முறை தவறிய

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வழக்கம் சில முனிசிபாலிட்டி, ஜில்லா போர்டு தேர்தல்களில் நடந்திருக்கின்றன. இதற்கு இடமில்லாமல் வேட்டர்களே தலைவரை தேர்ந்தெடுப்பது மிகவும் நல்ல முறை. இது மிகவும் வரவேற்கத்தக்க விஷயம் தான். இதை Select Committee யார் நிச்சயமாக மாற்றிவிடாதபடி இந்த அம்சங்கள் அப்படியே இருக்கும்படி செய்யவேண்டுமென்று கேட்டுக்கொள்ளுகிறேன்.

"இரண்டாவது மாறுதல் கிருஸ்தவர், முஸ்லீம் என்ற மதவாரியாக ஸ்தானங்கள் ஒதுக்கப்படவில்லை. சமீபத்தில் இந்திய அரசியல் நிர்ணய சபையில் தீர்மானம் செய்திருப்பது வருங்கால சட்ட சபை தேர்தலில் மதவாரி ஸ்தானங்கள் ஹரிஜனங்கள் தவிர மற்றவைகளுக்கு ஒதுக்கப்படவில்லை. அந்த மாதிரி இந்த மசோதாவில் மத ஸ்தானங்கள் ஒதுக்கப்படாமலிருப்பது வரவேற்கத்தக்கது. ஆனால் இதைச் செய்து விட்டு 9-வது பிரிவில் முஸ்லீம், கிருஸ்தவர் என்ற சிறுபான்மை வகுப்பைச் சேர்ந்தவர்களும், பெண்களும், மூன்று பேருக்கு அதிகப்படாமல் பஞ்சாயத்து சபையினால் Co-opt செய்து கொள்ளலாம் என்று மசோதாவில் கண்டிருக்கிறது. இந்த விதியை Select Committee யார் மாற்றி அமைக்கும்படியாகக் கேட்டுக்கொள்ளுகிறேன். மதம் காரணமாக மட்டும் ஸ்தானம் வகிப்பது முறையல்ல வென்று ஸ்தானங்களை நீக்க இருக்கும்பொழுது மதம் காரணமாக Co-opt செய்வது பொருந்தாமா என்று Select Committee யார் யோசித்து மதங்களைக் குறிப்பிடாமல் மூன்று ஸ்தானங்களை Co-opt செய்து கொள்ளலாம் என்று குறிப்பிடுமாறு செலக்ட் கமிட்டியாரைக் கேட்டுக்கொள்ளுகிறேன். ஆனால் ஹரிஜனங்களுக்கு மாதிரி இப்பொழுது அரசியல் நிர்ணய சபையில் பத்து வருஷத்திற்கு ஸ்தானங்கள் ஒதுக்கியிருக்கிறார்கள். அதேபோல் பஞ்சாயத்திலும் கிராமங்களில் தீன் டாமை ஓழியவேண்டுமென்றால் அங்கே ஹரிஜனங்களுக்கு மாதிரி ஒரு இடம் Co-opt செய்ய வேண்டுமென்று அதில் சேர்க்க வேண்டுமென்று நான் கமிட்டியாரைக் கேட்டுக்கொள்ளுகிறேன்.

"கிராம அதிகாரிகள் தேர்தலில் நிற்கக்கூடாது என்பதை வரவேற்கிறேன். 3-15 அவர்கள் பஞ்சாயத்து போர்டு நடவடிக்கைகளில் வேட்டைக் கொடுக்க உரிமை p.m. யில்லாமல் கலந்து கொள்ளலாம் என்பதில் தவறு ஒன்றுமில்லை.

"பஞ்சாயத்து போர்டுகளுக்கு நிர்வாக அதிகாரிகள் இருக்கவேண்டியது மிகவும் அவசியம் என்பதை என் கருத்து. பஞ்சாயத்தின் பண நிலையை உத்தேசித்து இப்பொழுது ஒவ்வொரு அதிகாரிகளை நியமிப்பது அவசியமான நல்லதா என்று சிலர் யோசிக்கலாம். அது யோசிக்கவேண்டிய விஷயம்தான். ஆனாலும் பஞ்சாயத்துகள் தங்கள் கடமைகளை சரிவரச் செய்வதற்கு நிர்வாக அதிகாரிகள் உதவியாக இருப்பார்கள் என்றே நான் நம்புகிறேன். தயவு, தாட்சண்யம் இல்லாமல் கடமைகளை சரிவரச் செய்வது நிர்வாக அதிகாரிகளால் தான் சாத்தியமாகும். இப்பொழுதுள்ள நிலைமையில் இது அவசியமென்றே நினைக்கிறேன்.

"முதல் கிளாஸ் பஞ்சாயத்துகளுக்கு நிர்வாக அதிகாரிகள் நியமிக்கப்படுவார்கள். ஆனால் இரண்டாவது கிளாஸ் பஞ்சாயத்துகளில் லோகல் போர்டு இன்ஸ்பெக்டர் அவ்ஸ்போது அறிவிக்கும் இடங்களுக்குதான் நிர்வாக அதிகாரி நியமிக்கப்படுவார். இது சரியான விதி என்றே நினைக்கிறேன். கூடிய மட்டும் பஞ்சாயத்துகளின் செல்வ நிலைக்குத்தகுந்தாற்போல் குறைந்த சம்பளத்தில் அதிகாரிகளை நியமிப்பதற்கு இதிலுள்ள விதி இடம் தருகிறது.

"அடுத்தபடியாக 64-வது விதியில் ஒன்று கூறப்படுகிறது. வீட்டுவரி, வாங்க வரி, தொழில்வரி, இம்மூன்று வரிகளையும் பஞ்சாயத்துகள் விதிக்கவேண்டுமென்று 64-வது விதி கூறுகிறது. இன்ஸ்பெக்டரின் சம்மதம் பெற்று கிராமத்தில் விதிப்பதற்கு வரும் பொருள்களின் மேல், ஒரு ரூபாய், தீர்வையில் ரூபாய்க்கு காலண்டர் வீதம் ஒரு ரூபாய் விவசாய நிலங்களுக்கு ஒரு வரியும் போடலாமென்று கண்டிருக்கிறது. வரி இல்லாமல் அரசாங்கம் நடத்துவது என்பது சித்தி கண்டம் தான். அதனால் கிராமவாசிகளுக்கு கொஞ்சம் கஷ்டம் ஏற்பட்டு அதிருப்தியைக் கொடுக்கும் என்று நினைக்கிறேன். பெட்ரோல் இல்லாமல் கார் ஓடுவது கிராமம்தான். இருந்தபோதிலும் இந்த தொழில் வரி, வீட்டு வரி, வாங்க வரி இந்த மூன்று வரிகளையும் போடுவதினால், என்னுடைய தெரிந்த வரையில் இரண்டொரு கிராமங்களில் மக்கள் ஏழ்மையாக இருக்கிறார்கள். அந்த கிராமங்களில் வரி செலுத்தக்கூடிய பணக்காரர்கள் 4, 5

[Srimathi K. Lakshmi Ammal]

[27th June 1949]

பேர்களுக்கு மேல் இருக்கமுடியாது; அதனால் ஒரே சமயத்தில் பல வரிகளை போடுவதனால் அவர்கள் கொடுக்க சக்தியில்லாதவர்களாகின்றார்கள். அதிகமாக வரி போடுவது சமீபத்து நியாயம் தானா, அவசியம்தானா என்பதைத் தீர்ப்போசிக்கச் செய்யவேண்டும். இவ்விதம் போட்டால் அவர்கள் பெரிதும் பயித்துறையார்கள். நன்மைகளைச் செய்கிறோம் என்று சொல்லி முதலிலேயே கிட்டி வரி முதலியனவகளை அதிகம் போடாமல் கொஞ்சம் குறைவாகவே போடச் செய்யவேண்டுமென்று கேட்டுக்கொள்ளுகிறேன். அதிகம் போடுவதையும் கிராம வாசிகள் வரவேற்கமாட்டார்கள் என்பதைச் சர்க்கார் நினைக்கப் போகும் மான்யத்தை அதிகப்படுத்த வேண்டுமென்பதே என்போசனை.

“இப்பொழுது நம் அரசாங்கத்திற்கு வரும் நிலவரி வருமானத்தில் 100-க்கு 12½ விதத்திற்கு குறையாமல் இரண்டாவது கிராம பஞ்சாயத்துகளுக்கு மான்யம் கொடுப்பதற்கு ஒதுக்கவேண்டுமென்று கண்டிருக்கிறது. இதை ஏற்றுக்கொண்டால் மான்யம் ஆள் ஒன்றுக்கு ஆறு அணு வீதம் கிடைப்பதாகும். இதுவும் ஒரு வருஷத்திற்குதான். இது ரொம்பவும் குறைவான ஓர் தொகை. இவ்வருமானம் முழுவதும் கிராம வாசிகளிடமிருந்து கிடைப்பதால் பாதிவாறு, அதாவது 100-க்கு 50-வீதமாகவது பஞ்சாயத்துகளுக்குக் கிடைக்கவேண்டும் என்று நான் செலக்ட் கமிட்டியாபைக் கேட்டுக் கொள்ளுகிறேன். இவ்விதம் கொடுத்தால் தான் பஞ்சாயத்துகள் முன்னேற்றமடைய முடியும். வேண்டுமானால் பின்னடி, இந்த மான்ய விதித்தை கொஞ்சம் கொஞ்சமாக குறைத்து 25-சத விதத்திற்கு குறைத்து, கிராமங்களில் வரிபோடச் செய்யலாம். அப்பொழுது தான் கிராம வாசிகளின் ஒத்துழைப்பைப் பெறமுடியும்.

“பிரக்கா டெவலப்மெண்டில் பல திட்டங்கள் நடைபெறுகின்றன. முதலில் உத்சாக மில்லாமலிருக்கும் கிராம வாசிகளுக்கு நன்மைகள் தெரிந்த பின் அவர்களே தங்களுடைய வேலைகளை மேற்கொண்டு பணத்தையும் தாராளமாகக் கொடுக்க முன் வருகின்றார்கள். சமீபத்தில் அவினாசி பிரக்காவின் அபிவிருத்தியைப்பற்றி பத்திரிகையில் படித்தேன். கிராம மக்கள் 13½-மைல் நீளம் ரோடு போட்டுள்ளார்கள். இதின் சிலவில் மூன்றில் ஒரு பங்கை கிராம ஜனங்களே கொடுத்திருக்கிறார்கள். இன்னும் பல வேலைகளுக்கு ரூ. 40,000 வரையில் நன்கொடையர்க்கக் கொடுத்து உதவியிருக்கிறார்கள் என்பதைக் கேட்க சந்தோஷமாக இருக்கிறது. அவ்விதம் செய்யும்படி மற்ற ஜனங்களின் தூண்டுதலுக்கு ஏற்பாடு செய்யவேண்டும்.

“இந்த மசோதாவின்படி மாகாணத்திலுள்ள எல்லா கிராமங்களுக்கும் பஞ்சாயத்து ஏற்படவேண்டுமென்று கண்டிருக்கிறது. சட்டம் நிறைவேறியதும் எல்லா கிராமங்களுக்கும் அதைக் கொண்டுவரவேண்டுமா என்பதை யோசிக்கவேண்டும். இப்பொழுதுள்ள நிலைமையில் அவ்வாறு செய்வது உசிதமல்ல என்று நினைக்கிறேன், பிரக்கா டெவலப்மெண்டு திட்டத்தைப் போல் ஒவ்வொரு ஜில்லாவிலும் முதல் வருடத்தில் நான்கில் ஒரு பங்கு கிராமங்களுக்கும் அதன்பின் ஒவ்வொரு வருடமாக கூட்டிக்கொண்டு போவது நல்லது என்பது என் யோசனை. ஐக்கிய மாகாணத்தில் பஞ்சாயத்து போர்டு சட்டம் கில் ஜில்லாக்களில்தான் முதலில் அமுலுக்குக் கொண்டு வந்திருக்கிறார்கள். நாமும் அதே மாதிரி experiment ஆக சில ஜில்லாக்களில் எடுத்துக்கொண்டு அது சரியான முறையில் நடக்கிறதா என்பதை கவனித்து அதன் பிறகு பூராவிற்குமே கொண்டுவரலாம் என்பது என்னுடைய அபிப்பிராயம்.

“அடுத்தபடியாக கிராமத்திலுள்ள சந்தைகளை நடத்தும் உரிமை பழம் சொந்தக்காரர்களுக்கே கொடுக்கப்பட்டிருக்கிறது. அவர்களை நீக்கிவிட்டு பஞ்சாயத்துகளுக்கே மேற்படி சந்தைகளை நடத்தும் உரிமை வழங்கப்படவேண்டும். இதற்கு தக்கபடி செலக்ட் கமிட்டியார் திருத்தியமைக்கவேண்டும். அப்படி திருத்தியமைத்து பஞ்சாயத்துகளை சந்தைகளை எடுத்துக்கொள்ள வேண்டுமென்று கேட்டுக்கொள்ளுகிறேன். இதனால் பஞ்சாயத்திற்கு அதிக வருமானம் வருவதற்கு சாதகமாக இருக்கும்.

“சர்க்காருக்குவரும் முக்கியமான வருமானங்கள் கிராமங்களிலிருந்து தான் வருகிறது. அந்தப் பணங்களில் மிகப்பெரும் பகுதியை நாகரிக வாழ்க்கைக் காகவும் நகரங்களுக்கும் சிலவு செய்து வருகிறோம். அந்த வருமானத்தி

[Srimathi K. Lakshmi Ammal]

லிருந்து நகரங்களுக்கு வேண்டிய தண்ணீர் திட்டம், underground சாக்கடை, மின்சார வசதி, வீடுகட்டும் திட்டம் இவைகளுக்கே அதிகமாக சிலவிடப் படுகிறது. அவ்வளவு பணமும் கிராமத்திலிருந்து வரக்கூடிய பணம்தான். கிராமத்திற்கு சிலவு செய்வது மிகவும் குறைவாக இருப்பதால் மான்யத்திலிருந்து 12½ சத விதம் கொடுப்பது என்பதில்லாமல் 50 சத விதம் பஞ்சாயத்திற்கு கொடுத்துவவேண்டுமென்று திரும்பவும் கேட்டுக்கொள்ளுகிறேன். இதை செலக்ட் கமிட்டியார் கவனக்கும்படி வற்புருத்திக் கேட்டுக் கொண்டு இந்த மசோதாவை ஆதரித்து என்னுடைய வார்த்தையை முடித்துக் கொள்ளுகிறேன்.”

SRI M. G. NATESA CHETTIYAR:—“Mr. Speaker, I must at the very outset congratulate the Hon. Minister for Local Administration on the very bold step he has taken in bringing forward a Bill for the administration of village affairs by panchayats. It is certainly a very laudable and noble thing. The Bill has taken into consideration the experience gained in the previous Advisers' regime. The sentiments expressed in the Bill are with a view to implement the pledges given to the people by the Congress Government. A co-ordinated policy of making the villages progressive and better is seen in the Bill. The Bill is more a constitution for the villages. The Zamindari Abolition Act and the Prohibition Act have been compared with this Bill, but this Bill is more far-reaching in its effect as it envisages the governance of the country from the villages. This is the greatest reform so far brought forward by the Government. If the Bill is administered in the spirit in which it is brought forward, our pledge would have been fulfilled. But, Sir, unfortunately what is the present position in the villages? What is our experience in the formation of village sanghams and village committees in connexion with our prohibition programme and food procurement work. In the light of this experience, I think there should be a sound preparation and considerable propaganda before the Bill is brought into effect. The groundwork should be more thorough than in the case of the previous formation of the said sangams and committees. The formation of village panchayats without the necessary preparation and propaganda for them beforehand, without our being assured of the necessary knowledge of administration and education among the people will, I am afraid, make this Act a dead letter. I am glad to find in the Bill that the implementation of this Act has been reserved to the Provincial Government. Before the Government proceed with this, they should carry out a programme by which they should spend this 12½ per cent of the land revenue in opening more schools, in spreading adult education, in supplying drinking water and providing other necessary facilities for the villages. Let there be a programme like this for 2 or 3 years. Instead of 12½ per cent let the Government spend 50 per cent of the land revenue in this direction and the benefit derived by the villages would be much more than what would be got by the implementation of the Panchayats Bill.

“Sir, I called this Bill a bold Bill, because in the present political situation in the villages and in the way the villages are captured by various political propagandists, the circumstances

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are very unfavourable for a measure of this kind. The shortages of food, cloth, kerosene and other necessities of life are not attended to by this Government properly. There is some enmity and bad feeling in the minds of the people towards this Government. They look upon the Congress Government as the enemy of the people. The people are not satisfied with our present treatment of the villages. That is why I called this Bill a bold Bill. The Communists are exploiting the shortages in spite of our best efforts to meet the situation. The provincial level is not the village level in these matters. Under these circumstances, while this Bill may be discussed and passed into law, there should be a 2 or 3 years' programme of village rehabilitation before the Bill is actually put into operation. It is only after we have that background of preparation, we can expect the Bill to work successfully. It is only then there will be proper response from the people; otherwise, the Bill will more or less be implemented against ourselves.

"The Bill proposes the establishment of a panchayat for every village with a population of 500. I am afraid it will be an uneconomic unit and could not discharge the responsibilities mentioned in the Bill. The minimum we can think of is a panchayat for each firka. It will be an economic unit. There are 6 or 7 firkas in a taluk and you can have 6 or 7 panchayats. There are about 1,000 to 1,500 villages with a population of 500 or more but which do not even yield a revenue equal to the cost of the village establishment. The expenditure is somewhere about Rs. 1,200 per annum. These 1,500 to 2,000 villages are uneconomic units. If you call upon them to meet the expenses of an executive officer, the village school, village sanitation, lighting, public health, repair of tanks and so on, they would certainly find it impossible to do so. Even 50 per cent of the land revenue will not be sufficient to meet the expenditure required for the proper functioning of these villages. If a firka is taken as a unit, it will be economic and it will be able to maintain a hospital with a maternity centre, a school for every village in the firka, and meet the cost of the executive officer and his establishment. But my suggestion is that we need not have an executive officer now. The Revenue Inspector may be asked to administer the panchayat as an executive officer along with his other duties in respect of collections. The village karnams and the other village officers will form the staff. The maintenance of law and order should be the concern of the Provincial and the Central Governments and must include the rights of property and so on. Law and order and justice should not be the concern of the panchayats. These must be administered by the Provincial and Central Governments; else there will be breaking of heads on account of clash of vested interests. You must not risk anything when you implement the Panchayat Bill; you must not give scope for the play of self-interest or bad motives. That is why I say that law and order must be in the hands of the Provincial and Central Governments. Every firka should have a police station with a number of constables and head

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constables. In the old days when the British came here and wanted to exercise their authority according to their own fancy and to subject us to the laws of their own making, they established a police station at every eighth mile in the country so that the people may know full well the existence of the Imperial Government. In the same way, when the National Government are ruling the country, when we want to administer the law equally, we must make every opportunity and facility available equally to the people in the villages as well as in the towns. We must certainly see that law and order do not break anywhere. Whatever may be the trial that may be made, justice, right of property and law and order must be maintained by the Provincial Government and these must be taken away from the responsibilities of the panchayats.

"I stated that the Revenue Inspectors could themselves be executive officers. They are well qualified and their salary scale is also high. They have got greater knowledge of the villages, and the people living in them and mostly they are better acquainted with their conditions than any other newly recruited officers. Even the Village Panchayat Officers are not received with such cordiality as the Revenue Officers.

"In implementing this Panchayat Bill, I would request the Government to have the proposals of the Retrenchment Committee also carried out along with this Bill. Since we are framing a constitution for the administration of panchayats, it would be much better if the retrenchment proposals are also co-ordinated with this Bill. Even on other grounds of revenue, the constitution of a village panchayat for a population of over 5,000 will be found to be very uneconomical and the desired benefit for the villages will not accrue.

"As regards the existence of the present district panchayat, it would be very advantageous if the revenue firka is left in charge of the Revenue Inspector. The whole taluk may be supervised by the Revenue Tahsildar and the entire supervisory work in a district may be left with the District Collector, with a District Panchayat Officer as Personal Assistant to him. All the other matters that could be attended to may be directly administered by the Government themselves and we can retrench the I.L.B. post also.

"In respect of the functions, tank is also included. It is only the other day this Legislature passed a Bill in respect of the improvement of tanks. I do not know if it is going to be implemented immediately or not. If tanks are also included in the maintenance, then it may become really a too-autonomous village under the administration and its errors cannot reach even the Provincial Government. Under these circumstances, I believe it is better for the present that we enact this Act but do not give effect to it at least for two or three years and appropriate propaganda must be done and works carried out of the proposed funds from the Provincial revenue. This is all what I want to say and I would very much like that every clause is very carefully gone into in the Select Committee." 3-45 p.m.

[27th June 1949]

*SRI S. PARAMANANDA RAYAR:—“கனம் சபாநாயகர் அவர்களே, இன்றையதினம் ஸ்தல ஸ்தாபன மந்திரி கனம் சந்திரமௌலி அவர்கள் கொண்டுவந்திருக்கும் கிராமப்பிரபாலன மசோதாவை நான் மனப்பூர்வமாக ஆதரிக்கிறேன். காந்திஜி கனவு கண்ட இராம இராஜ்யத்தை கிராமங்களில் ஸ்தாபிப்பதற்காக நமது காங்கிரஸ் சர்க்கார் இதுவரையிலும் காத்திருந்து இப்பொழுது கொண்டுவந்திருக்கும் இந்த மசோதாவை காந்திஜி இருந்து பார்க்க முடியாமல் போனதற்கு நான் மிகவும் வருந்துகிறேன். ஆனாலும் அவர் இருந்திருந்தால் இதிலுள்ள சில அம்சங்களை தெளிவுபடுத்தி ஒரு சிறந்த இராமராஜ்யத்தையே ஸ்தாபித்திருப்பார். அப்படி ஸ்தாபித்திருக்கவும் முடியும். அவ்விதம் செய்வதற்கு அவர் இல்லாமல் போனதற்கு வருத்தப்படவேண்டியதாக இருக்கிறது. ஆனாலும் இந்த மசோதாவில் சில சங்கடங்களான நிலைமைகள் இருக்கின்றன. அவைகளை யெல்லாம் Select Committee-யார் ஆலோசனை செய்து திருத்தியமைப்பார்கள் என்று நம்புகிறேன். உதாரணமாக ஒரு கிராமத்தில் 15 பேர்கள் கொண்ட ஒரு போர்டு அமைக்கப்பட்டால் அந்த போர்டில் ஒரு தீர்மானம் நிறைவேற்றப்படுகிறது. அந்த தீர்மானத்தில் 14 பேர்கள் ஒத்துக்கொண்டு அதாவது மெஜாரிட்டியாக உள்ளவர்கள் அந்த தீர்மானத்தை ஒத்துக் கொண்டிருந்து President அவர்கள் அந்த தீர்மானத்தை ஒத்துக்கொள்ளாமலிருந்தால் அந்த தீர்மானம் செல்லாது என்றும், அதை சர்க்காருடைய பரிசீலனைக்கு அனுப்பப்படவேண்டுமென்றும், அவ்விதம் சர்க்கார் அதை பரிசீலனை செய்த பிறகு மீண்டும் அந்த தீர்மானம் ஊர்ஜிதம் செய்யப்பட வேண்டுமென்றும் சொல்லப்படுகிறது. அவ்விதம் இருந்தால் எந்த பஞ்சாயத்திலாவது, எந்த ஊரிலாவது, கிராமங்களிலாவது காரியங்கள் நடக்குமா என்று கேட்கிறேன். இந்த அம்சம் சட்டத்தில் இடம் பெற்றிருந்தால் எப்போழுதும் சச்சரவு ஏற்பட்டுக்கொண்டே இருப்பதோடு கூட பஞ்சாயத்து போர்டுகளில் கட்சிகள் உண்டுபண்ண இடம் தருவதாக தோன்றுகிறது. 14 பேர்கள் கொண்ட கட்சி ஒன்றும், President கட்சி ஒன்றும் ஆக இரண்டு கட்சிகள் ஏற்படுகின்றன. ஆகவே இதை முக்யமாக மசோதாவிலிருந்து விலக்கவேண்டும். மெஜாரிட்டியான மெம்பர்கள் கொண்டுவந்த தீர்மானத்தைதான் கட்டாயமாக பஞ்சாயத்து போர்டு ஒப்புக்கொள்ள வேண்டும். அப்படி இருந்தால்தான் இந்த போர்டின் நிர்வாகம் ஒழுங்காக நடக்கும். இல்லாவிட்டால் சீரழிந்து பல கஷ்டங்களுக்கிடையே கட்சி பிரதிகட்சிகள் ஏற்பட்டு நாட்டில் பல விதமான இன்னல்கள் ஏற்படும் என்பதைச் சொல்ல விரும்புகிறேன்.

“இந்த மசோதாவில் கண்டபடி ex-officio members-ஆக (village municipality) கிராம அதிகாரிகள் இந்த போர்டில் இருப்பது முற்றிலும் பிசகு. கிராம அதிகாரிகள் இந்த போர்டில் சம்பந்தப்பட்டால் எந்தக்காரியமும் நடவா. அதனால் பல இடையூறுகள் ஏற்பட்டு பலவிதமான தீமைகள் ஏற்படுமென்று நன்மைகள் இருக்காலும் ஏற்படாது. கிராம அதிகாரிகள் போர்டு கூட்டங்களில் வோட்டுக்கொடுக்க அருகதை இல்லாதமுறையில் கலந்துகொள்ளவேண்டிய அவசியம் என்ன என்று தான் எனக்கு புரியவில்லை. கிராம மக்களின் ஆதரவும் வோட்டும் பெற்று நடக்கவிருக்கும் பஞ்சாயத்து போர்டுகளில் எவ்வித சலுகையும் ஆதரவும் பெறாத கிராம அதிகாரிகள் போர்டில் இருக்கவேண்டிய அவசியமும் இல்லை. அப்படி அவர்கள் இருந்தால் போர் யாமல் போய்விடும். அதிகாரபூர்வமாக ஒரு வேலையும் கிராம அதிகாரிகளிடமிருந்து போர்டார் வாங்கவோ, சொல்லவோ முடியாது. கிராம அதிகாரிகளின் ணங்களால் கிராம அதிகாரிகள் இருப்பது கூடவே கூடாது. இந்த கார களுக்கு ஒரு சில கிராம மக்களிடத்தில் பலவிதமான செல்வாக்குகள் உண்டு இடையூறுகள் செய்து வருவார்கள். ஆகையால் செலக்ட் கமிட்டியார் இந்த மசோதாவிலிருந்து செக்ஷன் எட்டை எடுத்து விடுவார்கள் என்று நம்புகிறேன்.

“இந்த மசோதாவில் பஞ்சாயத்து போர்டுக்கு மூன்று ஸ்தானங்களை Co-opt செய்துகொள்ளலாம் என்று ஒரு விதி இருக்கிறது. ஒரு கோர்ட்டில் President மெஜாரிட்டியாக இல்லாது இருந்தால் அவர் தனக்கு இடம்

[27th June 1949] [Sri S. Paramananda Rayar]

படி அந்த மூன்றுபேர்களையும் சேர்த்துக்கொள்வதற்கு வசதியாக இருக்கிறது. அந்தமுறை அறவே கூடாது என்பது என்னுடைய அபிப்பிராயம். அவ்விதம் Co-opt செய்துகொள்ளும் மெம்பர்கள் மூன்றுபேரும் கிருஸ்தவர்களாகவோ முஸ்லீம்களாகவோ அல்லது ஸ்திரீ சமூகத்தைச் சேர்ந்தவராகவோ இருக்கவேண்டுமென்று சொல்லப்படுகிறது. அவர்கள் ஏன் எலெக்ஷனுக்கு நின்று மெம்பராக வரக்கூடாது என்று கேட்கிறேன். Co-opt செய்தாக இருந்தால் President தனக்கு சாதகமாகவுள்ளவர்களை எடுத்துக்கொள்வதாகவரும். அப்பொழுது President ஏதாவது தப்பு செய்தால் அவ்விதம் Co-opt செய்த மெம்பர்கள் President-க்கு உடந்தையாகத்தான் இருப்பார்கள். ஆகவே Co-opted members அறவே இருக்கக் கூடாது என்பதை சொல்லிக்கொண்டு அந்த செக்ஷனை செலக்ட் கமிட்டியார் அறவே நீக்கிவிடுவார்கள் என்றும் நம்புகிறேன்.

“இன்னுமொரு முக்யமான விஷயத்தை தெளிவுபடுத்தவிரும்புகிறேன். தற்சமயம் ஜில்லா போர்டுகளிலிருக்கும் சில கிராமங்களில் private market-கள் உண்டு. உதாரணமாக என் டிவிஷன் சிதம்பரம், விருத்தாசலம் தாலுக்காக்களில் பலகிராமங்களில் private market உண்டு. அந்த market-களுடைய இடம் ஒரு மிராச்தாருக்கு சொந்தமாக இருக்கும். அந்த இடத்தை அதனுடைய சொந்தக்காரர் சந்தை கூட்டுவதற்கென்று வைத்திருப்பது வழக்கம். ஜில்லா போர்டுக்கு இடத்திற்கு தகுந்த கீட்டணம் கட்டி லைசென்ஸ் பெற்று அங்கே சந்தை கூட்டுகிறார்கள். அப்பொழுது இடத்தின் சொந்தக்காரர் சந்தையில் வியாபாரம் செய்ய வருவதாக விடமிருந்து கட்டணம் வசூலிப்பது வருகிறார்கள். அவ்விதம் வசூல் செய்யும்பொழுது ஒரு சந்தைக்கு வாரம் ஒன்றுக்கு இடத்திற்கு தகுந்தவாறு ரூபாய் 200, 300 என்றும் சில சமயங்களில் 500 ரூபாய்கூட வசூலாகிறது. இன்னும் கால்நடை சந்தைகள் கூடும்பொழுதும், தேர் திருவிழாக்களில் அதிகம் கூட்டம் கூடும்பொழுதும் வாரம் ஒன்றுக்கு சுமார் ரூ. 1,000 வரையில் வசூலாகிறது. அவ்விதம் வசூலாகும்பொழுது அந்த இடத்தின் சொந்தக்காரர் ஜில்லா போர்டுக்கு லைசென்ஸ் தகையாக ஆறுமாதத்திற்கோ அல்லது வருஷம் ஒன்றுக்கோ கொடுப்பது ரூ. 7½ அல்லது ரூ. 15-தானிருக்கும். இப்பொழுது பஞ்சாயத்து போர்டு வரும்பொழுது இந்த ஜில்லா போர்டுக்கு அதிகாரம் இருக்காது என்று நினைக்கிறேன். அவ்விதம் அதிகாரம் இருந்தாலும் அதை எடுத்துவிடவேண்டுமென்றும் கோறுகிறேன். அந்தந்த கிராமங்களில் கூடும் சந்தைகள் அந்தந்த கிராம பஞ்சாயத்தின் நிர்வாகத்தில்தான் இருக்கவேண்டும். அப்படி இருந்தால்தான் அந்த சந்தை அந்தந்த அதிகாரிகளின் கண்காணிப்பில் இருக்கும். அந்தந்த கிராமங்களின் பஞ்சாயத்து போர்டு அந்த சந்தை கூடும் குத்தகையை எலத்திற்கு விட்டு அதிலிருந்து வரக்கூடிய பணத்தைக்கொண்டு கிராமங்கள் முன்னேற்றமடையும்படி செய்ய வேண்டுமென்று கேட்டுக்கொள்ளுகிறேன். இது ஒரு முக்யமான அம்சம். கிராமங்கள் நன்றாக வாழவேண்டுமென்று சர்க்கார் நினைக்கும்பொழுது இந்தமாதிரி சந்தை கூட்டுவதிலிருந்துவரும் ஏராளமான வருமானத்தை வைத்துக்கொண்டு கிராமங்களை முன்னேற்றமடையும்படி செய்தால் எவ்வளவோ நன்றாக இருக்கும். இப்பொழுது லைசென்சுக்காக ரூ. 7½ அல்லது ரூ. 15 கொடுத்துவிட்டு வாரம் ஒன்றுக்கு ரூ. 100, 200 சம்பாதித்து வருகிறார்கள். இன்றைய நிலைமையில் private market மூலம் ஏராளமான வருமானம் வருகிறது. அதிலிருந்து அதிகப்படியான மூலதனம் அவர்களுக்குக் கிடைக்கிறது. இந்த வருமானத்தை பஞ்சாயத்து போர்டு அடைவதற்கு மசோதாவில் ஒரு விதியையும் செய்யவில்லை. Select committee-யார் இதை அவசியம் ஆலோசனைசெய்து அதற்கு வேண்டிய ஒரு amendment-ஐக் கொண்டுவந்து அதை இந்த மசோதாவில் புகுத்தவேண்டுமென்று கேட்டுக்கொள்ளுகிறேன்.

“அதோடு கூட இப்பொழுது பார்க்கலாம், எல்லா எல்மெண்டரி பாடசாலைகளும் ஜில்லா போர்டுகளின் நிர்வாகத்தில் நடக்கிறது. அதனால் அவைகளில் எவ்வளவு சங்கடங்கள் இருக்கின்றன என்பது எல்லோருக்கும் நன்கு தெரியும். இன்றைய நிலைமையில் பாடசாலைகளில் இருக்கும் உபாத்தியாயர்கள் மாற்றுவதென்றால் எவ்வளவோ சங்கடங்கள் ஏற்படுகின்றன. உபாத்தியாயர்களுடைய விஷயம் இப்பொழுது பெரிய பிரச்சனையாக இருக்கிறது. உபாத்தியாயர்களை மாற்றுவதென்றால் பெரிய சங்கடமாக இருக்கிறது.

[Sri S. Paramananda Rayar] [27th June 1949]

அவர்களை மாற்றியும் இருந்தாலும் பெரிய தொல்லையாக இருக்கிறது. இந்த பிரச்சனை பிரதி வருஷமும் ஜில்லா போர்டுக்கு உண்டாகி ரொம்பவும் கஷ்டப்படுகிறார்கள். ஜில்லா போர்டின் நிர்வாகத்தில் இவ்வளவு இடையூறுகள் இருப்பதால் அந்தந்த கிராமங்களிலுள்ள பஞ்சாயத்து போர்டின் கண்காணிப்பில் பாடசாலைகள் நடந்து வந்தால் உபாத்தியாயர்களுடைய தொல்லைகள் நீங்கிவிடும் என்று தோன்றுகிறது. ஆகையால் இதை Select Committee-யார் நன்கு பரிசீலனை செய்து அதற்கு வேண்டிய திருத்தம் செய்ய வேண்டுமென்று கேட்டுக்கொள்ளுகிறேன். அப்பொழுதுதான் அந்தந்த கிராமங்களிலுள்ள பிள்ளைகள் நன்றாகப் படித்து முன்னுக்கு வருவார்கள். ஆகவே எலிமெண்டரி ஸ்கூல்களை ஜில்லா போர்டின் அதிகாரத்திலிருந்து எடுத்து கிராம பஞ்சாயத்தின் கையில் கொடுக்க வேண்டுமென்று கேட்டுக் கொள்ளுகிறேன். அதற்கு வேண்டிய திருத்தங்களை Select Committee-யார் செய்வார்களென்று எதிர்பார்க்கிறேன்.

“இன்னும் கிராம அபிவிருத்திக்காக சிலவு செய்வதற்கு அந்தந்த கிராம ரெவின்யூ வருமானத்திலிருந்து 12½% கொடுப்பது என்று சொல்லப்படுகிறது. அவ்விதம் 12½% கொடுப்பது போதவே போதாது. எவ்வளவோ கிராமங்களில் பாடசாலைகள், ஆஸ்பத்திரிகள், ரோட்டு வசதி, மின்சார விளக்கு வசதி முதலியவைகள் செய்யவேண்டியதாக இருக்கின்றன. இவைகளை யெல்லாம் செய்யப்போவதாகவும் சொல்லப்படுகிறது. எப்படிப் பார்த்தாலும் கூட ரெவின்யூ வருமானத்திலிருந்து கொடுக்கும் 12½%-ஐ வைத்துக் கொண்டு கிராமங்களிலுள்ள சிலவுகளை சமாளிக்க முடியவே முடியாது என்றே நான் கருதுகிறேன். புதிதாக செய்யும்பொழுது கொஞ்சம் கிராம மாகத்தானிருக்கும். கிராமங்களிலுள்ள வீடுகளுக்கும், வாகனங்களுக்கும், தொழிலுக்கும் வரிகள் போடுவது என்று சொல்லப்படுகிறது. இப்பொழுது கிராமங்களில் பார்த்தால் கூரைவீடுகள்தான் அதிகமாக இருக்கும். கல்வீடுகள் மிகவும் கொஞ்சமாகத்தானிருக்கும். கிராமங்களில் சுமார் நூறு வீட்டிற்கு 10, 12 வீடுகள்தான் கல்வீடுகளாக இருக்கும். கல்வீடு வைத்திருப்பவர்கள்தான் பணக்காரர்களாக இருப்பார்கள். அல்லாமலும் அவர்கள் வரிப்பணத்திற்கு லாயக்குள்ளவர்கள். மற்றவர்கள் ஏழைகளாகத்தானிருப்பார்கள். அவ்விதமாயிருக்கும்பொழுது வீடுகளின் மூலம் எவ்வளவு வருமானம் கிடைக்கப்போகிறது என்று கேட்கிறேன். அதை வைத்துக்கொண்டு அதற்காகவே கட்டாயம் 12½% ரெவின்யூ வருமானத்திலிருந்து கொடுப்பது என்பது போதாது. 50% ஆவது கொடுத்தால்தான் கிராமங்களின் தேவைகளை பூர்த்திசெய்து பரிபாலிக்க முடியும் என்பதைச் சொல்லுகிறேன்.

“ஆகவே இவ்வித முக்கியமான விஷயங்களை Select Committee-யார் நன்கு பரிசீலனைசெய்து அதற்கு வேண்டிய திருத்தங்களைச் செய்யவேண்டுமென்று கேட்டுக் கொள்ளுகிறேன். நாட்டில் குழப்பங்கள் ஏற்பட்டிருக்கும் இந்த சமயத்தில் காந்திஜி சொல்லிய இராம இராஜ்யத்தை ஏற்படுத்துவதற்கு தக்கசமயத்தில் நாட்டினிடையே ஏற்பட்ட குழப்பங்களை நீக்கி கிராம வாசிகளுக்கு பெரிதும் ஆறுதலும் ஊக்கமும் ஊட்டும் இந்த மசோதாவை கொண்டு வந்த கனம் சந்திரமௌலி அவர்களை நான் பாராட்டுவதோடு கிராம மக்களும் இதை மனப்பூர்வமாக வரவேற்பார்கள் என்றும் நம்புகிறேன். ஆகவே அவசியமான திருத்தங்களைச் செய்யவேண்டுமென்று Select Committee-யாரைக் கேட்டுக்கொண்டு இந்த கிராம பரிபாலன மசோதாவை நான் மனப்பூர்வமாக ஆதரித்து என்னுடைய சிறுரையை முடித்துக் கொள்ளுகிறேன்.”

* Sri N. VENKATASUBBAYYA:—“Mr. Speaker, Sir, I gladly extend my support to this Bill because I consider that it is the Magna Carta, the charter of liberty, of the rural population in our country. India lives in the villages and any administration of Government worth the name must share with them voluntarily and willingly the power with which it administers the affairs of the country. During the past many centuries the villages have been sapped of their vitality. Civilizations like the

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Spartan civilization, the civilization of Greece and the civilization of Babylon have risen and fallen, but the civilization of Aryavarta has gone on; and why? It is because from ages past we had a decentralized system of Government. In fact, keeping the adage that that Government is best which governs least, there was practically very little interference of Government in our villages. Therefore, they had their own administration in their villages. There were invasions on our country. The Greek invasion, the Muslim invasion, all these invasions came but they did not touch the core of our civilization. Such of those invaders who came here were absorbed in our country but they did not disturb our traditions, customs, heritage, civilization and culture. The system of village administration, the decentralized method of administering our affairs, was not touched. At last, the British came. They were foreign to our blood, culture and civilization. They came from the West and the East and the West never meet together. They did not understand our customs, habits and traditions and they set up in our country a highly centralized system of administration. With that began the decade of degeneracy in our villages. [At this stage Sri G. Rajamannar Chetti (Chairman) took the Chair.] So, even though the British gave us law and order and peace which the Mahatma said, was the peace of the grave, going back to the villages, we find that the advantages or benefits of the British Government never touched the life of the villages or brought any good to them. Therefore, the power which this Government wielded was not shared by them and to-day we find the villages economically prostrate, culturally gone to rack and ruin and we do not find any visible light in the villages. So, looking against this background, I consider that the Bill which the Hon. Minister, Mr. Chandramouli, has brought into this Assembly is an attempt to revive the ancient culture, the greatness and the prosperity of the villages which are practically dead now. Therefore, it is for this reason that I began my speech by saying that this is the real charter of liberty of the people. Our liberty did not, really speaking, dawn on August 15, 1947. Our liberty has dawned to-day because the liberty that we got from the Britishers on August 15 is being shared, or we mean sharing it with the people from to-day or from the date on which this Bill becomes an Act and receives the necessary assent.

“Sir, some doubts have been expressed not only in this House but outside also that there are factions in the villages, that they are not fit to govern themselves and that this Bill, far from doing any good to them, will be doing only harm. Some said that it is a revolutionary Bill and that the people are not prepared to take over the responsibilities and duties which may devolve upon them. In a way this might appear true, but speaking broadly, we have to look at the basic principle that is involved in the Bill. The basic principle is whether the administration of the villages should be vested in the hands of the villagers themselves or in the hands of a centralized executive. That is the question which this Bill poses before us to-day and for this I want an answer from the hon. Members of this House and from the thinking

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people outside. Do we really want to share the power with the people who have sent us here into this Assembly or do we not? If we are good enough to take over the administration of this Province from the British—I mean we, the elected representatives of the people—then, why distrust the people who have sent us here? Yes, it is a revolutionary Bill—and our Hon. Minister called it revolutionary—because revolution always involves certain risks and certain dangers. Did we not face these risks and dangers when we fought for freedom? Did we not think that we would be sent to the gallows, or shot dead or even put into prison where we might decay or die? With all that, we took risks and began our struggle for freedom and we got that freedom. Having got that freedom, we should not doubt that we should not share it with the people. That is the basic stand for which I stand here to-day in support of this Bill.

“Sir, if villages are torn by factions and if there are too many parties there, let us make attempts to unite them and see how they behave, how they wield the powers, responsibilities and the duties that you are going to give them. Broadly speaking, I may say that I have implicit faith in the basic goodness of our people. If there are factions, it is because of certain outsiders or certain interested people in the villages themselves who wanted to foment them for their own personal aggrandisement because they wanted to become district or panchayat board members or this and that. Basically, the villagers do not want factions and in fact, if you ask any villager, he will simply tell you, he is sick of these factions. Therefore, if we are collecting to-day from the villagers 55 crores and in return we are not able to give them anything, either by way of sinking wells, constructing roads, or starting an educational institution and things like that, it is because the whole thing has become a centralized administration. We know, Sir, how people in the villages, who have not seen Madras, come here with their bags, roam about in the corridors of the Secretariat, because they know that they cannot get things done at the taluk headquarters or the district headquarters and for everything they have to come here, seek an interview with the Ministers, tell them their grievances and only when the papers are sent down by the Ministers with certain remarks they can expect something to be done. So, Sir, the people in the villages have no trust in the executive, because the executive have inherited the legacy from the British Government which they served in the past. The executive, with certain honourable exceptions, have not yet adjusted themselves to the changing times. Therefore, Sir, in this context, if we hand down the powers, I must say, here, that the powers which this Bill seeks to give them, are not enough and I want that they should be enlarged. If you trust them implicitly, our villages will prosper. Believe your people and they will return the confidence you impose on them with redoubled vigour. Trust begets trust and if you distrust them, they will have no trust in the Government. Therefore, make the villages republics, give them not only power but instead of giving them 12½ per cent share in the land revenue,

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I would even go further and say, give them even 50 per cent, if you cannot give them the entire land revenue which you get from them. After all, land revenue has become a very insignificant income to the Provincial Exchequer. You have introduced the Sales Tax and you have added many other taxes in this session and in the last and with all that you get only 4 or 5 crores from land revenue. You must spend the whole of it in the villages, because without the villages, there is no Government; without the villages, there is no life at all in fact. While we were working in the villages as Congress workers, we have noticed how deeply glad and how joyful they feel if they are given some drinking water facility, or a small well is sunk or a sluice of an irrigation tank is repaired or a small road is constructed connecting it to the main road? But all these small things even we have not been able to provide during these two centuries. Now that the free Government has come into existence, in every village wherever we go, people ask us questions, what have you done? Have you given us more food? Why introduce these controls? Have you brought us iron tyres for our carts; better seeds and such other small things that affect the day-to-day life of the villagers? We have not been able to do any of these needs. If at all there is any hostility—I use the word advisedly—to the Congress Government, it is because the Congress Government have not touched even the fringe of village life; I may even say, they have completely neglected it. Therefore, I would say that if this Bill becomes an Act, we would be re-vitalizing the villages and we would be bringing in an era of freedom and prosperity. It is necessary therefore that this Bill should be hastened through and I would request my hon. Friend, Mr. Raza Khan, who has moved an amendment that the Bill might be circulated to elicit public opinion, to withdraw it. Such circulation is absolutely unnecessary, because from 1937 and as a matter of fact, even for over a quarter of a century, Mahatma Gandhi had been dinning into our ears that if India is to live, there must be a decentralized administration and in one voice we all agreed that it should be done. Therefore, there is absolutely no need to circulate this Bill for eliciting public opinion. On the other hand, if it is found necessary to do so, the Joint Select Committee might tour the country and visit important centres; they might call witnesses together and take their evidence, not about the basic principle about which there is absolutely no difference of opinion, but on questions like, whether the president of the panchayat board should be elected by people, or by members, or whether there should be two elections, one for members and the other for the board and whether the board should be invested with criminal and judicial powers and so on, because on these things there can possibly be some difference of opinion and these can be settled after taking evidence, and the Bill can be pruned wherever necessary at the Select Committee stage.

“Sir, as I said already there are certain underdeveloped and backward areas in the Province and if those villages also are to come up to a level reached by the rest of the villages which are in a more prosperous area, then this 12½ per cent share of land

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revenue is not sufficient. In the dry villages they get very little land revenue. The land revenue rates range from four annas to one rupee, or four annas to one rupee and eight annas. Suppose the total revenue collected in a particular village does not exceed Rs. 2,000 at the most and if you are going to give 12½ per cent which is one-eighth, no village will get any benefit at all, least of all the villages in Rayalaseema. What will they get? They will get only Rs. 250 or 500 per annum. This sum will be just sufficient to pay the staff that they will have to be employed for these villages. This 12½ per cent should be raised to 50 per cent. If necessary, additional supplementary grants may be given to these villages if the benefits that this Bill intends, are to accrue to these villages.

"Sir, I come to the question of co-option. The village magistrate is to be co-opted as a member of the board, according to a provision of this Bill. I do not know what is the definite purpose for such a co-option. I understand that the village magistrate is to place certain records before the panchayat board and advise them on the several matters that pertain to the village administration. I think, the karnam who keeps accounts may be co-opted as a member of the board instead of the village magistrate. There are 24 accounts in the village and all the accounts are kept by the karnam. The village magistrate keeps only Birth and Death Accounts and collections of land revenue. Beyond that, he does not do anything except being responsible for law and order. Therefore, if the village panchayat board wants any definite information, it is the karnam who will be more useful than the village magistrate. Since the Bill contemplates not giving any voting power to the village magistrate, I would suggest that the karnam be co-opted as a member as he will be more useful than the village magistrate. Generally speaking, the village magistrate will be less educated than the karnam and the karnam will be able to explain various details like *beriz*, *adangals* and settlement registers. Therefore, I would again suggest that the karnam may be co-opted.

"Sir, then I come to civil and criminal powers. Though I said that I am for enlarging their powers, we must go with caution. First of all, people must be trained in the art of administering civil and criminal powers. Therefore, if a suitable amendment is made in the Bill that certain people should be trained before they are given powers, it would be better.

"Sir, the minimum population, provided in the Bill, for the constitution of a panchayat board, is 500. I think it will be too small. Take away children and others and there will be only 150 adults who will be qualified to vote, of which only 100 will be enrolled and the 100 people will have to elect a president. Therefore, I would suggest that 1,000 should be the minimum population for the constitution of a panchayat board, grouping two or three villages wherever necessary."

MR. CHAIRMAN (SRI G. RAJAMANNAR CHETTY):—
The hon. Member has taken more than fifteen minutes."

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M. S. ABDUL MAJID SAHIB BAHADUR:—"There is no quorum, Sir."

MR. CHAIRMAN (SRI G. RAJAMANNAR CHETTY):—"There is quorum."

SRI N. VENKATASUBBAYYA:—"With these observations, I commend this Bill and extend my wholehearted support to it."

* SRI K. KOTI REDDI:—"Mr. Chairman, I welcome the introduction of this Bill. I am only sorry that the Government have taken such a long time before they made up their mind to bring forward a Bill of this nature which was expected to be brought in, passed and enforced a few years earlier. Personally I am not able to understand what this long delay is due to. However, better late than never. On that ground, I certainly welcome the introduction of this Bill. I only hope that before it passes final stages in the Select Committee and the Assembly, the Bill is really made into an Act conferring real self-government to the villagers and that the villagers are made to depend less and less on the Government and be made more capable financially of carrying on their duties that are entrusted to them.

"Sir, I would like to make one or two observations which, I believe will be necessary as a sort of warning to the Government before they finally shape this Bill. No doubt, there is bound to be some difference of opinion not only on details but also on some of the vital principles involved in the Bill. Due to the factious feeling existing to-day in a number of villages, some of the villagers are really sceptical whether conferring on them more power with regard to administration and taxation, would not really add to more factions and oppression under the influence of more powerful individuals or communities in the villages. There are others who really believe that due to the centralization of powers in the Government to-day, real work which could really make the village more happy is not being carried out by the Government and if real happiness is to be conferred on the villagers and make them realize their duties and responsibilities, it is absolutely necessary that more powers should be conferred on them. Between these two conflicting opinions, I hold the latter view. I personally believe that conditions will not become any way worse than what we are probably having to-day but will improve as every villager, though illiterate, is a man of sound commonsense and knows what is good for him and his village. I am certain that if he is given real self-government with proper supervision by the Government, we will soon come to a stage when everyone of us will be more happy than we are to-day.

"Sir, I now come to elections. As regards elections, the maintenance of secrecy of voting is absolutely necessary. To-day in most cases of elections to the panchayat board, what often happens is that the Panchayat Officer goes to a village and calls for a few people to assemble and elect their representatives and naturally the more influential men gather there and make their own

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selection. The ordinary man would not dare to oppose such influential men and thus they get into these panchayat boards. So I feel that the maintenance of secrecy of voting is absolutely necessary and a provision to that effect ought to find a place in the Bill. Sir, the panchayatdars and the president who are to be elected by the villagers ought to be such people who will command the confidence of the whole village and not men who will command the confidence of a particular area or community and who ordinarily fight for amenities for their areas only or who sanction lights for their own particular street which they represent. They have to be elected to represent the whole village and as such they have to fight for the welfare of the whole village and not for a particular section of the village and unless these people enjoy the confidence of the whole village, I do not think they will be of any use to the people in the villages. To see that the people elected to the panchayat board enjoy the confidence of the whole village, Government should not introduce the system of secret ballot. I do not think there is any difficulty with regard to this system. They can either introduce the system of coloured boxes so that the ordinary man may know the candidate for whom he casts his vote or if there are a large number of candidates in the field, a photographic system may be introduced by which the villagers can find out who is their candidate.

"More than that, another condition is necessary if we want to make the village panchayat as we wish it to be. A provision is made in the Bill to have a ward system. Even for villages with a population of 3,000 or even less, Government seem to be very keen on having this ward system. I am dead opposed to such a system. To-day I very well remember an incident occurred in my district. There were two small villages with a population of about 1,000 people, which formed part of a big village which is the headquarters of a taluk. The majority of panchayatdars represented big villages and did not care about these two small villages because they were not elected by the people in the small villages but by the towns' people. They are actually neglected and they asked me to take up the matter with the Government. I did take up their case and made a representation to the Government that these two villages should be excluded from that group of villages which formed the panchayat. This incident only makes me feel that it is the duty of the Government to see that every panchayatdar represents the whole village and not a particular section of the village. I really think that in the interests of the proper working of the panchayat board, the ward system should not be introduced. If the Government think that such a system is absolutely necessary, let them introduce it in villages containing a population of more than 10,000 people and at any rate not less than 5,000. The panchayatdar and president ought to know who is who in the village. So also the villagers ought to know all the panchayatdars and the president. These two things are really very vital in this respect. Sir, I request the Government not to be very anxious to have power for themselves. My experience of 25 years tells me that where there is the least interference from the Government the better

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it would be. If we really want them to have self-government in the villages and make them prosper, Government should give them full responsibility and make up their mind not to have any power for themselves. The idea of having powers in the Statute vested in the Government for interference in the administration of the panchayats by way of supersession, is quite enough for the wretched party politics to come into play. I have had enough experience of the parties, the Justice party, the Independent party and the Congress party and my experience of these political parties in so far as their interference in local board affairs is concerned is not very happy. I, therefore, request the Government not to have the power themselves. But the question arises that the powers must be vested somewhere. I would venture a suggestion and it is for the Select Committee to consider it if they really agree. I do not attach much importance to the Inspector of Local Boards; there may be good men and good men there are but how many good men there would be who would resist if I as a Minister tell him to do a certain thing in a particular way. So, I would rather have a sort of a Board, with one of the members a Judge in active service, another a lawyer of repute and another a member of the House and their help in the matter might be taken. I want a small board who have nothing to do with the Government and who can be trusted with the powers of interference in the panchayat administration and in certain other respects the Inspector of Local Boards might come in. Unless that is done, I feel that the expectations that we entertain about the working of the provisions of the Bill would be a mirage.

"Regarding finances, the panchayats are having very little of finance. Powers are now given to them to tax the people but you know, Sir, that taxation means making them unpopular. Though I am not afraid of powers of taxation being given to the panchayats, I feel that the village panchayats ought not to be made dependent mainly upon their own powers of taxation in order to find the necessary funds for running the administration of the panchayat. I feel that the share of land revenue that is proposed to be given is absolutely inadequate. One-eighth of a provincial finance of about fifty crores for so many villages is nothing especially as a good portion of it comes from the villages. I would, therefore, suggest a greater portion, namely, one-fourth. There is a distinct advantage in giving a greater proportion of it to the village. There is always the feeling if Government grant is given: We are spending Government money; somebody has given the money and even if I spend it, it does not matter. The villagers do not take much interest. Unless the villagers feel that the money which the panchayat president spends is their own even though given direct to him in the shape of land revenue and other taxes, they would not take sufficient responsibility in the matter of spending the amount. Unless the villager is in a position to see that the president is misusing, wasting the money given to him, we shall not be able to expect from him that responsibility that is absolutely necessary for the welfare of the villagers."

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MR. CHAIRMAN (SRI G. RAJAMANNAR CHETTY):—"I wish to remind the hon. Member that he has taken fifteen minutes."

* SRI A. KAMESWARA RAO:—"Mr. Chairman, I wholeheartedly support the Bill. It is a very revolutionary step and I congratulate the Hon. Minister on having brought such a revolutionary Bill."

"In many quarters the doubt is expressed whether the direct election of the President of the panchayat board will not lead to factions and troubles in the villages. I feel, Sir, that but for this clause the whole Bill will become null and void and the Bill will lose its revolutionary character. This is really a step in the right direction and I believe that by electing the president of the panchayat by the whole populace of the village, much of the faction will be removed and the president will be in a position analogous to the President of the Republic just like in America and he will enjoy the freedom that we have been asking for and the village really becomes the village republic."

"As regards the taxation proposals, I think the panchayat should not be given such vast powers to tax bullock carts and such like things; the tax burden on the people is already too heavy and it is likely that it will be made still heavier. So, without giving them the powers to tax the people, I would propose that grants might be given from the Government revenue collection itself; that would be a great relief to the villager. If the panchayat and the president are given these powers even with adult franchise, people may come into the panchayat who are powerful in the village and are rich and they might come into office and they might misuse their powers by taxing the poor. That is why I suggest that the taxation proposals might be dropped from the Bill altogether and some other method of taxation must be introduced which must be universal. As regards other provisions of the Bill, they are all very good. The one argument put forth which I would like to meet is that the powers given are too large and the people may not be able to understand them; for that I would suggest that before the elections and even after the elections, there might be schools organized for short periods when the villagers have not much work and in these classes they might be given lessons in administrative matters. What we are now lacking in our present form of Government is the propaganda side and the educational side. In other countries the radio and the whole propaganda machinery are put into use before any Bill comes into force and they take proper precautions to see that the voters exercise their votes properly. That sort of education is absolutely lacking here. Even before the Bill is passed and after the Bill is passed, we must see to it that in every village or in some centres we open summer schools or winter schools wherein people may be educated to know the value of their votes and how to govern and to understand what their vote is. Sir, I happened to attend the Panchayat Conference at Rajahmundry and there were so many doubts expressed and one thing was that the civil and criminal authority should not be vested in the panchayat. I would

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like to remind the House that in the good old days whenever any dispute arose between the villagers the heads of the village used to hold court and decide. Now it is vested in the courts and the judges and magistrates do not exactly know the position of the village and generally they do not know what the actual truth is. But if in any particular village a particular offence takes place, the people in general will be able to know who the culprits are and the same is the case with regard to civil powers too. So this system is a very revolutionary system which has been introduced in the Bill and I welcome it and it is essential that the panchayats and the panchayats alone should be given these powers. Instead of one particular village, I suggest that a number of villages might be grouped in and the civil and criminal powers may be allowed to the representatives of the panchayats.

"Then, Sir, as regards the general effects of this Bill, many friends fear that they would lead to factions in the village. I would only say that they can be avoided. For instance, if the father has got a grown-up boy and suddenly he gives his son the management of the family, he might in the beginning commit a few mistakes. But he will, through the mistakes, learn a lesson and try to manage the affairs better. So also we must begin somewhere. We must trust our people and give them the powers that are essential. We must show them that we are interested in the village uplift and that we are not afraid of giving real freedom to those villagers. So we must begin like that and I am very glad that we have made a good beginning in this Bill. Sir, as regards the elections, I do not propose that these elections to the Panchayat Boards should take place now under the present voters' list. They may take place only after we introduce adult franchise, because these lists are very defective and only 10 or 15 per cent of the populace enjoy votes. In exercising adult franchise it may be said that the poorer people who do not know the value of their votes might sell their votes to the powerful man in the village. To avoid that, mass organizations like the agricultural labour and other organizations must work up and preach that the populace have to use their votes in a proper way. Then, Sir, if all the powers are entrusted to the panchayat president, there is a fear that he might misuse those powers and try to oppress the poorer people. Of course, panchayat boards will have nominations from the agricultural classes and all that. Even in the panchayat courts where they decide civil and criminal cases, there may be representatives of these poorer classes and the Government must see that unless those representations are given, they would not be recognized. On the whole, the Bill is a very beautiful Bill and a very revolutionary Bill. Certainly, if the Hon. Minister had been left to himself, he might have introduced more revolutionary points in this Bill. But whatever it is, I support the Bill wholeheartedly and I oppose the motion for the circulation of this Bill, because already the whole country knows about the Bill. It has been long overdue as my hon. Friend, Mr. Koti Reddi, pointed out, because this ought to have been introduced some two years back. If this Bill had been introduced then and

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elections had taken place, much of this discontent among the villagers, that they were not enjoying real freedom, would have vanished. There is a saying that 'Had she lived for one more year, she would not have died to-day'. We must not weep over the past. We must be glad over the present and see that in the Select Committee stage, more revolutionary points are introduced in this Bill and more powers are given to the villagers, so that the villages are made real village republics thus fulfilling the dreams of the Mahathma and Prakasam. Once more, I congratulate my hon. Friend, in taking such a bold step in introducing this Bill."

* SRI A. KALESWARA RAO:—"Mr. Chairman, as some hon. Friends pointed out, the atmosphere is so bad, so confused that there are factions, disunity and corruption everywhere. So much so that some people might say that powers given to villagers might add to the confusion. But, I think, if all the provisions are carefully enforced and responsibility is given to the villagers, they might learn, they might themselves know the difficulties and their own responsibilities and thus become a source of unity and purity in administration. As my predecessor has observed, it was the dream of Mr. Prakasam that there should be a republic in every village. He also edited a paper called *Village Republic* for some time. Village republic was the ideal of our great Bapu also and in the book styled 'One Week With Mahathma' by Louis Fischer, it is stated that the Mahathma's idea was that the whole national constitution should be built upon the village republics. In the new Constitution of India, the panchayatdars should be voters for Provincial and National Assemblies instead of every man and woman who have attained a majority as now introduced in the constitution Bill. Whatever it may be, village republic is an important thing and the word 'panchayat' is enough for me; we need not introduce village republic or village autonomy. Village panchayat is very well-known. The autonomy of the village is there in the village and I find two excellent things in the Bill. One is the compulsory introduction of panchayat in every village that has a population of 500 people. Naturally some of the villages with lesser population will be clubbed together into units which will be entitled to have village panchayats. The second good feature of the Bill is the direct election of the presidents of the panchayats by all people in the village, and not merely by panchayatdars. I am sure by the time this Bill is put into operation, becomes an Act and is enforced in the country, the adult universal franchise as envisaged by the new constitution of our country will come into force and therefore we need not have any hesitation on that ground; I am sure the voting will be by secret ballot. The only thing is 'What about the powers? What about the finances?' The villagers ought to be given wide powers. They ought to be allowed to manage their own affairs. They must have enough finances. These are fundamental things and they are necessary for successful village administration. Otherwise they will be failures. The less interference from above, from Government, the Inspector of Local Boards or other authorities or even by political groups, the better

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for the village. They must be left to themselves and then alone they can exercise the powers, their responsibilities and their duties in a calmer atmosphere. With regard to co-option, I do not like it. Co-option or nomination is a very bad thing. That will only make the minority communities to simply depend upon the majority party that has come out of the election. I would therefore suggest to the Select Committee, to which this Bill will naturally go, that there should be no co-option, no nomination and no communal representation except for the Harijans as stipulated in the constitution of the country. Let there be some communal representation for some time—not for all time to come—say for four or five terms, for the Harijans alone, because they are still untouchables, have social disabilities, and are economically the poorest among the communities. Let the Scheduled castes—by whatever name you may call them—have communal representation by joint electorates. When panchayat is established in every village and if there is a municipality in every town, there is no necessity for the district boards at all. The district boards are unnecessary. The Government itself can take up the functions of the big roads, big schools, big sanitation works, big markets, etc. District boards, elections, parties and factions, and all these things are quite unnecessary and most confusing. I would therefore suggest to the Hon. Minister for Local Self-Government that he may remove the district boards altogether. Let there be panchayats, municipalities and Government. That will do. With regard to constituencies, I do not believe in plural constituencies. Why should there be plural constituencies at all except when seats are reserved for communal purposes when it is necessary to have joint electorates. Otherwise there should be single-member constituency for all the wards. That means the whole village should be divided into wards. Having elections for all the seats as a whole, from the whole village together, is impossible and impractical; there will be a lot of confusion about it. Therefore I do not agree with the hon. Friend who has suggested that. Without going into greater details, I would suggest that panchayats should be given greater powers. Of course, I object to their being given the powers of panchayat courts. The present panchayat courts are an anomaly. They are not doing justice to the people. Everywhere there is corruption. Summons are not being served. They are bad and they should be scrapped and a new Bill should be introduced by the Home Department or the Law Department. In that there should be a provision for village courts. Village courts should not be established for each village but for a group of villages. Of course, the nearer the court is to the litigants the better. Special judges should be appointed. There is no use if they are merely elected as judges. Naturally they would like to be as popular as possible. They would go by factions; that is their temptation."

MR. SPEAKER:—"If the hon. Member wants to continue his speech, he may do so to-morrow. The House will now adjourn and meet again at 11 o'clock on Tuesday, the 28th June 1949."

The House then adjourned.

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APPENDIX.

[Vide answer to starred question No. 53 asked by Sri V. Raghavayya at the meeting of the Legislative Assembly held on the 27th June 1949 at page 472 supra.]

A.—(a) It is a fact that in several cases of loans in paddy pledged by members was removed by them without repaying the loans to the Society.

(b) The particulars of the outstanding loans and the amount involved as on 31st March 1949 according to the years in which they were issued are as follows :—

Year.	Number of loans.	Amount outstanding as on 31st March 1949.
		RS.
1943-44	2	248
1944-45	26	8,465
1945-46	5	849
1946-47	64	17,917
1947-48	10	8,518
1948-49	1	850
Total	108	36,847

(c) The particulars of action taken on these loans are given below :—

	Number.	Amount.
		RS.
Loans decreed and under execution	26	7,467
Loans decreed	7	2,095
Loans in which notices were sent ..	64	17,917
Loans in which no action was taken	11	9,368
Total	108	36,847

As a result of a vigorous drive undertaken by the Nellore Central Bank and the Co-operative department, a total sum of Rs. 8,407 under principal and Rs. 694 under interest was realized during April and May 1949 and 98 loans amounting to Rs. 28,240 were outstanding on 11th May 1949. When

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the matter was brought to the notice of the department the Central Bank was asked to stop further financing of the Society and the Deputy Registrar conducted a detailed enquiry into its affairs and arranged to verify a large number of outstanding loans. The financing bank has deputed one of its Inspectors to be in sole charge of the Society to attend to the collection of the outstanding loans. The Vice-President of the Central Bank and the Departmental Officers are frequently visiting the Society to ensure that prompt action is pursued by the Society to recover the loans. The question of taking criminal action against the members who removed the pledged produce without repaying the loans and without informing the Society is engaging the attention of the financing bank and the department.

THE MADRAS LEGISLATIVE ASSEMBLY.

Tuesday, the 28th June 1949.

The House met in the Assembly Chamber, Fort St. George, at eleven of the clock, Mr. Speaker (THE HON. SRI J. SIVASHANMUKHAM PILLAI) in the Chair.

I.—QUESTIONS AND ANSWERS.

STARRED QUESTIONS.

Allotment of yarn quotas to the wholesalers.

* 61 Q.—SRI M. G. NATESA CHETTIYAR: Will the Hon. the Minister for Industries be pleased to state—

(a) whether the wholesalers as well as the retailers have given particulars of the variety of yarn required in their respective areas at the time of their applying for licence; and

(b) whether any attention is paid to such particulars when the yarn quotas are allotted to the wholesalers and if not, why not?

THE HON. SRI C. PERUMALSAMI REDDI:—“(a) No.

“(b) The Collectors have been allotting to the wholesalers yarn in requisite counts to the extent permitted by the supply position.”

SRI M. G. NATESA CHETTIYAR:—“May I inquire how then wholesalers are able to supply higher counts and varieties of yarn required for the looms in the respective areas?”

THE HON. SRI C. PERUMALSAMI REDDI:—“They get their quota from the Collector, who supplies the yarn in requisite counts to the extent permitted by the supply position.”

MOHAMED ABDUL SALAM SAHIB BAHADUR:—“May I know whether there is an inter-district ban on the movement of yarn in this Province to-day?”

THE HON. SRI C. PERUMALSAMI REDDI:—“No, Sir.”

MUHAMMAD RAZA KHAN SAHIB:—“Sir, in view of the fact that the yarn allotted to these handlooms and others are such that they are not in a position to take them, may I ask whether there is still necessary to continue this control system?”

THE HON. SRI C. PERUMALSAMI REDDI:—“Yes, Sir.”

SRI M. G. NATESA CHETTIYAR:—“Sir, while the required yarn is supplied to looms and weavers, why then is there complaint regarding non-supply of counts required by the looms?”

THE HON. SRI C. PERUMALSAMI REDDI:—“The mills are not able to manufacture the required counts.”

SRI V. RAGHAVAYYA:—“What are the counts allowed by Government for the colouring of yarn?”

THE HON. SRI C. PERUMALSAMI REDDI:—“Notice.”

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SRI M. G. NATESA CHETTIYAR:—" May I know what are the counts that are being manufactured in the mills and those not manufactured in the mills in this Presidency? "

THE HON. SRI C. PERUMALSAMI REDDI:—" Twenties and eighties are being manufactured in the mills in this Province."

SRI S. NAGAPPA:—" May I know whether the Government have any control over the yarn that is manufactured in the mills, and if not, is it not a fact, Sir, that it gives scope to yarn dealers to indulge in black-marketing of yarn? "

THE HON. SRI C. PERUMALSAMI REDDI:—" A separate question may be put."

MUHAMMAD RAZA KHAN SAHIB:—" Is the Hon. Minister for Industry aware that there is plenty of yarn available in the market and with the weavers and that the weavers are not able to consume it; therefore may I ask what is the reason to continue the control on yarn? "

MR. SPEAKER:—" Will the hon. Member repeat the question."

MUHAMMAD RAZA KHAN SAHIB:—" In view of the present position of yarn in the Province may I know what are the special reasons for this Government continuing the control on yarn? "

THE HON. SRI C. PERUMALSAMI REDDI:—" 'Control' is with the Central Government and not with the Provincial Government."

M. S. ABDUL MAJID SAHIB BAHADUR:—" May I inquire whether the Hon. Minister knows that the present defective distribution of yarn leads to black-marketing in yarn? "

THE HON. SRI C. PERUMALSAMI REDDI:—" Not so, Sir."

SRI M. G. NATESA CHETTIYAR:—" May I know whether the Government are aware that there are complaints that most of the yarn produced in the mills are not cleared, and therefore distribution is defective? "

THE HON. SRI C. PERUMALSAMI REDDI:—" Distribution is made by the Provincial Textile Commissioner."

SRI V. RAGHAVAYYA:—" Sir, is it a fact that the Government of India are contemplating a reduction in the price of yarn and if so, what is the appreciable margin of reduction? "

THE HON. SRI C. PERUMALSAMI REDDI:—" This Government have no information about it."

SRI S. NAGAPPA:—" May I know, Sir, whether the Government are aware that after the present scheme came into effect a number of individual Harijan weavers are not able to get yarn and so they are suffering? "

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THE HON. SRI C. PERUMALSAMI REDDI:—" The Government are not aware, Sir."

SRI KALLUR SUBBA RAO:—" May I know from the Government, whether it is the control of weavers or the control of cloth and yarn that we are having now? "

THE HON. SRI C. PERUMALSAMI REDDI:—" We are controlling distribution of yarn and mill cloth."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—" May I know what are the reasons for having the inter-district ban on the movement of yarn in the Province? "

THE HON. SRI C. PERUMALSAMI REDDI:—" There is no ban on it."

SRI M. G. NATESA CHETTIYAR:—" May I know which machinery of Government distributes or allots or settles the count and yarn requirements of the various districts of the Province? "

THE HON. SRI C. PERUMALSAMI REDDI:—" Notice."

M. S. ABDUL MAJID SAHIB BAHADUR:—" When it is not possible for the Government to distribute yarn properly and equitably and thereby black-marketing is created, will the Government abandon the policy of control? "

THE HON. SRI C. PERUMALSAMI REDDI:—" I do not accept the premises of the hon. Member."

Closing of flour mills in Madras City in the evening.

* 62 Q.—SRI M. KANNIYAPPAN (on behalf of Sri N. Govindaswami Naidu): Will the Hon. the Minister for Public Works be pleased to state—

(a) whether the Government have taken any steps to enforce the closing of all the flour mills in the city at the same time in the evening so far as electric supply is concerned;

(b) whether the Government are enforcing the eight-hour-work-a-day rule for workers according to the Madras Shops and Establishments Act, 1947, with regard to the flour mills in the city; and

(c) how long the existing War Costs Surcharge on consumption of electricity in Madras will continue?

THE HON. SRI M. BHAKTAVATSALAM:—" (a) Yes. The restrictions apply in D.C. areas of the City from 5-30 p.m. to 9-30 p.m. every day, except for lighting purposes. The question of extending these restrictions to A.C. areas is under consideration.

" (b) Yes. Overtime work with overtime wages is also allowed, subject to the limits fixed in the Act.

" (c) Till 30th September 1949 for the present."

SRI S. NAGAPPA:—" Arising out of the answer to clause (b) may I ask whether the Government have received any complaints as regards non-payment of wages for overtime work? "

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THE HON. SRI M. BHAKTAVATSALAM:—"I would suggest to the hon. Member to put a separate question to the Minister in charge of Labour."

Issue of licences for hunting in reserve forests.

* 63 Q.—SRI R. V. SWAMINATHAN (on behalf of Sri A. Vedaratnam Pillai): Will the Hon. the Minister for Prohibition be pleased to state—

(a) who the licensing authority is to issue licences for hunting in reserve forests;

(b) whether the Government are aware that hunting of animals is going on unquestionably in the Kodaikadu reserve forests, Tanjore district, without any licence;

(c) whether it is a fact that people around the reserve forests area are owning guns without licences and attempting very often unauthorized hunting in the reserve forests; and

(d) if so, what steps the Government have taken to prevent this?

THE HON. SRI N. SANJEEVA REDDI:—" (a) Single licences to shoot within one forest division are issued by the District Forest Officers concerned and plural licences covering more than one forest division are issued by the Chief Conservator of Forests, Madras.

In Tanjore district, the Revenue Divisional Officer, Mannargudi, who performs the functions of the District Forest Officer issues licences to shoot in Kodaikadu reserve forests.

" (b) No instances of unlicensed shooting in the Kodaikadu reserve forests have so far been reported.

" (c) No, Sir.

" (d) Does not arise."

SRI R. V. SWAMINATHAN:—"May I know whether hunting is permissible in the reserve forests without any fire-arms?"

THE HON. SRI N. SANJEEVA REDDI:—"I do not know how hunting can be done without fire-arms." (Laughter.)

SRI S. NAGAPPA:—"Arising out of the answer to clause (b) that no instances of unlicensed shooting in the Kodaikadu reserve forests have so far been reported, may I ask the Government, if instances are brought to the notice of the Government whether they will be prepared to take suitable action?"

THE HON. SRI N. SANJEEVA REDDI:—"Certainly, Sir."

SRI R. V. SWAMINATHAN:—"I do not know whether the Hon. Minister is not aware of the fact that hunting can be carried on without guns. Therefore may I ask the Government whether the Government will permit people to hunt without fire-arms, whatever other arms they may use?"

THE HON. SRI N. SANJEEVA REDDI:—"No, Sir."

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Assignment of lands to political thyagis of Salem district.

* 64 Q.—SRI S. NAGARAJA MANIGAR: Will the Hon. the Minister for Land Revenue be pleased to state—

(a) the number of political *thyagis* that applied for lands in the Salem district, talukwar; and

(b) the number of *thyagis* to whom lands were assigned and put in possession of in each taluk?

THE HON. SRI H. SITARAMA REDDI:—" (a) The information is given below:—

Salem	...	...	...	...	129
Attur	...	...	...	...	118
Namakkal	...	...	...	...	40
Rasipuram sub-taluk	...	...	...	...	53
Tiruchengode	...	...	...	...	44
Omatur	...	...	...	...	161
Harur	...	...	...	...	11
Dharmapuri	...	...	...	...	25
Krishnagiri	...	...	...	...	21
Hosur	...	...	...	...	16
Paramathi sub-taluk	...	...	...	...	68
Mettur sub-taluk	...	...	...	...	68
					754

" (b) Permanent assignment has not been made to any political sufferer so far. One hundred and forty-three applicants have been provisionally allotted lands. The number of applicants who have been put in possession of lands provisionally is given below:—

Salem	...	...	...	...	Nil
Attur	...	...	...	...	29
Namakkal	...	...	...	...	15
Rasipuram sub-taluk	...	...	...	...	8
Tiruchengode	...	...	...	...	8
Omatur	...	...	...	...	1
Harur	...	...	...	...	Nil
Dharmapuri	...	...	...	...	9
Krishnagiri	...	...	...	...	Nil
Hosur	...	...	...	...	Nil
Paramathi sub-taluk	...	...	...	...	1
Mettur sub-taluk	...	...	...	...	Nil."

MR. SPEAKER:—"The subject of political Satyagrahis has come up before this House a number of times."

SRI S. NAGARAJA MANIGAR:—"Sir, may I ask the Government; will it be possible for them to give land to all political prisoners? As you yourself are aware, Sir, Mr. Speaker,

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this question has appeared a number of times in this House, and you will be aware of the difficulties of the Satyagrahis, who were put to loss of money and energy and everything."

THE HON. SRI H. SITARAMA REDDI:—"Subsequent to the answer I sent, I understand that in several other cases assignments of land have been given, and I have received reports on it, which shows the matter is being expedited."

SRI M. KANNIYAPPAN:—"தலைவர் ஸார், அரசியல் தியாகிகளுக்கு இப்பொழுது நிலம் கொடுப்பதாக இருக்கிறது. அப்படிக் கொடுக்கும் பொழுது அந்த நிலங்களில் கிணறுகளும், மரங்களும் இருந்தால் அதற்கு பணம் வேண்டுமென்று கேட்கிறார்கள். அப்படி கேட்கும் பொழுது, அரசியல் தியாகிகள் நொம்பவும் ஏழைகளாக இருப்பதால் அவர்கள் பணம் கொடுக்க முடியாமலிருக்கிறார்கள். அதற்காகவே அவர்களுக்கு பணம் கொடுக்க முடியுமா அல்லது பணத்தை தள்ளிக் கொடுக்க முடியுமா என்றும் கேட்கிறேன்."

MR. SPEAKER:—"இவ்விதம் சேலத்தில்தானே இருக்கிறது?"

SRI M. KANNIYAPPAN:—"சேலத்திலும் இருக்கிறது, இன்னும் பல இடங்களிலும் இருக்கிறது. தயவுசெய்து அதை தள்ளிக் கொடுக்க முடியுமா என்று கேட்கிறேன்."

THE HON. SRI H. SITARAMA REDDI:—"Notice."

SRI M. G. NATESA CHETTIYAR:—"In regard to assignments of land made in Dharmapuri taluk, may I know whether there have been withdrawal of assignments after they have been made in that taluk?"

THE HON. SRI H. SITARAMA REDDI:—"The hon. Member seems to know much more about it than I do."

SRI P. NATESAN:—"May I inquire, Sir, whether people who have been assigned lands are cultivating them now?"

THE HON. SRI H. SITARAMA REDDI:—"I have previously answered a similar question put by the hon. Member. The Government Order issued on the subject makes the position clear."

SRI S. PARAMANANDA RAYAR:—"On the subject of assignment of lands to political sufferers, are the Government aware of the difficulties in taking possession of lands so assigned as they are occupied by others under the Grow More Food Scheme?"

THE HON. SRI H. SITARAMA REDDI:—"It is always difficult to take away lands from those who are occupying them. But in cases where such occupation is conditional occupation or for a temporary period, on the expiry of such condition or period the lands may be taken possession by those to whom they have been assigned. We see that distribution is made to those people who have been given assurances, and in cases where it is possible to take away lands from those already in possession they are being taken away and assigned to political sufferers."

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SRI S. PARAMANANDA RAYAR:—"May I know the conditions under which land is assigned under the Grow More Food Campaign?" 11-15 a.m.

MR. SPEAKER:—"The hon. Member may put a separate question."

SRI A. KALESWARA RAO:—"May I know whether the Government will be pleased to render financial help to political sufferers, who have been assigned lands, to purchase seeds, bulls, agricultural implements, etc., to carry on cultivation?"

THE HON. SRI H. SITARAMA REDDI:—"They can take advantage of the various Acts under which loans are given to agriculturists for agriculture and allied purposes."

SRI M. KANNIYAPPAN:—"தலைவர் ஸார், அரசியல் தியாகிகளுக்கு இப்பொழுது நிலம் அடமானம் செய்யப்படுகிறது. அப்படி கொடுக்கும் நிலங்கள் மேடாக இருக்கிறது. அதை சீர்திருத்த அவர்களுக்கு மின் கொடுத்து உதவி செய்யமுடியுமா என்று கேட்கிறேன்."

THE HON. SRI H. SITARAMA REDDI:—"I cannot answer the question. It concerns the Agricultural department."

SRI S. NAGARAJA MANIGAR:—"Since the Government have not yet disposed of this question finally, even though it has been pending before them for a considerably long time, will they revise their policy and make money grants to political thyagis?"

THE HON. SRI H. SITARAMA REDDI:—"There is no such proposal."

SRI M. S. PATTABIRAMIAH:—"Is it the intention of the Government to render financial help to people who have been assigned lands if the lands require reclamation before they become fit for cultivation?"

THE HON. SRI H. SITARAMA REDDI:—"The idea of giving lands to political sufferers is that they may cultivate them and earn a decent living."

SRI D. V. RAMASWAMI:—"Is it not a fact that the Government have ordered the giving of first priority to political sufferers and then to landless Harijans in the land assignment policy?"

SRI M. G. NATESA CHETTIYAR:—"May I know whether the allotment of lands to two out of the nine political sufferers in the Dharmapuri taluk has been cancelled subsequently?"

THE HON. SRI H. SITARAMA REDDI:—"Notice."

SRI L. N. GOPALASWAMI:—"In view of the acute shortage of foodgrains, have the Government got any proposal to settle these political sufferers in agricultural colonies?"

MR. SPEAKER:—"It is a general question."

SRI R. V. SWAMINATHAN:—"Is the Hon. Minister aware that the political sufferers in Salem and other districts will be more satisfied if they are given five acres of land without delay than with the provision of amenities like the colonization scheme?"

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THE HON. SRI H. SITARAMA REDDI:—"I take the information from the hon. Member."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Will the Government fix up a time-limit and stick to it so that this question may not come up again and again before the House and create bad blood?"

THE HON. SRI H. SITARAMA REDDI:—"It seems to be a very good suggestion."

SRI S. NAGAPPA:—"In view of the fact that the Government are not able to give lands to political sufferers even though the scheme has been in operation for the last two years, will they consider the desirability of giving money grants equivalent to the value of the lands purchased by political sufferers?"

THE HON. SRI H. SITARAMA REDDI:—"No, Sir."

MR. SPEAKER:—"Whenever a question relating to the assignment of lands to political sufferers comes up before the Assembly, it takes at least ten to fifteen minutes. Instead of taking ten minutes on several days, I think it will be better if the Government allot a day or at least two hours for a discussion of the subject."

THE HON. SRI P. S. KUMARASWAMI RAJA:—"If a half-hour debate is allowed, will the Hon. Speaker disallow all questions on the subject thereafter?"

MR. SPEAKER:—"I don't think Members will be satisfied with a half-hour debate."

THE HON. SRI H. SITARAMA REDDI:—"Hon. Members had an opportunity of discussing this question in the Budget debate. Besides this question was answered several times on the floor of this House."

MR. SPEAKER:—"In spite of that, Members are not satisfied and they go on asking questions."

THE HON. SRI H. SITARAMA REDDI:—"No new questions are asked. The same old questions are asked and we are replying to them. A debate is not going to expedite matters. I can assure the House that the Government are very anxious to expedite the allotment of lands to political sufferers and that they are doing their utmost in the matter. After this assurance, I don't think there will be any need for a discussion of this matter."

MR. SPEAKER:—"I will allow five more minutes for this question."

SRI M. G. NATESA CHETTIYAR:—"Have the Government examined the cause for the undue delay in the matter?"

THE HON. SRI H. SITARAMA REDDI:—"The causes of delay have been gone into. For some time we had difficulty in finding out the history of several people who claimed to

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be political *thyagis*. Afterwards there was difficulty in finding out suitable lands, as some people wanted lands very near their place of residence and some others wanted certain specified lands. Therefore the whole question had to be gone into. Now that all these questions have been settled, I hope there will be expeditious disposal."

Proposal to establish a cement factory in Tirunelveli district.

* 65 Q.—SRI K. T. KOSALRAM: Will the Hon. the Minister for Industries be pleased to state—

(a) whether there is a large deposit of limestone which is essential for cement production in Sattankulam area, Tiruchendur taluk, Tirunelveli district; and

(b) if so, what steps the Government have taken to establish a cement factory there?

THE HON. SRI C. PERUMALSAMI REDDI:—" (a) The department of Geological Survey of India have reported the existence of large deposits of good limestone in the Sattankulam area, Tiruchendur taluk, Tirunelveli district.

" (b) Messrs. India Cements, Limited, have been permitted to start a cement factory at Talayuthu, Tirunelveli district, with a capacity of 150,000 tons per annum."

SRI V. M. RAMASWAMI MUDALIYAR:—"May I know what progress the company has made and what its out-put so far has been?"

THE HON. SRI C. PERUMALSAMI REDDI:—"The company has made satisfactory progress and the product is expected to be out soon."

SRI S. NAGAPPA:—"May I know whether the Government have taken any shares in Messrs. India Cement, Limited, and, if not, will they consider the desirability of taking 51 per cent of the shares?"

THE HON. SRI C. PERUMALSAMI REDDI:—"Notice."

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

II.—GOVERNMENT BILLS.

THE MADRAS VILLAGE PANCHAYATS BILL, 1949—cont.

MR. SPEAKER:—"The hon. Sri A. Kaleswara Rao will now resume his speech."

* SRI A. KALESWARA RAO:—"Mr. Speaker, Sir, as I submitted yesterday, panchayats should not be entrusted with judicial powers as it is wrong to entrust judicial powers to a body of elected members. Elected judges have been a failure. If the courts administering justice consist of local people, the Judges are liable to be influenced. Therefore administration of justice ought

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not to be entrusted to panchayats. The courts in this country need reorganization and the question of village courts should be considered along with it. Only Judges appointed by the Government should have the power to try criminal and civil cases. A village court consisting of two Judges may be appointed for ten or twelve villages to try criminal and civil cases. The Judges must be independent of the panchayat and directly under the control of the District and Sessions Judge. But there should be assessors who may know the facts of the case."

MR. SPEAKER:—"The hon. Member has spoken for ten minutes yesterday."

* SRI A. KALESWARA RAO:—"With regard to other functions, I want that more powers should be conferred on panchayats. Village defence may be taken up by panchayats. They should train volunteers like Home Guards or Seva Dals to protect the villages from raids by Communists and other dangers. The police also must keep vigilant watch over the villages."

"Panchayats can run cinema theatres and stores for selling manure to the ryots and the products of cottage industries. With regard to the disqualifications, I should like to state that no person should continue as President of the Panchayat Board for more than six years continuously. There is of course no objection to his becoming the president again, after he is away for six years, from that office. Otherwise, he may misuse his powers and become a tyrant in the village. There are certain minor disqualifications also, which are wrongly prescribed, but they may be gone into by the Select Committee. For instance, a person who is in arrears of rent non-residence in the village, non-attendance at meetings and such other things should not constitute as disqualifications. They should be omitted in the Select Committee stage."

"With regard to the control over these panchayat boards, the Bill contains very drastic provisions and they are too bad. The Inspector of Local Boards and Municipal Councils is made the Dictator over all these panchayats. Clause 26 of this Bill says:

"If at any time it appears to the Inspector that the President or the Vice-President, as the case may be, is for any reason not likely to exercise or discharge all or any of the powers and duties conferred, imposed or devolving on or delegated to him by or under this Act, then notwithstanding anything contained in this Act or in the rules or notifications thereunder, the Inspector may, by order in writing authorize any member other than the President or the Vice-President, as the case may be, to exercise and discharge all the powers and duties of the President or the Vice-President, as the case may be, for such period as may be specified in the order."

The Inspector may therefore appoint any member to execute any of the duties of the panchayat, if he thinks that the president or vice-president of the village panchayat does not discharge his duties properly. Sir, we in the Congress have been objecting to the appointment of executive officers. It is on account of these executive officers in municipalities and district boards, that there are so many factions and malpractices. The previous Congress Ministers wanted to do away with these officers, but then when they were

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about to make certain changes in the Act, they went out of office, and from then onwards, these executive officers have been carrying on. I submit, Sir, that the appointment of executive officers in the case of very small panchayats would spell disaster in the village. Of course, you may appoint these officers in some of the major and important panchayats and even there they should be subordinate to the presidents. The presidents should be the real executive officers of the panchayats and should deal with the subordinates themselves."

"Then Sir, under this Bill, the Inspector is given very wide powers over these panchayats. Under clause 48, the Inspector can even remove any president or vice-president under certain circumstances. He can also remove any member of the panchayat, who in his opinion is guilty of any misconduct in the discharge of his duties as such member. I submit, Sir, that these powers are very drastic and should not be retained in the hands of the Inspector. It is only the Government who should exercise such powers and functions under extraordinary circumstances. In the olden days, the Inspector's power was absolute. But now we want the village panchayats to be autonomous bodies and they should not be made to dance attendance on the Inspector. If such powers are given to the Inspector, then every president or vice-president of a village panchayat will have to be dancing attendance on the Inspector in his office. They will have to be going over to Madras very frequently and will have to spend a large amount of money from the funds of the panchayats on these purposes alone. It is most undesirable that he should be vested with such wide powers, and I hope that the Select Committee will consider these points, when they examine the Bill in detail. Collectors are also given some powers over panchayat presidents. It is really bad to do so."

"Sir, we had hoped that this Bill would usher in real village autonomy and real village republic, but the Bill has brought forward by the Hon. Minister for Local Administration gives such wide powers to the Inspector, that they really take away all the powers of the village panchayats. That means that the Provincial Government want to exploit all powers to the detriment of the people in the villages, and I submit, Sir, that this will lead to a lot of factions and troubles in the villages. I therefore seriously suggest that all these things should be carefully considered by the Select Committee, when the Bill is scrutinized there in great detail."

MUHAMMAD RAZA KHAN SAHIB:—"Mr. Speaker, Sir, every hon. Member who has spoken before me has said, that as far as this Bill is concerned, it is a very very good Bill, and that it is really intended to improve the village panchayats and to make the village administration an ideal one. But my submission to you is this,"

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MR. SPEAKER:—“I wish to inform the House that as there are a number of members who want to take part in this debate, I propose to fix the time-limit of each speaker as 15 minutes.”

(At this stage, Madam Deputy Speaker occupied the Chair.)

MUHAMMAD RAZA KHAN SAHIB:—“Madam, Deputy Speaker, we should see how far it is practicable and how this Act is going to be worked, when it is passed. As far as the Hon. Minister in charge of the Bill is concerned, it will be very easy for him to come with a written statement at the end and say that this measure will work very well and everything will go on smoothly in the villages. These things will be quite all right on paper, but how these village panchayats are going to be worked in practice in the village, is a question that will have to be considered seriously.”

“Madam, in this connexion, I have to bring to the notice of the House, what happened when village food committees were started. That will illustrate how far these village panchayats will work successfully. You will remember, Madam, that when the hon. Mr. Prakasam was the Premier and Mr. Raghava Menon was the Minister for Food, there was a great deal of enthusiasm in the organization of village food committees and a great deal of promise was made as to how best they were going to work. They were entrusted with the duty of distribution of cloth, kerosene, foodstuffs, etc., and we know with what result. It was openly admitted in this House that these committees did not work well, that there were differences among the members and when the Ministers went to villages and inspected them, there were a lot of malpractices and maladministration and so in the end, they had to be scrapped. Now I ask, what is this Bill going to do, when it is given practical effect. Are these panchayats going to share the same fate? I have known villages, where there are always factions between one party and another, with their sectarian differences, with their communal differences and with all sorts of jealousies, and I do not know how this Act is going to work, when it is passed. I do not like to say anything personal against the Hon. Minister for Local Administration, but I might point out on this occasion that there is a feeling in this Province that the administration of Local Self-Government Department and the administration of district boards and other local bodies in the district is not at all satisfactory and leaves much to be desired. In the matter of tenders, a good deal of favouritism and nepotism is being shown. Appointments are being made without reference to the Public Service Commission. New Commissioners come and go, and transfers are made very often without any reference to how long a Commissioner has been in a particular place. One fine morning, one Health Inspector finds himself in the fortunate position of being the Commissioner of a major municipality. That is the present state of affairs in the working of the Local Administration Department in this Province. Such being the case, and even when we are not able to work the present Act satisfactorily, and

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when our district boards and municipalities are not working properly, I wonder, Madam, how you are going to work this Act, so far as the village panchayats are concerned. That is a very important point which has to be seriously considered. Even in the very district, from which the Hon. Minister for Local Administration comes, namely, Guntur, the Tenali Municipality has been superseded for a long time and he is not able to hold fresh elections. In his own home-town of Guntur, the district board has been superseded and nothing has been done to revive it, and because of the existence of factions in that town, no fresh elections could be held. When such is the state of affairs in towns where people are really having better political sense and better political consciousness, how is this Act going to be worked in our villages, where there are more factions and greater disunity among the people.

“In this connexion, Madam, with your permission, let me just quote a few sentences from what the Hon. Dr. Ambedkar has said with regard to our villages, when he introduced the Draft Constitution in the Constituent Assembly in November last.

“He said:

“Such is the part the village communities have played in the history of their country. Knowing this, what pride can one feel in them? That they have survived through all vicissitudes may be a fact. But mere survival has no value. The question is on what plane they have survived. Surely on a low, on a selfish level. I hold that these village republics have been the ruin of India. I am therefore surprised that those who condemn Provincialism and communalism should come forward as champions of the village. What is the village, but a sink of localism, a den of ignorance, narrow-mindedness and communalism? I am glad that the Draft Constitution has discarded the village and adopted the individual as its unit.”

Madam, these are the remarks of an Hon. Minister of the Government of India, who was sponsoring the Draft Constitution in the Constituent Assembly. You may say that he is not a Congressman. Yesterday, I was hearing speaker after speaker talking in very glorified terms, what these village panchayats are going to be. They said that they are going to be village republics. Hon. Members sitting in the Assembly may conveniently talk all sorts of things and paint all kinds of pictures about these village panchayats, but actually when they are being worked, then you will have a different picture and things will be different.

“Madam, if you go through the various provisions of this Bill, you will find that too wide powers have been given to these panchayat boards, both in the matter of administration and in the matter of collection of taxes. It is quite likely that these people who have not got sufficient education, knowledge, experience and training in these things, will not be in a position to work these things properly with the result that the conditions in the villages will become worse than they are to-day. In the matter of levying taxes, a wide latitude is given to the panchayats, and they could tax a number of items. I ask you, Madam, could you believe that these taxes will be levied with the sole purpose of augmenting the income of the village, and that people would not

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be taxed indiscriminately? Certainly not, because there are factions and factions in the village, and it is quite likely that one group of people who have power will try to put more taxes on the other, with the result, that there will be more and more factions and no tax will be collected. That will be one sure result of this Bill. I maintain, Madam, that these people will not be in a position to administer the villages properly. Unless they have got sufficient training and sufficient background, I am sure that this Act is not going to be worked properly. You may think that by putting executive officers in villages which might not function properly you can get on with their administration. That itself is a proof positive, if proof is necessary, that this reform is going to require a very great machinery and that it is going to cost you a lot of expenditure. It is said that the Government are going to allot some 12½ per cent of the land revenue for enabling these panchayats to function properly, which may be about a crore of rupees. The Hon. Minister has also promised to give liberal grants. Apart from the huge machinery which is going to be set up, these panchayats are going to cost a lot to the Government. I do not know how many panchayats are going to be brought into existence, but I understand that there are going to be two classes of them, the first-class and the second-class, and that their total number is going to be between 20,000 and 25,000, in this Presidency. You will imagine the number of officials that will have to be appointed to supervise these panchayats. The Government have said that they are going to give as wide powers as possible to these panchayats. Therefore it is really going to be a question of distribution of power and patronage. The Government will have wide powers to appoint some twenty-five thousand panchayat officers—not a small thing—and besides every panchayat officer, they are going to appoint a number of smaller officers. The Government are going to create this huge machinery and nobody knows what it would cost them ultimately. Instead of doing anything good, these panchayats are going to worsen the conditions in the villages. It is all very easy to defend this Bill, and talk of it as a Magna Carta. It is not my intention to cast any aspersion on this scheme, but what I want to say is that the Government should have a very clear perspective and a proper understanding of this subject, before launching on this scheme and before sending this Bill to a Select Committee.

“Yesterday my hon Friend, Mr. Kaleswara Rao, has been waxing eloquent that as far as the Harijan members are concerned, they should have a certain number of seats reserved for them. I was simply surprised at his argument. Madam, I do not want even a single representative of the Muslim community in the panchayat. If a community is given a representation of 1 per cent and 2 per cent, it will not make any headway. Therefore, I do not like to bring in my community into this picture at all. But with regard to the Harijan representation, it has been made out that they are part and parcel of the great Hindu community. Then why is it, that they have given reservation of seats for the

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Harijans? Does it mean that the caste Hindus have no confidence in themselves and that they would not do justice to the members of their own community? I thought, Madam, that the members of the Hindu community would have the courage to stand up and say, ‘Even without reservation, members of the Harijan community will be given much more seats than their population warrants.’ Nobody has said so, and probably they have no confidence in themselves, and that members of the upper classes want to have all the seats for themselves. If that is the idea, then I say, it is going to be a very difficult problem to work this Act.

“It is unfortunate, that somehow or other we are having this trouble of communalism. It is easy for us to talk. It may happen that in a village a Reddi may be very powerful and want to become the supreme lord of the village. In another case it may be that a Brahman gentleman may wish to see that he becomes the supreme authority. Even in the case of Muslims where they are in a pocket, it may be that a Muslim may wish to become supreme. This Act, instead of trying to bring more communal amity between the various sections of the people will bring about a good deal of trouble and bad blood. In a village in the Andhra it will be quite possible that there may be a clash between the Kammas and Reddies by one community trying to control the other. There is going to be trouble and I am able to visualize the picture. As soon as this Bill is passed and implemented people in every village, taluk and district headquarters will be coming to the Government and demanding that this Act should be superseded. This is also our experience with regard to the working of the Food Committees and it is proof positive.

“Of course the Hon. Minister will turn round and ask, what is the constructive suggestion you make. And that is really a pertinent question. My only answer is that I do not claim to know much about the working of the panchayats. I will only say: Please go slow. It does not matter if the pace is too slow. Make it as an experiment in certain areas and in parts of districts. If you are satisfied with the result and if the results are good then you can go further. There is a provision in the Bill which says that within two years after the passing of this Act all the panchayats will come into being. That means a good deal of trouble. Already the political situation in the country is not proper or steady. A number of people have complained in the House—and we did not participate in that debate—and they have attributed whatever trouble they had, to the Communist party. What the forces are going to be in the future, you do not know. There is going to be trouble. Instead of doing anything good, you will be giving trouble to yourselves. My object in moving the amendment yesterday that the Bill might be circulated for eliciting public opinion was not dilatory. As was pointed out by Mr. Salam who seconded the motion, the Hon. Minister for Local Administration gave a press statement about the important features of the Bill only last month and many people do not know about it; only in the earlier part of this

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month was the Bill published in the *Fort St. George Gazette* and only last week copies of it were given to us. If that is the state with regard to the Members of the Assembly, you cannot expect all the people in our villages and taluks to have had copies of this Bill and to know how far this is good or bad, or how it is going to work. I can anticipate the arguments of the Hon. the Minister. He will say: I am referring the Bill to the Select Committee and people who have any knowledge of the matter will be invited and they will be giving evidence. From my experience, I can say, that you cannot expect all the people from this big Province of Madras to come to the Select Committee and tender evidence. And at the same time it may not be possible for the Select Committee also to tour the whole Province. Therefore, I feel that nothing would be lost by allowing this Bill to go for circulation and for inviting public opinion so that in five or six months you may be in a position to know with the volume of evidence before you and the memoranda and other things, how the people take it.

"Only three days before, the Hon. the Minister presided over a Conference at Rajahmundry and people there had different views about the Bill and some people expressed doubts, some were for it and some against. Let us therefore give the people who are going to deal with it a chance. Except one or two, it is not we Members of the Assembly who are going to be Members of the panchayats. It is to be constituted by people whose background has not improved, whose political consciousness is at the lowest depth and on whom faction is always reigning supreme. Therefore, I say that they should be given a chance. Some of these villages are in a much better position to-day than what they are going to be to-morrow. I feel that the Government will lose nothing by delaying this Bill and allowing it to be circulated for eliciting public opinion. And then when the Select Committee meets we will be in a better position and we will have a proper perspective and naturally the Act will come in a better form than what it is to-day. I do not like to say more on this, Madam Deputy Speaker. Still I feel that the Hon. the Minister will be kind enough to consider my amendment and accept it."

* SRI K. BRAHMANANDAM REDDI:—"Madam, Deputy Speaker, I lend my unreserved support to this Bill, and so ought to be any member who believes in democracy. In spite of the protestations to the contrary, I hold the amendment of Mr. Raza Khan to be dilatory in its effect. We are well aware that the basic structure of this Bill has been before the public for over two years. Though the Bill might have been published only three weeks ago, the Hon. the Minister for Local Administration throughout his tours for these two years has been singing only one song and that was the reorganization of these village panchayats. It does not hold water, Madam, if Mr. Raza Khan or his supporters were to say to-day that this Bill has not received the public attention that it deserved.

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"As has been observed by the Hon. Minister, India is a land of villages, as it were it is born in the villages. Any scheme of rural reconstruction is intimately connected and wholly dependent upon how you reorganize these village panchayats and how you infuse life into the villages, rather than on how you rejuvenate village life. 'The efficient administration of the village panchayats must form the basis of any system of true democracy,' said Pandit Nehru long ago. Madam, any system that you contemplate and wish to bring into effect to make democracy real must necessarily count with the villages. It is no good saying that the villages in India at present are torn by faction. It is true that a certain amount of factious spirit is there in the villages and you cannot avoid it. If you are going to wait till all the factions in the villages are made up, I think you will have to wait till eternity. This is an experiment and in making experiments you will have to take some risks. In a measure like this which I claim is revolutionary, naturally there are some risks attendant upon and you should take them. You have to pass through the mist. There is no other go.

"You have to consider this aspect of the question. I want hon. Members of the Opposition or any other hon. Member who wishes to oppose this measure to tell us whether there is any other way of dealing with the problem. (Mr. Muhammad Raza Khan: 'No opposition.') Is there any alternative scheme which can be put into effect? As I already said, Madam, you have to take the risks and organize the panchayats, give them some power and see how they work and if they go on the wrong line, put them on the right track. That is the only way. If that is accepted, Madam, then we must consider whether this is the opportune time or not. That is another question which my hon. Friends in the Opposition have raised. Mr. Raza Khan has also asked: 'Why not you organize a few panchayats somewhere and experiment.' I do not think, Madam, it would be good to wait. In my opinion and in the opinion of several hon. Members this is a measure which has been long overdue. Any Government which wishes to call itself the people's Government must have brought this measure long ago. There is no disputing that. And better late than never, it has after all come and it is our duty to support that. Of course there are several clauses in the Bill which are open to criticism. There hon. Members can hold opposite views with equal force.

"For instance there is the co-option of Members. There is a clause providing that if a minority community is unrepresented in the panchayat, the board, as a whole, can co-opt not more than three members from the minority community, such as Harijans, Muslims and women."

SRI A. KALESWARA RAO:—"Is there any rule that co-option will be only when these communities or classes are unrepresented. Is that the word there?"

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SRI K. BRAHMANANDAM REDDI:—“Yes. I request the hon. Member to go through the Bill once again. It says that if there are any unrepresented communities, give them a chance to be represented. The point is whether we are to-day for reservation and separate electorate or whether we want this separatist tendency to go. Both sides of the question can be argued with equal force. But this country has decided to give up the separate electorate and reservation business. Though the Draft Constitution provides for reservation for Harijans for ten years to come, still we think that ‘separate electorate and reservation’ have done sufficient havoc to the country. There is no use in trying to argue over that matter. If the Government and the country are united upon that point, namely that ‘reservation and separate electorate’ should go, this is the only other way whereby you can get representation for unrepresented communities in the panchayats.

“The second thing is, as has been urged by many, the villages are torn by faction. Supposing a panchayat board president has a very narrow majority, say six to five. Instead of allowing the panchayat to drift into chaos, quarrel and bickerings, why not give a chance to the majority to co-opt some members from the minorities and have a working majority. (Laughter.) My hon. Friend Mr. Swaminathan may laugh. If he reconsiders, I think he will feel convinced. My point is this. It is not as if Madam, the President can be removed by a vote of the majority as under existing law. If the president cannot be removed by the panchayat and if he has not a working majority in the panchayat, how is the administration to go on? Either you make the president removable by a vote of the majority or you make room for co-option of members so that the president may have a working majority. There are only these two alternatives which you cannot escape from. If the House so wishes to give the panchayat power to remove the president by a vote of the majority that is a different matter altogether. But under the scheme envisaged in the Bill the president is directly elected by the people. If he has enlisted the direct confidence of the entire people of the village, what right has the panchayat to remove the president? Or you must make the president electable by the members of the panchayat as at present. If you want to agree to the provision namely that the president should be elected by the direct vote of the people, there is no point in saying that the members will have the power to remove the president.

12 noon. “I say that the provision made for co-option of minority community members is a well-thought-out one. It is not as if the provision is made to bring in people by the back door so as to ensure a majority. It would be doubting too much.”

SRI A. KALESWARA RAO:—“At this stage, I may remind my hon. Friend that I quite agree with the idea of the Hon. Minister. But I wish to point out that the words ‘unless the communities are not represented’ are not there. I have carefully read the Bill.”

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SRI K. BRAHMANANDAM REDDI:—“If they are not there, they will have to be put in there. There is another point I wish to urge—whether Government can form a useful panchayat for a population of five hundred. I personally feel there ought to be a panchayat only if the population is not less than a thousand. Of course that is my personal view. Other hon. Members may hold different views about it. There is a provision in the Bill which says that the village headman should not be a member of the panchayat. This is a contentious provision. I personally believe, as many hon. Members did, that it would be better for the smooth and proper working of the panchayats, that the village headman is made a member of the panchayat. We know that these village headmen at present are powerful factors in village life. Therefore, it is no good ignoring them. If we ignore them, we will only create trouble in the village. Of course this does not apply to all the villages, but it applies to a majority of them. So, it is better to bring into the panchayat the village headman, and make him subordinate to the panchayat. Without the power of vote in the panchayat, the village headman would be like a cobra without fangs.”

MOHAMED ABDUL SALAM SAHIB BAHADUR:—“May I know, Madam, whether Mr. Brahmanandam Reddi is a hereditary village headman?”

SRI K. BRAHMANANDAM REDDI:—“I am. As a man who believes in democracy, I say the village headman must be subordinate to the panchayat board.” (Interruptions.)

DEPUTY SPEAKER:—“Let there be no interruptions. Let the hon. Member continue his speech.”

SRI K. BRAHMANANDAM REDDI:—“There is a provision for investing these panchayats with more criminal and civil powers. This is a matter over which the public mind is agitated. At present there are the panchayat courts exercising civil and criminal powers. My belief is that in the village there ought to be only one public institution. There should not be panchayat boards, panchayat courts, forest panchayats, and all and sundry institutions in the village. There should be only one institution, and that should serve all the common needs of the society in the village. It is true that for some time to come, people suffer some injustice at the hands of the panchayat. But I say that unless the panchayats are given more powers and the necessary training, we cannot reorganize these villages. That is my personal belief. Is there any guarantee now that people rushing to stipendiary magistrates' courts get unadulterated justice? What is the difference between entrusting the powers to these village institutions and the paid magistracy? The only difference is that whereas paid magistracy may be ‘non-motivated’ the village panchayat courts may be ‘motivated’ to do injustice. I have practical knowledge of the District Munsifs' Courts and Magistrates' Courts. I feel that it is ‘national wastage’ if on trivial matters people should be asked

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to waste their time, energy and money in fighting out matters before these long-distanced courts. I am strongly of the opinion that it would be better in the interests of the country that we entrust more criminal and civil powers to the village panchayats and make dispensing of justice cheap and real.

There is another provision in the Bill dealing with the powers of the panchayat to tax people. This has been objected to by some hon. Members. I ask, if they are not given the power to tax people, how are they to find the money to satisfy the needs of the village folk? Of course Government dole out grants now and then. Government have set apart 12½ per cent of the land revenue collections for making grants to the panchayats. Would this contribution be sufficient to carry out the growing needs of the village? Unless the panchayats are given power to levy taxes on houses, vehicles and on professions, and unless they collect some money from the village, of course with the consent of the people, the panchayats will be as bad or as good as they are at present."

(The hon. Member had not concluded his speech when the Deputy Speaker called on Mr. Abdul Majid to speak.)

* M. S. ABDUL MAJID SAHIB BAHADUR:—"Madam Deputy Speaker, I rise to support the amendment moved by my hon. colleague Mr. Raza Khan. While doing so, I have got to express this view also that I entirely agree with the principles of the Bill under discussion. I am one of those who believe that the panchayat administration in this Province is beyond redemption. It is an Aegean Stables requiring a Hercules to cleanse it. I wonder whether the Bill before the House now would do the job of cleansing that Aegean Stables. The existing condition requires no doubt a radical operation. Whether that radical operation can be performed by the provisions of this Bill, is yet to be seen. In the first place one has got to consider the question of factions in the villages to which references have been made by hon. Members of this House. (Firstborn of illiteracy, superstition and ignorance and then developed by party leaders whom I may call political exploiters and adventurers (an hon. Member: "Question"), these factions never die in the villages: but they grow from year to year paralyzing the very village life, and bringing unhappiness and misery to people who are already suffering and undergoing considerable amount of misery.) References have also been made to questions of sanitation. Practically there is no sanitation at present in the villages. These villages are not approachable because we have no proper roads. The modern convenience of a medical relief and child welfare centre, and even elementary schools, are absent in several of these panchayats. Nothing has been done in these villages to liquidate illiteracy and remove ignorance. The only thing that we see is faction and fighting among leaders of parties or political exploiters. Therefore, the panchayat administration has become almost the laughing stock in this Province. I am one of those who believe that something must be done radically to eradicate this corroding

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evil. I am anxious that we bring forward a measure which can eradicate this evil. Whether the present Bill brought before us now, is going to eradicate this evil, is, as I said, in the lap of the future. In the first place, as the great English political philosopher Edmund Burke had said, 'We want men more than measures.' You may have a very beautiful measure. The present Bill is no doubt a very beautiful measure. But I ask, have we got the human element to put that measure into operation. When I see the apathy, the ignorance, and the illiteracy prevailing in those areas, and when I see the misery and the sad plight of these unfortunate millions, I wonder whether they will be in a position to carry on the administration of the panchayats in the manner contemplated by the Bill. It is the duty of this Government first to see that they raise the educational level of the people of this Province. Without raising the educational level of the people, it is no use handing over to them great and extraordinary powers. Are we not giving a razor in the hands of a child? What is contemplated in this measure is perfect mechanism and perfect machinery. You are handing over that machinery to inexperienced and ignorant people. You have been in office for the last four or five years. What have you done in these five years to raise the level of the people and to make them understand that they are free men in a free country? What have you done to make them learn the lessons of democracy in the proper manner? To-day when you go into the villages you see the unfortunate millions shedding tears and wallowing in the mud. You are handing over to them extraordinary powers. You say 'we are giving them the seeds of democracy'. I say, yes; I welcome the handing over of the seeds of democracy. But these seeds must be planted in proper soil. The soil must be properly cultivated and manured before you plant that seedling of democracy, so that that seedling may take root, and bring happiness to the people of this country. Government have not done their duty. What we see is mere beautiful speeches. We see the tours of Hon. Ministers from one corner of the Province to the other. But when we see whether something has really been done to the people, we find nothing has been done. That is my complaint, and that is why I say that you are in a hurry to hand over extraordinary powers to the people. In the election of the President in a panchayat, the Hon. Minister has copied the American model, by making the executive an irremovable executive even though that executive may commit blunders. Under the provisions of this Bill, you cannot remove the executive presided over by the president."

SRI K. BRAHMANANDAM REDDI:—"Why not? There is provision for removing the executive."

M. S. ABDUL MAJID SAHIB BAHADUR:—"The hon. Mr. Brahmanandam Reddi says that there is provision to remove the executive. But, as it is, I find that he is something like the American President presiding over the deliberations of the council and over the destiny of the people for whatever number of years that is proposed in the Bill. However I welcome that provision. The president must have the confidence of the voters of the panchayat. He

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must be an able man. But can we get under existing conditions such a president? This Bill is intended to create some thousands of executive officers who it is said are going to be the mere electioneering agents of the party in power. I may or may not agree with that suggestion. But we know that executive officers act often as autocrats in the panchayats, with nobody to question their actions.

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p.m.

"The Bill no doubt attempts to lay the foundation of a truly democratic state by creating really democratic units in panchayats on the model of city states of Athens and Sparta. All those who have faith in democratic institutions and long to see that they grow and flourish in the free soil of India must welcome the Bill. But when one considers the hands to which these democratic institutions are entrusted one has to express grave doubts as regards the success of the experiment contemplated. We are handing over extraordinary powers to ignorant and inexperienced hands. In Athens and Sparta you had educated men, men of wisdom and of common sense. Have we got such elements in our villages. Therefore I say, before implementing the provisions of the Bill, educate the masses. When reforms were introduced in England a man like Robert Owen went round the country raising the cry, 'Educate the masters'. Our people are wallowing in misery, in poverty and in illiteracy. Our first duty must be to raise the standard of living of our people so that they may be in a position to mature and grow this plant of democracy. Every Congress member should go from village to village from one corner of the Province to another rousing the people to action. What is the use of good legislation like the present one, if you cannot find proper men to man the institutions contemplated in such legislation. What is the use of perfect machinery when you cannot find expert hands to operate it. Are you going to entrust the razor in the hands of the child? That is how I would admonish the sponsor of the Bill and that is how I could welcome the Bill."

* SRI T. K. T. N. R. TATACHARI:—"Madam, Deputy Speaker, there is not much of a controversy in accepting a measure of this nature, and it can be taken that it has been universally accepted and the passing of such measures has become necessary. The Bill itself is in a way a philosophy. But, I am afraid that its success depends upon the proper working of its provisions. It is a philosophy of the development of individual self-respect and personality; and particularly the philosophy of averting rural tyranny. The Hon. Minister has not claimed it as a perfect Bill. It is one of those steps that we must take to help the village community to stand on its own. But, we must see that as at present powers are not diverted to personal use against the common people. Madam, the Bill is going to give a new status to the villages. Unless certain administrative power is handed over to the village community, it would be very difficult for us to progress in democracy. My hon. Friend, Mr. Abdul Majid, said that the villagers are uneducated and, therefore, they cannot shoulder this responsibility properly. This was the argument of the Britisher. But, I say after the

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British Government have left us, we have managed our affairs better than any one could have expected us. He also said that there are factions in the villages and therefore this Bill would rend them asunder and Government will lose confidence of the people. But, I must say that the villages are not to-day as they were in the past. It is also well to remember that the most important thing in every village is to give scope for the legitimate aspirations of the individual.

"Then, Madam, the policing of the village also should be vested in the panchayat. Sri Kallur Subba Rao gave one suggestion which may be useful, namely, that about twenty people should be trained on a honorarium basis and posted as constables or policemen in each panchayat unit so that in the event of some trouble they could be also mobilized for provincial and even national purposes. That would certainly place the panchayats in a better position than investing them with powers with regard to merely execution of works and collection of taxes. They should have the power to maintain law and order for the preservation and protection of life and property.

"The next thing I want to suggest is about forests. It is proposed under the Bill to hand over the village forests to the panchayats. I say that these forests should be construed as a type of national property instead of being looked upon as village property. The formation of panchayats for forests have left the area piebald. Therefore, they should not be handed over to the panchayats. I suggest that in the interests of the regeneration of these forests, it would be better if they are placed on a provincial or regional basis.

"The next point I would deal with is about the co-option of members of minority communities. These minorities will have no real representation as the panchayat will usually co-opt only one whom they like and not necessarily one whom the minority community would like. It may therefore be good to give them a different type of representation. The rules with regard to taxation which are intended to be framed under this Bill would be very rigid but even if you raise the tax by one pie, there would be a hue and cry in the village and it will be resented by the villagers. Therefore you must have representatives of these artisans on the panchayat board if you want these taxes to be properly imposed. Suppose you want to levy a tax on some profession, or calling or art in the village, for instance wood-hewing or grass-cutting which may be construed to be a calling. They may also be construed to be an art. Therefore, in taxing these persons, Government should be very cautious. Government should also be careful to see that there is progressive increase in taxation and there should be a limit put on the percentage of taxation and it should not be increased above that limit.

"Sir, I wholeheartedly support this measure which is very essential at this stage for the progress of our country and particularly of this Province. I congratulate the Hon. Minister not

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we shall add a little from our quota and encourage those panchayats which have come forward to raise the money to raise something more. That is the way to tap local initiative. We should not go on simply saying, 'You raise a small revenue, we shall add something more; you buy a radio and we will give you some entertainment.' The entire land should be covered with a network of good water-supply, good communications and facilities for education that we are at present unable to provide by ourselves. That is the way to multiply resources and infuse a sense of responsibility and power. These three must be linked together. Give them full power. That is democratization, that is decentralization in principle and practice. You decentralize power and decentralize the arrangements by which you raise funds for yourself. Then you would have decentralized responsibility in a proper manner. That is my test for the Panchayat Bill. The ordinary revenues of the panchayat, whether they tax themselves or not, will be the first charge for the sinking fund which they have to provide for the redemption of debentures. The Government will have to supervise that portion carefully, so that in 15 to 20 years the debentures may be extinguished and other debentures raised to finance further instalments of capital work. This cannot be developed merely from the top without tapping local initiative. The whole object of the panchayat raj is to build up this capacity of the people to govern and to provide for themselves. Otherwise this panchayat will be, as of old, merely testing instruments of local confidence or otherwise of groups of people or individuals. That is no use in my opinion.

"If you want to have effective panchayat raj, you should not start with a very huge number which will be uncontrollable. Control to the extent necessary over their accounts and their procedure will become difficult and even almost unexercisable from the top. Therefore limit the number. I was called an urban man by the Hon. Minister. I do not know whether he resides out of Madras. Though I am in Madras, I live in villages for some time, at least for a week in a month. I will never become urban-minded. Even if rural people become urban-minded I do not mind. Even urban people must become ruralized. There must be a sound admixture of ideas. I recommend that the panchayat must be a unit covering at least a population of 5,000 at the minimum. Then it will have good revenue, a wide area to tap its resources, a president who will have a wide measure of popularity cutting across factions not only in one village but in several villages, and wards not with 50 or 60 electors only but with hundreds of them voicing public opinion.

"Sir, what is the object of panchayat raj? It is to relieve the Government of some of its primary responsibility which to-day it is unable to fulfil in a proper measure, because everything runs from the top. The idea is to relieve the village administration from the ritual of routine as I call it, from the shackles of day to day administration as it is understood in the City of Madras. If that is your object, let us make this experiment boldly and allow the

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panchayats to develop their own resources, tax themselves or raise the credit that is necessary for them to proceed with their capital works and make provision for sinking fund, contingencies, maintenance charges and so on."

SRI S. K. PALAIYA KUDUMBAR :—"கனம் தலைவி அவர்களே, 12-45 p.m.
பஞ்சாயத்துகளுக்கு ஹரிஜனங்களை தேர்ந்தெடுப்பது என்பதற்கு விதி இல்லை. அதை யொட்டியே மத்ய கவர்ன்மெண்டாகும் ஹரிஜனங்கள் முன்னேற்ற மடைவதற்காக தேர்தல் இல்லாமல் பத்து வருஷத்திற்கு அவர்களுக்கு ஸ்தானங்களை ஒதுக்கவேண்டுமென்று ஒரு திட்டம் வைத்திருக்கிறார்கள். அப்படி அவர்கள் ஒரு விதிவிலக்கு செய்திருப்பது ஒவ்வொருவருக்கும் தெரிந்த விஷயம். ரொம்பவும் பிற்போக்கானவர்களும், பாமர மக்களும் கல்விகளிலும், இன்னும் இது பழக்க வழக்கங்களிலும் ஹரிஜனங்கள் முன்னேற்றம் அடையாமல் பிற்போக்காகவே இருந்துவருகிறார்கள். சாதாரணமாக கிராமங்களில் நடப்பதற்குக்கூட உரிமை இல்லாமல் இருக்கின்றார்கள். அப்படி இல்லாமல் அவர்களுடைய ஜனத்தொகைக்குத் தக்கவாறு பஞ்சாயத்துகளில் அவர்களுக்கு ஸ்தானங்களை ஒதுக்கிவைத்து பொதுஜனங்க ளோடு ஐக்கியமாக இருந்து சேர்ந்து வாழ்ந்துவந்தால்தான் அவர்கள் முன்னுக்கு வரமுடியும் என்பது ரொம்பவும் கவனிக்கத்தக்க விஷயம். அம்மா! இந்த 'பில்'-லில் இன்னும் பத்து வருஷங்களுக்கு அவர்கள் முன்னேற்றமடையும்வரையில் ஸ்தானங்களை ஒதுக்கி வைக்கவேண்டுமென்று கவர்ன்மெண்டார் கருணை காட்டியதன்படி ஒவ்வொரு பஞ்சாயத்துகளிலும், மாகாண பஞ்சாயத்துகளிலும், மற்ற பஞ்சாயத்துகளானாலும் சரி, முனிசிபல் கார்போரேஷனாலும் சரி ஹரிஜனங்களுக்கு அந்தந்த இடங்களில் அவர்கள் ஐக்கியமாக ஜனங்களுடன் வாழ்ந்து சேர்திருத்தம் மடைந்து முன்னேற்றமடையும் வரைக்கும் அவர்களுக்கு ஒவ்வொரு இடத்திலும் ஸ்தானங்களை ஒதுக்கிவைக்கும்படி விதி விலக்கு இருக்கவேண்டும். இப்பொழுது கிராமங்களில் பார்த்தால் பள்ளர்கள் என்றும், ஆதிதிராவிடர்கள் என்றும், பஞ்சமர்கள் என்றும், அருந்ததியர்கள் என்றும், வேடுவர்கள் என்றும் பல வகுப்பினர்கள் இருக்கிறார்கள். அவர்களில் படித்தவர்களும் இருக்கிறார்கள். அப்படி இருந்தும் அவர்கள் ஐக்கியமாக சேராவிட்டால், அவர்கள் தனிப்பட ஒரு மெஜாரிட்டியாக இருந்தாலும்கூட அவர்கள் தேர்தல்களில் நின்று ஸ்தானங்களை வகிக்கமாட்டார்கள். அவர்கள் ஒவ்வொரு துரையிலும் பாழடைந்திருக்கிறார்கள். அநேக ஹோட்டல்களுக்கு போகலாம் என்றிருந்தும் அவர்கள் போகமுடியாமலிருக்கின்றார்கள். அவர்களுடைய மொத்த ஜனத்தொகையில் 4, 3, 2 பேர்களாவது வோட்டர்களாக இருக்கமுடியும். அப்படி யிருந்தும் அவர்கள் ஒதுங்கி ஒதுங்கி நிற்கவேண்டியிருப்பதால் அவர்கள் மெஜாரிட்டியாக இருந்தாலும்கூட அவர்களால் ஸ்தானங்களைப் பெற முடிவதில்லை. ஆகவே அவர்களுக்கு தேர்தல் முறை யென்பது இல்லாமல் செய்யவேண்டியது அவசியமாக இருக்கிறது. அதிலும் தமிழ் மாகாணத்தில் பெருவாரியான பள்ளர் வகுப்பினர் இருக்கிறார்கள். அதற்குப் பிறகு ஆதிதிராவிடர்கள், பிறகு அருந்ததியர்களும், வேடுவர்களும் இருக்கின்றார்கள். அவ்விதமிருக்கும் பொழுது பள்ளர்கள் மட்டிலும் அதிக ஸ்தானங்களை அடைந்துவிடாமல் அந்தந்த கிராமங்களில் அந்தந்த வகுப்பினருக்குத் தக்கவாறு ஸ்தானங்கள் கிடைக்கும்படியாகச் செய்யவேண்டும். அவ்விதம் செய்தால்தான் அவர்கள் சேர்திருத்தமடைந்து அதன்மூலம் நன்மையடைவார்கள். அவ்விதம் அவர்கள் நன்மையடைந்து பயனடையும்படி செய்யவேண்டியது மிகவும் அவசியமும். அம்மா! இந்தமாதிரி நன்மைகளைச் செய்யாவிட்டால் ஹரிஜனங்கள் ஒருநாளும் முன்னேற்றத்திற்கு வரமுடியாது. இந்தமாதிரி 1946-ம் வருஷத்தில் நடந்த தேர்தலில் நடந்திருந்தால் ஹரிஜனங்கள் மெம்பர்களாக வருவதற்கு சௌகரியமாக இருந்திருக்கும். ஆகையால் நாட்டுப்புறங்களில் அவர்களுக்கு சலுகைகள் காட்டவேண்டியது ரொம்பவும் அவசியமாக இருக்கிறது. அப்படி இல்லாமலிருப்பது பரம ஆச்சரியமாக இருக்கிறது என்பதைச் சொல்லவேண்டியதாக இருக்கிறது. அம்மா! இந்த நிலைமையில் கவர்ன்மெண்டார் அவர்களுக்கு இன்னும் கொஞ்சகாலத்திற்கு ஸ்தானங்களை ஒதுக்கி வைத்து அவர்கள் நாகரீகமாகவும், மற்றவர்களோடு பழகி அவர்களுடைய பழக்க வழக்கங்களில் சேர்ந்துகொள்வதற்கு சௌகரியம்

[Sri S. K. Palaiya Kudumbar] [28th June 1949]

செய்யவேண்டியதவசியமாகவும் இருக்கிறது. நல்ல தண்ணீரோடு கலங்கல் தண்ணீரைக் கலக்கும்படியாகச் செய்யவேண்டும். இந்த சட்டசபையில் வெளும் மெம்பர்களாக அவர்களோடு இருந்துவந்தால் ஒருநாளும் அவர்கள் முன்னேற்றமடைய முடியாது. அம்மா! இந்த நிலமையில் பஞ்சாயத்துகளில் ஆட்சேபணியின்றி ஹரிஜனங்களுக்கு ஸ்தானங்களை ஒதுக்கி வைக்கவேண்டுமென்பது அவசியமாக இருக்கிறது. ஆகவே, அம்மா, இன்னும் பத்து வருஷங்களுக்கு அந்தந்த ஊரிலுள்ள ஜனத்தொகைக்கு தக்கவாறு ஸ்தானங்களை ஒதுக்கிவைத்து அவர்களை நாமினேஷன்செய்து சலுகை காட்டி, அவர்களை முன்னுக்குக் கொண்டுவந்து, அவர்கள் சீர்திருந்தும் முறையை கையாள வேண்டுமென்று கேட்டுக்கொண்டு நான் இத்துடன் முடித்துக்கொள்ளுகிறேன்.”

SRI R. V. SWAMINATHAN:—“Madam, Deputy Speaker, first I congratulate the Hon. Mr. Chandramouli for introducing this Bill which was long awaited in this House since ten years. I was told that many previous Ministers attempted to introduce this Bill but it was not done for some reason or other.

“Madam, in the Statement of Objects and Reasons attached to the Bill, it is stated that it was felt long long ago that panchayat boards were subjected to dual control on the one hand of district boards and on the other of the Inspector of Municipal Councils and Local Boards. My view is that the power was vested even in the District Collectors. So, there was control from three directions which system was not helpful to the proper management or development of the panchayat boards. But here some Members expressed their doubts that the enormous powers proposed to be vested in the panchayat boards may not be helpful to the people as a whole or even the panchayat boards themselves. I want to remind them that those powers were vested in the panchayats long ago under a system which prevailed in our country. This panchayat raj is not new to us. It existed in olden days but there was not an elected panchayat. Important, decent and well-respected people used to form a panchayat of 4 or 5 persons and they used to manage all the village affairs, forests, charitable endowments, irrigation tanks, tanks for drinking purposes, temple and maintenance of common property in the villages. Those panchayats were not elected but formed by, and acceptable to, the people. After the elected panchayats came into existence, the affairs were not properly managed. Now, our Minister is trying to give a new life to the old system which was prevalent in our country. Even now that system exists in many villages. There are not village panchayats, but the people form a group among themselves and manage their affairs. This Bill only puts the old system into an Act and creates a panchayat board vested with more powers.

“Madam, the powers vested in a panchayat board by this Bill are not new. In olden days the people in the villages did not go to the courts for settlement in cases of civil and even criminal nature but settled the matter among themselves without even a panchayat board. According to this Bill, the power of registration is vested in the panchayat board. It is a very good provision. Now, many people who want to transfer a property involving a sum of even Rs. 100 have to spend Rs. 10 or Rs. 15, go to a place 10 or 15 miles away from their villages and spend some Rs. 5

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more for registration and other charges. So, the new system will be beneficial to the villagers. I entirely agree with the principles of the Bill.

“Madam, I have got some doubts about certain things on which I shall offer my remarks to the Hon. Minister and the Select Committee to consider. I hope the Hon. Minister will listen to this which is very important. It is stated that every village with a population of 500 and above will have a panchayat board, villages with a population of less than 500 being grouped with any contiguous village or villages. I have got my own doubt that it may not be workable. At least the minimum population prescribed should be 2,000. If it is not possible, I am agreeable to a population of 1,000. The minimum population for grouping of panchayats should also be 1,000 or 2,000; it should not be 500 because it may not be economically sound. The minimum income to become entitled to have a panchayat should also be fixed. There are many villages having a population of 500 whose income may not exceed Rs. 100. We cannot expect a panchayat to work properly with an income of Rs. 100. The minimum income should be at least Rs. 2,000. If a minimum of 500 population only is prescribed and not the minimum income also, the object of the Bill will not be achieved.

“Then, the co-option of members has been suggested in the Bill. Mr. Brahmanandam Reddi also ably advocated that it was proper. But I am afraid co-option will not be a healthy principle and will not be welcomed by many of the people. Co-option and nomination are more or less the same. If I remember correct, in the year 1936-37 when the Justice Party was in power, the district board elections were conducted and the Justice Party Ministry bifurcated the district board, wherever they found the Congress was in a majority, leaving one board with a Congress President and creating another board with some nominated members with a Justice Party President. This method of the Justice Party was totally condemned. Similar criticisms will be levelled against the system of co-option. Mr. Brahmanandam Reddi suggested that a president would find it difficult to carry on without a proper working majority and for that purpose he should be allowed to co-opt some two or three members. It is totally wrong to allow a man who has no working majority to gain strength by co-option. It will be tantamount to nomination made by the Justice Party in those days. People will not like it. I place this fact before the Hon. Minister and the Select Committee to consider.

“Then, Madam, it has been provided that the village headman shall *ex officio* be a member of the panchayat. I entirely agree with Mr. Brahmanandam Reddi. Mr. Salam puts me the question ‘Are you a headman?’ I am not a headman, neither my parents nor my relatives. I feel that the village headman should be an *ex officio* member. This system is not new. I have gone on expeditions to Burma and Ceylon. In Burma all the village councils, rural committees and village committees have got their village headmen as *ex officio* members; in certain panchayats the

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village headman is the President of the village committee. Therefore, the village headman holds an important position in the village and finds a place in the panchayat. If you feel that the village headman should not be made an *ex officio* member, remove the ban and allow him to contest the election. I can understand if you say that Government officials should not be members of panchayat boards. But the village headmen are not considered regular officers of Government. The Revenue Minister has several times said in this House, while replying to questions, that they are not at all regular Government servants but are honorary servants of the Government. When they are considered honorary servants, why not you allow them to contest the election? Either allow them to contest the election or make them *ex officio* members of the panchayat board.

1 p.m. "Then, Madam, I find there is another provision in the Bill, namely, the panchayat boards are given power to levy a house-tax, and a vehicle-tax and with the sanction of the Inspector of Municipal Councils and Local Boards, a cess on the entry of goods into the village for consumption, use or sale, a land cess and a tax on agricultural land. I cannot understand what is meant by a tax on vehicles, for instance, because the villagers use only carts for their agricultural needs and if a tax is proposed to be levied on such carts, it will be a great hardship. This has not been properly defined in the Bill and so it must be defined clearly. If there are motor cars and motor lorries in the villages, I can understand their being taxed by the village panchayats. That is my point. Again, Madam, I do not understand why there should be a cess on the entry of goods into the village. For instance, if you are going to tax the foodstuffs, it will mean a great hardship on the villagers, because in addition to the already existing sales tax, you are going to allow the panchayats to levy another tax on the same goods."

THE HON. SRI K. CHANDRAMOULI:—"I can assure the hon. Member that we are not going to levy a tax on foodstuffs but on luxuries only."

SRI R. V. SWAMINATHAN:—"I do not understand, Madam, why there should be a tax on agricultural land while the agriculturist is already paying land revenue to the Government. Therefore, in addition to the land revenue, if the panchayat board is allowed to levy another tax on agricultural land, I do not think it is fair and moreover, the agriculturist cannot afford to pay this extra tax. This is a very important point which I hope the Select Committee will consider and see whether they cannot abolish this land tax and introduce instead agricultural income-tax. When we are agitating for the removal of the land tax it is not good to allow the panchayat to levy another tax on land."

"There is also one other thing I would like to refer in this connection. I think it was the hon. Member, Raja Sir Muthiah Chettiyar, who suggested yesterday the revival of taluk boards. At present the district boards are not functioning properly. After all, they have not many powers given to them to discharge, because all

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their powers have been taken over by the Government. They have only the power to appoint teachers and transfer them. They have not even got the powers of transferring doctors, but only the power of transferring nurses and midwives. Other than these, they have nothing else to do practically. Therefore, if the taluk boards are revived, more useful purpose will be served because the president and members of the taluk board, being residents of the taluk, will be able to tour all over the taluk at least once a month, inspect the schools and other institutions and will thus see that they are properly maintained. At present, everyone is trying to have mass contact, whether it is the Congress, the Muslim League or the Justice Party. Take for instance, the case of the M.L.As. Not only members of the Congress Party, but every one of us in this House, as legislators, was under the impression that this session would last only for about ten days and we came here with that idea, but now we have been kept here for more than twenty days. If we go back after twenty days to our places, there we have to look after our families and children, practically one whole month is gone and we cannot go to our constituencies. Therefore, Madam, if the taluk boards are established, the members and the president can have direct contact with the constituency.

"Now, Madam, there is another provision in the Bill, namely, the direct election of the president of the panchayat board, whereas, the vice-president is to be elected by the members of the panchayat from among themselves. I do not understand the idea behind this provision. Is it because the Hon. Mr. Chandramouli thinks that the Chairman of the municipality is not elected directly, or the Mayor is not elected directly, but the president of the panchayat board also should be elected directly? Whether this will work properly or not will have to be considered. The question should be examined whether in countries like England, where the chairman or president of the County Council is elected directly, the system is being worked properly or not and the result of such examination should be placed before the Select Committee and this House for consideration. Even in our own country, in regard to the election of the President of the Republic of India, they wanted to have direct election, but since they thought that it may not work properly, for some time to come, it has been decided to drop this direct election. When even in the case of the election of the President of the Republic of India, it is not going to be direct election, I do not see any justification for direct election in the case of the panchayats. I would, therefore, suggest that this system of direct election in the case of panchayats may be deferred. With these words, I support the Bill."

SRI M. P. PERIASWAMI:—"கனம் பேரவைத் தலைவர் அவர்களே, நமது மத்தியி கொண்டுள்ள பஞ்சாயத்து மசோதாவை இப்பொழுது நான் ஆதரிக்கிறேன். அப்படி ஆதரித்து சில விஷயங்களைக் கூற ஆசைப் படுகிறேன். நமது மாகாணத்தில் இப்பொழுது இந்த மசோதாவைக் கொண்டுவருவது மிகவும் முக்கியம். மகாத்மா காந்தியவர்கள் கிராம பஞ்சாயத்தின் மூலமாக கிராமம் சுயராஜ்யம் பெறவேண்டுமென்று நீண்ட நாட்களாக ஆசைப்பட்டுக்கொண்டிருந்தார். அவர் எண்ணிய பிரகாரம் இப்பொழுது நம்மாகாணத்திற்கு இந்த மசோதாவைக் கொண்டுவந்திருக்கிறார்."

[Sri M. P. Periaswami]

[28th June 1949]

முற்கள். இந்த பஞ்சாயத்து மசோதாவானது பல நல்ல முறைகளில் தயாரிக்கப்பட்டிருக்கிறது. அந்த முறையில் நமது ஜனங்கள் ஒற்றுமையாகவும் நடப்பார்கள். இந்த மசோதாவின் முறைப்படி நடந்தால் நமது கிராமங்களெல்லாம் பட்டணங்களைப்போல நல்ல முறையில் சீர்திருத்தப்படும். ரோடுகளும், இன்னும் மற்ற வசதிகள் டவுன்களில் எந்த நிலைமையிலிருக்கின்றனவோ அந்த நிலைமையில் ஏற்படும். டவுன்களில் எவ்விதம் சுகாதாரம் இருக்கிறதோ அவ்விதம் நல்லமுறையில் கிராமங்களிலும் சுகாதாரம் இருக்கும்படி செய்துவிடலாம். இருந்தபோதிலும் இந்த மசோதாவில் சில கஷ்டங்களிருக்கின்றன. இந்த criminal குற்றம், சிவில் குற்றம் முதலியவைகளை பிரசிடெண்டின் அதிகாரத்திற்குள் கொண்டு வருவதாக இருக்கிறது. அவ்விதம் கொண்டுவருவதால் ஏழைகள் பிரசிடெண்டுக்குக் கட்டுப்பாட்டின் கீழ் அவர்களுக்கு பாதகம்தான் ஏற்படும். பணக்காரர்கள் தங்களுடைய செல்வாக்கினால் பிரசிடெண்டை தங்களுக்குள் கட்டுப்படுத்திவிட்டு அதனால் ஏழைகளுக்கு அசௌகரியங்கள் ஏற்படுவதாகும். அதனால் கெடுதல்கள் ஏற்பட்டு கிராமங்களில் கிரிமினல் குற்றங்கள் அதிகமாகி ஏழைகள் பணக்காரர்களால் நசுக்கப்பட்டு அசௌகரியமடைவதற்கு இடம் கொடுக்கிறது. ஒரு ஏழையை பிரசிடெண்ட் கிரிமினல் குற்றம் பிரகாரம் தண்டித்தால் அதைப்பற்றி உடனே அடுத்த மாதிரி டீபார்ட்மென்ட் அப்பீல் செய்துகொள்வதற்கு இந்த மசோதாவில் திருத்தம் கொண்டுவரவேண்டும். அதன் பிறகு டிபுடி கலெக்டர், கலெக்டர் போன்றவர்களுக்கு அப்பீல் செய்துகொள்வதற்கும் நாம் மசோதாவில் இடம் கொடுக்கவேண்டும். இப்பொழுது பஞ்சாயத்தில் தீர்மானம் செய்தபிறகு அதற்கு அப்பீல் செய்வதாக இருந்தால் ஹைக்கோர்ட்டிற்கு வரவேண்டுமென்றிருக்கிறது. அப்படியிருந்தால் ஏழைகள் ஹைக்கோர்ட்டிற்குப்போக முடியாமல் கேஸ்களில் நியாயம் கிடைக்காத நிலைமை ஏற்படும்.

இதோடு கூட இந்த ஹரிஜனங்களுக்கு இன்னும் சில கஷ்டங்களுக்கு கிண்பன. அதாவது அவர்களை oo-opt பண்ணவேண்டுமென்று சொல்லியிருக்கிறது. அப்படியிருந்தால் பிரசிடெண்ட் பார்த்து தனக்கு யார் சாதகமாக இருக்கிறாரோ அவரைத்தான் அவர்கள் எடுத்துக்கொள்வார்கள். இவ்வகையில் ஹரிஜனங்கள் மெஜாரிட்டியாக இருக்கக்கூடிய இடத்தில் நாமினேஷன் என்று இருந்துகொண்டு வந்தது. இப்பொழுது பிரசிடெண்ட் நாமினேஷன் செய்துகொள்ள வேண்டுமென்றிருந்தால் அவருக்கு வேண்டிய ஆட்களைத்தான் தனக்கு சாதகமாக நாமினேஷன் செய்துகொள்வார். இப்படி சில ஊர்களில் செய்வதைக் குறிப்பாகச் சொல்ல முடியும். இன்னும் எக்ஸ்சுடிவ் ஆபீசர்கள் ஹரிஜனங்களுக்கு சாதகமாக இருந்தால் அந்த பிரசிடெண்டும் மற்ற ஸ்தம்பங்கள் எல்லாரும் சேர்ந்து அந்த எக்ஸ்சுடிவ் ஆபீசர் ஹரிஜனங்களுக்கு செய்துவரும் சாதகங்கள் செல்லாது என்று சொல்லிவிடுவார்கள். இன்னும் அந்தவிதமான எக்ஸ்சுடிவ் ஆபீசர்களை மாற்றிவிடுவதற்கும் ஏற்பாடு செய்துவிடுவார்கள். சில காரணங்களைமட்டில் வைத்துக்கொண்டு அவைகள் சிறியவைகளாக இருந்தாலும்கூட அவைகளை பிரமாதமாக இன்ஸ்பெக்டரிடம் சொல்லி மாற்றிவிடுகிறார்கள். இவ்விதம் சில ஊர்களில் நடப்பதைக் குறிப்பாகச் சொல்லமுடியும். இவ்விதம் யாராவது ஹரிஜனங்களுக்கு உதவி செய்யக் கூடியவர்கள் ஒருவர் இருந்தாலும் அவருக்கு கஷ்டங்கள் ஏற்படுகின்றன. இந்த அளவில் இப்பொழுது நடந்துகொண்டிருக்கிறது. இவ்விதம் உணவு கமிட்டியில்கூட நடக்கிறது. ஒருசமயத்தில் நானும் தாசிஸ்தாரிடம் உணவு கமிட்டியில் ஹரிஜனங்களைப் போடவேண்டுமென்று வற்புறுத்தினேன். அப்படிசொன்ன பொழுது கமிட்டியில் ஹரிஜனங்கள் இருந்தால் அந்த கமிட்டிக்கு ஒருவரும் வரமுடியாது, ஹரிஜனங்களை நடத்திக்கொள்ளுங்கள் என்று சொல்லியிருக்கிறார்கள். ஆனால் இன்றைக்கு இருக்கும் நிலைமையில் தீண்டாமை ஒழிந்து ஹரிஜனங்களும் ஜாதி ஹிந்துக்களும் ஸ்தேனகமாக வாழவேண்டுமென்று இருந்தம்கூட இன்னும் அவர்களுக்கு பல கஷ்டங்கள் இருக்கின்றன. மகாத்மா காந்தியவர்களும் தீண்டாமை ஒழிந்து ஹரிஜனங்களும் ஜாதி ஹிந்துக்களும் சமமாக வாழவேண்டுமென்று சொல்லிக்கொண்டிருந்தார்கள். அவருடைய எண்ணத்தின் பிரகாரம் இப்பொழுது செய்துகொண்டு இருக்கிறார்கள். அப்படியிருந்தும் இன்னும் கிராமங்களில் பல கஷ்டங்களைக்கொண்டிருக்கின்றன. இன்னும்கூட ஒரு ஊரில் பஞ்சாயத்தி்

28th June 1949]

[Sri M. P. Periaswami]

நான்கு ஹரிஜனங்களுக்கு நாமினேஷன் போடவேண்டுமென்று சொன்னதற்கு ஜாதி ஹிந்துக்களில் ஒருவரும் நாமினேஷன் போடாமலிருந்துவிட்டார்கள். அவ்விதமே இன்னும் பல இடங்களிலும் பஞ்சாயத்துகளிலும் நடந்து கொண்டிருக்கிறது. இன்னும் ஜாதி ஹிந்துக்களுக்கு மனமாற்றமடையவில்லை. அப்படி மனமாற்ற மடையாமலிருந்துவருவதால் ஹரிஜனங்களுக்கு இன்னும் சலுகைகள் காட்டவேண்டியதவசியமாக இருக்கிறது. இன்னும் சில ஜில்லா போர்டுகளில் ஹரிஜனங்களுக்கென்று ஒரு 'சீட்' ஒதுக்கி இருக்கிறார்கள். அப்படியிருந்தும் அந்த 'சீட்' போடுவதற்கு போடாமலிருந்தாலும் தேவலை என்று சிலர் நினைக்கிறார்கள். மெஜாரிட்டி ஹரிஜனங்களுக்குக்கூடிய இடங்களில் ஹரிஜனங்களுக்கு 2, 3 சீட்கள் கொடுக்க வேண்டுமென்றிருந்தால் அவைகளுக்கு ஒருவர்கூட வர முடியவில்லை. வரவேண்டுமென்று எவ்வளவோ முயற்சி எடுத்துக்கொண்டாலும் அவர்களால் வரமுடியவில்லை. இந்த நிலைமையில் கிராமங்கள் இப்பொழுது இருந்துவருகிறது.

“நமது தேசத்தில் இப்பொழுது ஹரிஜனங்கள் ஜாதி ஹிந்துக்களோடு சேர்ந்து வாழ்ந்து வரவேண்டும் என்று பாடுபடுகிறார்கள். ஹரிஜனங்கள் முன்னேற்றமடையவேண்டுமென்றும், ஹரிஜனங்கள் பிற்போக்காக இருக்கக்கூடாது என்றும் மகாத்மா காந்தியின் கொள்கைப்படி நாம் அனுசரித்து வருகிறோம். நாங்களும் தனியாக இருக்கவேண்டுமென்று கருதவில்லை. நாங்களும் ஹரிஜனங்களுக்கென்று தனியாக பிரதிநிதித்துவம் வேண்டுமென்று வற்புறுத்தவில்லை. ஆனால் எல்லாரும் ஒற்றுமையாகவும் சேர்ந்தும் சமமாகவும் தான் வாழவேண்டுமென்பதுதான் எங்களுடைய கருத்து. ஆனால் இன்றைய நிலைமை வேறுவிதமாக இருக்கிறது. வரும் ஜில்லா போர்டு தேர்தல்களைப் பார்க்கலாம். ஹரிஜனங்களுக்கென்று, 3, 4, 5 'சீட்' கள்தானிருக்கும். இந்த தேர்தலில் ஹரிஜனங்கள் எவ்வளவு 'சீட்'களுக்கு வருகிறார்கள் என்பதைப் பார்த்தால், நன்றாகத் தெரியும். ஆகவே நான் இந்த மசோதாவை ஆதரித்து இந்த தீண்டாமை என்ற கொடுமை ஒழிந்து ஹரிஜனங்களும், ஜாதி ஹிந்துக்களும் சமமாக வாழும் காலம்வரும் வரையில், அரசியல் நிர்ணய சபையில் பத்துவருஷங்கள்வரையில் ஸ்தானங்களை ஒதுக்கிவைக்கவேண்டுமென்று குறிப்பிட்டிருப்பதுபோல, நம் மாகாணத்திலும் பத்துவருஷங்கள்வரையில் ஒதுக்கிவைத்து அதன்படி பத்துவருஷங்களில் சட்டசபை அங்கத்தினர்கள் மாற்றியமைப்பதை நிச்சயமாகப் பார்க்கப்போகிறோம். நமது தேசத்தில் இன்னும் பத்துவருஷங்களில் இந்த தீண்டாமை என்பது ஒழிந்துவிடும் என்று மகாத்மா காந்தி கூட 1937-ம் வருஷத்தில் சொல்லி இருக்கிறார். ஆனால் கிராமங்களில் இன்னும் அப்படியே தானிருக்கிறது. ஏனென்றால் அங்கே அதிகம் பிரசாரம் இல்லை. அதோடு கூட ஹரிஜனங்களுக்குத் தகுந்த பாடுபாடு இருக்கவேண்டும். சட்டம்செய்து விட்டால் மட்டும் போதாது. இப்பொழுது சிவில் டிசுபினிடிஸ் ஆக்ட் பாஸ் செய்திருக்கிறோம். அப்படிச் செய்திருந்தும் இன்னும் ஹோட்டல்களில் ஹரிஜனங்களை அனுமதிப்பதாக இல்லை. சட்டமியற்றிய போதிலும் அதை அமுலுக்குக் கொண்டுவருவதற்கு கீழ் அதிகாரிகளுக்கு இன்னும் மனம் வரவில்லை. அவர்கள் ஒத்துழைப்பதும் இல்லை. அவர்கள் ஒத்துழைத்தால் இந்த தீண்டாமை என்பது ரொம்பவும் சீக்கிரத்தில் ஒழிந்துவிடும். அதே மாதிரி பஞ்சாயத்துகளில் ஹரிஜனங்கள் வருவது என்பது ரொம்பவும் கஷ்டமான காரியம். நல்லநிலைமைக்கு ஹரிஜனங்கள் வருவதற்கு அவர்களுக்கு அதிகமான 'சீட்' களை ஒதுக்கிக் கொடுக்கவேண்டும். பொதுஜன தேர்தலில் வரவேண்டுமென்றிருந்தால் அவர்களால் வரமுடியுமா என்று கேட்கிறேன். அதன் பிறகு பிரசிடெண்டாகவாவது வரமுடியுமா என்பதை யோசித்து பார்க்கவேண்டும். மெம்பராக ஹரிஜனங்கள் வரக்கூடியவர்களாக இருந்தபோதிலும் பிரசிடெண்டாக வரவேண்டியவராக இருந்தபோதிலும் அவர்களுக்கு support செய்யமாட்டார்கள். அதனால் தேர்தலில் ஹரிஜனங்கள் வரவே முடியாது. ஆகையால் ஏதாவது 4, 3 முறைகளில் ஒரு முறையாவது ஹரிஜனங்களை கண்டிப்பாக நாமினேஷன் செய்து பிரசிடெண்டாகவும் ஜில்லா போர்டு பிரசிடெண்டாகவும் வரும்படியாக ஏற்பாடு செய்ய வேண்டும். இவைகளையெல்லாம் கண்டிப்பாகச் செய்ய வேண்டுமென்று சொல்லிக்கொண்டு இந்த விதத்தில் திருத்தங்கள் கொண்டுவரவேண்டுமென்று சொல்லிக்கொண்டு இந்த மசோதாவை ஆதரித்து இத்துடன் நான் முடித்துக்கொள்கிறேன்.”

[28th June 1949]

1-15 p.m. SRI G. KUMARASWAMI:—"Madam, Deputy Speaker, I do not know whether I can adequately congratulate the Hon. Minister for Local Administration for bringing in this measure at this critical hour of the history of our country. It is a very important Bill, a Bill which should have found a place in the statute book long ago. It is a Bill which deserves the praise of one and all. India, you know, Madam, is a land of villages and villages in olden times were self-contained units. Villages were the very sanctuaries of culture and learning. It is in villages that peace, prosperity and tranquillity reigned supreme and they are the heritage of our country.

"Now, Madam, this Bill, whose general features have to be examined carefully, deals with the constitution, the financial workings and the functions of the panchayats and also their practical utility. It is a Bill which seeks to administer villages through panchayats. It is a good thing that villages with a population of 5,000 and above are classified as Class I panchayats and villages with a population of 500 added with the adjoining villages without disturbing the contiguity and less are classified as Class II panchayats. As regards elections, it is, of course, necessary that all the people under the adult suffrage scheme should take part and elect their own men.

"Madam, some Hon. Members have raised the objection that in these days, it is not desirable that this Bill should be introduced especially when the people are illiterate and when there is no Adult Suffrage Scheme. But they must know that it is only to see that education makes a rapid progress in the country that this Bill has been introduced. This Bill certainly removes illiteracy to a great extent. There is no doubt about it.

"Madam, I now come to the functions of the panchayat. (The panchayats are entrusted with the construction and maintenance of roads, drainage, sanitation, the starting of dispensaries, irrigation works and other things. The panchayats have to shoulder a great responsibility. In a way they are self-governing units. Especially after the British quitted the Indian shores there is a growing tendency in the minds of rural people that they have to decide their affairs themselves. They do not want outside interference. But all the same about 93 per cent of the people are illiterate and it is absolutely necessary that the Provincial Government and the Central Government should intervene and give them the proper lead and guidance.)

("Madam, I now come to the finances of the panchayat. Of course, panchayats can levy a house tax, a profession tax and so many other taxes in the villages; and the Provincial Government will give a grant of 12½ per cent of the land revenue. I feel that this 12½ per cent may not be sufficient for the proper and efficient working of the panchayat. The Hon. Minister said the other day at Rajahmundry that the Provincial Government's finances are limited and that it is not possible to spare more than 12½ per cent.

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But all the same I hope they will improve their finances and these self-governing units will have their own places in the making up of the nation.)

"As regards the constitution of the panchayats, I have to say a few words. Of course, all the members will be elected by the electorate. There is a proposal that the president should also be elected by all the voters and not the members alone and the vice-president may be elected by the members. Of course, in Switzerland and other civilised countries of the world, the Ministers and the Judges are being directly elected by the voters themselves. The other day the Hon. Minister opening a conference at Rajahmundry said that by adopting this procedure, at least the president of the panchayat can command the confidence of all the people. Therefore it is but right that the president should be elected directly by all the voters.

"Madam, as regards the inclusion of the village munsif as an ex-officio member of the panchayat, there is some controversy. He is not the only person who knows every detail of the village. Equally important is the village karnam. Village officers are the persons who know every nook and corner of the village and they are the persons who do survey and settlement operations. Therefore, it is but right that they should be given a place in the panchayat without the right to vote. Then only there will be expeditious transaction of work.

"Madam, there are some people who still hold the view that this measure should not be brought now. It is purely a democratic measure. Of course, it is a bit revolutionary also and I hold the view that this measure is most important at this critical juncture of the history of our Province. In the transitional stage, there may be some difficulties, no doubt, but all the same it is desirable that this measure should find a place in the statute book at an early date.

"Madam, I come to the administration of the panchayat. Some people may say that these panchayats may not be self-supporting. Of course they may not be self-supporting but Government will greatly help them. Functions of the panchayat in respect of education, libraries, cottage industries, etc., are classified as optional. Madam, education is a very important thing. It is the most important mainstay of a country, even more important than agriculture itself and as such it should not be classified as 'optional'; better it is classified as 'obligatory'. I would also like the idea that the Collector is given hold only in cases of emergency. It is the Inspector of Municipal Councils and Local Boards and the Provincial Government that should be vested with power in the administration of the panchayat. Madam, sometimes some difficulty arises in the actual day-to-day administration. Under this Bill, irrigation works under the control of the Public Works Department will not vest in panchayats and here alone there is the practical difficulty. Suppose there is a village which is 1½ miles from another village and if the people of one village want to get water from the other village, there is some difficulty because

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of the Public Works Department's interference with it. Therefore, it is desirable that these powers also should be vested in panchayats and there should be no interference from the Public Works Department.

"Madam, under this Bill, special officers will be appointed. There are some thousands of villages in the Province and so many executive officers will be required and unemployment problem in the lower middle class can easily be solved. This is the one admirable feature of the Bill. In that way also educated people will be benefited. Judging from all points, I say that this Bill is most welcome. It need not wait till the adult suffrage scheme comes into effect for it may take a long time. So, it should be immediately put into effect. With these words, I unhesitatingly once more support the Bill moved by the Hon. Minister for Local Administration."

DEPUTY SPEAKER:—"The House will now adjourn for lunch and meet again at 2-30 p.m."

The House then adjourned.

After lunch—2-30 p.m.

SRI A. RAYAPPA :—"అధ్యక్ష, ఈ పంచాయతీ బిల్లు చదివినవారందరినీ కానరావలసివస్తుంది. అనేక కారణాలవల్ల ఇంత ఆలస్యము అయినప్పటికీ దీనిని మంచి స్వరూపముతో గౌరవనీయులగు మంత్రి శ్రీ వండ్రూరి నాయుడు ఈ సభ సభలో ప్రవేశపెట్టినందులకు వారికి నా అభినందనలను తెలియజేస్తున్నాను. ఈ బిల్లును వివరించుచున్నాను. ఈ సందర్భములో కొన్ని సలహాలను నా అభిప్రాయములో అత్యవసరముగా తోచినవాటిని తెలియజేయుటకు ముందుకు వచ్చి ఉన్నాను. అవి వివరంగా ఈ బిల్లియొక్క కడపటి కేటో (73 వ కేటో) "

(f) classification of the functions of the panchayat into two categories, namely, those which are obligatory and those which are optional, functions in respect of the construction and maintenance of village roads, drainage, lighting, sanitation and water-supply falling under the former category and those relating to elementary education, libraries, markets, cart-stands, cottage industries, and dispensaries under the latter."

అని ఉన్నది.

"దీని ప్రకారము ప్రాథమిక విద్య (elementary education) optional గా ఉన్నది. ప్రాథమిక విద్య (elementary education) చాలా ముఖ్యమైనదని అందరకు తెలిసిన విషయము. పాశ్చాత్య దేశములలో ఈ నాడు విద్య అందరికి అందుచూతున్నట్లు ఉన్నదని వారు చాలా తక్కువగా ఉన్నారు. అందువల్లనే అక్కడ ఉండే గ్రామ పంచాయతీలు చాలా efficient గా manage చేయబడుతున్నవని తెలియుచున్నది. అటువంటి గ్రామ పంచాయతీలు మనకు లేని కారణము లేకనే పల్లెటూళ్లలో ఉద్యోగరహిత వాతావరణము నూటికి తొంబది అయిదు వరకు వూడే ఉండుట తటస్థించినది. ఇట్టి సందర్భములలో ప్రాథమిక విద్య పంచాయతీలకు optional గా వదలివేయుట చిన్నపిల్లలకి లేక పడునైన కల్పితమైనది. ఇందులోనే నిర్బంధ ప్రాథమిక విద్యను మనము రాష్ట్రమండలములలో అవసరముగా ఉంచ

[28th June 1949]

[Sri A. Rayappa]

వలసియుండెను. నిర్బంధ ప్రాథమిక విద్య అవసరము లేకుండా ప్రాథమిక విద్యను పంచాయతీలకు optional గా వదలివేసినట్లైతే పల్లెటూళ్లలోనివారికి ఏ విధమైనవిద్యను విద్యాసౌకర్యములు కలుగవని మనవి చేస్తున్నాను. కాబట్టి elementary education ను optional కు బదులు obligatory గా చేసి, పంచాయతీలు నిర్బంధ ప్రాథమిక విద్యాపథావళికలను అవసరము పెట్టవలసినదిగా సవరణ చేయించవలసినదని కోరుచు ఈ నా సలహాను Select Committee లో గౌరవనీయులగు మంత్రి వండ్రూరి నాయుడు సవరణ చేస్తారని ఆశిస్తున్నాను.

"అంతేకాకుండా 15 వ section లో 'No village headman, karnam or village servant and no other Government servant shall be qualified for election, co-option or appointment as a member or for holding office as an elected, co-opted or appointed member' అని ఉన్నది. ఇది చాలా యాక్రముగా ఉన్నది. కాన మరల 8 వ సెక్షన్ లో 'The headman of every revenue village which is comprised within the jurisdiction of a Panchayat shall be an ex-officio member thereof but he shall not be entitled to vote at the meetings of the Panchayat' అని ఉన్నది. ఇది చాలా ఘోరమైన విషయమని తెలుపుచున్నది. ప్రతి గ్రామములోను విదో ఒకవిధమైన కడుతుంటాయి. వీటిలో గ్రామాధికారి, ప్రజలుగా ఉండడము సర్వసాధారణమైన విషయమని విషయము. ఈ గ్రామాధికారి ఒక ప్రత్యేకమైనవిషయమని పనికొరకు ప్రభుత్వమువారు నియమించి ఉన్నారు. వస్తులను వసూలు చేయుట వారివిధి కాబట్టి కేవలం వస్తులను వసూలుచేయించేటటువంటి వనలే ఈ గ్రామాధికారులకు బట్టింగ్ వచ్చును, అంతేకాని వీరికి పంచాయతీలో స్థానము ఇవ్వడంవలన చాలా అక్రమాలు బరగటానికి అవకాశము ఏర్పడుతుంది. ఈ గ్రామాధికారులు పంచాయతీలో ex-officio members మాత్రమే, కాని వారికి voting హక్కు లేదని మంత్రిగారు సమాధానము చెప్పవచ్చును. కాని వీరికి పంచాయతీలో ఏ విధమైనవిషయమింట్లో స్థానము ఉన్నప్పటికీ వారికి ఉన్నటువంటి influence ఉపయోగించుకొనుటకు అవకాశము కలుగుతుంది. కాబట్టి వీరికి పంచాయతీలో, ఒక్క పన్ను వసూలు చేసేపని ఇవ్వడముతప్ప, మరి ఇతరసంబంధములను కలిగించకూడదని కోరుచు మంత్రిగారు Select Committee వర్కల సందర్భములో నా సలహాను గమనించి సవరణచేసేవరకు సమ్మతమైనది.

"అంతేకాకుండా 9 వ సెక్షన్ లో మునిములకు ఒక స్థానము, ఇండియన్ క్రిస్టియన్లకు ఒక స్థానమును, పెద్దవారైనా వారికి లేక క్రైస్తవులకు ఒక స్థానమును మొత్తము ముగ్గురు సభ్యులను co-opt చేసుకొంటానికి అవకాశము గలదిగా చేసి ఉన్నారు. పెద్దవారైనా ఒక స్థానమును క్రైస్తవులకు ఒక ప్రత్యేక స్థానము మొత్తము నాలుగు స్థానములు ఉండేటట్లుచేస్తే చాలా కాగుంతుందని నా సలహా.

"నా సలహాను గురించి అవసరమైనవిషయమింట్లో మార్పుచేసి ఆ విధంగా గ్రామ పంచాయతీలను నడిపినట్లైతే మనము అనుకొనినట్లుగా రామరాజ్యమును మనము స్థాపించగలము. లేక ఈ బిల్లులో ఉన్నట్లుగానే కొంచెంబడిస్తే అదిరామరాజ్యముకు బదులుగా రామరాజ్యంగా పరిణమించగలదని మనవిచేస్తూ, నా సలహాను ఆమోదించవలసినదిగా మరల మంత్రిగారిని కోరుచూ ఈ బిల్లును వివరించుచున్నాను."

SRI MATHI V. LAKSHMI AMMAL :—"கனம் அக்கிராஜா அவர்கள் பதி அவர்களே, இப்பொழுது கிராம பஞ்சாயத்து மசோதாவை கொண்டு வந்திருப்பதை நான் மனப்பூர்வமாக ஆதரிக்கிறேன். இதற்குக் கொடுத்த

[Srimathi V. Lakshmi Ammal] [28th June 1949]

திருத்தப்பிரேரணை எதற்காக எதிர்க்கிறேன். என்பதையும் நான் சொல்லுகிறேன். இந்த கிராம பஞ்சாயத்து மசோதாவை ரொம்ப நாளைக்கு முன்னதாகவே நாம் கொண்டுவந்திருக்க வேண்டியது. இப்பொழுது கவர்னர் ஜெனரலாக இருக்கப்பட்ட இராஜாஜி அவர்கள் தாம் இங்கு பிரதமராக இருந்த காலத்திலேயே இந்த மசோதாவைக் கொண்டு வரவேண்டுமென்று அப்பொழுதே யோசிக்கப்பட்டது. அந்தக்காலத்திலிருந்து இதுவரையில் இந்த மசோதாவை நிறுத்திவைக்கப்பட்டு இப்பொழுது கொண்டுவந்திருக்கிறார்கள். இந்த மசோதாவை கிராமங்களில் எல்லோரும் வரவேற்கிறார்கள். ஏனென்றால் கிராமத்திற்கு கிராமம் கொடுக்கிற ஒவ்வொரு வரிப்பணமும் கிராமத்திலேயே சிலவிடப்படவில்லை என்பது ஒரு பெரிய குறை. கிராமங்களிலிருந்துதான் ஏராளமான தான்யங்கள் விளைந்து இங்கு வருகிறது. கிராமங்களிலிருந்து வசூல் செய்கிற வரிப்பணங்களும், ரெவ் வரிகள் முதலியவைகள் city களில் அதாவது பட்டணங்களில்தான் சிலவிடப்படுகிறது. இந்தக் குறையை ரொம்ப நாட்களாகவே கிராமவாசிகள் சொல்லிக்கொண்டு வருகிறார்கள். கிராமங்கள் நன்றாக பயன்படும்படி செய்யவேண்டுமென்றால் அதற்கு பஞ்சாயத்து போர்டு அவசியம்தான். பஞ்சாயத்து போர்டுகளை ஏற்படுத்துவதால் அநேக கஷ்டங்கள் ஏற்படும் என்பது நாம் அறிந்த விஷயமே. இப்பொழுது பஞ்சாயத்து போர்டு 7,000 சொச்சம் இருந்தகொண்டிருக்கின்றன. அவைகளினால் அநேக கஷ்டங்களுமிருக்கின்றன. நன்மைகளுமிருக்கின்றன. எனக்கு முன் பேசிய ஸ்ரீ பிரம்மாநந்தம் ரெட்டியார் சொன்ன பிரகாரம் கிராமங்களில் வசூல் துவேஷமும், கட்சிப் பிரதிகட்சிகள் இல்லாமல் இருந்த பிறகும், நூற்றுக்கு நூறு வீதம் கட்டுப்பாடு ஏற்பட்ட பிறகும் இந்த பஞ்சாயத்து போர்டை நியமிக்கவேண்டுமென்று நாம் நினைத்தால் அது சமுத்திரத்தில் அலை ஓய்ந்த பிறகு ஸ்நானம் செய்வது என்பதுமாதிரி தான் இந்த பஞ்சாயத்து போர்டு ஏற்படுவதுமாகும். பஞ்சாயத்து போர்டுகளை கிராமங்களில் ஏற்படுத்துவதானால் அவர்களுக்கு கல்வியை புகட்டுவது முதலாவது காரியமாக இருக்கவேண்டும். கிராமங்களில் பஞ்சாயத்துகளை ஏற்படுத்துவதென்றால் முதலில் கொஞ்சம் கஷ்டங்கள் அதனால் ஏற்படும், ஓரளவு பணச்சிலவும் அதிகமாகத்தான் ஏற்படும். ஆனால் இப்பொழுது இருக்கிற ஜனநாயக முறையில் பட்டணங்களில் எந்தவிதமான சௌகரியங்களை அனுபவிக்கிறார்களோ அவைகளை யெல்லாம் கிராமவாசிகள் பார்த்து தாங்களும் கிராமங்களில் அவ்வளவு சௌகரியங்களை அனுபவிக்கவேண்டுமென்று நினைக்கிறார்கள். பம்புகள் அமைக்கவேண்டும், ரேடியோ இருக்கவேண்டும், நல்ல ரோடுகளை ஏற்படுத்தவேண்டும், பெரிய பள்ளிக்கூடங்கள் இருக்க வேண்டும், இன்னும் வேண்டிய வசதிகளைச் செய்துகொள்ள வேண்டும், நல்ல சூளம், நல்ல குடித் தண்ணீர் வசதிகள் இருக்கவேண்டும் என்று கனவுகண்டு கொண்டிருக்கிறார்கள். அவைகளை ஏற்படுத்தவேண்டுமென்றால் அதற்கு வேண்டிய ஒரு institution-ஐ அமைக்கவேண்டும். அப்படி அமைப்பது என்றால் அதை ஒரு பஞ்சாயத்து போர்டால்தான் செய்யமுடியும். ஆகையால் இந்த கிராமங்கள்தோறும் ஒரு பஞ்சாயத்து போர்டு ஏற்பட வேண்டியது மிகவும் அவசியம். இதற்கு முன் ஜில்லா போர்டு, தாலுகா போர்டுகளிலிருந்து அவைகளால் ஒன்றும் செய்யப்படவில்லை என்பதை நாம் கண்கூடாகக்கண்டிருக்கிறோம். ஆனால் இப்பொழுது பஞ்சாயத்து போர்டு ஏற்படுவதில் 500 பேர்கள் கொண்ட அதாவது குறைந்தபட்சம் 500 பேர்கள் கொண்ட கிராமங்களில் ஒரு பஞ்சாயத்தை ஏற்படுத்த வேண்டுமென்பதாகக் கண்டிருக்கிறது. இம்மாதிரியிருந்தால் அந்த பஞ்சாயத்து போர்டுக்குவேண்டிய சிலவிற்கு பணம் இருக்காது என்று சொல்லுகிறார்கள். இப்பொழுது கிராமங்கள் அழிந்துபோயிருக்கிறது. கிராமங்களில் போய்பார்த்தால் 4, 5 வீடுகளுக்குக்கூட 100 பேரும் நிலைமையிலிருக்காது. எல்லா வீடுகளும் கூரை வீடுகளாகவும் பாழானதாகவுமிருக்கும். காலநூபாய் வரி போடலாமா என்று கூட யோசிக்கும்படியான அளவில் இருக்கும். ஆகையால் 500 பேர்கள் என்றில்லாமல் குறைந்தபட்சம் 1,000 பேர்களாவது இருக்கக் கூடிய கிராமங்களில் பஞ்சாயத்து போர்டு ஏற்பட்டால் நலமாக இருக்கும் என்று தோன்றுகிறது. அதற்கு சாதகமாக பக்கத்திலுள்ள இரண்டு மூன்று கிராமங்களை வேண்டுமென்றாலும் சேர்த்துக் கொள்ளலாம்.

2-45 p.m. "இந்த கிராமங்களில் யார் யார் மெம்பர்களாக இருக்கவேண்டுமென்பதும் தனிப்பட்ட தொகுதி என்று இருக்கக்கூடாது என்பதையும் நாம் எல்

[28th June 1949] [Srimathi V. Lakshmi Ammal]

லோரும் வரவேற்கிறோம். தாழ்த்தப்பட்டவர்களுக்கும், ஸ்திரீ முதலானவர்களுக்கும் மூன்று ஸ்தானங்களை co-opt செய்து கொள்ளலாம் என்று அந்த வகையில் ஸ்திரீகளையும் சேர்த்திருக்கிறது. இப்பொழுது ஜனத்தொகையில் பாதிப்பேர்கள் ஸ்திரீகளாக இருக்கிறார்கள். அவர்கள் எல்லெக்ஷனில்தான் நிற்கலாம். அப்படி நின்றுவராமல் போனால் அவர்களை co-opt செய்து கொள்வதற்காக மூன்று ஸ்தானங்களையும் ஸ்திரீகளுக்குக் கொடுக்கலாம். ஸ்திரீகள் ஜனசமூகத்தில் குறைந்த சங்கீத்யமாகவோ மைனாரிட்டியாகவோ இல்லை. அவர்களும் ஜனத்தொகையில் பாதிப்பேர்களாக இருக்கிறார்கள். ஆகையால் அவர்களுக்கென்று இன்னும் இரண்டு மூன்று ஸ்தானங்களை ஒதுக்கி வைக்கலாம். அப்படி ஒதுக்கிவைத்தாலும் கிராமங்களிலிருந்து ஸ்திரீகள் வருவார்களா என்று நினைக்கலாம். கிராமங்களில் படித்த ஸ்திரீகள் இருக்கமாட்டார்கள் அவர்களும் வரமாட்டார்கள் என்று சொல்லலாம். ஆனால் சில கிராமங்களில் படித்த ஸ்திரீகளிருக்கலாம். அப்படி இருக்கக்கூடிய இடங்களில் இரண்டு மூன்று ஸ்திரீகளை அங்கத்தினர்களாகப்போடுவதற்கு வசதிகளிருக்கவேண்டும். அவர்களுக்கு அவ்விதம் அதிக ஸ்தானங்கள் கிடைப்பதற்கு வேண்டிய provision இருக்கவேண்டும் என்று கேட்டுக்கொள்ளுகிறேன். Select Committee யாரையும் அதற்கு வேண்டிய வசதிகளைச் செய்து கொடுக்கும்படி கேட்டுக்கொள்ளுகிறேன்.

"அதேமாதிரி ஹரிஜனங்கள் விஷயத்திலு மிருக்கவேண்டும். ஹரிஜனங்களிலும் ஒன்று அல்லது இரண்டுபேர்கள் வரலாம். ஹரிஜனங்களை ஜெனரலாக எல்லெக்ஷனில் நிற்கவைக்க வேண்டாம். அவர்களும் ஒன்றிரண்டு ஸ்தானங்களை co-opt செய்து கொள்ளலாம் என்பது என்னுடைய அபிப்பிராயம். அதற்கு வேண்டிய வசதிகளையும் Select Committee யார் செய்து கொடுக்க வேண்டுமென்று கேட்டுக் கொள்ளுகிறேன்.

"இந்த கிராம பரிபாலன விஷயங்களில் கிராம முன்சிபுகள் ex-officio வாக இருப்பதை அநேகம்பேர்கள் கண்டிக்கிறார்கள். எனக்குத் தெரிந்த வரையில் அவர்கள் இருப்பதால் ஒருவிதமான தப்பும் இல்லை என்றே தோன்றுகிறது. அவர்களிடத்தில் வோட்டுரிமையை விடப்போவதில்லை. ஆனால் அவர்கள் ex-officio வாக இருந்து நடவடிக்கைகளை கவனிக்க வேண்டுமென்றிருக்கிறது. கிராமங்களில் அவர்களுடைய ஒற்றுமையால் அநேகம் காரியங்களைச் செய்யவேண்டியிருப்பதால் அவர்களுடன் எவ்வளவுக்கு ஒற்றுமையாக இருக்கிறோமோ அவ்வளவிற்கும் கிராமம் முன்னேற்ற மடைவதற்கு நன்மையாக இருக்கும். ஆகையால் அவர்கள் ex-officio வாக இருக்கலாம் என்பது என்னுடைய அபிப்பிராயம்.

"அடுத்தபடியாக ஒவ்வொரு பஞ்சாயத்திற்கும் ஒரு Executive officer ஐப் போடவேண்டுமென்றிருக்கிறது. அதிலும் A class பஞ்சாயத்துகளுக்கு அவசியம் Executive officer களைப் போடவேண்டுமென்றிருக்கிறது. அவ்விதம் ஒவ்வொரு பஞ்சாயத்திற்கும் Executive officer களைப் போடுவது அவசியம்தான் என்பதை நிதானமாக யோசிக்கவேண்டும். Executive officer களை எந்தெந்த இடங்களில் போட வேண்டுமென்பதையும் எந்தெந்த இடங்களில் போடாமல் இருக்கலாம் என்பதையும் நிலைமையை யோசித்துப்போட்டால் சௌகரியமாக இருக்கும் என்பதாக நான் கேட்டுக் கொள்ளுகிறேன். B class பஞ்சாயத்துகளுக்கு Executive officer களைப் போடவேண்டாது. அப்படி போடுவதற்கு பணமும் கிடையாது, வசதியும் கிடையாது. அவ்விதம் Executive ஆபீசர்களை நியமிப்பதால் சிலவு அதிகம் ஏற்படுவதோடு அதனால் கிராமத்தில் ஒருவிதமான நன்மையும் ஏற்படாது, அவ்விதம் போட்டு ஒரு கட்சியை ஏற்படுத்த வேண்டிய அவசியமும் இல்லை. ஆகையால் B class பஞ்சாயத்துகளுக்கு Executive ஆபீசர் களைப் போடவேண்டியதவசியமில்லை என்பதை தெரிவித்துக்கொள்ளுகிறேன்.

"அடுத்தபடியாக President ஜனங்களால் தேர்ந்தெடுக்கப்படவேண்டுமென்று இந்த மசோதாவில் காணப்படுகிறது. அது ரொம்பவும் வரவேற்கத்தக்கது. President ஜனங்களால் தேர்ந்தெடுக்கப்படுவது என்றிருந்தாலும், பஞ்சாயத்து போர்டு தேர்ந்தெடுக்கப்படும் President ஆக இருந்தாலும் அவருக்கு சில யோக்க்யதாம்சங்களிருக்கவேண்டும். யோக்க்யதையுள்ளவர்கள் அந்த President ஸ்தானத்திற்கு தேர்ந்தெடுக்கப்பட்டால்

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THE MADRAS VILLAGE PANCHAYATS BILL, 1949

[Srimathi V. Lakshmi Ammal] [28th June 1949]

அந்த கிராமத்தின் நன்மைகளை கவனிப்பதற்கும் அந்த கிராமத்தின் கேடிமத்தை கவனிப்பதற்கும் முடியும் என்பதாகத் தெரிவித்து கொள்ளுகிறேன். வெறுமனே யார் வேண்டுமானாலும் President ஆகவந்துவிடலாம் என்றால் எலெக்ஷனில் சண்டைகள் ஏற்படுவதோடு அந்த சண்டைகளை தீர்ப்பதற்கும் யோசனைகள் கேட்பதற்கும் Provincial and Local Self Government-க்கு அடிக்கடி போய் வரும்படியாக இருக்கும். அப்படி வருவதால் பாதி நாட்கள் அவைகளைத் தீர்ப்பதிலேயே போய்விடும். ஆகவே இவைகளை யெல்லாம் நிவர்த்தி செய்ய தகுந்த யோக்கியதை யுள்ளவர்களை President ஆக நியமிக்க வேண்டுமென்று நான் கேட்டுக் கொள்ளுகிறேன். அதற்கு வேண்டிய Provision-ம் மசோதாவில் இருக்கவேண்டுமென்றும் கேட்டுக்கொள்ளுகிறேன்.

“அடுத்தபடியாக பஞ்சாயத்து போர்டை ஒவ்வொரு கிராமங்களிலும் ஏற்படுத்தப்போவதால் ஜில்லா போர்டு என்றிருக்கவேண்டியது அவசியமில்லை. ஜில்லா போர்டு என்றில்லாமல் ஜில்லா advisory committee மாதிரி ஒன்றிருந்து அந்த கிராமத்திலுள்ள தேவைகளை கலெக்டருக்கும், பஞ்சாயத்து போர்டு Executive ஆபீசுக்கும் எடுத்துச் சொல்வதற்கு செளகரியமாக இருக்கும். தாலுகா போர்டு இருக்கிறது. இப்பொழுது அவைகள் ஹைஸ்கூல்களையும், ஆஸ்பத்திரிகளையும் நடத்திக்கொண்டு வருகிறார்கள். வேண்டுமென்றால் பிற்பட்டு ஏற்படுத்திக்கொள்ளலாம். ஆகையால் ஜில்லா போர்டு அவசியமில்லை என்பது என்னுடைய அபிப்பிராயம். அதனால் அதிகமாக சிலவும் ஏற்படும். அதிகமான பேர்களை நியமித்தால் வருவதில் பாதி வரும்படி அவர்களுக்கு சம்பளமாகப்போய்விடுகிறது. அதனால் கிராமங்களுக்கு வேண்டிய வசதிகளையும் செய்ய முடியாமல் போகிறது. பஞ்சாயத்து போர்டிலிருந்து வரும் வரும்படியில் 12½ சத விசதம் Provincial Government அவர்களுக்குக் கொடுப்பது என்று சொல்லப்படுகிறது. பாக்கி சிலவர்களுக்கு அவர்கள் பலவரிகளைப் போட்டு அதாவது சிலசில cess போட்டும், வண்டிக்கு வரியும், சுங்கவரியும் போட்டு எடுத்துக்கொள்ளலாம் என்பதாகக் காணப்படுகிறது. இவைகளைப்பற்றி யெல்லாம் கிராமங்களில் நன்றாகத் தெரிந்துகொண்டு விட்டார்கள். வரி என்று போடுவதாக இருந்தால் இப்பொழுது அவர்கள் கதி கலங்கிப் போகக்கூடிய நிலைமையிலிருக்கிறார்கள். ஆகையால் தாமாஷா வரி இன்னும் மற்றவர்களை முனிசிபாலிட்டி ஜில்லா போர்டுகளில் போட்டு நம் Provincial Budget விருந்து அனுமதிக்கப்பட்டு அவைகளை அவர்களுக்கு subsidies ஆகக் கொடுத்தும் கூடுமானவரையில் கிராமவாசிகளுக்கு அவர்களுடைய ஊரில் வரியை விதிக் காட்டல் பார்த்துக்கொள்ள வேண்டியதும் தான் கவரன்மெண்டின் கடமை என்பதை நான் சொல்லப் பிரியப்படுகிறேன். இப்பொழுது பார்த்தால் கிராமங்களில் சின்னச்சின்ன வண்டிகளைத்தான் வைத்துக்கொண்டிருப்பார்கள். அவைகளுக்கு வரி போடுவதென்றால் அவர்களிடமிருந்து ரொம்பவும் வசூலாகாது. அதனால் கதி கலங்கும்படியாகவு் மிருக்கும். ஆகையால் வரியே இல்லாமல், இருக்கும்வரியையே பங்கிட்டுக் கொடுக்கும்படியாக நான் கேட்டுக்கொள்ளுகிறேன்.

“கடைசியாக இந்த போர்டுகளுக்கு நியமிக்கும் மாகாண லோகல் Self Government Inspector-களுக்கு அதிகமாக அதிகாரம் கொடுக்கப்பட்டிருப்பதாக சிலபேர்கள் சொன்னார்கள். இப்பொழுது நாம் அவர்களுக்கு ஒரு புதிய பொறுப்பைக் கொடுப்பதால் கொஞ்சநாட்கள் வரைக்கும் சரியாக வேலைகளைச் செய்வதற்காக அவர்களிடத்தில் கொஞ்சம் பவர் இருக்க வேண்டியது அவசியம்தான் என்பதாக எனக்குத் தோன்றுகிறது. சில வருஷங்களுக்கு பூரா பவரையும் கொடுத்துவிடாமல் பிறகு இன்ஸ்பெக்டரே இல்லாமல் அவர்களாகவே நடத்திக்கொள்ளுமாறு செய்யலாம் என்பது என்னுடைய அபிப்பிராயம்.

“இந்த மாறுதல்களை யெல்லாம் Select Committee யார் கவனித்து இந்த மசோதாவை நிறைவேற்ற வேண்டுமென்று கேட்டுக்கொண்டு இந்த மசோதாவை மனப்பூர்வமாக ஆதரித்து கனம் Local Self Government மந்திரியவர்கள் கொண்டுவந்த பிரேரேபணையை ஆதரிக்கிறேன்.”

28th June 1949]

* SRI K. BHASHYAM:—“Mr. Speaker, the Bill that has been placed before the House is a very important Bill, more important than any others that have come before the House in recent days, as it proposes to establish a panchayat for every village. The Hon. Minister in charge of the Bill has in a very reminiscent or rather historical mood, described the idealistic state of our villages in ancient days. Of course that was so in very ancient days but he must understand that it is not because the British came into our lands and spoilt our village economy, for even before that there were others who came in but as a result of the frequent invasions of the village, the village economy has been disturbed completely. But now it is not going to be restored by the Panchayats Bill being passed because (the villagers as they are, are not content as they were once and the ambitions of the villager are not circumscribed to the activities of the village. Every villager thinks that he has a potential seat in the Cabinet of this Government and he feels equal to governing the country whatever his qualifications may be. The ambitions of the villagers have been widened because in recent days we have heard and we have seen many persons risen from the villages coming to the top of the Government. Therefore, it is impossible to restrict the ambition of the people of the village to the activities of the village only. Their ambitions have widened and their vision covers not the village but the whole presidency. Therefore, though the slogan: back to the villages, was really propagated by the biggest of men. Mahatma Gandhi, yet it did not catch on to the people at all. There is the glamour of the town and there is the ambition for careers that it offers and also the facilities and amenities that town life offers to the people. Therefore, unless the Government first take the step of urbanising the villages, that is, bring to the villages all the amenities and facilities and comforts which really go to make life comfortable and full in the towns, you cannot make the village a place of attraction. I think even now it is impossible to find the necessary men to undertake the responsibility of panchayat administration in a village of say 500. The unit is very small, and for the decentralization of administration intended by the Hon. Minister, it is too low and it will not be possible to get the necessary man power to undertake the task of administering the village affairs. He must raise the level; it should not be 500 but to my mind, it must at least be 2,500 and then from the wider circle of people you will be able to get persons with administrative experience, men of integrity and men of capacity for purposes of undertaking the administration of the affairs of the panchayat. Therefore, Sir, this is one of the things that the Hon. Minister must have in mind when the matter goes before the Select Committee. The Hon. Minister who is in charge of Co-operation must know that we started with the idea that there must be a co-operative society for each village but the ideal was too high and we are not able to get the necessary men for purposes of managing the co-operative societies. I know from my own experience of the co-operative movement, that the Co-operative Inspector goes to the village, catches hold of the

[Sri K. Bhashyam] [28th June 1949]

President or the Secretary of the Society, sits down with them, gets the accounts written up, has them audited and then sends his report. If that is so with regard to the co-operative movement, how can the Hon. Minister or any other person expect to get the necessary man power for managing the administrative machinery in each and every village. Therefore, Sir, I plead for the unit being enlarged. Perhaps if I had my own way I should start not from the bottom; things have become so bad there and the village economy has been so badly disturbed that it is not possible by one bold stroke as in the Bill, to retrieve it. There may be district councils in the first place which may be self-sufficient in their working and a portion collected from the district may be given to the villages when the village councils may start; it need not be a rule of thumb that for every village of 500 we should have a village panchayat. So far as decentralization goes, the figure has been put down too low for purposes of proper administration of the affairs of the village.)

(At this stage, Sri P. Kandaswamy Pillai took the chair.)

3 p.m.

"Then Sir, I would like that local leadership, local initiative and local enthusiasm be harnessed for the purpose of getting things done in village administration properly. Well, on the one hand, the Hon. Minister expresses his ideals before the House in glowing terms, and on the other, he has really shown in this Bill very grave signs of distrust of local initiative and local statemanship. Powers are given to panchayats to do many things but there is always a check somewhere and local initiative is not given any fairplay for the free exercise of its capacity. Therefore I feel that, while the Hon. Minister means well, he does badly. At every step, I find there is really a check by executive authority and no real powers for the panchayats granted. The executive authority has got the power to supplement or at least change its decision in any way it likes. My view is therefore that any initiative shown by the panchayat is really curbed and circumscribed by so many checks. I think, so far as the controlling powers are concerned, there are practically three. The executive officer is not a person appointed by the village panchayat. He is a person appointed by the Government. These executive officers form a provincial cadre and they look to the Government for their promotion. They do not care for the local panchayats to get a good name but only look to the Government for getting a name with regard to administrative efficiency. If panchayats have to exercise real powers, the executive officer must be absolutely subordinate to the village panchayat. Unless this is done, it is not possible to make village administration a really self-sufficient one. Every other section says that the Inspector of Local Boards has the power to control and his decisions are very often final. Then the Government come at the top. Here and there the Collector is mentioned. All these authorities have to see whether things are done properly or not. Thus there are four checks. The Hon. Minister has to resort to all these devices because he keeps the unit too low. If he puts the unit high, he can expect honest

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and efficient men with necessary qualifications. Only because the Hon. Minister, in his enthusiasm for village autonomy, has put the unit too low, these checks become necessary.

"So far as election to the panchayat is concerned, I find one wholesome feature, that is, there is no reservation. But there is co-option for the purpose of levelling up inequalities. This provision throws a great responsibility upon the majority community and I want them to realize it in the first instance. (Interruption by Mr. Hameed Khan.) I am glad to note here that Mr. Hameed Khan will realize that he came out successful in the olden days under the auspices of Mr. Srinivasa Ayyangar from a constituency constituted mostly of Ayyangars. This shows the great responsibility shown by the majority community for the purpose of levelling up inequalities in respect of representation. So even co-option need not be resorted to for the purpose of levelling up inequalities in the matter. In respect of elections to the panchayats, the election that is provided for is a complicated election. It raises all sorts of difficulties. Factional spirit is really fostered by this election. We have not yet learnt to take defeat in elections in a sporting spirit. We think that something is really lost and then we entertain a grudge. Therefore some device must be made to combine election with chance. I think it was mentioned by one of the speakers that preceded me that, in olden days somewhere in Chingleput district in connexion with the election of a committee, persons were asked to select names, they were written on some pieces of palm leaves which were put in a box, and then, a young boy was called to pick out the required number of names. This is a combination of election by ballot with a sort of chance lottery added to it. Such a system may be resorted to if it is possible for the Hon. Minister to do so. Then, as regards the various powers given to the panchayats, I think that very wide powers are given to the panchayats. If the Hon. Minister wants to evolve a village republic and wants to make each village self-sufficient, of course all these powers must be there and I really support him. For this purpose, certain minor matters require consideration. Can a panchayat with a population of 500 impose taxes on professions and vehicles? I do not know how far it will be successful if taxes are imposed on blacksmiths, carpenters and men like them. It appears too much to tax Rs. 2 on a person who owns a bullock-cart. All these things are very important and these should be looked into at the Select Committee stage. The next question is with regard to the exercise of civil and criminal powers by the panchayats. It is a matter somewhat of doubtful merit or credit, that village panchayats may be allowed to decide civil disputes. But it is doubtful whether a body of five or twelve persons could be entrusted with criminal powers. I am one of those persons who believe that executive and judicial functions must be kept separate. Panchayat is an administrative body with very wide functions. It has got administrative functions of a varied character. That such a body should constitute a court of justice for the purpose of deciding

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disputes of a criminal nature is bad in principle; it is not going to work in practice either. What I would suggest is that a number of villages should be grouped together and experienced honorary magistrates should be appointed for the purpose of deciding criminal cases. That, I submit, will be the proper thing to do. As regards one other point about these taxes, I feel that the cesses which are asked to be paid are an addition to the cesses being paid now. I do not know whether it is the intention of the Government. I cannot understand if the cesses are an addition to what the district boards already collect. I hope it will be made clear in the Select Committee stage. What the position of the panchayats is in relation to district boards is also not clear. It is not known whether the district boards will exist or not when the whole country is covered by village panchayats. It is also not known what the functions of the district boards will be after the constitution of these village panchayats. These have not been explained by the Hon. Minister in his preliminary speech. I expect he will do at the end of the discussion. As a matter of fact, most of the powers that are given to panchayats are powers exercised by the district boards. Therefore I would like to know exactly what the functions of the district boards and what their exact relationship with the panchayats are after the Panchayat Bill is passed into law, as the powers of control over the village panchayats have been taken away from them and will be now vested in the hands of the Inspector of Local Boards or the Government. The inter-relationship between the district board and the village panchayats must be made very clear. It is very difficult to make a small panchayat tax its own people, as taxes are not popular at any time. This is a power newly conferred on them by Government. I know that, if the matter is left to the panchayats themselves, they will prefer not to tax the villagers and would be content with the 12½ per cent revenue which they get for the purpose of running the administration. All these matters need really to be looked into at the Select Committee stage. Therefore the motion for the purpose of circulating the Bill for public opinion, though justified by the fact of short publication particularly in view of the fact that hardly fifteen days have passed since the Bill was given notice of, is unnecessary as all the points can be dealt with by the Select Committee.

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"One thing more I wish to say before I finish, Sir. The Select Committee when they sit should examine witnesses who have been experienced in the affairs of municipalities and district boards with regard to the various provisions of the Bill now before the House. To that effect a direction should be made by this House to the Select Committee, and I hope it will be done."

SRI R. RAGHAVA MENON:—"Sir, it is really very gratifying that this Bill which has been so much needed by our province has been taken up actively and it has come before the House. There is what is known as a Panchayat Act now, but

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it is kept completely dead, though I understand there is a panchayat officer for every district. Those officers did not care to form panchayats, give adequate authority and funds to them to function. I am also aware that some panchayats which were formed, though they had collected money were not allowed to spend. So practically this much-needed village reform was kept in cold storage for all these years without Government trying to do anything. But it is all better too late than never; and so I must congratulate the Minister concerned for having introduced this Bill at least now.

"The Bill is almost a parallel to the Municipalities Act, and in some respects to the Local Boards Act. In the Bill there are some provisions which require amendments, so that the village may go on with its administration in a very satisfactory and efficient manner. There are seven lakhs of villages in our province and it will be a glorious sight to see them all formed into panchayats and working, and the people governing themselves. That is our ideal, and Mahatma Gandhi was insisting that we must have decentralization of administration, as we must have industries also to a great extent decentralized if the people are to be made happy. It is true there is a lot of glamour in big cities and a lot of luxury in big towns at the expense of the villages, which are denied any benefit for the taxes they pay. When all is said, whatever advantages villages may afford, whatever food-supplies may be secured in villages, people are able to get them to-day in the cities, and so the village is left severely alone to-day. There is nobody to look after the villager in the village to-day. The roads are bad, the sanitation is bad, there is no properly conducted school and there is nothing like maternity welfare homes and hospitals, in fact none of the amenities that one gets in the city. All the same there is the village headman, the village officer, the karnam and so on in the village. One can plead exemption from the gallows but not from the village officers. Let there be a famine or a flood or let any misery or calamity befall any number of villagers, the revenue from the village is collected every year regularly, and no exemption is given. Who cares how the villager is getting on? Is there any doctor to look after the sick; is there any to see whether they are able to pay for the doctor? Then, what is the condition of the roads, especially in the rainy season. There are villages in the rainy season completely cut off from other areas, either because they are unfit for travel or there are no bridges to approach them. Even to-day we can see villages isolated in the rainy season, for there will be no roads for three miles all round or if there are any roads, they will be impassable. No doubt there are engineers to look after these roads. But do they care for them? Till now, people could represent their grievance through M.L.As. and M.L.Cs.; but now as per the recent circular issued, that channel of communication is banned. So, Sir, this Bill will greatly alleviate the sufferings of the villager if it is properly worked. There is no use of passing this measure, unless Government are prepared to work it up. There is no use of passing this Bill without appointing

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officers to constitute panchayats. Even if it takes six years to appoint them, it does not matter. Under section 35 of the Panchayat Act, Government say they have power to appoint an Inspector of Panchayats and they also say they may appoint other persons. Well, Sir, I wish Government appoint straightaway at least two inspectors for each district; for every district consists of at least nine thousand villages. It is not possible for one single officer to go to each and every village and form panchayats. So let some men be appointed who will be able to go from one end of the district to the other end. As it is, it will take two years for one officer to do so. It is really hard work for him. What will happen first, if this Bill is passed, is, people will be told that they will be taxed; immediately they will avoid these officers. So, Sir, some sort of propaganda by two or three officers should be carried on on the effects of working the panchayats. The success of the measure depends on the sympathy of the officers working it and on the supervision and advice they give to the people. In the first instance, Government should finance the panchayats for some years, say, for five years. To start with, the panchayats cannot command much finance; it takes some time for them to levy tax and collect it; and according to the present system, it takes a lot of time to move, and so the usual delay with all its consequences will take place, and the panchayats may not work at all.

"Then, another point I would wish to say here is, for Heaven's sake do not entrust the Collector of the district with the working of the panchayats. He is the one man who is made responsible for everything in the district. There is no activity in the district of which he is not the head. In civil matters he is the head, in criminal matters he is the head, for food-supply he is the head, for rationing he is the head, for co-operative societies he is the head, for everything he is the head in the district, from A to X he is the head. Do not make him also head of the panchayats for Heaven's sake! Have a number of officers, an Inspector and some others and let there be somebody from here direct over them. Do not put the Collector in charge of the panchayats. He finds no time to devote to it. I am not against Collectors; I only say, they are overworked. There should be a separate department for this sphere of administration.

"The next thing I want to say is, we are in the dark as to what will be the revenue the panchayats will get from the several taxes proposed to be levied. Government have no statistics for this. Panchayats are to levy house tax, vehicle tax and a tax on the article of food brought in for consumption or sale. Already, Sir, sales tax is sufficient to trouble us. Why add to it a tax on rice, salt, chillies and other articles of food for daily consumption. I request the bare necessities of life may be exempted from taxation. Perhaps luxuries may be taxed. I would even say this: it is worth while to put panchayats in possession of some fund till a specific period by which time Government would be able to say whether such and such panchayats would have sufficient funds

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by direct taxation. Otherwise panchayats would not work well, and there will be great uproar that our province is not fit for self-government, we are not able to do things properly and so on. So contributions must be liberally made in the initial stage to panchayats and gradually with the increase of taxes and more and more sources of revenue available they may contract their aid and thus slowly place panchayats on a sound footing.

"Another thing I would like to say here; and it may be considered in the Select Committee. There is already a move to improve agriculture by the Grow More Food Scheme. It will exist even after the removal of control. That may be carried on by panchayats. In 1946 we passed a measure called the Essential Articles Control Act, wherein section 7 empowered Government with the right to let out on lease lands which are cultivable but not under actual cultivation. If the landlord is not willing to cultivate it, Government can lease it for cultivation. I am afraid that section has not been given effect to. Of course, the Hon. Minister will say that he is not responsible for that. But all the same, all of us, almost with one voice, declare that we want more food, and Government also proclaim 'we are doing our best'. But I do not think any case has come to my knowledge where this section has been enforced. Is it the fact this section has not been enforced because every bit of cultivable land in the province is being cultivated? Certainly not. There are several cases of cultivable land not being cultivated. In my own district of Malabar, there are several such cases, and they are so because the landlords are afraid that if they let out lands on lease they may not get back the lands due to the threatened legislation. I daresay there will be several cases of uncultivated land in almost every district. I ask, which Collector has taken the trouble to go round and find out. I would even ask, which Minister has emphasized this aspect in his tour.)

"Finally, Sir, as my time is up I will finish my speech with one point. I see the panchayats are to be controlled from the top. The panchayat officer is asked to assist all the officers of panchayats, the president and others. They have not the power to levy a tax but they have power to prevent money being spent. This may be amended in the Select Committee. As my time is up I resume my seat by saying that the success of the measure depends on the sympathy of officers and effective supervision."

* SRI T. VISWANATHAM:—"Mr. Chairman,

"There shall be constituted for each village a panchayat. Subject to the provisions of this Act, the administration of the local area for which a local board is constituted shall vest in such local board."

I am not quoting from the Bill before the House. I am quoting from an Act which was passed by the Madras Legislature in 1920. A Bill has been introduced to-day and we are asked to believe that for the first time we are doing something which has never been found in the history of the administration of this province. 'A panchayat shall be constituted for each village' is the language of the present Bill. 'There shall be constituted for each village

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a panchayat' is the language of the old Act. Having some experience of administration in local areas, I was wondering whether I was reading any new Bill at all. Most of the provisions in the Bill are already found either in the Local Boards Act or the District Municipalities Act. Therefore I cannot understand the statement made by some members that this is a revolutionary Bill. Apparently they never had much acquaintance with the Local Boards Act, which contains several sections dealing with panchayats, and the District Municipalities Act. On the other hand, some members have said that the Bill does not go sufficiently far. I am one of those who believe that the Bill does not go sufficiently far, not even an inch further than the Act of 1920.

"I have also been thinking along the lines indicated by the Hon. Minister in his introductory speech, and that is the ushering in of gram raj or village republics. India was once a land of village republics and any step taken in the direction of their revival is welcome. When I heard the speech of the Hon. Minister before reading the Bill, I was simply overjoyed that the day of centralized administration, oppressed by the Inspector of Local Boards and executive officers and oppressed by the Government orders coming daily from the Fort St. George to the remotest nook and corner of the province, was over and that for once we are stepping in the field of real village swaraj. To my great surprise and dismay, however, the provisions of the Bill have utterly belied the promises made by the Minister. I do not blame him. The ideals propounded are good and his speech was good. But the drafting, I suppose, was done by some one who had absolutely no vision of the future and whose pen could only travel in the realms of conservatism. Every day we hear of the tyranny of this centralized administration. Questions are put on the floor of this House pointing out government interference in this or that matter concerning every municipality or every major panchayat. People are disgusted with this interference. Therefore it was welcome to us to hear from the Hon. Minister that we were getting real swaraj under this Bill. But what is the real position? We are getting more government orders, more Inspectors of Local Boards and more executive officers. We are told that there are nearly 14,000 villages with a population of over 1,000. So I take it that for all these 14,000 villages, we are going to have 14,000 executive officers. According to the Bill, in the first instance the Government shall appoint executive officers for villages with a population of 5,000 and above and an annual income exceeding Rs. 10,000, and for the rest they may appoint executive officers in future. When power is given to distribute patronage like this, it will certainly be used and not allowed to rust without use. What is it therefore that we are getting from this Bill—not what the Hon. Minister wants but what the draftsman wants, namely, 14,000 executive officers oppressing the villagers of 14,000 villages. Every little item has to be sanctioned by the Inspector of Local Boards. Even with the 87 municipal councils and the few district boards which really are not functioning and a

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few panchayat boards which are functioning indifferently, the hands of the Inspector of Local Boards are so full that, when we write letters to him, we are unable to get replies in time. The average time taken for getting a reply from him is four months. This Government have no trust in municipal councils even where persons possessing at least average intelligence are in charge of administration. They have left everything in the hands of the Inspector of Local Boards and the executive officers who are appointed over the heads of these elected gentlemen. Elected gentlemen may be good enough to occupy the Treasury Bench, but they are not good enough to be entrusted with the power to administer even small affairs concerning their own town or city. Under the promised swaraj or Ramaraj, important functions are not passed on but are merely passed off as a counterfeit coin is passed off. We do not have the Ramaraj but the raj of the executive officers and the Inspector of Local Boards. I submit to the Hon. Minister in all sincerity that at the Select Committee stage he should bestow particular attention on provisions which proclaim to have given power to villages but are nullified by the presence of the executive officers and see that they are deleted altogether. Either we have trust in our own men or we do not have. If we have trust, let us entrust them with local administration. If we do not have trust, let us frankly say so, abolish the local boards and municipal councils, have a few more executive officers, sanitary inspectors, health officers, engineers, etc., and carry on the administration in the present way. Trust begets trust. The practice in administration teaches them to become better administrators. If we proceed on this basis, let us go the whole hog. I have no hesitation in saying that we should go the whole hog. We are not going to fail. Existence of faction has been referred to. Are there not factions at the ministerial level? Are there not factions at the Delhi level? And still are we not carrying on gloriously? Faction is not the criterion when we want to introduce swaraj and confer power on the people on whose authority we have come here. If we have taken their authority and we want to run the administration, let us see that in matters relating to their locality, the local people are allowed to exercise power without let or hindrance. They may commit mistakes as we commit mistakes and they will learn by experience. With one or two failures, gram swaraj will be an even better success than our provincial swaraj.

"I began by saying that this is not a revolutionary measure. The old and stagnant waters of 1920 are poured in new bottles and exhibited as fresh. I submit that at the Select Committee stage the Hon. Minister should see that the content of his introductory speech is embodied in the provisions of the Bill. I am sure there is as much talent in villages as in cities and that we will succeed. In Chapter IV of the Bill, which deals with taxation and finance, is presented the real form of swaraj that is proposed to be given to the villages. For years and years, the villager built his own hut with the palmyra leaves that he got from his fields and he has not been taxed. Here we say let him be taxed. For years and years,

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the plough which he made from the local country wood, his cart and bullocks have not been taxed. To-day, hard pressed for finance we say that they be taxed. For fear that they will not be taxed if we leave the matter to the discretion of panchayats, the Bill provides for compulsory taxation of these items. I ask whether this is a propitious time to levy fresh taxes affecting almost every hut and every villager throughout the length and breadth of this province. I submit not. New taxes have been proposed—the house-tax, profession-tax, vehicle tax and so on. For thousands of years, village artisans have been carrying on their hereditary profession. Even at the young age of five or six, the sons of carpenters or weavers become experts in their own line and they have added to the wealth and art of this country and to the reputation of this country in foreign lands in the sphere of art. For thousands of years they have not been taxed. Shall we say to-day that in the name of village swaraj they shall be taxed? The village swaraj may be a far-off dream but the taxes will be a present reality. When we are free from the legacies of the bad economy of war, when our supply position of food and cloth improves, and when we are a little more prosperous, let us think of asking the panchayats to levy the taxes, but not now. With the few taxation measures that have been passed by this House, already the talk everywhere is that the Madras Government have come into existence only for the purpose of taxation. At such a juncture, shall we add to the list of taxes?

(Mr. Chairman sounded the gong.)

“As I do not have time, I shall not go into details at this stage. I am one with the Hon. Minister in the ideals which he has propounded but I am afraid that the provisions of the Bill do not carry out his intentions. May I therefore ask him to so amend the Bill in the Select Committee as to make it tally with the ideals he has propounded?”

3-45 p.m. * SRI V. I. MUNISWAMI PILLAY:—“Mr. Chairman, I feel it is a bold step on the part of the Hon. Minister for Local Administration to have brought forward this Bill before this Assembly, for the reform of the panchayats in our Province. Sir, when the Hon. Minister made an elaborate speech on the various provisions contained in this Bill, he also referred to Mahatma Gandhi, whose sole aim was the reconstruction of villages by having properly constituted panchayats. Unfortunately, Sir, the spirit of Mahatma Gandhi could not be seen in any of the provisions of this Bill. Sir, the village panchayats, self-constituted as they were for centuries, have played great havoc in the welfare and promotion of the scheduled castes. The panchayats were responsible to divide the several village communities, not to speak of the scheduled castes. The panchayats allotted separate places for the Harijans in the villages and called them cherries. You know, Sir, that the cherries form the eye-sore of the villages and if any disease spreads anywhere, its origin will be found in those cherries.

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“Now, Sir, let us examine the provisions contained in this Bill and see whether they make any real attempt to alleviate the distressed conditions of these unfortunate people. Sir, the Draft Constitution that has been adopted recently by the Constituent Assembly of India says that the State shall take steps to organize village panchayats and endow them with such authority as may be necessary to enable them to function as units of self-government. The constitution goes further and says, ‘The State shall promote with special care, the education, the economic interests of the weaker sections of the people and in particular of the scheduled castes.’ This is one of the clauses adopted by the Constituent Assembly of India and fortunately for us, this Bill has come before this Assembly. May I know from the Hon. Minister in all earnestness, whether he has seen this provision and can he tell us what efforts have been made in this Bill to ameliorate the condition of this unfortunate community.)

“Sir, we have seen in this House, several measures having been brought and accepted, such as the Temple Entry Act, the Removal of Civil Disabilities Act and so forth. If these village panchayats had done their work properly, I think all these Acts might not have been necessary. It is very necessary, as the Hon. Minister has said, that these panchayats must be placed on a proper and sound footing, so that they may function as units of self-governing institutions in the villages.

“Sir, in some of the provisions, I fail to understand why the Hon. Minister has deviated from the spirit of the Constitution as envisaged by the Constituent Assembly of India. One of the provisions of this Bill is to do away with the reservation of seats for minorities. Even in the Constituent Assembly, for these minorities and especially for the scheduled castes, the Government of India and the representatives of the country assembled at the Constituent Assembly have taken the right step and have accepted the principle that there shall be reservation of seats for the Harijans for the next 10 years. I do not know what has happened in this Province to make the Government think that such reservations are unnecessary and should be done away with. My Hon. Friend, the Minister for Local Administration has provided for co-option in this Bill. (This co-option, I feel, Sir, is a primitive way of giving representation to a community that has always been away from the pale of society. Sir, as a member of a district board for nearly nineteen years, I have known what has been the position of the scheduled caste representatives in those bodies. But I think that co-option is a very dangerous game and no reasonable man of this age can think of co-option. A man who comes and takes a seat in the panchayats by co-option will be only an ‘yes-man’ in that body. He cannot himself forcibly bring forward any suggestion that will be in the interests of his community. I think, Sir, it was in the year 1929 when my hon. Friend Dr. Subbarayan was the Chief Minister, that a conference was convened by him for bringing forward a Bill for the reform of the local self-government institutions and it was then that this method of co-option

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was thought about. But after deep consideration, it was dropped. I hope, Sir, that when this Bill goes before the Select Committee, the Hon. Minister and the Members of that Committee will surely see that this co-option is set aside, and that reservation of seats for the scheduled castes is provided as it is done in the case of the new Constitution, adopted by the Constituent Assembly.

"Another thing I find in this Bill is that the village headman becomes an ex-officio member of the panchayat. I do not know why the village headman must have a place there. As you know, Sir, the hereditary system of the village headman, has caused the greatest havoc in the administration of village panchayats and more so of the villages. If there is one man with the greatest influence in the village, it is the village headman. He with the karnam connives and both of them do all sorts of things against the poor and the oppressed. I feel, Sir, that it will be the fifth wheel of the coach to give the village headman a place in these panchayats. The panchayat must be left independent to come to decisions on all matters pertaining to the village. Then again, Sir, it is found in this Bill that the executive officer can be in the panchayat and give any advice. I do not know the reason why he should also be there. I have my own experience in municipalities where commissioners sit along with other members. Of course they give all sorts of information, but at the same time they can do a lot of havoc, because they have got a lot of influence there. I feel, Sir, that both the village headman and the executive officer should not have a place in the village panchayats.

"Another thing, Sir. For the election of representatives to these panchayats, the Bill provides that the electoral rolls of the Assembly should be adopted. I know, as a matter of fact, Sir, that adult franchise is the order of the day and I also know that in this Province the new electoral rolls are almost completed. I ask, why should not adult franchise be adopted in this Bill also, because it will give greater scope for the real man, the poor man and the common man in the village to have a say in the matter of the administration of these village panchayats.

"Sir, as regards finance, several suggestions have been made as to the sources from which the panchayats are to be fed financially. One thing that I want to suggest in this connexion is this. I find that the motor vehicles taxation has not been included in this Bill. I do not know what better tax can be thought of for the income of the panchayats. Sir, in former years we had the tolls. When they were abolished, the Government took upon themselves the work of collecting motor taxes and licence fees and distributing them to the various district boards. That being the case, why not the village panchayats be now allowed to collect the motor vehicles tax and thus enabled to improve their financial position?

"Another point, Sir. In the proviso under clause 60, it is said, 'Provided that nothing contained in this section shall be deemed to relieve the village community or any of its members of its or his liability under the Madras Compulsory Labour Act.'

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Sir, in the matter of Kudimaramat, it is the scheduled caste people who have been forced to do all those works in the villages. I think, Sir, the Constituent Assembly has made it very clear that on no account any particular community must be forced to do any special work in the villages. That being the case, I feel that the Select Committee must make it very clear that no particular community should be asked to do free labour in the matter of kudimaramat.

"Another important point, Sir. This Bill provides that the panchayatdars can have powers of civil and criminal justice. I rather feel nervous over this matter of giving the village panchayats the power to try criminal and civil cases. We know, Sir, the present level of education among the villagers and we also know the trend of feelings with which they are carrying on their daily avocations in the villages. If such sort of powers are to be entrusted to them, in connexion with the administration of civil and criminal justice, I feel, Sir, that they will be misplaced and also proper justice will not be done. Moreover, Sir, the panchayatdars must be eminent lawyers or people who have studied the laws of the land thoroughly, so that they may be able to render justice to those people who are in the villages. I feel, Sir, that we must be content with seeing that the panchayats carry on their day-to-day administration in the villages properly. To raise them to the level of entrusting them with civil and criminal jurisdiction in the villages, is to my mind, a step in the wrong direction.

"Sir, of course I see that provision has been made in this Bill to make rules, practically for all important clauses. I feel, Sir, that the Hon. Minister and the Select Committee will think twice before adopting each clause and see that justice is done to those weak communities in the villages. With these observations, I support the motion of the Hon. Minister."

SRI S. A. DEVANAYAGA IYAH:—"தலைவர் அவர்களே, இந்த சட்டமானது மிகவும் அத்தியாவசியமானது என்பதை எல்லோரும் ஒப்புக் கொள்வார்கள். இந்த சட்டத்தை இன்னும் முன்னமேயே கொண்டு வந்திருக்கவேண்டுமென்பதை நான் ஒப்புக்கொள்ளுகிறேன். இந்த சந்தர்ப்பத்தில் இந்த சட்டத்தைக் கொண்டுவருவது மிகவும் அவசரப்பட்ட காரியம் என்று சிலர் கருதுகிறார்கள். அதுமாதிரமல்ல. இது இந்த தேசத்தின் அமைதியைக் குலைக்கும் ரகசியம் காட்சி வேற்றுமையை பலப்படுத்தும், ஆதலால் இந்த சட்டம் அவசியமில்லை என்று சொல்லுகிறார்கள். ஒவ்வொரு சட்டம் வந்திருப்பதற்கும் பலவித ஆட்சேபணைகளை சொல்லி அதைப்பற்றி ஜனங்களிடத்திலும் குறைகூறி அவர்களிடத்தில் ஒரு கெட்ட எண்ணத்தை உண்டாக்கிக்கொண்டிருந்தால் ஒரு நாளும் நல்ல சட்டங்களை இயற்றவே முடியாது என்பதைச் சொல்லிக்கொள்ள ஆசைப்படுகிறேன்.

"ஜனங்கள் அடைந்த சுயராஜ்யத்திற்கு வாய்க்குள்ளவர்களா வென்றும் கிடைத்த சுதந்திரத்தை காப்பாற்றிக்கொள்ள தகுதியுள்ளவர்களாக இருக்கிறார்களா என்பதையும் பார்க்கவேண்டுமானால் இம்மாதிரியான சட்டங்களை நிறைவேற்றி அவர்கள் கையில் நிர்வாகத்தை கொடுத்துப் பார்க்க வேண்டும். இப்பொழுது கிராமங்களில் படித்தவர்கள் இல்லை அதனால் நிர்வாகத்தை நடத்த முடியாது என்று சொல்லிக்கொண்டு வந்த கால மெல்லாம் மலையேறிவிட்டது என்பதை இச் சமயத்தில் ஞாபகப்படுத்த விரும்புகிறேன். இப்பொழுது இருக்கும் நிலையில் கிராம மக்களும் படிப்பில்லாமலேயே நிர்வாகத்தை நடத்த முடியும் என்பதை ஞாபகப்

[Sri S. A. Devanayaga Iyah] [28th June 1949]

படுத்த ஆசைப்படுகிறேன். கிராம மக்கள் எல்லோருக்கும் படிப்பு வந்து கல்வி கற்ற பிறகு சட்ட திட்டங்களைக் கொண்டுவரவேண்டுமென்று சொன்னால் ஒரு நாளும் கிராமங்கள் முன்னேற்ற மடையாது என்பதை சொல்லிக் கொள்ள ஆசைப்படுகிறேன். அவ்வித நிலைமை ஏற்பட்ட பிறகுதான் கொண்டுவர வேண்டுமென்றிருந்தால் இன்னும் 50 வருஷங்களானாலும் மக்களின் நிலைமை மாறப் போவதில்லை. அதோடு அது வரையிலும் காத்திருக்கவும் முடியாது. இப்பொழுதே மக்களுக்கு நாம் வேண்டிய அதிகாரங்களைக் கொடுத்து நிர்வாகத்தை நடத்துவதற்கு ஏற்பாடு செய்யலாம். அப்படி நடத்தும்பொழுது சில ஊழல்கள் நடக்கலாம். பழகப் பழக அவர்களும் தங்களுடைய ஊழல்களை திருத்தி யமைத்துக் கொண்டு நிச்சயமாக சில வருஷங்களில் வெற்றிகரமாக நடத்துவதற்கு வழி ஏற்படும் என்பதில் சந்தேக மில்லை. சிறிய கிராமங்களுக்குக் கூட இத்தகைய சட்டத்தை அமுலுக்குக் கொண்டுவந்தால் அதை நிர்வகிப்பதற்கு போதிய பணம் இல்லை என்று சொல்லுகிறார்கள். இப்பொழுது ஜில்லா போர்டின் நிர்வாகத்திலிருப்பதினால் என்ன நன்மைகள் ஏற்பட்டிருக்கின்றன என்பதைக் கேட்க ஆசைப்படுகிறேன். உண்மையாகப் பார்த்தால் அநேகம் கிராமங்களுக்கு சலுகைகளை காட்டப்பட வில்லை. என்னுடைய ஜில்லாவில் சிதம்பரம் தாலுகாவில் போய் பார்த்தால் கிராமங்களில் பாதையே கிடையா தென்பது புலனாகும். இந்த மசோதாவின் மூலமாக கிராமங்களுக்கு வசதிசெய்து கொடுக்க முடியும். கிராம மக்களிடத்தில் நிர்வாகத்தை ஒப்படைத்தால் அவர்கள் தங்களுக்கு வேண்டியவைகளைச் செய்துகொள்வதற்கு வழி ஏற்படும்.

“தேர்தல் விஷயமாக இந்த சட்டத்தில் ஒரு விஷயத்தை நான் குறிப்பிட்ட விரும்புகிறேன். அதாவது முஸ்லீம்கள், கிருஸ்தவர்கள், ஹரிஜனங்கள் அல்லது பெண்கள் முதலியவர்களுக்கு வேண்டிய ஸ்தானங்கள் கிடைக்காமல்போனால் அவர்களை nominate செய்து co-opt செய்துகொள்ளலாம் என்பதை புருத்தப்பட்டிருக்கிறது. அதில் கடைசியில் ஷெட்யூல் வகுப்பினருக்கு அல்லது பெண்களுக்கு ஸ்தானங்களை ஒதுக்கப்படும் என்று கூறப்படுகிறது. இந்த ஒரு விஷயத்தை மாதிரி மனப்பூர்வமாக ஆட்சேபிக்க வேண்டியதாக இருக்கிறது. ஷெட்யூல் வகுப்பினரே அல்லது பெண்களோ இல்லாத கிராமமே கிடையாது. சில கிராமங்களில் முஸ்லீம்களோ, கிருஸ்தவர்களோ இல்லாமலிருக்கலாம். ஷெட்யூல் வகுப்பினர் இல்லாத கிராமமே கிடையாது. எனவே co-opt செய்து கொள்பவர்கள் பெண்களையே செய்துகொள்வார்கள். இதனால் பெண்கள்தான் அதிகமாக அந்த ஸ்தானங்களுக்கு வருவார்களே தவிர ஷெட்யூல் வகுப்பினரே அந்த ஸ்தானங்களுக்கு வர முடியாமல் போய் பிரதிநிதித்துவம் இல்லாமல் போய்விடும். அந்த வகுப்பினர்களுக்கு உண்மையாக நீதி வழங்க வேண்டுமென்ற எண்ணமிருந்தால் முஸ்லீம்களும் கிருஸ்தவர்களும் இல்லாத கிராமங்களில் பெண்களை துருத்த ஸ்தானங்களுக்கு co-opt செய்யவேண்டுமென்றிருக்க வேண்டும். அப்படியிருந்தால்தான் பொறுத்த முடையதாக இருக்கும்.

“அடுத்தபடியாக கிராமத்தலைவர் தேர்தலுக்கு நிற்கக்கூடாது என்று கூறப்படுகிறது. இன்னொரு இடத்தில் கிராம தலைவர்கள் கூட்டங்களில் கலந்துகொண்டு சபையில் நடவடிக்கைகளை கண்காணிக்க அதிகாரம் அளிக்கப்பட்டிருக்கிறது. அவர் ex-officio என்கின்ற முறையில் கலந்து கொள்ளலாம் என்று கூறப்படுகிறது. இது முன்னுக்குப் பின் முரணாக காணப்படுகிறது. கிராமத் தலைவர்கள் தேர்தலுக்கு நிற்பதற்கு முன்னால் தன்னுடைய உத்யோகத்திலிருந்து லீவு எடுத்துக்கொண்டு தேர்தலுக்கு நின்று தலைவராக வர முடியும். இதுபோலவே சில இடங்களிலும் நடந்து வருகிறது. பிறகு தன்னுடைய தலைமை பதவி கிடைத்தபிறகு மறுபடியும் தங்களுடைய உத்யோகத்திற்கு போய்விடுகிறார்கள். இந்த முறையை கையாளும்படியாக இல்லாமல் சட்டத்தை திருத்தியமைக்கும் படியாக நான் செலக்ட் கமிட்டியை கேட்டுக்கொள்கிறேன்.

“தவிர அவர்கள் இந்த சபையில் வந்து அங்கே உட்கார்ந்துகொள்ள வேண்டுமென்று வைத்தால் பல கெடுதல்கள் ஏற்படும் என்பதை நான் குறிப்பிட்டுத் தீர்மானிப்புகிறேன். ஆகையால் கிராமத்திலுள்ள தலைவர்கள்

[28th June 1949] [Sri S. A. Devanayaga Iyah]

ளுக்கு இந்த சபைக்கு வந்து உட்காருவதற்கோ, நடவடிக்கைகளில் கலந்துகொள்வதற்கோ, தேர்தலுக்கு நிற்பதற்கோ எந்தவிதமான உரிமையையும் கொடுக்கக்கூடாது என்பது என்னுடைய தாழ்மையான அபிப்பிராயம். மேலும் தலைவராக நிற்பவர்கள் தங்களுடைய ஆட்களை கிராமம் முழுவதிலும் நிறுத்தி செல்வாக்கையும் பணத்தையும் பயன் படுத்தி தோதலல தன்னையே தலைவராக தேர்ந்தெடுக்க ஏற்பாடுகள் செய்வார்கள். இதுவரையில் நடந்துவந்த முறையிலாமல் இப்பொழுது புதிதாக வந்திருக்கும் சட்டப்படி தலைவர் மக்கள் வாக்குகளைப் பெற்றே வர வேண்டுமென்பது முதலில் கொஞ்ச காலம் கஷ்டமாக இருந்தாலும், பிறகு தக்கவர்களை தேர்ந்தெடுத்து சிறந்த நிர்வாகத்தை நடத்த உதவியாக இருக்கும். எனவே புதிய முறை வரவேற்கத்தக்கதாகும்.

“இந்த சட்டத்தை இவ்வளவுகாலம் கடத்தியேனும் கொண்டுவந்து நிறைவேற்ற முன்வந்ததற்கு கனம் மந்திரியவர்களுக்கு மனப்பூர்வமான நன்றியை நான் தெரிவித்துக்கொண்டு இந்த சட்டத்தை மனப்பூர்வமாக ஆதரிக்கிறேன்.”

* SRI K. LINGA RAJU:—“Mr. Chairman, Sir, I congratulate the Hon. the Minister for the lofty ideals with which he came forward to this House with this Bill. Of course this Bill has been under contemplation for a very long time and everybody agrees that it is long overdue. As long ago as 1939 the idea of village republics or grama swarajya was conceived by the then Congress Government, but circumstances did not permit them to go ahead with the Bill. Several hon. Members from the Opposition were feeling that this Bill is very revolutionary. I do not agree that it is revolutionary because, as you read the Bill you see many provisions of the old Acts, either the Local Boards Act or the District Municipalities Act, reprinted as they are. There are only a few new features which certainly cannot be called revolutionary, when we are advancing in rapid strides in democracy. These panchayats cannot be called republics because we have introduced too many extraneous authorities. Some claims have been made about inaugurating Rama Rajya through these panchayats. From the way in which several people have been talking about Rama Rajya I see that it is more a state of mind than a state of things. It is capable of various interpretations. I do not think this Bill contains any such wonderful things, unless the ideals that the Hon. the Minister has enunciated are put into practice. However with all these drawbacks—which I am sure will be improved in the Select Committee—this Bill is a definite step forward over the existing panchayats and so I welcome this Bill. It is an experiment which is no doubt worth trying and taking risks also.

“Mr. Raza Khan was very loud in protesting that this will be a very bad experiment and he in the company of Mr. Salam quoted the instance of the Food Committees. No doubt there were complaints about the Food Committees. About 25,000 food committees were started as an emergency measure for distribution of food and other essential articles for the villages. Out of these 25,000 committees there were only about a thousand complaints—i.e., 4 per hundred—and most of them were arbitrated in those places themselves, whether it was by the unwanted Parliamentary Secretary or by the Minister or by somebody. The disputes have been satisfactorily settled. Only a very small fraction of the cases came up

[Sri K. Linga Raju] [28th June 1949]

to the Ministerial level and they worked satisfactorily afterwards. Because a few committees were bad, it cannot be said that the whole system did not work well. They were working well. I hope several hon. Members will share my view that had the food committees continued to-day we will not be in this plight with regard to food and the distribution of other essential articles, like manures, iron, cart tyres, etc., in the villages. I therefore plead that the analogy of the food committees does not apply here and say that this experiment will certainly succeed.

"Everybody is saying that before we hand over village-administration to the villagers they must be prepared. We have prepared the masses even to fight the mighty Britisher and this is nothing. Preparation will come when actually they are entrusted with the work. The British administrators while they were here, were saying that the local administration was a preparation for our Swaraj. It is an old story. When we actually get power, we can handle it. Sometimes there may be some confusion, but ultimately we must succeed. We have to face it one day or the other and therefore we have to start it here and now. This is perhaps the best time to make this experiment.

"Most of our troubles start this way. Whether we are legislators or rural reconstruction workers we feel a superiority complex over the villages, simply because we know how to read English. That is a wrong notion. I have been moving in the villages—so do several of my friends—and I must say that the average villager has got his indigenous intelligence which is not inferior to that of anybody else. Perhaps he may be lacking in expressing in English, but in his own language his expression is quite right, in spite of the fact that sometimes he is not a literate. He has his indigenous intelligence. His grandfather was an administrator once and he will once again be an administrator when actually things are left into his hands. I feel that we need not be nervous about entrusting this responsibility to the villager.

"Coming to some of the features of the Bill, I would like to invite the attention of the Hon. the Minister to one point, that is the headman. Several hon. Members feel that the headman is not wanted there. He is considered a nuisance and a trouble. Again some hon. Members have no objection. The omission that I find is about the karnams. If you like associating the village officers with the administration, by all means have the karnam also. Otherwise you will be creating a faction between them and the politics between the two will destroy the village. Make both the headman and the karnam ex officio members of the Board. (An hon. Member: What about the thalayaris?) I have no objection. Democracy may go to that extent when we may be ruled by thalayaris also. Even now there are differences between these two big officers and we have troubles. Therefore I request the Hon. Minister to reconsider this aspect of the question.

"Direct election has been provided for the election of the President. It is on a very high level—perhaps on a parallel with

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the election of the President of the United States of America. But here you are creating an authority to preside over a body which does not elect him. This is also an experiment which does not cost much and we can try it.

"The executive authority is one who comes up for very severe criticism. Our experience about the executive authorities in municipalities is not very happy. But when an executive authority is created, his position must be very well defined in the Act, and not left as vague as it is now. Clause 31 of the Bill says.

'The executive authority shall carry into effect the resolutions of the panchayat:

'Provided that where the President considers that any resolution should not be carried out, the executive authority shall refer the matter to the Government whose decision shall be final.'

This is a peculiar provision by which an executive authority or the President can hold up the implementation of any resolution, if he does not like it. This is very strange, and also a very dangerous one. This should be deleted.

"In Chapter II dealing with interference, I can only appeal at this stage for greater scrutiny by the Select Committee and that the interference should be reduced to a minimum. The interference from the officials should be restricted to technical matters only, and there should be no interference in the day-to-day administration of the panchayats.

"Regarding Chapter III dealing with functions, powers and property of panchayats, I am glad that our people are given more powers to tax themselves than to spend money. There is a provision for taxation of produce brought into the village. This provision should be very carefully examined by the Select Committee. I am also glad that civil jurisdiction is given to panchayats. I am doubtful about the immediate working of the criminal jurisdiction proposed to be given to panchayats. If possible, this should be put off for some time to come. (In the constitution of panchayats, I am not in favour of any reservations. When Government want to make an experiment in democracy, they must do so without reservations. If they cannot start in a small unit, and if they are nervous, they will not be able to do it on a big scale. You must make it thorough, and leave matters entirely to the people in the village. If Government find that all the communities are not properly represented, and minority interests are not properly represented, they have inherent powers to come to this House for any amendment.) But in the very initial stages of the Bill, I do not think this hesitancy is justified.

"The very words reservation and co-option are certainly jarring to the ideals of democracy. I do not want to take up any more time of the House, and I want to resume my seat before the Chairman sounds the Bell. I wholeheartedly support this measure."

SRI RAJAGURUNATHAN CHETTIAR, ZAMINDAR OF ELLAMPALLI:—கனம் சபாநாயகர் அவர்களை, ஸ்தல ஸ்தாபன

[Sri Rajagurunathan Chettiar]

[28th June 1949]

மந்திரி அவர்களால் கொண்டுவரப்பட்ட இந்த பஞ்சாயத்து மசோதாவை ஆதரித்து சில வார்த்தைகளைச் சொல்லப் பிரியப்படுகிறேன். ஐந்து ஜனங்கள் கொண்ட ஒவ்வொரு கிராமத்திற்கும் ஒரு பஞ்சாயத்தை ஏற்படுத்துவதாக பஞ்சாயத்து மசோதாவில் கூறப்பட்டிருக்கிறது. அம்மாதிரியான பஞ்சாயத்தை அமைத்தால் சரியானபடி நிர்வாகம் நடத்த முடியாது என்பதைச் சொல்லப் பிரியப்படுகிறேன். குறைந்தது மூன்று ரெவின்யூ கிராமங்களை ஒன்றாகச் சேர்த்து அம்மாதிரியான கிராமங்களில்தான் பஞ்சாயத்து ஏற்படுத்தவேண்டும் என்பதை நான் பொறுக்குக் கமிட்டிக்கு யோசனை கூற விரும்புகிறேன். இந்த மசோதாவின் மூலம் அப்படி பொறுக்கப்பட்ட கிராமங்களிலிருந்து வரக்கூடிய வருமானத்தை கொண்டு அந்தந்த கிராமங்களுக்கு வேண்டிய நன்மைகளைச் செய்யமுடியும் என்று நான் சொல்லப் பிரியப்படுகிறேன்.

“அதுவுமல்லாமல் கிராம பஞ்சாயத்துகளில் கிராம முன்சீபுகளை *ex-officio* மெம்பர்களாக நியமிக்கப்போவதாக பஞ்சாயத்து மசோதாவில் கண்டிருக்கிறது. அம்மாதிரி செய்தால் அது ஜனநாயக முறைக்கு விரோதமானது என்று நான் அபிப்பிராயப்படுகிறேன். அவர்கள் மூலம் கிராமங்களுக்கு தீங்குகள் ஏற்பட்டிருக்கின்றன என்பது எல்லோருக்கும் தெரிந்த விஷயம். அதைப்பற்றி அநேக அங்கத்தினர்கள் எடுத்துக்கூறி வருகிறார்கள். ஆகையால் கிராம முன்சீபுகளை *ex-officio* members ஆக்க செய்யக்கூடாது என்று நான் என்னுடைய யோசனையை தெரிவித்துக் கொள்ளுகிறேன்.

“அதுவுமல்லாமல் பஞ்சாயத்துகளின் ரெவின்யூ வசூல் வேலையை பஞ்சாயத்தினிடம் ஒப்புவகவேண்டுமென்று நான் கூற விரும்புகிறேன். அதோடு அந்தந்த கிராமத்தின் வசூலில் 12½ per cent சர்க்கார் அந்த கிராம பஞ்சாயத்திற்கு மான்யமாகக் கொடுக்க இருப்பதாகக் கூறியிருக்கிறார்கள். அம்மாதிரி 12½ per cent கொடுப்பது என்பது மிக குறைவான தொகை என்பது என்னுடைய அபிப்பிராயம். குறைந்தது 25 per cent ஆவது கொடுத்தால்தான் பஞ்சாயத்து செய்யவேண்டிய வேலைகளை சரிவரச் செய்யமுடியும். அப்படிச் செய்து கிராமத்தில் ஒரு முன்னேற்றத்தையும் ஏற்படுத்த முடியும் என்று எனக்கு தெரிகிறது. அதுவுமல்லாமல் பஞ்சாயத்து செய்யவேண்டிய அநேகம் வேலைகளில் முக்யமானவைகளை முதலில் எடுத்துக்கொண்டு செய்யவேண்டுமென்ற ஒரு விதி இருக்க வேண்டுமென்று நான் நினைக்கிறேன். முக்யமாக கிராமத்தில் இப்பொழுது கல்வி வசதி மிகவும் குறைவாக இருக்கிறது. கிராமங்களிலிருந்து ரெவின்யூ வரிசை அதிகமாக வசூல் செய்யப்படும்பொழுது இந்த வசதியை செய்து கொடுக்காமலிருந்து வருகிறார்கள். ஆகவே கல்வி வசதிக்கு வேண்டிய ஒரு தொகையைக் கொடுப்பதற்கு அதில் ஒரு ஷரத்து இருக்க வேண்டுமென்று அபிப்பிராயப்படுகிறேன்.

“இந்த பஞ்சாயத்து மசோதாவில் அநேகமாக எல்லா அதிகாரங்களையும் கவர்ன்மெண்டினிடம் வைத்துக்கொண்டிருக்கிறார்கள். அம்மாதிரி இருப்பதன் மூலம் ஒரு நன்மையையும் செய்யமுடியாது என்பது கண்ட கூடாகக் கண்ட விஷயம். ஆகையால் கூடிய மட்டிலும் இந்த அதிகாரங்களை ஜில்லா அதிகாரியிடம் கொடுத்து நடைமுறையில் கொண்டுவருவதற்கு ஒரு ஏற்பாட்டைச் செய்யவேண்டுமென்று நான் யோசனை கூறுகிறேன். தாலுக்காக்களிலிருந்து நிர்வகிக்கும் டிபுடி பஞ்சாயத்து ஆபீசருக்கு அதிகாரங்களை அதிகமாக வழங்குவதனால் பல நன்மைகளைச் செய்யமுடியும். அவர்கள்தான் பஞ்சாயத்துக்கள் உள்ள பிரதேசங்களை சுற்றிப் பார்த்து பஞ்சாயத்து பிரசிடெண்டிற்கு வேண்டிய யோசனைகளைச் சொல்லி சட்டங்களை விளக்கி அதன் மூலம் என்னென்ன செய்யவேண்டுமோ அவைகளை யெல்லாம் விளக்கிக் கூறி வேண்டிய நன்மைகளை கிராமத்திற்குச் செய்ய முடியும். அப்படி யில்லாமல் எல்லாவற்றிற்கும் கவர்ன்மெண்டிடம் யோசனை கேட்டு செய்யவேண்டுமென்றிருந்தால் ஒருவிதமான நன்மையையும் குறுகிய காலத்தில் செய்யமுடியாது. இந்த பஞ்சாயத்து மசோதாவை நிறைவேற்றுவதுடன் வேறு உருப்படியான ஒரு காரியத்தையும் செய்ய முடியாது என்பதை நான் சொல்லப் பிரியப்படுகிறேன். மேலும் 500 ஜனத் தொகை கொண்ட கிராமத்திற்கு ஒரு பஞ்சாயத்து என்று

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[Sri Rajagurunathan Chettiar]

ஏற்படுத்தினால் அநேகமாக ஒன்றும் நடைபெறாது. ஆகையால் கனம் மந்திரியவர்கள் இவ்விஷயங்களுக்கெல்லாம் பொறுக்குக் கமிட்டியில் அதிகம் கவனம் செலுத்தி மூன்று ரெவின்யூ கிராமங்களுக்கு ஒரு பஞ்சாயத்து இருக்கவேண்டுமென்று மசோதாவை மாற்றி யமைக்கும்படி நான் யோசனை கூறுகிறேன். அம்மாதிரி யிருந்தால் வேண்டிய வைத்திய வசதிகளையும் இதர வசதிகளையும் செய்வதற்கு முடியும்.

“அதுவுமல்லாமல் அந்தந்த பஞ்சாயத்துக்கள் அந்தந்த பிராந்தியத்திலுள்ள சந்தைகளை அவர்களே நிர்வகித்துக்கொள்வதற்கும் ஒரு ஷரத்து மசோதாவிலிருக்கவேண்டும். அதன் மூலம்தான் பஞ்சாயத்திற்கு அதிகமான வருமானம் கிடைக்கும். அதனால் பல நன்மைகளையும் செய்ய முடியும் என்பதைச் சொல்லப் பிரியப்படுகிறேன். அத்துடன் இந்த பஞ்சாயத்துகளில் வசூலிக்கப்படும் பணங்களை அவர்களே வசூல் செய்து கொண்டு அதில் தங்களுடைய மான்யங்களைக் கழித்துக்கொண்டு பாக்கி நிற்ரும் தொகையை கவர்ன்மெண்டிற்கு அனுப்பிவிடுவதற்கு வசதி இருக்கவேண்டும். அப்படி இல்லாமல் பணத்தை யெல்லாம் வசூலித்து அனுப்புவதற்கு ஒரு இலாக்காவும் மான்யத்தை பெற்றுக் கொள்வதற்கு ஒரு இலாக்காவும் அதை அனுப்புவதற்கு ஒரு இலாக்காவும் ஏற்படுத்தும்படியாக இருக்கும். இந்த இரண்டு இலாக்காக்களும் சாப்பிட்டதற்காக பாக்கி இருக்கும் தொகைதான் பஞ்சாயத்திற்கும் இன்னும் இதர சிலவுகளுக்கும் கிடைக்கும். இம்மாதிரி இருப்பதன் மூலம் ஒரு நன்மையையும் செய்ய முடியாது. எல்லாம் வசூல் செய்வ மூலம் ஒரு நன்மைதான் கொள்வதற்காகவும் இருக்கும் இலாக்காக்கள் சாப்பிடுவதுதான் நடக்குமென்பதும் உண்மையான காரியங்களைச் செய்யமுடியாது என்பது என்னுடைய அபிப்பிராயம். இம்மாதிரி ஒவ்வொரு கிராமத்திலும் ஒவ்வொரு பஞ்சாயத்துகளை அமைத்தால் ஸ்தல ஸ்தாபன மத்திலும் ஒவ்வொரு பஞ்சாயத்துகளை அமைத்தால் ஸ்தல ஸ்தாபன நிர்வாகம் ஒழுங்காக நடைபெறும் என்று நான் அபிப்பிராயப்படுகிறேன். மேலும் ஜில்லா போர்டை வைத்துக்கொள்வது அவ்வளவு அவசியமில்லை என்பதாக நான் அபிப்பிராயப்படுகிறேன். ஆகையால் ஜில்லா போர்டை எடுத்துவிட்டு கிராம பஞ்சாயத்தின்மூலமாக எல்லா காரியங்களையும் நடத்துவதற்கு வசதிசெய்து கொடுக்கும்படி கேட்டுக்கொள்ளுகிறேன்.

“ஜில்லா போர்டின் நிர்வாகத்திலிருக்கும் ரோடுகளெல்லாம் Highways department-ல் இருக்கிறது. அவர்கள் அதை எடுத்து நடத்தி வருகிறார்கள். அதனால் ஜில்லா போர்டு வேலைகள் மிகவும் குறைந்து விட்டது. அதனால் ஜில்லா போர்டிலிருக்கும் President-க்கு ஒருவிதமான உரிமையும் இல்லாமலிருக்கிறது. அம்மாதிரி இருக்கும்பொழுது ஜில்லா போர்டுகளை வைத்துக்கொண்டிருப்பதில் என்ன லாபம் என்பது தெரியவில்லை. ஆகையால் இம்மாதிரியான பெருத்த மாறுதல்களை பொறுக்குக் கமிட்டியில் மிகவும் கவனமாகச் செய்யவேண்டுமென்று நான் கேட்டுக் கொண்டு இந்த மசோதாவை முழு மனதுடன் ஆதரிக்கிறேன்.”

* SRI V. RAGHAVAYYA:—“Mr. Speaker, Sir, I support the Bill. But I do not agree with the Hon. Minister that this is going to usher in Rama Rajya or even a shadow of it. It is just like presenting a sickly calf at Gaya at the annual ceremonies performed by Hindus, and calling it 'Godan'. It may be known that a small sickly calf, which should have passed hands thousands of times, is presented as 'Godan', and it is expected to bring in all the virtues of making a 'Godan'. This Bill is like that. To present this Bill before this House, and ask the people of this country to believe that this is going to bring in Rama Rajya, is not fair. If this is Rama Rajya, God forbid, we shall not have it for a long time to come. Rama Rajya is not made up of a few hotch-potch words collected from various books and put together. Rama Rajya does not mean taxing the cartman, milkman, the village barber, and all the things that are brought into the village.

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Perhaps, a bundle of hay collected by a labourer outside the village and brought into the village, may be taxed. He may be taxed quarter of an anna every evening. If this is Rama Rajya I should request the Hon. Minister not to give that to us for some time to come. This Bill is good so far as it goes and it contains good provisions. For the first time in the annals of this country, perhaps for the last two or three centuries, an attempt is made now to give the villagers certain powers to tax themselves and to govern themselves. But some modifications are required in the Bill in order to make it more useful.

"You will see, Sir, that section 99 has absolutely no application to the ryots. What is provided for in section 99 is this. It says:

'The executive authority or any person authorized by him may examine and test the weights and measures used in the markets and shops in the village with a view to the prevention and punishment of offences relating to such weights and measures under Chapter XIII of the Indian Penal Code.'

I ask, why is this Hon. Minister afraid of safeguarding the rights of the ryots and labourers. (The agricultural labourer is a very poor man who is getting the most elementary wage. He is on the verge of starvation and all this time, he has been suffering from false weights.) The Hon. Mr. Madhava Menon was trying to standardize measures in regard to markets and bazaars and in spite of repeated requests to apply the standardization to agricultural weights and measures he has not done. But, here again, the Hon. the Minister for Local Administration says that the executive authority may examine the weights and measures used in the markets. This means the ryots will not be liable to prosecution in a Court of law if the weights and measures used in doling out agricultural wages are incorrect and false.

"Then, Sir, another matter is that the powers of the law Court are taken away. It has become the habit with most of the members of the Ministry to say 'We shall not be liable in a Court of law for any Act that we may pass here and that law Courts have nothing to do or to deal with us.' The Bill says that if there is a dispute the Court shall have nothing to do with it. Are they justified in saying so? So, Sir, even in the Bill, Government have introduced a clause removing the jurisdiction of courts which is not justified. Suppose, Sir, there is a dispute between one Panchayat and another, no law Court shall interfere. Is it justifiable? They have to go all the way to the Inspector of Local Boards who is the agent of the Minister of Local Administration. He will be at the pinnacle of his power when this Bill comes into force. Sir, I say, there is nothing of law, nothing of justice, nothing of fair play. You are entrusting the officials of this Government with arbitrary powers especially when they are required to protect the community, this Bill becomes very dangerous.

"Then, Sir, there is a tendency to tax more and more. Taxation is very good, particularly levying taxes on luxuries. The panchayats are given too much powers of taxation, which are of

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course going to be misused. Sir, the panchayats are small bodies and so, it is wrong to invest them with large powers of taxation. You may think that they are competent to do it. But, I say it is only an indirect way of shifting the responsibility of the Government. A Government and a popular Government cannot thus indirectly transfer their responsibility of taxing the people to the intermediaries. If they do so, Government will only reap the consequences thereof.

"Well, Sir, another question which needs clarification is this. The panchayat has got power to sell in auction or lease out any produce of the village including the rights to fishery according to this Bill. In dealing with this village property, the previous Government—the Advisers' Government—made some salutary provisions with regard to fishing rights of the villagers, etc., and they said that they ought not to be sold in public auction because the poor people will thereby be deprived of their facilities for eking out their livelihood. For the sake of benefiting a few individuals, you should not touch the pockets of the poor people. Otherwise, these poor people's curses will be upon the Government. You should leave all these things. These are things which ought not to be subject-matters of auction.

"Then, Sir, section 29 which deals with the Executive Officer is a salutary provision and it must be accepted. Again, Sir, the funds of the panchayats should be distributed according to the needs of the people. Sir, these panchayats have too many onerous responsibilities but less income. Why should you not increase the 12½ per cent of the total land revenue to some thing like 20 per cent to be earmarked for these panchayats? You can do one thing. You can give the panchayats, the right of collecting land revenue. If you give them the right of collection, then you can get more revenue. Moreover, you can save large amounts by abolishing all several unnecessary village officers' posts that cluster in the village public life. If you thus reduce your expenditure on these unnecessary staff, that money will serve more useful purposes. Of course, you can punish the officers of the panchayat for any lapses in the collection work. If you want you can increase the number of Revenue Inspectors for tightening up this collection work. Where you have got one Revenue Inspector for each firka at present, you can appoint two for each firka. But, you are going to appoint panchayat officers and if you entrust this collection work to them, then each panchayat officer in the village would consume half the income of the panchayat. After all, all these bodies have been brought into existence only by the vote of the people and if the people are prejudiced, then it is very bad.

"Then, Sir, in some of the sections, it has been mentioned that any person who has been in prison for an offence not involving moral turpitude is eligible to vote. Sir, it is a very good thing. But, I wish to know what right this Government have to allow people who engage themselves in subversive activities and who are out to dislodge this Government, unless the Government want to abdicate themselves and ruin this country? If you want to

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govern yourself and govern this country, do it with efficiency and capability. Go to Russia. I wish the Hon. Minister would go to such a place and see the conditions. Then he would realize the necessity for wiping out this softness displayed towards opponents. The subversive elements are openly agitating for the destruction of the Government which has been brought into existence, with the blood of the martyrs of this country. I hope the Hon. Minister will not allow them to vote on grounds of false democracy, for such false ideas have absolutely no point or application in this matter. Therefore, I say, by all means, you should remove all these people who have subversive activities and a provision should be made in the Bill disqualifying all those persons who have subversive activities from voting or standing for election. Otherwise, there is no safety to this infant democracy, and in the next elections Government party will not be elected. Therefore, I say, you should not introduce this Bill without educating or training the masses along practical lines, and if you introduce this Bill without training the masses sufficiently, you will only be left in the lurch.

"Well, Sir, I am glad that the Collector has been given co-ordinate and co-terminal powers with the Inspector of Local Boards. Some hon. Gentlemen waxed eloquent that the Collector should not have power under this Bill. I am glad the Collector has been given this power and before the Gods in the Secretariat order relief, the Collector might step in and give some immediate help.

"Then, Sir, about this registration powers, I say, Sir, it is a risky job to entrust this registration of documents to the panchayats. In the villages, there are many quarrels and it will be very difficult for any person if he wants to have his document registered. I do not think the panchayats must be given such a right.

"Then, Sir, my hon. Friend, Mr. V. I. Muniswami Pillay, was right when he said that there should be reservation for Harijans in the panchayats.

(At this stage, the Hon. Speaker occupied the Chair.)

"Sir, I am not for removing this reservation. (The India Government have thought in the fitness of things that they should continue this reservation so far as Harijans, aboriginals and the Scheduled Classes are concerned for a period of ten years. The Madras Government accepted the principle of reservation. Suppose a poor villager or a poor Harijan wants his interest to be represented on the panchayat board. He cannot do so because there is the element of election there and the bigger ryots and propertied persons who have more influence will get into those bodies and the poor Harijans and the poor villagers will not be represented. The bigger ryots and the propertied men will get into the panchayats in the elections because of their influence and wealth unless the Communists take away the heads of the propertied classes. Until that stage comes, the village is practically

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led by the influence of the few propertied persons. Even reservation of seats to women, Muslims and Harijans would be practically of no use and because they are poor and they have no influence, they cannot get those seats. I would therefore suggest that half the number of seats of every panchayat should be reserved for landless labourers, the aboriginals and the Harijans. The landless versus the landed should be the criterion. At least half the number of seats should be ensured to the landless people. Land is the measuring rod of influence in the village. On account of these landed aristocracy in the village, there is nothing but tyranny, nothing but quarrel, nothing but trouble and nothing but autocracy in the villages. There is no point in saying that the village has got absolute freedom of election. Where is the freedom in the face of these things? I would therefore suggest that reservation of seats must be provided for in this Bill. At least the India Government thought it necessary to have reservation of seats for these people for the next ten years to come.)

"Then, Sir, there is a provision which says that no lawyer who accepts engagement as legal practitioner against the panchayat is eligible to vote or stand for election. I can understand your saying that a lawyer engaged by the panchayat shall not be a member of the panchayat board but a lawyer who appears against the panchayat should certainly be allowed to vote or stand for election because he is only exercising the profession of a lawyer. When you allow a barber or a merchant to be a member of the Board, why are you prohibiting a lawyer from standing for election or for voting? He is only exercising his duty as a lawyer and he is only fighting for others' causes. So, why should you deprive him of the right to vote? It is sheer injustice and madness incarnate.

"Then, Sir, I would suggest that you should prepare the village for communal life. You talk of Rama Rajya and Hon. Minister said that Rama Rajya is coming to the villages. But, what is the actual position? Go to the villages and find out the position of Harijans. The Harijans are toiling and sweating but the whole produce of the land goes to the zamindars or mirasdars or land owners. If you make the toiling Harijans get at least half the produce got from the land, then I can understand 'Rama Rajya', but now the land belongs to one particular community dominating the landless labour who are wallowing in misery, disease and pestilence and who are only beasts of burden. So long as there are 'Haves' and 'Have-nots', there is no point in your saying that village life can be restored. So, in the present state of things, I think the present Village Panchayat Bill will do more harm than good."

* HAJI MOULVI ABDUL KHADAR JAMALI SAHIB BAHADUR :— 4-45 p.m.
தலைவர் அவர்களே, மிகவும் நல்ல நிலைமையில் இந்த மசோதாவைக் கொண்டுவரப்பட்டிருக்கிறது. இந்த மசோதாவை எதிர்க்கட்சியிலிருந்து கொண்டு நான் எதிர்க்கட்சிவேண்டியிருந்தபோதிலும் இந்த மசோதாவில் சில நல்ல அம்சங்களும் இருக்கின்ற காரணத்தால் இதை ஆதரிக்க வேண்டிய நிலைமையிலுமிருக்கிறேன். ஆகவே இந்த மசோதாவை நான் ஆதரித்துப் பேசுவதா அல்லது எதிர்த்துப் பேசுவதா என்பது தெரிய

[28th June 1949]

[Haji Modlvi Abdul Khadar Jamali Sahib Bahadur]

வில்லை. தலைவர் அவர்களே, இந்த மசோதா நல்ல முறையில் தயாரிக்கப் பட்டிருக்கிறது என்பது உண்மைதான். ஆனால் தங்கக்கத்தி என்பதனால் கழுத்தைவெட்டிக்கொள்வதா என்றொரு தமிழ் பழமொழி உண்டு. அதைப்போலவே இந்த மசோதாவில் சில நல்ல அம்சங்களை அமைத்து விட்டு கிராம மக்களின் தலைமேல் ஒரு பெரிய பளுவை நாமே சுமத்த லாமா என்பதைத் தெரிவிக்க கடமைப்பட்டிருக்கிறேன். இப்பொழுது நம் முடைய கிராம மக்கள் என்ன நிலைமையிலிருக்கிறார்கள் என்பதையும் இந்த நிலைமையில் அவர்கள் இந்த சமையைத் தாங்க தகுதி உள்ளவர்களா இல்லையா என்பதையும் கனம் மந்திரியவர்கள் இந்த மசோதாவை பிரேரேபிக்கும்பொழுது சொல்லியிருக்கிறார். இந்த மசோதாவை நாம் நடைமுறையில் நல்ல நிலைமையில் கொண்டுவரவேண்டுமென்றால் கிராம மக்கள் தங்களுடைய பொறுப்புகளை உணர்ந்து நல்ல முறையில் நடந்து கொள்ளவேண்டுமென்று முதலில் சொன்னார். இந்த நிலைமையில் இப்பொழுது கிராம மக்கள் பயிர்ச்சியடைந்திருக்கிறார்களா என்பதைப் பார்க்க வேண்டும். இந்த மசோதாவைக்கொண்டு ஜனநாயகப் பயிர்ச்சியை மக்களுக்குக் கொடுப்பதாக கனம் மந்திரியவர்கள் சொன்னார்கள். இப்பொழுது அதைப்பற்றிதான் நான் சொல்ல விரும்புகிறேன். இப்பொழுது ஜனநாயகத்திற்கும் கிராம மக்களுக்கும் தொடர்பு இருக்கிறதா என்பதைக் கேட்க விரும்புகிறேன். ஜனநாயகம் என்பது என்ன என்று தெரியாத நிலைமையில் அவர்களிடம் ஜனநாயகத்தை புகுத்துவது என்றால் அதன் முடிவு என்ன என்பதை ஆலோசித்துப் பார்க்கும்படியாகக் கேட்டுக்கொள்ளுகிறேன். அதுமாதிரமல்ல, படித்தவர்களும் சரி படிக்காதவர்களும் சரி இந்த மாகாணத்திலுமட்டுமல்லாமல் இந்த நாட்டிலேயே இருக்கும் மக்கள் இந்த எதிர்க்கட்சி என்று ஒன்று இருப்பதற்கு மதிப்புக் கொடுக்கிறார்களா என்பதைப்பார்க்கும்பொழுது அப்படி மதிப்புக் கொடுப்பதாகத் தெரியவில்லை. அரசாங்கமும் அப்படிதானிருக்கிறது. எந்த நாட்டு மக்களும், அரசாங்கமும் எதிர்க்கட்சிக்கும் எதிர் வாதத்திற்கும் என்றைக்கு மதிப்பு கொடுக்கிறார்களோ அன்றுதான் ஜனநாயகத்தின் உண்மையை அறிந்தவர்களாவார்கள். ஆகவே மக்களுக்கு ஜனநாயக முறையே தெரியாமலிருக்கும்பொழுது இந்த மசோதாவைக்கொண்டு வருகிறார்கள். இது மிகவும் தவறான விஷயமாகும்.

“அடுத்தபடியாக நமது மந்திரியவர்கள் இந்த மசோதாவை பிரேரேபிக்கும்பொழுது இந்த மசோதாவின் மூலம் கிராமங்களில் மகாத்மா காந்தி கனவுகண்ட இராம இராஜ்யத்தை ஸ்தாபிக்கப்படுவதாக சொல்லியிருக்கிறார்கள். பல மெம்பர்களும் இந்த மசோதாவைப்பற்றி இந்த சபையில் பேசும்பொழுது காந்திஜி கண்ட இராம இராஜ்யம் ஸ்தாபிக்கப்படுவதாகப் பேசி இருக்கிறார்கள். அவர்கள் உண்மையை தெரிந்துதான் பேசுகிறார்கள் என்பது எனக்கு ஒரு சந்தேகமாகவே இருக்கிறது. இராம இராஜ்யத்தை கிராமங்களில் ஸ்தாபிப்பது என்பது இந்த பஞ்சாயத்து மசோதா மூலமாக இல்லை என்பதை நான் சொல்ல விரும்புகிறேன். காந்திஜி கண்ட கனவு என்னவென்றால் ஒவ்வொரு கிராமத்திலும் மக்களுடைய பயத்தை பேர்க்கவேண்டுமென்பதுதான் காந்திஜி கண்ட கனவு. இதைத் தவிர இன்னும் என்னவென்றால் ஒவ்வொரு கிராமத்திலும் மக்களுக்கு உண்ண உணவும் உடுக்க உடையும் தாராளமாக கிடைக்கச் செய்வதுதான். அதுதான் உண்மையான சுதந்திரம் என்றும் சொல்லி இருக்கிறார். ஆனால் இந்தப் பஞ்சாயத்து மசோதா மூலம் ஒவ்வொரு கிராமவாசியும் பயம் நீங்கி இருக்க முடியுமா? உண்ண உணவும் உடுக்க உடையும் இன்னும் அவர்களுக்கு வேண்டிய எல்லா வசதிகளும் கிடைக்கப்பெறுகின்றனரா என்று பார்க்கும்பொழுது இல்லவே இல்லை என்றுதான் சொல்லவேண்டும். இராம இராஜ்யம் ஸ்தாபித்துவிட்டோம் என்று சொல்வதற்கு இடம் இல்லை. அப்படியே அரசாங்கம் சொல்லுமானால் அதற்கு அர்த்தமும் இல்லை. ஆகவே மசோதாக்களைக் கொண்டுவந்து மேலும் மேலும் கிராம மக்கள் மீது கஷ்டத்தின்மேல் கஷ்டத்தை சுமத்துவது சரியல்ல. இத்துடன் இன்னும் மந்திரியவர்கள் சொல்லியிருப்பதென்னவென்றால் நம் நாட்டில் ஏற்கெனவே இந்த ஏற்பாடு இருந்திருக்கிறதென்று நானும் தமிழ் நாட்டிலுள்ள பல கல்வெட்டுகளைப் படித்திருக்கிறேன். சோழர் காலத்திலும், பல்லவர்கள் காலத்திலுமுள்ள கல்வெட்டுகளைப்

[28th June 1949]

[Haji Moulvi Abdul Khadar Jamali Sahib Bahadur]

பார்க்கும்பொழுது ஒவ்வொரு கிராமத்திலும் பஞ்சாயத்துகள் ஏற்பட்டு நடந்திருக்கிறது என்பதைத் தெரிந்துக்கொள்ளுகிறோம். மேல் நாட்டு யாத்திரிகர்கள் நம் நாட்டில் சரித்திர காலத்திற்கு முன்பு பல இடங்களில் சுற்றுப் பிரயாணம் செய்தபொழுது பல பஞ்சாயத்துகளைக்கொண்ட ஊர்களைக் கண்டதாக எழுதிவைத்திருக்கிறார்கள். மெகஸ்தூன் என்ற சரித்திர ஆசிரியர்கூட தனது ‘இண்டிகா’ என்ற நூலில் இதைப்பற்றிக் குறிப்பிடுகின்றார். அந்தக் காலத்திலேயே ஒவ்வொரு கிராமத்திலும் பஞ்சாயத்து ஏற்படுத்தப்பட்டிருந்தன என்பது உண்மையே. இந்த மசோதாவின் மூலம் கிராம மக்களின் தலையில் பூரண சுதந்திரத்தை ஒப்படைக்கிறோம் என்று சொல்லுவது ஒரு அர்த்தமற்ற விஷயம். ஆனால் அந்த காலத்திற்கும் இந்தக் காலத்திற்கும் வேற்றுமை மிகுந்து இருப்பதைப் பார்க்கவேண்டும். அந்தக் காலத்தில் கிராம மக்களுக்கு தங்கள் ஊரைத்தவிரவும், தங்களுடைய ஜனங்களைத் தவிரவும், தங்களுடைய பழக்க வழக்கங்களைத் தவிரவும் வெவ்வேறு விவகாரம் ஒன்றுமே தெரியாது. அவர்கள் வெறும் கிணற்றுத் தவளையைப்போல் இருந்தார்கள். அந்தக் காலத்திய கிராம மக்கள் அவர்களுடைய கிராம பஞ்சாயத்தின் மூலம் தங்களுடைய தேவைகளை நிறைவேற்றி வந்திருக்கிறார்கள். ஏனென்றால் அவர்கள் வேறுயாருக்கும் கடைமைப்பட்டிருக்கவில்லை. வரி செலுத்தவில்லை. டாக்டர் அம்பேத்கார் கூட தற்கால நிலைமைக்கு கிராம மக்களுக்கு பஞ்சாயத்து அவசியமில்லை என்று குறிப்பிட்டிருக்கிறார். முன்பு இந்த கிராம பஞ்சாயத்துகள்தான் நம் அரசாங்கமே இருந்து நம் நாட்டை அந்நியர்கள் அபகரித்ததற்கு காரணமாக இருந்து என்றும் டாக்டர் அம்பேத்கார் சொல்லி இருக்கிறார். அப்படி இருக்கும்பொழுது மீண்டும் அந்த பழைய முறைப்படி இப்பொழுது கொண்டு வருகிறோம் என்று சொல்லிக்கொள்வதில் அர்த்தமே இல்லை. இப்பொழுது உண்மையாக மிக அவசியமாக, அவசரமாக கிராம மக்களுக்கு கல்வியைப்புகட்டி அவர்களுடைய பயத்தை நீக்கவேண்டும். இப்பொழுதும் கிராமங்களில் ஒரு போலீஸ்காரன் வந்தால்கூட அவனைக்கண்டு குழப்பமடைந்து பயந்து விடுகிறார்கள். அந்தமாதிரியான பயத்தை நீக்கவேண்டுமென்றுதான் மகாத்மா காந்தி சொல்லியிருக்கிறார்.

“அடுத்தபடியாக கிராம மக்களுக்கு உண்ண உணவும் உடுக்க உடையும் வேண்டும். உணவிற்கும் உடைக்கும் இப்பொழுது நம் சர்க்கார் எடுத்துக் கொண்டிருக்கும் நடவடிக்கை போதாது. கிராமங்களில் நல்ல குடித் தண்ணீர் வசதி செய்து தரவேண்டியதாக இருக்கிறது. அவர்களுக்கு அதிக வசதி செய்து தரமுடியாவிட்டாலும் நாம் அவர்களுக்குள்ள பட்டியில் ஒதுக்கிய சிறு துகையையேனும் சர்க்கார் செலவு செய்யும் என்பதில் என்ன நம்பிக்கை? இந்த மசோதாவை கிராம மக்களின் மீது வற்புறுத்தி அவர்களுடைய தலையில் சுமத்துவது சரியல்ல. சர்க்கார் சொல்லுகிறபடி கிராம மக்களுக்கு இதன் மூலம் பூரண சுதந்திரம் கிடைக்கப்போகிறதா என்றான் கேட்க விரும்புகிறேன். இப்பொழுது பஞ்சாயத்துகள் ஜில்லா போர்டின் மேற்பார்வையில் இருக்கிறது. அதை எடுத்துவிட்டு இனிமேல் பஞ்சாயத்துகளை எல்லாம் லோகல் போர்டு இன்ஸ்பெக்டருடைய நேர் பார்வையில் வைப்பது என்று சொல்லுகிறார்கள். முப்பத்தி ஆறாயிரம் கிராமங்களிலுள்ள ‘நாலு கோடி’ மக்களுக்கு தங்களுடைய தாங்கள் ஆறாம் சுதந்திரம் தருவதாகச் சொல்லி, ஒரு இன்ஸ்பெக்டரின் பொறுப்பில் அவர்களை விட்டுவிடுவதும் ஒப்படைப்பதும் சரியா என்று கேட்கிறேன். அதனால் கெடுதலையன்றி நன்மை ஏற்படுமா என்பதைக் கனம் மந்திரி அவர்கள் தெரிவிக்கவேண்டும். இந்த மசோதாவைக் கொண்டு வருவதில் பஞ்சாயத்துகளுக்கு சிலவு ஏற்பட்டாலும் புதுவரியிலாவதால் வரும் வருமானம் சரிக்கட்டிலும் என்று சொல்லப்படுகிறது. ரூபாய் 3,000-க்கு குறையாத வருமானம் வரக்கூடிய 7,200 மைனர் பஞ்சாயத்துகளும் அதன்மேல் வருமானம் வரும் 400 மேஜர் பஞ்சாயத்துகளும் நம் மாகாணத்தில் தற்போது இருக்கின்றன. அவைகளெல்லாம் இப்பொழுது சரிவர நடந்து வருகின்றனவா என்பது விளங்கவில்லை. சரிவர நடந்துவரவில்லை என்றே மந்திரியவர்கள் சொல்லுகிறார்கள். ஆகவே இப்பொழுது இருக்கக்கூடிய பஞ்சாயத்துகள் சரிவர நடக்காத முறையிலிருக்கும்பொழுதும் அவற்றை அரசாங்கம் சரிவர நடத்த முடியாத நிலைமையிலிருக்கும்போதும் கிராம மக்களிடையே

[28th June 1949]

[Haji Moulvi Abdul Khadar Jamali Sahib Bahadur]

கட்சி, மனப்பான்மை, வகுப்புவேற்றுமை, பொருமை இவைகள் நிறைந்திருக்கும்பொழுது கிராமங்களில் பஞ்சாயத்தைக்கொண்டு வந்தால் அவர்கள் நல்லவையில் தங்களுடைய பூசல் இல்லாமல் தனிப்பட்ட பரிபாலனம் செய்யத் தகுதியானவர்களா என்பதையும் சர்க்கார் சிந்தித்துப் பார்க்கவேண்டும். இந்த மசோதாவை நாம் நிறைவேற்றி அது சட்டமாக வரும்பொழுது அதனால் கிராம மக்களுக்கு என்ன நன்மைகளிருக்கின்றன என்பதையும் பார்க்கவேண்டும். இப்பொழுது அவர்கள் தங்களுடைய சுய பெறுபியில் தங்களுடைய வரிகளைப்போட்டுத் தங்கள் தேவைகளை பூர்த்தி செய்துகொள்ளவேண்டும் என சொல்லுகிறார்கள். சர்க்காரும் அதுபோல நில வரியிலிருந்து 12½%-ஐ கொடுக்கிறோம் என்று சொல்லுகிறார்கள். இந்த 12½%-ஐ கொடுப்பதனால் நம் மாகாண நிலவரியை கணிப்பீட்டுப் பார்க்கும்போது ஒரு கிராமத்திற்கு ரூ. 200 வரையில் நான் வரும். இதை வைத்துக்கொண்டு கிராம மக்கள் என்ன செய்ய முடியும் என்பதையும் எவ்வளவு பணம் கிடைக்கும் என்பதையும் பார்க்கவேண்டும். கிராம மக்கள் இப்பொழுது மத்திய மாகாண அரசாங்கங்களுக்குக் கொடுப்பதோடல்லாமல் தங்களுடைய தேவையை பூர்த்தி செய்துக்கொள்ள மெலும் பல புதிய வரிகளை கொடுக்கும் நிலைமையில் இல்லை. நில வரியையே அவர்களால் தற்போது சரிவர கொடுத்துவருமுடியவில்லை. இந்த நிலைமையில் அவர்கள் தங்களுடைய நிர்வாகத்தை தாங்களே நடத்திக்கொள்வதற்காக லீட்டு வரி, வாகன வரி, தொழில் வரி, மற்றும் எல்லா வரிகளையும் போட்டுக் கொண்டு நடத்த முடியுமா என்று சிந்திக்கவேண்டும். அவர்களால் வரிகளைக் கொடுக்கமுடியுமா என்றும் பார்க்கவேண்டும். ஆனால் விவசாயிகளுடைய விளைவு பண்டங்கள் அதிகமான விலைக்கு விற்கப்படுகிறது என்பதனால் அவர்கள் அவ்வளவு வரியையும் கொடுக்க முடியும் என கனம் மந்திரியவர்கள் நினைக்கலாம். ஆனால் நெல் விலை ஒன்றுக்கு இரண்டு மடங்கு அதிகமாக விற்கப்பட்டாலும் அவர்கள் இரண்டு பண்டங்களை தங்களுடைய தேவைக்கு வாங்கும்பொழுது ஒன்றுக்கு அறு பங்கு அதிகமாக கொடுத்து வாங்கிவருகிறார்கள் என்பது தெளிவு. இப்படிப்பட்ட நிலைமையில் கிராமவாசிகளுக்கும்பொழுது மேலும் மேலும் அவர்களுக்கு வரிகளைப்போட்டு அவர்களுடைய தேவைகளை பூர்த்தி செய்துகொள்ள வேண்டுமென்று சொன்னால் அவர்களால் அதை எவ்விதம் சாஸனிக் முடியும் என்பதைப் பார்க்கவேண்டும். ஆகையால் இந்த திட்டத்தை வெற்றி கரமாக நடத்தமுடியும் என்று நினைப்பது சரியான எண்ணமல்ல.

“அத்துடன் இப்பொழுது மாகாண முழுவதும் கிராமங்களில் பஞ்சாயத்து போர்டுகளை ஏற்படுத்தினால் சர்க்காருக்கு எவ்வளவு சிலவாகும் என்பதை கனம் மந்திரி சொல்லவே இல்லை. ரூபாய் மூலாயிரம் குறைவாக வருமானம் வரக்கூடிய இரண்டாந்தர பஞ்சாயத்துகள்தான் அதிகமாக இருக்கும். அப்படிப்பட்ட ஒவ்வொரு பஞ்சாயத்திற்கும் ஒரு குமாஸ்தாவையும், எக்ஸிசுடிவ் ஆபீசரையும் போடவேண்டியதாகவே இருக்கும். அப்படிப் போட்டால் அந்த கிராமத்தின் வருமானத்திற்கும் அந்த உத்யோகஸ்தர்களுக்குக் கொடுக்கும் சம்பளத்திற்கும் சரியாகப்போய்விடும். அப்படியானால் கிராம நன்மைக்கு என்ன செய்ய முடியும் என்பதைக் கேட்க விரும்புகிறேன். சர்க்காரிலிருந்து சில முக்கியமானவைகளுக்கு நிதி கொடுக்கப்போவதாகச் சொல்லுகிறார்கள். எவ்வளவு கொடுப்பார்கள் என்பதும், எவ்வளவு ஒதுக்கி வைக்கிறார்கள் என்பதும். இப்படிச் சொடுக்க சர்க்காருக்கு வருமானம் எது என்கிற விவாதத்தை கனம் மந்திரி அவர்கள் சொல்லவே இல்லை, கலியாணத்தில் நால்கூட மறந்து போல.

“அத்துடன் இப்பொழுது கிராமங்களில் பலவகை கச்சிகளும், மனப்பான்மையும், வேற்றுமைகளும் இருக்கின்றன. இப்பொழுதிருக்கும் பஞ்சாயத்து கோர்ட்டுகளால் கேஸ்களை பைசல் செய்ய முடியவில்லை. அப்படி அவர்கள் செய்தாலும் அது ஒருதரப் பட்சமாகவே இருக்கிறது என்பது நிதரிசனம். இது படித்தரியா பாமரர்களிடையே நடக்கும் நிகழ்ச்சி. இதற்கென்றே படித்து பட்டம்பெற்று நீதி வழங்கும் உத்தியோகம் வகிப்பவர்களிடம்கூட இன்னும் பலர் தங்களுடைய influence-ஐக் காட்டி அதைப்

28th June 1949]

[Haji Moulvi Abdul Khadar Jamali Sahib Bahadur]

பயன்படுத்திக்கொண்டு தங்களுக்கு சாதகமாக ஜட்ஜ்மெண்டு வாங்கிவிடுகிறார்கள். பெரிய பட்டணங்களில் இந்த நிலைமை இருக்கும்பொழுது கிராமங்களிலுள்ள நிலைமையைப்பற்றி சொல்லவே வேண்டாம். ஆகவே இந்தமாதிரியான பெரிய கிராமினால் அதிகாரங்களை கிராமப் பஞ்சாயத்து களிடம் ஒப்படைக்கக்கூடாது.

“இன்னும் மைனாரிட்டிகள் தேர்ந்தெடுக்கப்படாவிட்டால் மூவரை co-opt பண்ணவேண்டுமென்றும் சொல்லுகிறார்கள். அப்படி co-opt பண்ணும் பொழுது தலைவர் தனக்கு வேண்டியவர்களைத்தான் co-opt செய்து கொள்ளுவார். அப்படி இல்லாமல் எல்லோருக்கும் நல்ல விதத்தில் பிரதிநிதித்துவம் வகிக்க வழி செய்யவேண்டும். மெம்பர்களை co-opt செய்வதில் தற்போது நடக்கும் ஊழலை ஒரு உதாரணத்தைக்கொண்டு சொல்ல விரும்புகிறேன். இப்பொழுது உணவு கமிட்டிக்கு ஜில்லாக்களில் ex-officio member நீங்கலாக non-official மெம்பர்களை பொறுக்கி இருக்கிறார்கள். இந்த உணவுக் கமிட்டி நாமினேஷன்களின் உண்மையைப் பார்க்கும்பொழுது மைனாரிட்டி சமூகத்தைச் சேர்ந்த ஒருவருக்காவது பிரதிநிதித்துவம் கொடுக்கவில்லை. இவ்வகை இராமநாதபுரம் ஜில்லாவில் நடந்த ஒரு உண்மையைச் சொல்லுகிறேன். இந்த மாதிரியான நாம் co-opt செய்வதில் தலைவருக்கும் அசாங்கத்திற்கும் வேண்டியவர்களையே co-opted மெம்பர்களாக செய்து விடுவோமானால் அதனால் மைனாரிட்டி ஜனங்களுக்கு ஒருவிதமான நன்மையும் இல்லை.

“பலவிதத்திலும் பார்த்தால் இந்த மசோதா பொது ஜனங்களுக்கு பயன்படாமலிருக்கிறது என்ற காரணத்தாலும் பொதுஜனங்களிடம் இந்த மசோதாவை புருத்தும்படியாகவுமிருப்பதாலும் அந்த பொது ஜனங்களே இந்த மசோதா மூலம் நன்மை தீமைகளை அனுபவிக்கப் போகிறார்கள் என்ற காரணத்தாலும் பொது ஜனங்களுடைய அபிப்பிராயம் தெரியும் வரையில் இந்த மசோதாவை பொது ஜன அபிப்பிராயத்திற்கு விடவேண்டுமென்று எனது நண்பர் ஜனப் ரஜாக் கான் கொண்டுவந்த திருத்தப் பிரேரேபனையை ஆதரித்து என்னுடைய பேச்சை இத்துடன் முடித்துக் கொள்ளுகிறேன்.”

MR. SPEAKER:—“The House will now adjourn and meet again at eleven o'clock to-morrow, the 29th June 1949.”

THE MADRAS LEGISLATIVE ASSEMBLY.

Wednesday, the 29th June, 1949

The House met in the Assembly Chamber, Fort St. George, at eleven of the clock, Mr. Speaker (THE HON. SRI J. SIVA-SHANMUKHAM PILLAI) in the Chair.

I.—QUESTIONS AND ANSWERS.

STARRED QUESTIONS.

Alleged placing of Government files at the disposal of Shri Shanker Rao Deo.

* 66 Q.—MOHAMED ABDUL SALAM SAHIB BAHADUR: Will the Hon. the Premier be pleased to state whether it is a fact that some Government files and certain records were placed at the disposal of Shri Shanker Rao Deo in connexion with an enquiry into the alleged charges against some Hon. Ministers?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—"No Government files and records were placed at the disposal of Shri Shanker Rao Deo but certain facts were explained to him with the help of Government files and certain records."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Is the Hon. the Leader of the House aware of the different versions given in this House and the other House, namely, the Law Minister saying that there is nothing wrong in giving the files, the Leader of the House saying when this matter was taken up on an adjournment debate that only some select files were given and the Hon. Dr. Rajan saying in the other House that no files were shown to Shri Shanker Rao Deo?"

THE HON. SRI B. GOPALA REDDI:—"I am not aware, Sir."

MUHAMMAD RAZA KHAN SAHIB:—"Is the Hon. Finance Minister aware of the revealing statement made by Hon. Sri T. Viswanatham, a Member of this House, that when he went to see Shri Shanker Rao Deo, he saw him and his secretary perusing some Government files and that they were 10 to 15 in number?"

THE HON. SRI B. GOPALA REDDI:—"I am not aware, Sir."

SRI S. NAGAPPA:—"Are not the Government files public records and as such have not the public a right of access to them unless they are classified as confidential?"

THE HON. SRI B. GOPALA REDDI:—"Notice, Sir."

MUHAMMAD RAZA KHAN SAHIB:—"While appreciating the difficulties of the Leader of the House, may I ask him whether, instead of saying that he is not aware of this or that, he could assure the public of this Province that these files were not at all shown to Shri Shanker Rao Deo?"

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THE HON. SRI B. GOPALA REDDI:—"I have nothing more to add to what I have already stated, Sir."

SRI V. RAGHAVAYYA:—"Assuming for a while that these documents are important and secret, do the Government think that it has not got the power to produce them before a court of law or anywhere else it pleases unless it pleads privilege?"

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Is the Leader of the House aware of a statement by the very gentleman who conducted the enquiry, Shri Shanker Rao Deo that certain files were shown to him?"

THE HON. SRI B. GOPALA REDDI:—"I am not aware, Sir."

MUHAMMAD RAZA KHAN SAHIB:—"Is the Finance Minister aware of this thing namely that certain confidential files and documents relating to the enquiry were in the possession of Shri G. P. Ramaswami Reddiyar even after his resignation and that he submitted some of them to Shanker Rao Deo?"

THE HON. SRI B. GOPALA REDDI:—"I must repeat what I have already said that I have nothing more to add to what I have already stated."

SRI G. RAJAMANNAR CHETTY:—"The Hon. Leader of the House says he is not aware of anything. May I ask him whether he is at least aware of the fact that he is the Leader of the House and he is answerable to the House in these matters?"

MR. SPEAKER:—"What has that to do with the question?"

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Is the Hon. the Leader of the House at least aware of the statement made by the Premier of the Province that he came to Shanker Rao Deo's residence to facilitate the seeing of certain files by that gentleman?"

THE HON. SRI B. GOPALA REDDI:—"I have already stated that I have nothing more to add to what I have already stated."

MUHAMMAD RAZA KHAN SAHIB:—"While appreciating the difficulty of the Hon. the Finance Minister as he is not aware of these things, may I ask, whether the Hon. the Premier is aware that these files were at the disposal of Shri Shanker Rao Deo?"

Alleged forfeiture of the deposit of 'Viduthalai'.

* 67 Q.—MUHAMMAD RAZA KHAN SAHIB: Will the Hon. the Premier be pleased to state—

(a) whether it is a fact that the security deposit of the paper 'Viduthalai', Madras, has been forfeited;

(b) whether it is a fact that the proprietors of the paper were asked to deposit Rs. 10,000; and

(c) what the reasons for the forfeiture and demanding of fresh security of Rs. 10,000 are?

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THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—" (a) Yes.

" (b) It is understood that the publisher of the paper was asked to deposit by the Chief Presidency Magistrate, a security of Rs. 10,000 under section 9 (1) of the Indian Press (Emergency Powers) Act.

" (c) The security of Rs. 2,000 deposited by the paper was declared forfeit to Government under section 8 (1) of the Indian Press (Emergency Powers) Act, 1931. This was done as certain issues of the said newspapers published in the months of July, August and September 1948 contained matter which, in the opinion of the Government, came within the purview of section 4 (1) (h) of the Act, viz., that they tended directly or indirectly to promote feelings of enmity or hatred between different classes of His Majesty's subjects.

As regards the demand for fresh deposit, this must have been done under section 9 (1) of the Act by which a Magistrate is empowered to demand security to the extent of Rs. 10,000 from any person who makes a fresh declaration. No special reasons are required to be furnished under this section."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Is it not a fact, Sir, that this paper represents views different from those of the Government and this action has been taken against it because the Government are incapable of appreciating other points of view except their own?"

THE HON. SRI B. GOPALA REDDI:—"I repudiate the suggestion of the hon. Member that because this paper holds different views we are trying to victimize it."

SRI V. RAGHAVAYYA:—"Arising out of the answer of the Hon. Minister, may I know how the question of His Majesty's subjects arises here, as His Majesty has been banished from this country long, long ago?"

THE HON. SRI B. GOPALA REDDI:—"India is not yet a republic, Sir."

SRI R. V. SWAMINATHAN:—"Arising from the answer of the Hon. Minister that the security of this paper was forfeited because it wrote articles promoting feelings of communal hatred, may I ask whether the Government will take action against some other papers also who are creating this kind of communal feeling?"

THE HON. SRI B. GOPALA REDDI:—"If and when we feel that a particular paper is publishing articles which tend directly or indirectly to promote feelings of enmity or hatred between different classes of people, we will take action."

MUHAMMAD RAZA KHAN SAHIB:—"May I know whether the Government have not constituted a Press Advisory Committee to which such articles are submitted for advice and

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whether in the case of forfeiture of securities or demanding* of fresh securities, the Committee's advice is sought and if so, whether in this case it was done."

THE HON. SRI B. GOPALA REDDI:—"To both parts of the question the answer is in the affirmative."

SRI V. RAGHAVAYYA:—"In view of the admitted policy of this Government to create hatred between community and community by making invidious distinction between community and community in the matter of appointments, admissions to colleges and other things, may I know how it is appropriate for this Government to take action against Viduthalai for the same offence committed by the Government daily?"

THE HON. SRI B. GOPALA REDDI:—"The question is argumentative. I am not prepared to answer it."

SRI K. T. KOSALRAM:—"Is not the demand of a fresh security of Rs. 10,000 too much?"

THE HON. SRI B. GOPALA REDDI:—"No, Sir, in the opinion of the magistrate, it is not too much."

SRI S. NAGAPPA:—"If the security is forfeited for publishing articles which tend to create communal hatred, may I know whether the Government are aware that by their actions the Government are creating more communal hatred in this Province between Brahmans and Non-Brahmans?"

THE HON. SRI B. GOPALA REDDI:—"What we are trying to do is social justice and not make invidious distinction between community and community."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Is it not a fact, Sir, that this paper supports the Non-Brahman movement and that this present Government has been conceived and has come out of the Non-Brahman movement which was started by the Justice Party?"

MR. SPEAKER:—"What has it to do with the question before the House?"

SRI V. M. RAMASWAMI MUDALIYAR:—"Till the separation of the Executive and the Judiciary takes place, will it not be in the interest of the good name of the Government to consult a high judicial officer and not a magistrate with regard to questions whether a certain article or a certain paper is creating feelings of class hatred?"

THE HON. SRI B. GOPALA REDDI:—"It is clearly a matter for the executive to decide. We have also placed the matter before the Press Advisory Committee and taken their advice."

MUHAMMAD RAZA KHAN SAHIB:—"While appreciating the anxiety of the Government to discourage the promotion of feelings of communal hatred, may I know whether the demand of a fresh security of Rs. 10,000 is not too much?"

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MR. SPEAKER:—"The hon. Member cannot ask for the opinion of the Government."

MUHAMMAD RAZA KHAN SAHIB:—"Are the Government aware, Sir, that the security of Rs. 10,000 demanded from this paper is not in proportion to the fault or mistake committed by this paper?"

THE HON. SRI B. GOPALA REDDI:—"No, Sir."

M. S. ABDUL MAJID SAHIB BAHADUR:—"The Hon. Minister in his reply said that their policy is to do communal justice. Is it not a fact that the paper Viduthalai also claims that it is doing communal justice?"

THE HON. SRI B. GOPALA REDDI:—"It may claim anything. I do not know what its claim are."

SRI R. V. SWAMINATHAN:—"The Hon. Minister said that in the opinion of the magistrate the security of Rs. 10,000 demanded from the paper is not too much. But in the view of the public as well as the newspaper, Rs. 10,000 is too much. May I request the Hon. the Leader of the House and the Government to reduce the security amount?"

MR. SPEAKER:—"It is a request to the Government."

THE HON. SRI B. GOPALA REDDI:—"It will be interfering with the discretion of the magistrate."

MUHAMMAD RAZA KHAN SAHIB:—"Is it not a fact, Sir, that the demand of a security of Rs. 10,000 is a vindictive act, done with the intention that the paper should close down? Was it not done with that purpose, Sir?"

Reconstitution of the District Traffic Boards.

* 68 Q.—SRI S. NAGARAJA MANIGAR: Will the Hon. the Minister for Finance be pleased to state—

(a) whether the District Traffic Boards have been reconstituted in all the districts in the Province;

(b) if so, when and how;

(c) whether it is a fact that in certain districts M.L.A.s have been given representations whereas in certain other districts non-officials and non-M.L.A.s have been appointed; and

(d) if the answer to (c) is in the affirmative, what the reasons for such action are?

THE HON. SRI B. GOPALA REDDI:—" (a) & (b) Yes. As reconstituted in May 1947 the Road Traffic Board in each district consisted of the following:—

District Magistrate—*Chairman.*

District Superintendent of Police, President, District Board and one non-official person—*Members.*

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In March 1949 the number of non-official members was increased from one to three.

"(c) The answer is in the affirmative.

"(d) No rule has been laid down that only Members of the Legislative Assembly should be appointed. It was considered desirable to appoint others also."

11-15 a.m. SRI S. NAGAPPA:—"May I know whether the Government are aware that not even a single Harijan member, whether he is a M.L.A. or not, has been appointed to anyone of these Traffic Boards?"

THE HON. SRI B. GOPALA REDDI:—"The Member is not correct in his assumption."

SRI S. NAGAPPA:—"May I know how the members are appointed to the Traffic Boards, granting the Hon. Minister is correct?"

THE HON. SRI B. GOPALA REDDI:—"I must have fresh notice of it. I may assure the hon. Member that there are Harijan members in certain of the Boards."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"May I know what are the reasons that prompted the Government in appointing M.L.A.s in certain districts and non-M.L.A.s in certain other districts? Was any political consideration also taken into account?"

THE HON. SRI B. GOPALA REDDI:—"Neither political nor economic considerations were brought into this. The experience of certain people was wanted, whether they were Members of the Assembly or not."

MUHAMMAD RAZA KHAN SAHIB:—"May I ask whether the Hon. Minister for Transport is satisfied with the working of these Traffic Boards, because there have been a number of complaints that the decisions of the Traffic Boards have been too arbitrary?"

THE HON. SRI B. GOPALA REDDI:—"If they are arbitrary they can certainly go up on appeal to the Central Road Traffic Board, and if they are still dissatisfied, they can come up to the Government. So, as far as I am concerned, the Traffic Boards have just begun functioning and they are working all right."

SRI L. N. GOPALASWAMI:—"May I know whether all the members who have been appointed to the Traffic Boards have any experience of traffic at all?"

THE HON. SRI B. GOPALA REDDI:—"They do have."

SRI V. RAGHAVAYYA:—"Are the Government aware that a lot of avoidable delay is being caused by these Boards meeting once in two months or once a month and then disposing of matters and that several routes have been held up on account of the fact that the Boards do not meet in time and dispose of cases?"

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THE HON. SRI B. GOPALA REDDI:—"I thought they met once a month. I am not quite sure. I thought they met once a month also to suit the convenience of the Road Traffic Officer who is in charge of five or six districts just now and I feel they are disposing of the matters as expeditiously as they could."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Do the Government realize that by increasing the non-official representation, the officials, i.e., the Collector and the District Superintendent of Police have been reduced to a minority and very strange decisions have come out; for instance, in Guntur district where they were 200 buses, the number has been increased to 300?"

THE HON. SRI B. GOPALA REDDI:—"I do not think that in all these matters a vote is taken and the officials find themselves in a minority. We expect that three members are better than one non-official person in the Road Traffic Board."

H. S. HUSSAIN SAHIB BAHADUR:—"May I ask the Government to consider the desirability of appointing the Executive Engineer also as a member of the Board so that the members of the Board may get the benefit of the officers with regard to the condition and state of the roads and routes?"

THE HON. SRI B. GOPALA REDDI:—"Whenever they have doubts, they can invite the Divisional Engineer for Highways for consultation."

MUHAMMAD RAZA KHAN SAHIB:—"Is the Minister for Transport aware that whatever decisions might have been taken by the Traffic Boards, there has been a good deal of dissatisfaction because in many cases injustice has been done—bus-owners are being deprived of their routes and new persons who have no experience have been given permits?"

THE HON. SRI B. GOPALA REDDI:—"It is entirely for the Central Road Traffic Board to look into all these things and rectify if there are any irregularities."

Varieties of yarn required in the various districts of the Province.

* 69 Q.—SRI M. G. NATESA CHETTIYAR: Will the Hon. the Minister for Industries be pleased to state—

(a) whether the Textile Commissioner has with him particulars of the varieties of yarn required in the various areas of the Province;

(b) if so, whether a statement giving particulars will be placed on the table of the House; and

(c) whether the list of varieties of yarn so required is adhered to when yarn is allotted to the respective wholesalers and retailers?

THE HON. SRI C. PERUMALSWAMI REDDI:—" (a) Yes.

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"(b) A statement ^a is placed on the table.

"(c) The varieties required in each district are allotted to it to the extent permitted by the overall availability of yarn under different count groups. The allotment to the wholesalers and retailers is being done by the Collectors with reference to the requirements of each area."

SRI M. G. NATESA CHETTIYAR:—"When there is sufficient production of yarn and when the mills complain that their yarn is not cleared up from their godowns and when there are complaints also by the wholesalers and retailers and handloom weavers too, may I know how the complaint in respect of count-wise yarn and variety is caused?"

THE HON. SRI C. PERUMALSWAMI REDDI:—"I think a separate question can be put on this."

SRI M. G. NATESA CHETTIYAR:—"May I know whether ^a is under the consideration of the Government to form local boards for assessing the required count-wise yarns and also for assessing the yarn required in respect of areas for the supply of yarn and whether the Government propose to have local bodies established regionally?"

THE HON. SRI C. PERUMALSWAMI REDDI:—"No Sir."

SRI C. M. KOTHARI:—"May I know from the Hon. Minister, whether the wholesale co-operative societies to whom the distribution of yarn was given are unable to take the delivery and are refusing to lift the goods?"

THE HON. SRI C. PERUMALSWAMI REDDI:—"The wholesale co-operative societies are taking the yarn and distributing to outsiders also now."

SRI G. RAJAMANNAR CHETTY:—"Apart from the varieties and counts of yarn supposed to be distributed to the several districts, may I know whether adequate quantities of the required numbers of yarn are distributed to the handloom weavers?"

THE HON. SRI C. PERUMALSWAMI REDDI:—"The stock position is not so good as to distribute adequately to the handloom weavers."

Number of communists released from detention in the coastal districts of Andhradesa.

* 70 Q.—SRI V. RAGHAVAYYA: Will the Hon. the Premier be pleased to state—

(a) the number of communists who were released from detention in the months of April, May and June from the coastal districts of Andhradesa;

(b) how many were arrested and how many were detained during this period; and

(c) what the reasons for the release and arrest are?

^a Printed as Appendix I on page 682 *infra*.

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THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—" (a) The number of Communists who were released from April 1st to June 15th, 1949, in the coastal districts of Andhradesa is *forty*.

" (b) Thirteen were arrested and detained during the same period.

" (c) The Government were satisfied that the arrests and detentions were necessary in the interest of law and order and in the case of those that were released; that there was no longer any necessity for them to be kept under detention. Two of these persons were released under orders of the High Court on their Habeas Corpus applications."

SRI V. RAGHAVAYYA:—"In view of the fact that nearly 60 people have been killed in the coastal districts within the past three months by Communists, may I know if any provision has been made by the Government for taking security from the released persons for good behaviour at least for a year in these cases?"

THE HON. SRI B. GOPALA REDDI:—"It is not usual to take securities from those people who are to be released. If there is any apprehension about their future conduct, we certainly do not release them. But, while we feel that they can be safely let out, we let them out generally without conditions."

SRI V. RAGHAVAYYA:—"Lest the people who have been released should go underground and make the Government's work impossible, may I know if the provisions of the Public Safety Act cannot be amended in respect of apprehending them by attaching their properties and issuing a Gazette notification for the sale thereof until their surrender?"

THE HON. SRI B. GOPALA REDDI:—"The question has to be considered separately. I think just now there is no provision to attach their property."

SRI K. T. KOSALRAM:—"Are the Government aware that a communist undertrial prisoner was forcibly rescued near Devakotta from Police escort and rifles were taken away?"

THE HON. SRI B. GOPALA REDDI:—"The hon. Member may put a separate question."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Will the Government reconsider the cases of such of those detenus who have written to the Government that they are not really Communists, or even if they are Communists, they will dissociate themselves from their party?"

THE HON. SRI B. GOPALA REDDI:—"We do consider such applications but we will have to make our own enquiries in the matter."

MUHAMMAD RAZA KHAN SAHIB:—"Arising from the the reply of the Finance Minister that the cases of detention come

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before the Government for review, may I enquire whether the case of Mr. Venkateswarlu, a Member of this House, also came before them for review?"

THE HON. SRI B. GOPALA REDDI:—"Not before the Government. But there is the Advisory Committee and every six months they review the cases of all detenues."

SRI L. N. GOPALASWAMI:—"May I know whether the behaviour of the released people is proper or whether any of them have been rearrested?"

THE HON. SRI B. GOPALA REDDI:—"I do not think any of them have been re-arrested."

SRI V. RAGHAVAYYA:—"In view of the declaration of the ex-Premier on the floor of the Assembly that in Krishna district, a party called the 'Progressive Congress Party' was giving shelter, cloth and guard to the Communists, may I know what the action of the Government has been to apprehend these progressive Communists and bring them to book and order?"

THE HON. SRI B. GOPALA REDDI:—"Whoever gives shelter to apprehended people will certainly be booked, whether he is a progressive Congressman, Socialist or any other person. If anybody is harbouring Communists who are wanted by the Police certainly he will be arrested."

Alleged day-light raids by Communists in Tanjore district.

* 71 Q.—SRI R. V. SWAMINATHAN (on behalf of Sri A. Vedaratnam Pillai): Will the Hon. the Premier be pleased to state—

(a) whether it is a fact that there has been day light raids by Communists in Tanjore district at five places at the same time, on the houses of mirasdars on or about May 25th and that considerable properties were looted and many innocent persons injured and the chief men threatened with loss of life;

(b) if so, what action the Government propose to take to punish the offenders and prevent repetition of such things;

(c) the number of persons injured and the nature of the property looted;

(d) whether any persons have been arrested and if so, how many; and

(e) what the arms that have been seized from the culprits are?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—" (a) Only one raid by Communists has come to the notice of the Government. On the afternoon of 25th May 1949 kisans of Nedumbalam, Kallugudi and neighbouring villages in Tanjore district after a meeting held at Kallugudi entered the street where Sri Swamiappa Mudaliar and his relatives live in Nedumbalam village and indulged in vandalism and looting.

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" (b) The culprits are being arrested and they will be prosecuted for the offences committed.

" (c) Two persons were seriously hurt. The culprits removed cash Rs. 24 and stamps worth Rs. 13 from the Branch Post Office, Nedumbalam, cash Rs. 137 from the mirasdar's accounts office and about 50 kalams of paddy from an open granary.

" (d) Yes, 118 persons have been arrested up to 31st May 1949.

" (e) From reports so far received, no arms seem to have been seized."

MR. SPEAKER:—"I think the case is *sub judice*. We may not proceed with it. I pass on to the next question."

Varieties of yarn produced by the mills in Madras Province.

* 72 Q.—SRI M. G. NATESA CHETTIYAR: Will the Hon. the Minister for Industries be pleased to state—

(a) whether the Textile Commissioner has with him a list of the mills in this Province and the varieties of yarn produced by them and if so, whether the list will be placed on the Table of the House;

(b) whether the varieties of yarn produced by the mills correspond to the varieties required in our Province; and

(c) what varieties of yarn are in shortage and what steps have been taken to meet the shortage?

THE HON. SRI C. PERUMALSWAMI REDDI:—" (a) Yes.

A statement^a showing the counts produced by the mills in this Province in the month of April 1949, is placed on the Table. The production of various counts by any mill varies from month to month, depending upon the availability of different types of cotton.

" (b) Yes—to some extent depending on the availability of the requisite types of cotton.

" (c) Generally lower counts of yarn are in shortage, notably 2s, 4s, 6s, 8s, 10s, 12s, 2/10s. The Textile Commissioner, Bombay, who has been addressed to arrange supplies of these counts has allotted 337 bales of lower counts yarn from Messrs. Minerva Mills, Bangalore, and Mysore Spinning and Weaving Mills, Mysore."

SRI V. M. RAMASWAMI MUDALIYAR:—"Are the Government aware that from the list placed on the Table of the House it is only one mill that manufactures yarn of 100 counts and may I ask whether the product of that mill is sufficient to meet the demand of 100 counts yarn of this Province, and if not, what steps are being taken to satisfy the demands of 100 counts yarn?"

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THE HON. SRI C. PERUMALSWAMI REDDI:—"There is not much demand of 100 counts yarn. If there is demand, the Government will import them from other Provinces."

SRI M. KANNIYAPPAN:—"தலைவர் அவர்களே, கோயம்பத் துறியில் சோமசுந்திரா மில் என்று ஒன்று இருக்கிறது. அந்த மில்லில் தயாராகும் நூல் நெசவிற்கு உபயோகம் இல்லை என்று எல்லா தொழிலாளர்களும் சொல்லுகிறார்கள். அதைப்பற்றி ஏதாவது நடவடிக்கைகள் எடுக்க முடியுமா என்று கேட்கிறேன்."

THE HON. SRI C. PERUMALSWAMI REDDI:—"அதைப்பற்றி விசாரிக்கப்படும்."

The terms of deputation of officers of the Madras Government to the Hyderabad State.

* 73 Q.—SRI V. RAGHAVAYYA: Will the Hon. the Premier be pleased to state—

(a) the terms on which the Madras Government's Revenue and Magisterial staff have been lent to or posted to work in Hyderabad;

(b) whether service put in in the State of Hyderabad counts for seniority in the Provincial Government's service;

(c) whether any special emoluments, preferences, facilities or allowances have been offered to the Government servants of this Province who have gone to Hyderabad, with a view to induce them to go; and

(d) for how long they are likely to be retained there?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—" (a) & (c) A copy* of G.O. No. S/4651-1/48, Public, dated 2nd May 1949, specifying the terms of deputation of officers of this Government lent to the Hyderabad Government is placed on the Table of the House. The hon. Member may refer to it.

" (b) Yes.

" (d) The information desired by the hon. Member cannot be furnished as the Hyderabad Government themselves are unable to say for how long the services of these officers are likely to be required."

SRI V. RAGHAVAYYA:—"In view of the necessity for prolonged stay in Hyderabad State and in view of the duress that has been undergone by most of the officials of the Indian Government, may I know if this Government propose to enhance their emoluments and give them greater privileges so that they may be able to do their duty with greater satisfaction there?"

THE HON. SRI B. GOPALA REDDI:—"The deputed allowances are governed by certain of the rules made by this Government and they are in conformity with the rules we have already made."

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SRI S. NAGAPPA:—"May I know if some of the officers who were deputed by this Government are unwilling to work there and if those people who have represented to the Government their unwillingness will be relieved of their services there?"

THE HON. SRI B. GOPALA REDDI:—"It is not true that they are unwilling to work there. It is on their consent that they have been posted there."

SRI D. V. RAMASWAMI:—"May I ask whether any of the officers lent to the Hyderabad Government for services have been reported to be corrupt and asked to be taken back to the Madras Government service?"

THE HON. SRI B. GOPALA REDDI:—"No, Sir."

SRI S. NAGAPPA:—"Arising out of the answer of the Hon. Minister that no officer is unwilling to work there, may I know if the desire of those officers who are unwilling to work there is brought to the notice of the Government, whether they will be prepared to relieve them from their present posts?"

THE HON. SRI B. GOPALA REDDI:—"I have stated already that on their consent they have been posted there and now that they are working there it is up to that Government to release them."

SRI S. NAGAPPA:—"My point is this, Sir. If these officers 11-30 who have been lent to the Hyderabad Government, after working a.m. there, have been found unfit, their position becomes risky and they are willing to come back and their desire to come back is brought to the notice of the Government, may I know whether the Government are prepared to bring them back to their native land?"

THE HON. SRI B. GOPALA REDDI:—"We shall certainly consider their representation if and when they are made through the proper channel."

SRI V. RAGHAVAYYA:—"Sir, in view of the experience gained by these officers in quelling the Communist trouble in Hyderabad, may I know whether it is the idea of the Government to bring them back to such districts in this Province where the Communists trouble is rampant, so that they may use their experience to quell the trouble here?"

THE HON. SRI B. GOPALA REDDI:—"The question will arise only when the whole trouble in Hyderabad has been completely put under control, but the time has not yet come to consider the proposal."

SRI S. NAGAPPA:—"May I know, Sir, whether the Government are aware that most of the officers who are working there have been doing good work and as a result of that they have created a good number of Communist enemies who are attempting to kill most of our officers?"

THE HON. SRI B. GOPALA REDDI:—"I have no information, Sir."

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Proposal to abolish the system of jamabandi of the village accounts.

* 74 Q.—SRI S. NAGARAJA MANIGAR: Will the Hon. the Minister for Land Revenue be pleased to state—

(a) whether there is any proposal to modify or abolish the present system of jamabandi of the village accounts; and

(b) if so, since when and at what stage it is?

THE HON. SRI H. SITARAMA REDDI:—“(a) No.

“(b) Does not arise.”

SRI S. NAGARAJA MANIGAR:—“Is it a fact, Sir, that village officers who are the pillars of the Government, are anxiously awaiting the abolition of the jamabandi system, since it causes much trouble and inconvenience to them, as they have to go and stay out of their villages at the taluk headquarters for a number of days at the mercy of the taluk officers?”

THE HON. SRI H. SITARAMA REDDI:—“Sir, it has been represented several times that some difficulties have been experienced by some people who go and attend these jamabandis and the Government have examined the difficulties felt by the village officers and have been trying to remove some of them. But, as this system has been found useful, there seems to be no reason to abolish it.”

SRI S. NAGARAJA MANIGAR:—“Is it not a fact that in spite of the efforts of the Government to remove certain of their difficulties, the village officers are not for the present system of jamabandi but are for its abolition?”

THE HON. SRI H. SITARAMA REDDI:—“It is not a question of somebody being in favour of it or against it, but the system has been found useful. If it is working satisfactorily under the present circumstances, till we find a substitute for it, it can work as effectively as possible. If it has to be improved beyond what we have got now, we have to continue this system. This question has been examined several times and it has been found to be one of the systems which is intended to serve as a sort of audit to guard against loss of revenue and this is the occasion when district officials will be able to contact the villagers and study the problems in villages, and so there is no need to abolish it. If, however, the village officers feel certain difficulties, we shall try to see that their genuine difficulties are removed.”

M. S. ABDUL MAJID SAHIB BAHADUR:—“Now, that the Government are changing some of the old and out-dated methods of audit, will they consider the question of abolishing the jamabandi system and organize regular audit in this department?”

THE HON. SRI H. SITARAMA REDDI:—“The fact that a particular system is old does not make it useless. The thing might be old and yet good. So, till something better is found we would like to follow it.”

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MOHAMED ABDUL SALAM SAHIB BAHADUR:—“Sir, is the Government aware that at the time of jamabandi, village officers and others collect a sort of mamool and that they will be waiting for the whole year for the jamabandi to collect big amounts in the name of jamabandi?”

THE HON. SRI H. SITARAMA REDDI:—“If that is being done, it is done illegally.”

SRI V. RAGHAVAYYA:—“Let alone the abolition of the jamabandi. Will the Government at least abolish the jamabandi mamool which is prevalent all over and which is winked at and connived at by them?”

THE HON. SRI H. SITARAMA REDDI:—“I feel, Sir, the hon. Member is exaggerating the position. It is quite possible that in some cases there have been such malpractices. If they come to the notice of the Government, the Government will certainly take action to prevent such malpractices, but I do not concede the position as the hon. Member puts it.”

SRI S. NAGARAJA MANIGAR:—“Is it not a fact that these jamabandis take more than a fortnight and in these days of scarcity of houses and difficulties of travelling, these village officers have to go and stay on the verandahs of taluk offices, at times even during nights?”

THE HON. SRI H. SITARAMA REDDI:—“Verandahs of taluk offices are quite decent and I do not like any reflection should be cast about the verandahs of taluk offices.”

SRI T. VISWANATHAM:—“Sir, with reference to the answer of the Hon. Minister that Mr. V. Raghavayya has exaggerated the position, may I ask the Hon. Minister to state the unexaggerated truth about the matter?”

SRI K. LINGA RAJU:—“Sir, are the village officers paid any batta when they attend the jamabandi?”

THE HON. SRI H. SITARAMA REDDI:—“The usual allowances are paid.”

SRI L. N. GOPALASWAMI:—“Are the Government aware of the fact that on account of the jamabandi being held in a particular village, these local officers are forced to meet heavy expenditure, and they have therefore to collect it from the ryots?”

THE HON. SRI H. SITARAMA REDDI:—“It seems to be the information of the hon. Member.”

SRI K. LINGA RAJU:—“May I know what the usual allowance is?”

THE HON. SRI H. SITARAMA REDDI:—“If they have to travel a distance beyond 5 miles, a certain amount is paid.”

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It is regulated according to the distance from the place of meeting. If the Hon. Member wants further information, he may put a separate question."

SRI R. V. SWAMINATHAN:—"It looks as if the Hon. Minister is very eager to retain the present system, being very old. But, may I request the Hon. Minister at least to give necessary instructions to abolish the jamabandi mamool system?"

THE HON. SRI H. SITARAMA REDDI:—"We cannot allow these mamools to exist and if my hon. Friend brings to the notice of the Government, any case of mamools being taken, we shall certainly take action."

Allotment of Binny and Mettur products to the Co-operative Societies.

* 75 Q.—MAHIN SCHAMNAD SAHIB BAHADUR: Will the Hon. the Minister for Industries be pleased to state—

(a) the reasons for allotting 50 per cent of the Binny and Mettur products to the Co-operative Societies and Stores as against the allotting of 33-1/3 per cent of the supply of other kinds of mill products;

(b) whether the Government have received any representations from the authorized agents of Binny and Mettur products requesting that the percentage of allotment of those products to Co-operative Societies or Stores might be the same as in the case of other clothes; and

(c) what action the Government have taken or proposed to take on the said representations?

THE HON. SRI C. PERUMALSWAMI REDDI:—" (a) The present monthly allotment of mill made cloth for this Province is 22,850 bales. The Government have recently decided that the Co-operative Organizations might be allotted as a permanent arrangement 400 bales of B. & C. cloth, 450 bales of Mettur cloth and 2,150 bales of other mills cloth, totalling in all 3,000 bales per month. The remaining 19,850 bales are allotted to the trade for distribution. The percentage of allocations between the Co-operatives and the trade is as shown below:—

	Co-operatives.	Trade.
	PER CENT.	PER CENT.
B. & C. cloth	27	73
Mettur cloth	50	50
Other mill cloth	11	89

The circumstances under which the Co-operatives were allotted cloth of various mills as shown above are as follows.—

B. & C. cloth.—The production of B. & C. Mills available for civil consumption is about 2,600 bales per month. Out

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of this the Textile Commissioner, Bombay, has permitted the mills to export to other Provinces and States a quantity of 1,100 bales per month. Of the balance of 1,500 bales the Mills' own dealers are expected to handle about 1,100 to 1,200 bales a month, thus rendering available 400 bales for distribution through the agency of the Co-operatives.

Mettur cloth.—The Mettur Industries have been permitted to distribute 50 per cent of their production through their own dealers and the balance is allotted to Co-operatives for distribution.

Other mill cloth.—Pending arrangements for the selection and licensing of wholesalers and retailers in the trade, the entire Provincial quota of other mill cloth for the months of August, September and October 1948 was allotted to Co-operatives for distribution. Owing to large accumulations of stocks, the Co-operatives refrained from taking any quota of cloth from Bombay Surplus Area from November 1948 onwards but obtained supplies from South Indian Mills only. As a permanent arrangement the Government have recently decided that in addition to the B. & C. and Mettur cloth, the Co-operatives should be allotted 2,150 bales of other mills cloth, so as to make up a total allotment of 3,000 bales per month.

"(b) & (c) Representation in this regard has been received from the sole distributors of Mettur Industries only but the Government declined to comply with their request."

MAHIN SCHAMNAD SAHIB BAHADUR:—"May I request the Hon. Minister to supply us with printed copies of the reply and postpone the putting of supplementaries to some other day, as we are not able to follow what the Hon. Minister has replied just now?"

MR. SPEAKER:—"The question will have to be taken up now and if the hon. Member wants to put any supplementary question, he may put it now."

SRI C. M. KOTHARI:—"Sir, we have not heard the reply of the Hon. Minister."

MR. SPEAKER:—"If necessary, I shall ask the Hon. Minister to read it aloud again."

M. MUHAMMAD ISMAIL SAHIB BAHADUR:—"Sir, the answer which has just been read out by the Hon. Minister is long enough and it will be cruel to ask him to repeat it once again and also for the Members to follow that long answer and then put supplementary questions on that. So, Sir, it will be very kind on your part to allow supplementary questions to be put on the next day when the Assembly meets, by which time the answer might be printed and circulated to hon. Members."

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MR. SPEAKER:—"Then, it will be taken up day-after-tomorrow."

Government of India's circular re non-observance of caste and community in the matter of Government appointments, etc.

*76 Q.—SRI V. RAGHAVAYYA: Will the Hon. the Premier be pleased to state what the reply given by this Government is to the Government of India's circular regarding the non-observance of caste and community in respect of Government appointments, admission to schools and colleges, etc.?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—"The attention of the hon. Member is invited to the answer to Legislative Assembly Question No. 11 given on the 13th July 1948."

SRI V. RAGHAVAYYA:—"Is the Government aware that its persistence in regard to this communal distinction, particularly to the unprivileged and under-privileged communities of Indian society, like the Brahmans of the present day, for instance, is an offence against Dominion laws that are being made and against inter-national laws regarding minorities that are prevalent in the world to-day?"

THE HON. SRI B. GOPALA REDDI:—"The question is whether we have received any circular regarding the non-observance of caste, etc., and the answer is we have not received any, and I therefore do not know how this question arises."

SRI V. RAGHAVAYYA:—"Is the Government aware that it has given a reply to the India Government's questionnaire regarding the communal distinctions that the Madras Government does not want to change its previous policy of fixing communal ratios?"

MR. SPEAKER:—"I do not understand the hon. Member's question."

SRI V. RAGHAVAYYA:—"I shall explain it, Sir. This Government received a circular from the Government of India sometime ago and they did answer that they wanted to continue the communal distinction. The answer to which the Hon. Minister refers relates to that answer which he has given in reply to the query."

THE HON. SRI B. GOPALA REDDI:—"We have not received any circular. Possibly the hon. Member is referring to the Gadgil Committee which is considering the question. But, the question now is whether we have received any circular and I have answered that we have not received any such circular."

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UNSTARRED QUESTIONS.

Applications under the New Well Subsidy Scheme in the Dharmapuri Revenue Division.

2. Q.—SRI M. G. NATESA CHETTIYAR:—Will the Hon. the Minister for Land Revenue be pleased to state—

(a) the number of applications received under the New Well Subsidy Schemes in the Dharmapuri Revenue Division during 1946-47, 1947-48 and 1948-49 (talukwar);

(b) the number of applications sanctioned and the number of wells completed during the said periods;

(c) the procedure adopted in inspecting the plot of land before sanctioning the subsidy and the period taken before the application is disposed of completely;

(d) how priority, if any, is observed in regard to the disposal of applications;

(e) the number of applications from the zamindari areas and the procedure adopted in disposing of such applications and whether there is any difference in procedure when dealing with applications from ryotwari and zamindari areas before they are sanctioned; and

(f) the number of applications pending in the zamindari areas in Dharmapuri Revenue Division (talukwar and the reason for the delay)?

A.—(a) & (b) The particulars are given below:—

Name of taluk.	Accelerated Scheme.	New Well Subsidy Scheme.	New Well Subsidy Scheme.
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The number of applications received.

	1946-47.	1947-48.	1948-49.
Dharmapuri	1,650	1,577	1,158
Harur	2,381	1,489	1,469

The number of applications sanctioned.

	1946-47.	1947-48.	1948-49.
Dharmapuri	1,088	776	186
Harur	810	627	341

The number of wells completed during the period

	1946-47.	1947-48.	1948-49.
Dharmapuri	927	71	NIL
Harur	657	125	NIL

(c) Under the New Well Subsidy Scheme of 1947-48 and 1948-49 the site in which an applicant proposed to sink a well and the lands and properties offered by him as security for the subsidy loan were inspected by the Special Revenue Inspectors and the Special Deputy Tahsildars employed in connexion with the well subsidy schemes. In the earlier schemes, e.g., the Accelerated Scheme, inspection of the site was

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not made before the grant of subsidy. But, an enquiry was made to find out whether the applicant was or was not solvent.

Applications are generally disposed of within three months. But under the Accelerated Scheme, they were disposed of in a much shorter period because the enquiry prescribed then was less elaborate. The present elaborate inquiry is considered necessary to reduce the scope for fraud.

(d) Priority is given according to the date of receipt of applications in the office, other things being equal.

(e) The information is given below :—

	Accelerated, 1946-47.	New Well Subsidy Scheme, 1947-48.	New Well Subsidy Scheme, 1948-49.
Dharmapuri taluk ..	490	136	182
Harur taluk ..	242	197	410

Under the Accelerated Scheme which was in force in 1946-47, there was no difference in the procedure followed in ryotwari and zamindari areas in the disposal of applications. Under the subsequent schemes, when applications are received for the sinking of wells in zamindari areas, the lands in which the wells are proposed to be sunk are surveyed and also the lands offered as security. Notices are also issued to the proprietors concerned and subsidies are sanctioned if no valid objection is raised by the proprietor.

(f) The New Well Subsidy Scheme, 1948-49, came to an end on 31st March 1949. A similar scheme has since been sanctioned for 1949-50. The applications not disposed of under the 1948-49 scheme are being considered under the 1949-50 scheme. Eighteen applications in Harur taluk and 111 applications in Dharmapuri taluk are pending disposal. The reasons are (1) survey has not yet been completed in many villages and (2) the villages to which these applications relate are widely scattered.

Proposal to take over all the estates in the Visakhapatnam district.

3. Q.—SRI G. SANYASI RAO: Will the Hon. the Minister for Land Revenue be pleased to state whether there is any urgent proposal before the Government to take over all the estates in the Visakhapatnam district?

A.—The Board of Revenue has submitted certain proposals and they are under the consideration of the Government.

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[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

II.—ALLEGED PLACING OF GOVERNMENT FILES AT THE DISPOSAL OF SHRI SHANKER RAO DEO.

MUHAMMAD RAZA KHAN SAHIB:—“ Sir, with reference to the above question, as the reply of the Hon. Minister for Finance is not at all satisfactory, may I request you to allow an half-hour debate? ”

MR. SPEAKER:—“ The hon. Member should know that he ought to have made the request as soon as that particular question was over. Hon. Members should not take it that by informing me about it in my Chamber, they can ask for an half-hour debate at any time. It is better that in future they ask for it as soon as the particular question is over. I shall, however, allow half-hour debate to-day on this question.”

THE HON. SRI B. GOPALA REDDI:—“ I would not be able to give any further information than what I have given to the series of supplementary questions, though, of course, they may speak on it.”

III.—ADJOURNMENT MOTION *RE* PROCUREMENT WORK IN CHIDAMBARAM TALUK.

MR. SPEAKER:—“ The hon. Member Mr. Paramananda Rayar has given notice of an adjournment motion under rule 36 of the Assembly Rules, ‘ to discuss a matter of urgent public importance, viz., the malpractice in the administration and the harassment committed by Taluk Supply Officer, Assistant Taluk Supply Officer and Firka Supply Officers during procurement of foodgrains in the Chidambaram taluk, violating the rules framed by the Government and the consequent discontent among the people there.’ ”

“ This motion is not in order because it is not an urgent matter of public importance. Anyhow, let me hear what my hon. Friend has to say on his adjournment motion.”

SRI S. PARAMANANDA RAYAR:—“ தலைவர் அவர்களே, இப்பொழுது நான் கொண்டுவந்திருக்கும் பிரேரேபணியானது மிகவும் அவசியம் என்பதைப் பற்றியும் அவசரம் என்பதைப்பற்றியும் எடுத்துச் சொல்லுகிறேன். தென் ஆற்காடு ஜில்லாவில் சிதம்பரம் தாலுகா என்ற ஒரு தாலுகாதான் அதிகமாக நெல்விளையும் தாலுக்கா. அங்கே இருக்கும் ஏழைகளை சர்க்கார் அதிகாரிகள் தொந்திரவுப்படுத்தி நெல் தான் யத்தைக்கொள்முதல் செய்கிறார்கள் ”

MR. SPEAKER:—“ ரொம்ப நாளாகத்தானே செய்துகொண்டு வருகிறார்கள்.”

SRI S. PARAMANANDA RAYAR:—“ ஆம் அப்படித்தான் செய்து கொண்டு வருகிறார்கள். இப்பொழுது தற்சமயம் சர்க்கார் அதிகாரிகள் சட்டதிட்டங்களுக்கு மீறி ஜனங்களிடமிருந்து procurement செய்து வருகிறார்கள். இதைப்பற்றி ஜில்லா Food கமிட்டியிடம் சொல்லி யிருக்கிறார்கள். தந்திகளும் சர்க்காருக்கு வந்திருக்கின்றன. இதைப்பற்றி கனம் உணவு மந்திரியவர்களிடமும் சொன்னேன். இதுவரையில் அதைப்பற்றி எதுவும் கேட்பதாகத் தெரியவில்லை. மேலும் மேலும் அதிகாரிகள் அதிகமாக

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தொந்திரவுகளைச் செய்துகொண்டு வருகிறார்கள். நெல் இல்லே என்றால் போலீஸ்காரர்களை வைத்துக்கொண்டு உள்ளே நுழைந்து procure செய்து ஏழைகளை arrest செய்து உள்ளே தள்ளுகிறார்கள். நிர்ப்பந்தம் அதிகமாக இருக்கிறது. உடனடியாக இதை சர்க்கார் கவனிக்கவேண்டும். பெர்து ஜனங்கள் ரொம்பவும் கஷ்டங்களை அனுபவிக்கிறார்கள்.”

SRI R. V. SWAMINATHAN:—“ May I know, in view of what is going to happen to this adjournment motion, whether the Government will issue necessary instructions to these officers to be very careful in future and be polite in their dealings with the poor ryots? ”

MR. SPEAKER:—“ Now, I give my ruling. The hon. Member himself admits that it has been continuing for a very long time. Therefore, it is not an urgent matter of public importance and I rule this motion out of order.”

IV.—FACILITIES FOR A DETENU MEMBER TO ATTEND ASSEMBLY.

MOHAMED ABDUL SALAM SAHIB BAHADUR:—“ Sir, I rise on a point of order, which is of very much importance to this House, namely, a Member of this House who is now a detenu requested the Hon. Speaker to give him facilities to attend meetings of this House so that he can discharge his duties as a representative of the people. This matter has been taken up in the High Court and the Chair has been called in as a second respondent. I want to know whether any reference has been made by the High Court to the Chair and if so, whether it is not the duty of the Chair to protect the rights and privileges of the Member who is very anxious to discharge his duties as the representative of the people.”

MR. SPEAKER:—“ Perhaps, the hon. Member is referring to a news item that has appeared in the Press. It is purely *sub judice* and it cannot be discussed here. That apart, in this connection I should like to mention certain things that have happened in England some time ago. This is a reference from the famous Bradlaugh Case:

“ The House of Commons is not subject to the control of the courts in the administration of that part of the law which relates to its internal procedure only, and that even if its interpretation of a statute prescribing rights exercisable within its walls is erroneous, the courts have no power to interfere. For such purposes the House can practically change or practically supersede the law.”

Of course, this has nothing to do with the present case. This is just what had happened some time ago in the Bradlaugh Case.”

* RAJA SIR MUTHIAH CHETTIYAR OF CHETTINAD:—“ May I make a submission, Sir. In the ruling just now read out, the first sentence—If I heard it properly—states that the courts have no jurisdiction over the affairs or procedure of this House. That being so, are not the Government concerned about the activities of persons outside and if it is a question of the privilege of the Member of this House—a question that has been raised by my hon.

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Friend Mr. Salam—what is the safety provided by the Government to the Member till he reaches this House? Sir, I am not going into the merits of the case and I also know that it is *sub judice*, but I want the Chair to enlighten us still further on the ruling just now given.”

MR. SPEAKER:—“ Probably I have to tread upon the ground which is *sub judice*. I have already told the House that this has nothing to do with the present case and that this is just what had happened some time ago in the Bradlaugh Case, where a learned Judge has given this judgment. If the House wants it, I will read it once more:

“ The House of Commons is not subject to the control of the courts in the administration of that part of the law which relates to its internal procedure only, and that even if its interpretation of a statute prescribing rights exercisable within its walls is erroneous, the courts have no power to interfere. For such purposes the House can practically change or practically supersede the law.”

GOVERNMENT BILL.

V.—THE MADRAS VILLAGE PANCHAYATS BILL, 1949—cont.

* BEGUM SULTAN MIR AMIRUDDIN:—“ Mr. Speaker, Sir, when introducing this measure, the Hon. Minister for Local Administration described this Bill as a simple Bill for the simple village folk. But the Bill before us is a complex measure of far-reaching importance affecting large sections of the people of this land. The drafting of a suitable Panchayat Bill, I may state, is as complex a job as the framing of a suitable constitution for India because the Bill should be suited to the complex conditions that are prevalent in our rural life to-day. Political leaders in the country have, for a long time past, been proclaiming the need for the establishment of village panchayats as units of administration in this country. There can be no gainsaying the fact that in the long run a truly democratic society in this country cannot be built up without its roots being laid in the villages of the land. So far as the principle of the Bill is concerned, it is no doubt sound; so far as the ideal that it seeks to foster, it is a correct one to pursue. But the point that we have to consider and ponder over to-day is whether conditions are propitious and suitable for the promulgation of this measure in this Province with these numerous villages in the State in which we find them to-day. Let us not be carried away by mere sentiment and aspiration. Let us not be overwhelmed by mere ideals and ideologies. Let us not get into ecstasies over the declaration made by some hon. Members of this House that this Bill is the Magna Charta of village life in this land. But, let us view the question in its proper perspective; let us face facts in their true light and see how the Bill would stand the test of time.

“ Sir, those who have had the experience of the working of the panchayats have made it abundantly clear in their statements and reports, that the panchayat movement has unfortunately been a sorry failure in this Province. This morning, *The Hindu* wrote an editorial on the subject and quoted an official statement describing how the panchayat movement had failed. That official

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statement relates to the year 1941. I wish to know from the Hon. Minister whether he has any data to show that conditions have changed since 1941 and that things have improved. It would have been better if he had appointed a Fact Finding Committee to go into the conditions prevalent in village life to-day before launching upon this measure.

"It has been stated by some hon. Members that in the days of old, there were village republics but people should not forget that conditions in those days were different from those prevalent in India to-day. History records that in the days of Asoka, 60 per cent of the people were literate but to-day barely 12 to 13 per cent of the population in this country happen to be literate. As ignorance, faction, narrow-mindedness and backwardness are rampant in the rural areas in this Province, is it too much to expect that a Bill of this nature which confers wide powers on the rural folk will not prove a success under the present-day conditions? Having regard to all these facts, the Chairman of the Drafting Committee, Dr. Ambedkar, when introducing his Bill with regard to the Constitution of India, described the villages as 'the stink of localism, the den of ignorance, narrow-mindedness and backwardness'."

12 noon. "Dr. Ambedkar was no doubt severely criticized for his remarks and the Members of the Constituent Assembly succeeded in seeing to it that the 'imprimatur' of the Constituent Assembly was granted to the establishment of village panchayats as units of administration in the country. Sir, despite the criticism levelled against the remarks of Dr. Ambedkar, his utterances cannot be treated lightly, for he spoke with knowledge and with a correct appreciation of conditions existing in Indian rural life and we cannot dismiss those remarks as being irrelevant or as being unwarranted and we have to take into account the remarks that were made concerning this on the floor of the Constituent Assembly. It is no use rushing the pace of things. We are well aware that in the villages in India, caste system and Communalism are entrenched as things stand to-day; and there is an apprehension in the minds of Harijans that their lot would become harder still if the Bill comes into force. There is an apprehension in the minds of some minorities that their plight will be worse if the Bill is pushed through, unless the evils that are existing are rooted out. It is no use rushing headlong and it is much better to move cautiously and carefully in regard to a matter such as this. So far as political propaganda is concerned, the Bill will achieve its object; but if the intention of the Hon. Minister and the Government is something different, if it is their intention to make the villages the units of live organization, working successfully for the well-being of the common man and for the common welfare, then they have to take the facts mentioned by me into consideration.

"Coming to the provisions of the Bill, we find that a small village with a population of 500 people will become an administrative unit. This I am afraid will prove most uneconomical and it will be very difficult to work them efficiently according to modern standards. I am of the opinion that the population basis for a rural

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unit should be a minimum of 5,000, an optimum of 10,000 and a maximum of 15,000. Then it will be possible to work these units efficiently and economically.

"Then we have the provision with regard to the direct election of the president of the panchayat. I am afraid that it will prove a ground for much faction in the villages. It is a matter of common knowledge that the villages are under the influence of two or three powerful personalities and the result will be that this election will divide the village into two hostile camps. The consequence will be that not merely quarrels but brawls and disorders will increase and even murders will be on the increase as a result of this provision.

"I find that the village headman is to be an ex-officio member of the panchayat. Anybody who is cognizant about the affairs in our villages knows that the village headman is usually the originator of many of the troubles there. I think it would be most unwise to have him as an ex-officio member of the panchayat.

"Again, there is no limitation on the term of the president of the panchayats and as it is, he may stand for election as president for any number of times. In America, Sir, though there is no rule, there is a convention that the President should not stand for election for the presidency for more than two terms, though that rule was waived in the case of President Roosevelt because of the war on account of certain emergency. There is no provision in the Bill limiting the term of office of the president and some men on account of the power that they may wield in the villages may stand any number of times and may be elected term after term with the result that he will ride rough-shod over the aspirations of the people. My view is that the term should be limited to two terms consecutively and if there is a break, he might continue for another two terms. Human nature being what it is, it is undesirable to allow a single individual to wield enormous powers for a long time.

"In the Bill, there is no provision for reservation of seats but what do we find? There is a provision for co-option of three members from among Muslims, Indian Christians and members of the Scheduled Castes or women whose names appear on the electoral rolls. So far as the Muslims are concerned, they are not so anxious for the favour of the Government and they may leave them out of account. But I wish to ask the Hon. Minister why when they had been all along criticizing the British Government for having recourse to nominations, they are now having recourse to co-option which is but another form of nomination? The Government and the Congress party are not consistent in their methods and in their ideals and in their acts. On the one hand, they were vociferous—they may not be now but they had been in the past—in their condemnation of the British Government regarding the principle of nomination to which they resorted on occasions; and on the other hand to-day we find these very people regarding that as an article of faith. For instance, with reference to the constitution, a rule has been made for nomination on so many bodies; again this party has been vociferous against communalism

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and has condemned it in unmistakable terms but they themselves fan the flames of communalism when it suits their own ends to do so. Then, Sir, in the Centre, we find that the centralization has become an article of faith and while attempts are being made to reduce provincial Governments to the position of mere glorified district boards, here we have a Bill before us which seeks to decentralize. I say, Sir, the Congress party are not consistent in their acts and they are not consistent in their views; there should be some consistency between what is proclaimed and what is done. I know hon. Members will say that in politics there is no consistency but I feel that in our country politics should be raised to a higher level and higher level of politics and morality and high ideals should go together and we should not adopt the methods followed in western countries with reference to politics.

"In the Bill before us, there is a provision stating that civil and criminal jurisdiction should be vested in the panchayat. It is a wrong principle and it is a very undesirable thing to do; it is wrong in principle to vest criminal jurisdiction in an administrative body. I, therefore, request the Hon. Minister to ponder over this matter and see if he cannot take away civil jurisdiction, at least take away criminal jurisdiction from the panchayats. It would otherwise lead to a lot of trouble and confusion.

"In conclusion, I would appeal to the Hon. Minister to ponder over all these matters. If his idea is merely political propaganda, he may achieve the result but if his idea is something different that is to achieve something to save this country from confusion and from chaos which will be the result of the Bill, my suggestion to him is that he should go slowly and cautiously, establish a fact-finding committee first and thereafter take such steps as that committee might advise."

* SRI C. M. KOTHARI:—"Mr. Speaker, I like the laudable idea of the Hon. Minister procreating a child which may be a beautiful one. Sir, within a year or so, we are going to the elections and I wonder where is the necessity for a measure of this type. (At this stage the Deputy Speaker took the Chair.) The elections may be won through the efforts of such panchayat boards. If so, the country feels that the motives are not honest in hastening with the measure without circulating it for public opinion. We feel, Madam, that the Bill is so important that we should not rush with the measure like the Currency Printing Press at Nasik. We have been seeing so many Bills during this session and even earlier that neither the people in general nor the members of this Assembly have time enough to look into the important clauses of the Bill. If the Bill is looked into some of the important points will catch the imagination of the public and they will see that they are irrevocable.

12-16 P.m. ("Section 64 gives powers to the panchayats in respect of taxation and finance. In sub-section 2 (a), there is a cess on every entry of goods into the village for consumption, use or sale therein. Particularly, if I take articles which are for my use to a panchayat,

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I will be taxed. It is not only a tax on the purchase or sale of goods, but what is all-important it is a tax on articles taken for consumption. Under sub-section 2 (b) a land-cess is to be collected. There is already a cess on land and this will be an additional land-cess. The most objectionable clause is sub-section 2 (c) which contemplates a tax on agricultural land. The country has been taxed so much directly and indirectly that any additional tax which the panchayat boards may levy cannot be borne by the people. Financially, this House has crippled the economics of the country. Even politically it will trample others' rights if the Bill is passed into law, because these panchayat boards may be a good instrument for getting votes for the party in power. If that is so, I believe it is a vitiation of the democratic principle. Coming now to the different sections of the Bill, I find that on page 5 against 'Division into wards' the powers of the panchayats are so wide and as the people are not educated enough to understand the democratic principle of Government, I feel that there will be factions among the different groups and the Panchayat Bill will do more harm than good to the country. Instead of that, we may have a different machinery, viz., the taluk boards. I feel in this Bill there is an insinuation of getting power for certain persons so that the whole economics of the villagers may be in the hands of a few people which will certainly destroy the village economics for which this Bill is supposed to be enacted.) I would, therefore, request the Hon. Minister to send this Bill for circulation, thereby rendering a service to the country."

SRI V. M. RAMASWAMI MUDALIYAR:—"I have heard speeches on this Bill and they can be divided into two groups, one for and one against. The Bill depends upon the faith of the speakers in the common man. If their faith is unalterable it will attract their support or else it will repel any such support for it. I claim, Madam Deputy Speaker, that we who have been fighting and crying hoarse for more faith to be reposed upon the village and the villager have necessarily to support this Bill. As a matter of fact, the Government have no faith in ordering district board elections. I do wish that the district board elections are not held and that the provisions of the Bill are brought into existence as soon as possible. As one lady Member has said, I do not think that there is much scope for factions or murders in working the provisions of the Bill. I claim to speak with some authority based on my experience in connexion with the local boards and panchayats of the nature that are contemplated in this Bill. I come from North Arcot district where there are 800 panchayats which had been created from the time of the sponsor of the idea, viz., Mr. Gopala-swami Ayyangar, whose energy as Registrar of Local Boards for the creation of panchayats was well spent. These 800 panchayat boards must have been working satisfactorily or perfunctorily, but there were no factions or class murders. If some have not been doing good work it is because of the limitations with regard to finance at their disposal. If they had more finance, more capable men would have come and

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better work would have been done. As I said, I have some experience of the village panchayats and of the district boards. If this Act is really worked in the proper spirit by proper men as contemplated in the Bill, then there is no scope for the district board at all. After the creation of the Highways department, there is very little work for the district board. If these panchayats are created there will be no work for the district board. I do trust and hope that the Hon. Minister will make up his mind to place firm faith in the common man. Having refuted the general remarks or criticisms made by people who opposed the Bill, I want to go into one fundamental question. Under the Bill, the qualification of a voter is that anybody in the voters' list of the Assembly should have the vote. Under the rules, an Assembly voter must be 21 years of age. I submit that in other countries as well as in European countries, though the age of majority is 21, the age at which a person is eligible to be included in the electoral rolls is 18. The fact that the Assembly voters' qualification is fixed at 21 years of age should not deter us to take a little more courage in our hands to elect the guardians of the village at the age of 18 years. I hope that the qualification of a voter prescribed in clause 13 of this Bill will be reduced to 18 years. There is one other fundamental aspect, that I want to bring forward before the Government. The whole organization of the village panchayat should be given an independent footing. If anybody is aggrieved with regard to the work of a village panchayat, then I submit that the first person to hear the grievances must be the District Panchayat Officer or the Revenue Deputy Collector and the final authority should be the Inspector of Local Boards. Government should not have any interference against the Inspector's orders. Clause 48 of the Bill says that Government can interfere with the orders of the Inspector. The orders of the Inspector are impartial, but orders of Government cannot, since they are composed of parties. The present Government as well as the future Governments will be formed by party system and so, political considerations which may prevail should be eschewed from any decision. So this clause should be revised so as to make the Inspector the final appellate authority. Clause 49 should also be dealt with in that context. Then with regard to the powers and duties of the panchayat board, I would submit that merely cataloguing numerous items is very vague. (I hope that the panchayat boards would not merely attend to the usual local board's work, viz., maintenance of roads or sanitation works, but they would have powers to deal with the collective life of the village. Knowing as I do that the economic basis of the village is agriculture, they must have some active function to do with agriculture, viz., the starting of co-operative agricultural farms. Item (i) of clause 52 says 'improvements of agriculture and agricultural stock and the holding of agricultural shows'. This is so vaguely worded that it is not known whether agricultural improvement on a co-operative basis is intended. As a matter of fact, even our social or socio-national life of our village

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will be nothing unless the economic life of the village is brightened and made better. Therefore, I suggest that this clause may be either modified or amplified to give more powers to these village panchayats for starting co-operative ventures. Then Madam Deputy Speaker, clauses 64 and 68 deal with taxation powers and finances of the panchayat boards. Clause 64 says that a land-cess at the rate of 3 pies in the rupee on the annual rent value of all occupied lands may be levied by the panchayats. There again it is very vague. Is it to be uniform for all panchayats or is it contemplated to vary? Is it in addition to the already existing land revenue or something which forms part of the land tax levied by the Government?

"I submit that so far as agriculture is concerned, it is already 12-30 p.m. burdened with the largest tax on land in the whole world, and it will be unfair to give panchayats power to tax agriculture once again, even though it may be for a laudable purpose. Already there is an increase of land tax this year by an increased cess under education and also by way of a library cess, and this Act will mean an additional burden on agriculturists."

"There is another matter to which I want to draw the attention of the Hon. Minister. I generally support the principles of this Bill as far as they go—and in my opinion they do not go far enough. There is one thing of which I want to warn Government, and that is about giving the panchayats the same powers that the Madras village courts now exercise. The Bill says in clause 130 (1) 'that in any area for which a Class I panchayat has been constituted or which has been included within the jurisdiction of such a panchayat, with effect from the date of the constitution of the panchayat or of the inclusion of such area within the jurisdiction of the panchayat, as the case may be', etc."

"Madam, I do wish that for some time to come village courts should be allowed to function as an independent and separate body from the panchayats. It is very necessary to disarm the fear expressed by those who have criticised this Bill adversely. There is also another reason for my suggestion. Let us gain some more experience about the working of panchayats. I want the judicial functions to be kept separate from administrative functions. The panchayat which has got right to levy tax, to collect tax, to impose penalties, is, as a matter of fact an executive body, and it carries out executive orders; and so it should not be vested with judicial powers. We have all along been fighting for the separation of the judiciary from the executive, and here again, in the present Bill, we are combining those two functions in one and the same body in a small way. I want the Hon. Minister to bestow some thought on this aspect of the Bill, so that village courts may be allowed to function separately for some time more."

"Madam, in conclusion, I have to make one other suggestion. This Bill contemplates the creation of a panchayat for every village of 500 population. Such a village, according to me, may not be sufficiently big for administrative purposes. I want a group of

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villages with only 500 population to be formed into a panchayat for administrative purposes. I do not find any provision for that in the Bill. Finally, I would submit that the Bill should be passed and put into execution as early as possible, and small villages with a population of only 500 should be grouped into a panchayat. I do want, from my own experience of municipalities, an executive officer to be placed in charge of major panchayats for the administrative work in a group of villages, where the villages are not big enough to meet the expenses of the salary of executive officer and establishment. So far as executive officers are concerned our experience of municipalities tells us that the executive officer must be continued for some time more and the same arguments will apply *mutatis mutandis* even for the creation of panchayats. Thank you, Madam."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Madam, one can understand that after attaining independence the same privilege should obtain in villages as well. My own feeling in the matter is that we are not ready for that for various reasons. We have yet to show in other provinces that we are fit for parliamentary form of Government and that we are prepared and ready to work democracy. When we are not ready or prepared to do the work ourselves, I believe it is too much to expect the villager to take up the responsibility of carrying on the administration of the village himself. In the first instance the villager has no education. So our first duty is to give him education, spread education in the villages, remove illiteracy so that we can prepare the people for undertaking such responsibility. The present conditions in the country are certainly not auspicious for any devolution of power to the village. We see round about us very dangerous signs of disturbance of peace and also of misleading of masses as regards their well being. In fact vigorous propaganda is being carried on in the country, and we see signs of the masses, particularly those who are known as the common man easily becoming susceptible to that propaganda. To give power to such people to carry on the administration of villages or groups of villages, as the case may be, is fraught with serious danger. For they may establish independent units, disregarding the authority of the centre. To this it may be said that the main power that is sought to be given to the villages is very much circumscribed and controlled. The Inspector of local bodies is there to control every activity of the village panchayat. But, I ask how much can this one gentleman do? How many panchayats are going to be controlled by him; apart from district boards and municipalities. As it is, the Inspector's job is becoming more and more difficult and if he is saddled with more work, naturally his work will not be effective. Government may say that they will give him assistance by way of Deputy Inspectors and so on and so forth. But that department cannot function effectively, for we have found that it is not functioning effectively even with regard to municipalities and district boards. The district boards and municipalities, from our experience, have not been functioning satisfactorily for various

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reasons. In the first instance they do not have enough money to provide for the essentials of healthy life. When it is so with them, I fail to understand how the panchayats can be worked with very slender resources. There is in this Bill provided certain taxes and certain sources of revenue for panchayats. But they will not be adequate for them and so they will not be able to discharge their responsibility with the result that they will make themselves targets of attack by the villagers. This will create factions in the village and these factions are certainly not healthy. Government to-day are centralized in many things. They have in the first instance to provide adequate food to the people, then supply clothing and then provide shelter. That is being done from the centre here. They cannot be left to be done by the villager. So the first responsibility of the Government is to provide food, clothing and shelter. If Government provide these things and make things easy for the villager then you can give him power to administer the locality. Without doing that, if you ask the panchayats to look after medical aid, drainage, water-supply, etc.; you will be casting on them a heavy responsibility, which they will not be able to discharge with the result that they will become unpopular and there will be factions. (Interruption.) Madam, I was just saying that we are pursuing a policy of procurement and that it is being done from the centre, and if we should successfully procure food from the villager, a conflict will arise between the panchayat and the procurement officer in regard to this matter; then, you cannot procure sufficient food from surplus areas and you cannot compel the villager to give up his surplus stock to Government for distribution in deficit areas. The villager will not be prepared to part with his stock and he will hold the panchayat responsible, and the panchayat will have to come in to conflict with the Government. Such a conflict must be avoided.

12-45
p.m.

"I have referred to the political situation in the country which is not propitious or very hopeful. Therefore it is inadvisable to give power to the villagers. It will be sufficient if we strengthen the existing district boards and municipal councils and augment their resources to enable them to provide amenities like protected water-supply, drainage, etc. Then will come the time when the Government can think of giving powers to panchayats.

"Our leader, the Raja Sahib of Chettinad, referred to the need for reviving taluk boards. That is a reform which has been pending for a long time. Absence of taluk boards has been responsible for many difficulties which perhaps this Government have not experienced but the Governments in the past have experienced. The sooner the taluk boards are revived, the better.

"One noteworthy feature, which differs from the constitution of our country and the British Constitution, is the election of the president of the panchayat by the entire electorate. I do not think that such an arrangement will work satisfactorily. If there is an executive officer and at the same time a president elected by the entire electorate, there are bound to arise conflicts of opinion between them with the result that there will spring up two parties,

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one led by the president and the other by the executive officer. If the president is to be elected by the entire electorate, it is better to entrust him with the powers of the executive officer also and not have an executive officer for that panchayat. The president may be given the assistance of a secretary or manager to carry on the executive work. If there is to be an executive officer, let the president be elected from among the members of the panchayat as has been the practice hitherto, in which case his function will only be to preside over the meetings of the panchayat. The executive officer will carry on the executive administration as he does in the case of municipalities. This is a suggestion which I thought I should make on this question.

"Power has been given to the panchayats to levy certain taxes. Some of them are most objectionable, and the poor people will not be in a position to pay the taxes that they are called upon to pay. I hope that the Select Committee will omit some of the taxes that are provided for in the Bill."

DEPUTY SPEAKER:—"I wish to inform the House that hereafter each Member will be allowed only ten minutes."

* SRI R. SUBBA AYYAR:—"Madam Deputy Speaker, I welcome this Bill. This Bill has been characterised as revolutionary by some members and as evolutionary by the Hon. Minister. To me it seems to be neither revolutionary nor evolutionary; it is only a codification. The powers and duties of the local boards and municipal councils under the several Acts governing them have been culled and codified in this Bill which aims at making the panchayat a comprehensive unit of administration with jurisdiction over the several aspects of the community life of the village. Panchayat raj has been the dream of every Congressman. It was particularly the dream of Mr. Prakasam, our ex-Premier, that self-reliant autonomous village panchayats should be created to look after the administration of villages. In that sense, the Bill is welcome in however small a measure it approaches the ideal we have set before ourselves. The list of functions and powers of panchayat is simply staggering. I wonder whether the panchayats contained in this Bill will have the necessary financial resources to fulfil the several responsibilities imposed on them by this Act.

"There are certain very good and welcome features in this Bill. The election of the president of the panchayat by the entire electorate is one such feature. It is a departure from the accepted procedure of election of president and follows the American model. The president, like the other members of the panchayat, becomes irremovable.

"The other notable features are the introduction of adult franchise, elimination of communal electorates and the abolition of reservation of seats for minorities. Nevertheless, provision is made for co-option as a safety valve. When the Government feel that any particular section of the village community is not

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properly represented, they can co-opt members from that section, I welcome this provision as it is necessary at this transitional stage of ours.

"It seems to me that some sections require modification and improvement. The village headman is made an ex-officio member of the panchayat under section 8, while he is disqualified to stand for election or co-option as a member under section 15. There seems to be some contradiction between the two sections and I hope that it will be removed in the Select Committee.

"Section 15 (2) reads:

"If any question arises either before or after an election, co-option or appointment whether any person is or is not disqualified under this section, the question shall be referred to the Government whose decision shall be final."

I think such questions should be left to be decided by a properly constituted court. Under the Local Boards Act, such questions are referred to the District Judge or the Principal Civil Judge having jurisdiction over the area. I can see nothing wrong in the District Judge or the Principal Civil Judge exercising that power, and why the power has been taken away from him and invested in the Government passes my comprehension. The proper forum for deciding such questions is the Civil Court as at present and not the Government.

"In some sections the word 'Crown' is used. It is rather unhappy. We have done away with the Crown, and in our present political set-up it seems to me that reference to Crown is an anachronism. I hope that for the word 'Crown' wherever it occurs, the word 'Government' will be substituted.

"Section 42 dealing with validation of proceedings reads:

"No act of a panchayat or of a committee thereof . . . shall be deemed to be invalid by reason only of a defect, in the establishment of such panchayat or committee . . ."

I believe what is meant is the constitution of such panchayat or committee. I think 'constitution' is a better word than 'establishment.' I am sure the Select Committee will put in the appropriate word in its place.

"Section 43 invites two parallel authorities with jurisdiction over the same subject. I am afraid that this concurrent jurisdiction will lead to conflict between the two authorities which will not be conducive to the proper working or wellbeing of panchayats. I should like the powers to be vested in any one single authority and not be distributed over several authorities.

"Then again, Madam, looking at the various checks, brakes and safety valves that are provided in this Bill against any abuse of power, or against any improper acts of these panchayats, one would wonder at the extraordinary powers given to the Inspector of Local Boards over the administration of these panchayats. It will not be in the good interests and proper working of these panchayats that this officer should be given enormous powers in the day-to-day administration of these panchayats particularly because the president of the panchayat is elected and also is invested with

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very large powers over every aspect of communal life in the village. There should be the minimum of interference by the authorities of the Government and the president must be given a free hand and full powers for initiative and progressive work. These checks and balances are not designed for the proper and smooth working of these panchayats. I would therefore like to see that these checks and balances are minimized as far as possible.

"Then, Madam particularly, the powers given to the Inspector for the removal of the president, seeing that he is an elected president, are, I should say, undemocratic. Such powers should not be invested with the Inspector of Local Bodies. The President if at all should be removed from his office only by the vote of no-confidence by the panchayatdars themselves.

"Madam, the powers that are sought to be invested in these panchayats in the matter of taxation seem to be too sweeping and too large, seeing that the population of the village is only about 500 or so. These panchayats will have power to impose taxes upon houses, upon animals and upon carts and under other provisions. Various other powers are also given. These will be particularly resented to by the people in the villages, and they will not be in the best interests of the villages as a whole."

MAHIN SCHAMNAD SAHIB BAHADUR:—"Madam Deputy Speaker, I support the Bill and also the amendment for the circulation of the Bill for eliciting public opinion, because this Bill affects every one in the village. I do not want to discuss the detailed provisions of this Bill, as other hon. Members have already spoken about them sufficiently well, but I want to confine myself to only one point and it is this.

"Madam, clause 17 (f) says that Honorary Magistrates are disqualified from standing for election as members of the panchayat. But I say, Madam, that Honorary Magistrates are not disqualified for election to the Legislative Assembly and they are not even disqualified for election to the district boards. That being the case, why should they be disqualified for election as members of the panchayat alone? They try not only criminal offences in the panchayat area, but they try also offences under the Penal Code and many other references. In their jurisdiction there are many villages and there are many panchayats. What harm is there, if an Honorary Magistrate stands for election in only one panchayat board? Perhaps he need not be allowed to try cases arising from that village. Panchayats ought to be managed only by efficient men in the village and in the panchayat court also, only efficient members ought to be taken as Honorary Magistrates. Therefore, if Honorary Magistrates are disqualified from standing for election as members of the panchayat, then the panchayats will have to be managed only by inefficient members. So the panchayats will only become a farce. Therefore my suggestion is that the disqualification of Honorary Magistrates from standing for election as members of the panchayat boards should be removed."

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* **DR. S. RAMACHANDRA RAO:**—"Madam Deputy Speaker, I am not in a mood to cry myself to ecstasy in praise of this Bill nor am I inclined to criticise it as something not worthwhile bringing in at this juncture.

"Madam, I consider that this Bill is an attempt now made to grapple with the present situation in the country. Hitherto there has been a dearth of administrative ability in the country. Our leaders have been complaining, and complaining very bitterly, that administrative ability is sadly lacking at this juncture. We have, unfortunately in the past, begun at the top. We have therefore been trying to acquire administrative capacity at the top when we neglected to develop that at the bottom. And I believe, Madam, that this is an attempt—though it may be only an attempt—to meet the situation. No doubt, the Bill is not complete, nor is it perfect. To those who have hitherto been used to the conditions of the local boards and panchayats, the taluk boards, district boards and the municipalities, no doubt the suggestions included in the Bill bristle with difficulties. But still, the man who is afraid to make mistakes in life cannot possibly make anything good. No doubt there are difficulties surrounding us. No doubt our masses are still illiterate; no doubt there are factions in the villages; no doubt party system as obtaining in the enlightened countries has not yet dawned, either in the village or in the town or in the city. We are still groping in the dark. But we cannot afford to throw up the sponge at this juncture and adopt the bureaucratic attitude of doubt and contempt towards the villages. Rightly or wrongly we have permitted our provincial elections and to some extent our all-India elections also, to be guided by the choice of the adult franchise. So, when major things could be done by those elected by means of adult franchise, I do not see any difficulty or any incongruity of that principle being brought to bear upon the solution of our village problems. If we want administrators well-versed in modern ideas, and rich in the experience of Provincial and all-India administration, the place to begin is the village—at the village panchayat. We have to have people who have been trained in the panchayat, so that their training might come in good stead at a later day, when they might wield the administration of the Province or of the country. Madam, I am not afraid of the villager. My own experience has been that he is more teachable, more adaptable and on the whole, more honest than the man in the city or in a growing town. And therefore, Madam, to say that, just because he is uneducated, the morality, the idealism and the spiritual fervour of the villager could not stand the strain of the service of his own village and town, seems to me, simply preposterous. It is simply distrust of human nature. No doubt mistakes have been made in the panchayats. Have they not been made in municipalities and district boards? Have they not been made in this Assembly itself? Yet we are carrying on. We cannot afford to look back at this stage. We must take courage in both hands and carry on. But there are difficulties in the way and if the Hon. Minister who is in charge of this portfolio would

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only look into the obvious defects in the situation and if he puts, into the Select Committee men who have had experience of local boards, irrespective of party considerations, then I am sure he would be able to produce a Bill that will meet the situation with courage and with confidence.

"Madam, some hon. Members have said that the difficulties would be such that the whole thing would end in a chaos, the moment the panchayats are made to work. May I make a suggestion in this respect? If three years is too long a period, I suggest, that at the outset, the experiment may be tried for two years, because in the village polity, there is a tendency to forget the harm that is done. Their enthusiasm lasts only for a year or so. One year would be too short a period and three years, I should think, is too long a period to make mistakes. And in a village community which is dealing with its own problems, however important they may be, reduction to two years would minimise the possible evils that might become evident in a period of three years. If you try it for a period of two years in the first instance, then it would give us time to reflect and to see whether the two years' system could be continued or whether it might be increased to three years.

"Madam, the principle of election by the whole group of electors is again a step in the right direction. Later on, we hope to have a President for all-India elected ultimately on an all-India suffrage. If that is the end in view, we must have at the very beginning now, to make the people realize their responsibilities. A few years hence, the fruit of this Act might be seen in the election in the whole of India.

1-15 p.m. "Whatever the defects may be, I am sure that we can tackle the problem. I do not think that we should get into ecstasy and say that nothing wrong exists. The Bill is a practicable step to meet a practical situation. We are not going to legislate for all time. Let us make the law for two or three years and if mistakes do creep in, I hope we shall have commonsense and courage to correct them."

H. S. HUSSAIN SAHIB BAHADUR:—"Madam, Deputy Speaker, our country is our villages and our villages are our country. Our real national life is there in the villages, because the masses of our people are living there. It is therefore quite essential that we should improve the conditions in the villages and the village life. When our country is to make progress on democratic and republican lines, we have to lay the foundation of our national life in the villages and that foundation has to be well and truly laid.

"It is really a thing for great congratulation that the Hon. the Minister for Local Administration has brought forward this Bill, I believe, for the achievement of that object in the national life of the country. Though the measure has been long delayed and it has been long overdue, it has at least now seen the light of day and I feel really glad that this great experiment in the history of our country will be tried with success and glory.

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"But, Madam, we have to guard against certain things. There are dangers and pitfalls which have to be guarded against in making this great experiment. There are one or two important changes proposed in the Bill with regard to the constitution of the village panchayats. That seems to me to be the main difference between the existing system of panchayats and the system envisaged in the Bill. At present we have got the constitution of panchayats on a different basis of franchise and by means of a different method altogether. But under the proposed method of constitution of panchayats, provision is made for co-option of Members and also for appointment of those Members belonging to certain minority communities by the Inspector in case the panchayat fails to co-opt. So far so good. I do not find any fault in this method of co-opting certain interests or minorities who may not get a chance of getting into the village panchayat boards.

"But I am afraid the method of electing the President direct may be rather dangerous in the present time and under the present circumstances. We have just done away with the foreign imperialistic rule, a rule that was carried on not for the benefit of the country but for the exploitation of the country for the benefit of an alien people. Then it was perhaps quite suitable for our masters to see that the villages were actually neglected and the masses were not properly cared for, but only vested interests drawn nearer as a sort of backbone to the administration. Therefore under the proposed reform of the panchayat or village administration in our country the election of the president by the voters of the village areas may create a sort of obstacle, even I can say serious difficulty, and it will divide the village into two groups of vested interests. It is quite possible that village factions exist today and the rivalry that has always been there might become more sharp and more pronounced on account of the election of the President direct, and the rivals may range themselves against one another backed by their factional followers, and so the village or the panchayat unit will be divided against itself. There is that danger. Therefore I would like to suggest that to begin with the election of the president might be confined to the Members of the panchayat board, especially in the class II panchayats. That is my objection with regard to the direct election of the president of the panchayat. When we are trying to promote harmony and peaceful conditions in our village parts we should not even unconsciously perpetuate the factional spirit and disturb the even tenor of life in those areas. Perhaps it may be said that this piece of legislation in the matter of direct election of the president may be the thin end of the wedge which will not only perpetuate the village factions, but will make them more pronounced and sharp and that will certainly disturb the national life of our people in the country area. When our people are sufficiently educated and are able to understand their civic rights and duties, it will then be time to have direct election of the president of the panchayat board.

"Madam, there are one or two other points which I would like to stress within the short time at my disposal. The administration

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of the panchayat is not an easy one. It is perhaps more difficult than the administration of the Province by the Government sitting in Madras City. We have to contend against heavy odds, against the spirit of rivalry existing in the villages and then with regard to the actual administration what will happen is this. Whenever any road or any other work has to be undertaken by the panchayat we have got so many obstacles and delays. In the first place the panchayat will not be having sufficient funds to carry out that work and in the second place the estimates will have to be prepared and sanctioned and the necessary staff must be there for the execution of the particular work. This means long delay and obstruction to the progress of panchayat administration. I would suggest that red-tapism should not find a place in the village administration. Quick decisions should be taken and the execution should be quicker and on the spot; the work should be carried out then and there. Then only the panchayat administration can be successful. Then it is proposed in the Bill that 12½ per cent of the land revenue would be set apart by the Government for granting help to the class II panchayats. This 12½ per cent will be a drop in the ocean when there are 54,000 villages and perhaps there may be 20,000 and odd panchayats. Of this only about 500 to 600 will be class I panchayats. . . ."

SRI A. SUBRAHMANYAM :—"கனம் தலைவர் அவர்களே, இந்த மசோதாவை நான் வரவேற்கிறேன். நாடு நல்ல நிலைமையில் இருக்க வேண்டுமென்றால் கிராமங்கள் சுபிட்சமாகவும் நல்ல கேஷமத்துடனும் இருக்க வேண்டும். அந்த முறையை அனுசரித்து இப்பொழுது இந்த மசோதாவைக் கொண்டுவந்திருப்பதானது யாவரும் போற்றக்கூடியதே. மசோதா கார்த்தியடிகளின் எண்ணமும் ஒவ்வொரு கிராமங்களும் சுபிட்சமாகவும் கேஷமமாகவும் இருக்கவேண்டுமென்றும், அதுதான் சுயராஜ்யம் என்றும் அவர் கனவு கண்டு கொண்டிருந்தார். அந்த எண்ணம் இப்பொழுது பூர்த்தியடைகிறது என்றே சொல்லவேண்டும். இந்த சபையில் இதற்கு முன்பு இரண்டு மசோதாக்கள் நல்ல முறையில் நிறைவேற்றி இருக்கின்றன. ஒன்று மதுவிலக்கு மசோதா, இரண்டாவது ஜமீன் ஒப்பீடு மசோதா. இப்பொழுது அவைகளைவிட பன்மடங்கு நன்மை உள்ள ஒரு நல்ல மசோதா கொண்டுவரப்பட்டிருக்கிறது என்பதைக்கண்டு நாம் எல்லோரும் அதை வரவேற்கிறோம். இதற்காக கனம் ஸோகல் போர்டு மந்திரியவர்களையும் கூட நாம் பாராட்டுகிறோம். ஏனென்றால் இம்மாதிரியான ஒரு மசோதாவை வேறு நாட்களுக்கு முன்பாகவே இங்கு நாம் கொண்டுவந்து நிறைவேற்றியிருக்கவேண்டும். ஆனால் காலதாமதமானதற்காக இப்பொழுது விசுவில் கொண்டுவரவேண்டுமென்று உத்தேசித்துக் கொண்டுவந்திருப்பதை நாம் பாராட்டாமலிருக்கமுடியாது.

"இந்த மசோதாவில் 500 பேர்கள்கொண்ட கிராமங்களில் ஒரு பஞ்சாயத்தை ஏற்படுத்தவேண்டுமென்று இருக்கிறது. இது பொம்பலும் நியாயமானதுதான். குறைந்தது 500 பேர்களாவது இருக்கவேண்டுமென்பதை நான் மனப்பூர்வமாக ஒப்புக்கொள்ளுகிறேன். பல நண்பர்கள் பேசுகிற காலத்தில் பிற்போக்கினத்தவர்களுக்கும் ஹரிஜனங்களுக்கும் வேண்டிய ஸ்தானங்களை ஒதுக்கவேண்டுமென்றும் கூறினார்கள். ஆனால் 500 பேர்கள் கொண்ட கிராமங்களில் பஞ்சாயத்துகளை ஏற்படுத்துவதாயிருந்தால் மேற்படி பிரச்சனைகள் அவசியமில்லை. 500 பேர்களுக்கும்கூட கிராமத்தில் 100 குடிசை வீடுகளிருக்கும். ஆகவே 500 பேர்களுக்குக்கூடிய இடத்தில் பஞ்சாயத்தை ஏற்படுத்தவேண்டுமானால் அங்கு இருக்கும் பிற்போக்கினத்தவர்களுக்கும் ஹரிஜனங்களுக்கும் தானாகவே ஸ்தானங்கள் கிடைத்துவிடுகிறது. ஆகையால் மசோதாவில் இப்பொழுது இருக்கும் விதி

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யை மாற்றுவது, தடுத்தலோசுடது என்பது என்னுடைய கொள்கை. இதை மாற்றக்கூடாது என்று இனி ஏற்படுத்தப்போகும் செனட் கமிட்டியானையும் கேட்டுக்கொள்ளுகிறேன். இந்த மாதிரியான கிராமங்களை யூனியனாக மாற்றுவதோடு சேர்த்தால் அதேசமம் பிற்போக்குக்குப் பின்புலர்களுக்கு ஏற்படும் பிரதிநிதித்வம் குறைந்துவிடும். ஆகவே இம்மாதிரி குறைந்த அளவில் 500 பேர்கள் கொண்டவர்களில் பஞ்சாயத்தை ஏற்படுத்தினால் பிற்போக்கினத்தவர்களுக்கு அதிக பிரதிநிதித்வம் கிடைக்கும். பஞ்சாயத்தில் சந்தேகமே இல்லை. இது என்னுடைய முக்யமான அபிப்பிராயம் என்பதை இந்த சந்தர்ப்பத்தில் நான் சொல்லக்கொள்ள ஆசைப்படுகிறேன்.

"எந்த கிராமமாக இருக்கப்போகிறது என்பதில் இப்பொழுது கல்வி, சுகாதாரம், குடிசைகளின் வசதி, தெருவின் வசதி இன்னும் இல்லாதவர்களை அவசியம் செய்திருக்கவேண்டும். மேற்படி வசதிகள் இப்பொழுது பொம்பலும் குறைவாகவே இருக்கிறது. மத்திய இந்த பஞ்சாயத்து மசோதாவைக்கொண்டுவருவதற்கு முன்பாக இந்த அளவுக்குள்ளே செய்யவேண்டும். அப்படியே குடிசைகளின் வசதியை ஏற்படுத்தவேண்டும்."

DEPUTY SPEAKER :—"The house will now adjourn for lunch and meet again at 2-30 p.m."

(After lunch—2-30 p.m.)

MR. SPEAKER :—"Hon. Sri A. Subrahmanyam will continue his speech."

SRI A. SUBRAHMANYAM :—"கனம் தலைவர் அவர்களே, 500 பேர்கள் உள்ள கிராமத்திற்கு பஞ்சாயத்து ஏற்படுத்தவேண்டுமென்று மசோதாவில் கண்டிப்பதை எக்காரணத்தாலும்கொண்டும் மாற்றமுன் இருக்குமாறு மறுபடியும் தெரிவித்துக்கொள்கிறேன்.

"மற்றொரு முக்யமான விஷயத்தைக் கவனிக்கவேண்டும். இப்பொழுது நம்முடைய அரசாங்கம் பெரும்படி பஞ்சாயத்து சபைகளுக்கு நிவனியு வசூலாக்கித்தொடுத்து 12½% கொடுப்பது என்று கூறுகிறது. இப்பொழுது இருக்கும் நிலையில் கிராமங்களுக்கு சகுந்த வசதிகள் செய்து கொடுக்கவேண்டுமென்றால் இந்த 12½% என்று கொடுப்பது போதவேபோராது. குறைந்தது 25% ஆகவே உபயோகக் கொடுக்கலாம். அவ்விதமே கொடுத்து இந்த கிராம பஞ்சாயத்துகளுக்கு வேண்டிய வசதிகளைச் செய்யவேண்டுமென்று கேட்டுக்கொள்கிறேன்.

"அடுத்தபடியாக கிராம பஞ்சாயத்துகளின் தேர்தல்களைப்பற்றி குறிப்பிட்டிருப்பது அது விசித்திரமாகவே இருக்கிறது. ஒரு பஞ்சாயத்து போர்டுக்கு 14 பேர்களை தேர்ந்தெடுக்கிறார்கள் என்று வைத்துக்கொள்வோம். இதில் 13 பேர்கள் உப-தலைவரை மட்டும் தேர்ந்தெடுக்கவேண்டுமென்றும் தலைவரை பஞ்சாயத்து கிராமத்திலுள்ள ஓட்டர்கள் அனைவர்களாலும் தேர்ந்தெடுக்கப்படவேண்டுமென்றும் குறிப்பிடப்பட்டிருக்கின்றது. மற்றொரு விஷயம் என்னவென்றால் இந்த 13 பேர்கள் ஏதோபத்து செய்து தீர்மானத்தை தலைவர் ஒப்புக்கொள்ளவில்லை என்றால், ஒப்புக்கொள்ளாத தீர்மானத்தைக் கூடாது என்பதாக குறிப்பிடப்படுகிறது. இதை நாம் கொஞ்சம் கவனித்து பரிசீலனை செய்யவேண்டும். கிராமபஞ்சாயத்துகளை ஏற்படுத்தும் பொழுதே கவர்ன்மெண்டார் கட்சியை உற்பத்தி செய்கிறார்கள். வாக் குறுதிபெற்று வந்த அங்கத்தினர்கள் ஒரு கட்சி பொது மக்களால் தேர்ந்தெடுக்கப்பட்டு வந்த தலைவர் ஒரு கட்சி ஆகவே இரண்டு கட்சியை உண்டு பண்ணுகிறார்கள். ஏற்கனவே கிராமங்களில் கட்சிகள் இருப்பது போதாது என்று இன்னுமொரு கட்சியைக்கூட உற்பத்தி செய்வதாக இருக்கிறது. ஆகையால் இந்த விதியை அடியோடு மாற்றியமைக்கவேண்டும். அல்லது தலைவர் அவர்கள் இந்த 14 பேர்களும் சேர்ந்து தேர்ந்தெடுக்கப்படலாம்

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இருக்கவேண்டும். அப்படிச் செய்தால் மிகவும் நன்றாக இருக்கும். 15 பேர்கள் செய்த தீர்மானத்தை சரியாகச் செய்கிறார்களா என்ற சந்தேகத்தை உண்டாக்கக்கூடாது.

“தோற்றத்தெடுக்கப்பட்ட பிரதிநிதிகளுக்கு அதிக அதிகாரம் கொடுக்கப்பட்டிருக்கிறது. இந்த அதிகாரம் கொடுப்பதில் கூட விசித்திரமாக யோசனை செய்திருப்பதாகத் தோன்றுகிறது. இந்த 14 மெம்பர்களுக்கும் ஒன்று சேர்ந்து தோற்றத்தெடுக்கப்பட்ட தலைவர்தான் இருக்கவேண்டும். பொது ஜனங்களால் தோற்றத்தெடுக்கப்பட்ட தலைவர் ஒருபுறம் மற்ற உபதலைவர், அங்கத்தினர்கள் ஒருபுறம் இருந்தால் எப்பொழுதும் அபிப்பிராய பேதலும் வந்தே தீரும். இந்த முறையை உடனே மாற்றி தலைவரை மெம்பர்கள் தோற்றத்தெடுக்கக்கூடியதாக விதியை மாற்றி அதை மசோதாவில் சேர்த்தால் மிகவும் நன்றாக இருக்கும்.

“மற்றொரு முக்கியமான விஷயம் பஞ்சாயத்துகளில் கிராம முன்சீப்கள் கலந்துகொள்ளவேண்டுமென்று கூறப்படுகிறது. முன்சீப்களைப்பற்றி ஏற்கனவே நமக்குத் தெரியும். சராசரி 500 பேர்கள் கொண்ட பஞ்சாயத்து கிராமத்திலுள்ள மக்கள் இந்த முன்சீப் சொல்வதைத்தான் கேட்பார்கள். பொது ஜனங்களால் தோற்றத்தெடுக்கப்பட்ட அங்கத்தினர் சொல்வதை விட்டுவிட்டு இவர்களைக் கூக்கு என்றுல் அத்தனைபேரும் கூக்குவார்கள். ஒருவரும் ஆட்சேபிக்கமாட்டார்கள். ஆகவே அதிகாரிகள் பஞ்சாயத்து சபைகளில் இருப்பது ஒரு தப்பான காரியமாகும். ஆகவே அவர்கள் தங்களுடைய அதிகாரங்களை வெளியிலிருந்துகொண்டு ரிவினியூ விஷயங்களில் காட்டி அவைகளை கவனித்துக்கொள்ளவேண்டுமென்றொரு பஞ்சாயத்துகளில் கலந்துகொள்ளவே கூடாது என்பதை இந்த சந்தர்ப்பத்தில் தெரிவித்துக்கொள்ளுகிறேன். அரசாங்கம் இவ்விஷயத்தையும் கவனிக்கவேண்டுமென்று கேட்டுக்கொள்ளுகின்றேன்.

“மற்றொரு விஷயம் 500 பேர்கள்கொண்ட கிராமங்களில் ஆரம்பக் கல்வி வசதியை முதலில் அரசாங்கம் செய்துவிட்டு அதன் பிறகுதான் கிராம பஞ்சாயத்துகளை மக்கள் கையில் கொடுக்கவேண்டும். அதைப்போலவே அரசாங்கம் முதலில் நல்ல குடி தண்ணீர் வசதியையும் கிராமங்களில் முதலில் செய்து கொடுக்கவேண்டும். அதன் பிறகு பஞ்சாயத்துபோர்டுகளினால் மேற்படி வசதிகள் செய்து கொள்வது என்றிருந்தால் மிகவும் நன்றாக இருக்கும் என்பதை இச்சந்தர்ப்பத்தில் தெரிவித்துக்கொள்ள ஆசைப்படுகிறேன். எடுத்த உடனேயே வசதிகளைச் செய்து கொள்வதற்கு 12½% கொடுப்பது என்பது போதாது. 25% கொடுத்தாலும் மக்களுக்கு போதாது. இந்த இரண்டு வசதிகளையும் முதலில் அரசாங்கம் செய்ய வேண்டும். இன்னும் மற்ற காரியங்களையும் அரசாங்கம் செய்ய முற்பட வேண்டுமென்று கேட்டுக்கொண்டு என்னுடைய வார்த்தையை முடித்துக் கொள்கிறேன்.”

SINHA KAZIAR HAJI MOULVI S. A. F. IBRAHIM SAHIB BAHADUR:—“Mr. Speaker, Sir, in supporting this Bill I should like to say a few words. I am not going to enter into the details of the Bill, and I am not going to discuss in detail the powers that are proposed to be given to these panchayat boards, and whether the District Board or the Taluk Board is going to be affected, and how factions could be there in the villages. The only point I wish to say is, whether there can be any legal or moral justification to deny this civic right to the poor villagers. (It is an admitted fact that at least sixty per cent of the tax is being paid by the poor villagers. We know they do not have hospitals, protected water-supply and any other amenities. Now at least they should have some powers to govern themselves to manage their own affairs.) It was said that there would be faction in the villages. Do we not see factions in municipalities, I ask? Do we not see factions here? Do we not

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see factions in the Congress party? Do we not see factions even among family members? So, on this lame excuse, you cannot say that we should not have introduced this Bill. Further, it will be a pathetic story to say what our villagers were long ago, and what we are to-day. It is clearly stated in *Artha Sastra* how states were managed, how the military should be kept, and how political and social regulations should be framed. Further, when the western nations were sunk in darkness and barbarism, we, Indians, took the torch of learning the science and industry to the western countries. Even to-day, it can be seen from the old books that 6,000 years ago, the South Indian merchants had started a colony in the Indus valley called Mohendrajaro. The best town planning work of those days, which you find to-day in that small village of Mohendrajaro, you do not have even to-day in our places. We Indians have started a colony in Babylonia. There has been trade between Madura and Egypt, Syria and Babylonia. There has been trade with these places from the Indus valley town of Mohendrajaro. In those days they were having trade with western countries and India. With all these things, you want that these villagers should continue to be what they are today. If only this Panchayat Bill is introduced, and if the panchayats are given powers, you will see very soon that they have every facility to develop their areas in their own way. Now, I ask, what has happened after the abolition of taluk boards? If you go to the mufassal, you will see that there is not even a single tree in the avenues. Nobody takes care of the avenue trees or other civic matters in the villages. If panchayats are started they will certainly manage all their affairs well. All the avenue trees will be properly looked after, whether Government give the panchayats funds or not. Of course, it is said that Government have set apart 12½ per cent of land revenue collections for making grants to the panchayats. I tell you, Sir, that when we start the machinery and leave it to the villagers, it will begin to work even with this 12½ per cent grant. I am sure they will manage with this 12½ per cent, and they will also find out other means of income. I am sure they will carry on the administration well. Whatever it is, they can carry on their work better than what we can do now. That is my view.

“The next thing is regarding elections. Some hon. Members have stated that nominations should not be there. It is better that we have no nomination. But, on that ground, to say that we should not have this Bill introduced, is not correct. There is the nomination to the Upper House. I ask, how many of you, have boycotted this Assembly or the Upper House. Let something be done. Something is better than nothing. Let there be nomination in panchayats for the first time, and in course of time, I am sure, even the villagers will say that nomination should be abolished.”

“Sir, let the present Bill be passed, of course, with some modifications which the Hon. Minister thinks necessary. I must tell you that the Hon. Minister has placed before the House a very

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good measure. I am not prepared here to say that it is a revolutionary measure. I would only say that it is a most sacred Bill that has come before this House for consideration. If we pass this Bill we will be doing justice to the countless poor and dumb millions of our people and in that way we will be discharging our duty."

* SRI L. N. GOPALASWAMI:—"Mr. Speaker, Sir, when the Hon. Minister introduced this Bill before this House he spoke of Mahatma Gandhi's ideals and said that Rama Rajya is the thing that is to be achieved."

SRI T. VISWANATHAM:—"Grama Rajya and not Rama Rajya."

* SRI L. N. GOPALASWAMI:—"All the same, Sir. But, I am sorry to say that the Government through the provisions of this Bill cannot achieve the ideals propounded by Gandhiji. The Bill lacks all the essential things which Gandhiji envisaged. The whole Bill has been drafted by getting together some of the provisions of the Local Boards Act and the District Municipalities Act and we to-day see that it is a glorified edition of those Acts and that there is nothing more in this Bill than what is contained in those Acts. Even this is an anathema to most of our members. They find in it revolutionary changes, warfare, bloodshed and murder. When I see this, I am only reminded of the old British regime, when some reforms were introduced in India by the Labour and Liberal Government. Mr. Churchill was crying hoarse that these Indians were not fit to rule themselves. We are elected by the same electorate which is going to elect the members of the panchayat in the village. Can you not therefore expect them to realise their own responsibilities and take care of their own institutions? If we think that they cannot realise their responsibility, then I should say that we are too much arrogant and that we think that we are the only persons who can rule this province and preside over the destinies of the millions of people in this Province. Those persons elected on adult franchise could certainly be entrusted with the civic administration of the village in every walk of life. The villager has got a great sense of responsibility and he has got more commonsense and he understands his responsibilities better than many of us. The trouble comes in only when we put a cog in the wheel. As a matter of fact in this Bill which is placed before the Assembly, the President is not given adequate powers. The President is to be elected directly by adult franchise but he has absolutely no powers. If I may point out, there are provisions in this Bill which at every stage, prevent the President from carrying out his wishes. At the very first stage, he is confronted with a body of persons, called the Committee or the Panchayat Board elected by the same electorate. But, the body elects its own Vice-President and therefore, at every stage there will be trouble between the President and the Vice-President, one claiming to represent the whole electorate and the other claiming to

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represent the body of people who have been elected by the same electorate. I say, this is not congenial to the smooth working of these institutions. If only you have got the right man chosen to that position, he should be vested with all powers. Again there is the Executive Officer who can interfere with the work of the President and who has got overriding powers over the President. Therefore, the elected President cannot carry on his administration in the panchayat on the lines contemplated in this Bill. Even though the President is elected, he is only a nominal figurehead, because the Executive Officer has got powers to appoint the staff and do everything else. Even though the President is a local man and supposed to be elected by the same people who elect the Ministers, he has no powers. Therefore, Sir, I say this Bill should sufficiently empower these local panchayats and invest the Presidents with enough executive powers so that even in the limited sphere, they may carry on their work unimpeded by any of these interferences. There are many sections in this Bill which give this power of interference. For instance, section 26 is interference. Again section 32 gives full powers to the Executive Officers, powers to carry on certain important functions in anticipation or even without the sanction of the Committee. In anticipation, they can even incur the necessary expenditure with regard to certain works. Sections 45, 46 and 49 are nothing but sections which impede the growth of the panchayats as a whole.

"Now, Sir, I do not want to dilate upon this point and thus take much of the time of the House but will now deal with the sections. If you take section 73 it says:

"The Government shall set apart every year a sum not being less than twelve and a half per cent of the total annual land revenue collected in the Province that year and make grants from such sums to Class II panchayats on the basis of population or on such other basis as may be prescribed."

"Here, Sir, Government have made a distinction between Class I panchayats and Class II panchayats. The first grade panchayats levy their own taxes and collect a decent revenue. But, in the case of the second grade panchayats, an amount equal to 12½ per cent of the land revenue collected in that place is deposited with the Government and it has to be doled out to these second grade panchayats for giving the necessary amenities. I would like to suggest that this sum of 12½ per cent of the total land revenue collected is very meagre. It should be at least 25 per cent. This 25 per cent should not only be given to the second grade panchayats but it should also be given to the first grade panchayats, subject to the condition that this money should be set apart and should be used only for very good purposes like water-supply, drainage, etc., in the village. Unless you give sufficient money to these panchayats to meet the expenditure on the civic amenities of the people in the villages, your dream of Rama Rajya will merely be a dream and I do not think, Sir, we are going to improve our villages. You will only be creating factions in the villages.

"Again, Sir, while this Bill in certain sections seeks to restrict the powers of the panchayat board in the matter of affording civic

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amenities to the people of the village, in other sections it is giving wide civil and criminal powers to these boards. The village panchayat is entrusted with the right over the property and life and the security of the persons in the village. When it is entrusted with such enormous judicial powers, it can easily be entrusted with the power of carrying out the civic amenities of the village and it can be given full powers in that direction. These persons are made the custodians of the civil liberty; they can even dispose of cases involving the life and property of the people in the village. When such is the case, why should they not be entrusted with the execution of small works, such as the repair of the tanks, laying the roads, providing water-supply and so on. Therefore, I say that the panchayats should be vested with wider powers in the matter of looking to the needs of the people of the village. Then, they will be able to carry on their administration. Whether they are able to do it or not will be known only after you entrust them with such powers. You may tell them, 'We are investing you with these powers. If you do not do your duties properly, we will throw you out and take over the management ourselves.' You are always open to say that. But, at every stage you are entrusting the executive officers and other officials such as the Inspector of Local Boards and Collectors with powers of interference in the affairs of the panchayat with the result that the panchayats should always be at the mercy of these people. Therefore, I say no self-respecting men will stick to these offices and would rather get out than submit to such interferences. I may tell you that the inspecting officers are only there to put a cog in the wheel. They will never allow any administration to be carried on smoothly. Such an arrangement will only sap the enthusiasm of the elected representatives who are entrusted with the administration of the villages. Therefore, I insist you must invest the President with full powers to carry on whatever he thinks is beneficial to the village. You can give a trial for two or three years. Government must take the risk. Unless you give such powers, it is not possible that you will be able to effect any reform in the village.

"Then, Sir, a criticism has been levelled against this Bill that it is attempting to give too much power to these villagers and that villagers are a set of people who are not much enthusiastic or much worried about these reforms in the village. That is not true. If you put to the villagers the whole idea and give them an opportunity, then they will certainly take the responsibility. If you give them more powers and responsibilities, I am quite sure, there is likely to be a healthy competition for representative places on the panchayat and they are not likely to quarrel over small details. Because you are not putting enough faith in those people, you are sapping their enthusiasm at every stage. I may tell you that the present district boards and municipalities are altogether happy even with their limited functions. So, let us give the panchayats some opportunity for progress. Let us watch for two or three years and then see whether it is not worthwhile going further ahead in the matter. If you only give these village people

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proper training in administration and if you give them sufficient scope, then I am sure they can be made able administrators and the province and the country as a whole will be benefited thereby."

MAHBOOB ALI BAIG SAHIB BAILADUR:—"Mr. Speaker, Sir, I presume the members of this Assembly who support this measure as well as those who oppose it on the ground that it should be postponed have one idea behind their minds and that is the amelioration of the life of the villagers. These different schools of thought view this matter from different points of view. Now, the question is whether this Bill would in any way help the villager to lead at least a tolerable life. It is contended by some that by giving the villagers, the powers, by giving the villagers the authority and by giving the villagers the means to work for their benefit and for the welfare of the village, they would not be in a position to do it. Most of the hon. Members who support the Bill think that this Bill will give the villagers power to look after their business, to look after their own affairs and will enable them to plan out their own lives and provide their own sanitary conditions and also will invest them with powers to punish wrong doers, etc. They contend that if a Bill of this kind is brought into existence and worked out, it will uplift the conditions of the villagers. That is their main argument, I think, with which this Bill has been brought before us. (But, if it is devised merely to train the villagers to administer their own affairs by giving them some sort of political power, then I submit that it is not a very desirable thing and the very object of the Bill to promote the well-being of the villagers will be doomed to failure.)

"Sir, have we not known in the past not merely in the case of 3 p.m. panchayats but in the case of taluk boards and district boards also, how the life of the villagers has been ruined by factions and by a few persons assuming the role of dictators and victimising their opponents? Therefore if you are aiming by this Bill to put some powers in the hands of the villagers and training them for the administration of the country, I am far from being convinced that it will do them any good. The opinion of those who oppose the Bill is two-fold. One set of people say that this Bill does not go far enough, that it does not install what is called a village republic and that it is only a hotch-potch of the several provisions of the previous enactments with regard to the local bodies. Another set of opponents of the Bill say that the villagers are uneducated and untrained, that there is factious spirit in the villages and if this instrument is put in their hands, they would misuse it and abuse it to the detriment of the villagers. But my individual opinion in the matter is that there are two aspects to this question. One is whether any such village republic so-called is possible at the present day. In the past, India has had the distinction of having self-sufficient village communities. All the services—the talayari, the village karnam, the village munsif, the village carpenter, washerman and blacksmith—especially the services necessary for

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the well-being of the agriculturists, were provided in the village. That was the old self-sufficient village community. It was so self-sufficient and self-satisfied that it did not care who the king was. Kings may come and kings may go, but the village communities went on. The question is: Are you aiming at the creation of such self-sufficient village communities at this juncture? The modern tendency, especially the tendency of the Government of India is to centralise power and it is very difficult therefore to have a village republic independent of all others of the Provincial Government, of the Collector and so on. I am not speaking of the Bill here, but of the village republic as conceived by some people. The village republic of 2,000 years ago had nothing to do with the king except paying some tribute to the king. Then the central government had nothing to do with the villages; it allowed the villagers to rule themselves. That government is the best which interferes and governs the least. You cannot have that kind of republic now. But if you say that there must be some village panchayats which will administer certain necessities of life in the villages subject to some superintendence and control by the Provincial Government through their inspectors and deputy inspectors, I do not know why this thing should be preferred to the present arrangement, because the danger is, when you put a little power in the hands of the people, it is likely to be misused. One of my hon. Friends said that the villagers had commonsense; but if you put power in their hands commonsense will vanish. The Minister for Local Administration knows that too well. Then it is asked: 'What is the remedy; will you not give some power to the villagers?' My answer is: 'Not yet. Nothing is lost. We are not under a foreign government. Let them wait for some time. Give them more education. Teach them to realize their responsibility. Let us see whether they are able to do some good.' There is nothing wrong in waiting for some time. My Hon. Friend the Minister need not feel that his prestige will suffer if his Bill is not passed. If he sincerely believes that the time is not yet ripe for this reform, that some more time should be given to the villagers to be fit for this reform, let him postpone it. We can take up decentralisation later on." ✓

* SRI G. RAJAMANNAR CHETTY:—"Mr. Speaker, those who have struggled for the freedom of the country will certainly welcome a measure of this kind. The freedom that we have fought for and won and which we have promised to extend to the people, is sought to be extended to them by this measure. A reading of the Bill shows that it is only a miniature edition or a village edition of the Municipalities Act. I am afraid the framers of the Bill have not proceeded on right lines: they have not taken into consideration the culture, the genius and the tradition of the villagers. The villager wants freedom to determine his own rights, privileges and needs. We propose to extend to him the right to determine his own needs. I am afraid that the Bill which is going to restrict the individual freedom of the villagers will not be welcomed by

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them, though they may be carried away by the fanciful description of the Bill as the fulfilment of the promise of Ramarajya by Mahatmaji. Mahatmaji's Ramarajya will not tax the people at all, when the villagers are already overtaxed. To call this Ramarajya is blasphemy. Let us not invoke Gandhiji's name for this. The needs of the village should be attended to by the Government but not by further taxation. Unlike the townfolk the villager has an individual ethics of his own and he knows his own needs, duties and responsibilities and he will be able to attend to them if he is given the liberty. The freedom-loving villager will not welcome the restrictions imposed on him by these rules and regulations mentioned in the Bill and also the several taxes that are proposed there. I warn the Government: 'Let us all welcome this Bill, but let not the villager be taxed and over-taxed.' If you are going to tax his house and his cart and so on, will he welcome it? Will we not be becoming more and more unpopular if we take all these taxation measures to the doors of the villagers? Recently there was an election in Tiruvallur and there was a party which set up candidates opposing the extension of the Municipal Act to Tiruvallur, because the people are overburdened and they do not want to be taxed further. But you propose here to levy licence fees for several things, restrict the slaughter of goats and all necessities of life are going to be taxed. A rosy picture can be very easily painted. But when it is actually felt by the people, then there will be the reaction. If we go to the villages, we will be shunned by them. They will say 'All right; why not you give us all these benefits without taxation?' They will say that we can really enhance the tax on a general basis and grant them the necessary funds for carrying on their affairs even on a limited scale.

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"In Schedule 1 (page 56) of the Bill, the Government have threatened them with fines of Rs. 50, Rs. 100, and Rs. 500. Will these be welcomed by the villagers? The villagers cannot even pluck the leaves from the trees. They cannot engage themselves in an industry. They cannot touch the margosa and mango leaves. Are they to be prevented from taking all these things in the villages? I want the Select Committee to go into all these matters and to modify the Bill in such a way as not to antagonize the innocent people who will be the real persons of this country who are going to govern. I grant their needs must be satisfied, but not by taxation.

"Mr. Speaker, Sir, with regard to the constitution, I do not propose to go into the details—the number of Members and who must be co-opted and who not. They can be very easily dealt with in the Select Committee. I only wanted to stress 'No more taxation on the villagers'. I implore the Hon. Minister to revise his views. He says that 12½ per cent of the land revenue will be given as grants. But he has not given us any figures as to the number of villages to which the Panchayat Bill is to be extended and the annual amount of the grant that could be given to them. After

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all, it may be Rs. 500 or so. He has not given us an estimate, a typical budget. We must be able to satisfy the villager that he would be given so much, he must collect so much and, he must be able to spend so much. He is now given the duty of improving the roads, sanitation, health, digging of wells and so many other things. Even the Madras Corporation which has got lakhs and lakhs of revenue is not able to meet the needs of the people. Will the villager be able to do it if he is to depend upon his own resources? After all, his own resources will be very small when compared to the needs. I request the Hon. Minister to so modify the Bill that the villager is taxed the least and the Government come to his rescue."

* P. K. MOIDEEN KUTTY SAHIB BAHADUR:—"Mr. Speaker, Sir, after such a detailed discussion of the Bill on the floor of the House, there is not much to say and I feel it very difficult to come to a decision whether to support wholly or oppose wholly the Bill that has been brought forward by the Hon. Minister for Local Administration. I am really between the horns of a dilemma and I am reminded of the Malayalam proverb which means that 'the thing is too sweet to spit out and too bitter to swallow'. There can be no two opinions with regard to the principle of the Bill. Anybody who has any faith in democracy and the democratic form of Government cannot but support the principle of the Bill. But I have very great misgivings with regard to the working of this Bill, coming as it does, in the wake of very bitter experiences that we had especially in Malabar relating to the P.C.C. societies and the Village Food Committees. In fact, in the very beginning when a scheme regarding the P.C.C. societies was prepared and brought to the notice of Gandhiji, he was reported to have asked the framers of that scheme whether they had the men to work it, and I am reminded of that very pertinent and pregnant query even in the case of the Bill that is before the House. I am one of those who believe completely in the democratic form of Government and who feel that the mind of the masses is always sound. Therefore, the Bill that is before us can certainly be worked if the Government take it very seriously. In fact, Mr. Viswanatham brought to the notice of the House the existence of an old Panchayat Act in which the very wording of a sentence occurred without much of difference in meaning. If the Government has been sitting idle for such a long time over such an Act, I have very great doubts if that attitude is continued, whether anything could be achieved.

"I want to deal with only one or two points. The first is about the availability of men to work the scheme and the second is about the finance. In the scheme of things that is placed before the House, I do not see very much hope of sound working of this Bill, because the finances that are going to be placed in the hands of the panchayats are very meagre. I have to point out that the time is not auspicious enough to tax the poor villagers further.

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In this connexion, I want to make a suggestion to the Hon. Minister. In section 64 he has said that every panchayat shall levy in the village a house tax, a profession tax, a vehicle tax, etc. I would request him to change the word "shall" into "may" so that the village panchayat may have the option to levy taxes when and if necessary only. I would also request the Government to set apart some funds for the working of the village panchayats in the initial stages and see that there is no taxation for at least two years, until the villagers are able to realize the benefit out of the working of the panchayats and then agree to be taxed.

"Another point to which I want to draw the attention of the Hon. Minister is this. According to the Bill, the President of the panchayat is merely a figure-head. All the powers have been assigned to the executive authority. I would request the Hon. Minister to change the definition of the word 'executive authority' to mean the Panchayat President instead of the executive officer.

"All the powers and even the services are placed under the executive officer, according to this Bill. I would request the Minister to see that the subordinate staff except the executive officer is placed under the direct control of the President.

"Probably the Government are contemplating to present this Bill as a gift to the electorate on the eve of the district board elections. I hope that the Government may be able to reap the benefit which is expected of this Bill. But I have my own fears that it will act as a boomerang against the Government. In spite of that, I wish the Minister good luck."

M. S. ATAULLAH SAHIB BAHADUR:—"Mr. Speaker, Sir, I am glad to see that the long expected Bill has come. I am not really concerned whether the Minister proposes to elicit public opinion or not. But I want to tell him through you, Sir, that the autonomy which he proposes to give to the panchayat boards is not there in the real sense of the word. As you would see, in the whole Bill there is too much of official control envisaged and this should go. No doubt, the Bill as introduced the other day by the Hon. Minister looked very nice, and he said that the Bill ought to undergo a lot of changes in the Select Committee. I agree with him *in toto*, but I venture to point out some of the defects in the various sections.

"Sir, it is stated in the beginning that the villages which have a population of about 500 are going to be classed as panchayats. The Hon. Minister considers it workable, but I wonder whether it will be workable. I would straightaway request him to group certain villages and then have this Bill introduced where a population of not less than 5,000 exists, and this trial will be fair and workable, without undergoing a lot of expenditure, if every village is to have a panchayat board.

"Then, Sir, in regard to the electoral roll, it has been pointed out that it is to be the same as for the Legislature. I wish to say that herein the 18 years change may be brought instead of 21 years.

2-30
p.m.

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"Sir, the Hon. Minister has been kind enough to say that he is giving everything to these panchayat boards and in his anxiety he says that even civil and criminal administration also will be handed over to these panchayats. I wish to point out that such a mistake should not be committed by this Government. The Government must realize that an administrative body is only an administrative body and it should never be invested with civil and criminal jurisdiction, which is absolutely wrong. Here also, in this House, it is being talked of from time to time that the judiciary must be above administrative control. Therefore, it is but just and fair that this power should not be vested in the panchayat board.

"It has been pointed out by every one of the members during the course of the debate that there will be factions. Of course, everywhere there is faction, but faction of this kind should not be allowed to exist in villages. Well, Sir, the Hon. Minister has been pleased to say that he is going to hand over several powers to these panchayat boards and while saying so, he forgot how he is going to control these boards from the officialdom here. For instance, the budget has to be prepared under section 75 by the executive authority and placed before the panchayat board and after its sanction is obtained, it has again to get the sanction of an officer. May I ask the Hon. Minister whether it is right to say, that we have handed over power to you and still keep you under the official red-tapism and see that nothing is done. There is the executive officer who is not controlled by the panchayat board, and also other officers of the panchayat. May I straightaway tell the Hon. Minister that it is very wrong to have somebody else to govern these people, especially when you say, you have handed over the power to these boards to look after the day-to-day affairs and carry on their business in the best manner possible. I hope, as the Hon. Minister himself has agreed, he would kindly consider this aspect and leave it to the panchayat board.

"Then, Sir, in the catalogue of the various items relating to the functions of the panchayat board, we find the planting and preservation of trees on the sides of public roads and the village roads, not being classified as district board roads, national or provincial highway roads. I submit that all the roads existing in the panchayat board area, be they district board roads or national roads, must vest only in the village panchayat, for that is the body that will be immediately responsible for the maintenance of these roads.

"Again, Sir, in the same catalogue, there is also the establishment and maintenance of choultries, other than those classified as district board choultries. In one word, I would submit, as the Highways have been taken away by the Government and when you mean to give autonomy to these panchayat boards, where is the necessity for these district boards to exist? So, Sir, it is high time that the Hon. Minister considers that these roads and such other things that belong to the district board and which are within the jurisdiction of these panchayat boards, must vest only with the panchayat boards. Also the opening and maintenance of

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elementary schools. I say that all the elementary schools which are now existing in the panchayat areas must be handed over to the panchayat boards and I would go a little further and say, that even the High schools at a later stage, must be handed over to these panchayat boards, so that the existence of the district boards might once for all go away."

MR. SPEAKER:—"So far 49 members have taken part in the debate and there are still a number of members who want to take part in the debate. So, I fix 5 minutes for each member."

SRI B. ANANTHACHAR:—"Mr. Speaker, Sir, I am exceptionally lucky in getting this chance for speaking on this Bill at least for 5 minutes. In fact, I wanted to keep mum, but having had a look at the Bill, I was invited rather to have a chance to speak. Having had a peep into the provisions of the Bill, I had a liking to it, because there are very good things in this Bill. After Prohibition, Zamindari Abolition and the Tank Irrigation, this is one of the best measures that have been propounded and which we are trying to get passed through this House. It is really a very good measure affecting the utility, the wealth, the safety and the security of the villages. I would, in this connexion, invite your attention and through you, Sir, the attention of the Hon. Minister for Local Administration, to one or two things.

"The whole thing rests upon financial structure. Village economy is inter-linked indissolubly with provincial economy and provincial finance. Probably the whole thing has to be revised. The fiscal and financial structure that is given out in the provisions of the Bill, have to be correlated, have to be revised and re-organized, in order to make the village republic really Rama Rajya or Rahim Rajya. Whether we call it Rama Rajya or Rahim Rajya it makes no difference. So long as it is Rama Rajya let us have genuine cent per cent Rama Rajya. Let us not give the power to tax, but let us give them the power to look after themselves and spend the money they have usefully and wisely, to ameliorate the condition of the villagers, to rouse their civic consciousness and make them more civic-minded and village-minded. While that aspect has got to be improved, in fact, there is no machinery provided in the Bill to make them more conscious of their obligations, as well as their political rights and civic rights that have been adumbrated in the provisions of the Bill."

"Sir, the other point I would wish to urge is about the responsibility of keeping many of these things. Well, Sir, here is the village republic with all the powers of the Legislature, including the position of the Speaker, because in the village republic there is the president of the panchayat board and all the prerogatives of this Legislature are there in the village republic. The power to tax is there and probably, except the legislative portion of it, all other things are provided for in the Bill. But, in fact, the one genuine thing that is needed, that is, how to do it quickly and how to expedite are not thought of. There is again that machinery, the Inspector of Local Boards, Deputy Inspectors of Local

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కొనుచున్నారు. పంచాయతీలలో అనుభవముంది. మనదేశములో అనాదిగా ఆములులో నున్నటువంటి విధానము. అది మనకు పురాతనము సాంప్రదాయసిద్ధము అయిన పరిపాలనాపద్ధతి. ఈనాడు కోట్లలో లీర్వులు ఎక్లుజరుగుచున్నవో మన కందరకు తెలిసినవిషయమే. ఏ 20, 30, 40 రూపాయలకేగాదా అయినను కచ్చేరీలకు వెళ్లివచ్చుడు ఇతరులకునువారికి సుమారు నూరు, నూటయేబది రూపాయల వరకు ఖర్చులగుచున్నవి. ఇందువలన గెలిచినవాడు ఇంటిలోను ఓడినవాడు వీధిలోను విడవడం తటస్థించుచున్నది కాబట్టి ఇటువంటి చిన్నచిన్న తగాదాలను గ్రామముల లోనే పరిష్కరించుటకు అవకాశములను కల్పించినయెడల పల్లెటూరి ప్రజలకు హెచ్చు ఉపకారముచేసిన వారిగుమనుని మనవిచేస్తున్నాను.

“ఈ బిల్లులో విడువదల జనాభా ఉన్నటువంటి ప్రతిగ్రామమునకు పంచాయతీ ఏర్పాటుకలసిందగా ఉన్నది. అయిదువందల జనాభా చాలాతక్కువ. ఇంత తక్కువ జనాభా ఉండడంవలన గ్రామములో కలహములు ఎక్కువగుటకే అవకాశము ఉంటుంది కానీ, గ్రామాధిపత్యధిజరుగుటకు వీలుండదు. కాబట్టి ఒక పంచాయతీలో అధమము ఒక వెయ్యిమంది జనాభా ఉండునట్లుగా జిల్లాలోని జనాభాను సవరింపవలసిందగా కోరు చున్నాను.

“మరొక ముఖ్యవిషయము, ఈ పంచాయతీల ఆదాయము చాలా స్వల్పముగా ఉన్నది. Land Revenue లో నుంచి నూటికి పన్నెండున్నర గ్రామ పంచాయతీ లకు ఇచ్చునటు నిర్ణయించినారు ఇది చాలాతక్కువ. కొన్ని గ్రామములకు ఆదాయము కొన్ని వందలరూపాయలు. ఈనాడు పంచాయతీలు స్వతంత్రంగా జరగటం లేదు. వీరి అందుకు ముఖ్యకారణం వాటికి వచ్చుచున్న తక్కువ ఆదాయమేనని మనవి చేస్తున్నాను. కాబట్టి పతి పంచాయతీకి కనీసము రెండు వేలరూపాయల ఆదాయమైనను ఉండవలసిన ఒక నిబంధనచేసివట్లయితే చాలావారుంటుంది. ఏ పంచాయతీకైనను రెండువేలకు తక్కువరాబడి ఉన్నట్లయితే ఆలోతును ప్రభుత్వమువారు గ్రామముల ద్వారా Subsidies చేయవలసినదని నాఅభిప్రాయము. లేకపోతే పంచాయతీలు విచ్ఛిన్నమైన పరాజనముఉండదు పంచాయతీలు గ్రామములను వివిధముగను అధి ప్తపరుచలేవు

“గ్రామపంచాయతీలవలన గ్రామాధిపత్యధికి మనము దోహదమివ్వగలము. గ్రామ మ్ము వారి నిత్యనైమిత్తిక జీవితములో చేసుకొనవలసిన చిన్న చిన్న పనులన్నీంటిని స్వతంత్రముగాను, సర్దిగాను చేసుకొనుటకు ఈ పంచాయతీ విధానము ఉపకరించగలదు. ఇటువంటిభక్తులన్నియు గ్రామస్థులకు అనాడే సిద్ధించగ కలవు. దేశము పూర్వపు పాలనలో ఉన్నప్పుడు ప్రజలు పంచాయతీ పరిపాలనకు దూరమైరి. అన్ని హక్కులు ప్రభుత్వహస్తాంతరముయందుటచేత సామాన్య ప్రజలకు ప్రభుత్వపాత్రత అసలు లేదు. అందుచేత ప్రజలువారి పాత్రతలకుకూడా మరిచిపోయిన పరిస్థితులలో ఉన్నారు. ఈ నాడు గ్రామములో నడివీధిలో కుక్క చవిపోయినచో, ఆ విషయమును తాలూకా కేంద్రములో ఉండేటువంటి Health Department వారికి తెలియజేసి వారివద్దనుంచి ఆ కుక్కను తీసివేయవలసినదని ఉత్తరువు వచ్చినంతవరకు ఏమి చేయలేనిటువంటి పరిస్థితులలో పల్లెటూరి ప్రజలున్నారు. కాబట్టి గ్రామప్రజలు వారి నిత్యనైమిత్తిక జీవనములకు అవసరమగు పనులను చేసుకొనుటకు హక్కులను ప్రజలకు కలుగజేయడం ఎంతైనా అవసరము. ఇటువంటి పరిపాలనా విధానమువలన మనము గ్రామ పాలత్య ముకు గ్రామ శ్రేయస్సుకు దోహదమిచ్చిన వారగుదుము. ఇటువంటి హక్కులు ఎక్కువ తమకు కలుగునాయని ప్రజలు నిరీక్షించుచున్నారు. వారు స్వపరిపాలన చేసు

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కొనుటకు ఇల్లాహములో ఉన్నారు. కాబట్టి ఇటువంటి చక్కటి బిల్లును చట్టముగా చేసే చాత్యత ప్రజా ప్రభుత్వము వారిమీద ఉన్నదని నేను మనవిచేస్తూ కలెక్టు పుచ్చు కొంటున్నాను.”

* SRI S. NAGARAJA MANIGAR:—“Mr. Speaker, let me not waste the short time before me by speaking many things in commendation of this Bill. Many hon. Members have already spoken in support of the Bill and one or two hon. Members, I am sorry to find, have spoken against the Bill on the ground that Government are giving wide powers to villagers who do not know anything. I cannot accept the statement that villagers do not know anything. My hon. Friend Mr. Majid has stated that people must first be educated on democracy. I must tell my hon. Friend that we must learn democracy from villagers. They have been following a sort of life which is really democratic. They have got a leader who is called the village headman. They have also their own parliament which meets once or twice in a month.

“My hon. Friend Mr. Raza Khan has also stated that the Government are giving too much powers to the villagers. The same argument was used by the British when they were ruling this country, and I am sorry to find an hon. Member using the same argument even after independence. After all, we are not doing a very big thing in the villages. Already there are these panchayats. Class II and Major Panchayats are already there for the past 40 or 50 years and they have gained sufficient experience and they already transact business to the value of Rs. 40,000 to Rs. 50,000. Minor panchayats are also there. Thus there are already thousands of panchayats in our Province.

“Some hon. Members objected to the civil and criminal powers being given to these panchayats. But I must tell them that even now they are exercising these powers. Already there is the village panchayat court. So, we are only systematising the work of the panchayats by giving some more powers.

“Of course, there are many defects in the Bill which have already been pointed out by our able friends here. They have rightly objected that the panchayats should not be compelled to levy taxes. If we are really bent upon decentralizing all powers, we must also decentralize our Provincial finance. We must contribute a higher percentage of land revenue and not 12½ per cent as envisaged in the Bill. Sir, when we entrust such functions as the construction and maintenance of village roads, drainage, water-supply, etc., we must also provide them with sufficient funds and should not be content with giving 12½ per cent of the land revenue alone. Sir, it is also provided in the Bill that panchayats can levy a cess on the entry of goods into the village for consumption. I do not know how they will carry out this provision. I think they may have to employ chowkidars at every point to check the entry of goods from one village to another.

“My hon. Friend Mr. Ramaswami Mudaliyar has rightly pointed out that the village panchayat courts might be allowed to

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continue their functions for some time till the Judiciary is separated from the Executive. This is a very good suggestion and I approve of it. At the same time, I want that some police powers should be given to these panchayats as they will be very useful in detecting Prohibition offences, etc.

"Sir, the provision for an Executive Officer should not find a place in the Bill. If at all you want an Executive Officer for a panchayat, you can have it in Class II Panchayats as there may not be many educated villagers in those panchayats. Moreover, the presence of the Executive Officer would not be conducive to the smooth working of the panchayat board. I say this out of my experience as the President of a Panchayat Board. Generally in the matter of appointment and dismissal, he is not one with the Board. Therefore, either the Executive Officer should not be there or if he is there he should not have any control over appointment and dismissal of persons. Also, they should not wait for the sanction of the Inspector of Local Boards for everything. I am of opinion that this red-tapism must go because it takes months and even years for sanction by these panchayat officers.

"Lastly, I am not yet certain how these panchayats will take a definite shape. I do not know how the Government will enact this Bill and put it into operation without knowing the exact income of the panchayat. I hope everything will be considered in the Select Committee before it comes to this House again. With these words, I close my speech."

4 p.m. * SRI M. KUMARAN:—"Mr. Speaker, I welcome this measure and, as laying the foundation of our village swaraj, I congratulate the Hon. Minister on having presented a scheme for village swaraj which has met with a great share of approval in this House. At the same time I feel that the enormous amount of power vested in the officials like the Inspector of Local Boards over 90 per cent of the population of this Province, namely, about 45 millions of our people, cannot be a true reflection of the democracy that we want to establish in our Province. I am suggesting that these more or less dictatorial powers entrusted to one official should be modified by the creation of non-official bodies, a sort of non-official tribunal in each regional area. In the present state of our political life squabbles inside the panchayat and between panchayats are inevitable and in order to settle all these differences and recriminations, it is better that we appoint a non-official tribunal composed of the heads of the local Congress organization, a non-official and one official to decide the issues.

"I am certainly not satisfied with the financial provisions made for the administration of the panchayats, because the success or failure of the panchayats depends upon the financial resources of the villages. When we consider that many of the burdens which were till to-day borne by the Government like Irrigation, Medicine, Roads, Lighting and even elementary schools are now

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contemplated to be transferred to the panchayats, the small allotment of 12½ per cent of the land revenue is quite inadequate to meet the needs of the situation. I think that this could quite well be raised to 50 per cent to begin with and eventually the whole of land revenue must be transferred to the panchayat funds.

"Another thing I would like to impress upon the Hon. Minister is that all precautions should be taken to see that the responsible positions in the panchayats do not become hereditary because that has been the tradition of our countryside. No president should be allowed to contest the seat for more than two or three terms at the most. With these few remarks, I support the Bill."

SRI K. SHANMUGHAM:—"అధ్యక్షా, చాలాకాలము క్రిందటనే వెలువడ వలసిన ఈ బిల్లు అనేక తర్రజన భర్జనలకు గురి అయిన పిమ్మట ఈ నాటికైనను ప్రవేశపెట్టగలిగిందంటే గౌరవనీయులగు స్థానికశాఖా మాత్రము ప్రశంసా పాత్రులు.

"పూర్వము పట్టణాల్లో నిరిసంపదలలో ఆలయము శోభాయమానముగా వర్ధిల్లుచుండెడివి. కాని ఇప్పటి పట్టణాల్లో నివాసయోగ్యమున యిల్లులు, వాణిజ్యంబు లిండ్లి, ఒంటిండా ఇట్లు నారకక జీవనానికి తకరాని ధారి డొంకలు లేని డొంగునా, ఈ పట్టణంబుల దమ్మిడికి పనికిరావన్నా అనే నీతికి వచ్చినది. రోడ్లు లేవు, గ్రామాలలో మిఠాయిలు లేవు, మరుగుదొడ్లు లేవు, ఎక్కడ చూచినను దుర్గంధమే, చదుపులేదు, వైద్య సౌకర్యములు అసలు లేవేమిటి వెప్పవచ్చును. అచ్చటి ప్రజలకు, దేశమునా విమి జరుగుచున్నదో తెలుసుకొనే పరిజ్ఞానములేదు. అంతే కాకుండా గ్రామములు కులకక్షలు, కార్యణ్యములు, వివాదాలు, దొర్లనములు మొదలగు అక్రమములకు ఆలవాలమై ఉన్నది. గ్రామమునై వెత్తము కలుకుంటి గలిగి నటువంటి ధనవంతులు హస్తగతమై ఉన్నది. ఈ ధనవంతులు, రాజింబగళ్లు కప్పించి చాకిరిచేసేటటువంటి హరిజనులను హింసచేయుటం సర్వసాధారణమయియు పరిణమించినది. ఇట్టి దౌర్జన్యకృత్యడనే ఉపయోగించుటకు వారెప్పుడును ప్రయత్నించు చున్నారు. ఇటువంటి పరిస్థితులవలన ఇకముందుమాదా ఈ పంచాయితీలలోకి నీతి నిష్ఠ మములను పోటంకనీ కొందరు ధనవంతులు వస్తారని, అందువలన పోటంకజనము చాలావారలకి గరికావలసి వస్తుందని సందేహము కలుగుచున్నది. అందుచేత సత్ప్రవర్తన, శరోశకారచింత, సమర్థత కలిగినటువంటి పంచాయితీదాట్లు ఎన్నిక గునట్లు చూచిన పైలే ఈ సందేహాలకు అవకాశముండదు.

"తరువాత Reservation of seats విషయంలో Co-option పద్ధతిని విచ్ఛేదించిచేసిారు. దీనివలన హరిజనులకు చాలా అన్యాయము జరుగగలదని మనవి చేస్తున్నాను. ఈనాడు హరిజనులలో నూటికి అయిదవమంది అయి:ను విద్యావంతులు లేరు. ఎటువంటి పనులు చేసిన తమకట్టుకులు తిరుసనే పరిజ్ఞానము వారికి లేదు అందు చేతనే రాజ్యాంగ కలిషతుసభలలోనూ ఈ విషయమై దీర్ఘకర్పణిపి పది సంవత్సరములవరకు హరిజనులకు Reservation విధానమువలన ప్రత్యేక స్థానములు ఉండేటట్లు తీర్మానించి ఉన్నారు. అదే తీర్మానమును ఈ ప్రభుత్వమువారుమాదా చేస్తారని నేను ఆశిస్తున్నాను.

"తంకాక విషయము మాత్రము నేను మనవిచేస్తాను. ఈ బిల్లులోని 99 వ క్షేత్రంలో Weights and Measures లో మార్పులులను, మొత్తంలోను తప్పు తూకము, తప్పు కొలతలు చేసేవారు కష్టాల్గులి ఉన్నది: సాధారణంగా పట్టణాల్లో

[Sri V. Ponnuswami Gounder] [29th June 1949]

இருப்பதானது ரொம்பவும் குறைவு, அப்படிக் கொடுப்பது ஏதோ கண் துடிப்பதற்குத் தோன்றுகிறது. ஆகையால் குறைந்தது 25% என்று கொடுக்கவேண்டுமென்பது என்னுடைய வேண்டுகோள்.

“ஆதலால் ரொம்பவும் பெரிதும் தேர்தல் முறையில் தலைவரைத் தேர்ந்தெடுக்கவேண்டுமென்று இருப்பது ரொம்பவும் சங்கடங்களை உண்டாக்கிவிடும். இதைத் தவிர்த்து, அங்கத்தினர்கள் தேர்ந்தெடுக்கும் தலைவராக இருப்பது ஒரு நல்ல ஏற்பாடாக இருக்கும். எனென்றால் மசோதாவின் இப்பொழுது இருக்கும் முறைப்படி இருந்தால் தலைவரை அங்கத்தினர்கள் ஒன்றும் கேட்க முடியாது என்பதுடன் அவர்களின் தொடர்பு முற்றாது. ஆதலால் அந்த ஷரத்து எடுப்பவேண்டும். பல அங்கத்தினர்கள் ஒரு மனதாக இருந்து தீர்மானத்தை நிறைவேற்றிய பிறகு தலைவர் அதற்குப் பாதகமாக இருந்தால் அந்த தீர்மானத்தை சர்க்காருக்கு அனுப்பிவிடலாம் என்ற விஷயம் போடப்பட்டிருக்கிறது. இது ரொம்பவும் விரும்பத்தக்க காரியம். அப்படி இருக்கக்கூடாது. அதை யெல்லாம் யோசித்து Select Committee-ல் அதற்கு வேறுவிதமான திருத்தத்தை செய்வார்கள் என்று நினைக்கிறேன். வேண்டுமென்றால் Select Committee யார் வேண்டிய சாட்சியங்களை விசாரித்து இன்னும் பல பஞ்சாயத்து அனுபவஸ்தர்களைக் கொண்டு ஆலோசித்து நிதானமாக ஆலோசனை செய்து இந்த மசோதாவை கிராம ஜனங்களுக்கு புகுத்தவேண்டுமென்பது என்னுடைய அபிப்பிராயம். அப்படிச் செய்யாவிட்டால் மகாத்மா காந்தியைக் கண்ட பஞ்சாயத்து சபை ஆகாது என்பதைத் தெரிவித்துக்கொண்டு இந்த மசோதாவை ஆதரித்து மந்திரியவர்களுக்கு என்னுடைய பாராட்டுதலைத் தெரிவித்துக்கொள்ளுகிறேன்.”

* THE HON. SRI K. CHANDRAMOULI:—“Mr. Speaker, Sir, I am extremely thankful to the several Members who have spoken on the Bill. They have expressed several sentiments and feelings. They have shown both the brighter side and the defective side of the Bill. They have given better suggestions for the improvement of the Bill. Also some of them have expressed their fears. Some of them have expressed that, after all, the Bill has not gone far. Some told us that this is not the psychological moment because of the fears they entertain in the villages as constituted at present. Before I go into all these factors or some of the salient features and before I say something on most of the points raised by the Members, I want to say that it may not be possible to answer all the points and go into every minute detail on every point that has been raised by all the fifty-seven Members. But I can assure one thing to them. I will not stand on false prestige. Because I have brought this Bill, I do not say this is exclusively my idea. I might play a little part in making this Bill. That is why I can assure them and the whole House that I will not stand on formalities. My only intention in bringing this Bill forward is that, after all, our villages should be improved. You may say several things but you cannot get out of the villages, as 87 per cent of the people live in villages. You may condemn the villages as rotten, but you cannot get out of the villages if you want to live in this country. That is why it is absolutely imperative that you should take up this reform immediately. The sooner you take it, the better it is for you and for the country. That is one idea of mine. The second idea that impelled me is that however much you may say against centralizing powers, I do not think

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that a sort of centralization is bad. I am also for a little centralization. But centralization also has got a limit. Rigid centralization or a highly centralized organization, as some of you know already, is expected to lead to autocracy. If you have faith in democracy, you must have a sort of decentralization. You cannot get out of it. Let me tell you one more point in favour of my arguments. You may say that the Provincial Government will give 50 to 60 per cent hereafter of the land revenue being a popular Government, and that it will improve things, and so you may ask why do you want to give all these powers to the villages? You may confer some benefits on the villagers. But you cannot govern the people in this way. If you have got faith in the people, if you have faith in democracy, you must see that the people in the villages govern themselves at least in respect of their daily needs. You cannot check everything by sitting in Madras. However benevolent you might be, however impartial you might be and however kind-hearted you might be, I assure the House that it is impossible to govern the country from one place. These points go to show—and I am glad at the same time to tell this House that practically all the Members have spoken with one voice—that you must have faith in the people and believe them to the maximum extent possible to hand over the affairs of the villages to them. Some gentlemen say ‘Be cautious; do not give all the powers; have some check or other’. Some say ‘You have given all the powers; you have put all the brakes or checks into the hands of inspectors or his paraphernalia’. But the same gentlemen say at the same time ‘Give more powers to Collectors’. You state that I assured Ram Rajya to the villages. I never told in my speech that I was going to bring in Ram Rajya or that I was going to give complete autonomy to the villages. I only said that a humble effort has been made towards that idea. I only wanted to sow the healthy germs in this Bill which would be conducive to the happiness and the well-being of the village collectively. It may give them some sort of initiative for local self-sufficiency and the attainment of complete autonomy in course of time. So I request my friends not to understand or misunderstand things which I have not told. I also assure the House that the present Bill has to undergo certain changes. I have not hidden anything. I have told everything frankly in my speech. Therefore, before I go into this matter I would first take up the question of the amendment put by the hon. Member, Mr. Raza Khan, and supported by Mr. Abdul Salam. I do not want to attribute any bad motive to any gentleman. Whatever I heard from them, I take it that they have spoken very frankly. That is all what I expected and I am thankful to them. They expressed: ‘Because this is a Bill involving such high principles and you have to deal with so many powers, why not give some more time? Why don't you send it for circulation?’ But, as I have told you, I do not want to attribute motives but I can assure hon. Members one thing. Some of the principles that have been laid or that have been vaguely put in this Bill have been propagated in every village for the last thirty years, if not earlier. Also practically

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4-3) we were assuring at every stage, to whichever party one might belong, every party that went to the village said, 'No, no, you are neglected; we are going to give more powers to you if we come to power.' Whatever might be the motive in that, no party in the country has said that we should not give power to the people. After all, if anybody says that, I can assure the House, that he has no faith in democracy. So I will tell why this Bill should go to the Select Committee instead of for circulation. Sir, this question of reform has been going on for the last thirty years, if not earlier than that. But ever since the Congress Ministry came into power they made every attempt to carry out this reform. Some of the principles of the Bill have been broadly explained and propounded and also published several times.

"Now, coming to the present Bill, ever since I took up local administration, during my tours and also whenever I came into contact with organizations and institutions and particularly those which are working for panchayats and local bodies and also in villages I explained the aims and objects of this Bill. Of course there may be difference of opinion as regards details. But everybody wants panchayats to come into being. That much I can say. They want the Bill; they want more powers to be given to villages; they want more financial resources should be given to villages.

"The second thing I want to say here is, that the salient features of the Bill have been published sufficiently earlier, that is, immediately after they were approved by the Government, and I have received also several suggestions and criticisms and several applauses and all those things. In addition to all this, I will tell one more strong point which necessarily enables the Bill to go immediately into the Select Committee. The Press, ever since I was talking on this Bill, or ever since Government took up this problem and the Cabinet approved it, all the dailies in Madras, in whichever language they might be, and also the local press, have taken a live interest, all points have been published and we have received criticisms. In addition to that, several times, most of you might have read editorials and other articles on the subject. The whole Press has bestowed more attention than what I have imagined and they have given wider publicity to the Bill. All these points go to show that the Bill need not be circulated again to elicit public opinion. Instead of that, I only request the House to send it to the Select Committee, give them some time to consider the Bill clause by clause, to rectify the defects wherever they may be, to remove the bad clauses and incorporate healthy suggestions. So I appeal to Mr. Raza Khan and the supporters of his amendment to take these things in the spirit in which I have stated them and withdraw the amendment and facilitate the House in sending the Bill to the Select Committee.

"Coming to the Bill, Sir, every Member has talked or rather, Members have talked with high sentiments about the Bill;

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and even they surprised me, for immediately they came down and attacked the Bill in several ways. But I am not going to blame anybody for this, because the nature of the Bill is such that it gives room to mixed criticism. That is why I have told you what my personal idea is, what the intention of the Bill is and what the difficulties are. In my own personal opinion, I am wedded to high ideals and to talk of them. But the ideal is always far ahead of practice. So we must know our principles first to some extent, and then adjust or evolve a common factor to practical life as far as possible. Some of the highest principles, we might conceive, but in several things, we have to adjust ourselves to the practical factor in life for the working of democratic institutions. With that view I have tried to incorporate such ideals in the Bill. But in all matters we have to be cautious, we have to be slow so that we may be sure of our ground in proceeding onwards.

"Mr. Raghavayya was very vehement, I am sorry to say, that no Rama Rajya or Gandhian ideal is attempted to be established in the village. I concede that point. But at the same time they want to give more powers to Collectors, more power to the Inspector and more power to the officers. If that were to be done, how can there be Rama Rajya or village republic which is called village autonomy? Sir, it is easy to talk several things in that strain, I do not say that we should not have any ideal. The ideal is all right; let us have a sound ideal; let us have a good ideal; and keeping that ideal in vision and keeping that ideal before us we must draft the Bill, and in doing so, we have to lower certain stages, we have to provide certain checks so that the machine may not go very fast and may not go beyond control.

"Then, Sir, there are three or four points,—fundamental things—upon which certain opinions were expressed. Mr. Viswanatham said that there is nothing new in this Bill; it is not a new Bill, or something like that, he said, if I remember aright. As it is not a new Bill, he said, we need not waste our time over the Bill; and there is no necessity for us to talk of it. Another point, I am very sorry to say is, he said, the poor man who lives in the hut is to be taxed. It is made clear, I can assure hon. Members, that the poor man who lives in the hut is not going to be taxed. Provision has been made in the Bill for that. It is clearly stated there. I only request hon. Members to read the Bill clearly. If there are any defects let them point out to us those things; if there are healthy suggestions let them come forward with them; if there are any checks to be placed let them bring forward to our notice; those things I can understand. Sir, here I would submit one thing. In the 1920 Act, it will be found that it is said in the enactment that a panchayat shall be constituted for every village. Between 1920 and 1949, in the course of 29 years, how many panchayats have been constituted? About seven thousand and odd. And even there, there are several stages to constitute panchayat villages with a population of over 1,000 people are to be constituted as panchayats and that too if only the villagers put

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in a petition and the Inspector approves it. So there were such checks in that Act. But here, every village is compulsorily constituted into a panchayat, and even small villages are not neglected; they are grouped together and are to be formed into a panchayat. Again, there was no time-limit in the old Act. That was provided for in the rules. But here two years' time has been fixed. This means, all the panchayats must be constituted immediately. For if we want to work future democracy effectively we must have a machinery to work it. There is no good of talking big that all the people in the village should first be given education, people should have food, cloth, house, medical relief and so on, and then we could give them all the powers, then we could run the machinery efficiently and very nicely. Sir, I think it was Samuel Smiles who said if we all are educated, if all the villagers are good people, I think, there is no necessity for this machinery. (Laughter.) There is absolutely no necessity at all. If every member of the village has reformed himself perfectly there is no necessity to talk of reforming a nation. I concede there are some bad things in the village. But I do not agree villagers are all bad, they are all ignorant and illiterate. Because we have learnt English, we call ourselves educated; simply because Mr. Salam has learnt English and has secured a degree in it and calls himself educated, and sits in Guntur he says all villages are nonsense. (Laughter.) He is English educated and he possesses a degree, and by that he has become not only a selfish individual (laughter) he has disowned the parents at whose cost he is educated, he has disowned the parents at whose cost he is bred up and he has disowned the village to satisfy his luxuries and his individualism to earn more money. That is how he has done great harm to the villages. Therefore go back to villages, utilize your energy in doing good to the village, make the people happy and contented. I am sure if you go to the village and work there the villagers will become good people. What is the use of talking and talking and doing nothing. By so doing, one will achieve nothing. And also I concede there are some dangers in the step we take; I concede there are some risks involved in it. Life is not worth living if there is no danger in it. Life is not worth living if you do not take risk and no life is worth living if you are not bold enough to go forward and carry on certain things. (Applause.) Even for your own individual needs, are you not taking risks in the complexities of modern life? Are you giving up your efforts because of that? Certainly not. So, why I say, 'Take some risk.' Even if you make mistakes, even if you incur some loss, it does not matter. Otherwise you are not worth to be a living being; you are only a mechanical automaton. That is why I say, if there are some fears involved in the step we take, you must be prepared to face them, jump with boldness and face them. That is why I say, you must constitute in every village a panchayat irrespective of other considerations, if you want democracy to be helpful, to be effective and also if you want to establish peace, contentment and satisfaction in the village and in the country. I know that there are several difficulties in the

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villages. I am a villager myself and I have spent the best part of my life in the villages. I have never lived in any town except during the last four or five years. I know the atrocities and autocracy prevailing in some villages. In spite of all that, I have got faith in the inherent simplicity and goodness of the villagers. Most of the factions or troubles in the villages are the creation of one or two interested people. They are so few that we can count them at our fingers' ends. To achieve their selfish ends, they foment faction, excite the people and put them on the wrong track. Therefore it is all the more our imperative duty to check those people. You as legislators are expected to take a broader view and place the interests of the people in the forefront. Instead of concentrating yourself in the City, why should you not go to the villages and utilize your education and talents for the good of the villagers and for putting down the one or two mischievous elements? As I said, I have spent most of my life in villages and I know the conditions in the villages intimately. Even now there are cheris situated apart from villages. So long as you have separate cheris, you will never remove untouchability. That is why I say that, if you want to have a panchayat raj, the panchayat must be made a unit. You should never think in terms of individualism. By thinking of individualism, individual rights and privileges, you are perpetuating the cleavages, differences and divisions. I do not say that there will not be parties and that there will be perfect harmony in the villages as soon as this Bill becomes an Act. After all you will find that there are two opposite forces always working in the world—good and bad, attraction and repulsion, centrifugal and centripetal and so on. I am not talking of philosophy; I am talking of the hard reality which we are experiencing every day. After all what you call good is a mixture of good and bad in several cases. Taking this fact into consideration, I am confident that, if we try to work for the common good of the long-neglected people with a missionary zeal, we will achieve more harmony and unity some day or other. Democracy means Government by parties. But only the parties must develop on healthy lines. Even if there are only two human beings, there will be differences and we cannot always expect perfect unanimity. It is the way in which we tackle the problems and approach the people that counts. If you want to make a good beginning, I appeal to this House to let this Bill go to the Select Committee and let every village have a panchayat. If there is no panchayat, there is no machinery to attend to the village needs. If the machinery is not properly constituted, if there are too many brakes or if it goes at a greater speed, you as legislators can improve that machinery. Every villager wants panchayat raj. There is no difference of opinion about that. Only we sitting in this House are doubtful about that."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"May I ask whether the people are not asking for panchayat raj as a substitute to the central power that is now ruling over them and not as an alternative?"

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THE HON. SRI K. CHANDRAMOULI:—"People are asking for panchayat raj to work out their own destinies, to carve out their own future. They do not want panchayats as isolated units. All that they want is that, in respect of small things and essential needs of the village, the Government should take advantage of the initiative, experience and common labour of the villagers.

"Even if the machinery created under this Act commit mistakes, it does not matter. Even with all those mistakes, a machinery is necessary. That is why I say that a machinery should be constituted.

"Several things were said about the direct election of the president. We are thinking that this is something new, because this is new to this Province. My idea in providing for the election of the president directly by the people is that they may feel that here is a man whom they have elected, whom they could trust and who could look after the needs of the village properly without caring for selfish ends.

"Personally I am against dual control. But still I have provided for the appointment of executive officers. Most of the panchayats that are going to be constituted under this Act will not have executive officers. Only the major panchayats will have them as a sort of check as they will work independent of the factions and parties in the panchayat. My idea is to gradually eliminate the executive officers and make the local people responsible for the administration of the villages. If elected people are given powers, they may identify themselves with one party or the other and manipulate the minorities into majorities and vice versa. That is why I have put in this provision with the best of intentions. There is also another thing. The executive officer will act as a link between the people and the higher administration. He will be the spokesman of the people. Because we have not got such a spokesman to-day, the people of the villages have to approach several people even for small things. We know how many people are approaching Mr. Abdul Hameed Khan even now. It is very bad that people should be always coming and worrying us. We lose our patience, get excited and do several things in that mood of excitement. In the interests of higher administration and the interests of the people, we should have such an officer. Hon. members may say that three or four people may be contesting for presidency and that even this executive officer may not be altogether free from bias towards one or the other. That is quite true. But if you want democracy, there must necessarily be election or some other method of selection. You cannot help it.

"The panchayats have been given several responsibilities. But their financial resources to fulfil those responsibilities are meagre. Panchayats are empowered to levy certain taxes. With all these taxes, they may have a revenue of Rs. 400 or 500 or something more. But I have made a genuine attempt to provide them with some resources. In other provinces also, similar legislation is being undertaken. In Bombay the Government are giving fifteen per cent of the land revenue to panchayats. We have provided for

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giving not less than twelve and a half per cent. (What we are giving may be great or small. But I have put in the germ and it is for you to develop it and show more finance. I will be glad if my village is not taxed and all the amenities are provided by Mr. Abdul Hameed Khan or someone else. But at the same time I am telling you that I do not want that kind of charity. I must also earn by my labour and have the satisfaction that I have contributed something to the well being of the village. It does not matter if I am taxed. If the money is properly utilized on my village, I will forego a day's meal and pay the tax. Now the proceeds of taxes are put in the provincial exchequer. Whatever is spent is spent on urban areas and some money is doled out to villages now and then. There is not much force in the argument: 'You are not providing adequate finance; the panchayats are not discharging their responsibilities properly, they are dying and there is no good of receiving them.' I know that the position of the provincial exchequer is not sound. That is why I say that the Cabinet with a sincere motive has made this humble beginning.)

"I would like to assure this House about one thing regarding the provision for the appointment of executive officers. Some people have been saying that the object of the provision is to create more jobs and so on. I am not a believer in job-creating or job-hunting, nor are the Government anxious to do that. Even granting that that wrong assumption is correct where is the guarantee that I will continue to be the Minister till the panchayats are constituted? By the time they are constituted, somebody else may come in my place and reap the fruits. Some responsible hon. members also may be under that assumption. Let them not get away with the wrong assumption that this Government want to create more jobs to provide employment for their own people. That is not at all the idea. Just the reverse is the policy of the Government. What is the object in having a costly administration? Most of us are coming from villages and we villagers are the losers thereby. Even if a man of my community is appointed, he alone will be benefited and the community as a whole will not be benefited.

"I appeal to Mr. Raza Khan to withdraw his amendment and to this House to accept my motion unanimously and give a chance to the Select Committee to go into this Bill for which there is plenty of time."

MUHAMMAD RAZA KHAN SAHIB:—"I beg leave of the House to withdraw my motion."

The amendment was, by leave, withdrawn.

MR. SPEAKER:—"The question is—

'That under Rule 111 of the Madras Assembly Rules the concurrence of the Legislative Council be obtained in setting up a joint select committee of both the Houses consisting of 30 members to consider the Bill, 20 members from the Assembly and 10 members from the Council'."

The motion was carried.

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VI.—HALF-AN-HOUR DEBATE ON THE QUESTION RELATING TO THE ALLEGED PLACING OF GOVERNMENT FILES AT THE DISPOSAL OF SHRI SHANKER RAO DEO.

5 p.m.

MUHAMMAD RAZA KHAN SAHIB:—"Mr. Speaker, Sir, at the very outset I have to state that we as members of the opposition are not at all interested in these allegations or charges which have been brought against this Ministry, because I know it is very easy to level charges but very difficult to substantiate them. Therefore I do not like to go into that matter. The only question, Sir, which has to be decided and for which I have raised this half-an-hour debate is to get a proper reply from the Government with regard to the controversy which has been going on in the Province and which, as a matter of fact, has become an All-India question. Sir, the whole question reduces itself to this, whether it was right and proper on the part of the head of a Provincial administration, the Premier of this Province, to have given certain files, whether they are confidential or otherwise, to Mr. Shanker Rao Deo, who was here in Madras in connection with the inquiry into certain charges against the Ministers. I feel, Sir, it is in the fitness of things, and it is also the right and privilege of the members of this House, to know whether these files or documents were placed at the disposal of the Congress Secretary, Mr. Shanker Rao Deo. I also feel, Sir, that I have done my duty, if I could get a categorical statement from the Hon. Leader of the House in regard to this matter, whether the files were given to him or not. If files were not given to him, let the Hon. Leader of the House deny it. He is a gentleman and whatever he says I take him at his word. Because the controversy has gone on so long and has been given so much publicity, I feel it is in the very interests of this Government and in the very prestige of this Government, that they must speak out on this occasion. When once that prestige is shattered, when once prestige of the Government is gone, then conditions will become very difficult for the proper, efficient and good government of this Province.

"I may also say, Sir, that from the statements made and the answers given in this House by the Hon. Leader of the House, we, members who have got some intelligence, could know what exactly is the position, but what about the people outside? Sir, this has been an unfortunate affair, I may say, it is an unfortunate episode, because there have been too many statements and there have been too much of contradictions even between the statements of the Ministers and the Premier, the reports of all of which have appeared in the press, so much so that the public are not in a position to know what exactly has happened.

"Sir, at the short time at my disposal, it is not possible for me to narrate the origin and history of this whole episode, but let me just mention this, that when the Hon. Premier was confronted with the question, by the press representatives, as to what he was going to do with regard to the inquiry into the charges against certain Ministers of this Government, he is reported to have said that all the available files and documents would be placed at the disposal of Mr. Shanker Rao Deo. This statement

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was given wide publicity in the press and inasmuch as it has not been contradicted by the authorities till now, we have to take it that it is true.

"Now Sir, I come to what my esteemed friend the Hon. Finance Minister and the Leader of this House said in reply to a question put by my hon. Friend Mr. Salam, when the matter was brought before this House by means of a short-notice question. The question which my hon. Friend Salam raised was, 'What is the exact position in regard to that matter.' The Hon. Leader of the House said that certain files were shown to the Congress Secretary but that they were not important files or confidential documents. He also added that there were files and files and documents and documents, but that it was up to the Government to judge which of them were confidential and which were not. Sir, I cannot understand that argument. Either he should have candidly admitted, 'Yes, certain files have been shown', no matter whether they were ordinary or confidential, whether they were important or not, or he should have denied it.

"Sir, when the same question was taken up before the Council, the Hon. Dr. T. S. S. Rajan, the Leader of the Upper House, said that no files were shown to the Congress Secretary, but that, no doubt, certain facts were explained with the aid of files. Therefore we see the contradiction here. Again, Sir, one of the parties to this whole controversy, the Congress Secretary—of course we have nothing to say against that gentleman, and we cannot sit in judgment over him—when he was confronted by the press with this question, 'Could you go into the documents and files of the Government?', is reported to have said, 'I am not concerned with these legal quibbles; I am not concerned with the niceties of the question. I have come here on a mission to inquire into certain allegations made against the conduct of certain Ministers'. Sir, by implication, I may say that he did go through those files placed before him.

"Then, Sir, my hon. Friend the Law Minister Mr. Madhava Menon—I am sorry, he is not here—when he replied to the debate on the adjournment motion in the other House the other day, made certain observations and statements which made confusion, worse confounded. He said that to disprove certain allegations, certain documents have to be made available to the Congress Secretary and that there was no infringement of the Official Secrets Act, because they were not secret documents. He also said that when the Ministers were confronted with such charges, when the Government was placed in such a predicament, it was perfectly right on the part of the Government to have disproved those allegations by means of reference to such files. Sir, here again, there is another thing that I have got to say. When the whole controversy rested at that, my esteemed Friend Mr. T. Viswanatham issued a statement to the Press this morning in which he has said, 'I saw some ten or fifteen files, not only before Mr. Shanker Rao Deo, but

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that he was actually perusing those files'. Sir, this is the way in which the controversy has been going on and how contradictory statements are being issued by members of the Government as well as by the members of the Congress Party. Therefore, the whole question resolves itself to this, whether the Government have acted wisely and properly in allowing the files to be seen by Mr. Shanker Rao Deo. Sir, I quite understand and appreciate the difficulty of the Government, when they are placed in such a predicament and when so much publicity has been given to this episode, not only in this Province, but also throughout the whole of India. Surely it is within their right that they should disprove those allegations and perhaps it was necessary also for them to have shown those files to Mr. Shanker Rao Deo. Perhaps there is nothing wrong about it. But when a specific question was raised in this House on that subject and also as to the propriety of their action, surely it is up to the Government spokesman to have said, 'Yes, it may be a mistake, it may not be proper on our part to have done so, but under the unfortunate circumstances, in which the Ministers were placed, they had to do so'.

"Sir, as a lay man, I do not propose to go into the constitutional propriety or the legal aspects of this matter, because as Ministers of the Government, they have taken the oath of allegiance, they have taken the oath of secrecy and it is up to them to keep up these secret documents and it is not for me to argue whether there has been any infringement of the Official Secrets Act, or not. Nor do I want to drag myself into the truth of those allegations and charges, being in the opposition. But I may say, Sir, that people who have brought those charges and those allegations have not served the Province. If it was their aim, if it was their object that the tone of the administration should be kept up, that the dignity and prestige of the Government should be maintained, if they had really felt that their charges against certain Ministers were true, there I should tell them plainly, 'It is you, the members of the Congress Party who have started this controversy, it is you, members of this House who have brought all these things to this stage and it is up to you, as members of this House, to have brought this question up before this House by means of a resolution'. It would have been well on your part to have come before this House by means of a no-confidence motion, or an adjournment motion or a censure motion against the Government. Then it would have been a highly proper and highly constitutional procedure. You need not have rushed up to the Congress High Command or to your Congress President, and dragged the Congress Secretary into these inquiries and into these allegations. I feel, Sir, that if the members of the Congress Party were really actuated by the lofty idea that our Ministers should be free from all these charges, that they should be free from all these acts of omission and commission that they should be free from corruption and nepotism, then there was an opportunity here in this Legislature to which they are responsible. I am as

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much responsible to this House as you are and it is here that we should ventilate our grievances. In fact things have taken a very bad turn and so much controversy has ranged over this matter, both in the press and on the platform because of your own action. Sir, I do not want to repeat what I have said, but I must advise the members of the Congress Party that a stage has come, when they should realize that they have no right to ask some outside authority to interfere in these matters, but that we have got our own rights in this House to ask the Government what actually has been the case in this matter.

"I feel, Sir, that it is the duty of the Hon. Leader of the House to give a categorical statement, not only to the members of this House, but also to the people outside as to what were the exact circumstances and the actual state of affairs. We really want that this controversy should end, and end once for all. Unfortunately, this matter has been dragged too far. Unfortunately, some of us have become the laughing stock of the public. Let us put an end to these things. Let me repeat again, that in the interests of this House, in the interests of the prestige of this House and in the interests of the good administration of this Province, the Hon. Finance Minister should make a clear statement on this matter. Owing to the unfortunate situation created by the action of the Ministers, the Government as a whole are at the bar of the public opinion. Of course, we and you are responsible to the public and it is for you to satisfy the House and to satisfy the public. If you do that, you will be serving your own interests and the interests of the Province as well. You ought to set up a precedent for your succession who might follow you to say, 'They have done certain action and when they were called upon to answer them in the House, they had the courage and the guts to stand up and say, "We have done it, right or wrong and we had to do so under these circumstances, Sir, I have done it."'

M. S. ABDUL MAJID SAHIB BAHADUR:—"Mr. Speaker, Sir, I do not propose to make a long speech on the subject, which we are discussing this evening. The Hon. Leader of the House was in a negative mood this morning and therefore he refused to answer several of the questions put to him. He has almost adopted the attitude of his Hon. Predecessor by refusing to take the question any further. By refusing to answer questions, he only created greater suspicions and greater doubts in the minds, not only of the members of this House but also in the minds of the public outside. I feel, Sir, as a parliamentarian, as constitutionalist, that the Ministers, like Caesar's wife must be above suspicion."

THE HON. SRI B. GOPALA REDDI:—"What about other people's wives?" (Laughter.)

* M. S. ABDUL MAJID SAHIB BAHADUR:—"Sir, I do not believe in the charges made by certain members of the House against our Ministers. As it has already been pointed out, it is their duty

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and responsibility to have come before this House with a motion for a vote of no-confidence against the Ministers of the Government, if they had felt that the charges were true. Then only they have got the right to ask any questions relating to these things. But unfortunately, Sir, the real wonder of it is this. Having made certain charges against certain Ministers of the Government it is against all canons of constitutional propriety that they should have rushed to the Congress High Command with these charges, and when the charges have been inquired into by the Congress Secretary and when replies have been given by the Ministers, in this House, they should have gone on to the press saying that the Ministers have not replied to these charges properly and that a judicial enquiry should be held, and all such things. Sir, it is unnecessary for me to go into those charges, because they have been framed outside the four corners of this House, and therefore, I need not dilate on that point. But my only anxiety is, that our Ministers must say categorically to the public through this House, whether they have done the thing or not, and if the Hon. Leader of the House gets up on the floor of the House and says, 'Yes, we have done so, we have shown our files to the Congress Secretary', then there is an end of the whole affair. But, unfortunately, he has not done so and, therefore, it is that it has given rise to greater suspicions and still the controversy is going on in this Province. Sir, I have got implicit confidence in our Ministers and I know, Sir, that there are no charges against them. Until a vote of no-confidence is actually moved on the floor of this House, we must presume that they are all honourable men. Why should the Government then be afraid and why should they not be bold enough to say in both Houses, 'We have not committed any mistake; we have not shown any files which should not be shown and which are confidential. We have not done anything improper or unconstitutional'. The Congress may be a powerful body, but statutorily their officers are not entitled to go into those files which belong to the Government. The property of the Government is not to be shown to any outside authority, however powerful and influential it may be. That is all my submission, Sir."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Mr. Speaker, Sir, when I read in the papers that certain files were shown to the General Secretary of the Congress, I felt that it was really a wrong thing to do and I thought that it was a fit subject to be taken up in this House, for it was wrong for any Minister or Member of the Government to take the advantage of his position to show the files belonging to the Government, whether they are secret or not, to somebody outside. Subsequently, Sir, I felt that it was much better not to raise these questions in this House, but on the other hand to do whatever lies in the power of an individual Member of the House or of the group to see that friends who have been exhibiting their differences among themselves, close up their ranks. Sir, there is no use in continuing this controversy in the party

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any longer, and much less to allow things to go up in appeal to the High Command and the High Command appointing some officer to come here and inquire into those charges, and the Members again asking for an inquiry by a judicial committee and so on. All these agitations should be given up as soon as possible, for they do not help the Government, nor do they help the people of the Province, and the only result will be that the people will begin to lose faith in the Ministers and in the Government. I know, Sir, our Ministers are all honourable men. They know their responsibility and they ought not to do anything wrong and everything that they do must be right and proper.

"Sir, so far as this controversy is concerned, I appeal to my hon. Friends who belong to the different groups in the same party, to take the earliest opportunity to close up their ranks, for it is highly necessary under the present political conditions in the country, that the party which commands the largest majority in the House should act as a single party and should not be quarrelling within its ranks, and see that the Ministry that is constituted, represents the entire party and that there is no longer any dispute of any kind among themselves.

"We see in this very House hon. Members belonging to the Congress Party, the majority party, questioning the attitude or the actions of the Ministers themselves. This is a thing, Sir, which I never saw in my parliamentary life. I never expected that Members of the Government Party would be questioning the actions of the Ministers. This is the state of affairs which exists to-day. In conclusion, Sir, I once again appeal to the hon. Members belonging to the two groups in the Congress Party to come closer together so that they might become a United Party."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Mr. Speaker, Sir, the hon. Member, Mr. Raza Khan, who initiated the debate has very rightly said that we are not interested in the controversy. But it is the duty of the Government to assert here that their prestige with which all of us are concerned has not been affected by this enquiry. Even the prestige of this Government is not the subject-matter of this evening's debate. The question is a very simple one, but for the way in which the Leader of this House and the Leader of the Upper House and the Hon. the Law Minister have purposely or due to any other reason, complicated the matter. Even now, the Hon. the Leader of the House instead of dilly-dallying with the matter and carelessly saying, 'I do not care even for the ruling of the Chair in allowing the half an hour debate', might have easily taken the opportunity offered by Mr. Raza Khan to explain to the House and to the Province how this matter has happened. Even now, I am very doubtful if the Leader of the House would take this opportunity given by the Opposition in such a vital and important matter, wherein they have created complications, not in the enquiry, not

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on the merits, but on a very simple and technical matter of procedure. I doubt whether he has taken the matter seriously even now. I shall take only one minute, Sir, to clarify to the Leader of the House that this is just another opportunity for him and for the Government to explain this technical matter, namely, whether the files were shown or not. A different story has been given by the Law Minister of the Province, Sir, and a different version has been given by the Leader of the other House and the Premier has made a statement. Only this morning a very respectable Member of this House, namely, Mr. Tenneti Viswanatham, has clearly expressed through the papers that files were there and he has seen them when Mr. Shanker Rao Deo was using the files. I remember that Mr. Shanker Rao Deo himself stated that files were given to him for perusal so that he might know something about the matter. I only ask the Hon. the Leader of the House and the Party in Power to take this in the spirit in which Mr. Raza Khan has given the opportunity and I hope they will use it very well."

SRI R. V. SWAMINATHAN:—"Mr. Speaker, Sir, I am surprised at the speeches made by my colleagues on this subject. The point at issue is this. In the morning a question was put by my hon. Friend, Mr. Salam, whether the files were shown to Mr. Shankar Rao Deo. The answer was very clear. The Minister said 'No'. A supplementary question was put and the Hon. Minister said that he had nothing further to add. It was quite clear.

"Of course, it is true that the Hon. Mr. Gopala Reddi, Leader of the House, also made a mistake. It is this. Whenever he answered questions he used to give even very serious answers in a smiling and jovial mood. To-day he was not in that mood. That was the mistake he committed. He thought that there was no use pursuing the matter.

"The hon. Member, Mr. Majid, said, Sir, the Cæsar's wife should be above suspicion. I am one of those . . . (Laughter.) That is an old slogan, Sir. I am one who believes that everybody's wife should be above suspicion, not only Cæsar's wife (Laughter.) What is there to laugh?

"Mr. Salam said, Sir, that the files were shown to the Party Secretary when he was here. Another hon. Member of the House said that he saw some files. I do not know whether he was justified in making the statement. When the Hon. Minister says, 'We have not given any files' we must believe his word. If we do not believe the word of the Hon. Minister that would mean that we have no confidence in him. You cannot simply say that you will take the word of the hon. Members only. That is not proper. Even Mr. Shanker Rao Deo when he made the statement said that the Government were good enough to show some papers. He clearly said 'some papers' and not 'files'. There is a lot of difference between a 'file' and a 'paper'. (Laughter.) Hon. Members have

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not really understood and Mr. Salam has not properly read the papers. Otherwise such an occasion would not have arisen in the House.

"Another point is, Mr. Salam should know that the Government is here and they are representing the Congress Party. The majority of the Members of the House belong to that great organization the Congress. The General Secretary of the Congress, Mr. Shanker Rao Deo was here to enquire into certain allegations made against some Members of the same party by some Members belonging to the same party. He has a right to know whether the allegations were right or not. The public, whether Congressmen or non-Congressmen, are also interested to know whether these allegations were true or not. I think I have five more minutes, Sir."

MR. SPEAKER:—"The reply of the Hon. Minister is more necessary. I shall allow the hon. Member one minute more."

SRI R. V. SWAMINATHAN:—"Therefore, Mr. Shanker Rao Deo is right in going over here and making the enquiry. I shall refer to one point, Sir, and I shall sit down. My friends from the Muslim League should know that certain allegations were made against certain Ministers in the West Punjab and East Bengal, and Mr. Khali Quizzaman, the Leader of the Muslim League Party in Pakistan was running here and there and seeing files."

MUHAMMAD RAZA KHAN SAHIB BAHADUR:—"What have we to do with Pakistan?"

* THE HON. SRI B. GOPALA REDDI:—"Mr. Speaker, Sir, we had very brilliant speeches in this half an hour debate and I am thankful to the Members for the opportunity given by them. As I said in the morning, Sir, no further light can be thrown on the subject. Mr. Raza Khan followed by other colleagues of his and the Floor Leader of the United People's Party also have questioned the propriety of the Government in showing certain files to Mr. Shankar Rao Deo, which according to them—for which information they rely upon the newspapers—is a file. Whatever it is, Sir, . . ."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"I said, Sir, that such a statement appeared in the Press. And if that was true, I said, it was wrong and it was improper."

* THE HON. SRI B. GOPALA REDDI:—"There were two statements that were made on the floor of this House, Sir, especially on the question of the adjournment motion when it was brought before the House. First I said that there were files and files and it was up to the Government to see which of the files could be made available to Mr. Shankar Rao Deo. Then, Sir, I had in mind certain questions put to the Ministers here and answers elicited. As it is there is nothing there. The question is put and some answers are given which are approved by the Ministers

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and they are laid on the table of the House. Suppose that is made available to him, there is nothing wrong, because the whole information has been made available to the House. There is nothing confidential about it. The Press know it, the members of the public knew it when the answers were printed in the papers and it is also in the Official Reports. So, we have such papers which may be called by the dignified name of 'files'. They are innocuous and if they are shown to anybody, whether to Mr. Shankar Rao Deo or to Mr. Khali Quizzaman to deal with the question of atrocities on the Muslim community, there will be nothing wrong. In 1939, Sir, we had the Pirpur Report and they made some enquiries into the alleged atrocities against the Muslim community in Madras. So, Sir, there are files and files. If my hon. Friend, Mr. Salam, sends a communication with regard to the petrol he wants for his tour in his constituency that also becomes a file immediately. If it is shown to somebody there is nothing wrong; it will show information that Mr. Salam asked for petrol and it was given to him without any delay, expeditiously. That is a matter which can be divulged to any person coming from outside or inside. So, Sir, I said, there were files and files and that the Government had made proper arrangements to see that no confidential file or files containing the minutes of Ministers, Secretaries and other heads of departments were made available. But certain facts were explained to Mr. Shanker Rao Deo with the aid of files. That was what we said. This morning also when other questions were put I had to say that I had nothing more to add to what I had already said. No files were made available to him, which in the opinion of the Government were confidential. Only certain matters were explained to him with the aid of files.

"That apart, Sir, my Friend, Mr. Hameed Khan, has come with a homily to the Congress Members on this occasion. He has utilized the occasion, Sir, I do not know, whether to advise the Congress Party or to foment more differences. I do not know the intention, Sir, coming as it does from Mr. Hameed Khan. He said, 'close up your ranks', 'you must act as an entire party', 'I never saw in my parliamentary life Congress Members asking the Government this sort of questions'. I say, Sir, that they do not come with good grace when they come from Mr. Hameed Khan. He has never been true to his party himself. We of the Congress Party in spite of our differences, sometimes fundamental and vital perhaps from personal equations, have never left the party and crossed the floor. We obey our Whip and we obey our Leader in spite of our differences. Of course, we make complaints to the Congress High Command and though we go to the Press and the platform, the essential unity of the Congress is there and we are all sticking to the same benches and the same party. We may fight, fight and fight. As I have stated on other occasions, we are so big that we can afford to create our own Opposition. Mr. Hameed Khan has never been loyal to the party on whose ticket he has been returned to the House. Without the verdict of his own constituency,

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without the approval of the Kurnool constituency which elected him he has said goodbye to the Muslim League Party and has taken the floor leadership of the United People's Party. Is that Leadership? Is that democracy? Is that being true to the democratic principle and the people who have elected him? In fairness, he ought to have resigned his membership of the League and his membership of the Assembly, gone to the constituency and told them: 'Here I am. I have differed from the Muslim League on some fundamental and vital matters. I seek your verdict.' We know, Sir, the case of Mr. Ibrahim, a Minister in United Provinces. He was returned on the Muslim League ticket. He joined the Congress later on. He resigned his membership in the Assembly and sought re-election and got the verdict of the people in the name of the Congress and to-day he is a Minister in United Provinces. That ought to be the right procedure. But Mr. Hameed Khan has short-circuited the whole procedure. One fine morning, he writes to the Speaker that he does not want to sit any more on the Muslim League Benches and he has been elected as the floor leader of the United People's Party which has been newly created. Whenever he speaks on the floor of the House, I do not know on whose behalf he speaks, not on behalf of the people of the Kurnool constituency who have returned him. I do not know whom he represents. He has now changed his party and I do not know whether he represents the Kurnool constituency. If he goes there and gets returned, then I will certainly say, Mr. Hameed Khan to-day represents the will and aspirations of the Muslims of the Kurnool district. Unfortunately he is not in that position now. There was a time, Sir, when he was also in the Congress. He was a Congress Councillor in the Corporation and then he was the Leader of the Independent Group on the floor of this House. So, Sir, is this Jekyll and Hyde business? Coming as it does from the hon. Member, Mr. Hameed Khan, the homily to the Congress Party, comes with ill-grace."

MR. SPEAKER:—"Order, order. The half-an-hour debate is over. I adjourn the House to meet on Friday, the 1st July 1949, at 11 o'clock."

The House adjourned.

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APPENDIX I.

[Vide answer to starred question No. 69 asked by Sri M. G. Natesa Chettiar at the meeting of the Legislative Assembly held on the 29th June 1949, page 612 supra.]

Statement showing the particulars of the varieties of yarn required in the various districts of the Province.

1 Anantapur	36s to 44s, 25s to 32s, 19s to 24s, 9s to 18s to 30s.
2 Arcot (North)	60s, 60s, 36s, 40s, 30s, 20s and 10s.
3 Arcot (South)	19s to 27s, 36s to 44s, 60s, 80s 2/10s below 2/16s.
4 Bellary	60s, 40s, 30s, 32s, 19s, 20s, 21s, 2s, 10s, 12s, 14s, 16s, 2s, 4s, 6s, 8s, 2/10s and 2/13s.
5 Chingleput	80s, 60s, 36s, 40s, 28s, 30s, 20s, 10s and 16s.
6 Chittoor	80s, 60s, 36s, 40s, 26s, 30s, 20s, 10s, 16s, 2/19s, 2/30s and 2/36s.
7 Coimbatore	Hank — 30s, 60s, 40s, 30s, 20s, 10s, 2s, 4s, 6s, 2/13s and 2/9s. Cone. — 19s to 25s.
8 Cuddapah	80s, 60s, 40s, 36s, 30s, 24s, 20s, 18s, 12s and 10s.
9 Godavari (East).	80s, 60s, 40s, 20s, 10s, 6s and 4s.
10 Godavari (West).	80s, 60s, 36s to 44s, 25s to 32s, 19s to 24s, 9s to 18s, 2s to 8s, 2/10s and 2/6s.
11 Guntur	80s, 60s, 40s, 28s, 20s to 24s, 10s and 2/28s.
12 Kanara (South).	60s, 40s, 26s to 30s, 19s and 2s.
13 Krishna	80s, 60s, 40s, 30s, 20s, 16s or 14s, 12s, 4s and 6s.
14 Kurnool	60s, 40s, 30s, 20s, 10s, 2s to 8s.
15 Madras	80s, 60s, 36s to 44s, 19s to 25s and 8s to 18s.
16 Mathurai	80s, 60s, 36s, 40s, 19s, 23s, 24s, 2/19s and 2s.
17 Malabar	36s to 44s, 28s to 32s, 19s to 25s, 18s, 2/19s, 2/20s, 2/36s (Cone. — 19s to 22s).
18 Nellore	10s or 12s, 16s, 20s, 30s, 40s, 60s, 80s and 2/10s.

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19 Ramnad	80s, 60s, 36s, 40s, 20s and 24s.
20 Salem	80s, 60s, 36s, 30s, 20s, 2/13s and 2/19s. Cone. — 19s, 22s and 24s.
21 Tanjore	80s, 60s, 40s, 30s, 20s, 10s, 16s, 2s, 4s, 2/10s, 2/12s, 2/16s, 2/18s and 2/30s.
22 Tirunelveli	80s, 60s, 40s, 30s, 20s, 2s and 4s, 2/20s, 2/10s and 3/20s.
23 Tiruchirappalli	80s, 60s, 40s, 28s, 9s, 20s, 1s to 18s, 10s, 2s, 4s, 6s, 2/13s, 2/19s, 2/20s, 2/24s and Cone. — 19s or 40s.
24 Visakhapatnam	60s, 3s to 44s, 2s to 32s, 19s to 24s, 9s to 18s and upto 8s.

APPENDIX II.

[Vide answer to starred question No. 72 asked by Sri M. G. Natesa Chettiar at the meeting of the Legislative Assembly held on the 29th June 1949, page 615 supra.]

Statement showing the counts produced by the Mills in Madras Province.

1 Kamala Mills, Coimbatore	20s and 40s.
2 Coimbatore Spinning and Weaving Mills.	19s, 20s, 26s, 28s, 30s, 44s, 50s, 60s, 80s, 100s, 2/19s, 2/28s, 2/30s and 2/42s.
3 Kaleswarar Mills, Coimbatore.	36s, 60s, 2/36s, 6/36s, 12s, 13s, 14s, 18s, 20s, 22s, 28s and 30s.
4 Somasundara Mills, Coimbatore.	20s, 32s, 40s, 38s, 50s, 60s, 80s, 2/36s and 6/36s.
5 Lakshmi Mills, Coimbatore.	19s, 20s, 40s, 60s and 80s.
6 Coimbatore Murugan Mills.	19s, 20s, 30s, 40s, 60s and 2/20s.
7 Radhakrishna Mills, Coimbatore.	18s, 19s, 30s, 36s, 60s, 2/18s and 2/19s.
8 Coimbatore Pioneer Mills	40s, 60s and 80s.
9 Ranga Vilas Spinning Mills.	2s, 14s, 30s, 36s, 60s, 2/36s, 2/60s and 2/14s.
10 Pankaja Mills, Coimbatore.	10s, 18s, 26s, 44s, 50s, 56s, 60s, 2/18s and 2/42s.

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11	Pajalakshmi Mills, Coimbatore.	1s, 10s, 40s, 60s and 2/4s
12	Jayalakshmi Mills, Coimbatore.	4s and 10s.
13	Vasanth Mills, Coimbatore.	18s, 19s, 2s, 60s, 80s, 2/18s, 2/19s, 2/30s, 2/60s and 4/30s.
14	Kothari Textiles	40s, 6s and 8s.
15	Saroja Mills	30s, 36s and 2/3s.
16	Kasturi Mills	30s, 4s, 60s and 2/36s.
17	Camboia Mills	2s, 10s, 19s, 20s, 30s, 2/19s and 2/20s.
18	Coimbatore Cotton Mills ..	19s, 20s, 30s, 36s, 60s, 2/19s, 2/20s and 2/36s.
19	Janardhana Mills	20s, 36s and 80s.
20	Balasubramanian Mills ..	36s and 60s.
21	Sri Sarada Mills	30s and 2/40s.
22	Lotus Mills	20s, 26s, 30s and 40s.
23	Kumaran Mills, Coimbatore.	36s and 40s.
24	Vijayalakshmi Mills	26s and 60s.
25	Grambika Mills	19s, 20s and 26s.
26	Palamalai Ranganathar Mills.	36s and 8s.
27	Danalakshmi Mills, Tirupur.	60s, 40s, 36s, 26s, 19s, 2/19s and 2/3s.
28	Asher Textiles, Tirupur ..	3s and 20s.
29	S.R.C. Mills, Tirupur	40s.
30	Venkatesa Mills, Udumalpet.	40s, 60s and 80s.
31	Palani Andavar Mills, Udumalpet.	50s x 10s, 40s x 10s, 26s x 1s and 30s x 10s.
32	Tirumoorthy Mills, Udumalpet.	20s, 4s and 60s.
33	Pullicar Mills, Tiruchengode.	30s and 60s.
34	Soundaraja Mills, Dindigul.	36s and 40s.
35	Lakshmi Mills, Koilpatti ..	19s.
36	Thirumagal Mills, Gudiyattam.	2s and 60s.
37	Jawahar Mills, Salem ..	18s, 20s, 22s, 50s and 60s.
38	Malabar Spinning and Weaving Mills.	10s, 20s, 24s, 26s and 3s.
39	Trichinopoly Mills	20s, 40s and 60s.
40	Rajapalayam Mills	20s.

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41	Loyal Textile Mills, Koilpatti.	2s, 6s, 28s and 38s.
42	Jayaram Mills, Rajapalayam.	
43	Shanmugar Mills, Rajapalayam.	20s.
44	Meenakshi Mills, Mathurai ..	20s, 28s and 36s.
45	Rajendra Mills, Salem ..	20s, 2/2s and 2/36s.
46	B. & C. Mills, Madras	2s, 4s, 6s, 10s, 13s, 14s, 15s, 12s, 11s, 16s, 19s, 22s, 26s, 28s, 36s, 40s, 42s and 60s.
47	Kothandram Mills, Mathurai.	23s and 25s.
48	Mahalakshmi Mills, Mathurai.	40s, 21s and 10s.
49	Rajah Mills, Mathurai	26s.
50	Ramachandra Mills, Pandalake.	20s.
51	Suryanarayana Mills, Pandalake.	20s.
52	Satyanarayana Mills, Rajahmundry.	20s.
53	Madura Mills, Mathurai	2s, 16s, 19s, 20s, 24s, 26s, 30s, 3s, 40s, 60s, 80s, 6.75s, 3s x 3/14s, 3s x 4/16s, 2s x 4/11.5s, 7s, 2/19s, 2/20s, 2/24s, 2/26s, 2/30s, 2/36s, 2/40s and 2/6s.
54	Madura Mills, Ambasamudram.	19s, 20s, 24s, 6s, 30s, 2/13s, 2/14s, 2/19s and 2/20s.
55	Madura Mills, Tuticorin	16s, 18s, 19s, 20s, 24s, 2/16s, 2/19s, 2/20s and 3/16s.
56	Pudukottai Mills Kanagavel	20s and 26s.
57	Theageswar Alai Mills	30s and 26s.
58	Alagappa Textiles, Cochin.	60s, 36s and 18s.
59	Alwaye Textiles, Alwaye	
60	A & D. Cotton Mills	
61	Sitaram Spinning and Weaving Mills.	
62	Mettur Industries	
63	Central Jail Factory	
64	Kasturi Mills	

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APPENDIX III.

[Vide answer to starred question No 73 asked by Sri V. Raghavaya at the meeting of the Legislative Assembly held on the 29th June 1949, page 616 supra.]

G.O. No. S/4651-9 48, Public, dated 2nd May 1949.

[Hyderabad State—Officers of Madras Government deputed for duty—Terms of deputation—Sanctioned.]

The terms of deputation of officers of the Madras Government to the Hyderabad State have been fixed as follows, in consultation with the Government of India, Ministry of States, New Delhi, and the Chief Civil Administrator, Hyderabad:—

(a) Deputation allowance—

- (i) Civil Administrators 25 per cent of pay plus special allowance of I.G. Rs. 200.
- (ii) District Superintendents of Police in the State. 25 per cent of pay plus special allowance of I.G. Rs. 100.
- (iii) Civil Surgeons 25 per cent of pay.
- (iv) Other Gazetted staff. 40 per cent of pay.
- (v) Non-gazetted staff 50 per cent of pay.

(b) Dearness allowance.—The deputed personnel will draw dearness allowance at Hyderabad State rates as shown in Annexure I to this order.

(c) House rent allowance.—Non-gazetted staff who are not provided with Government quarters will be eligible to draw house-rent allowance at the rates shown in Annexure II.

2. The other terms of deputation will be governed by the foreign service terms in the Fundamental Rules.

(By order of His Excellency the Governor)

K. RAMUNNI MENON,
Chief Secretary.

ANNEXURE I.

RATE OF DEARNESS ALLOWANCE PAID IN HYDERABAD STATE.

(a) Gazetted Officers.

Pay.	* Allowance.
Up to Rs. 500 per mensem ..	17½ per cent of pay.
From Rs. 501 to Rs. 1,200 per mensem.	15 per cent of pay.

N.B.—The maximum amount of the allowance should be limited to Rs. 150 as a salary of Rs. 1,200 subject to marginal adjustments up to Rs. 1,350.

* When cost of living index is 260.

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(b) Non-Gazetted Officers.

Pay.	* Allowance.
	RS.
Rs. 50 and below per mensem ..	15
Rs. 51 to 100 per mensem ..	25
Rs. 101 to 200 per mensem ..	35
Rs. 201 and above ..	17½ per cent.

* When cost of living index is 260.

ANNEXURE II.

RATE OF HOUSE RENT ALLOWANCE PAID IN HYDERABAD STATE.

For Non-gazetted officers only.

Pay.	Towns with population of not less than 25,000 and District Headquarters.	Hyderabad City.
	RS.	RS.
Rs. 55 and below per mensem ..	3	5
Rs. 56 to 100 per mensem ..	5	7
Rs. 101 to 200 per mensem ..	7	12
Rs. 201 to 300 per mensem ..	10	15
Above Rs. 300 per mensem ..	15	20

THE MADRAS LEGISLATIVE ASSEMBLY.

Friday, the 1st July 1949

The House met in the Assembly Chamber, Fort St. George, at eleven of the clock, Mr. Speaker (THE HON. SRI J. SIVA-SHANMUKHAM PILLAI) in the Chair.

I.—QUESTIONS AND ANSWERS.

STARRED QUESTIONS.

* 75 Q.—(Answered on 29th June 1949.)

MOHAMED ABDUL SALAM SAHIB BAHADUR:—" Will the Hon. the Minister for Industries kindly remember the promise given by his predecessor in this House that thirty-three and one-third per cent of the cloth will be given to the co-operative societies and the rest will be given to the trade channels, and tell us, why that promise has not been kept up by the present Minister."

THE HON. SRI C. PERUMALSAMI REDDI:—" I am not aware of it; I will examine and see if it can be reduced to thirty-three and one-third per cent. Now, fifty per cent of Mettur products is given to co-operative societies because that is available."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—" Sir, it is not a question of reduction. Of the quota of mill cloth for this Province, thirty-three and one-third per cent was promised to co-operatives. I am not asking about one mill. I find that less is given to co-operatives, and more is given to mills."

THE HON. SRI C. PERUMALSAMI REDDI:—" It is because, they are not able to lift the allotment given to them."

M. S. ABDUL MAJID SAHIB BAHADUR:—" Is it not a fact, Sir, that most of these co-operative societies have not taken delivery of mill cloth allotted to them from Binny's? "

THE HON. SRI C. PERUMALSAMI REDDI:—" It is only mill cloth from Baroda, Sholapur and Bombay. It is not Binny cloth."

SRI S. NAGAPPA:—" Sir, if it is a principle accepted by the House that thirty-three and one-third per cent should go to co-operatives and sixty-six and two-thirds to trade channels, may I know what made or prompted this Government to give only 11 per cent other mill cloth, and 27 per cent Binny cloth to co-operatives? "

THE HON. SRI C. PERUMALSAMI REDDI:—" It is because they do not want more cloth to be taken."

M. S. ABDUL MAJID SAHIB BAHADUR:—" When the co-operative societies are not able to take delivery of these goods is it not better to hand over the cloth to the normal trade channels? "

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THE HON. SRI C. PERUMALSAMI REDDI:—"Where it is not taken, it is given to trade channels."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"May I remind the Hon. Minister that these co-operatives have been selected more as a sort of check on trade channels, and that was the aim of introducing controls? May I ask, why the Government have not taken the opportunity of giving the thirty-three and one-third per cent to co-operatives?"

THE HON. SRI C. PERUMALSAMI REDDI:—"It is being done now. But when the co-operatives are not taking the Sholapur and Baroda cloth, all the thirty-three and one-third per cent are not given to them."

SRI M. S. PATTABHIRAMIAH:—"Is it not a fact, Sir, that co-operatives who have been allotted Mettur mill cloth are supplying the cloth efficiently, and that the cloth is being distributed more widely to genuine customers all over the Province?"

THE HON. SRI C. PERUMALSAMI REDDI:—"Yes, Sir."

MAHIN SCHAMNAD SAHIB BAHADUR:—"May I know whether the Government are aware that the dealers are not able to satisfy the demands of the people for Mettur cloth, and in that case, why no Mettur cloth is given . . ."

MR. SPEAKER:—"Please repeat your question."

MAHIN SCHAMNAD SAHIB BAHADUR:—"May I know whether the Government are aware that the dealers are not able to satisfy the demands of the people for Mettur cloth, and in that case, why more Mettur cloth is not allotted to the traders?"

THE HON. SRI C. PERUMALSAMI REDDI:—"After the imposition of controls, trade channels and co-operatives are given each fifty per cent of the Mettur cloth. That system is still continued."

MUHAMMAD RAZA KHAN SAHIB:—"May I ask, Sir, how long this spoon-feeding of giving controlled cloth to co-operative societies will be carried on, and is it not time enough to revise the policy of the Government and see that trade channels have their proper business?"

THE HON. SRI C. PERUMALSAMI REDDI:—"As long as there are controls, co-operatives also will be there."

SRI A. KALESWARA RAO:—"May I know whether the Government are aware that the producer-cum-consumer societies, whose share capital is lying idle, are too anxious to take up the sale of these controlled articles like cloth, and, if so, may I ask whether the Government will help them?"

THE HON. SRI C. PERUMALSAMI REDDI:—"The hon. Member may put a separate question."

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SRI S. NAGAPPA:—"As it is the declared policy of the Government to encourage co-operatives, may I know what has made this Government to deviate from the thirty-three and one-third per cent and adopt only 11 per cent and 27 per cent?"

THE HON. SRI C. PERUMALSAMI REDDI:—"Because the co-operative societies are not able to take all their allotments for want of finance."

MUHAMMAD RAZA KHAN SAHIB:—"Is it not a fact that while these co-operatives have all the advantages of selling controlled commodities, they do not contribute much either to the Provincial or Central revenues?"

THE HON. SRI C. PERUMALSAMI REDDI:—"They are only to act as a check on trade channels."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Arising out of the answer that these co-operatives could not lift their cloth from Ahmedabad and Bombay, is it not a fact, Sir, that at that time, the trade channels were not ready, the Government machinery was not ready, and the entire quota was thrust on the co-operatives?"

THE HON. SRI C. PERUMALSAMI REDDI:—"In the beginning, it was so: After three months, they did not take any quota."

M. S. ABDUL MAJID SAHIB BAHADUR:—"Is it not a fact, that procurement of cloth in Bombay through the Deputy Registrars of Co-operative Societies was defective, in that all unwanted cloth has been purchased, and, therefore, this Province is suffering for having to buy unwanted cloth in the market?"

THE HON. SRI C. PERUMALSAMI REDDI:—"If it is brought to the notice of the Government, an enquiry will be made."

Way-laying of a Police constable by Communists in Krishna district.

* 77 Q.—SRI S. NAGAPPA (on behalf of Sri V. Raghavayya): Will the Hon. the Premier be pleased to state—

(a) whether it is a fact that a constable of Morsumilli police station in Krishna district was way-laid on 30th May 1949 by Communists and if so, what his name is; and

(b) what steps have been taken by the Government to apprehend the culprits?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. Premier):—" (a) Sri I. Venkateswararao a constable attached to the Morsumilli police out-post was way-laid on 31st May 1949.

" (b) The police are conducting enquiries and taking steps to apprehend the culprits."

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Proposal for the construction of a channel from the Cauvery to irrigate lands in the Pudukottai State, etc.

* 78 Q.—SRI R. V. SWAMINATHAN: Will the Hon. the Minister for Public Works be pleased to state whether the Government have any proposal before them to put through an Irrigation Scheme which will take a channel from the Cauvery to provide water for irrigation purposes in the Pudukottai State and the taluks of Tirupattur, Sivaganga and Tiruvadanai of the Ramnad district?

THE HON. SRI M. BHAKTAVATSALAM:—“A scheme to supply water to a small area in Pudukottai from the Grand Anicut is being investigated. The question whether any water from the Cauvery can be made available for irrigation in Pudukottai and Ramnad district, is also being examined.”

SRI R. V. SWAMINATHAN:—“May I know whether the question of taking a channel from this area to facilitate irrigation in Tiruvadanai and Sivaganga taluks, is also being examined?”

THE HON. SRI M. BHAKTAVATSALAM:—“Some of the areas reported are not commandable. Then there is the question of availability of water. Subject to these, we are examining the question.”

SRI RAJA GURUNATHA CHETTIYAR:—“May I ask the Hon. Minister whether the Government are aware of the agitation of the public of Namakkal taluk for extending the proposed Mettur channel to Namakkal taluk?”

THE HON. SRI M. BHAKTAVATSALAM:—“We are aware of the request; but there is no water to be taken to Namakkal taluk.”

Publication in the Press of the report on “Electro-culture” by the Special Officer for Electro-culture.

* 79 Q.—ABDUL HAMEED KHAN SAHIB BAHADUR: Will the Hon. the Minister for Agriculture be pleased to state—

(a) whether the Government are aware of the Report with bold headlines that appeared in the issue of the ‘Mail’ dated Tuesday, June 21, 1949, on ‘Madras Experiment to increase paddy yield. Application of electro-culture’;

(b) if so, whether the report was published with the previous knowledge and consent of the Government; and

(c) whether the Special Electro-culture Officer of the Government had any instructions from or consulted the Government in the matter of the publication of such a report in the Press?

THE HON. SRI A. B. SHETTY:—“(a) The answer is in the affirmative.

“(b) The publication of the report was not authorized by the Government.

“(c) The Special Officer had no such instructions.”

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ABDUL HAMEED KHAN SAHIB:—“May I ask what action the Government propose to take against this officer for having acted without the permission of the Government?”

THE HON. SRI A. B. SHETTY:—“A warning has been given to him.”

ABDUL HAMEED KHAN SAHIB BAHADUR:—“May I ask, Sir, whether this warning will be sufficient and he will desist from carrying on this propaganda on behalf of his pet theories?”

THE HON. SRI A. B. SHETTY:—“It is considered sufficient for the present.”

Different classes of Practitioners in Indian Medicine.

[* 80 Q.—MR. SPEAKER:—“The hon. Member Sri S. Nagaraja Manigar is not in his place. The answer will be printed in the proceedings.”]

SRI S. NAGARAJA MANIGAR: Will the Hon. the Minister for Public Health be pleased to state—

(a) what are ‘A’ class and ‘B’ class Practitioners of Indian Medicine;

(b) how many ‘A’ class and ‘B’ class Practitioners are there in our Province at present; and

(c) what encouragement is being given to those practitioners by the Government?

THE HON. DR. T. S. S. RAJAN:—“(a) ‘A’ class Practitioners are those whose qualifications denote at least a minimum standard of professional training for undertaking medical, surgical (including obstetrical) and medico-legal work.

‘B’ class Practitioners are those whose qualifications denote at least a minimum standard of professional training for undertaking medical work only.

“(b) There are 1,125 ‘A’ class Practitioners and 11,859 ‘B’ class Practitioners.

“(c) ‘A’ class Practitioners are eligible for appointment in the Government College, School and Hospital of Indian Medicine, Madras, and the Research Department of Indian Medicine, Madras, and in institutions of Indian Medicine maintained by local bodies. Lady ‘A’ class Practitioners are appointed as Medical Officers of Maternity and Child Welfare Centres also. ‘B’ class Practitioners are appointed in dispensaries under local bodies, if ‘A’ class Practitioners are not available. ‘A’ class Practitioners in institutions maintained by local bodies are given the scale of pay of Rs. 80—5—150 as against the old scales of Rs. 40—3/2—70 and Rs. 45—5/2—85, while the pay of ‘B’ class Practitioners in such institutions has recently been raised from a fixed rate of Rs. 40 per mensem to a time-scale of Rs. 70—3—85—5—100. Registered L.I.Ms. have been authorized to issue medical certificates to patients examined and treated by them in respect of all diseases.”

[1st July 1949]

Ban on the cultivation of wheat in Kodaikanal and Palni Hills.

* 81 Q.—SRI R. V. SWAMINATHAN (on behalf of Sri K. P. Kamakshi Chettiyar): Will the Hon. the Minister for Agriculture be pleased to state—

(a) whether there is any ban on the cultivation of wheat in Kodaikanal and Palni Hills;

(b) if so, the reasons therefor; and

(c) under whose instructions such ban was imposed?

THE HON. SRI A. B. SHETTY:—“(a) The answer is in the affirmative. The ban is on the summer sowings of wheat and barley between the months of April and September and will be in force up to 31st September 1950.

“(b) & (c) The cultivation of wheat and barley is prohibited as a measure of wheat rust control. Wheat rust is a virus disease of plants which attacks wheat and barley and causes heavy damage to these crops year after year in India. It is considered that the infection of wheat rust is killed in the plains by the intense heat of summer but is carried on from season to season by self-sown and other wheat and barley cultivated in the hills during the summer and that the infection is blown into the plains from the hills by the prevailing winds causing wide spread attack of rust on the wheat crop.

In view of the heavy damage caused by the rust to the wheat crop, the Government of India requested this Government to ban the sowings of wheat and barley in summer for a period of three years from 1948. This Government accordingly enforced the ban as desired by the Government of India in exercise of the powers conferred on them by the Madras Agricultural Pests and Diseases Act, 1919.”

SRI R. V. SWAMINATHAN:—“When was the ban imposed, and how long will it last, Sir?”

THE HON. SRI A. B. SHETTY:—“It was imposed in 1948. It will last for three years.”

SRI M. S. PATTABHIRAMIAH:—“Sir, has the ban on the cultivation of wheat been imposed in other parts of this Province?”

THE HON. SRI A. B. SHETTY:—“It is imposed in the Nilgiris, some of the Ceded districts and Coimbatore.”

M. S. ABDUL MAJID SAHIB BAHADUR:—“May I know, Sir, from the Hon. Minister whether this policy is true to the sentiments expressed by Pandit Jawaharlal Nehru in his broadcast speech yesterday?”

THE HON. SRI A. B. SHETTY:—“I am not able to understand what exactly the hon. Member is asking.”

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SRI R. V. SWAMINATHAN:—“It may be true, Sir, that the wheat pest is prevalent in Northern India. I think the Government can still examine the question and see whether it is also prevalent in South India in places like the Nilgiris and Kodaikanal?”

THE HON. SRI A. B. SHETTY:—“Yes, Sir.”

SRI N. S. VARADACHARI:—“Is it not a fact that this ban is imposed on the ground that a small crop grown in those areas would vitally injure the crop grown in the rest of the country and that the food position in the rest of the country would be jeopardised?”

THE HON. SRI A. B. SHETTY:—“The hon. Member is correct.”

SRI R. V. SWAMINATHAN:—“Arising out of the answer of the Hon. Minister to clause (b), may I know, if they find that there is no danger of this kind of pest spreading, whether the Government will recommend to the Government of India to remove the ban and allow the ryots to cultivate wheat in those areas?”

THE HON. SRI A. B. SHETTY:—“It is considered necessary and therefore the ban is imposed.”

M. S. ABDUL MAJID SAHIB BAHADUR:—“The Hon. Minister has not replied to my question. I just asked him whether he has read the broadcast speech of Pandit Jawaharlal Nehru advising the people of this country to take to wheat diet because the Government of India is unable to allot any money on the import of rice from other countries and whether the ban that is being imposed is true to the sentiments thus expressed by the Prime Minister of this country.”

THE HON. SRI A. B. SHETTY:—“The ban is imposed in the interests of food production and wheat pest control is considered necessary to prevent the pest spreading and affecting the production of the wheat crop in other places.”

Harijan Welfare Department.

* 82 Q.—SRI K. T. KOSALRAM: Will the Hon. the Minister for Rural Development be pleased to state—

(a) whether the Harijan Welfare Department has commenced functioning;

(b) what the relationship between the Harijan Welfare Committee and the Department is; and

(c) when the Government expect the Department to function regularly in the districts?

THE HON. SRI B. PARAMESWARAN:—“(a) Yes.

“(b) The Harijan Welfare Committee is a Standing Committee constituted by Government to advise them on all matters connected with the Harijans. The Director of Harijan Welfare is a member of this Committee. The resolutions passed

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by the Committee are sent to Government, who examine them in consultation with the Head of the Department and pass orders. These orders are given effect to by the Department of Harijan Welfare. The Director can take the advice of any member of the Committee, whenever necessary, on any subject relating to the Harijan uplift.

"(c) The Harijan Welfare Department is functioning regularly in the districts. The work connected with the ameliorative measures is attended to by the concerned Collectors with the assistance of the staff appointed for the purpose."

SRI K. T. KOSALRAM:—"May I know from the Hon. the Minister for Rural Development whether he is satisfied with the present Director of Harijan Welfare?"

THE HON. SRI B. PARAMESWARAN:—"The Department has come into existence quite recently. Anyhow, with the action that is being taken by the Director, Government are fully satisfied."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Will the Hon. the Minister please tell us what are the things that are denoted by the terms 'Welfare' and 'Upliftment'?"

THE HON. SRI B. PARAMESWARAN:—"It is so easy that the hon. Member need not have put a question at all."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"May I know what the Government understand by these terms 'Welfare' and 'Upliftment'?"

THE HON. SRI B. PARAMESWARAN:—"What are considered to be the measures that may go towards the amelioration of the condition of the community are considered to be the work that is done for the welfare of the community."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"My question is what exactly is being done and not what will be done. I want to know under the headings 'Welfare' and 'Upliftment', what are all the various measures that are being undertaken?"

THE HON. SRI B. PARAMESWARAN:—"A separate question may be put."

SRI R. V. SWAMINATHAN:—"May I know whether it is a fact that under this Harijan Welfare Fund, a definite provision has been made for the backward communities and that a sum of Rs. 5 lakhs has been allotted for this purpose in the recent Budget?"

THE HON. SRI B. PARAMESWARAN:—"Yes, Sir."

SRI S. NAGAPPA:—"Arising out of the answer to clause (b), may I know whether the functions of the Director are only advisory or whether he has also executive powers?"

THE HON. SRI B. PARAMESWARAN:—"He has no executive powers."

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SRI S. NAGAPPA:—"As he happens to be the Chairman of the Council, may I know whether the whole council has only advisory value or whether it has any executive value also?"

THE HON. SRI B. PARAMESWARAN:—"It is an advisory council to the Chairman."

SRI R. V. SWAMINATHAN:—"May I know what happened to the proposal of the Hon. the Leader of the House and the Finance Minister to appoint a separate board for the backward communities?"

THE HON. SRI B. PARAMESWARAN:—"The matter is being considered."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"May I ask the Government why such committees and boards like the Harijan Welfare Committee are controlled and manned by non-Harijans instead of Harijans?"

THE HON. SRI B. PARAMESWARAN:—"That is not the policy of the Government."

SRI L. N. GOPALASWAMI:—"May I ask the Hon. Minister whether the Director of Harijan Welfare has been given sufficient establishment to carry on his work efficiently throughout the Province?"

THE HON. SRI B. PARAMESWARAN:—"It is being done."

M. S. ABDUL MAJID SAHIB BAHADUR:—"May I know the amount of money that has already been spent by this department out of the one crore of rupees assigned to this department, which has always been the talk of this Government?"

THE HON. SRI B. PARAMESWARAN:—"A separate question may be put."

SRI S. NAGAPPA:—"May I know whether it is a fact that in order to locate the offices, Government is paying Rs. 400 as house rent every month out of this one crore fund?"

THE HON. SRI B. PARAMESWARAN:—"A separate question may be put."

SRI K. T. KOSALRAM:—"Have the Government got any proposal to constitute a Backward Communities Welfare Committee in the interests of 157 such backward communities?"

THE HON. SRI B. PARAMESWARAN:—"I just now said that the matter is being considered."

SRI D. V. RAMASWAMI:—"May I know whether the Director of Harijan Welfare has programmed to tour mafassal headquarters also? If so, may I know whether the Hon. Minister would give him advice with regard to chalking out such a programme?"

THE HON. SRI B. PARAMESWARAN:—"The Minister need not give him any advice. He has got discretion to chalk out his own programme."

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MOHAMED ABDUL SALAM SAHIB BAHADUR:—"In view of the fact that non-Harijans are responsible for the deplorable condition of the Harijans in this Province, is it proper on the part of the Government to take particularly non-Harijans in these Welfare Committees?"

THE HON. SRI B. PARAMESWARAN:—"I do not accept the premises of the hon. Member."

SRI D. V. RAMASWAMI:—"May I know what are the districts which the Director of Harijan Welfare has toured so far since the date of his appointment?"

THE HON. SRI B. PARAMESWARAN:—"He has toured one or two districts. A separate question may be put."

SRI S. NAGAPPA:—"Arising out of the answer to clause (b), namely, that these committees are functioning regularly, may I know from the Hon. Minister what are the powers of these committees and whether recommending candidates for suitable appointments also forms part of the functions of these committees?"

THE HON. SRI B. PARAMESWARAN:—"Just as in the centre, even in the districts, these committees are only advisory committees."

SRI S. NAGAPPA:—"In view of the fact that these committees are advisory and very rarely their advice is taken, will the Government consider enlarging the Department and giving them regular and definite powers in order to see that the department does some good work in the upliftment of Harijans?"

THE HON. SRI B. PARAMESWARAN:—"They can only advise the Government."

SRI S. NAGAPPA:—"Is there any guarantee that their advice will be accepted?"

THE HON. SRI B. PARAMESWARAN:—"Because it is an advisory committee, the Government cannot give any guarantee that the advice given by the Committee will be accepted."

SRI S. NAGAPPA:—"Arising out of the answer that these committees are advisory, may I ask the Government whether they will consider the desirability of making these committees executive committees and not merely advisory committees?"

THE HON. SRI B. PARAMESWARAN:—"No, Sir."

SRI S. NAGAPPA:—"Why, Sir?" (Laughter.)

UNSTARRED QUESTIONS.

Development of the Ananthagiri and Araku valley.

4 Q.—SRI G. SANYASI RAO: Will the Hon. the Minister for Land Revenue be pleased to state whether there is any proposal before the Government to develop the Ananthagiri and Araku valley for increasing the potato plantation?

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A.—The Government sanctioned a scheme for Land Development and potato cultivation in Araku valley in August 1944. The immediate aim of the scheme was the cultivation of potatoes and English vegetables for supply to the Army during the war. With the cessation of the war the scheme was switched over to the development of the area and, in furtherance of the Grow More Food Campaign it is proposed to maximize food production in this area. As a step in this direction an irrigation scheme called the Jilda Vagu Scheme estimated to cost about Rs. 66,520 has been sanctioned for providing irrigation facilities to the lands in the area."

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

II.—HALF-AN-HOUR DEBATE RE HARIJAN WELFARE.

SRI S. NAGAPPA:—"Mr. Speaker, Sir, I would like to have an half an hour debate on this. The Congress Government has been functioning for the last three years and nothing tangible has been done to the Harijans. So, I would request the Hon. Speaker to allow an half an hour debate on this question."

MR. SPEAKER:—"An half-hour debate on this subject is allowed."

III.—MESSAGE FROM COUNCIL.

MR. SPEAKER:—"I have to announce to the House the following message received from the Hon. the President of the Madras Legislative Council, dated 30th June 1949:—

"I transmit a copy of the following motion passed to-day by the Madras Legislative Council concurring with the Madras Legislative Assembly in setting up a Joint Select Committee of both the Chambers to consider the Madras Village Panchayats Bill, 1949 (L.A. Bill No. 22 of 1949):—

"That this House concurs in setting up a Joint Select Committee of the two Houses consisting of 30 Members (20 members from the Assembly and 10 members from the Council) to consider the Madras Village Panchayats Bill, 1949 (L.A. Bill No. 22 of 1949) and that the following members of this House be nominated to the said Joint Select Committee:—

- (1) The Hon. Sri K. Madhava Menon.
- (2) Sri N. Ranga Reddi.
- (3) Sri K. Manathunainatha Desigar.
- (4) Sri S. B. Adityan.
- (5) Sri N. Venkatachalamaji.
- (6) Sri N. Sankara Reddi.
- (7) Sri K. Venkataswami Nayudu.
- (8) Sri B. Narayanaswami Nayudu.
- (9) Mr. H. M. Jagannatham.
- (10) Dr. Syed Tajuddin."

[1st July 1949]

IV.—STATEMENT BY THE HON. FINANCE MINISTER *re* TOBACCO TAX AND INCREASED CONTRIBUTION BY THE CENTRAL GOVERNMENT.

THE HON. SRI B. GOPALA REDDI:—“ Sir, before we proceed with the business of the day, I wish to make a statement with regard to the income from the tobacco tax which we are going to receive from the Government of India.

“ While introducing the Budget for 1949–50 I referred to the compensation of Rs. 22 lakhs paid by the Government of India for suspension of Provincial taxation on wholesale trade in tobacco and stated that the Government were addressing the Government of India for revision of the arrangement under which this compensation is being paid. I am glad to say that the matter has been satisfactorily settled and that the Government of India have agreed to increase the compensation payable to this Government.

“ The Madras Tobacco (Taxation of Sales and Licensing) Act, 1939, which came into force on 1st August 1939 provided for the licensing of all transactions in tobacco (manufactured and unmanufactured) and the levy of a tax on the wholesale and retail sale of manufactured tobacco. In addition, transactions in unmanufactured tobacco were subject to taxation under the provisions of the Madras General Sales Tax Act which came into force on 1st October 1939. In 1944, at the request of the Government of India, this Government entered into an arrangement with the Government of India for the withdrawal of and abstention from all kinds of provincial taxation on tobacco, for the payment by the Government of India of a sum of Rs. 22 lakhs per annum as compensation for the loss of provincial revenues. This amount was fixed on the basis of the average revenue derived by the Provincial Government during the three years 1940–41 to 1942–43 under the various measures of tobacco taxation.

“ To give effect to the arrangement referred to above, the Madras Tobacco Taxation of Sales and Licensing (Repeal) and General Sales Tax (Amendment) Act, 1944—Act XII of 1944—was passed under the Section 93 regime, by which the Madras Tobacco (Taxation of Sales and Licensing) Act was repealed and unmanufactured tobacco was excluded from the scope of the Madras General Sales Tax Act. When this Act was re-enacted by the Provincial Legislature in 1948 (Act IV of 1948), a provision (Section 3) was added whereby the Provincial Government may at any time cancel the suspension of the Madras Tobacco (Taxation of Sales and Licensing) Act, 1939, and revive its operation.

“ As one of the measures to augment the revenues of this Province, this Government considered that the Provincial taxation on tobacco should be revived as it would yield a substantial revenue under existing conditions. The Government of India were accordingly informed that this Government propose to exercise the power conferred by Section 3 of Act IV of 1948 and to revive the Provincial taxes on tobacco. The Government of India, however, pointed out various objections to the Provincial taxation being revived in addition to the Excise duties levied by the Central Government

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This Government while appreciating the point of view of the Government of India pointed out, how the compensation amount fixed in 1944 was hopelessly inadequate.

“ The Government of India then wanted that an officer of this Government should be deputed for discussing the preliminary details of our proposals with the officials of the Government of India. Mr. T. N. S. Raghavan, the Finance Secretary, was deputed for the discussion which took place at New Delhi on the 13th and 14th June. As a result of the discussion, the Government of India have now intimated that they are prepared to agree to the compensation payable to this Government being increased to Rs. 56 lakhs per annum from 1949–50—the new rate of compensation to be in force for 10 years unless meanwhile there are any over-riding changes in the distribution of revenues between the Provinces and the Centre under the new Constitution or the powers of Provinces to levy sales tax on exports outside the Province and curtailed.

“ I am grateful to the Government of India for the sympathy and consideration with which they have viewed our claims for increased compensation. I also take this opportunity of expressing my appreciation of the able way in which Mr. Raghavan convinced the Officials of the Government of India of the size of the increased revenue which this Province would now derive if they had retained their powers of taxing tobacco. From Rs. 22 lakhs, it has now been increased to Rs. 56 lakhs.”

V.—THE MADRAS VILLAGE PANCHAYATS BILL,
1949 (L.A. BILL NO. 22 OF 1949).

THE HON. SRI K. CHANDRAMOULI:—“ Sir, I move that— 11.30 a.m.
the following 20 members of this House be nominated to the Joint Select Committee appointed to consider the Madras Village Panchayats Bill, 1949 (L.A. Bill No. 22 of 1949):—

The Hon. Sri K. Chandramouli.
The Hon. Sri M. Bhaktavatsalam.
Sri V. I. Muniswami Pillay.
Sri Rokkam Ramamurthi.
Sri A. Kaleswara Rao.
Sri Kallur Subba Rao.
Sri K. Subramaniam.
Mr. L. C. Pais.
Sri M. Bapineedu.
Sri Rajagurunatha Chettiyar.
Sri K. Shanmugam.
Sri K. Rajaram Nayudu.
Sri D. Durairaja Pandiyan.
Sri R. V. Swaminathan.

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Sri K. Brahmanandam Reddi.
P. K. Moideen Kutty Sahib Bahadur.
Mahboob Ali Baig Sahib Bahadur.
K. M. Seethi Sahib Bahadur.
Mohamed Abdul Salam Sahib Bahadur.
Abdul Hameed Khan Sahib Bahadur.' "

MR. SPEAKER:—" Motion moved—

' that the following 20 members of this House be nominated to the Joint Select Committee appointed to consider the Madras Village Panchayats Bill, 1949:—

The Hon. Sri K. Chandramouli.
The Hon. Sri M. Bhaktavatsalam.
Sri V. I. Muniswami Pillay.
Sri Rokkam Ramamurthi.
Sri A. Kaleswara Rao.
Sri Kallur Subba Rao.
Sri K. Subbramaniam.
Mr. L. C. Pais.
Sri M. Bapineedu.
Sri Rajagurunatha Chettiyar.
Sri K. Shanmugam.
Sri K. Rajaram Nayudu.
Sri D. Durairaja Pandiyan.
Sri R. V. Swaminathan.
Sri K. Brahmanandam Reddi.
P. K. Moideen Kutty Sahib Bahadur.
Mahboob Ali Baig Sahib Bahadur.
K. M. Seethi Sahib Bahadur.
Mohamed Abdul Salam Sahib Bahadur.
Abdul Hameed Khan Sahib Bahadur.' "

The motion was carried.

VI.—THE MADRAS ADVERTISEMENTS TAX BILL, 1949.

THE HON. SRI B. GOPALA REDDI:—" Sir, I beg to introduce the Madras Advertisements Tax Bill, 1949, and move—

' that the Bill be referred to a Select Committee.'

" Sir, we have already had a number of taxation measures and this is the last of the series. We have already passed three Bills and this the fourth will be referred to a Select Committee now. It will not be passed in this session; it will be taken up in the September session. I am sure that the usual arguments that every taxation will hit the poor man cannot be adduced in regard to this Bill. Of course poor newspapers will figure rather prominently,

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but the poor man will be saved from being dragged into the discussion of this Bill. After all we have taxed only cinema shows, coffee hotels, motorcar owners and bus operators and imposed a half-pie tax on cotton which will be paid by the textile mills. In fact all these are not there in any missionary or red-cross spirit as it were; they are operating to make money and possibly they are making money and they are also declaring dividends if there are any shareholders. When they are run in a commercial spirit, it is but right that the Government should take a moiety of their income to replenish their own resources, because the requirements of the Province are many and we do want many more crores of rupees in order to cater to the needs of the people.

" When I introduced the Bill I know the opposition it has evoked in the press, because it is directly hit by this Bill. The other Bills did not hit the press, but they were generally in sympathy with the people affected, because they knew that they were also to be affected very soon by this advertisements Bill. This Bill has roused a sort of All-India criticism. They have recently met in Bombay and passed a lengthy resolution. I will refer to it later on. The press has been agitating against the levy of this advertisements tax and they have taken the question to higher quarters also. But my plea with them is that there must be equality of sacrifice and that the newspaper industry must bear its share in contributing taxes to the Provincial Government. They must also help the Government in undertaking many of the ameliorative measures which have been pending for a long time, and which must be taken up by this Government ere long. I know, Sir, that the newspapers are paying sales-tax and that a sum of Rs. 1,77,000 is being paid by the newspapers not only in the City but also in the districts. To be exact, the total amount realized was Rs. 1,76,878-8-7. I do not know how the pies have come in here. I ask, Sir, whether the paltry sum of Rs. 1,76,000 is the only amount which the newspapers—the language papers and the English papers put together—can pay. Rs. 1,76,000 is nothing when compared with the taxes paid by the other people and is not much of a burden on them. Even coffee hotels paid Rs. 22 lakhs.

" Hon. Members are aware that from 1939 till January 1948 newspapers were paying sales tax at two points—at the head office and by the news agent if his gross turnover was more than Rs. 10,000 a year. If the sales agent at Mathurai, Coimbatore or Vijayavada was having a turnover of more than Rs. 10,000 he was also subject to sales tax. The tax at two points amounted to 2 pies previously. When the tax was raised to 3 pies, representations were made to the Government both on the floor of the House and in the Select Committee that the newspapers could not bear the burden of this two-points tax. We appreciated their difficulty and exempted the sales agents in the districts from paying sales tax. Newspapers were paying tax at only one point, at the head office. That was the concession shown in 1947. But for that we would have been getting much more to-day. They are paying a tax at 3 pies at a single point. That is the general rate for all goods. Sir, when we are levying a tax on theatres, textile mills,

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coffee hotels, buses and lorries, is it not right that the Government should also include some of these advertisements not only in newspapers but in cinemas, placards, handbills and so on so that we may get some revenue from them? This question has been engaging the attention of the Government for a long time. When the sales tax was introduced in 1939, this tax was considered, but it was deferred because it was thought that the sales tax should be exploited first, before we thought of other taxes. It was right that this source of taxation on advertisements should be exploited by the Provincial Government. On another occasion I read out the entire list of Provincial taxes. There is not much elbow-room for the Provincial Government to expand their financial resources. This is one of the subjects which is deliberately given to the Provinces to exploit and it is but right that the Provincial Government should exploit and explore the possibilities of this tax also. Tax on advertisements includes advertisements in newspapers also and this source was deliberately given to the Provinces. A series of conferences and commissions which went into the Constitution Act of 1935 have given this source of revenue to the Provinces and it is but right that at this distance of time, after 14 years, we should explore this source of taxation also. There is nothing wrong if we try to get some little money. I do not know the exact figure, because I am unable to say how it will emerge out of the Select Committee. I shall not venture to give any approximate estimate of revenue under this head. Whatever it is, since it is one of the few items assigned to the Provinces, it is but right that this Province should explore this tax. There should be equality of sacrifice from all parties concerned and all interests concerned. All the newspapers which are carrying advertisements must also contribute something to the Provincial exchequer. After all, they are not advertisements; they are only selling their space just like others sell their goods—motor spirits, entertainment tickets and so on. So this is a similar taxation measure and this taxation source also must be properly utilized. With this view a Special Officer was appointed to go into the question in 1947, long before perhaps the Bombay Government thought of it. We appointed a Deputy Commissioner of Commercial Taxes to go into the question and report to the Government whether and how we can explore this taxation. He submitted his report some time at the end of 1947 or the beginning of 1948. We were thinking about it and it has taken this shape finally and it is being introduced today. This was in a way discussed in the Press Advisory Committee which met in February 1949. From time to time, the press also knew that the advertisements tax was taking shape and that very soon it will be introduced in the Assembly. When the Press Advisory Committee met in February 1949, this was one of the items discussed. Objection was then taken to the levy of sales tax on newspapers according to their circulation, and it was stated that the newspapers would be able to give better service to the readers if the sales tax was waived. When the advertisements tax was under consideration, it was represented to us even at the meeting in February 1949 that we may safely levy

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an advertisement tax and get more money and release the newspapers from the operation of the Sales Tax Act. They will be given a rebate of Rs. 1,76,000, and in view of that, they may give public service to their own subscribers, and if an advertisements tax is levied, possibly like the sales tax it will be passed on to the advertiser and the Government also will be able to realize more money and free the newspapers from the sales tax. In February a definite suggestion was made to the Government that we might take up the advertisements tax instead of the sales tax, and it was engaging the attention of the Government.

"I mentioned in the Budget speech that we were actually contemplating as one of the measures this advertisements tax also, because, as I said, this is one of the items which I mentioned in the Budget speech—a tax on advertisements and crossword puzzles. When I mentioned in February 1949, there was not much of opposition to the advertisements tax and all our press editors and managers, the powers that be, were concentrating on getting a relief from the sales tax and they did not mind the advertisements tax at all. So, it was a question whether we should waive the sales tax on newspapers and in lieu of it impose the advertisements tax which they could pass on to the consumers, namely, advertisers, and the newspapers will not be hit directly while in the case of the sales tax they could not pass it on to the subscribers. Whether the sales tax is 2 pies or 3 pies in the rupee, all newspapers, The Hindu, The Mail, The Indian Express and others, cannot pass it on to the subscribers and they will have to pay it out of the margin of profit. The issue was entirely a matter between sales tax and advertisements tax and the editors then in February and March and perhaps till April were all in favour of the advertisements tax provided we gave relief under the sales tax. I could not give them any assurance even when they met me whether I would give the relief wanted under the sales tax because I did not know what final shape it was going to take in the Select Committee and what revenue we were likely to get under this new proposed Bill. So, I thought a bird in the hand is worth two in the bush, and I should not easily give up the sales tax under which we were getting a lakh and 76 thousand. So, I could not give them any assurance. But I assured them that the matter would be taken up as soon as the Advertisements Tax Bill emerged out of the Select Committee and passed through the Legislature. That was the assurance which I gave to the editors when they met me some time in April or so and they did not raise much of objection to the proposed advertisements tax even then. Suddenly—I do not know what happened—the press shifted its ground and changed its front and they began attacking the advertisements tax also. I thought their original objection was against the sales tax, but all of a sudden they changed ground and began attacking the advertisements tax itself because they discovered that after all an advertiser had a limited amount at his disposal. Even if it is passed on, the advertiser won't pay much more than what was provided in his own budget and ultimately the newspapers would have to pay it out of their own revenues and could not easily pass it on to the

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consumer or the advertiser. Somehow—I do not know how—some quick change took place in the attitude of the press and they began attacking the advertisements tax as well as the sales tax. But, having been accustomed to pay sales tax for well nigh ten years, especially in Madras, from 1939 to 1948, at 2 points and subsequent to 1948 at one point, I thought they could not have it both ways. The previous attitude of the press was perhaps, I thought, correct, namely, if you are going to levy the advertisement tax, you give us relief under the sales tax. That was a reasonable proposition, I thought. But in their later attitude they began attacking both the taxes because they thought that they were going to be hit directly and they could not possibly pass them on to the consumer or the advertiser.

“The objection of the press to advertisements tax or even the sales tax is on two main grounds. The first is that it is unprecedented, that nowhere else in India or in the world newspapers are subject to sales tax and that the Madras Government should not think of levying it when they have no precedent in taxation in any other country. The second is that it is a tax on knowledge and knowledge should not be taxed. These are the two main grounds on which the newspapers and their Associations have taken it up and are protesting against the levy of this tax. With regard to the first that it is unprecedented and that it does not find a place in any of the other countries, the difficulties with which we are confronted are also not facing any other country. We have our own peculiar problems, peculiar conditions and our financial resources are also very limited. There being a sort of Federal Government, the Provincial Governments have only very limited resources and the bigger companies, the bigger incomes and the bigger magnates could not be taxed by the Provincial Government because what is due to them is a very limited sphere while their responsibilities are numerous and very heavy because elementary education, health, communications, etc., are a charge on the Provincial revenues. So, it is a very difficult situation. It is no use comparing ourselves to countries such as the United States or Canada or other places. It may be that newspapers are exempt from all taxation in other countries, but here we cannot afford to do that and perforce we have to think of getting some little money also from this source. So, the question of unprecedentedness does not arise. It need not be the case that because a thing finds a place in the Canadian Constitution we should have it and because a thing does not find a place in that Constitution, we should not have it. In some matter we also should lead and if we are leading, we should not regret our leadership in this matter. Of course, Bombay has stolen a march over us by a few weeks. So, the question that it is not being taxed elsewhere need not deter us from taxing advertisements either in newspapers or in cinema shows.

“The second objection is that it is a tax on knowledge. Yes, Sir, it is a very good slogan indeed that knowledge should not be taxed. But unfortunately in Madras knowledge is being taxed even now. Even without the advertisements tax, knowledge is being taxed from 1939 onwards. Entertainment, text-books,

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stationery and all things are being subjected to sales tax at several points (not only at one point) and all of them go to make up your knowledge. In some Provinces I know text-books are not taxed. But in Madras we thought about it and said that the text-books also should be taxed and that there should be no exemption for text-books, school-boys' note-books, slate pencils or articles like them. They are all articles which go to make up your knowledge and we are already levying a tax on knowledge. Besides in our country we are also levying tuition fees. When I went to Ceylon, I found there to my great astonishment and surprise and to my delight also that at no stage in the scholastic career of a student is any tuition fee collected from him, from the infant standard right up to the degree course or the post-graduate course. There is no fee for any student whether he hails from the Harijan community or a backward or forward community. But here in Madras we have been collecting tuition fees from the boys; the fees have been enhanced recently. The fee has gone up higher in private schools and in convent schools it is still very prohibitive. So, knowledge is being taxed even now and if you levy a sales tax or advertisements tax on newspapers, we are not going to offend any principle because we have been offending that principle for a long time. So, a tax on knowledge is not an argument which will muster strength in our country.

“Sir, when we want to impose this tax and when the newspapers are called upon to make this little sacrifice, it does not mean that we want to alienate their sympathies. It is certainly not our intention to do anything to widen the gulf, if there is any, between the Government or the people and the press. Certainly we realize the immense possibilities of the weapon of propaganda through the press and we are also alive to the seriousness of the problem if the press were to non-co-operate with the Government or with their activities. We realize their services rendered in the past, and in our freedom struggle also the press were by the side of the nationalist organizations and we cannot easily forget the invaluable services they have rendered to our cause. (Abdul Salam Sahib Bahadur: ‘Hear, hear.’) We do want them to champion the cause of the poor people in days to come and we want the press to play a nobler role in days to come because difficult times are ahead of us. The nascent democracy is just now beginning to function. Adult franchise is being introduced for the first time and when so many unknown factors are coming into operation, it is but right that the press should also play a very intelligent part and rouse the consciousness of the people with regard to the correct policies and ideologies of the various parties that come into the arena. So, it is not at all our intention to do anything which would alienate their sympathies. But it is also right that I should appeal to them, though it may be a very humble appeal, that the newspapers also should come into the common pool of sacrifice and contribute their own small quota for the Provincial finances because the problems that are awaiting Provincial administrations are huge and immense, as I said. But unfortunately the newspapers for once took a minatory attitude instead of the usual sober criticism of

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any proposal under consideration. They went a little out of the way and they began passing resolutions threatening a sort of non-co-operation. Sir, the Madras Regional Committee of the Indian and Eastern Newspapers Society which met at Kasturi Buildings on the 6th or 5th of June passed a big resolution and the operative portion of it is like this:—

'If the Government give no indication of their desire to co-operate on the lines suggested above, the Central Committee may be compelled to take decisions which will result in a change of attitude hitherto adopted in the matter of publicity now freely made available to Ministers of Government and Members of the Legislature.'

12 noon. "Sir, this is a very unfortunate resolution. According to me there was no need for this resolution at all for the Editors were meeting some of us and we were also assuring them that relief from Sales Tax will be given when the Advertisement Bill takes a final shape and all the rigours of this new Bill also will be softened in the Select Committee stage and no newspaper need be under any apprehension that it will sit very heavily on them and also if any newspaper or a new newspaper or a struggling newspaper cannot bear this taxation, we shall also see that some of them are exempted from this taxation. All those assurances were being given but suddenly after their meeting in Bangalore, Madras and later in Bombay they took up this sort of non-co-operative attitude. In substance, it means, 'if you dare proceed with this Advertisement Bill and if the Members of this House also approve it, then we shall not give any publicity to whatever you do and that publicity now being given to you freely will be denied to you hereafter.' Sir, as I said, it came as a great surprise to me immediately after seeing this statement for we did not do anything to offend what we have stated previously and our assurances given to them were not violated and we on our part did not do anything to deserve this attitude from the Press. These resolutions made matters more difficult. Representations, discussions and round table conferences could easily settle many a knotty problem but if each side takes up a threatening attitude, matters become more delicate and complicated and chances of compromise become very remote. From that point of view, I thought that this attitude of the Press taken up at Madras and also reiterated at Bombay have made matters a little difficult but even then I may assure the Press that the Select Committee will certainly go into that aspect of the question and we will see that all the struggling newspapers are given real and solid relief and they are not affected in any manner by the Advertisements Tax. Even now, only a few newspapers are paying sales tax. I think about 20 newspapers are paying this sales tax. Most of the weeklies and monthlies are not paying any sales tax at all.

"Sir, there are many matters which have to be settled by the Select Committee. As the Bill stands, there is no exemption at all but after our discussion with various friends, we thought it advisable that a certain limit might have to be provided below which

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exemption would have to be granted as in the case of sales tax. The first Rs. 10,000 is exempted from the sales tax. In the case of newspapers we will have to fix up certain standard for exemption from this tax for there are dailies, weeklies and monthlies. And whatever is obtained by the Press or by the cinema theatres beyond that exempted limit, will be subject to this Advertisement tax. Whether it would be 10 per cent as is envisaged in the Bill or 6½ per cent as in the Bombay Bill or whether it should be more or less, is also a detailed matter which the Select Committee can usefully go into.

"Sir, there are several other matters relating to licensing, weekly returns, etc., and it may be very hard for the newspapers to submit them. Those matters also can be thrashed out in the Select Committee stage. So, the principle of the Bill may be accepted now and all the details including the rate of tax, the exemption stage and what should be the exemption stage for a weekly, monthly, daily—there are two kinds of daily, one is the six-day daily and the other is the seven-day daily—and group of newspapers. Sir, some newspapers are run in Madras and some are run in Bombay and other places and if they have collected a consolidated sum, as advertisement tax, what should be the proportion of the tax to be paid by each newspapers? These are all matters which can be settled in the Select Committee.

"Sir, provincial matters must be settled provincially and if they are merely taken to Delhi and other higher quarters, things become more complicated and it will be difficult for us to act on our own initiative. We have our leaders and we have great regard for their advice and we adore and respect them. If they are being troubled with provincial matters, our initiative will be crippled and we cannot take decision on our own. Therefore, provincial matters must be settled provincially without constantly making pilgrimages to Delhi and other higher quarters.

"Sir, there are several matters which have to be gone into by the Select Committee and I am sure when it emerges from the Select Committee, much of the objections of the newspapers would not be there and newspapers also will be willing to share their burden of sacrifice and would not grudge paying this moiety to the provincial finances. Once again I appeal to the Press to view it a little liberally and not to take it as a personal affront to them because as I said in the beginning, it is not our intention to alienate anybody's sympathies and especially we cannot afford to alienate the sympathies of the Press. I commend this Bill and move that it be referred to a Select Committee."

MR. SPEAKER:—"Motion moved—

'That the Madras Advertisements Tax Bill, 1949, be referred to a Select Committee.'

MUHAMMAD RAZA KHAN SAHIB:—"May I know, how many hours are allotted for discussion on this Bill?"

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MR. SPEAKER:—"We shall try to finish it by to-day itself. If it is not finished to-day, we shall continue the discussion tomorrow also."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Mr. Speaker, Sir, we have heard a very long speech from the Hon. Minister for Finance on this Bill. There is a remarkable and appreciable difference between this and the other speeches which he delivered on the various taxation Bills. Speaking on this Bill, he took up an attitude of appeal to the tax-payer rather than compelling him to pay this tax. He realises that the Press is a force to be reckoned with in the country and he could not easily hit the Press and yet expect consideration at their hands. He has explained the various considerations that prompted the Government to levy this tax. He has told the Press that he has almost decided to exempt newspapers from sales tax in case this Advertisement Tax is levied on them (interruption). I believe, he has not finally decided but he is still considering the matter. Of course, this question has to be considered by the Cabinet as a whole.

"Sir, the Press has been demanding relief so far as the sales tax is concerned, and that should have been given. But Government have given only a certain concession by which sales tax will be levied on newspapers at one point. Now, over and above that sales tax, there comes a bolt from the blue—the Advertisement Tax.

"Sir, my hon. Friend the Minister for Finance has asked this House to accept the principle of this tax and then to leave all the details to the Select Committee to consider and decide. He has also in a way told us that he may be agreeable to reduce the tax from 10 per cent to 6½ per cent. Having had some experience of his policy on rates of taxation—in the first instance he levies a higher rate of tax and then he reduces it in the Select Committee—I can perhaps foresee the tax being brought down to 5 per cent. Perhaps that may be in his mind. The Hon. Minister for Finance has asked this House to concede the principle but I do not think that the principle is right. The principle of taxing a newspaper in any manner is certainly wrong. I say so on account of the fact that the newspaper is not a business concern as any other business concern is. It is not a concern where certain articles or commodities are sold and sales tax is levied. This is a different class of business altogether and to bring newspapers in the category of business where sales tax is levied is, in my opinion, not correct and proper.

"Sir, no newspaper can exist without advertisement revenue. Anybody who has knowledge of the working of the Press, knows that they have to meet the cost of the paper used, printing ink and other articles and they have also to pay for their staff and all these cost them a good deal. If a newspaper containing six or eight pages is sold for an anna or two annas, it only goes to meet the cost of production and if there is no advertisement, then the managers of newspapers would be put to a very heavy loss. The

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mainstay of a newspaper is the advertisement revenue. No newspaper of the type of 'The Hindu' or 'The Mail' or for that matter any daily or even weekly—can get on without the advertisement revenue. That is a wrong impression in the mind of the Hon. Minister for Finance that newspapers are making fabulous amounts of money from advertisement; it is true that they charge various rates for various advertisements and one newspaper does not get the same revenue as the other and it varies from one paper to another and the paper which gets the highest revenue from this source is not in a position to pay the tax. That being the position, my Hon. Friend the Hon. Minister for Finance has appealed to them to co-operate with the Government and to help them by sharing the burden of taxation along with others.

"In this connexion, I would like to submit that it is not as if the newspapers are not showing any consideration to the Government and it is not as if they are not paying tax in one shape or another and it is not as if the newspapers have not done what the Government would have to do by spending lakhs and lakhs of rupees. If they wanted to have an agency to give publicity of what they do and do not do, they would have to depend not only upon the 'Madras Information' which is a very poor means of publicity but they would have to run a number of papers of the size of the Hindu, the Mail in order to get the publicity they are now getting free. It is not as if the newspapers are not contributing anything to the Government and it is a fact that they are contributing a good deal to Government in the shape of free publicity and freeing the Government of the extraordinary cost that they would have to incur if they had to bring into existence another newspaper at a very heavy cost. That is the service rendered by them to the Government. So far as advertisement is concerned, the businessman also advertises in papers and it is done in such papers as command a sufficiently large circulation so that they could get through their wares by popularising them. The tax on advertisement will not only hit the newspaper-proprietors and managers but it will also hit the businessmen. If the management of the newspapers are not in a position to pay the tax directly themselves, they will have no other alternative but to transfer it to the advertiser in some shape or form and if he pays, he to that extent has to recover the money from the consumer of his goods.

"My hon. Friend said that the poor man who is always brought into play whenever the question of taxation comes up, will not come here. It does not need ingenuity to find out this poor man even with regard to this tax; he is there; it is not as if he is trotted out where he does not exist; he is there; he is fully there. It is not only the consumer of the articles advertised that will suffer in the long run but also the poor wage-earner in the press because if the management lose their legitimate revenue to the extent of the tax, they will have necessarily to cut the wages of the employees, the salaries of the employees and they will have

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to give up all the improvements which go to enhance the get-up of the paper, which is necessary in a great country like ours. All the newspapers are not of one standard and most papers are not in a position to improve their get-up as they cannot afford it; improved machinery for printing, display and other things mean much capital and investment. And now over and above all these difficulties, if this tax is also to be levied, not to speak about effecting any improvements in the get-up, by way of using better paper, better ink, better machinery, by way of employing higher qualified and better editors, superintendents, costly machinery in order to see that the latest news is given, they would have to have recourse to economy in space and money and they cannot afford to give up-to-date news and the latest news and publish the speeches of my Hon. Friend the Minister for Finance. My Hon. Friend, the Public Works Minister, says that the speeches of Members of the Legislative Assembly are also included in it. Let me say, Sir, that we are not certainly very anxious to see our speeches reported fully, which is very rarely done and we are not at all sorry. We are glad that the speeches of the Government Members are reported more fully because the people must know what the Government thinks and what they intend to do; it is not enough if we hear them but the people outside must know it and it is a very necessary publicity. We are certainly not sorry that all their speeches are published and on the contrary, we must pause to consider how much cost it would mean for the papers to publish all these speeches by giving so much space in their papers as has been done hitherto. It must be understood that it is a very costly affair and it means so much of saving had the Government attempted to do anything of the kind even on a more modest scale.

"My Hon. Friend characterised as recalcitrant the resolutions adopted by the newspaper men concerning this tax. Anybody who is affected by the tax will certainly try to explain the position and give his own reaction to its imposition and why should the newspaper men be denied that legitimate right of expressing their point of view on this question in the way in which they have done? My Hon. Friend the Finance Minister thinks that they should not have done anything like that; just as he expects the non-gazetted officers not to agitate, perhaps he assigns the newspapers also to that category and thinks that they have no business to agitate and they had no business to pass any resolution. That is his order and he expects them to keep quiet over it. What is it that they did? They rightly said that they are giving publicity to the statements of Government, the Press notes, the Press Communiques without any cost to Government and they are doing it as their duty as newspaper men but at the same time they know how much it costs. If the advertisement tax is levied against their will they just pointed out what it meant to their business and they said that they would have no other alternative than to cut down the size of their paper, the number of pages and if that was done how could they find a space for the speeches and statements of the Members of Government;

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they cannot do that and that is exactly what they said. Is there anything wrong in saying as they have done? By means of this imposition of tax on advertisement, you will be compelling us to reduce the size of our paper and reducing as we will have to do the number of columns in our paper, it will be difficult for us to give publicity, to give so full publicity as we have been giving to your speeches hereafter.

"I would appeal to my Hon. Friend the Finance Minister to give up this tax not only on account of the fact that it is not based on sound and good principle but on account of the various difficulties that will arise if the tax is imposed. Also there is another thing which he told us this morning, a piece of good news, that is concerning the enhancement of the contribution received from the Government of India regarding the tobacco tax, from 22 lakhs it is to be enhanced to 56 lakhs. He is getting an additional revenue of 34 lakhs from that unexpected source. When the Hon. Minister contemplated the various measures of taxation, he did not dream that he would be getting such a big amount. (The Hon. Sri B. Gopala Reddi: 'It has been given in my Budget speech.') All the same he did not expect this huge amount. I want to ask him what he expects from the tax on advertisement; is it likely to give him more than 10 lakhs, if as is possible the percentage is brought down in the Select Committee stage. This 34 lakhs is a windfall as it were from the heights of Delhi and it ought to make him give up this imposition, this tax on knowledge. I am sorry my Hon. Friend prided himself on the fact that we have been committing the sin of taxing knowledge and we have taken the lead in this regard; he is a learned gentleman; he is a gentleman who has great regard for knowledge; he realises that it is a sacred thing and he defies it; but yet he has thought it fit not only to tax knowledge but various other things, books, printing, pencils and note-books of poor students which go to enrich knowledge. It is very unfortunate and I wish he stops with that. I would appeal to the Hon. Finance Minister now that he has had this windfall to give up this tax and say, Sir: Do not irritate everybody on all sides; it is advisable to avoid irritating all people at all times and all round. Do not create enemies. When I say this, my Hon. friend might get angry as on the other day and say so many things which he ought not to say. But I say that, in the interest of this Government, he ought not to bring in this Bill. Therefore, I am afraid I have to oppose the Bill."

12.30
p.m.

* BEGUM SULTAN MIR AMIRUDDIN:—"I rise to oppose this Bill with all the vehemence at my command for it is an extraordinary piece of legislation without precedent and parallel in any civilised country of the world to-day. Sir, we find that in no enlightened country in modern times is such a tax being levied on newspapers as is proposed under the Bill before us. In England it is true, that such a tax was imposed four centuries ago or to be exact, four hundred and thirty years ago, but it was given up as it was considered to be undesirable. In the United States of America, which happens to consume nearly 70 per cent of the world's output of newsprint no such tax is being levied. As a matter of fact, in

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that country though newspapers are making enormous money, they are left untouched. In other lands not merely are newspapers not subject to sales-tax, or advertisement tax; on the other hand they are given concessions. For instance, they are exempted from import duty on newsprint and mechanical equipment. This is the manner in which the newspapers are being treated in other parts of the world.

"Why is it I wish to enquire that other Governments have not had recourse to taxing newspapers? The Hon. Finance Minister referred only to two objections with reference to this Bill, viz., 'that it had no precedent and that it was a tax on knowledge'. But he did not deal with the main criticism against the measure and that is, that it is fundamentally wrong in principle, for it encroaches upon the inherent right of the Press to be free. Though, in other countries of the world, the Governments have been in dire need of funds at times, even to a far greater extent than is the case with Madras Province at present, they left the newspapers untouched and eschewed such a tax because such a tax lays the axe at the very root of the freedom of the Press. It is not so much on other grounds that they did not impose this levy as for the reason that it is fundamentally wrong in principle. It is for the same reason that I am opposing the measure with all the vehemence at my command.

"Sir, independence of the judiciary and the freedom of the Press are two fundamental principles respected in every free country. But alas! in this land, after the advent of independence both these are being treated lightly. The Government—I mean the Government of this Province—are loath to separate the judiciary from the executive, despite the fact that this reform is envisaged in the new constitution itself and various Acts have been passed in this House, abridging the freedom of the Press. To add to these, we have the present Bill which is the last word on curtailing the liberty of the newspapers. Sir, the Fourth Estate has a vital and important part to play in these momentous times. In the past—at considerable sacrifice it strove nobly and gallantly to secure independence for the country. Now that political freedom has been won, the Press has to guide the administration of the land. Those who are at the helm of affairs and wield power to-day are in the generality of instances, new to their job. But the Press is not. While the administrators who lack experience are bound to commit errors, the Press with its considerable experience of men and matters can guide Authority on the right path by striking a note of caution. Besides the Press has to discharge the important duty of moulding public opinion on proper lines. It is a free Press that can be a corrective to the excess to which a nation trying to find its feet in freedom and untrained in democracy is liable as was rightly pointed out by Dr. Radha Binod Pal in his Presidential address the other day at the All-India Lawyers' Conference held at Nagpur. Therefore, particularly at the present time no limitations should be imposed on the freedom of the Press. The Bill before us is, therefore most unwise. From a perusal of clauses 4, 5, 13 and 19 of this Bill, it becomes

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apparent that the measure abridges the liberty of the Fourth Estate in a manner unprecedented. Clause 4 requires that the publisher of a newspaper should not publish any advertisement without obtaining a licence. We find that these licences are not to be given as a matter of course. (*At this stage, the Deputy Speaker took the Chair.*) Prior to obtaining these licences, every applicant has to deposit in advance an amount fixed by the assessing authority to ensure that the tax assessed on him will be duly paid. These provisions, I am afraid will work considerable hardship on newspapers and subject them to much harassment at the hands of the executive authority. Coming to clause 13 of the Bill, I find that it is most obnoxious. It empowers the Government to exempt, by a general or special order, any advertisement or class of advertisements or any person or class of persons from liability to the tax under this Act. This is most undesirable for the power of exemption exercised by the Government would lead to invidious distinctions between one newspaper and another. If a tax is imposed, all newspapers and journals in the Province must be subject to it. The power of granting exemption should not be invested in the Government for it is feared that it would lead to favouritism. It is being felt in many quarters that this Bill is a subtle effort on the part of the Government to create a friendly Press, or in any case to throttle an unfriendly one. A Government which seeks to arm itself with power to dispense favours in the shape of granting exemptions to newspapers cannot claim to have the interests of true democracy near at heart. As for clause 19 of the Bill, it is unparalleled in the annals of world legislation. We find that an executive officer is to be empowered to go and implant himself within the precincts of a newspaper office which has hitherto been recognized as something of a 'sanctum sanctorum' make searches, seize records and destroy advertisements. I wish to assert that clause 19, is without precedent in the history of world journalism. I have not known of such a provision in any Act the world over. If the Hon. Minister has knowledge of it he may enlighten me. But as far as I am aware I have had connection with newspapers—I have not known of such legislation anywhere in the world. Even under income-tax law, which is most rigorous, such inquisitorial proceedings have not been provided for.

"The Hon. Finance Minister gloated over the fact that he had already taxed knowledge, and so the proposed tax need not be objected to on the ground that it was a tax on knowledge. If he had already taxed knowledge, it was no matter for gratification; instead the mistake should be rectified. If the Hon. Minister has committed a mistake does it follow that he should go on pursuing the wrong path? If he had committed that sin he should try to expiate it. Clearly at the present time knowledge cannot sustain any further taxation, in view of the fact that we are soon to have adult franchise in the country. The Achilles heel of democracy is ignorance. The Press is the citizens' best educator and the newspapers have to play a very important role in the education of the masses and in the dissemination of information to the people at large. This tax will curb knowledge, because the circulation of

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the newspapers will be reduced, and many of them, particularly the smaller ones operating on a fine margin will have to go out of the field, since they will not be able to bear the imposition. The hon. Minister stated that he might exempt the smaller newspapers. But there are medium class newspapers which do not have a very large circulation, that will also not be able to bear the burden. What about them?

"The Hon. Minister is aware that advertisement revenue is the mainstay of the newspapers in this land, or for the matter of that, in any country. The net return from the sale of newspapers merely covers the cost of newsprint used by them. So the expenses of newspapers have to be borne from the advertisement revenue. If the Hon. Minister hits their main source of revenue, no newspaper will thrive. Already the revenue of the newspapers is showing a decline on account of trade depression. Coming at a time when business is on the brink of depression, this novel and unprecedented tax will cut into newspaper incomes in a crippling manner and would reduce their usefulness. It may be that there are some newspapers which can afford to pay the tax, but the majority of them, particularly the periodicals will be affected seriously by this measure. The daily newspapers may pass on this tax to the advertiser but it may not be possible to do so in the case of periodicals which are an important medium for the dissemination of news and views. The Bill is also bad from the standpoint of taxation policy for it proposes to tax the gross income of an industry at the stage of production. In consonance with the principles of public finance, the taxable income is the income left over after meeting the legitimate demands and not the gross income, which this Bill seeks to tax.

"Since every section of the population and every industry is being taxed to-day, the Hon. Minister stated that newspapers should also make some sacrifice. But in order to rope in newspapers, he is not justified in casting to the winds all high principles necessary for the successful working of democracy. If such a tax was a desirable one, would not Britain, would not U.S.A. have availed themselves of this source of revenue? Not even Hitler nor Mussolini had recourse to such a measure as the Bill before us, even when they were in dire need of funds for the prosecution of a war. Let not the Hon. Minister take pride in the fact that he, along with the Finance Minister of Bombay are first in the field in regard to this impost. It is good to give the lead in respect of a sound policy but not with reference to acts which are deemed unwise.

"After all what is the revenue which the Hon. Minister expects to get from this source? It may be five lakhs of rupees or ten lakhs at the most. Is it worth while alienating the Press for the sake of this meagre amount? Besides the Hon. Finance Minister had received a windfall of 34 lakhs of rupees from the Central Government as compensation for the Tobacco Tax. He should therefore drop the Bill. It is no use standing on a false sense of prestige. He may eventually withdraw the measure after referring it to the Select Committee, but it would be more graceful on

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his part if he came forward here and now and told this House that as he had a windfall of Rs. 34 lakhs from the Central Government he had made up his mind to drop this measure.

"In conclusion I wish to remind the Hon. Finance Minister, who is I am sure interested in the progress of all sections of the people and of all interests, that the Press has played a great part in the freedom struggle and at considerable sacrifice has stood by public interest in national emergencies and played a worthy role in national evolution. It behoves the Government not to forget this. It is not merely the Members of this House who are responsible for winning freedom for this land. The Press also has played a notable part in achieving this object. In fact the contribution of the Press in this regard has been greater than that of many politicians. So out of sheer gratitude for the service rendered in the past and in due recognition of the part the Press has to play in future I hope the Hon. Finance Minister will no longer stand on prestige, and insist on referring this Bill to the Select Committee but will withdraw it here and now."

* THE YUVARAJA OF PITHAPURAM:—"Madam, rising to speak on the Bill before us I am constrained to remark that the introductory speech of the Hon. Finance Minister made things more difficult. Madam, the very circumstances under which the Bill comes before this House are none too encouraging. Tax, a Government must; tax, they shall to get revenues; but, tax, they shall not unwisely. Of late, I am afraid, we had to deal with a number of financial measures that have not been received very well by the public at large, people who are not connected with this group or that with this party or that. It is given to us to choose the right sort of taxation. Taxing itself is not enough; but as I already submitted, taxing wisely is of the greatest importance in the present context of things. As I had already said, the circumstances are none too congenial. The Press, which has so nobly and gallantly stood by the Governments of the day in maintaining forces of law and order, the Press that stood by the Governments of the day in most critical periods, seem not to see eye to eye with the Government of this Province at this juncture. Therefore I submit there is something wrong somewhere. I would not dilate on that point. The Hon. Finance Minister harangued to the Press on what they should do. I have a feeling that if there were representatives of the Press in this House, they would have just said, 'Physician, heal thyself.' Of late, a number of things have happened which do no one any good, nor are they matters of credit to the powers that be. Statements are made, interviews are given, and to-morrow they are denied on the floor of this House. Sometimes members of the same organization refute the statements made by their colleagues. Noncognizance and ignorance are paraded as excuses for not committing themselves to the statements made by their colleagues. This, I believe is a very serious matter as far as the Press goes. Impugnment of statements is nothing short of impingement. One of the greatest assets of the Press is reliability. Therefore many a time I wondered whether there is any agency left in this world or in the other

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world which would come into the picture and sit in judgment over the controversies that are generally brought to light, controversies between the parties that be and the Press. After all, some one must be in the wrong. A statement appears in the Press; the Minister says, 'No, I never gave that interview.' Either the Minister is in the right or the Press. If the Press is in the right, the Minister should be in the wrong. Therefore something has to be done to clarify the position. It is no use bewildering the public more and more. If we refuse to do the right thing at this juncture, some other agency, the great agency of public opinion will have itself felt and so we have to decide it sooner than later.

"In offering my humble observations and in placing my point of view before this House and the Government, I wish to say, for various reasons this Bill was not introduced at this juncture. Nothing would have been lost if they had waited till the presentation of the next Budget. Why should Government at this juncture alienate the Press? Whatever you say and whatever you do, I mean, professions are not of as much consequence as whatever you do. This measure is going to hit the fourth estate, the voice of the public, very very hard. May be, the Government have no motive, but the man in the street, he would wonder and ask, 'Why should Government think of introducing this measure at this juncture?' Well, it is for the Government to answer that. I make these observations not in any antagonistic spirit, but in a spirit of sorrow and in the spirit of helpful suggestion.

"Madam, as my time is up. I wish to continue my speech after lunch as I may take about five minutes or more to finish my speech."

DEPUTY SPEAKER:—"The hon. Member can continue his speech after lunch. The House will now adjourn and meet again at 3 p.m."

(After lunch—3 p.m.)

* THE YUVARAJA OF PITHAPURAM:—"Sir, in continuation of my advocacy to the effect that the Bill is most inopportune under the present circumstances, I would like to place before the Government this fact. Even from the standpoint of sound taxation policy, the Bill is not a good one for it taxes an industry at the source. The Hon. Finance Minister put forward a rather curious argument. While the sales tax had been accepted, he asked, why should there be such a furore over this taxation. It reminds me of the Biblical saying which means: 'You have received a slap on your right cheek; why don't you welcome a slap on the left cheek also.'

"Apart from the newspaper point of view, this taxation measure is going to hit very badly production and trade with which we seem to encourage at the present moment. After all, advertisements are necessary for boosting production and trade. I do not know how the Government can reconcile their present proposal to tax advertisements with their policy of more production and greater trade.

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"The spokesman of the Government rather ironically referred to the pilgrimages to Delhi. Yes, we all make pilgrimages to Delhi. If it is a matter of getting some financial help from the Government of India in the shape of grants, it does not seem to be too much of an ironical pilgrimage! In such matters the advice of the Government of India or the Prime Minister of India does not seem to be so unwelcome. The question of provincial autonomy seems to recede to the background at least for the time being. Well, Sir, after all Delhi has the Jumna, a holy river. I think that for the pollution in the Cooum, a bath in the Jumna is wholesome and it is worth while undertaking a pilgrimage to have a bath in the Jumna.

"As I have already said, the present taxation proposal is bound to affect seriously a very great national industry—the Press of India. All that I submit is this. Governments are certainly at liberty to follow their own policies. But they are not well advised in attempting to destroy what they can never destroy. In trying to destroy what can never be destroyed, I am afraid the Government will be ultimately destroying themselves."

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Mr. Speaker, Sir, as usual the Hon. Leader of the House has not made out a case for this measure. Perhaps because he has not got a good case, he is belittling criticism by insinuating that the Press of this Province is opposed to Government in all matters of taxation, because it also comes within the purview of taxation. Such an insinuation is not expected to be made by the Leader of this House and a Minister of this Province. The irritating behaviour of the Premier and the Leader of the House in the Assembly and outside is very well known and it is better to avoid reference to it here. It is an accepted convention for any Finance Minister to assess the financial position, find out the deficit, and make a rough estimate of the anticipated income from a taxation measure before asking the House to approve the measure. But strangely enough, our Finance Minister is not able to estimate the anticipated income from this taxation measure. The Statement of Objects and Reasons says that this Bill is intended to narrow the gap between Provincial expenditure and Provincial revenues. Only this morning the Hon. Finance Minister announced that there was a windfall of Rs. 34 lakhs from the Central Government. Even after this windfall, he is persisting in pushing through this Bill and I do not know whether he really wants the Rs. 2 or 3 lakhs that is likely to be realized from this tax. The Leader of the House and our new Premier it is said that a new broom sweeps well—are anxious that their word should be carried out, because there was a nasty quarrel over this matter during the last three or four days. They persist in their obstinacy and stand on false prestige. If the Government really wanted some more money, they would have made an estimate of the anticipated income. They simply say that the Bill is intended to narrow the gap between expenditure and revenue. Who is responsible for creating this gap? As the Yuvaraja of Pithapuram said, we did go to Delhi

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in the past when it suited us. The Leader of the House also had gone to Delhi whenever it suited him, and it does not lie in his mouth to say that the Press had made a pilgrimage to Delhi. I can quote chapter and verse from the statements and speeches of the Hon. Leader of the House and other people who occupied similar position in the past wherein they have said: 'We are sorry the Central Government says like that. We do not agree with them. We will do things as we like. We are not shy to be leaders in certain fields.' Only a few days ago the Hon. Minister for Food said that this Government did not want rationing in surplus districts but that they were forced to have it because the Central Government wanted. If the advice is profitable, it is taken in good spirit. There was advice regarding the Zamin-dari Abolition Bill and it was not heeded. There was advice from the Hon. Prime Minister of India regarding Prohibition and it was not heeded. There was advice asking this Government to take concrete steps to check inflation and it was not cared for. There was advice to impose agricultural income-tax, and I do not know why the Government have not heeded that advice also. Is it because the Hon. Leader of the House comes from a prominent family of agriculturists that he is not willing to impose this tax? While he attributes motives, why should we not also do it? I am prepared to accept his correction if I am wrong. As the Yuvaraja of Pithapuram said, you cannot try to break a thing which you cannot break. It will break you. There is no use of paying encomiums for the part played by the Press in the past. If the people in charge of Governments do not know how to behave towards the Press, a time will come when they will find their Waterloo. The success of the struggle for the independence of India is due in no small measure to the support given by newspapers. We have achieved independence but we are only having some mock democracy in every Province because of the absence of an effective opposition. If the Government are anxious to have democracy in the real sense of the term, there should be a Press uncontrolled by the Government.

"Under clause 5 (2) no licence or permit shall be granted unless the licensee deposits such sum as may be fixed by the assessing authority. If such clauses are there, there will be no Press, there will be no democracy and there will be no Government in future.

"Under clause 12, the inspecting officer can enter the premises of any Press and inspect or seize any document or paper.

"Clause 13 gives power to the Government to exempt any advertisement or person from liability to pay the tax. The House is asked to approve the clause even without knowing the rules and regulations subject to which the Government will exercise that power. The Hon. Premier said that he has received advice from the Centre and that he would grant exemption to hard cases. Herein lies one of the causes for the Government finding their Waterloo. They should not have such power and control over the Press which has played and is likely to play a very

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important part in the shaping of democracy of which the Governments are dreaming. Only recently we have seen how the rupees 2,000 deposited by *Viduthalai* has been forfeited and the paper was asked to deposit a security of Rs. 10,000. The Government are not able to appreciate the other man's point of view.

"It is very difficult to comprehend the implications of this Bill which is trying to throttle the Press. I do not like to deal with matters that have already been very ably discussed by other members. One fact which at least should convince the Leader of the House, if only he is sober enough to understand it, is that he will realize from this tax only a paltry sum of two lakhs of rupees or even less out of a revenue of fifty and odd crores of rupees. The Hon. Finance Minister with all the machinery that he has got is not able to estimate the anticipated income from this tax.

"Sir, as usual in the case of all other Bills, in this Bill also the Government have introduced a clause ousting the jurisdiction of civil courts. The Government have said that the validity of the assessment of any tax made under this Act or the liability of any person to pay any tax so assessed, shall not be questioned in any criminal court, etc. In clause 21, they have also said that no suit, prosecution or other proceeding shall lie against any officer or servant of the Government for any act done or purporting to be done under this Act, without the previous sanction of the Government. Sir, these are usual provisions, which we find in all the measures brought forward by this Government and therefore I do not like to dilate upon them. 3-15 p.m.

"Sir, as in the Sales Tax Act, in this Bill also, provision has been made for the advance payment of fees for licences and permits. Clause 5 (2) of this Bill says, that 'No licence shall be issued to any person unless he deposits with the assessing authority such amount as that authority may consider necessary to ensure that due payment of the tax which may from time to time be payable by the licensee.' Clause 5 (3) also contains a similar provision with regard to permits. What is the basis on which the assessing authority fixes the tax amount? What is the total amount of tax that the Hon. Minister for Finance expects to get out of this measure? Has he made any calculations? Has he consulted his Economic Adviser? Of course, there is an Economic Adviser for this Province also and he should have been consulted whether this tax does not clash with the other Central taxation on the newspapers, from which the Provincial Governments are given a share. I think, Sir, that the Government are not taxing the taxable surplus of the newspapers by means of this tax. This is a major item of income for both the Central and Provincial Governments to tax the same income. I am sure, Sir, that the Hon. Finance Minister, when he replies to the debate tomorrow, will be able to get expert advice in the matter and explain to the House whether this tax will not clash with the Central tax

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which is already imposed on the newspapers and from which this Government also get a share, and whether it is legally proper to impose this tax on newspapers.

"Sir, the answer given by the Government to this taxation is, 'Why are you afraid?' It is only big papers that will be affected by this measure. Small papers need not fear that this tax will affect them'. Sir, I have been a printer, publisher and proprietor of a paper and I know that this Bill will affect hundreds of newspapers and periodicals and starve the smaller of them to death. About 95 per cent of the newspapers are depending upon advertisements for their income and their mainstay, and they will surely be affected by this measure, and many of them will go out of gear. They will simply be starved, if they get no income from advertisements, and surely they will have to suspend their publication, if this tax is imposed. Sir, our present Hon. Premier has only recently assumed office and therefore he has not got much experience of administration, but if he wants to do justice in this matter and does not want to take cudgels against newspapers, let him take the advice from the Central Government on this matter. Sir, advice has already been given by the Central Government on this question, but as you have ruled out that it should not be referred to in this House, I shall refrain from doing so. Although this Government have not taken the advice of the Central Government in the past on certain other measures, yet it is now necessary that they should pay heed to their present advice on this matter. Sir, this Government have not taken the advice given by the Central Government about the imposition of the agricultural, income-tax, nor about the introduction of Prohibition nor on the passing of the Zamindari Abolition Bill. They now rue the result. The same thing will happen in this case also. Let the Government, therefore, open their eyes and pay heed to the advice given by the Prime Minister of India, who is a man of destiny and who will always do the right thing. What was his advice? If I am correctly informed, Sir, his advice was this: 'This is a good thing, no doubt, but wait until the Premiers' Conference takes place in Delhi. Let us discuss the matter and try to adopt a uniform measure in all the Provinces throughout India. Let all the Premiers meet in conference which is to be convened within the next two months and let us have their views in regard to this matter'."

THE HON. SRI B. GOPALA REDDI:—"How does the hon. Member know that?"

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"I presume, Sir, that this is the contents of the letter written by the Hon. Prime Minister of India to this Government. Let the Hon. Minister deny it, if it is not correct. It is only in the interests of the Provincial Government that I am referring to it, because that letter is intended for the information of this Assembly."

"Well, Sir, probably the Hon. Finance Minister of this Province wants to forestall other Provinces, like the United Provinces, Bombay, etc., in this matter. That probably seems to

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be the reason why he is going ahead with this measure and that is why the advice of the Hon. Prime Minister of India has been thrown away. Perhaps it may also be that the Government are under the wrong impression that if they withdraw this Bill at this stage, their prestige would suffer. I do not know, Sir, why they should stand on this false prestige, seeing the way in which public opinion has been mobilized against these taxation measures. The prestige of the Provincial Government is already at the lowest ebb and therefore there is no use standing on false prestige in this matter. Last night all cinemas were stopped in this City, because you have taxed the cinemas. This morning all hotels were closed, because you have taxed the hotels. The Hon. Minister must know that the closure of the hotels affects the entire life of the people in the City. Now to impose this tax on newspapers, I think, you will have to think twice, because you have not heeded to the advice given to you by the Hon. Prime Minister of India."

SRI R. V. SWAMINATHAN:—"Mr. Speaker, Sir, when this Bill was published first, I thought that it was not a proper one and that it ought to be opposed by the House. That was my first impression, when I saw it first after its publication. Then later on, when I found that there has been so much agitation, so much criticism and so much opposition to this Bill in the Province, saying that this Bill is not at all reasonable, that the Government are not justified in bringing forward this Bill and so on, I thought it necessary to go through the same in greater detail and my second impression after reading it again was that it is not, after all, so unreasonable and so bad as some people have sought to make it out."

"Sir, it was pointed out by several hon. Members on the Opposition side that this tax on advertisements is not at all proper, and that it is a tax which does not exist in any other part of the world. Sir, it was the hon. Lady Member belonging to the Muslim League Party, Begum Sultan Mir Amiruddin, who said that nowhere in the world does this kind of tax exist. But I do not think, it is correct, Sir. Let me tell hon. Members of the House that tax on newspaper advertisements exists in some other countries of the world also. In the United States of America, for instance, there is this advertisement tax. In some other countries also, newspaper advertisements are being taxed. That tax is imposed not only on the newspaper advertisements, but also advertisement by means of wall-posters. Even our own local bodies are allowed to tax on wall-posters and so we have got this kind of tax already in many countries of the world."

MUHAMMAD RAZA KHAN SAHIB:—"Let the hon. Member quote his authority."

SRI R. V. SWAMINATHAN:—"Let the hon. Member wait and see. Now, Sir, what do these newspapers do? They set apart certain space in the papers for advertisements being inserted by any person. It means that they let out or sell space in the paper for money. Sir, I do not see any difference between newspapers selling

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or letting out space and merchants selling their wares or merchandise. (Interruption). Sir, my hon. Friend Mr. T. Viswanatham may say whatever he likes and may not probably agree with me, because he is determined to oppose this Bill whatever point I may make. And because he is opposed to the Bill he cannot see others point of view. Sir, many critics have expressed the view that after all the Government are going to get from this tax only about Rs. 40 to 45 lakhs. Why for this small amount, do you want to impose this tax and get the unpopularity and opposition from the newspaper proprietors who are very powerful and influential? Sir, it should not be looked at from that point of view. This is certainly a source for the Government to tax, because, although at present it may yield only a small amount of revenue, in course of time, the income from this tax would be greater and it will be growing from year to year. It will ultimately prove a very good source of income for the Government. Take the sales tax. When it was originally introduced in this Province, the income from it in the beginning was only Rs. 36 lakhs. Now the Government are getting the highest income from this tax. Similarly, this tax also would yield a progressively large income from year to year. Sir, advertisements have got a vast scope in the future. The policy of the Government is to encourage industries and when a large number of industries spring up, they will necessarily have to sell their goods only through advertisements. Therefore there is scope for newspapers to get more income from advertisements and also for the Government to get more revenue out of it.

"Sir, some hon. Members have said, 'All right, you leave newspapers alone untouched; exempt them from this tax'. Then, Sir, what about the manufacturers and producers who produce various kinds of articles in this country? How could they bring them to the notice of the public and how could they sell their articles? They have necessarily to depend upon advertisements in the newspapers. They will be hit hard, if newspapers refuse to accept their advertisements. Most probably the newspapers may raise their advertisement tariff, but the industrialists and manufacturers would not mind paying a little more for this, because, now-a-days, everywhere in this country, it is only the sellers' market and not the buyers. We have to depend upon the sellers and they are not interested to sell their goods to anybody at any price. Therefore, this advertisement tax will not sit heavily on the producers, even if the rate of advertisement fees is raised by the newspapers proprietors.

"Then, Sir, there is another good thing that might result out of this tax. This advertisement tax may stop all sorts of sensational advertisements misleading advertisements and advertisements catering to the vulgar tastes, being inserted in some of the cheap and low class papers. Take, for instance, a paper like the *Navasakthi*. If you go through it, you will come across all sorts of advertisements relating to vulgar and cheap matrimonial affairs. If you simply pay Rs. 5, you may insert any sort of advertisements you like. That paper is

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prepared to accept any sort of advertisement, without looking into thier merits or demerits, because it simply wants to get money by advertisements. I submit, Sir, that this tax will put an end to such sensational, misleading and cheap advertisements. The advertisers also will reduce the length and size of their advertisements, and pictures, photographs, etc., of women, which we often see along with advertisement of their articles; perhaps they will not hereafter appear at all. That is one good result of this tax.

"Sir, certain hon. Members have expressed the view that this advertisement tax would affect the independence of the Press. My hon. Friend Dr. Subbarayan said, not in this House, but somewhere outside that this is a tax on knowledge. He quoted a great authority,—Lord Rothermere—who is an experienced Parliamentarian in England, and who in a recent communication to him, has expressed such a view. Sir, I cannot agree with that view. What can we expect from Lord Rothermere who is an out-and-out Tory and a Conservative, and who is himself a proprietor of a group of newspapers in England? It is natural for proprietors of newspapers to express such views, because this tax affects them. I do not attach any value to such criticisms coming from newspaper proprietors. Nor do I see any point in them. If any other person unconnected with newspapers expresses this opinion, perhaps we could attach some value. Sir, what is the opinion of Mahatma Gandhi regarding advertisements in newspapers? He was also running the *Young India* and the *Harijan*. He said, that we must not depend upon these advertisements. What is his opinion of newspapers? He always used to say that all the present-day newspapers are views-papers and not really newspapers.

"Sir, it is wellknown how newspapers are run. We do not generally go to newspapers to get knowledge, but simply for the news contained in them. If newspapers think that we are reading them to get wisdom or knowledge, then they are mistaken. They are living in fools' paradise. Take for instance the *Hindu*. How many people are reading that paper? Is it for the purpose of its views or the news contained in it? Sir, it was once expressed by that great journalist and editor, Mr. Pothan Joseph, that many people in this Province will not begin the day without reading the *Hindu* in the morning. Sir, I do not think that everybody reads the *Hindu* for its views, but simply for its news. I am prepared to say that most of us rush to the papers simply to have a glance at the news column and the headlines, and not for the views expressed by the editor. Therefore, Sir, the argument that this tax is a tax on knowledge does not hold water. Then, Sir, it is said that if we tax the advertisements the price of the papers will be raised. Now, Sir, the *Hindu* is sold at 2 annas and others are sold at 1½ and 1 anna. The *Dinasari* (*Dina Saithi*) has reduced its price to half an anna. I am told, Sir, that other papers are also going to reduce the price to one anna. This is a time when they are reducing the price of the papers and there is no point in saying that the price of the newspapers will be raised if we levy this tax. This tax will also stop the yellow journals trading in vulgar

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advertisements. I understand that recently the Government have banned a booklet called 'Muthal Iravu', meaning my first night. Unfortunately or fortunately I have not read that booklet. These booklets are being sold like hot cakes because of the vulgarity contained in them. And people who want to sell their goods give more advertisements only to this kind of vulgar booklets, than the *Hindu* or any other paper. If on account of this tax the price of such booklets will be raised, it will stop their publication and the Province will be benefited by it.

"I used to fight, Sir, whenever any taxation measure was brought before the House which would affect the poor. On several occasions you have seen me opposing the Government whenever any measure which affected the poor was brought. This tax is not at all going to affect the poor people. Now-a-days the newspaper people are earning a lot. I was told that the Proprietor of the *Hindu* paper expressed to some of his friends that this tax would not affect the *Hindu*. And this tax will not affect any other papers also. If at all it will affect some small papers. (Muhammad Raza Khan Sahib: 'What is your authority?')"

MR. SPEAKER:—"Order, order. Let the hon. Member continue."

SRI R. V. SWAMINATHAN:—"If my hon. Friend, Mr. Raza Khan, wants authority for the remarks I make, he must go to the persons I have mentioned.

"Some people are afraid that this Bill will antagonize the Press, the so-called fourth estate, to the Government. Where is the tax, Sir, which does not affect some vested interests. The agricultural income-tax affects the big landlords and mirasidars. Even there, we are insisting on the Government that they must bring forward the Agricultural Income-tax Bill. Some Provinces are already having that. Whenever a tax affects a vested interest they at once raise a hue and cry. We cannot have any tax which does not affect any one of the interests. The entertainments tax affects some recreation industries. The tobacco tax affects people who smoke tobacco heavily, chain smokers just like our Dr. Subbarayan and myself. The Government cannot give up any taxation measure simply because it affects any of the parties. The Government should see whether it really affects the poor people.

"It may be criticized that it goes against the canons of equity. But equity is based on ability. The film producer has the ability to give full page tri-colour advertisements in the newspapers. He can afford it because he gets more income. Very decent tri-colour full-page advertisements appear in the newspapers and it also makes the paper attractive. Then, Sir, there are the advertisements of marriages. Certainly such vanity deserves to be taxed. We see advertisements, Sir, in the papers that so and so was married to so and so. There are thousand and one marriages taking place. What do we care? Anyhow there are certain people who wish that the news of their marriage celebrations should appear in the papers and they pay for the photos of the bride and bridegroom

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to appear in the papers. When there is such vanity, what wrong is there if it is taxed? This tax won't affect any common man even if the charges for advertisements are going to be raised, because he does not rush to the newspaper with advertisements about his marriage function or anything in his life.

"So far as the administration of this tax is concerned, I must say, Sir, it is easier than the sales tax. It is very clear that newspapers can maintain proper accounts. So far as the sales tax is concerned it is not clear.

"Some people say, Sir, that this tax may ultimately be passed on to the consumer. But the consumer wants more and more from the Government. We wanted that prohibition should be introduced. While Mr. Prakasam was the Premier there was an agitation in the Province that total prohibition should be introduced instead of in three or four districts. The Press gave much publicity to it. By the way in which the Press gave publicity to the agitation, they were also a party to total prohibition. On account of that agitation the Government have lost a huge revenue, say 17 crores. Should we not then expect the Government to find out some other method of taxation? I have got great respect for the newspapers, Sir, and I have great admiration for their service in connexion with the freedom struggle in the country. But now they have threatened that they will not publish any news about the Ministers and the legislators. The Ministers are getting full publicity in the papers. But so far as legislators are concerned we are not getting any publicity. When we make any speech it does not appear in full in the papers. They just give two or three lines. (Laughter.) Now, because I wholeheartedly support the taxation the papers may put me in the black list and may not give any publicity to me. It is quite natural. But I am not afraid. I cannot oppose the Bill because they will not give me publicity. I give my support to what I think is proper. Wherever the Government go wrong I vehemently oppose and condemn the Government.

"Here I should like to quote one instance. In 1927-28 when the Swarajya Party was in power, three of our prominent people, namely, Sri S. Srinivasa Ayyangar, Sri A. Rangaswami Ayyangar and Sri R. K. Shanmukham Chettiar were there. The Central Board asked these people to go round the country and make propaganda about the Swarajya Party. They were organizing meetings throughout the Province. All these three leaders used to make speeches. These newspapers used to give two or three columns to Sri Srinivasa Ayyangar which he very well deserved. To Sri Rangaswami Ayyangar also they used to give two or three columns. He also deserved the same thing. In the last, they used to give Sri Shanmukham Chettiar a few lines and say 'he also spoke', even though he made a brilliant speech. If I remember correctly, Sir, I think it was this kind of treatment given by the Press which made him resign from the Swarajya Party and join the Britisher. That was what I was told, Sir, I do not know if it is correct. Therefore, I say there was always this kind of different treatment given by the Press."

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MR. SPEAKER:—"Let the hon. Member come to the subject-matter of the Bill."

SRI R. V. SWAMINATHAN:—"This advertisement tax, Sir, concerns the newspapers and I have expressed my view about the newspapers without any fear because of what I feel."

"Here I want to say only one thing to the Government. This tax will not at all affect any big newspapers. It will affect certain small papers. Therefore, there must be a graded tax. The tax should not be uniform on all the newspapers irrespective of their income. Let the Select Committee suggest the grade. I appeal to the Select Committee, Sir, to consider the points I have raised. I strongly support this Bill."

* M. S. ABDUL MAJID SAHIB BAHADUR:—"Mr. Speaker, Sir, permit me to convey to the Hon. the Minister for Finance my deep sympathy for his anxiety in trying to fill up the gap in his financial structure created by the policy of prohibition adopted by this Government. In his anxiety to fill up the gap the Hon. the Finance Minister is trying to catch hold of anything that comes across his way. He does not for a moment consider whether what he gets hold of is a thing on which he can depend. I know the field of taxation in this Province is very limited and the responsibilities of the Hon. the Minister for Finance are really manifold. He must have something to meet the demands that come from the people and to meet the responsibilities with which he is invested. But at the same time I would wish that the Hon. the Finance Minister should consider coolly several of the measures which he has adopted in order to augment the finances of the Province. Originally when the sales tax was introduced in the Province the anticipation of the Government was to get six or seven crores of rupees. But you are aware, Sir, that to-day the sales tax is yielding nearly Rs. 13 crores. I am confident that before the year is over the sales tax will give him nearly Rs. 16 to 17 crores, a sum which the Government have actually lost by adopting the policy of prohibition. Therefore, I would wish that the Hon. the Finance Minister waited for some more time and not have resorted to all the implements or weapons in the armoury of taxation. He could have thus saved the Province from so much of anxiety. In this connexion, Sir, reference was made to the direction or advice given by the Government of India. I do not propose to go into the matter. But it has come to my knowledge that the Government of India have advised this Government to wait till the Premiers' Conference is over, when these questions might be taken up and considered and discussed thread-bare. Then the Provincial Government could have taken upon themselves the task of imposing the taxation. That is a very sane and wise counsel, and I really do not know why the Hon. Minister for Finance has not waited for that Premiers' conference before he undertook this measure. Sir, at a time when the country needs the help and assistance of every sane element in this country in order to suppress the reactionary elements which are corroding into the very vitals of our national life, when the country requires

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the help of the people, the help of the legislators and the help of the Fourth Estate, the Press of the country, I really do not understand why the Government should adopt a policy which is going to alienate the sympathy of one of the most powerful sections and a powerful part of the democratic institutions, namely, the Press of this country. I wonder whether this Government can afford to alienate the sympathy of the Press. I leave it at that.

"The Hon. Minister for Finance, while moving this Bill this morning, stated that this tax was not going to affect the people. I know the incidence of the advertisement tax will not take a downward but only an upward trend. But who are there at the top, I ask? Who are the people who are going to be affected by the advertisement tax? I know it is not the Press that is going to be affected. I know that it is not the consumers of newspapers, namely, the readers, who are going to be affected. But the manufacturers, the traders and the industrialists of this country are going to be affected by this tax. We know how much the industry and commerce of this country are suffering to-day due to the rise in prices of articles, and how much they are paying by way of income-tax. To-day the industry and commerce are suffering due to the inevitable law of diminishing returns. When they are not in a position to pay more and more by way of taxes to the Government of this country, I really do not know why the Hon. Minister thought of taxing the people at the top. I say that it is commerce and industry that is paying income-tax. That is almost saving this country from a complete collapse. Why are the Government trying to whip up a dead horse by asking them to pay this tax, and that too through their nose? This is one of my points to oppose this Bill."

"I feel, Sir, this is not a taxation measure, but, when we go through the provisions of this Bill, we will see that, in effect, it is a Bill to exercise control over newspapers in this Province. If Government want tax, the only method for them is to say 'you must pay so much tax to Government', and the matter will stop there. I do not know why a licensing system should be introduced bringing the Press under the control of the Government. Is it the fear of the Government that the Press will go out of control and that they will try to subvert this Government, and they will undermine the prestige and dignity of this Government? Government are doing a great harm in this respect. I say that they are the people whom you must nourish and you must allow them to grow from strength to strength without any control. What will happen if Government control them? The result will not be good to Government. I feel that this measure is in effect an inroad and an assault on the freedom of the Press. We have been crying hoarse that the freedom of the Press in this country must be kept unhampered and must be kept away from the control of any Government, so that it may grow. The Hon. Minister has often used the beautiful expression of Dr. Tagore that the Dawn of Freedom has taken place in this country. I say, allow that freedom to grow. Freedom of speech and freedom of the Press must be allowed to grow unhampered by any administrative measure

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of this Government. I feel that the taxation proposal embodied in the present Bill is actually going to hamper the growth and the freedom of the Press. In order to collect the tax, Government ask the Press to take out a licence. By taking licences the Press actually get into the parlour of the Government. This is very bad; besides this, Government officers will go into the premises of the Press to see the documents and accounts of the Press. There are several confidential documents in a Press. Advertisers write so many things to the Press, and it is not in the interests of the Press to show all those documents to petty officials, who will actually act like autocrats within the four walls of the Press. Therefore this licensing system is something abhorrent, and this must be removed. I am sure when the Select Committee takes up this question, they will see that they take away this licensing provision. (Muhammad Raza Khan Sahib: 'This is nauseating.') Therefore, I say that if Government want to collect any tax from the Press, let them collect it as an income-tax. The matter should end there. I do not really know why a licensing system is necessary in order to collect the tax. I fear the intention of the Government is to control the Press, and it is not the intention of Government to collect any taxes.

"Again, is it not a fact, Sir, that the readers get much more than what they pay for the Press? Suppose you take the 16 pages *Hindu* or the 12 pages *Mail* or *Indian Express*, can you, for a moment, imagine that the two annas or one and half annas, as the case may be, which the readers pay for that paper, is the amount that the reader should pay for the production of that 16 pages *Hindu* or 12 pages *Mail* or *Indian Express*? The cost of printing and newsprint have gone up very high. When Government consider the cost of printing a paper, and the cost of paper itself, and other incidental expenses which the Press are incurring to-day, they will realize that the reader is not paying for what he actually receives. I know several papers are not earning anything through subscriptions. At the same time they have got to give the news. The hon. Member, Mr. Swaminathan, was talking about news and views. Whether it is news or views, it does not matter. When I get up in the morning, I want news and views. When I take up the *Hindu* or the *Mail*, I am not satisfied with seeing the proceedings of the Assembly. I want the news from my City; from my Province and from my country, and from the whole world. The Press have got huge ramifications. A leading paper has got a huge ramification not only in the Province but in the country and in the whole world. They have to collect news from every nook and corner of the world so that they may purvey news to their anxious readers. They have to print the news in a decent manner, and give it a nice get-up. Suppose the Hon. Minister is going to print 16 pages of news sheet without getting any advertisements. I say that he will incur a tremendous loss. (Muhammad Raza Khan Sahib: 'He will sell it at Rs. 2.') His paper will disappear out of existence on the next day. Therefore, I say that it is not that I am against taxation measures. As I have already said, the sales tax will give the Government more

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than what they anticipated. So, it is not necessary that we should resort to all sorts of taxation available. You may say that it is Mr. Majeed who suggested the advertisement tax when the Sales Tax Bill was originally introduced in this Province. Yes; I suggested several measures then. Mr. Raza Khan would quarrel with me if I start making suggestions for taxation. I did suggest taxation measures at a time when the income from sales tax was expected to be only Rs. 6 or Rs. 7 crores. To-day we are getting Rs. 13 crores from sales tax. To-morrow the Government will get Rs. 16 to Rs. 17 crores from sales tax alone. Therefore, I say there is no point in resorting to taxation measures. The cost of printing is very high. If Government think that the Press are earning huge revenue from advertisements, let them earn. They earn in order to give the best news and views to the people and to the Government. Government have got to see the newspapers published in the country and they have got to know up-to-date news. We have the teleprinter which gives us news every half an hour. Can you ever imagine what it will cost to establish a teleprinter organization in this country? The cost of a printing press is very high to-day. In order that the freedom we got may grow more and more, the Press must be allowed to go on unhampered. When Government actually require money, they may catch hold of this weapon and collect the tax from these people. I know that the Press is not so unnationalistic that they will not come forward to make a sacrifice if an appeal is made to them. They are prepared to do it if it is necessary.

"There is another point which I wish to bring to the notice of the Government, and that is, whatever amount is due to the Press by way of advertisement charges, it is not always collected by them. I have personal experience of this fact. All the amount due on advertisements is not collected. Mr. Swaminathan referred to the film producers spending thousands of rupees on advertisements. Sir, these film producers enter into a contract with the Press with regard to these advertisements. I am now putting before the Hon. Minister a concrete case. I, as a producer of films, give an advertisement to the *Hindu* or the *Mail* or the *Indian Express*, costing some thousands of rupees. I produce the picture, and when I put the picture on the silver screen, it fails. Then I go out of existence. I find I am not able to pay the papers. Sir, if we go into the accounts of every paper in this Province, we will find out their bad debts in regard to advertisement charges. They suffer bad debts, and it is an inevitable contingency. Therefore, Government cannot imagine that the Press is earning lot of money by way of advertisement. Mr. Swaminathan referred to the money by way of advertisement. Mr. Swaminathan referred to the fat film producers. Of course there may be studios like the Geminis and men like Vasan. But all producers are not like them. I know a dozen cases of producers who have suffered heavy losses due to the failure of their pictures. They do not earn enough even to pay the advertisement dues to the papers.

"The last point which I would like the Hon. Minister to consider is that if Government are going to tax advertisements, it is

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directly going to affect the status and emoluments of the Press employees of this country. Government must see that the Press employees are kept satisfied. If Government are going to take away more and more out of the Press earnings, the only natural effect of it will be that the managements try to cut down the emoluments and status of their employees, and these employees will be put to a lot of difficulties. I hope the Hon. Minister will look into all these points. I know he is a sympathetic man. I have worked with him in several select committees. He has always understood the point of view of the other man. I am sure he will agree with several of the suggestions which the select committee members would put forth before him."

* SRI N. S. VARADACHARI:—"Mr. Speaker, Sir, I am sorry I cannot honestly support this Bill. But I am glad that there is time yet for Government to consider all the implications of this measure. I am glad that they did not exhibit the same haste which they exhibited on other taxation measures. There is time till September, and I hope the position will be looked into more carefully than ever, and we shall finally be able to go through the whole content of this Bill and arrive at a happy solution. The solution may even be the dropping of the Bill, but I say that it will not affect the prestige of the Government if it came to a right conclusion after mature deliberation. In fact, I felt very glad on coming to this House and learning from the Hon. the Finance Minister that we are going to get an additional Rs. 34 lakhs from the Government of India as compensation for the loss on our tobacco 4 p.m. revenues. Therefore, I ask the Hon. Premier, why not reconsider the position he has taken with regard to this very controversial measure of taxation.

"Now, Sir, let me argue the case which I wish to put forward before this House and particularly before the Hon. the Premier and the Hon. the Finance Minister. Sir, it is very wrong to call newspapers 'business.' Newspapers, if they properly exist, if they exercise their functions properly, ought really to be ranked almost in the top place in public service. They help in the formulation of policies and practically become the unseen and yet powerful influence in the running of the administrative machinery itself. That is why it is contended very correctly and very forcefully that the Fourth Estate constitute really the eyes of the Government. Even if you pay for the thousand eyes and pay for a lakh of policemen, can you get the same amount of service as a good newspaper can give? The Fourth Estate incidentally is also a potent check on our vagaries, if there are any. It helps by the publication of views on all problems not merely of local interest, not merely of interest to the Indian Union but also provide further to us a setting in the international context of our own position and our own administration in relation to the needs of the people of the Province. Therefore, it is wrong to call the newspapers sellers of space. Of course, newspapers have space. Some space they sell; but the rest of the space is offered free by the Press for which you do not pay

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and which sometimes you do not deserve. The space which you get by virtue of this free publicity and which is not sold, constitutes a service, the importance of which you are not realizing today. That is why, Sir, it is argued that the Press should be free, that it should be subject to least control and that all restraints on the Press should be removed as early as possible, even if they were necessary during periods of war. A free Press implies the multiplication of newspapers run on proper lines for public service. It also means the expansion of the reading public. Now, how many persons read newspapers in Madras? I will make a rough calculation from the figures which the Hon. the Minister for Finance has given for the sales tax. He has stated that Rs. 1.76 lakhs are paid by a few newspapers. That has been paid by newspapers which have a good circulation. From that figure, I may tell you that the number of people who read the newspapers are 112 lakhs or one crore and odd in a population of five crores in this Province. If this is the case out of a population of five crores, if you want the public to be more critical and if you want to increase the number of the critical and intelligent newspaper reading public, then, you should, at the present time, allow an expansion of the Press. I am not pleading for any particular newspaper but I certainly suggest that this is an inopportune moment for a tax of any kind on newspapers. At the present moment, we ourselves need increased and efficient publicity. We cannot do it ourselves; we have necessarily to depend on the healthy co-operation of these newspapers, willingly rendered and rendered not with scorn on their face and with contempt in their hearts. I say, Sir, that if you want this kind of arrangement, this tax will not do.

"Sir, why are advertisements appearing in the newspapers? It is a very important thing to note that newspaper advertisements are of various kinds. We have casual advertisements. My hon. Friend, Mr. R. V. Swaminathan, talked about advertisements of marriages, deaths and so on and also about casual events. These appear in the newspapers because people want publicity of certain activities or of certain incidents and of certain amusements. Now you are preventing people from investing enough money on these. There are other business advertisements. It is only business houses with large programmes that advertise and in a way, they spend two to five per cent of their income on this advertisement. But, some businessmen also spend large amounts of money on advertisements because it may be that their business is stimulated by this advertisement. There is yet another set of advertisements. You want foreigners also to advertise in your newspapers. Do you wish to stop them from advertising in our newspapers? Still there are people in other countries who advertise in newspapers in this Province. Well, Sir, these advertisements are not taxed in places like Calcutta or Delhi where there are newspapers and foreigners will hereafter certainly advertise more in those papers than in ours. Why do you not think about all this and then make up your mind about this taxation? Sir, taxation does not work like mathematics. If a tax on advertisement is imposed, then, advertisements

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will migrate from one area to another and trade also will migrate from one Province to another. Another important fact that is to be noted is that newspapers are not very distant these days. The *Statesman* of Calcutta is flown to Madras within less than six hours so also Delhi newspapers. Therefore, in the whole of India which I conceive of as one unit and one culture, there should be an effort at proper reorganization of publicity. I say, Sir, this tax will very adversely affect business companies. It is indeed always a misfortune that this Government never come out with estimates of their revenues. Government must say how much revenue they expect from the sales tax or other taxes and then proceed to impose the tax."

THE HON. SRI B. GOPALA REDDI:—"It is twenty lakhs."

* SRI N. S. VARADACHARI:—"Let me test the correctness of the statement. I am glad I have drawn out the Hon. the Finance Minister. The total sales tax revenue of this Province which is levied on the trade turnover in retail, wholesale and other spheres, food and everything included, is 832 lakhs. This is taken in three stages or perhaps four stages. This tax is levied on the total internal volume of trade of 200 crores. Out of this, food and other things may be excluded because you do not advertise for foodstuffs; you do not advertise rice or other food except perhaps a few milk foods. If you remove all this, I tell you that the taxable margin left for newspaper advertisement can never yield twenty lakhs. It may yield six or seven lakhs or ten lakhs at the most. I will come to all that later on."

"Now, Sir, I will show how the incidence of this tax will work in our Province. Now you have taxed cinema shows. Cinemas will perhaps hereafter cut down their advertisement programmes and your revenue may go under. Also some of the newspapers may not get cinema advertisements. This will not only cut down your revenue on this account but you will also destroy the progress of entertainment and recreation in this country. In fact, Sir, the incidence will work out to something like this. Of course, the bigger newspapers will get their share of the advertisement tax from the companies. Now, the company or companies will say; 'My total programme is only for one lakh; if I have to pay Rs. 10,000 as tax, then I will reduce the programme by Rs. 10,000.' If the companies thus reduce their advertisement programme. I ask, how many newspapers will get this benefit. Certain newspapers, the *Hindu*, the *Mail* or perhaps, the *Indian Express*, will get. What will happen finally is that these reduced programmes will definitely cut down the revenues of other papers. No doubt you propose to exempt certain newspapers. There is no use talking of exemption. Exemption, Sir, is an elusive phrase in an advertisement tax Bill. Now that you have got increased contribution from the tobacco tax, why should you not withdraw this tax altogether? I want you to think deeply over this and see whether more than ten newspapers in this Province will have circulation if this advertisement tax is imposed."

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"Now, Sir, let me say how it will work in actual practice. Newspapers are not run on subscriptions, if they are newspapers worth the name. In fact, the object of the newspaper should be to make the service available at the minimum cost. I wish the *Hindu* were sold at one anna instead of two annas. Similarly, I wish other newspapers also cut down their price but this they can do only if we, who are not in the Government and if you, who constitute the Government to-day, will make the business work by increasing advertisement programmes and allowing their space to be sold properly in order that the unsold may serve to advance the cause of industry, business, government administration and all that. Sir, this central fact must be taken into consideration and should not lightly be forgotten. What will happen is that the small newspapers . . . (Interruption.) There is no question of poor man here. What will happen is that by this tax, you will extinguish certain newspapers, periodicals and journals. You may say that you are going to exempt them but the exemption that they will be getting will be nothing. There will be no need for your wonderful and gracious gesture because no exemption will be called for as they will not exist, and even if they exist, they will not get advertisements. If you impose this advertisement tax on these small periodicals, that portion of the advertisement programme which appears in these small periodicals and journals will be completely wiped out with the result that the small newspapers and periodicals and journals may themselves disappear in course of time because, they will have to wind up without these advertisements. Sir, we say we are working for the freedom of the Press. That is why in other countries, they have not levied this tax despite what Mr. R. V. Swaminathan said. I do not know where he has read all that. Of course, he may have his own literature for his purpose but I will assure him and assure this House that this tax on advertisement is levied in another sense by Governments in other countries and I recommend that method to you and it is this. Make all the vacant space Government property; make that space beautiful; make it attractive for businessmen to look to this space for advertisement in order that they may put their hoardings and exhibit the value of their wares. It is worth while. You will get some money. Both the hoardings and the newspaper tax will disappear if you do have it four ways. The one is not complementary to the other: the one cuts across the other. That is why I want the Government to abandon this tax. You have got Rs. 34 lakhs, a gift from the Government of India, which you did not expect. You ought to have got more. Our share must be much more. We can fight for it legitimately. We can fight also for other taxes. The primary thing to remember with any sales tax is that the turnover has got to be safeguarded. In the advertisement tax you have got to safeguard business and the services that the newspaper can render. Judged from that point of view this tax is hopelessly bad. I cannot lend my support to this tax. If you change the whole face of the Bill after mature consideration, which I am sure you intend to do, we can make it still a good tax. Even after getting Rs. 13 crores of

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revenue from sales tax, we have not built up an organization. There should be an organizational front in order to safeguard industry and business, revise falling business and tax only the business that is on the increase. That is the way to nurse the sales tax, and nurse the newspapers so that they can render efficient public service. It is wrong to think of space being sold; these newspapers are not goods. There are several services which we do not tax; there are some which we tax. For instance, electricity is a public utility service which we do tax. Even there we carefully note that the taxation should be such that the consumption of electricity does not go down. Certain services ought not to be taxed and they should be free and remain free for ever. It will be a sad blot on the history of the Madras Government if they take a wrong lead in this matter. Should we not look for precedents? Why do you want to jump into the fire alone? Have the Bombay Government imposed this tax? (The Hon. Sri B. Gopala Reddi: 'It has already come into force.') They will suffer. Why should we also suffer? Should we not safeguard our interests? Let us set a better example. 'I want the reading public to increase from day to day and from hour to hour. That is my point.

"The other point that was raised, namely, that it is a tax on knowledge, has been misunderstood. 'Tax on knowledge' is a beautiful English phrase intended to convey in cryptic language the fact that newspapers are not saleable goods, but they render a public service, that they are a class apart and that they should not be taxed. It is not every newspaper that imparts knowledge; some impart knowledge and some impart very misleading information. We do not want in this Bill to rationalize the Press. You are not instituting a control of the Press. You are trying to do something which will destroy effectively the feeling of sympathetic and helpful co-operation that we ought to expect from the Press. I plead once again that the Government should consider all these points. I would like you to examine your taxation policy and see whether this is the right method.

"Your taxation policy is very unfortunate. The cinema owners have made money; the *Hindu* office has made money; the *Mail* office has made money or some fleet owners have made money. Whom are you asking to pay? If one big fleet owner can pay your taxes and survive, the poor fellows in the business will have to shut up their business. That is not proper taxation. I would urge again and again the argument that I urged repeatedly in connexion with the other taxation measures that the tax should be on such a level that would encourage and stimulate and beneficially help production and distribution and increase the standard of living and not repress industry or put down business to any extent."

SRI A. KALESWARA RAO:—"Sir, I regret I have to oppose this Taxation Bill introduced by my Hon. Friend the Finance Minister. Unfortunately he has started on some adventures this time and he has been fighting on all sides. In some of the taxation measures, he had to give up many of the items and adjust himself

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to the opinions and the advice of the Select Committee. He started with great ambitions. Unfortunately many of the items he had to give up. The whole difficulty lies in his relying too much on the sales tax. Sales tax has come to the surfeiting point. He is fond of the sales tax and I am also fond of the sales tax, because it was introduced for the first time in the regime of Rajaji when he took up office. I have had an opportunity of reading about the sales tax in all countries of the world. It does not exist in England and the Dominions. It exists in the United States of America. But there I have not come across a sales tax on newspapers, nor any kind of tax on newspapers in any civilized country. The unfortunate thing is that our Finance Minister has not got many other items of taxation and he has hit upon this proposal of a tax on advertisements. It has created such an odium. There is a depressing atmosphere. It is bad. People are disgusted with taxation. They think that the Government are not wisely spending the amount realized by the taxes. On account of corruption certain taxes are not properly collected. In this tense atmosphere, taxation itself is unpopular, and particularly when the Finance Minister wants to tax advertisements in newspapers, he has clearly made a mistake. Newspapers are not commodities for sale and purchase. No newspaper man started a newspaper with a view to get profits or make money. When the *Hindu* was started by leaders like Sri G. Subramania Ayyar, they did not think of getting any profits. It is difficult to make both ends meet and to make the newspaper self-sufficient. It is only after some time that certain newspapers have the good fortune to become self-sufficient and also to make profits.

"Sir, we are now in the beginning of the construction of a huge edifice of a great nation. We have acquired Swaraj. In the struggle for Swaraj, newspapers helped a great deal. In the building up of Swaraj also we want the help of the newspapers. They must give proper ideas to the people, they must lead the people. They are a source of great knowledge and great culture. They lead the people. Of course, some yellow papers mislead the people. But even they give a lot of knowledge to the people. Many of our Congressmen, not only in the Telugu country but also in Tamilnad, have acquired their political knowledge not through Universities but by reading papers like the *Andhra Patrika* and the *Swadesamitran* in their mother-tongue. They are good orators and they can appeal to the masses. They got their ideas of politics and economics from the newspapers. They are a great force; they are a source of knowledge; they have inspired the people; they have a task to perform in the building up of a great India, a great nation. They have to discourage the opposite forces of communalism and communism. Sir, we are going to enfranchise 25 million or half the people of the Province. How many newspaper readers are there at present? Not more than five or six millions. The number has to be increased four times. At this juncture is it right to discourage newspapers? When the sales tax was introduced,

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Rajaji exempted khaddar and handspun yarn from taxation, because we wanted to encourage them. Similarly we have to encourage the newspapers so that they may help in national reconstruction and advise the Government properly and give them new ideas and criticize them when, as human beings they go wrong. Instead of encouraging newspapers, to think of taxing them on any day is wrong. I am not thinking of the temporary unpopularity that we may incur because we may offend the *Hindu*, or the *Mail* or the *Indian Express* or the *Andhra Patrika* or the *Swadesamitran*. I do not care for it, if we do the right thing. It is a question of doing a thing permanently. I am opposing it on principle, not on mere exigencies of the time. Even in countries where newspapers have a million subscribers, no tax is levied on them. They are educating our people and giving them more knowledge than our Universities, colleges and educational institutions. The news they give, even the headlines themselves the views they represent, the ideas they spread—all these are a great asset. Therefore, you should not tax the newspapers. To say that we shall exempt certain newspapers is all bad. This revision and exemption is all wrong. Even if bigger newspapers are taxed, advertisers will go only to those papers and pay whatever they demand. As Mr. Varadachari pointed out, small weeklies are helped to be started with the giving of advertisements. All this will stop. The smaller newspapers will go out of existence and the bigger newspapers will have to pay unnecessarily. The trader also will charge all that is paid to the newspapers in the prices of the commodities. The prices of the commodities will rise. Therefore, I strongly oppose this Bill on principle."

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p.m.

SRI L. N. GOPALASWAMI:—"Mr. Speaker, Sir, the main object of this Bill is to cover the deficit that has occurred in the Budget of the current year. As we have been informed by the Hon. Minister for Finance, the deficit is about 4 crores and this piece of taxation is one of the measures by which he intends to cover the deficit. Up to now he has not placed before us the amount that he is likely to realize by this tax. After Mr. Varadachari's enquiry, he has been kind enough to tell us that it is likely to yield 20 lakhs out of an anticipated deficit of 4 crores of rupees. Our purpose now will be to see whether the introduction of this measure is necessary in view of the fact that it is likely to bring us only 20 lakhs out of a deficit of 4 crores. Some hon. Members have suggested that this is only a nucleus and a way to find more revenues for the finances of our Province. They cited the example of the sales tax. The sales tax, when it was first introduced, was only getting about half a crore of rupees and it is now getting nearly 10 to 12 crores of rupees. But they forget that the sales tax has not been at the very same rate as it was in the beginning. It began with half a pie in the rupee and it is now ranging from 3 pies to one anna in the rupee. Again, the prices of commodities have more than trebled and are nearly four to five times. Multiplying both these, we now see that it is 25 or 30 times the original rate. That is why we are getting the sales tax to the tune of 12 crores

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of rupees and not because the sales tax has simply improved year after year. On the other hand, if the Hon. Minister expects this advertisements tax to be a nucleus, he is cutting at its very source. He is just opening the stomach of the goose that is laying the golden eggs. If really he wants the newspapers to prosper, it is not the way to tax them. The taxing of the newspapers appears to me to be not by an advertisements tax at all. If you want to straightaway tax the newspapers, it will be a different thing altogether. But to bring it under the category of advertisements tax and to say that newspapers are letting out spaces for advertisement and therefore they must pay this tax, it is a little bit of confused thinking. Either take up advertisements tax in which case it is the advertiser who should be taxed. For instance, if a man is going to print advertisement pamphlets in the Press, it is not the Press that is taxed. The duty of the Press is only to tell the Government that so and so has printed such a number of advertisement sheets and that the Press has printed and supplied them to him. Then, the Government will go to the advertiser and take the money from him. So also if it is construed as an advertisement, then the Government must give the option to the newspaper or get from the newspaper information as to who has advertised and get the amount from the advertiser. But if they want the newspapers to pay the tax to the Government in advance out of their supposed income from advertisements, whether received or not, whether prepaid or not, it is hardly fair on the part of the Government to do so. I do not hold any brief for the newspapers I am quite sure. The big newspapers are not going to pay the tax out of their pockets or their earnings. The money they will be getting out of the advertisement charges will be a big portion of the income-tax. They are now paying lakhs of rupees as income-tax. Instead of paying the income-tax, they will be simply setting apart a portion of the expenditure to be meted out as advertisements tax, and that will go to reduce the income that he earns. Therefore, he will pay a lesser amount of income-tax only. I am afraid the tax will more affect the smaller newspapers or the newspapers that are just now trying to come into the front line, as many other newspapers have done. I will have no objection if the Government say that the tax should be levied on newspapers which have got a circulation of 40,000 and that it will be in consonance with the profits that they are going to make. A common rule that every newspaper should pay an advertisements tax, whether it realizes charges or not, is a thing which I am not able to understand. Another point is that the rates of advertisement will go up. People being new to the Press line, thinking that they should come into the front, levy a rate which is equal to the highest newspaper rate. In fact, they collect only far less than what they have prescribed as their rates. This is a secret which everybody knows. A smaller newspaper, though it prescribes Rs. 10 for the advertisement column, will actually collect only half a rupee, because it is poor and it wants some money to keep it all up. Even in such cases, the tax-collector will say 'You have collected Rs. 10 because that is your advertisement rate. Therefore, you must pay me Rs. 10.' It will thus work great hardship on the smaller newspapers.

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"My another reason why this tax should not be levied on newspapers is this. Newspapers in our country, especially at this juncture, are the only means of educating the public. Nobody can deny the fact, though my hon. Friend, Mr. Swaminathan, may deny, the newspapers do not disseminate knowledge. I do not really see what else the newspapers do. If to-day our people are politically conscious, if to-day our people have got that consciousness and civic knowledge, to the minimum extent at least, it is because of these newspapers. It is not only the people who read the newspapers but also those who hear people reading the newspapers who are benefited by them. Therefore, I say the newspaper is the best means of educating the public. The Government, however, much they may try, cannot for at least one or two decades, go to the remotest village and disseminate knowledge that is necessary for educating the man to his responsibilities and duties. The newspaper is doing it. A number of newspapers are coming up. Some may disseminate a bad type of knowledge. But on the whole all the newspapers serve this purpose, namely, educating the people to their own needs, duties and responsibilities. I, therefore, beg to submit that it is not the proper way to tax newspapers.

"I can just cite another instance simply to tell the House that a newspaper cannot exist but for this advertisement. Even so great a newspaper as Gandhiji's 'Harijan' and 'Young India', I know, as a matter of fact, could not meet their daily expenditure out of the receipts collected from the subscribers. The Harijan Sevak Sangh has lost thousands every year in the publication of the 'The Harijan'. That being so, we do not expect the ordinary newspaperman who is running a newspaper to cover all his expenditure by the one or two annas that he may be getting from the readers. The main source of income of a newspaper is advertisement. If the Government are going to block the advertisement, as this advertisements tax is going to do, then we will be blowing the death-knell to all the smaller newspapers. Therefore, it is not advisable to tax them.

"One point was suggested by the Hon. Minister for Finance that the newspaper people in their Association's Resolution have thrown a threat to the Government. Perhaps it has become the fashion of the day to throw threats. It is a matter of common knowledge to say that unless there is a threat, there is no response. We have been seeing various kinds of people securing their objects, though not to the extent anticipated, at least to a smaller extent, by such threats. Therefore, there is nothing new if the newspapers have thrown a threat. But all the same if the object is just, let not the threat stand in the way of doing justice to these people, if really we want to do them the right and proper thing.

"The last point, I would like to submit, is that this tax, though ostensibly a tax, is a very dangerous weapon. We are now dealing not with all kinds of people, as in the case of the sales tax. The sales tax is levied on all kinds of people, irrespective

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of the kind of goods or kind of newspaper or any other thing they sell. But this advertisements tax is going to affect mainly the newspaper and the advertiser. The newspapermen are a class of people who have to come into contact with the Government day to day and it is the duty of newspaper to criticize their action day in and day out. So if the Government are going to tax the newspapers even though a good Government might not do it, some Members may take it into their heads to go to some newspapers or ask their officers to go and threaten them that their accounts are not all right. Even without the Government doing this, some of the officers in their anxiety to please their superiors, may go and say to some newspapers 'Your accounts are wrong. I do not believe them. I want a tax from you. You must pay me such an amount.' That will be a dangerous position. Newspapers are very necessary for the proper running of the Government. We want to be criticized and we want our people to point out the defects so that we may correct ourselves and act in the correct manner. Therefore, from this point of view also, taxing a newspaper is not proper.

"A question may be put 'You are opposing taxation. What is the remedy you suggest? We have got a deficit of 4 crores. We have sacrificed 17 crores of rupees by prohibition, and we are getting only about 13 crores from sales tax. I suggest that the same sales tax may be enhanced. There cannot be a better tax than the sales tax itself. If you are now collecting 3 pies in a rupee, why not collect 3½ pies in the rupee? It is not going to affect any man by distinction. If I want to fly by an aeroplane or if I want to purchase a luxurious article, I will pay for it, including the sales tax. There can be no better taxation than the sales tax. There may be propriety also in raising the yield from sales tax to 17 crores of rupees. Rajaji said that the sales tax was intended to cover the deficit that might be caused by accepting the policy of prohibition. If our deficit is 4 crores, it is honest and straightforward to raise the yield from sales tax up to the limit of 17 crores. Rajaji did not stop at that. He went further to say that he wanted to wipe out the present system of land revenue. The smaller landholder must be relieved from the land tax. For that also sales tax may be utilized. It is always said that the poor man is paying the sales tax. But it is not he who pays the largest amount. It is the rich man who wants greater comfort, advertisements, luxuries and other things that pays it and properly also. He is bound to pay in accordance with his necessities. I therefore, beg to submit that the Government can realize what they want by increasing the sales tax and not by resorting to various kinds of taxation, the revenues from which are very improbable, and even if they are going to collect 20 lakhs from this new tax, it will not serve the purpose. I request the Hon. Minister to consider whether he cannot see his way to drop this Bill."

SRI K. T. KOSALRAM:—"Mr. Speaker, Sir, சர்க்காரால் இப்பொழுது கொண்டு வரப்பட்ட இந்த taxation Bill ஆனது அவசியமா அல்லவோ என்பதைப்பற்றி பல சர்ச்சைகள் வெளியிலும் இந்த சட்ட சபையிலும் நடந்து கொண்டிருக்கின்றன. ஆனால் நாம் இப்பொழுது

[Sri K. T. Kosalram]

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சர்க்காருக்கு ஐந்து கோடி ரூபாய் வருமானத்தைப் பண்ணிக் கொடுக்க வேண்டியது அவசியம் என்பதை யாரும் மறக்கமுடியாது. அதற்காக எந்த விதமான வரிகளைப் போடவேண்டுமென்பதுதான் இன்றைய பிரச்சனை. இந்த பத்திரிகைகளுக்கு விளம்பர வரி போட்டுதான் நம் அரசாங்கத்திற்கு வருமானத்தைக் கொண்டு வரமுடியுமா என்பதில் பத்திரிகைகளுக்கு போடுவதில் இந்த விளம்பர வரி ஒன்று தான் இருக்கிறது. விற்பனை வரி போட்டாய் விட்டது என்று சொல்லுகிறார்கள். ஒரு சில பத்திரிகைகளின் முதலாளிகள் மாதம் ஒன்றுக்கு இந்த விளம்பரத்தின் மூலமாக சமார் 2 லட்சம் அல்லது 2½ லட்சம் வரையில் சம்பாதித்து அப்படியே பாங்குகளில் போடுகிறார்கள் என்பதைச் சொல்ல விரும்புகிறேன். இந்த வருமானத்தை அவர்கள் பொது ஜனங்களிடத்திலிருந்தும், வியாபாரிகளிடத்திலிருந்தும் தான் அடைகிறார்கள். இந்த வித வரியைப் போட்டால் அவர்கள் இந்த பணத்தை தங்களுடைய கையிலிருந்து கொடுக்கிறார்களா அல்லது அவர்கள் எவ்விதம் சம்பாதிக்கிறார்கள் என்பது இன்றைய பிரச்சனை. ஒரு தனிப்பட்ட மனிதன் ஒரு private Company யை 4, 5 பேர்களைச் சேர்த்து நடத்திக்கொண்டு மாதம் ஒன்றுக்கு ஒரு லட்சம், இரண்டு லட்சம், இரண்டரை லட்சம் என சம்பாதித்து பாங்குகளில் போட்டு வருகிறார். ஏழை மக்களுக்காகவே பத்திரிகைகளை நடத்துகிறோம், ஏழைகளுக்கு நன்மைகளைச் செய்வதற்காகவே பத்திரிகைகளை நடத்துகிறோம் என்று சொல்லிக் கொண்டிருக்கும் பத்திரிகைகள் ஏழைகளுக்கு இந்த பணத்திலிருந்து என்ன நன்மைகளைச் செய்கிறார்கள்? பத்திரிகைகளில் வரும் விஷயங்களை நிரூபிகள் தான் எழுதுகிறார்கள். தொழிலாளிகள் வேலை செய்து அச்சடிக்கிறார்கள். ஏழைகளுக்கு நன்மைகளைச் செய்கிறோம் என்ற பத்திரிகைகள் அந்த ஏழை தொழிலாளர்களுக்கும் நிரூபிகளுக்கும் தங்களுடைய வரும்படியிலிருந்து ஒரு லட்ச ரூபாயைக் கொடுக்கக் கூடாது என்று கேட்கிறேன். இந்த நிலைமையில் தான் அவர்கள் இந்த ½ லட்சம் ரூபாயையும் லாபமாக சம்பாதிக்கிறார்கள். அந்தப் பத்திரிகைகளின் மாணேஜரோ, அல்லது மாணேஜிங் டைரக்டர் என்று சொல்லக் கூடியவரோ எவ்வளவு சம்பளம் எடுத்துக் கொள்ளுகிறார் என்பதை உணரவேண்டும். ஆனால் பத்திரிகைகளில் வெளியாகும் நாட்டின் செய்திகளை அவ்வப்பொழுது மக்களுக்கு கொடுப்பது பத்திரிகைகளின் மாணேஜரும் அல்ல, அல்லது மாணேஜிங் எடிடரும் அல்ல, பத்திரிகை ஆசிரியர்களேயல்ல. ஆனால் யார் கொடுக்கிறார்கள்? பத்திரிகை நிரூபிகள் அங்கங்குள்ள செய்திகளை சேகரித்து அவைகளை டைப் அடித்துக் கொடுக்கிறார்கள். அவ்விதம் டைப் அடித்துக் கொடுத்தவைகளை தொழிலாளிகள் அச்சுக் கோர்த்து அச்சடித்து வெளியிடுகிறார்கள். அப்படி வெளியிடுவதிலிருந்து வரும் லாபத்தை பத்திரிகைக்காரர்கள் எடுத்துக் கொள்ளுகிறார்கள். ஆனால் அந்த 2½ லட்ச ரூபாய் லாபத்திலிருந்து ஒரு லட்ச ரூபாயாவது இந்த ஏழைகளுக்குக் கொடுக்கிறார்களா வென்றால் அதுதான் கொடுக்கவில்லை. அல்லது தொழிலாளர்களுடைய வாழ்க்கைத் தரத்தை உயர்த்தியிருக்கிறார்களா வென்றால் அதுவுமில்லை. இந்த லாபத்திலிருந்து ஏழைகளுக்கும் கொடுப்பது இல்லை. அரசாங்கத்திற்கும் கொடுப்பது இல்லை.

“இந்த நிலைமையில் பத்திரிகைக்காரர்கள் தாங்கள்தான் பொது ஜனங்களுடைய பிரதிநிதிகளென்று கூக்குறலிடுகிறார்கள். குறிப்பாக சில பத்திரிகைகள் தங்களுடைய பத்திரிகைகளில் எழுதியிருப்பவைகள் தான் பொது ஜனங்களின் அபிப்பிராயம் என்று சொல்லுகிறார்கள். பொது மக்களின் வோட்டுகளைப் பெற்று இங்கேயிருந்து சொல்லுபவர்களுடைய அபிப்பிராயம் பொது மக்களின் அபிப்பிராயமா அல்லது யார் ஒருவன் பணம் சம்பாதிப்பதற்காக தன்னுடைய பத்திரிகையில் editorial எழுதுவது பொது மக்களுடைய அபிப்பிராயமா என்பதை மக்களிடத்தில் கேட்கவேண்டும். இந்த விஷயத்தை மக்களிடத்தில் தான் தீர்த்துக்கொள்ள வேண்டியதாக இருக்கிறது. ஏன் இன்று கனம் சி. ஆர். ஸ்ரீநிவாசன், சுதேசமித்திரன் ஆசிரியர் கூட . . .

MR. SPEAKER :—“நீங்கள் ஒருவருடைய பெயரைப்பற்றியே இங்கு பேசக்கூடாது.”

[1st July 1949]

SRI K. T. KOSALRAM.—“கனம் பக்தவத்சலம் அவர்கள் கூட ஒரு நாள் சொன்னார். நாங்கள் பத்திரிகைக்காரர்களுடைய மகா நாட்டை கூட்டினோம். Advisory Committee ஒன்றை வைத்து நடத்தினோம், அதில் ஸ்ரீமான் C.R. ஸ்ரீநிவாசன் அவர்களே பத்திரிகைகளுக்கு tax போடலாம் என்றும் அது அவருடைய அபிப்பிராயம் என்றும் எங்களிடம் சொன்னார் என்றும் சொன்னார். இந்த அபிப்பிராயம் மந்திரிகளின் முனையிலோ அல்லது அரசாங்கத்தின் முனையிலோ உதித்து விடவில்லை. இது ஒரு பிரதம பத்திரிகை ஆசிரியரிடத்திலிருந்து தான் வந்திருப்பதாக கனம் மந்திரி அவர்களின் மூலமாக தெரிந்து கொண்டோம். ஆனால் அதே பத்திரிகை இப்போது என்ன எழுதுகிறது. இந்த அரசாங்கம் எந்த விதத்திலும் வரிகளைப் போடக் கூடாது இந்த அரசாங்கம் மிருகத்தனமாகவும் மூர்க்கத்தனமாகவும் கேவலமாகவும் போகிறது என்றெல்லாம் இந்த பத்திரிகைகளில் விளம்பரப்படுத்தி உடனே எழுதி வருகிறார்கள், அதைப் பார்க்கும் பொழுது ஆச்சரியமாக இருக்கிறது. இந்த நிலைமையில் மனிதனுடைய அறிவிற்கு வரியா என்று சொல்லுகிறார்கள். மனிதன் அறிவில்லாமல் எப்படி வேலைசெய்ய முடியும் அறிவில்லாமல் மனிதன் இருக்கமுடியாது. இப்பொழுது கனம் ஸ்பீக்கர் இருக்கிறார். அவருக்கு அறிவு இல்லா விட்டால் அவர் ஸ்பீக்கராக இருக்க முடியாது. அங்கத்தினர்கள் இருக்கிறார்கள். அவர்கள் அறிவில்லாமல் இங்கே உட்கார்ந்திருக்க முடியாது. எந்தத் தொழிலைச் செய்யவேண்டுமென்றாலும் அறிவிற்குத் தால்தான் அதைச் செய்யமுடியும். ஒவ்வொருவரும் அறிவால்தான் சம்பாதிக்கிறார்கள். அறிவைவற்றுதான் சம்பாதிக்கிறார்கள். அறிவில்லாமல் ஒருவரும் தன்னுடைய lifeஐக் காப்பாற்ற முடியாது. அறிவிற்கும் வரியா என்று சொல்வதைக் கேட்க வெட்கமாக இருக்கிறது. (Some Interruption by the Hon. Sri B. Gopala Reddy). அறிவிற்கும் சம்பளம் கொடுக்க வேண்டுமா என்று கனம் கோபால் ரெட்டி கேட்கிறார். Mr. Speaker அவர்களுடைய அறிவிற்கும் சம்பளமா என்று கேட்டால் அது எவ்வளவு மூடத்தனமாக இருக்கும், அப்படி மூடத்தனமாக கேட்கிறேன் என்றுதான் அவர் சொல்வார் என்பதைத் தெரிந்து கொள்ளவேண்டும்.

“கனம் R. V. சுவாமிநாதன் சொன்ன மாதிரி இந்த பத்திரிகைக்காரர்கள் total prohibition வேண்டுமென்று தினம் தினம் எழுதி வந்தார்கள். இப்பொழுது கொண்டு வந்தால் மாகாணத்திற்கு குந்தகம் வரும் பொருளாதாரம் சரியில்லை என்று மனபூர்வமாக சட்டசபையிலும் சொன்னார்கள் கட்சியிலும் சொன்னார்கள். அவ்வளவு பேர்களில் ஒவ்வொருவரும் total prohibition கொண்டுவரவேண்டாம். கொஞ்சநாள் கழித்துக் கொண்டுவரலாம் என்றும் சொன்னார்கள். ஆனால் பத்திரிகைக்காரர்கள் column column மாக total prohibition வேண்டுமென்று சொன்னார்கள். ஆனால் மக்கள் வேண்டுமென்று விரும்பினார்கள். அதுதான் உண்மையான பொதுஜன அபிப்பிராயம். ஆனால் இன்று, இவர்களை யார் கொண்டுவரச் சொன்னார்கள் என்று பத்திரிகைகள் எழுதுகின்றன. இவ்விதம் பத்திரிகைகள் எழுதிவந்தால் அவர்களிடத்தில் பொதுஜனங்களுக்கு சரியான நம்பிக்கை இருக்குமா என்று கேட்கிறேன். இது பொதுஜன அபிப்பிராயம் என்றும் சொல்லுகிறார்கள். இதற்குமுன் அப்படி சொல்லியிருக்க வேண்டாம் இப்பொழுது ஏன் வரி போடவேண்டும் என்று கேட்கிறார்கள். அரசாங்கம் செய்வது நல்லது அல்ல அவர்களுக்கு உரிமை இல்லை என்றும் சொல்லுகிறார்கள். ஆனால் அரசாங்கம் மக்களுக்கு நன்மைகளைச் செய்யவேண்டும். அதற்கு பணம் வேண்டும். அதற்கு ஏதாவது இந்த பத்திரிகைக்காரர்கள் யோசனை சொன்னார்களா என்றால் அதுதான் இல்லை. பொதுஜன அபிப்பிராயத்தையாவது சொன்னார்களாவென்றால் அதுதான் இல்லை. இப்பொழுது காங்கிரஸ்கட்சி அங்கத்தினர்களும், லேக் மெம்பர்களுமே பேசுகிறார்கள் அதைப்பற்றி அக்கரை இல்லை. எந்த வரிபோட்டாலும் வரிவேண்டாம் என்று சொல்லுகிறார்கள். ஆனால் அவர்கள் ஏதாவது ஒரு வரியைப் போட வேண்டுமென்று சொல்லுகிறார்களா வென்றால் அதுதான் இல்லை. Agri-cultural Income tax போட வேண்டுமென்று நண்பர் கார்த்திகொண்டு வந்த இப்பொழுது tax வேண்டாம் என்று சொல்லுகிறார்கள். இன்றைய தினம் இவ்விதம் பேசிக்கொண்டிருக்கிறார்கள். ஆனால் Joint Popularity என்று

[Sri K. T. Kosalam]

[1st July 1949]

சொல்வதாக இருக்கிறது. சாதாரணமாக ஜனங்களுடைய ஆதரவைப் பெற்றுக்கொள்வதற்காக அந்தந்த வரியை எதிர்க்கிறேன் என்று சொல்லிக் கொண்டால் மக்கள் பிரமாதமாக நினைத்து விடுவார்கள் என்றிருக்கலாம். இவ்விதம் இருந்தால் ஒரு நன்மையும் ஜனங்களுக்கு செய்ய முடியாது. Constructive-ஆக மக்களுக்கு என்ன செய்யவேண்டுமென்று சொல்லியிருக்கிறார்களா வென்றால் அதுதான் இல்லை.

“பொது ஜனஹழியர்கள் என்று சொல்லிக்கொள்ளுகிற கிராமவாசிகளுக்கு என்ன செய்திருக்கிறார்கள். கிராமங்களில் மக்கள் குடிதண்ணீர் கூட இல்லாமல் மடிந்துகொண்டிருக்கிறார்கள். கிராம மக்களை கவனிப்பார்கள் இல்லை. அவர்களுடைய நன்மைகளுக்கென்று ஒரு வரியைப் போட்டால் அதை எதிர்க்கிறார்கள். அது பொதுஜன அபிப்பிராயம் என்றும் சொல்லுகிறார்கள். ஆனால் டவுன்களிலிருந்துக்கொண்டு சுகமாக கார்கள் வைத்துக்கொண்டு வாழ்ந்து வருகிறார்கள். ஆனால் கிராமவாசிகள் குடி தண்ணீரில்லாமலும் ஆஸ்பத்திரி வசதிகளில்லாமலும் (மருந்து வேண்டுமென்றால் கிடையாது, டாக்டரும் கிடையாது) கஷ்டப்படுகிறார்கள். அரசாங்கத்தின் கவனம் அங்கே போகவில்லை. பத்திரிகைக்காரர்கள் இதைப்பற்றி ஒன்றும் சொல்லவில்லை. அரசாங்கம் இவ்வளவு குறைகளையும் வைத்துக்கொண்டிருக்கிறார்கள். ஆகையால் பணக்காரர்களுக்கு வரிகளைப் போட்டு பொது மக்களுக்கு சௌகரியங்களைச் செய்யவேண்டும் என்று யாரும் சொல்லவில்லை. வரி வேண்டாம், அதைச் செய்யவில்லை இதைச் செய்யவில்லை என்றுதான் சொல்லிவருகிறார்கள். தங்களுடைய சுயநலம் பாதிக்கக்கூடியவர்கள் தான் இந்த விதமான எதிர்ப்புகளைச் செய்துவருகிறார்கள். நம் மாகாணம் எவ்வளவோ நல்ல காரியங்களைச் செய்து பெருமைப்படக்கூடிய நிலைமையிலிருக்கிறது. பல பேர்களுடைய சௌகரியத்திற்காக பல சட்டங்களை இயற்றுகிறோம். அதனால் சில சுயநலக்காரர்கள் பாதிக்கப்படலாம். அவர்கள் அதற்காக கத்திக் கொண்டுதானிருப்பார்கள். இந்த யாகாணம் செய்யும் சில சட்டங்களெல்லாம் ஒரு சிலரை பாதிக்கக்கூடியதாகத்தான் இருக்கும். ஆனால் பலருக்கு சௌகரியம் ஏற்படக்கூடியதாகவே இருக்கும். இந்த நிலையில் பத்திரிகைக்காரர்களுக்கு பேச்சுரிமை இருக்கிறது என்பதற்காகவே எதிர்த்து எழுதி விடுகிறார்கள். காங்கிரசிற்கு ஆதரவு கிடைக்காது என்று சொல்லுகிறார்கள். அடுத்த எலெக்ஷனில் ஆதரவு இருக்கிறதா இல்லையா என்பதைக் காண்பிக் கப்போகிறோம். காங்கிரஸ்காரர்கள் சொல்வது சரியா அல்லது இவர்கள் சொல்வது சரியா என்பதை பொது மக்கள் அறியப்போகிறார்கள். அவர்கள் தான் நியாயம் சொல்லப்போகிறார்கள். எவ்வளவோ கட்சிகளிலிருக்கலாம். மெம்பர்கள் யோசனையுடன்தான் செய்கிறார்கள். இப்பொழுது விளம் பர வரிபோடுவதனால் அதை பத்திரிகைக்காரர்கள் கொடுக்கப்போவதில்லை. அவர்கள் இப்பொழுதே எல்லா வியாபாரிகளுக்கும் நோட்டீஸ் கொடுத்துவிட்டார்கள். அரசாங்கம் advertisements-க்கு வரி போடப் போகிறார்கள் அதையும் சேர்த்துக்கொடுக்கவேண்டுமென்று நோட்டீஸ் கொடுத்துவிட்டார்கள். ஆகையால் பத்திரிகைக்காரர்கள் அந்த வரியை வியாபாரிகளிடத்திலிருந்துதான் வசூலிக்கப்போகிறார்கள். பத்திரிகைக்காரர்கள் ஒரு பைசாக்கூட கொடுக்கப்போவதில்லை. ஆகையால் பத்திரிகைக்காரர்கள் எதிர்ப்புகள் பண்ணவேண்டியது அவசியமேயில்லை. எனம் R. V. சுவாமிநாதன் அவர்கள் பல விஷயங்களைச் சொன்னார். அவர் சொன்னதிலும் பல விஷயங்களுக்குக்கின்றன. Dr. சுப்பராயணப்பற்றியும் சொன்னார். டாக்டர் சுப்பராயணம் காங்கிரசிற்காக எவ்வளவோ உழைத்திருக்கிறார். பத்திரிகை மூலம் எவ்வளவோ செய்திருக்கிறார். நாட்டின் விருதிலேக்கூட எவ்வளவோ காரியங்களைச் செய்திருக்கிறார். அவர் ஒரு ஜமீந்தார் என்பது எல்லோருக்கும் தெரியும். அவரும் காங்கிரஸ் கட்சி விருப்பப்படி தன்னுடைய ஜமீனையும் ஒழித்துவிட்டு மக்களுக்கு நன்மையைச் செய்ய வேண்டுமென்று பல காரியங்களைச் செய்திருக்கிறார். ஆகையால் ஒரு சிலர் பாதிக்கப்படுவதால் கவலைப்பட்டுவதில்லை என்பதை அரசாங்கத்திற்குச் சொல்லுகிறேன். ஆனால் Select Committee-க்கு மட்டும் ஒரு யோசனையைக்கூறியிருப்புகிறேன். மொத்தம் ரூ. 20,000, ரூ. 25,000 வருமானம் வரக்கூடிய பத்திரிகைகளை இந்த வரியிலிருந்து நீக்கிவிடலாம். அப்பொழுதுதான் நிய பத்திரிகைகள் பாதிக்காமலிருக்கமுடியும். சிறிய பத்திரிகைகளை அரசாங்கம் ஆதரித்துதான் தீர்வேண்டும். இன்னும் அதிகமாக பத்திரிகைகள் நாட்டில் வா வேண்டும். அதற்காகவே மொத்தம் ரூ. 25,000 வருமானம் வரும் பத்திரிகைகளை இந்த வரியிலிருந்து விலக்கி பெரிய பத்திரிகைகளுக்கு வரி போட்டால் பரவாயில்லை. பெரிய பத்திரிகைகள்தான் வரி கொடுக்க வேண்டுமென்று கேட்டுக்கொண்டு நான் இத்துடன் முடித்துக்கொள்ளுகிறேன்.”

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[Sri K. T. Kosalam]

அரசாங்கம் ஆதரித்துதான் தீர்வேண்டும். இன்னும் அதிகமாக பத்திரிகைகள் நாட்டில் வா வேண்டும். அதற்காகவே மொத்தம் ரூ. 25,000 வருமானம் வரும் பத்திரிகைகளை இந்த வரியிலிருந்து விலக்கி பெரிய பத்திரிகைகளுக்கு வரி போட்டால் பரவாயில்லை. பெரிய பத்திரிகைகள்தான் வரி கொடுக்க வேண்டுமென்று கேட்டுக்கொண்டு நான் இத்துடன் முடித்துக்கொள்ளுகிறேன்.”

* SRI T. VISWANATHAM:—“Mr. Speaker, Sir, in the introduction of financial and taxation measures, something very peculiar has always happened in our Province and in this particular case, after the Bill was published long before it has been introduced on the floor of this House, the Ministers have been obliged to enter into controversies with the Press and other critics. May I expect hereafter, the Hon. Minister not to enter into controversies on any Bill until it is actually introduced and until discussions on the merits of that legislation take place on the floor of the House? I feel that this House exists and does exist for a definite purpose and if the Ministers enter into controversies, make statements and counter-statements and raise issues which are not actually found in the provisions of the Bill and sometimes making promises or withdrawing promises, much of the functions of this Legislature is whittled down.

“Sir, several speeches have been made and it looked as if this is a measure affecting only newspapers. I read the terms of this legislation and it is not a taxation measure merely relating to newspaper advertisements but it has got several other features. I wonder why the sponsor of this Bill and its vehement supporters as well as its vehement critics have all concentrated upon the newspaper advertisements. I am one of those who believe that newspapers give knowledge. I am a very humble man and my knowledge is very limited and I derive knowledge from newspapers as well as from the speeches of hon. Members of this House. (Laughter.) So, this is a tax on knowledge.

“Sir, I want to draw your attention to one point which has not been dealt with by the previous speakers. Advertisement has been defined as ‘public notice or announcement’, whether in a newspaper ‘or otherwise’. I wonder why so many hon. Members have left out this ‘otherwise’ from their consideration. (Inter-ruption.) As the Premier says, probably that is left to me and to him. ‘This ‘otherwise’ is a vague term and I have never found such a masterpiece of vagueness and uncertainty being introduced in a taxation measure like this. What is this ‘otherwise’? Supposing, a doctor puts a sign board in front of the balcony of his newly built house, showing that he is a specialist in dentistry and that his consulting hours are 8 to 10 in the mornings and 3 to 4 in the evenings, does it come under the category of ‘advertisements’?”

MR. SPEAKER:—“The hon. Member can continue his speech to-morrow. Now I shall take up the half-hour debate.”

SRI T. VISWANATHAM:—“I request the Chair to allow me 15 minutes to-morrow.”

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HALF-HOUR DEBATE re HARIJAN WELFARE DEPARTMENT.

MR. SPEAKER:—“Now, the hon. Member, Mr. Nagappa will initiate the debate and I allow him eight minutes. I allow four minutes each for the other three speakers and ten minutes for the Hon. Minister to reply.”

* SRI S. NAGAPPA:—“Mr. Speaker, I am very much thankful to the Hon. Speaker for having allowed this half-hour debate. I just want to know from the Government what they have been doing for the last three years in order to uplift the poor Harijans? Practically I do not see any signs of progress being made in that direction. Ten years ago, when Rajaji was the Premier of this Province, he was good enough to give free scholarships to Harijan boys studying in schools and colleges and he also exempted them from age-limit. Now, what are this Government doing for them? On so many occasions, they have taken away some of the concessions given by Rajaji. So many instances have been brought to my notice where Harijan students have been denied admission to schools and colleges. I know for myself that a Harijan student had been denied admission to the Intermediate Course because he was overaged. After all, he was only 22½ years old. I fail to see any reason why age-exemption has not been given in this case. This is not the only instance but there are innumerable instances. There is the Polytechnic school. There admissions are given only to those students who are under 18 years of age. Sir, you know it would be very difficult for a Harijan to pass S.S.L.C. and at the same time to be within 18 years of age. Therefore, I would request the Hon. Minister in particular and the Government in general to see that age-exemption is given to Harijan students. After all, the Polytechnic school is a school run to train people in the technical line and it does not matter if a Harijan student fails to get two or three marks in a subject for he is, after all, going to come out of the school either as a mechanic or a civil engineer or a mechanical engineer. Even if he has failed in the S.S.L.C. Examination, he must be taken into the Polytechnic school and the Chair knows that these Harijan boys are well-fitted for this technical line and can do any amount of manual labour. Therefore, exemption should be given in this case also.

“Sir, Government have been good enough to appoint a Director for Harijan Welfare and I am glad that for this post they have chosen an eminent person who is already working in this field. But at the same time I do not understand why they have failed to provide any accommodation for the Directorate of Harijan Welfare. Are they not able to procure one room in the big Secretariat itself. Now, this Directorate is located in a rented building paying Rs. 400 a month. I ask, whether this rent is paid out of the rupees one crore allotment for Harijan uplift? If it is paid out of it, it is a wrong step and I will not allow even a single pie to be paid out of this allotment. It must be paid only from the general revenue. If every month a sum of Rs. 400 is paid towards the

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rent of the building, it comes to a big sum at the end of the year. After all, this allotment was made long, long ago, say some years ago. Three years have elapsed and yet a major portion of this amount has not been spent. I wish that every year one crore of rupees are allotted for Harijan uplift so that the Harijans can be elevated to the level of the other communities in the shortest possible time. Now that reservation is going to be given up after ten years from now, all the more responsibility now lies on the shoulders of the Caste Hindus and I leave it to their goodwill and good sense.

“Sir, Government have been good enough to pass two legislations, namely, The Temple Entry Act and the Social Disabilities Act. They have become a paper Act. Of course, on the 30th of every month Collectors and other officials do some propaganda for the uplift of the Harijans. But what about the remaining 29 days in the month? Harijans in the villages are not allowed even to draw water from the wells used by other communities. Therefore, village officers must be made responsible for at least implementing the Social Disabilities Act—let alone the Temple Entry Act—and see that they get water from the wells used by other communities. Then only these downtrodden people can be elevated to the level of the other communities. Also, these officers should arrange common dinners to which both Harijans and non-Harijans should be invited and they must mix freely and dine together. I think that will go a long way to abolish untouchability. Besides, propaganda should be done in the villages to educate the masses and see that other communities behave more politely and courteously to these unfortunate children of our soil.

“Sir, as regards the admission of Harijan students to schools and colleges, I must indeed thank the Government for having reserved 10 per cent of the seats for Harijans. But at the same time, I must say that this reservation is only on paper. A Harijan student who got 382 marks out of 600 and who is supposed to have passed in the First-class, could not get a seat in the college. That is the position of the Harijan students. Therefore, I request the Government to inform all schools and colleges that they would not be given Government grant unless 10 per cent of the seats are reserved for Harijan students. And they should also insist that they would not get recognition by the Government unless Harijan students are admitted to the extent of at least five per cent in every class. Unless some such condition is imposed, it would not be possible to enforce this reservation of seats for Harijans.”

SRI R. V. SWAMINATHAN:—“Mr. Speaker, Sir, by initiating this Half-hour Debate, my hon. Friend Mr. Nagappa has voiced the feelings of the people of this Province. We, the unfortunate people of this country, are being oppressed and suppressed by the high Caste people and backward communities are not given adequate facilities to carry on their day-to-day life.”

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MR. SPEAKER:—"This is a debate concerning the Harijan Welfare Department."

SRI R. V. SWAMINATHAN:—"Sir, the uplift of the backward communities is also entrusted to this department and therefore I am entitled to say something on behalf of those people. I charge the Government that they have not given proper consideration to the welfare of these backward communities. Even in some Provinces Ministers from backward communities have been appointed. In our Province no Minister has been taken from the backward community and I do not worry about it. But Government must pay special attention to the welfare of these backward communities. I ask, what have they done for them all these years? They have allotted only a meagre sum of five lakhs of rupees for them, which is after all, not a big sum compared to their population. Government have not given any indication as to how that amount is going to be utilized. We requested the Hon. Minister to appoint a Committee consisting of persons from backward communities and also persons who are already working for the welfare of these communities so that they can advise the Government as to how this amount should be spent for them. But Government have done nothing in this matter. Whenever we ask, what has happened to that Committee, the Hon. Minister coolly replies that the matter is under consideration. I ask, is it under the consideration of the Government for the last six or seven months? If they are not serious about it, let them say openly that they are not going to consider the proposal."

"That apart, even in the matter of recruitment, only two seats out of 14 seats are allotted to backward communities, as per the Communal Rule. I do not know how they have arrived at this wonderful figure. I request the Hon. Minister to look into the population of these backward communities and see for himself whether justice is being done to them? Sir, this provision of two seats for backward communities is a drop in the ocean. We do not want any special consideration for them but give them representation according to their population."

"So also in the matter of admissions to Engineering Colleges and Medical Colleges, they have not been given adequate representation. It does not matter to me if so many Reddiyars, Mudaliyars, Naidus and Rajus occupy high positions in the Government but I only want that all facilities should be given to backward communities.. There is no use of simply saying that they stand for all communities. I warn this Government that they are sitting on a volcano and I am sure one day or other it will erupt and they will be washed away."

* SRI V. I. MUNISWAMI PILLAY:—"Mr. Speaker, Sir, I must thank the Hon. Speaker for having given me an opportunity to speak on this debate at a very critical moment in the history of our Province and the country. We must thank the Government for setting aside one crore of rupees for Harijan welfare work and for creating the Harijan Welfare Department to find ways and

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means to spend it. Since the Government have been good enough to set up this separate department, much water has flown under the bridge. The Constituent Assembly has passed a clause reserving seats for Harijans for the next ten years. I know, as a matter of fact, there was also a resolution in the Dominion Parliament telling all the Provinces what they should do in the matter of Harijan welfare. Therefore, it has become necessary for this Government to plan for the next ten years. In the Dominion Parliament Rajkumari Amrit Kaur, Minister for Health, Government of India, told in unequivocal terms that she is getting in touch with all the Provinces with regard to methods by which ameliorative work can be done for Harijans. I do not know whether this Government have received any communication on that subject.

"Sir, the only redeeming feature in that clause regarding reservation is that the President is authorized to send a Commission or a Commissioner to each Province and to see what has been done for the amelioration of Harijans. So, it devolves upon the Government to do ameliorative work especially in the districts, where the conditions of Harijans are most unsatisfactory. Sir, suggestions have been made with regard to the strength of the staff to be employed in each district and their qualifications. Now, it is for the Hon. Minister in charge of Harijan Welfare to see what he could do in the matter so that real planning can be done for the amelioration of poor Harijans. Unless within the next ten years the level of this community is raised, I do not know what will happen to it. The Constituent Assembly has given ten years for the community to give up its reservation of seats. People like myself were agitated about it because we know what the condition is of the Harijans in the villages, in the cherries and in the hamlets. So I feel that the work devolving on the new department during this period is to straightway go to the districts and organize measures to ameliorate the condition of these people. Unless that is done, I do not think that the Government can be proud or even the Central Government can be proud that they have done something for the Harijan community."

SRI K. T. KOSALRAM:—"Mr. Speaker, Sir, இந்த இலாகா விஷயமாக Harijan Welfare Officers ஜில்லாக்களிலிருக்கிறார்கள். ஹரிஜனங்களுடைய நன்மையை உத்தேசித்து Harijan Welfare Officer ஹரிஜனங்களுக்கு காரியங்களை செய்ய வேண்டுமென்று நினைத்தால் அவர்கள் விஷயத்தில் ரிவினியூ அதிகாரிகளும், போலீஸ் அதிகாரிகளும் எவ்விதம் நடந்து கொண்டிருக்கிறார்கள் என்பதை சர்க்காருடைய கவனத்திற்குக் கொண்டு வரவேண்டியது அவசியமாக இருக்கிறது. குறிப்பாக ஹரிஜன சேரிகளில் அவர்களுடைய வீட்டு மனைகள் சொந்தமில்லாமல் அவர்கள் இன்னொருவருடைய மனையிலிருப்பதால் அந்த நிலங்களை அவர்களுக்கு சொந்தமாகக் கொடுக்கவேண்டும். சட்ட பூர்வமாக ஹரிஜன welfare ஆபீசர்கள் வேலை செய்ய வேண்டுமென்று நினைத்தால் இந்த ரெவினியூ உத்தியோகஸ்தர்கள் அந்த ஆபீசர்கள் சொல்வதற்கு நேர் விரோதமாகச் செய்து வருகிறார்கள். அப்படி நேர் விரோதமாகச் செய்வதற்கே ஆலோசனை செய்து வருகிறார்கள். அப்படி நேர் விரோதமாகச் செய்வதற்கு எதை என்னால் ரூபிக் செய்து வருகிறார்கள் என்பது எனக்கு தெரியும். இதை என்னால் ரூபிக் கவும் முடியும். Harijan Welfare Officer ஒரு நிலத்தை acquire பண்ண வேண்டுமென்று நினைத்தால் உடனே டிபுடி தாசில்தார் அதை acquire செய்யக்கூடாது என்றும் அப்படி acquire செய்தால் அந்த கிராமத்திற்கே மோசம் வந்து விடும் என்றும், கிராம வாசிகள் ஆட்சிபிக்கிறார்கள் என்றும்

[Sri K. T. Kosalram]

[1st July 1949]

ரிபோர்ட்டுகள் எழுதி விடுகிறார்கள். அப்படி வருஷக்கணக்கில் Harijan Welfare Officers யுடைய ரிப்போர்ட்டானது சர்க்காருடைய கவனத்திற்கு வருகிறது என்று பார்த்தால் அவைகள் கலெக்டர் ஆபீசுகளில் மாதக்கணக்காகவும், வருஷக்கணக்காகவும் இன்னும் அதற்கு மேலாகவும் முடிந்திருக்கின்றன. இந்த நிலைமையில் எனது நண்பர் கனம் மந்திரி பரமேஸ்வரன் அவர்கள் மட்டிலும் இந்த இலாகாவில் கவனம் செலுத்தினால் போதாது. நமது பிரதமர் அவர்களும் இதில் கொஞ்சம் கவனம் செலுத்த வேண்டும். போலீஸ் அதிகாரிகளும், ரிவினியூ அதிகாரிகளும் இதில் எவ்வளவுக்கவ்வளவு பூராவும் ஒத்துழைக்கிறார்களோ அவ்வளவுக்கவ்வளவு நல்லது. இப்பொழுது காந்திய அரசாங்கம் நடத்துப்பொழுதுகூட ஹரிஜனங்களை முன்னுக்குக் கொண்டு வரவிட்டால் கிடைத்த சுதந்திரம் பாதிக்கப்பட்டிருக்கிறது. அரசாங்கத்தை நடத்துவதாகும், அத்தகைய அரசாங்கத்தை நடத்த வேண்டுமென்றால் அரசாங்க அதிகாரிகளும் மந்திரியவர்களும் அக்கரை காட்டினால் மட்டும் பிரயோஜனமில்லை, சட்டசபை அங்கத்தினர்கள் மட்டும் கவனம் செலுத்தினால் மட்டும் பிரயோஜனமில்லை, ரிவினியூ அதிகாரிகளும், போலீஸ் அதிகாரிகளும் கவனம் செலுத்தினால்தான் வெற்றிகரமாக நடக்கும். ஹோட்டல்களில் போகவிடுவதில்லை என்றால் உடனே போலீஸ்காரர்கள் அங்கு சென்று ஒன்றும் செய்வதில்லை. சட்டசபை நிறைவேற்றும் அதிகாரிகள் இவைகளில் கொஞ்சம் கவனம் செலுத்த வேண்டும். இவைகளை எல்லாம் சர்க்காருடைய கவனத்திற்குக் கொண்டு வரவேண்டியதாக இருக்கிறது.

“இதைத்தவிர ஸ்கூல்களில் admission விஷயமாக கனம் நாகப்பா அவர்கள் சொன்னார். ஒரு ஹரிஜனத்திற்கு காலேஜ்களில் admission கிடைக்கவில்லை என்று ஒரு இடத்திலிருந்து புகார் வருகிறதைப் பார்த்தால் வருந்தத்தக்க விஷயமாக இருக்கிறது. இன்றுகூட இரண்டு மூன்று பேர்கள் தங்களுக்கு admission கிடைக்கவில்லை என்று புகார் சொல்லிக் கொண்டு வந்தார்கள். ஹரிஜனங்களுக்கு காலேஜில் admission கிடைக்க வில்லையென்றும், பள்ளிக்கூடங்களில் admission கிடைக்க வில்லையென்றும் சொன்னால் இந்த காந்தியத்தின்படி நடக்கும் அரசாங்கத்திற்கு ரொம்பவும் கேவலம் என்று நினைக்கிறேன். அவர்களுடைய ஜனத் தொகைக்குத் தகுந்தபடி இடங்கள் கொடுக்கா விட்டால் அவர்கள் முன்னுக்கு வரமுடியாது. அவர்களுக்குத் தகுந்த தகுதி யில்லை என்று சொல்லிக்கொண்டிருந்தால் அவர்களால் முன்னுக்கு வரமுடியாது என்று நினைக்கிறேன். இந்த நிலைமையில் அவர்களுக்கு கல்வி விஷயத்தில் என்ன செய்ய முடியுமோ அவ்வளவையும் செய்ய வேண்டும். Harijan Welfare Committeeயில் ஜாதி ஹிந்துக்கள் இருக்கிறார்கள். அதனால் அவர்களுக்கு சலுகைகள் கிடைக்கவில்லை என்று சொன்னால் அதை ஒப்புக் கொள்ள முடியாது. இன்னும் குறிப்பாக எடுத்துக்கொண்டால் கனம் வைத்யநாதய்யர் அவர்கள் ஹரிஜனங்களுக்குச் செங்கல் சேவைகளை யாரும் மறந்து விடமுடியாது. இந்நாட்டில் காங்கிரஸ்காரர்கள் மட்டுமல்ல காங்கிரஸ் அல்லாதவர்களும் சேவை செய்ததை ஒப்புக்கொள்ளாமலிருக்க முடியாது. இந்த நிலைமையில் ஜாதி ஹிந்துக்கள் இருந்தால் ஒன்றும் செய்ய முடிய வில்லை என்று சொல்வதை ஒப்புக்கொள்ள முடியாது. அதிகாரிகளுக்குத் தான் இன்னும் மாறிய மனப்பான்மை வரவில்லை. அவர்கள் மாறாமல் இருந்தால் அதில் அரசாங்கம் கவனம் செலுத்த வேண்டும். அதிகாரிகள் ஹரிஜனங்களோடு சமத்துவமாக வாழ்வதற்கு சட்டங்களை இயற்ற வேண்டும். இப்பொழுதே வேண்டிய சட்டங்களை இயற்றி இருக்கிறார்கள். ஹரிஜனங்கள் பொருளாதாரத் துறையிலும் முன்னேற்ற மடைவதற்கு சட்டங்களை இயற்ற வேண்டும். Land Reforms Committee போட்டிருக்கிறார்கள். ஹரிஜனங்களுக்கு வேண்டிய சட்டங்களை இயற்றி அவைகளின் மூலம் அவர்களுக்கு சலுகைகள் காட்டவேண்டும். இன்னும் எவ்வளவோ விஷயங்களுக்குள்ளே நான். அவைகளில் அரசாங்கம் கவனம் செலுத்தி வந்தால் ஹரிஜனங்கள் முன்னேற்றமடைவதற்கு இடம் இருக்கிறது.”

* THE HON. SRI B. PARAMESWARAN:—“Mr. Speaker, I thought that my hon. Friend Mr. Nagappa would confine his remarks to the way in which the one crore fund is being spent and

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I am glad that he has also touched upon the general aspects of the problem. I would at the very outset appeal to the members of the Harijan community not to express certain things without having gone deep into the matter. Certain allegations are made that students of the Harijan community are not admitted into colleges. So far as my knowledge goes and the Director of the Harijan Uplift also told me, I can say, Sir, that there was not a single case of non-admission of any student of the Harijan community brought to his or to my notice. Only one thing that was brought to our notice was that Harijan students were not admitted into hostels without paying advance for boarding. You would remember, Sir, you yourself passed on a letter to me that a student admitted into the Loyola College could not get admission into the hostel because this advance payment was insisted upon. Immediately the Director was called for and a Government Order was issued to the effect that the issue of orders regarding boarding grants to the Harijan students would take some time and that such students that had been admitted into colleges could in anticipation of the boarding grant be admitted into the various hostels and copies were immediately communicated to the various colleges and I know that several students were admitted into the college without the insistence on advance payments. If, however, specific cases are brought to the notice of the Government, certainly they will be looked into.

“It is true that the graduates of the Harijan community were exempted from the operation of the age-limit to enable them to appear for certain examinations thrown open to them for direct recruitment and intermediates were also given certain concessions and therefore, Mr. Nagappa or anybody need not blame the Government for not continuing the concession which was granted during the days of Rajaji. I was a member of the Veterinary College Committee and against the seats reserved for the Harijan community there were only very few applicants and after taking them all in, the rest had to be filled up by students belonging to other communities. If there are any isolated instances and if they are brought to the notice of the Government, the Government would certainly consider those cases.

“But members of the community would pardon me if I say that they should think that not because they belong to a particular community, they should aspire for certain things, but because they also deserve the things for which they have been aspiring; thereby, I do not mean to say that the concessions and privileges that are given to them would be denied to them. My submission is that while demanding concessions, they should also aim at the general advancement. Not because Mr. Sivashanmukham Pillai is a member of the Harijan community that he is adorning the Chair of the Legislature but because he has got the ability, the tact and all the qualities necessary for conducting the House ably and admirably. I would request every member of the Harijan community here to propagate this view.

“With regard to the complaint of Mr. Nagappa regarding failed S.S.L.C. boys, I do not think that the Government can go.

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on lowering the standard everywhere admitting failed S.S.L.C. students to certain courses. There must be some standards maintained in order that efficiency may not be impaired. For technical courses if the principals of the institutions think that they can admit them, the Government will have no objection if they can cope with the subjects.

"With regard to the progress made, you will be surprised to know, Sir, that the community has been making rapid progress from the year 1920. I have got charts to show the progress attained since 1920 with regard to the number of hostels, boarding institutions, grants to mid-day meals for schools but there is no time to go on with it now but at any rate I shall only read to you the actual expenditure incurred; for the years 1945-46 it was 24,48,000, for 1946-47 it was 35,30,000, for 1947-48 it was 41,38,000 and for 1948-49 it is, 43,37,000. Out of the one crore fund, nearly about 8 lakhs of rupees have been spent so far. There is a scheme which has been presented to the Government by the Harijan Welfare Committee and this scheme is being implemented gradually. It is being examined by the Government and there are certain items of the Committee's Report which have to be considered by the Cabinet Sub-Committee and they are going into it. But 25 lakhs of rupees has been set apart for expenses this year and it will be spent on the lines suggested by the Harijan Welfare Committee and the Government could not go further than that because the scheme was submitted to them only about six or seven months ago. The Government have been examining and very soon they will come to certain conclusions. As suggested by Mr. Muniswami Pillai if there are any new schemes, he might pass it on to the Government and they will also be considered. About the question of the rent of Rs. 400, I need not say that it is a very small amount. In keeping with the dignity and status of the big office and considering also the work that is being done, they must be housed well and in these days, the hon. Member knows how difficult it is to get a house for a rent less than that.

"My Friend Mr. Nagappa has been saying that the civil disabilities of the Harijans are still there; I agree; but he must also remember that the differences and distinctions exist within the members of the Harijan communities, between the Malas and Madigas of the Andhra Desa and the Pariahs and Pallas in Tamilnad; these should be completely wiped out and they must aim at the removal of the untouchability within the community itself. I do not mean to say that untouchability must be allowed to exist but we must also make our own efforts towards the removal of untouchability within the community itself.

"Mr. Swaminathan has been asking for a board. I may tell him that the Government are considering the question and I think that the request of the members will be very carefully considered and the board will be constituted very soon and I shall not be surprised if Mr. Swaminathan himself will find a place there.

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"With regard to the house sites in Tanjore district, that matter is receiving the active consideration of the Government. That district is the most affected district and the Government are doing their best and I am in a position to inform the House that a very good solution has been found for relieving the distress of the people who are suffering for want of house sites. I thought I could answer all the points but the time is up. I thank you very much, Sir."

The House was adjourned till 11 a.m. on Saturday, the 2nd July 1949.

THE MADRAS LEGISLATIVE ASSEMBLY.

Saturday, the 2nd July 1949.

The House met in the Assembly Chamber, Fort St. George, at eleven of the clock, Mr. Speaker (THE HON. SRI J. SIVASHANMUKHAM PILLAI) in the Chair.

I.—QUESTIONS AND ANSWERS.

STARRED QUESTIONS.

Revival of the time-gun.

* 83 Q.—BEGUM SULTAN MIR AMIRUDDIN:—Will the Hon. the Premier be pleased to state at what stage the proposal to revive the time-gun in Madras is?

THE HON. SRI B. GOPALA REDDI (on behalf of the Hon. the Premier):—“The Government of India have been addressed for the release of a suitable time-gun. Action to revive the time-gun at Madras will be taken up as soon as possible after the gun is received.”

BEGUM SULTAN MIR AMIRUDDIN:—“Sir, is it not a fact that as early as March 1947 when this question was asked in the Legislative Council, the then Premier, Mr. Prakasam had stated that the Government of India had been addressed on the subject? May I know whether during the course of the last two years no reply has been received and why there is such delay in the matter?”

THE HON. SRI B. GOPALA REDDI:—“The time-gun may be available with the Government of India but ammunition should be made available by the Ammunition Department.”

BEGUM SULTAN MIR AMIRUDDIN:—“Now as no war is on, is it not possible to secure necessary ammunition for even one gun?”

THE HON. SRI B. GOPALA REDDI:—“The Defence Department must be always prepared for any emergency, and in view of the state of things in Kashmir, the Defence Department is not able to release ammunition.”

M. S. ABDUL MAJID SAHIB BAHADUR:—“Sir, if it is not possible to revive the time-gun in view of the ammunition scarcity, will the Government, at least revive the siren, which they were using during war time?”

THE HON. SRI B. GOPALA REDDI:—“There seems to be some difficulty in considering this proposal.”

ABDUL HAMEED KHAN SAHIB BAHADUR:—“In view of the situation mentioned by the Hon. Leader of the House, is it not too much to expect the Government of India or the Defence Department to release ammunition even now?”

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THE HON. SRI B. GOPALA REDDI:—"It all depends upon the requirements of the Defence Department, and we hope they will be able to release it some time later."

SRI V. M. RAMASWAMI MUDALIYAR:—"May I know whether the Government realize that the method of announcing correct time by time-gun is an obsolete and out-moded form, and the winking of electric lights for that purpose is the latest method for regulating time?"

THE HON. SRI B. GOPALA REDDI:—"Even the winking of electric lights has its own disadvantages."

BEGUM SULTAN MIR AMIRUDDIN:—"May I know whether it is not a fact that in Bangalore they are having recourse to winking of electric lights and that it has been found to be working satisfactorily, and may I know why this Government should not arrange for that here, in view of the fact that the Electricity Department is now under their control?"

THE HON. SRI B. GOPALA REDDI:—"I have had complaints from Bangalore people that this winking of electric lights has not been found to be working well."

M. S. ABDUL MAJID SAHIB BAHADUR:—"If it is not possible to do any of these things, will the Government at least see that the Corporation clocks are set right and made to work regularly?" (Laughter.)

THE HON. SRI B. GOPALA REDDI:—"The Corporation is a statutory body, and we need not issue any instructions to them."

MUHAMMAD RAZA KHAN SAHIB:—"If winking was bad, was it by experience that he has come to this conclusion?"

THE HON. SRI B. GOPALA REDDI:—"I had not been very often in Bangalore."

Condition of the aboriginals residing on the Anamalais.

* 84 Q.—SRI V. RAGHAVAYYA: Will the Hon. the Minister for Prohibition be pleased to state—

(a) whether it is a fact that the aboriginals residing on Anamalais are employed by the Forest Department for forest operations;

(b) what the educational, vocational, food-grain supply and medical facilities offered by the Government for these people are;

(c) what the number of aboriginals like Malamelasans and Kadirs employed by the Government Forest Department is;

(d) what the pay and service conditions granted to them are;

(e) whether the Government have done anything to house them on sanitary lines and to save them from the usury of money-lenders of the plains; and

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(f) what the prevailing rate of interest charged by these money-lenders is?

THE HON. SRI N. SANJEEVA REDDI:—" (a) The reply is in the affirmative.

" (b) No educational or vocational facilities are provided for the aboriginals. Food-grains are supplied through the licensed retail-shop keepers at controlled rates. For provision of medical aid a full-time compounder is stationed at 'Top Slip', in Tunacadavu Range.

" (c) The following are employed by the Forest department:—

Foresters.	One Malasar.
Forest Guards	Five (three Kadirs and two Malasars).
Watchers.	Appointed seasonally as fire patrols and depot watchers.
Reserve watchers.	One Pu'ayan.
Elephant attendants 45	
Axe-men 60	These are Malasar, Malamelasans and Kadrs. Separate figures are not available.
Male labourers 60	
Female labourers 60	
Boy labourers 24	

" (d) Rates of pay granted to them are:—

(1) Foresters Rs. 5-2-65-2-8 plus dearness allowance and Fixed Travelling allowance.

(2) Forest Guards—Rs. 20-1-A-30 plus dearness allowance.

(3) Watchers—Rs. 13 plus dearness allowance at Rs. 18 per mensem.

(4) Elephant attendants—from Rs. 18 to Rs. 25-8-0 per mensem plus dearness allowance of Rs. 18-19.

(5) Axeman and other labourers are paid daily wages as follows:—

Axeman Rs. 1-8-0.

Billhook labourers Rs. 1-4-0.

Other labourers from Re. 0-14-0 to Rs. 1-2-0.

Female and boy labourers at rates varying from Re. 0-8-0 to Re. 0-10-0.

Service conditions.—The Special Rules for the Madras Forest Subordinate Service apply to Foresters and Forest Guards. Watchers and elephant attendants are members of the temporary establishment other than work-charged, sanctioned by the Chief Conservator of Forests, from year to year, and the conditions of their service are detailed in section 7 of the Madras Forest Department Code under which the rates of pay are liable to revision. They are not entitled to pension. The leave concessions granted to non-permanent temporary Government servants under the Madras Leave Rules have been extended to them.

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Azemam, etc.—They are paid on a daily-rate basis.

“(e) Proposals to house the labour in permanent lines are under consideration. They are reported to be for the most part free from the influence of the money-lenders.

“(f) The question does not arise.”

SRI S. NAGAPPA:—“Sir, arising out of the answer to clause (b) that no educational and vocational facilities are provided for the aboriginals, may I know whether the Government will consider the desirability of providing at least educational facilities for these people?”

THE HON. SRI N. SANJEEVA REDDI:—“Most certainly, it will be considered. I have already received a petition, and it will be considered as quickly as possible.”

SRI G. RAJAMANNAR CHETTI:—“May I know whether there is any plan or programme to ameliorate the aboriginals in those areas, so that the name aboriginals may be obliterated very soon?”

THE HON. SRI N. SANJEEVA REDDI:—“By obliteration of name, the problem will not be solved. By giving food, clothing and educational facilities, the problem will be solved.”

SRI S. NAGAPPA:—“I find, Sir, that the Government are employing boy labourers. Will the Government consider the desirability of not appointing boy labourers, as the educational facilities offered to them cannot be availed of, and their parents will not have any incentive to send them to schools?”

THE HON. SRI N. SANJEEVA REDDI:—“To a certain extent it will be possible; but their wages will enable them to maintain themselves.”

SRI V. I. MUNISWAMI PILLAY:—“May I know whether the Government have implemented the recommendations of the aboriginal tribes welfare inquiry committee as far as these people are concerned?”

THE HON. SRI N. SANJEEVA REDDI:—“The committee's report is not completed. I am told only half the report is ready. When the report is submitted to the Government it will be considered.”

SRI R. V. SWAMINATHAN:—“Sir, will the Government consider the desirability of bringing all the aboriginal children to their adjoining town and giving them free education and free boarding in the schools there?”

THE HON. SRI N. SANJEEVA REDDI:—“The suggestion will be considered.”

SRI S. NAGAPPA:—“May I inquire whether the aboriginals are exempted from the Prohibition Act like the Chenchus of Nallamalais?”

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THE HON. SRI N. SANJEEVA REDDI:—“Notice.”

SRI V. I. MUNISWAMI PILLAY:—“May I inform the Hon. Minister that the report of the committee has been published, and such of the members of this House who applied for a copy of it have secured it, and so will the Hon. Minister consider the recommendations of the committee and implement them.”

THE HON. SRI N. SANJEEVA REDDI:—“Notice, Sir.”

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

II.—GOVERNMENT MOTIONS.

1 (1) AMENDMENT TO THE MADRAS GENERAL SALES TAX (TURNOVER AND ASSESSMENT) RULES, 1939

THE HON. SRI B. GOPALA REDDI:—“Mr. Speaker, Sir, I beg to move—

“that the following draft of certain amendments to the Madras General Sales Tax (Turnover and Assessment) Rules, 1939, proposed to be made in exercise of the powers conferred by section 3, sub-sections (4) and (5) of the Madras General Sales Tax Act, 1939 (Madras Act IX of 1939) as amended by Madras Act XV of 1949, be approved:—

DRAFT AMENDMENTS.

In the said rules—

(1) in rule 4 (2)—

(i) in the opening paragraph, for the words “bought by him”, the words “bought by the dealer” shall be substituted;

(ii) after item (b), the following item shall be inserted, namely:—

“(bb) cotton (including kanas) bought by a spinning mill or by a dealer who exports outside the Province”;

(2) to rule 4-A, the following clause shall be added, namely:—

“(iv) in the case of cotton (including kanas), the tax under section 3 (1) shall be levied in accordance with the following provisions:—

(a) in the case of all cotton (including kanas) sold to a spinning mill in the Province, the tax shall be levied from the spinning mill on the amount for which it is bought by it;

(b) in the case of all cotton (including kanas) which is exported outside the Province, the tax shall be levied from the dealer who buys it in the Province and is the last dealer not exempt from taxation under section 3 (3), on the amount for which the cotton is bought by him;

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(c) all other sales of cotton (including kapas) by licensed dealers in cotton shall be exempt from taxation;

Provided that the burden of proving that a transaction is not liable to taxation under this clause shall be on the dealer."

(3) after rule 18, the following shall be added, namely:—

"19. These rules (including the Forms) shall have effect in relation to the assessment to tax of the turnover relating to articles of food and drink referred to in the proviso to section 3 (1), as if for the words, figures or expression occurring therein and specified in column (1) of the Table below, the words, figures or expression specified in the corresponding entry in column (2) thereof had been substituted:—

Table.

(1) 1947-48 19'8	(2) 1949-50 1950
31st December 1947.	31st July 1949
1st January 1948.	1st August 1949
31st March 1948.	31st March 1950
"first three quarters of the year" or "first three quarters of the year ending 31st March 1948"	Period up to and inclusive of the 31st July 1949.
"first three quarters of the year 1947-48"	
"last quarter of the year" or "last quarter of the preceding year"	
"last quarter of the year ending 31st March 1948"	Period commencing on the 1st August 1949 and ending with the 31st March 1950.
"last quarter preceding the date of this notice"	
"last quarter of the year 1947-48"	

Sir, this is a consequential thing on the passing of the General Sales Tax (Amendment) Act, which the House approved a few days ago. The Act will come into force from the 1st of August next, and in the meanwhile the draft turnover rules have to be approved by the House. The draft rules have to be published and four weeks' time should be given for objections to be recorded, and thereafter they will be finalized and the entire amendment will come into force from the 1st August next. These two amendments relate to the levy of half a pie tax on cotton at millhead, at which point it is to be collected. This rule

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provides that it should be paid at mill point, but if it is exported outside, the last dealer who is exempted from assessment will be liable to pay this tax. And likewise, coffee hotels on which we propose to enhance the tax from three pies to four and a half pies in the rupee, will have to keep separate accounts for sale of food and drink. These are the two matters that are referred to in this draft amendment."

The motion was put and carried.

(2) AMENDMENT TO SCHEDULE V TO THE MADRAS DISTRICT MUNICIPALITIES ACT, 1920 (MADRAS ACT V OF 1920).

* THE HON. DR. T. S. S. RAJAN:—"Sir, I beg to move—
'that the following draft of a rule' proposed to be made by His Excellency the Governor of Madras under section 305 (1) of the Madras District Municipalities Act, 1920 (Madras Act V of 1920) amending Schedule V to that Act be approved.'

This rule contains a lot of amendments to be made. Schedule V to the Madras District Municipalities Act enumerates the purposes for which premises may not be used without a licence under section 249 of the Madras District Municipalities Act obtained from the executive authority. The proposed amendment is to amplify Schedule V so as to bring in more trades under the licensing provisions and augmenting the income of the local bodies. The list enumerates the various trades to be included in the schedule arranged in alphabetical order. It is proposed to substitute this for the existing Schedule V.

"Under section 305-A of the Madras District Municipalities Act the draft of the rules proposed to alter Schedule V should be laid before both Chambers of the Provincial Legislature and their approval obtained. I, therefore, move this amendment and seek the approval of the House."

MR. SPEAKER:—"The motion is—

'That the following draft of a rule proposed to be made by His Excellency the Governor of Madras under section 305 (1) of the Madras District Municipalities Act, 1920 (Madras Act V of 1920) amending Schedule V to that Act be approved.'

MOHAMED ABDUL SALAM SAHIB BAHADUR:—"Mr. Speaker, Sir, when the hon. Srimathi Lakshmipathi was in charge of Public Health a promise was given to this House that the Act will be revised and rules amended in such a way that Virginia tobacco will be excluded from being stored in dwelling houses. In Guntur and Krishna districts which are the two districts where Virginia tobacco is manufactured on a large scale, many dwelling houses are used for the purpose of curing this tobacco. The Hon. Minister for Public Health may refer to the Assembly proceedings and he will be able to see that the Government were

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anxious to prevent dwelling houses being used for the purpose. I hope Government will soon look into this and see that Virginia tobacco is not included in the list, particularly in view of the fact that we are short of dwelling houses in these days."

ABDUL HAMEED KHAN SAHIB BAHADUR:—"Now that we have prohibition all over the Province, I do not know why there is any need for licensing 'brewing beer'. Then the question arises whether brewing beer is going on in the Province. It should be excluded from the list. There are also many articles which are certainly harmless and which need not come under the control of the Government for securing a licence, such as storing of beedis. I can understand the manufacture of beedis coming under control and licence; but storing of beedis is not really harmful as it does not remain for a long time with a particular person; it is either exported, disposed of or distributed. I would even say that there is no justification for taking out a licence for manufacturing it for the same reason. Merchants are asked to take out various licences and I do not know why this licence has been added. There are many articles which need not necessarily come in this list; for instance, Sir, articles of food, wheat flour, sugarcandy or jaggery. I do not understand what exactly is the need for it unless it is for seeing that these are not adulterated with such other articles which can be consumed by the people. Of course, Sir, it is good to have some sort of control over articles which may be inflammable, or which may be harmful to the public for consumption purposes. Therefore, I hope the Government will look into this list once again and see whether they cannot include only such articles as are absolutely necessary to control."

* **SRI T. VISWANATHAM:**—"Schedule V of the Madras District Municipalities Act and Schedule VII of the Madras Local Boards Act both relate to the subject of the using of premises without a licence. The object of the schedule is to specify the purposes for which the premises may not be used without a licence; they are such as would not cause or produce any unwholesome smell, fumes or noise in the course of any process, which are likely to be dangerous to human life or property or cause any nuisance in general. These are the objects with which the schedules were originally framed when they were incorporated in those Acts. But we see that several other items are being included. Of course, it is done with a generous motive. Because the Government want apparently to find new sources of revenue for the Local Boards and Municipalities. But may I suggest that, while the local bodies will be very glad to avail of any source suggested by the Government for collecting some revenue, licensing or exempting boarding houses, choultries, hotels, restaurants and other innocuous things may not be included in this schedule; the Act itself might be amended and a separate list scheduled, so that these places might also be run only on a licence issued by the local authority thereby enabling the local authorities to get a revenue out of it. But I see no purpose in putting these in the list along with beedi manufacture

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or brick kilns. I submit that some distinction must be made. May I ask the Hon. Minister to go deep into this matter and separate dangerous and offensive items from the non-dangerous and non-offensive items."

SRI R. V. SWAMINATHAN:—"A number of items which are included in the list will vitally affect the cultivators who are living in the municipal area. The hon. Member thinks always about his own place, Visakhapatnam, which is next to Madras City. He thinks only of towns where there are municipalities. Take the case of a small village, Kalanivasal half a mile away from Karai-kudi. That small village is only depending upon agriculture. This fact is well known to the Hon. Premier; he has visited this village. The people who live in that village are agriculturists and they mainly depend on agriculture. I refer to one item here 'Animal-keeping.' Even if anybody keeps twenty sheep in a small shed, the cultivator should go to a municipality and get a licence. I feel that it is very hard and very difficult for a ryot to do this. Take another item 'Selling or storing of grass.' The poor people live mainly on cutting grass and selling it for four annas in the adjoining municipal towns. These people are mainly Harijans and backward classes of people. It is very harsh to expect these people to take a licence. One other item is 'Manure.' Again this will affect the poor cultivator. He has to store the manure he collects in his courtyard. Some other items are 'Hay stacking' and 'Paddy boiling'. The poor cultivators get one or two kalams. Almost all South Indians live on boiled rice. They boil paddy, mill it into rice and have it stored. In these cases also, it will affect the ryots. I appeal to the Hon. Minister to consider these cases very seriously and remove all these items. If he is not agreeable he must postpone it to the next meeting and face the House."

* **SRI K. BHASHYAM:**—"Mr. Speaker, Sir, the amendment shows such a formidable list of articles that one is unable to go through them fully. First and foremost I will say that the points touched upon by my previous speaker, the hon. Member Mr. Swaminathan, are very particular to the question at issue. In fact, what happens is that every mirasdar puts his produce, after harvest in granaries or warehouses. He is doing it to the extent it is necessary for private consumption or also stores for some time, any excess quantity, before selling. Does it mean that every mirasdar must take out a licence for the purpose of keeping his produce in his yard for sale? So also is the case with straw. It is stored for some time before it is distributed or sold away. I can understand these things being done in the case of people who are merchants and who make profits, but not in the case of agriculturists. Especially in the case of straw and grass, I do not find this exception clause 'if it is really kept for domestic or private purposes.' In all cases where a person stores it for private use for a few days for his cattle, even then, according to this rule he must take

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sufficient attention or care has been bestowed, so as to make the revised schedule completely acceptable. I would therefore request the Hon. Minister in charge of this measure to once again look into this schedule and see that many of the items, which are repugnant, are deleted from it. Especially, in the case of domestic animals like goat, sheep and even pigs, if the Government insist upon licences being taken by persons who are illiterate and who belong to the lowest classes of the community like the Harijans, I think, Sir, it would be very difficult to work this rule in practice, and it will also be very harsh on these poor agriculturists. Under the provisions of this Bill, they will have to submit a return or to produce the animals before the inspecting officer and all these will entail unnecessary hardship on the community and I would therefore respectfully submit to the Hon. Minister in charge that it would be better to postpone this measure for the present and give us a little more time to go through this amending Bill again some time in the future when we will have a little more leisure.

"Sir, one more thing I find in this schedule 'Jaggery-manufacturing, selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.' I think, Sir, there are many agriculturists in villages manufacturing jaggery as their occupation and they have to store it before selling it to the merchants. I can understand merchants being required to take out licences, but I cannot understand why agriculturists manufacturing jaggery should take licence. I do not know why even sweetmeat makers should take a licence and I think that it ought not to come within this schedule at all.

"So far as the storing of oil-cakes is concerned, the same argument applies. They are stored by the agriculturists for their agricultural purposes and now Government themselves are distributing groundnut cakes to those people, and therefore it is but necessary that they should keep them in store. But I submit, Sir, it would be very harsh to compel them to take a licence for that purpose. The same is the case with tobacco. I do not think, Sir, that the Government are really intent upon causing difficulties to the people in the villages or that they are eager to get some revenue out of these licences. I therefore submit that the Hon. Minister might be pleased to postpone this measure for a short time."

SRI GUNTUR NARASIMHA RAO:—"Mr. Speaker, Sir, I find from the list of items mentioned in the schedule, there are many which are useful and many which are not useful also, and I think, it is better that the Hon. Minister revises the list and tries to see that only such useful items as would bring some revenue, without causing any harassment to the agriculturists are brought under this schedule, and those that would hamper them in their agricultural operations are removed from the list. I would request him to bring the revised list at the next meeting of the Assembly,

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when we could discuss it at more leisure, but he should see that the list is a good one and that the people are not harassed in the local and municipal areas."

SRI K. LINGA RAJU:—"Mr. Speaker, Sir, the publication of a revised comprehensive schedule to the Madras District Municipalities Act, is quite welcome, but I think it is rather late now. Only one item seems to be rather objectionable and that is the inclusion of grass in the schedule. But, grass, as we know, is generally brought from some adjoining place and if we insist on a licence being taken for the storing of grass, it will entail a great deal of hardship to the ryots who are mostly illiterate. It will also cause hardship to the sellers of grass, because without storing it they cannot sell.

"As regards the amendment to Schedule VII to the Madras Local Boards Act, I think it will cause greater hardship to the people living in the panchayat areas and villages to which it is applicable. The list is so troublesome and so impossible of being put into actual effect, that it needs some thinking over and some revision. I therefore suggest, Sir, that this schedule may be postponed and the revised Schedule V to the Madras District Municipalities Act may be adopted."

SRI D. V. RAMASWAMI:—"Mr. Speaker, Sir, in addition to the items which have been mentioned by my predecessors as quite unnecessary and which should not be included in these schedules, as they would cause great hardships to poor people in the villages, I may draw the attention of the Hon. Minister to the fact that even rags are not excluded from the purview of these schedules. Sir, rags are generally collected from door to door by poor people and they are either stitched into small bed-sheets or even used by them for clothing themselves. As you know, Sir, our countryside is mostly inhabited by people who are extremely poor and have not got enough to feed and to clothe themselves. If these people who are storing rags are to be compelled to take a licence, it would cause very great hardship indeed to the poor people.

"Sir, rags are also used as raw material in connection with certain cottage industries. If you go through the list of items mentioned in the schedule, you will see that there are many in them which are used for cottage industries. Unless exemptions are made in the case of certain articles, as have been done in respect of certain items in the schedule to the Sugar Industries Bill, which are used for cottage industries and thus help given to the revival of cottage industries in this Province, they would be neglected in our country parts. The policy of the Government of India as well as of this Government is to give all the necessary help and assistance for the encouragement of cottage industries. That being so I would request the Government to go through these lists once again very carefully and in the light of the suggestions made in the House, exclude altogether some of the items which go to help the poor

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his living and also to make suitable exceptions in respect of certain other objectionable items and then bring forward a revised list for being approved by this House."

* THE HON. DR. T. S. S. RAJAN:—"Mr. Speaker, Sir, I just want to say that the Government have no motives whatever in bringing these amendments at all. The idea is just to see that certain trades and certain articles of food and other things are properly looked after and kept under control and supervision. These precautions have got to be applied in all the local board and municipal areas, where all such articles, such as hay, straw, etc., are stored, so as to prevent any accident by fire, etc., and also to safeguard the health of the public and the safety of the locality. We want that the storing of all those things or the running of those trades, should be controlled and a certain amount of protection afforded, by asking those people to take out a licence for the purpose, so that they may not be a public nuisance and a source of danger to the public safety of the locality. The licence is meant only for that purpose, and people who take such licence must see that those articles are properly stored, without causing any danger to public health. For instance, take the food articles like jaggery. From the public health point of view, we must see that it is properly manufactured and properly stored and not exposed in all sorts of places and thus become a source of danger to public health and public safety. There is nothing very extraordinary in these rules. These rules are very necessary in the interests of public health. But I have certainly no objection to withdraw these schedules for the present and examine the items in greater detail and get them revised, if necessary. It is not the source of revenue that is at the bottom of this proposal, because some of the hon. Members seem to think that it is for the purpose of revenue that we have brought forward this amendment. Perhaps there is also the source of revenue there, but when we once begin to licence these things, the expenses to be incurred in connection with the administration of the licence will be more than the revenue that we would be able to derive from it. But, as I have said, Sir, just now, the whole idea is to safeguard public health and to ensure public safety. There is nothing other than that in our mind. I have certainly no objection to postpone the consideration of these amendments for the present and to precept them again after further examination, if the House will give me leave to withdraw. Sir, I therefore move, for leave of the House, to withdraw these amendments for the present."

The motion was, by leave of the House, withdrawn.

III.—THE MADRAS ADVERTISEMENTS TAX BILL, 1949—cont.

* SRI T. VISWANATHAM:—"Mr. Speaker, Sir, yesterday I was on the point of the uncertainties in the Bill by the use of the word 'otherwise' in many of its provisions. I was also saying that this uncertainty does not stop with the use of the word 'otherwise.' I would ask you, Sir, to go through the Bill from

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the definition clause downwards and you will see this uncertainty pervading through the whole of it. Even in the first operative clause of the Bill, there is this uncertainty in the use of the word 'otherwise.' In sub-clause (viii) of clause 2 (1) it is said, 'of such other kind as may be specified by the Government by notification in the *Fort St. George Gazette*,' which means that the Government reserve to themselves under this definition clause, certain other kinds of things which might come under the purview of what they might think at any time to be advertisements and as they will notify such things from time to time in the *Fort St. George Gazette*. I may, in this connexion, draw the attention of the House to the fact that the definition of the term 'Advertisement' is all too comprehensive and at the same time all too vague, and the use of the word 'otherwise' in sub-clause (1) and again the addition of sub-clause (viii) in this clause, viz., 'of such other kind as may be specified by the Government by notification in the *Fort St. George Gazette*,'—all these make the definition so all-embracing that nobody can really understand which are the kinds of advertisements which the Government are going to bring under the provisions of this Bill. Sir, there is no question of considering any objections which might be raised by the parties affected, and straightaway, having taken such powers, they want to enlarge and to extend the scope of this by delegated legislation by the use of the words 'of such other kind as may be specified by the Government,' in sub-clause (viii) of clause 2 (1). Whatever that may be, Sir, in all taxation measures like this, it is very very objectionable to insert vague and uncertain provisions and definitions.

"Sir, I will not go into the various points raised by other hon. Members. Section 3 of this Bill contains the main provision, namely, the levy of the advertisements tax. Sir, many eloquent speeches have been made on behalf of newspapers and all the points in their favour have already been expatiated at great length and all the details in regard to them have been discussed threadbare. I endorse everything that has been said in favour of the newspapers. Sub-clause (b) of clause 3 (1) says, 'in the case of advertisements published by an advertising agent, at the rate of ten per cent of the amount charged for such publication.' I know, Sir, that the advertising agents are not such a prosperous lot as some people believe. The only margin which they have is about two or three per cent and they cannot make anything more than that. If 10 per cent of the amount charged for such publication is to be collected from the advertising agent, it means that we drive out that class of people engaged in that particular business altogether from the trade.

"Then Sir, it is said in sub-clause (c) of this clause 'in the case of other advertisement, at the rate of ten per cent of the cost of the advertisement as determined in the prescribed manner'. Suppose a municipality wants to advertise for teachers or call for some tenders in newspapers. Does it come within the purview of this clause and is the 10 per cent of the cost of advertisement to be

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collected on these advertisements? Sir, the cost of the municipal administration is already going up very high, and if we impose also this 10 per cent advertisement tax on them, it will only increase the burden on the municipalities and the result will be that they will not be able to get good teachers for their schools or tenders at competitive rates and so the municipal administration would suffer by reason of this impost. I would therefore suggest that necessary exemption may be given to municipalities and local bodies in this respect. I know, Sir, that the Hon. Minister is always well-disposed towards this particular branch of local administration, because he was in charge of this portfolio in the previous Congress Ministry and he knows their difficulties and I hope he will certainly see that necessary exemptions are given to the local bodies in this respect, so that it may not be a big burden on them.

"Sir, the uncertainties contained in this taxation measure do not stop with clause 3 alone. In clause 3 (1) (c) it is said, 'Advertisement as determined in the prescribed manner'. What does the phrase 'in the prescribed manner' mean? No inkling is given with regard to this phrase.

"Then Sir, in clause 4 also there is this same uncertainty because, here also, the words 'And in accordance with the terms and conditions of a licence or permit issued by the assessing authority', have been used. Here also no inkling is given with regard to the terms and conditions to be specified in the permit.

"Again Sir, in clause 5 (1) also the same uncertainty is there in the words 'in the prescribed form and shall be accompanied by the prescribed fee'. We do not know what the Government are aiming at, because their aim, according to the statement of objects and reasons, is to narrow down the gap between the provincial expenditure and provincial revenues. We do not know what is exactly in their minds with regard to the various provisions contained in this measure, because almost all the clauses in this Bill are worded so vaguely and with so much of uncertainty.

"Sir, in clause 5 (2) (a) it is said, 'No licence shall be issued to any person, unless he deposits with the assessing authority such amount as that authority may consider necessary to ensure the due payment of the tax, which may from time to time be payable by the licensee'. Here again, the whole clause is drafted vaguely.

"Then Sir, I would ask you to go to clause 6. Clause 6 (1) says:

'Every licensee shall submit to the assessing authority such returns, in such form, before such date, and containing such particulars, as may be prescribed.'

This whole clause bristles with uncertainty and vagueness. We have absolutely no idea about what the Government are going to do. We know only that advertisement tax is going to be levied. In what shape it will be collected, when it will be collected, by

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whom it will be collected, in what manner; and under what terms—all these things are left to the sweet will of the delegated legislation. It does not stop there. There are several Acts which have been passed where the forms for the returns are also made part of the schedules to the Act. Cannot the forms be given? Here they are to be done by a delegated legislation. Clause 6 (2) reads:

'Every permit-holder shall, within a week of the publication of the advertisement covered by the permit, submit to the assessing authority a statement in such form and containing such particulars as may be prescribed.'

This is the ninth uncertainty. I was just jotting down the number of uncertainties in these very few clauses of the Bill. Then we come to clause 8 (2), which reads:

'The tax assessed under this Act shall be paid in such manner and in such instalments, if any, and within such time, as may be specified in the notice of assessment . . .'

I thought, Sir, that 'in such manner', 'such time', 'such instalment', etc., stopped with my hon. Friend, Mr. Kala Venkata Rao. We now see that his spirit has descended on the Hon. Sri Gopala Reddi, the Finance Minister. Therefore, not only the tax, but also the method of collection, the time of collection, the instalments and everything is left to this delegated power. Has it stopped there?

"Clause 9 says:

'Any assessee objecting to an assessment made on him may, within thirty days from the date on which he was served with the notice of assessment, appeal to such authority as may be prescribed.'

To-day we are simply passing this Bill. We do not know who the prescribed authority will be. We do not know what will be the level of the authority to whom we could appeal. This again is another piece of bad uncertainty.

"After having somehow or other arrived at this stage and even when the tax has been paid one cannot be certain that the matter has ended there. Under sub-clause (1) the powers may be exercised by the prescribed authority. Then under sub-clause (2) the powers conferred by sub-section (1) may be exercised by the prescribed authority *suo motu* at any time or on application preferred, etc. Therefore till six months after one has been assessed to the tax and he has paid it one cannot be certain whether he will be hanged further or not, because the prescribed authority can call for the records, etc., *suo motu* without any application and without any provocation or on the provocation of something that falls into his ear.

"Clause 11 says that every licensee shall keep and maintain in such form and in such manner as may be prescribed a true and correct account, etc. Why should not the forms be prescribed here?

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The Hon. the Minister said that this taxation has been under consideration from 1947. Did not the Special Officer have time to prescribe the model forms and attach them to the Bill? I wonder. Still, it must be left to the sweet will and pleasure of the executive authorities. I submit, Sir, that in a small Bill having only a few clauses, there are fifteen uncertainties. I have counted them clause by clause. It does not stop there.

"I want you, Sir, to refer to clause 23. Not content with this concentration of powers, in order to fill up any loophole that might exist the Government say that 'The Government may make rules to carry out the purposes of the Act.' There is to be no previous publication. There is the defect, Sir; the words 'after previous publication' should be inserted there. If these words are inserted, under the General Clauses Act it will be incumbent upon the Government to publish the draft rules, invite objections, consider them and then confirm the rules. If these words 'after previous publication' are not inserted there, the Government may on any day frame the rules and publish them in the *Fort St. George Gazette*; then they will become law. That is the distinction which I want the Hon. the Finance Minister to see. Therefore, in taking power to make rules to carry out the purposes of the Act he must also insert the words 'after previous publication'."

"There is another peculiarity in clause 23. I should like to invite your attention, Sir, to clauses (a) and (k), the first and the last sub-clauses of this clause giving the rule-making power. The first is, that the Government may make rules in all matters expressly required or allowed by this Act to be prescribed. That is all right. But what does '(k)' say? The clause refers to some more particulars and then under sub-clause (k) the Government can make rules for any other matter for which there is no provision or no sufficient provision in this Act and for which provision is, in the opinion of the Government, necessary for giving effect to the purposes of this Act. I submit, Sir, this is not legislation. First you do not define and you are not able to define what you want. You make it very vague. Then you are not able to define what tax you want. You do not know how you want to collect it, you have left it vague. In spite of all this, you think the wording is not comprehensive in taking the rule-making power. Not content with taking power to make rules which are necessary to carry out the purposes of the Act, they are anxious to make rules on any other matter for which there is no provision or no sufficient provision in the Act. What guarantee is there that this House which is passing the measure and the hon. Members who are voting for the Bill will have an opportunity of knowing what the intentions of the Government are going to be with regard to what is embodied in this and what is going to come with or without notice? This is certainly very wrong in a taxation measure. I hope at the stage of the select committee the Hon. the Minister, in his usual accommodating and smiling spirit will look into these matters very carefully and make his taxation measure a very certain measure in the interests of all."

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"With regard to these newspapers, I do not want to go into matters over which others have spoken. I would submit one thing. In spite of the rising structures in the Mount Road one knows that the newspapers are not prosperous. Let us take that a paper has six pages and at seven columns in a page it would contain 42 columns. Out of this only 7 columns are generally given for advertisement. If the charges are Rs. 5 per inch, it would fetch Rs. 700 per page and some newspapers which are more important may get Rs. 15 per inch. They may get Rs. 2,100. On this what is the margin for the paper as profit. The price of the paper which is sold at one anna per issue will naturally cover the cost which they have got to pay for the paper, printing establishment, etc. - I think that if a paper is sold at one anna, generally 25 per cent goes to the agent as commission and the remaining 75 per cent of the price generally covers the printing establishment. My Hon. Friend, the Leader of the Opposition and Mr. Hamid Khan demur and say that it costs more. Then my argument is strengthened. They have to meet their other expenses only from the advertisement revenue, expenses like replacement of parts from time to time, payment to the news services, payment to the reporters, income-tax, sales tax, property tax and so many other things. (The Hon. Sri B. Gopala Reddi: 'Electricity charges.') Yes, electricity charges also. Every other item of expenditure which the newspaper has got to make comes only from the advertisement revenue. After meeting all these expenses, is it possible for any businessman to imagine that they will get more than 5 to 10 per cent profit? You collect the tax not even on the income which is derived from the advertisement but from the amount mentioned in the Bills which are printed. There may be several bills existing but they may become bad debts. The claim of the Government may very well cut off the entire profit which may accrue to the business concern."

"There is one other matter, Sir, to which I should like to draw your attention and that is with regard to the right of entry into private houses. That is very objectionable. Are the newspaper men and advertisers criminals because they are carrying on their trade. Even the Income-tax Act, which is very rigorous, does not say that officials can enter into premises. They want the production of the accounts once a year and if they are satisfied they levy the tax accordingly and if they are not they levy according to their discretion. But in this Bill it is said, that they can enter the premises at any reasonable time. What you consider reasonable time may not be reasonable to the person concerned. I submit, Sir, that the Hon. Minister should at the stage of the Select Committee drop off this right of entry clause."

"If all these points are thrashed out at the Select Committee stage it will not be necessary for us to spend much time at the second-reading stage of the Bill. And it will save nearly Rupees 2,400 by way of our daily allowances here."

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"I would refer you, Sir, to section 22. Again you have got the inevitable section. No suit or proceeding shall be instituted against the Government. You tax them, you enter into their premises and do whatever you like, but you do not give them anything which will make them certain as to what you are doing. This, Sir, must stop at least hereafter."

MUHAMMAD RAZA KHAN SAHIB:—"Mr. Speaker, we started from cinemas, then hotels and now we are coming to the newspapers and other advertisement agents. As some of my friends remarked, we are not at all convinced by the arguments advanced by the Hon. the Finance Minister when he moved the Bill. I was reading his speech very carefully just to find out whether he had made out a case to support this taxation measure. Except one or two arguments here and there there is nothing. He says that he has to fill up the deficit some how or other. Whether it has any effect on the Finance Minister or not, Sir, we have to keep on saying that the way in which he is imposing these taxation measures is not according to the tenets of taxation as far as people can understand. Sir, from the little knowledge of English that I have, I can say that the very wording of the name of the Bill is wrong. It is wrong to call it as a tax on advertisement. It is a provincial income-tax. According to the Income-tax Act at least the Central Government say, 'your income for the year is so much and here is our share of the income.' But here the Hon. the Finance Minister says, whatever may be your income, I am not concerned, this month you had a lakh of rupees worth in advertisements, give me Rs. 10,000. It is nothing but a provincial income-tax. He has given it some sort of a decent name so that the Legal Department of the Provincial Government and the Central Government may not question. Incidentally, Sir, I feel that the Central Government too should go into this taxation measure of the various provinces, particularly of the Madras Government, to see whether they have not made an inroad into the Central taxation field. Of course the Hon. the Finance Minister is laughing when I am on this point. When you are going to take Rs. 10,000 as advertisement tax is not the total income of the Press going to be affected? All these taxation measures have got a sort of inter-connexion. The advertisement tax is surely going to clash with the central income-tax."

"I understand, Sir, that in this Province there are only 15 dailies, 20 weeklies and a number of monthlies totalling over 150. From the way in which the papers are run one can expect only one or two daily papers in English and one or two language papers and two or three weeklies or other periodicals; and the other papers are not able to make both ends meet. When such is the situation I cannot understand the reasons and arguments of the Hon. the Finance Minister."

"It is all right; you may tax. But you should also see the repercussions and the effect of this taxation measure, and see

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whether the people are in a position to bear this burden except perhaps one or two papers. Some hon. Members of his party will say 'we see the *Hindu*, the *Mail* and the *Indian Express* earning huge profits'. But I ask them to see that apart from earning huge profits, are they not utilizing their huge profits to give better edition to their papers, and maintain special correspondents not only in this country, but all over the world. They send special representatives to the United Nations Organization to report and send news to people here, as early as possible. Do we not see that they are sending five or six reporters every day here so that a full picture is given of all the days proceedings. If you tax newspapers, it will have its repercussion, and the efficiency of the service will go. As pointed out by Mr. Majid, the demand of these journalists for better emoluments and treatment at their hands will stop. Because, this Bill will come in as a handy excuse for them. Yesterday, the Hon. Finance Minister was indulging in a controversy about threats. He was saying, 'I cannot understand the Press indulging in threats.' After all these threats they have learnt from you. I may respectfully submit that I do not like the way in which this controversy was carried on. You cannot blame the Press for that. You are also responsible for it. Did not our Hon. Premier in a particular speech say that if these people did not give publicity to the speeches of Hon. Ministers or M.L.As, he would make use of the radio and not care for the Press? Instead of this threat he could have kept quiet. I am not giving the Hon. Premier any advice. But this controversy, I feel, could have been avoided. Did not our Hon. Premier say that except for one or two papers, all the other papers have suddenly become hostile to Government? What does this show? Does it mean that all the papers in Madras have suddenly become hostile to this Government? Therefore it means that your whole case is gone. The Finance Minister is nodding his head, and I think he is admitting what I say."

THE HON. SRI B. GOPALA REDDI:—"We have appointed the Special Officer in 1949."

MUHAMMAD RAZA KHAN SAHIB:—"On another occasion, when sales tax was proposed to be imposed on papers, the Premier and others were saying that these papers were making huge profits, and, there was nothing wrong if the Provincial Exchequer collected something from them. Yesterday, Member after Member asked the Finance Minister 'You say in your speech that your special officer went into the matter: why don't you make a copy of that report available to us.' If it is a confidential report, at least four or five members can be shown the report so that an idea of the real position can be had. You had an enquiry by your official, and you say you have certain facts. We are in the dark. You ask us to follow you. We cannot follow. We have to do justice. If a case is made out that these papers are really in a position to pay the tax, there will be some justification. The Finance Minister will say that there is always the

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loophole that he is always very reasonable at the Select Committee stage and very accommodating. He has been very reasonable. I also had the good fortune of sitting with him at select committees. He is always reasonable. But I do not wish for that contingency. I feel, after hearing the speeches made yesterday and to-day, that the Hon. Minister will say at 3 o'clock to-day 'I myself made a mistake: I will follow Dr. Rajan and withdraw this measure.' There has been endless controversy over this Bill. The Hon. Mr. Bhaktavatsalam said that it came from a prominent editor of a newspaper. He said that not in Madras City but in Bezwada. In Bezwada he is reported to have stated 'we are all good people; we do not want these taxation measures; one of the prominent editors said that Government could afford to have this tax.' The Hon. Finance Minister tries to exploit that point. He did not make any reference to the statement issued by the President of the Provincial Press Editors' Conference wherein he stated, that they strongly objected to the imposition of sales tax on newspapers; though, however, they felt that there might be some justification for the levy of an advertisement tax. They said, 'this wretched sales tax should go. Neither the Finance Minister nor the Public Works Minister should twist that matter and say 'you yourself have agreed'."

THE HON. SRI M. BHAKTAVATSALAM:—"The hon. Member is not correctly quoting the Minister's speech. The prominent editor referred to, suggested to me that in the place of the sales tax we could have the advertisements tax which would give us a larger revenue."

MUHAMMAD RAZA KHAN SAHIB:—"The statement of the Hon. Mr. Bhaktavatsalam is here, and the Press statement of Mr. G. R. Srinivasan is there. I leave it to the Press and hon. Members to go through them and come to their own decision. I do not like to go into the controversy."

"Mr. Majid and Mr. Salam made out a case saying that in our Province, and for that matter in our country, people are not coming out with advertisements. I do not have very much information about England as my friend Mr. Swaminathan has. But from my little knowledge of the periodicals of England, and on comparing them with the papers in this country, I see that their advertisements are fifty to sixty times more than the advertisements in this country. There the people are in a position to pay for the advertisements. At a time when our country should improve industrially and economically, if you are going to levy this tax, will it not affect the industrialists, the proprietors, the advertising agents or other advertisers? The result will be that instead of the Government giving a fillip to advertisers, we will be simply retarding the industrial progress of our country."

"There is one other point. The Hon. the Finance Minister stated that while Bombay has got this Bill, why not we follow suit? Unfortunately, our Finance Minister is always the first in respect

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of taxation measures. Our Finance Minister thinks, right or wrong, he will have these taxation measures. Posterity will know how much the people have been taxed.

"Sir, a certain firm in Delhi or Calcutta may like to advertise its wares in Madras. When this ten per cent advertisement tax is proposed to be levied in this Province, naturally, it will consider many times before it sends any advertisements to Madras. It will think 'why should pay ten per cent more'. These are all things which should be carefully considered. Even on the very admission of the Minister himself and on the very admission of some of his supporters, there were hardly two supporters, yesterday, in between the lines . . ."

THE HON. SRI B. GOPALA REDDI:—"What is in between the lines?"

MUHAMMAD RAZA KHAN SAHIB:—"Sir, it is better that things are not explained at great length, and I do not wish to enter into details. My friend Mr. Viswanatham has spoken on this Bill in detail. Apart from the Press, there are others who will be affected by this Bill. This is an all-embracing legislation. There are the advertising agents. The Corporation of the City of Madras is entitled to have an advertisements tax. Now, they are having it in their own way. They will get compensation under the provisions of this Bill for the loss of advertisement tax. I ask the Government whether the municipalities like Mathurai and Tiruchirappalli will not approach the Government for a share of the advertisement tax. Of course, I know the District Municipalities Act and the Local Boards Act do not envisage the levy of advertisement tax by municipalities. That apart, it is possible that they ask for a share of the advertisement tax collected from those places. When the Hon. Minister can go to the Centre and fight for an increased amount under the tobacco tax, there is nothing wrong in district boards approaching the Finance Minister and asking for a share. It is not as if I am instigating them to do so. (The Hon. Sri B. Gopala Reddi: 'You are.') It is only for clarification purposes, I say this. The Mathurai Municipality will ask for a share of this tax. All these aspects are to be taken into consideration. Hardly three or four or at best six papers will be in a position to pay the tax. If I may use a mild expression, if the pound of flesh is insisted on, what will be the repercussions? With regard to the other papers, they are not in a position to pay, and that is why the Hon. Minister agreed to one clause, namely, the clause dealing with exemptions. In 95 cases out of a 100, exemption will have to be given. Otherwise, this provision is quite unnecessary. Therefore, I feel that this measure is such that the Finance Minister will do well to withdraw? Yesterday the hon. Member Mr. Swaminathan and the hon. Member Mr. Kosalram (whose speech I could not follow) spoke in support of the Bill. They spoke of the conditions of the working journalists. Beyond speaking for the journalists, I ask, what have the Government done to them? Some two years before

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they made a request to the Public Works Minister to give them a small place for their office? Did they get it? I hope the Members of the party in power will be able to help these journalists. There is another point. It will be perfectly well if we follow the advice of the Hon. Prime Minister of India, Pandit Jawaharlal Nehru, in this matter. We do not know the contents of that letter to the Premier of this Province, except perhaps an able person like Mr. Salam, who can presume for himself. My hon. Friend Mr. Natesan referred to that letter, and made a humble request to the Premier to tell him whether such a letter was received. He did not ask for the contents. He only asked whether such a letter was received. The Premier said 'I will be receiving one hundred and one letters, and they do not concern the Assembly'. But he was so considerate to the Press that the other day, at a Press Conference, he said some letter has been received. Some Hon. Ministers also follow this procedure sometimes. They say 'We will manage this; let me not divulge this information'. In the light of the advice which the Hon. Premier has received from the Prime Minister of India, I hope the Finance Minister will drop this Bill. Mr. Majid has stated that this is not the time for the Government to alienate the sympathy of this section of people. If you go on antagonising every section of the people, it will be difficult for the Government. I am hopeful and confident that the Hon. the Finance Minister will withdraw this measure."

SRI G. NARASIMHA RAO:—"Sir, I am not supporting this measure. In all cases of taxation measures, the incidence of taxation should spread to a large number of the population, and it should not be confined to a particular class alone. How far a particular section of the people can bear that tax? Let us see the newspaper trade. Before the year 1939, we have been finding that these papers were unable to exist, and that only papers like the 'Hindu' and the 'Mail' were able to survive. Others could not stand the competition. During the war, they had the opportunity of a large circulation. Let us take for instance the language papers in Andhra districts. Two papers are there in the area to serve three crores of people. At this time, instead of encouraging these papers, is it the desire of the Finance Minister that they should be taxed? At the Select Committee stage, the Government propose to exempt the smaller papers from this tax. This means that ultimately the tax will fall on only five or six papers. Instead of this discrimination against five or six papers, who are asked to pay this tax, Government should encourage papers by giving subsidies. When compared to other countries, the circulation of our papers is very meagre. Instead of giving subsidies to papers, and bring about a larger circulation of the paper and spread the news, Government are trying to gag the papers by the enforcement of financial measures, which I will not approve. Sir, India is getting industrialized. Factory plants and machinery are coming into India. The advertisers will go to the big papers for their advertisements. When they go to the big papers, the papers will pass on this advertisement

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tax to them, and ultimately this tax will be an indirect tax on the people. A number of industries have been started two years ago. The share capital of two crores or three crores of rupees has come down. Such industrial concerns should be given every opportunity to advertise their goods. It has been stated by the Federal Chamber of Commerce that Rs. 1,400 crores of the Industrial concerns has come down to Rs. 1,000 crores, and the present day value of the concerns is not more than Rs. 400 crores. If India is to revive its prosperity and take its stand among other nations, it is our duty to see that the interests of the industrial concerns is safeguarded. This indirect tax will fall on the industrial concerns. Ultimately, the big papers that are going to be taxed will pass on this tax to the industrial concerns or the business community, and they will have to curtail their advertisements. Therefore, I request the Finance Minister to go into the provisions of this Bill very closely at the select committee stage, and see that the Bill is either dropped or some sort of relief is given."

* **SRI K. BRAHMANANDAM REDDI:**—"Mr. Speaker, Sir, I support this measure. Considerations not strictly relevant to the matter on hand have been raised in the debate. I do not wish to travel to America or England or reconnoiter the whole world as it were to see as if I can pick up a comrade for this measure. Let us see whether we can pick up a comrade nearer home. We all know that Bombay has this tax and it is in force from 1st April 1949. Some hon. members, particularly Mr. Abdul Salam, expatiated too much on the power of the Press and its role in public life as though, without his able advocacy, the Press does not know itself or the Government do not realize the potentialities. It was like a bee sitting on a moving wheel musing all the time that it was responsible for the motion. We are well aware that the Press is a force in the public life of the country. It can make or unmake Governments and lead or mislead people. But if we say that a small measure like this will drive the Press hostile or make it ignore its responsibilities to the public, we are hardly paying a compliment to the Press."

"Another point urged vehemently is that the Press in India has been nationalistic and supported the freedom struggle throughout. Unquestionably it did. We are proud of a Press like that. We are grateful for the service rendered by the Press in the cause of freedom and the education of men and women in and outside India. (At this stage the Deputy Speaker occupied the Chair.) Would it be ingratitude to the Press if the Government, being unable to balance the budget, ask a few rupees from its surplus which can be used for the betterment of the masses in the country? That is the only question. On the other hand, willing payment of the tax will add a welcome feather in its nationalistic cap. It will enhance its reputation for spirit of service. That the Press imparts knowledge in a very great measure is undeniable. That we read newspapers not only for news and views but also

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for enlightenment is unquestionable. But I want to know whether this is a tax on knowledge. It is certainly not a tax on knowledge. If I were to contribute an article which may enlighten the public, it is not taxed. The information published in newspapers which imparts knowledge is not taxed. It is only advertisements of all varieties that is taxed. So it is no good saying that it is a tax on knowledge. I do not share the view of the Hon. Finance Minister that knowledge is already taxed and so let it be taxed a little more. It may be true but it is repeating a mistake. I contend that it is not a tax on knowledge and I have given my reason for that.

"The other point to which I wish to refer is with regard to the controversy. I have a belief that if this controversy had not been there, this measure would have gone on without much resistance. It is an unfortunate controversy. But I ask the Press; is it proper for an enlightened Press to issue a threat of the kind they issued? Is it becoming of their dignity, their status and their position in public life to issue the threat? Mr. Raza Khan said that it was not wise for the Premier to issue a statement in reply to that. It is not for me to say whether it was wise or unwise. But I can definitely say that the resolution did provoke criticism. If the Press had avoided the threat, probably our course would have been more smooth. Let us not think that the Government stand on prestige. It is not as if the Government want to pass this measure in spite of opposition, because the Premier issued the reply. It is not so. It is being pushed through purely from financial necessity. That is my belief.

"I have objections to some provisions of the Bill. The power of entry and seizure of records, especially with reference to the Press, is very wide. The section has to be considerably modified. The only safeguard provided in that section is that the entry and inspection shall be at *all reasonable times*, and there is no other safeguard. We should so amend the section as to see that the Press is not unnecessarily inconvenienced or unduly harassed.

"Then again, there is a provision which says that the tax leviable should be paid in advance. That is a provision which offends me. I do not know why it is inserted in the Bill.

"There is a provision which prohibits the publication of advertisements without a licence. I do not know why it has been inserted. Probably the Finance Minister would tell us in his reply why the licensing system has been introduced. If you want every Press to obtain a licence, it will certainly be a great hardship.

"My friend Mr. Viswanatham referred to the provision relating to the rule-making power. When the Government say that they can make rules, I suppose that all the formalities will be gone through—publication of the rules and the receipt and consideration of objections."

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SRI T. VISWANATHAM:—"May I explain, Sir? There is a section in the General Clauses Act under which only if it is provided that the power of making rules is subject to previous publication, the other consequences follow. Otherwise, they do not. The draftsman in the Secretariat is very clever."

SRI K. BRAHMANANDAM REDDI:—"I yield to the better information of Mr. Viswanatham. If that is so, provision ought to be made to give an opportunity to the interested persons to express their objection or support to the rules after publication.

"Another provision which has been vehemently criticized is that which gives power to the Government to exempt any person or advertisement from liability to pay the tax. Surely it is too wide a power. I do not see any reason why the Government should have reserved to themselves a power like that. The power is liable to be misused. I should like the Hon. Finance Minister to tell us in his reply as to why there was need for reservation of a power like that.

"In conclusion I only wish to say that this tax is just and necessary. It does not offend any principle which my friends are making much of. Of course, I certainly want the Select Committee to go into each section carefully and so amend it as to see that there is no harassment of the affected parties, especially the Press."

MR. W. J. FERNANDEZ:—"Madam, Deputy Speaker, it seems to me rather unfortunate that almost every taxation proposal brought before this House by the Hon. the Finance Minister has evoked a storm of opposition. Hon. Members who have been loud in their protest against the present Bill as well as others which have passed the stage of discussion will kindly remember that they are reaping a rich harvest of troubles because it is they who made the Congress Government introduce total prohibition in this Province and deprived them from a large slice of revenue. Therefore, it is their duty to-day to help the Government when they come forward with definite proposals to find out the means of making up that big loss of revenue. One hon. Member said that Government should not have come forward with any taxation proposals. Madam, people should be reasonable enough to weigh their objections and they should not, as a matter of routine, object to any proposal. Now, a great deal of fuss is being made about this tax on advertisement. I tried to understand what is the effect of this tax on either newspaper managements or the advertisers. The proposal is to take ten per cent. We have been told by the Hon. the Finance Minister that possibly in the Select Committee, it may be reduced to 6½ per cent. Let us take that it is 6½ per cent and work out the actual tax. It works out to one anna in the rupee. The rate of advertisement so far as the 'Mail' is concerned is about Rs. 7-8-0 per inch. Now what is the effect of this tax? It means that the advertisers will be called upon to pay about eight annas extra. Therefore, hereafter, the rate of advertisement in the 'Mail' will increase from Rs. 7-8-0

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to Rs. 8 per inch. That is, the advertiser will have to pay eight annas more on the basis of the ½ per cent. People who are advertising in the papers and who want their business to flourish can afford to pay a small extra amount because they do not feel the burden of paying it and moreover they are not paying it from day to day. When they can afford to pay Rs. 7-8-0 per inch, they can afford to pay a little more. After all, what is going to happen is that the management is not going to pay."

SRI T. VISWANATHAM:—"What about the man who is seeking employment by advertisement?"

MR. W. J. FERNANDEZ:—"When they go to advertise in the papers, it means that they have got some money and so, they can also afford to pay this tax and pay a few annas extra. What happens is that the management of the paper is not going to pay this tax. The salesmen or the dealers do not pay it. They pass it on to the consumer. The management passes on this advertisement tax to the advertiser. Suppose, the 'Madras Mail' charge something more on this advertisement, I pay it quietly because I want publicity and I want my business to be run on proper lines. It is only to help my business that I advertise and if the newspaper charges me something more in order to help my business, I will not grudge paying it. I will quietly pay it. Therefore, Madam, I say this tax is not going to hurt anybody. (Hear, hear.) Take for instance a big business office. Sometimes they want full page advertisement. Suppose the 'Mail' charges Rs. 600 for such full page advertisement, then they have to pay 600 annas extra as tax. The business concern will not grudge paying this extra amount because it is only once in a month or once in six months that they will advertise like this. These are small things for them and they can easily pay the tax. Whenever a tax is levied, we all grumble at the stage the tax is proposed but afterwards, we all pay it quietly. In the same manner, this tax also will be paid and you will find that nobody really enters a protest when once the Bill is passed. Madam, I support the Bill."

* SRI K. BHASHYAM:—"Madam, Deputy Speaker, this Bill is one of the series and I hope it is the last of taxation Bills proposed by the Hon. the Finance Minister. (Interruption.) I hope there is nothing more to come. I feel, Madam, that so far as this Bill is concerned, it is not only ill-advised but it is completely ill-timed; especially at a time when there is plenty of political opposition to the Congress, it is not the proper time for the purpose of introducing a measure of this kind which will alienate the sympathies of the Press. Madam, there are Communists who are near our homes and Government are not able to put down the communist danger even by their aggressive actions. Then, there are the Socialists who are really gaining strength slowly and steadily. Then there are Congressmen some of whom feel that they cannot appreciate the leadership and who do not agree with the present policies followed by our own leaders here. They feel

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that they are under a sort of strain. Some of the Congressmen themselves feel that the prestige of the Congress is at stake on account of the policies pursued by the present Congress Ministry in this Province and they do not really see eye to eye with the present leadership. Some Congress members themselves have expressed their views very strongly against the various measures undertaken by the Government.

"Madam, this Bill for taxing advertisements, is, I fear, cannot yield as much revenue as the Hon. Finance Minister thinks it can. In fact, there is no real estimate of the amount that can really be had. There is no statistics for the purpose. Whatever it may be the Hon. Minister for Finance said that he is fishing in gutters while the wide sea is left to the Central Government. In the present case, Madam, I think the Hon. Minister is fishing in troubled waters and I do not think he will be really able to get much out of this tax. I want to point out that however wide he may spread the net and include even articles of food for the purpose of taxation, still he cannot meet the deficit. He must devise some other means for covering this deficit. I would suggest to him not to confine his attention and to fight with the people of this Presidency alone but to fight with the Government of India for the purpose of getting greater allocation of revenues. I am sure he is doing it and he must do it in a much more persuasive way. Of course in the Select Committees, the Hon. the Finance Minister appears sweet and reasonable and uses his methods of persuasion with the Members of the Select Committee so that his taxation proposals may go through. But, he must exercise much more his art of persuasion with the Government of India for getting more allotment from the Central Government to this Province. He has succeeded to some extent and he is able to get Rs. 34 lakhs more from the tobacco tax. I am glad about it and I really congratulate him on that. I want him to persevere with the Government of India and not to trouble the people of this Presidency by taxing them more and more for getting his revenues."

"Madam, the Bill, as it is, is objectionable from many points of view. The definition of the word 'advertisement' in the Bill is so wide and so very beautifully vague that anything can be brought under that definition. The Hon. Minister has also on the top of it included a clause which says that it may include any other advertisement which the Government may call 'advertisement'. That means they can make a new dictionary altogether for the purpose of getting this tax. Therefore, Madam, the definition of the word 'advertisement' is very vague. Apart from that, if any person or say, if the Public Service Commission advertises for posts, it has to pay this tax. If a person applies for some employment through advertisement, then certainly he has to pay for the services of the newspapers. But, persons who advertise vacancies have also to pay this tax and even authors who publicise their books in the newspapers have also to pay this tax, according to the definition of the word 'advertisement' in the present Bill. Therefore, you can see how wide the definition is and you will

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understand the difficulty of not merely individual businessmen but also of big commercial concerns who advertise for posts and other things. They have all to pay this tax. Even an ordinary person, for instance, any person who wants a cook or a gardener or a butler and who advertises, will have to pay this tax. Apart from this, there is this fact that the tax must be paid by the common man. The speaker before me said that nobody is really hurt by this tax. I ask him, if somebody must pay this tax and who pays it. It is the consumer who suffers and not the newspapers. I do feel, Madam, that the ultimate burden of this tax will fall upon the ordinary common middleclass man. It is the common man that has to pay one anna extra for every ten annas he is paying as advertisement charges and this will hit him hard. Therefore, I think that it is only the middleclass man that is affected by this Bill. Suppose some food articles are advertised. This tax is collected out of the pockets of persons who are consumers of those various articles that are advertised. It may be that the Hon. Minister looks only to newspaper advertisements. But, I say that the ultimate burden of this tax will fall on the consumer. The consumer will try to shift it on to the producer and so, the producer, the cultivator of the soil will be hit by this tax. In the ultimate analysis, you will find that this tax really falls on the common man, and the man on the land who produces the food. I can understand if this Bill is really intended to tax the big persons owning these big newspaper concerns in palatial buildings. They do not pay this tax out of their huge earnings but pass it on to the common man or the advertiser.

"Secondly, the small newspapers—there are a number of them—cannot make any headway if this tax is imposed, because they depend on these advertisements alone for their existence. Therefore, it will hit a number of small newspapers and periodicals. In all these matters, you must find out how far you can tax the rich people and not the poor people whose condition you want to ameliorate and whose standard of living you want to raise. The Congress Ministry is pleading for the poor man and at the same time levying these taxes. The ultimate burden of these taxes, as I said, falls on the poor man in this country and he will not be convinced that the Congress Government exists for him. Suppose an advertiser advertises the price of a cake of soap as 10 annas, after this Bill comes into force, he will put up the price by one anna and advertise the price as 11 annas with the result that the common man has to pay 11 annas and so, this tax is ultimately collected from him. Therefore, I say that this tax is wholly wrong in principle and ought not to have been brought before this House at all. Cinemas are taxed; even exhibitions are taxed and I understand that even 'Kalashepams' are taxed and perhaps sports column may also be subject to this tax.

"I do not know what else will be taxed. The definition is too wide and ought to be amended in the Select Committee. My hon. Friend Mr. Viswanatham has already pointed out how uncertain are some of the provisions of the Bill, though it is a taxation measure.

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"Then there is one special feature. The provision for licences and permits says that the applicant must pay the amount payable by him as a tax even before the licence is issued. I cannot really understand that. How it is going to be worked, I do not know. Evidently the Finance Minister has in view that he will take the advertisement income of the previous year, ask the paper to make the payment in the first instance and make adjustments later on. But in the case of occasional advertisers it will be a hardship. Suppose I want to advertise for a cook or a gardener, I should pay not only for the space taken in the paper but also the tax that is charged for it. Is that correct? I can understand the advertisement being published in the papers and your getting the tax from the papers, leaving it to the papers to get it from the advertisers. But to say that even occasional advertisers also are liable to pay this tax means that it will be very difficult to collect. The agency will be very costly and will not be worth while. If you really confine it to newspapers and not occasional advertisers it will be a good thing for the Hon. Finance Minister himself.

"Then there is one other point. There is an appellate authority to hear appeals against the assessment of the tax. In such cases, it will be a very good thing if a judicial tribunal is established for the purpose of hearing appeals. It will give satisfaction for the person aggrieved by any taxing authority if his case is fully heard by a judicial tribunal instead of an appellate authority prescribed by the Government. Even in income-tax cases, the Government of India have come to recognize, that apart from the income-tax authorities themselves, there must be a judicial appellate authority for the purpose of scrutinising the assessment in income-tax cases. It will give greater satisfaction to newspaper advertisers also if there is a judicial appellate tribunal.

"Then, Madam, I hope that the rules that will be made and the various things that will be prescribed by the Government will be brought before the House for the purpose of being scrutinised by this Assembly. Mere publication in the *Fort St. George Gazette* is not enough. There is provision in clause 23 that the rules will be published in the *Fort St. George Gazette* and that as soon as they are published they will become law. I want that the rules should be brought before the House for the purpose of being scrutinised by the House and then being brought into force. It will be better in view of the fact that many things have been left vague and left to the sweet will and pleasure of the Government. It will be an act of statesmanship if really the Finance Minister will submit the rules to the criticism of the House before he brings them into force.

"As I said before, though in principle I am opposed to this taxation, the position is personally so difficult for me to-day, that while I oppose the Bill, I am unable to vote against it."

SRI S. NAGAPPA:—"Madam, Deputy Sneaker, I am extremely sorry, I am not able to support the Bill as I usually support Government measures. In our country, literacy is very low

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and the newspapers are doing very good work in educating not only the literates but also the illiterate masses. The number of papers in our country compared with the number in foreign countries is very negligible. This is the time, especially in a free country like ours, when the Government requires a lot of publicity. So, it is highly essential that the Government should support the press and not tax the press. In no country in the world is there an advertisement tax or a sales-tax on newspapers. It is stated that the suggestion for an advertisement tax in the place of the sales-tax came from one of the editors. Now having come forward with an advertisement tax, are you prepared to waive the sales tax? (Interruption.) The Hon. the Finance Minister says that he is prepared to exempt them from sales tax. I suggest, Sir, that you can levy the sales tax at two or three points and you can collect from the sales tax what you expect to collect by way of advertisement tax. Sales tax is a thing which you can stretch to any extent. I would request the Hon. Finance Minister to say whether he has got the backing of the country for all the taxation proposals which he has been bringing forward day in and day out, simply to make good the deficit of four crores of rupees. He has brought forward 40 different kinds of taxes. Every day we hear of some kind of taxation or other. Are we simply going on to be taxed and taxed? The press has been very useful to us, not only to-day when we have formed the Government, but also in those days when we were in the wilderness. In the battle for freedom the press has fought better than we. The press was responsible for getting independence for Mysore and for the Police action in Hyderabad. If the press is not there, I would like to know what machinery the Government would adopt for spreading a knowledge of their activities among the masses. How much would it cost the Government for that? Mere publication of press communiques will not make the illiterate person understand what the Government do. The press reserves payment from the Government for the propaganda it has been doing for them. The Government are now having a publicity department. I do not know if the Government are going to tax the publicity that is done in that department also. The 'openings and the closings and the proceedings and so on' of the Hon. Ministers which are published here—I do not know whether the Government are going to tax them also. The Government and the Public Services Commission publish many advertisements calling for applications for posts. Whether these advertisements also will come under the purview of the Act and be subject to tax, I am yet to learn.

"The tax is not going to be of much help to the Government. The Hon. Minister said that he would get Rs. 20 lakhs from this. Why should the Government incur the displeasure of the press when it is essential now to get their co-operation? Without the co-operation of the press, no Government can exist. The press is very powerful and it can make or mar Governments. The press has been doing its duty more ably and more efficiently than the Government themselves.

"Madam, the Hon. Minister's plea is that he has not got enough money, that there are no other means of getting the money, that

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tax on advertisements is one of the items left to the Provincial Government for taxation purposes and that he cannot out tax them. If you want to make good the deficit, I suggest you can come forward with proposals for agricultural income tax. But in spite of repeated requests here on the floor of the House, you have not cared to introduce the agricultural income tax simply because most of the members of the Assembly, particularly the Ministers, happen to be agriculturists. I do not think that such a selfish policy will go a long way in keeping the Hon. Ministers on the Treasury Benches. I would challenge the Hon. Minister to say whether it will be so easy to secure seats in the Assembly as it was last time after we have adopted this taxation policy. Can the Hon. Minister face his constituency? Congress Government does not mean a Government for taxing the people. It is a Government intended to do maximum good to the people and tax the people to the minimum. That must be the policy of the Government. Instead of that you are taxing to the maximum and doing good to the minimum. That should not be the policy of a popular Government. I do not know wherefrom the Hon. Minister gets the courage to come forward with such taxation proposals. I do not know what will be his fate when he faces the electorate next time. The Government say that there is a deficit in the budget, that they have to make good the loss of revenue caused by prohibition, that they have made good only 13 crores out of 17 crores and that they should find some means of finding the remaining four crores. I say, Sir, make the sales tax 4½ pies instead of keeping it at 3 pies and let there be one method of taxation. Then on the expenditure side, how much will the Government have to spend to collect this revenue of 20 lakhs. Madam, the country is accustomed to the sales tax. It would have been better to increase it a little more in order to get four crores more, and give up all these minor taxation measures. Why should you incur the displeasure of the people especially at this time when you will have to face the elections in one or two years? Just now, you have got an increased grant by way of tobacco tax compensation from the Central Government. You were getting Rs. 22 lakhs and now you will get Rs. 56 lakhs, an increase of 34 lakhs. In view of this increased compensation, you may as well forego what you expect from the advertisement tax. After deducting the expenses of collection, the net revenue will be about Rs. 15 to Rs. 16 lakhs. In view of the windfall which you have now got and which you did not anticipate at the time of the budget, the Government have no reason to proceed with this taxation measure.

"Madam, I am glad that my hon. Friend, Mr. Viswanatham, has come forward to say that the Government are unreasonable in taxing the people as a fancy or as a plaything in order to see whether the people of the Province are prepared to pay the taxes or not. This is not the stage when you have to experiment with the people. You know what is the position to-day, and how the people have been struggling for their existence because of the enhanced cost of living. Unemployment and depression have already crept in. From all the taxation proposals of the Government, I do not know what percentage of the income of the people the Government

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are taxing. Collecting from 5 crores of people more than 50 crores is not an easy joke. Still they are not satisfied. I do not know how long they are going to tax. I am afraid when we meet next the Hon. Minister will come forward with further measures to tax us. (Sri K. T. Kosalram: You are asking for two crores everyday.) My hon. Friend, Mr. Kosalram, says that everyday I have been asking for two crores. At that rate, three long years have elapsed and if all these three years I had been everyday asking for one crore, there would have been more than a thousand crores. Still, it was not the grant of this Government. It was after all the previous Government which was more favourable to the Harijans that granted the amount. This Government find it difficult to grant and they have hoodwinked us. They give lame excuses."

DEPUTY SPEAKER:—"I would advise the hon. Member to come to the particular point."

SRI S. NAGAPPA:—"Just to answer Mr. Kosalram, I had to say all these things, Madam."

"If not agricultural income, why not the Government levy death duties? (The Hon. Sri B. Gopala Reddi: 'Government of India will do it.') What if this Government do it? This Government should first come forward and put up their proposals. Or else, they should bring pressure upon the Central Government to take up the measure themselves earlier or allow this Government to impose that duty. They must make representations to the Government of India and it is no use saying that 'I will have my own way of taxing the people'. Knowing the difficulties of the people, what is the good of taxing without knowing whether they are in a position to pay?"

"Under clause 2, sub-clause (1), there are eight items that will come under the purview of this Bill. But I do not know whether matrimonial advertisements are also included in them. (Laughter.) Anyhow the Government have a right of exempting certain items. If the Government are going to reserve that right, I would plead with them, if there is going to be any inter-communal marriage, particularly when one of the parties happens to be a Harijan, such an advertisement should not be taxed, so that communalism may be driven out of the country. You have been talking tall about the evils of communalism, but in actual practice you have not been trying to abolish it. The best method to put an end to communalism will be inter-communal marriages. So, the Government must exempt that particular item."

"Madam, most of the provisions of the Bill are vague. 'In such manner as may be prescribed by such and such an officer', etc. This kind of drafting does not show any definiteness. The Government should take some more time, frame their rules, and come forward with a definite Bill. They should indicate definitely that a particular taxation will be administered in such a way and such an officer will be invested with such powers. Instead of that, as has been explained by Mr. Viswanatham in unequivocal terms, the Bill is vague. I do not think the Government should come forward in such a way to get the sanction of the House."

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"Madam, I repeat that I am not in a position to support the Bill wholeheartedly as I used to do hitherto."

* DR. D. S. RAMACHANDRA RAO:—"Madam, it is with considerable reluctance that I rise to speak, not in support of this Bill. I feel myself in a very unhappy position because any tax is irksome. Its very compulsoriness makes it difficult for the people to get used to it. I believe there is an art of finance by which taxes are imposed without people realising the burden of the taxes. I am not at all certain whether the present Government have been able to place before the people all the facts that are absolutely necessary to make them feel that this burden must be borne by the people. As I go round and talk to the people, Madam, I realise that the public are obsessed with one or two ideas which it is well for the Government to know and to ponder over. No doubt this predicament from the Government's point of view has been created by the introduction of prohibition. But the people still believe that the Government have not been very careful in husbanding all their resources. They think that while money is coming into the Government treasury, there has been a reckless prodigality in spending the money. Instead of cutting the coat according to cloth, they have been insisting upon a pattern and want an abundance of cloth to suit their pattern. If an honest attempt had been made to economise in the expenditure of money, probably the 4 crores of rupees which is shown on the deficit side would have been more than made up by the economies that might have accrued. Therefore, when our Finance Minister faces the tax-payer and tells them 'More and more money is wanted', the tax-payer is not able to swallow the pill that has been administered to him because he believes that the Government are not very careful in the expenditure of money. Therefore, Madam, it is absolutely necessary that the Government, in order to make the people shell out the money they want, ought to convince the people that they are above board, that they are spending every rupee they collect to the best possible purpose, that there is no extravagance in the expenditure of money and that every economy is being operated on day after day, night after night, week after week and month after month. Unless that feeling is fostered, unfortunately the people cannot, and in fact they are not in a mood to support any Bill for taxation. Therefore, it is very necessary to study the psychology of the present day."

"Coming to the tax on advertisements, it is an open secret that in all advanced countries the Press is the life and blood of any Government. Particularly in Free India, we want to think freely. A great many organs are coming up and it is to the good of the Government that the people express themselves freely, unfettered either economically or politically, so that the Government may know what the people are thinking, and the people may know what the Government are thinking about the administration. When such is the case, any impediment or anything that tends to discourage the publishing of newspapers is a handicap to the freedom of expression. I remember that during the first decade of this country in England a great experiment was made. The Cadburys started

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a newspaper, a daily paper, called *Tribune*, with all the resources of the Cadbury's cocoa and chocolates, millions and millions at their command. But being quakers, adhering to high moral principles, they wanted to eschew drink and betting items in their news advertisements. The newspaper was beautifully got up, and well advertised: and all the world over they had important correspondents. They paid them handsomely column by column. It was an honour to be associated with that paper! Yet, their advertisements had fallen in the course of one year; the newspaper had to be closed down, in spite of the millions with which the proprietors were able to back it up. In India to-day there may be a few papers of old established repute. But how many of them have struggled for years and years, and how many vernacular papers have struggled hard without any means of supporting themselves and keeping them going till the war came in? Therefore, every newspaper has had a history of its own. Now, a great many newspapers are just struggling and they perhaps cannot pull on perhaps even for six months or a year. In such a case, instead of encouraging an arena for the people to speak out boldly and seriously, and make the Government realise what they are thinking about, and also helping the people to know what the Government are doing to make any attempt at curbing the popularity of newspapers by raising its price directly or indirectly will be an unfortunate thing at this juncture. Therefore, it is up to the Government now to study the situation. If we have the courage which was so characteristic of Mahatma Gandhi, our late Leader, and if we make a mistake, we must come out boldly and confess that we have made a mistake, and taking the people into confidence retrace our steps. By doing so, Government will show what they are really about and also win the confidence of the people. Discontent would be turned into contentment and adequate support for the Bill would be forthcoming. I trust the Government would be able to study the psychology of the present day and adapt themselves to the changing conditions of the public opinion."

SRI G. RAJAMANNAR CHETTY:—"Madam, Deputy Speaker, our Hon. Finance Minister is a very charming gentleman (Laughter) but unfortunately he has to bear the brunt of all opposition. I really sympathise with him for he is compelled to do such unpleasant things and to-day like the boy that stood on the burning deck when all others have fled, he sits alone in the bench.

"Madam, the tax is on advertisements but more reference is made to the tax on newspaper advertisements. There are of course some newspapers which could afford to pay this tax and there are numerous other newspapers which cannot afford to pay this tax. This point must be taken into consideration by the Hon. Minister for Finance. Those people who are acquainted with the working conditions of newspapers, know that they are run on meagre resources—though of course with high ideals and laudable motives—and that this tax on advertisements will really hit them.

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"Madam, we are to have an election based on adult franchise shortly and we have to educate millions and millions of people. The common man has to be educated and the Press has to play a greater and nobler part in shaping public opinion and discuss publicly the pressing problems of the day. But if this tax is imposed on smaller newspapers which pay more attention to news, they will be crippled and their growth will be stunted and ultimately they will go out of existence and our purpose of educating the people will be lost. That is my fear. Finally, this tax will throw out of all competition smaller newspapers and there will be scope only for well-established newspapers to thrive. I hope the Hon. Minister will modify his proposal in such a way as to exempt these smaller newspapers from this tax. Also advertisements relating to the necessities of the common man may be exempted from this tax.

"Madam, I now come to advertisements in general. Clause 14 says, that Government will pay compensation to the Corporation of Madras which are already collecting tax on advertisements. The Corporation of Madras have employed their staff to collect this tax and they are getting about 1½ lakhs of rupees every year. Now that they have revised the tax on advertisements, this year they may be getting about two lakhs of rupees or more. But according to clause 14, Government will pay only 'a sum equivalent to the average annual income derived by it during the three years ending on the 31st day of March immediately preceding the commencement of this Act.' This clause will hit the Corporation. Only in March this year, the Corporation, faced with a deficit Budget, decided to tax advertisements in newspapers also and a resolution to that effect was forwarded to the Government. But no action has been taken so far by the Government and they have not heard anything about it. Any tax by the Corporation would not be levied on such an irrational basis as is proposed to be done by the Government but it would be done on a rational basis acceptable to all reasonable people. If the Corporation was allowed to tax advertisements, they would have been able to meet the deficit. Instead of suggesting to the Corporation and other local bodies—for they have been demanding grants from the Government—to levy this tax, Government have taken it upon themselves to levy this tax and thus deprive them of their full share in this tax. Government have promised only a part of it. This is no good. That apart, I wonder how the Government, even without intimating or consulting the Corporation and other local bodies, could, all of a sudden, levy this tax and say from here, 'From now onwards you will be paid compensation'. I ask 'Is it proper, is it just and is it democratic?' If, on the other hand, Government really want to come to the rescue of local bodies, they must collect this tax which has not hitherto been collected by local bodies and pass it on to them. That would have been a very acceptable proposition. But Government are going to collect this tax and I do not know what they are going to do with the amount so collected. They are indifferent in their attitude to the needs of the Corporation and other local bodies not only in this measure but also in other measures.

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"Madam, the Corporation of Madras was levying the vehicle tax till 1931 when the Government themselves took up this tax for themselves and they are now getting thirty lakhs of rupees in the City of Madras alone but they are paying only 3.8 lakhs to the Corporation. Also, out of two crores of rupees that they get from this vehicle tax in the Province only sixty lakhs are being given as compensation to local bodies. So also is the case with the Entertainments tax. The Corporation was levying this tax until the Government took over this tax. Now Government are paying only 90 per cent of the tax to local bodies and they are taking 10 per cent themselves towards collection charge, but they spend only a little amount for this purpose. Madam, the Corporation was doing this work more efficiently and economically than the Government.

"Madam, even if the Government take up this advertisements tax, it is better that they entrust the collection work to the Corporation and other local bodies who will do it more economically than the Government. If it is not acceptable to the Government, they may collect this tax but should distribute it to the Corporation and other local bodies. Madam, I cannot understand why the Government are so indifferent in their attitude towards the Corporation. They have not even cared to reply to the communication recently sent by them. What will the people and the Corporation think of the Government which claim to be a popular Government. As a member of the Corporation, I am constrained to say that the present attitude of the Government is rather dictatorial and authoritarian almost bordering on undiluted absolutism. I fear and I know that it is tending towards Fascism."

* SRI M. G. NATESA CHETTIYAR:—"Madam, Deputy Speaker, the Hon. Minister for Finance has been pioneering taxes in this Province especially in the present session and the worst of its kind is the tax on advertisements in newspapers. Certainly, there must be pioneering taxation but the taxation proposed should be noble and dignified and should not be at the expense of service. Even some of the civilized countries of the world are not levying this tax as they considered it an unsocial act. Since the advertisements tax is levied on newspapers in the Bombay Province, perhaps some of the hon. Members of this House thought it fit to support this Bill but I wonder whether this is a tax on advertisements or on news and information. Again, as my hon. Friend Mr. Bhashyam has stated, it may ultimately prove to be a tax on the essential necessities of life. There is no doubt about it."

"Madam, some hon. Members expressed the view that it is not a tax on knowledge. The Hon. Minister himself has stated that this tax alone cannot be considered as a tax on knowledge. There have been taxes on knowledge for a long time and they have cited how art and literature are being taxed. I want to know from the Hon. Minister whether this is tax on newspaper advertisements or on information that is given by the newspapers to the general public and whether it is an additional tax to sales tax.

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Madam, this imparting of knowledge and education must have been carried out by the Government day to day of the various occurrences in this country and the world over and the newspapers are doing it on their behalf. The Hon. Minister must not think that he could get revenue in rupees, annas, pies only but he must know that he could also get revenue from service rendered to the public on behalf of the Government. The Finance Minister himself has stated that the Ceylon Government are not levying any tax on tuition. When such is the case, I really do not understand how this Government take pride in levying tax on institutions which give knowledge and information to the public as a whole. The burden of the song of the Finance Minister to narrow the gap between the provincial revenue, and expenditure could have been better achieved if he had only narrowed down the expenditure. It would have added to the revenues and there might not have arisen any occasion to levy a tax of this kind. This tax does not affect the Press alone, but it also affects business people. After all, Government must bear in mind that these traders and merchants pay a lot of taxes including the sales tax and they cannot afford to pay tax on their advertisements also. If it is levied, I am sure their business will be affected to a considerable extent as also the efficiency of the service of the newspapers."

THE DEPUTY SPEAKER:—"The hon. Member can continue his speech after lunch. Now the House will rise and meet again at 2-30 p.m."

The House then adjourned for lunch.

(After lunch—2-30 p.m.)

* SRI M. G. NATESA CHETTIYAR:—"Mr. Speaker, the point at issue is whether the services to the public rendered by the newspapers must be allowed to be continued and improved by leaving them alone without further taxation or should the Government take the risk of taxing them further without minding their inefficient service to the country and to the Government. It must be considered also whether, newspapers worth the name could be run without advertisement revenue as an institution of service. The Government themselves are running a periodical, the *Madras Information* and they have found it necessary to run such an organ and is functioning under the Director of Information in order to tell the people what this Government are doing. I believe they have a few advertisements also. I wish to ask them how they have been getting on; did they work on profit or loss? Again, Sir, I may refer to the *Indian Information*, the publication of the Government of India. That journal has similar objects like the Provincial *Madras Information* and I am not aware whether they are able to balance their budget. I believe they are also getting some advertisements. But a few months back, I received a note from the Publication Department of the Government of India that the issue of the journal will be stopped as it has been

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found to be uneconomical. I feel, Sir, that it would be difficult for newspapers to carry on their business with the proposed tax. Sir, you know that even according to the present Bill, the Government have reserved to themselves the power to grant exemptions from the operation of the Bill. I wish to ask the Government through you, Sir whether a majority of the newspapers and periodicals in this Province will come under the Bill or not. If the number of newspapers and periodicals coming under the scope of the Bill is only about four or five or a dozen, I ask, Sir, is it worthwhile enacting this Bill when the number coming under the scope of the Bill would be so few? I am aware that in this Presidency a majority of the newspapers and periodical are uneconomical and it is only a few that are able to balance their budget by deriving enough revenue. I know also, Sir, that charges are being made against the newspaper managements that they are making heavy payments to the managing directors, editors and agents in various parts of the country and the world over. It is no good making a charge like that; I feel that they must be paid properly; it is not an ordinary institution; it is a very respectable institution which must be encouraged and even subsidized if we really have over-flow of revenue. Their services are service to the people and to the Government; people want to know what the State is doing for its people and the people want to tell the Government what they expect of them and what should be done for them and the living touch between the State and the people is increasing every day—thanks to the services rendered by the Press of the country both before and after *India Independence*. The intelligent public are not unaware of this. If you charge them advertisement taxes, you are charging nothing else except the dissemination of information to the public, the necessary information which you are bound to carry to the people and I should say, Sir, I am unable to reconcile myself to this anti-social legislation. In the name of social legislation, we have introduced prohibition, losing a revenue of 18 crores and not only that, to enforce it we are spending crores and crores in the hope of making the working of prohibition a success. Then again, Sir, property legislation, which we declared as unjust in spite of the fact that it has been prevailing for the last 150 years, was scrapped and we passed the *Zamins Abolition Bill*. After all that, I would like to ask whether the Government are right to pilot an anti-social legislation like the present Bill. Then again, Sir, what are the circumstances and time under which we are piloting this Bill? We are imposing this restriction on the services rendered by the newspapers at a time when we require their services to keep the people informed of the political activities of the most popular organization, the *Indian National Congress*, the most well-disciplined organization with a record of service and sacrifice for the people and which to crown all had obtained them independence; are we right to have this at a time when taxation measures are hurled one after another and when people have to be appraised of what is going on in this country and the world abroad to keep pace with the progress of various nations? I believe this is a most inopportune time.

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Sir, in the coming elections our efforts to explain ourselves is not an ordinary thing and unless and until we get a free and independent press, we cannot get proper representatives and a proper Government to make laws for the lasting good of the people. People are anxious to hear our leaders and to hear other nations. Are we really right in coming forward with a measure like this at the present moment? Supposing the advertisement revenue falls, it is not a loss to the newspaper; it is a loss to the public because to that extent the information that would be given by them would be cut short; they cannot help it. It may be said that lakhs and lakhs of rupees are collected by the newspaper by way of advertisements but when you say that, Sir, you must also have to consider the volume of payments they make to their establishments. It is conducive and will be in the interests of keeping the integrity of public information in tact, if this sort of taxation on advertisement is dropped, at any rate for the present."

SRIMATHI RUKMANI LAKSHMIPATHI:—"Mr. Speaker, I rise to oppose that portion of the money Bill which refers to the taxation of newspaper advertisements. Yesterday when the Hon. Minister for Finance moved this Bill, he seemed to be very apologetic and he put forward his case in the most beseeching and plaintive tone. Probably, he was afraid of the power that the Press in our country wields and I am sure the Hon. Minister must be aware of the tremendous influence that the Press is bound to wield not only at the present time but also in the future. The Government cannot, therefore, alienate the sympathy of the public or the sympathy of the Press in particular. The Finance Minister referred yesterday to the threat held out by the pressmen in case the Government were to go through this Finance Bill.

"It is but proper that I should give the Government a note of warning that they should take into account the influence that the Press has in building up a nation. It cannot brush aside the power of the Press, because the Government must understand that it is a power among powers. So the Government will have to go slowly with such taxation proposals. Arguments had been advanced to the effect that the Press could afford to pay this advertisement tax because of the immense profits that the newspapers had made during war time. True, Sir, the newspapers did make a large amount of profit during war time. But they are not entirely to be blamed. I wish to say that the Government were partly responsible to the large amount of profit that the newspapers were making during war time. Though the Press was prepared to reduce the price of each publication from one anna to six pias and though the Press came forward with the offer that they were prepared to give six pages of matter in each publication instead of four pages, the Government came forward and said that it should not do that. They fixed a minimum and a maximum and they said that it should not go below that minimum or exceed that maximum. So far as cloth control was concerned, the Government said that merchants should not sell above a particular price. The cloth dealer has to sell his cloth at a particular minimum and he

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cannot raise the prices that the Government had fixed. But in the case of a newspaper, the Government came forward and said that the publishers must sell at a minimum and they must not sell at a price less than what the Government had laid down. Therefore, the newspapers did make a lot of profit during war time. The Government cannot, therefore, come forward with the argument that because these papers had made a lot of profit, the Government must levy a tax on advertisements. No doubt, the Government is hard put to make good the deficit in the excise revenue to the tune of four crores of rupees. In this connexion, I would like to suggest to the Government that they would be well-advised if they implemented some of the recommendations made by the Retrenchment Committee. One particular point that I would like the Government to bear in mind is that, times without number, on the floor of this House, reference had been made to the abolition of the Revenue Board. Therefore, I would like to suggest to the Government that in order to make good this deficit to the tune of four crores, the Government would do well to consider this proposal which I have suggested so that this deficit could be covered. Further, Sir, I would like to emphasise this particular point. The newspapers are after all not remunerative enterprises. They are meant specially to educate the public. The newspapers exist in order to give political education to the people because the percentage of literacy in this country is hardly ten per cent, that is to say ninety per cent are illiterate. Therefore, it is the essential duty of a newspaper to give them education particularly in the political field. But by bringing forward this measure, the Government is putting a stop to the progress that the newspapers would help in bringing about in the matter of educating the public. Newspapers get after all, I believe, only four per cent on their capital after paying income-tax. They have to meet a lot of expenses towards its maintenance and they have to give commission to the agents who sell these papers to the extent of 25 per cent. After meeting all incidental charges, I do not know what percentage of profit would be left to these newspapers so that they may claim it as profit for themselves. Granting that, during war time, they did make a huge profit, some of the newspapers thought that it would be more productive if they reinvested this money in the improvement of their services either by getting better type of machinery or accelerating circulation or employing more and more staff so that they could make the newspaper an effective means of doing propaganda or an effective means of educating the public.

"Now, coming to the Bill itself, I should like to make a few suggestions but I am afraid that many of the members had already anticipated me and put forward many suggestions so that I have very little left to make by way of suggestions. The Hon. Finance Minister should remember that the Bill he has brought forward is not approved by even the members of his own party. Many of the members who spoke from the Government Benches except two, Mr. Brahmanandam Reddi and my friend Mr. Kosalram, have opposed this measure. Because they know, as a matter of fact, that it would neither give any benefit to the public nor would it

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bring in a large amount of revenue to the Government to cover this deficit. Even Mr. Brahmanandam Reddi, when he supported this Bill this morning, took exception to several of the clauses and I wonder what else was left for him to support. Therefore, I must take Mr. Brahmanandam Reddi to be one of those who opposed this Bill, though he said 'so, for all practical purposes, I support the Bill.' But strictly speaking, he was one of those who opposed this Bill.

"Now, referring to clause 12 (2), I am afraid that it is vesting the inspection authority with excessive powers. That is an indication of the bureaucratic or fascist powers of this Government. The Government would do well to remove this clause when the Bill is referred to the Select Committee. Then again with regard to clause 4, I really do not see any meaning in asking the newspapers or the advertisement agents to obtain a licence or permit for the purpose of collecting a tax. I would suggest to the Select Committee to do away with this clause. Then another clause to which I should refer is clause 3. The Government contemplating to levy a ten per cent tax on the amounts charged for advertisements is far excessive. I would suggest that the tax should be reduced to 1½ per cent as in the case of sales tax. The Hon. Finance Minister said the other day that Government have shown some concession to the newspapers by reducing sales tax at two points to tax at one point. Instead of proceeding with this advertisement tax on newspapers, I would suggest to the Hon. Finance Minister to levy that 1½ per cent sales tax at the second point as well and do away with this abnoxious measure. With these few suggestions, I oppose this Bill."

SRI P. KANDASWAMI PILLAI:—"Mr. Speaker, I am glad to support this Bill for more than one reason. The Government are a popular Government, a Government by the people. It is not British Government. While the British Government were ruling the country, we were opposing everything irrespective of the fact whether it was good or bad because it was a foreign Government. Now it is our Government. We are the authorised representatives of the people. We have to govern the country and we cannot rule it by bringing money from our homes and putting it into the treasury. So when we have to govern, we have to depend on the tax of this land. Every man must take pride in giving money to the Government treasury because this is our Government. I cannot understand the attitude of the Opposition and even of some of the members of our party taking an extraordinary view and talking anything against the Government and voting for the Government when voting comes. It is an unfair attitude. Our people must understand that we are here, we have constituted the Government, we have voted for our Ministers, they are there in the Treasury Benches and they are not outsiders but our friends. We have to see whether the tax is properly utilized in the interest of the people or it is wasted; that is all the point for consideration. We are here to give our wholehearted support to the Taxation Bill. Every

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aspect of the Bill is placed before the House after coming to conclusions in the party meeting. We have already discussed it there and our people know all about these. Therefore, when we have discussed the pros and cons already, there is no use talking here against it merely for the sake of talking."

MR. SPEAKER:—"The hon. Member should not mention what took place in the party meeting."

SRI P. KANDASWAMI PILLAI:—"Sir, some Members said that all people of our party do not support this measure. I only contend the argument that everybody is not supporting the Bill. I only wanted to show that the same old practice which prevailed at the time of the British Government is continued now on the floor of this House, viz., they are talking for the sake of talking."

MR. SPEAKER:—"I do not understand what the hon. Member means."

SRI P. KANDASWAMI PILLAI:—"Sir, what I mean is that they are all going to vote for the Bill. One of the Members observed yesterday that in olden days when the British were ruling the country, the newspapers supported our patriots by publishing at length what they spoke on public platforms, though in certain cases, e.g., in the case of Sri Shanmugam Chettiar, there was a distinction. Because the newspapers supported the national cause, public opinion could assert itself. Therefore the whole House must be thankful to the Press of this Province; and one must be prepared to sacrifice something for the cause of the country and should not mind about this distinction shown by the newspapers. Further, when prohibition was taken up, a meeting was convened at Ghokla Hall and members insisted upon Government taking up immediately complete prohibition. The Press gave much publicity to it and Government had to lose 16 crores of rupees. When we take into consideration all these points, we should sincerely support every taxation measure of the Government unless and until it is proved that the money is misused. Till then, we should not grudge paying the tax. Of course it is a strange thing we are doing, and that in a strange way too. Because, our Province alone in the whole of India observes complete Prohibition. Therefore it is no argument to say that such a tax as the present one is not levied in other provinces. As was said by the Hon. Minister, we are leading other provinces in certain matters, and in that way we are teaching them in certain respects. So we should not blindly criticize taxation measures. We should see the reasonableness and the uprightness of the proposal we are discussing. Therefore I have great pleasure in supporting this Bill."

* SRI A. KAMESWARA RAO:—"Mr. Speaker, Sir, I rise to support this Bill, and in doing so I would like to offer certain remarks, and I wish the Hon. Minister will see the soundness of them. Of course, I do not want to argue on the advisability of

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this tax. There is a saying by Victor Hugo, which says, 'under a Government which imprisons any unjustly, the true place for a just man is also prison.' So also under a Government which taxes anybody, the real patriot should succumb to the taxes and pay them just to maintain the State.

"Of course, regarding several newspapers, I know their difficulty, specially in Andhra. Many of the vernacular papers there, are struggling very hard, and they do not get even advertisements now. In spite of that, they try to help the Government of the day. But bigger papers will generally escape from this tax. The industrialist pays for the advertisement of his goods in the newspapers, and so the papers are not going to pay this tax. And the fear is that even the bigger newspapers might increase their rates of subscription in the name of taxation! Supposing they are charging for advertisement at Rs. 10 per inch, to-morrow they will charge Rs. 12 per inch. Again all the manufacturers will hereafter go in for bigger newspapers for advertisement charges. Of course, the Hon. Minister says he may exempt smaller papers. But who is going to give to small papers advertisements? The industrialist knows that the return he will get will be greater if he gives advertisements to bigger newspapers. So when Government are exempting small papers they are not doing any good in reality. So by this taxation measure, really, papers which are just struggling will be affected. So what I say is, Government should control the advertisement system. They should try to distribute advertisements moderately to all middle-class papers. Supposing the bigger papers get more advertisement, they will get more money and the State will get more tax. So Government should try to distribute advertisement among all newspapers. That would be the best thing.

"Another defect in the Bill is that small taxes like this should not be levied at this juncture. Already there is the sales tax, a progressive tax. Then an agricultural tax may be levied. For taxation, Government should have four or five items, or even ten items, which would yield them large revenue instead of fishing in small ponds and catching small fish. By doing so, they can catch big fish and get three or four crores instead of two lakhs and ten lakhs. The present system only tends to bring discredit to the party and the Government. In spite of all that, I am supporting this Bill, because the Hon. Finance Minister and the Government feel that they are unable to make up the deficit of twenty crores due to the adoption of complete Prohibition in the Province. At the same time, what will happen to this Bill, I cannot say. Because there is a feeling that this may meet with the fate of the taxation bill on turmeric, chillies, oilseeds, etc. But it is the duty of the party men to come to the rescue of the Government when there is any trouble. So I support the Bill heartily.

"Finally, one thing more I have to say. In favour of this taxation, there is already a precedent; and that is, the Corporation

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of Madras is levying an advertisement tax. So why not Government levy a similar tax? But the Corporation is levying on the posters of advertisement; but in the present Bill, Government are levying on the advertisements that appear in the newspapers. I would advise the Government to moderate the tax in the Select Committee and bring it on to the level of the Bombay Act. Ten per cent is too much; six per cent or six and a half per cent is rather moderate. Let us follow the Bombay example in this Bill. With these words I support the measure."

SRI D. V. RAMASWAMI:—"Mr. Speaker, Sir, after hearing the brilliant speech of my Friend, Mr. Salam, I am wondering in what way I could contribute to this debate by way of constructive criticism, so that the hardships contained in the Bill may be avoided. Sir, every taxation measure must have been conceived to make a definite contribution to the revenues of the provinces. I believe the Hon. Minister has got strong grounds for introducing this measure at this juncture. He is fully aware of the plethora of speeches made from day to day on every taxation measure brought by him. But still, if he persists in carrying out the measure, I think it is time for us to examine the pros and cons of the matter. I feel in a measure like this, the most important thing would be that not only the newspapers but also those people who earn their living by conducting advertisements should also be carefully considered. Several of these people would be subjected to harassment by the assessing authorities if rules are made empowering them to enter their premises and examine their accounts. Some people feel this is more a measure to coerce and control public welfare institutions rather than a revenue yielding measure. As my friend, Mr. Majid said, this, instead of being a taxation measure is more likely to exercise greater control over newspapers. I hope the Hon. Minister will see his way to eradicate that idea from the minds of the people affected by this measure."

"Another thing I wish to submit here is, that in the case of infant or smaller newspapers, unless they are generally considered in imposing tax on them, they would be seriously affected. In spite of the assurance by the Hon. Minister to be generous, there is a defect which has to be rectified by making a provision in the Bill. The Corporation of Madras under statute are entitled to compensation for loss of revenue under this head. Similarly, what about municipalities, district boards and other institutions. Then, Sir, there are a number of advertisements. For example, every doctor or lawyer puts up boards intimating that such and such hours are his working hours. Even this would come under the mischief of this measure, and they would be liable for taxation. I request the Hon. Minister to look into these matters."

"Sir, I appreciate the extraordinary help and the service the Press has been rendering to the country, both before attaining freedom and after attaining freedom. But still, in a time of financial stringency all possible help is expected from those institutions, which this measure is likely to affect. I feel, as in

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the case of the recently passed Sugarcane Control Bill if there is an Advisory Committee to go into most of the matters, then several of the anticipated hardships might be avoided in the working of the enactment. With regard to the imposition of fines, there is power taken to impose a fine of thousand rupees. All penal provisions must be gone into in the Select Committee, and even in the carrying out of the Act, an authority like the Advisory Committee would be of great help. In view of the assurance given by the mover of the Bill that all sorts of relief to the proprietors would be considered, it is hoped that the Press would not still continue their attitude of frustration or criticism against this measure."

"Before concluding, I wish to make one more appeal. I feel under section 4, good work can be done by insisting on the assessing authority going into the nature of the advertisement matter. For of late, a lot of immoral money is flowing into advertisement. For example, a man from Chicacole says that he can bring about youthful vigour in the case of lost vitality in twenty-four hours. All such things and all appeals to erotic emotions should be checked. As it is, unless there is a case filed in the High Court and judgment secured against such advertisement, no action is possible to prevent this sort of advertisement. So as per my suggestion, if the assessing authority is empowered to look into the matter of advertisement, while increasing the revenue of Government, he may incidentally also purify the present state of journalism and improve the nature of advertisement as an education to the people. On the whole, I feel this is a measure, which, if properly amended in the Select Committee, would be supported by this House."

SRI T. K. T. N. R. TATACHARI:—"Mr. Speaker, Sir, the objection to this measure has been total from some quarters. The objections can be analysed into three classes. One is that this is a tax on knowledge, the second is that it is very tactless on the part of the Government to antagonize the Press and the third is that the measure will not yield much of revenue."

"With regard to the first class of objection that it is a tax on knowledge, we have to say that there are newspapers and newspapers, journals and journals. We find that there is a certain amount of reluctance to plain speaking in regard to the present state of our journalism. Most of the newspapers are either commercial concerns or political or quasi-political organs and they are not philanthropic institutions to claim any benefit. What is it that they spread? I am afraid we have got to say plainly that it is only half-knowledge that they spread. Many of the local mushroom papers which we find in plenty do not at all convey any knowledge but they spread mental diseases. It is wrong to claim that journalism has advanced much in this country. In my opinion, there has not been much of a tradition with regard to public matters. In many cases, we find that even leading newspapers err in obstructing Governments in sponsoring wholesome measures. With regard to this tax on advertisements, what is it that the Press has got to feel afraid of or what is it that

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will affect them financially? In most cases we find that the advertisement rates themselves are in the nature of a tax on the advertiser. So to claim a portion of that income is certainly not a tactless measure.

"Then I come to the second objection that by levying this tax, we are antagonising the Press. Some hon. Members referred to the threat issued by the Press against the Government. I do not think that the Government have had as much publicity as is desirable from any quarter of the Press, except from a few newspapers. I don't think it is a proper threat to administer to the Government.

"The third objection is that this tax will yield a revenue of only two lakhs of rupees which, after all, is an infinite small fraction of the deficit. In financial matters, it is well to remember that 'many a mickle makes a muckle.' It is by several such taxes that the loss of revenue can be made good. Knowledge is barred in certain places due to the financial inability of the Government to open more educational institution to cope with the increasing demand. Is that a sound policy? More taxes will bring more revenue and that will enable the Government to open more schools and colleges. It is necessary to augment the finances of this Province by all possible measures. I daresay that the Press will not lag behind the ordinary citizen in realizing their responsibilities and discharging their duties to the Province and hope that they will pay the tax willingly.

"With these words, I support the measure."

DR. P. SUBBARAYAN:—"Mr. Speaker, Sir, I have not risen to oppose this measure, because there are certain disciplinary matters under which I come. At the same time, I must bring to the notice of the Hon. Finance Minister the canons of taxation well known to every student of public finance. One thing I learnt in my study of public finance was this that, if you are going to tax the people and get unpopularity over it, you need not care for that unpopularity, if that tax is going to bring an income which will satisfy the needs of a progressive Government. As my Hon. Friend the Finance Minister himself said, we are not going to get an amount that will satisfy our needs.

"What I said in some other place about the spread of knowledge by newspapers has been misunderstood by some hon. friends of mine. They perhaps thought that I was thinking of literary knowledge. As far as I am concerned, I do not go to any newspaper for my literature. There are newspapers and newspapers. There are newspapers which cater to the literary taste of some people and present ideas and ideals which one cannot get from any text-book. Knowledge does not mean literary knowledge alone. To give you some instances, Mr. Speaker, Sir. I am interested in the sport of not only this country but all over the world and the morning paper sends a thrill into me when I find out who has won the Wimbledon Lawn Tennis Championship. That is knowledge of a kind which many will be interested in. When I am told that a team is composed of three Australians, three

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Americans, one Czechoslovak and one South African, that itself is knowledge of a kind which we cannot easily dispense with. When I read in newspapers that Compton played an innings after having been hurt by a ball which nearly struck him and when he had the courage to come back and face the bowlers like Miller and Lindwall, that itself raises a literary production. That was what I meant by knowledge. Can any one deny the fact that newspapers do supply knowledge of this kind? With regard to world situation, mere scanning of text-books will not give you knowledge of a particular situation at a particular time. If, for instance, the Prime Minister of Pakistan was invited by the Russian Government for a talk in Moscow, that itself is again knowledge which is important to learn how the world is moving in regard to international relations. Therefore what I meant was that the newspaper does fulfil a function which is necessary for the common man to know and understand not merely the situation in this country but also in the outside world. So people need not run away with the idea that I meant either literary knowledge or literary criticism that we get out of newspapers. What I meant was common knowledge which is necessary for the common man living in this world and interested in the things around him. Therefore it must be admitted that the newspaper does fulfil a function.

"There is also another important thing which we must think about. We are enfranchising a large electorate consisting of the whole adult population of this country, and they ought to be educated. As my hon. Friend representing Chandragiri, General, Rural Constituency remarked a moment ago, we are educationally backward and more money is needed for education. But he forgot the fact that newspapers, especially the Indian language newspapers, do fulfil the task of educating the vast electorate. It is not merely the man who knows to read that takes advantage of newspapers. An illiterate man sitting under a tree gets newspapers read out to him and thus gets knowledge of what is happening around him. Here again, we must understand, the newspaper is fulfilling a function which is necessary for the body politic as a whole.

"My hon. Friend representing Guntur cum Tenali towns, General, Urban Constituency referred to the struggles that the middle-class newspapers have to put up with. That the middle-class newspapers have to put up with struggles is very true and I am sure the Hon. Finance Minister is thinking of ways and means by which these struggling middle-class newspapers could be helped. He must also realize that advertisements cannot be made to come to a newspaper by means of Government interference. An industrialist advertises in that newspaper which will give the maximum publicity that is needed for the sale of his wares in the market. An advertiser takes into consideration the circulation of a newspaper if he wants to advertise in it. Naturally, if there

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is a tax, the advertisers will easily pay the tax to the bigger newspaper because they think that it is advantageous to advertise in such newspapers. As far as the smaller newspaper is concerned, advertisement value is not as much as the industrialist or advertiser desires and naturally advertisers would keep away from it. We are not an authoritarian or totalitarian Government to compel the advertisers to advertise in particular newspapers. That can never be. If we live under a democratic form of Government, there can be no compulsion even in the matter of advertisements.

"As the Government have now got more money than they anticipated under the Tobacco Tax because the Government of India have chosen to treat this Provincial Government and perhaps other Provincial Governments also in a fairly generous manner, though we may feel that we have not got as much as we need or desire, and as the money needed to fill the gap between expenditure and revenues may be found by more judicious ways, I plead that even after the Select Committee stage is reached, the Government may consider whether it is necessary to go on with this measure and antagonize a particular section of the community whose services to the public are as important as those of the Government.

"I may, Sir, in this connection, state that the Newspapers Editors' Conference which was recently held in Bombay was in a great hurry when they passed a resolution that they would black out speeches of Government members. (The Hon. Sri B. Gopala Reddi: 'Members of the legislature also!') I am only dealing with the general question and I think that Ministers' speeches are more important than those of the individual members of the House, because members of the Legislature are smaller persons compared with the mightiness of the Government. But that apart, I say that it is not a wise move on the part of the Newspapers Editors' Conference to say what they would do beforehand even before a decision was made with regard to this measure. I think a great mistake was made and I am sure the members of the Newspaper Editors' Conference will realize that it was not right to have done that. Even if they meant to do it, I think it was wrong of them to have held out such a threat, because threats generally go to antagonise people and stiffen them in their attitude even if they had sympathy with regard to them. Then came naturally the Premier's speech at Tuticorin, which was really the outcome of the resolution of the Newspapers Editors' Conference. I admit, Sir, that it might have been worded in a soft manner, because 'soft words', as the English proverb says, 'turneth away wrath'. But I know that when a man is angry, he does not generally know how to make his utterance or the way in which he should speak out his mind and is often unable to give the matter his calm consideration. I do feel, Sir, that the fault must be laid at the doors of the Newspapers Editors themselves, because they were in too great a hurry to say what they would do, if such a tax comes. No doubt it savours of a threat, but threats can never work in any ordered society. But threats apart, I do feel Sir, that this is a matter where we ought to bring pressure to bear on our sounder judgments under the peculiar conditions in which we live to-day.

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If we look at it from the point of view of the advantages and disadvantages that might arise, I am sure, we shall come to the conclusion that perhaps it is wise to stay off our hands at this particular juncture, because we cannot go on making enemy of everybody all along. There are so many problems confronting the country to-day and we must set our house in order and try to bring people together so that what we have in view may be eventually achieved. It is in this sense that I ask my hon. Friend the Finance Minister to pay attention to this matter and to see in what way he might assuage the situation and perhaps even finally to drop this Bill, if necessary. But that is a matter for the Select Committee and also for the Hon. Minister representing the Government in the Select Committee. I should like him to consider whether at this stage of our progress it is necessary to levy this tax, because the amount that we are going to get out of it is not so large as to tempt us into launching a scheme of this nature, and therefore I hope that better relations would prevail between the press and the Government and eventually we might come to the conclusion that it is better to hold our hands than rush this Bill through at the present time."

THE HON. SRI B. GOPALA REDDI:—"Mr. Speaker, Sir, we have had indeed a very interesting and lively debate on a small measure like the Advertisements Tax Bill. As many as 26 members have participated in the debate and nearly 20 members are from our own party. My hon. Friend Mr. Raza Khan was probably counting the number of members who supported the Bill and those who talked against the Bill. Sir, I admit that a majority of the members who have taken part in the debate have criticised the Bill, but the number who have participated being only 26, he should not minimise the importance and the strength of those silent members who have seen with the Government and who mean to support this Bill without actually participating in the debate. (Mr. Abdul Majid Sahib Bahadur: 'You could have asked them to speak.') Sir, we should not put a premium on the speakers alone. We should also take into consideration that there are several silent members who would not participate in discussions on any measure, but yet they would have their own determined views and convictions for supporting them. So, Sir, the number of speakers that participated in the discussions should not be the criterion in judging whether the Bill has the approval of the House or not. Their arguments may be against, but certainly their judgment will be in my favour. (Mr. Raza Khan Sahib: 'Wonderful argument!')

"Sir, my hon. Friend Mr. Bhashyam pleaded with me that I should persuade the Government of India to be more generous to this Province. Sir, it is really a good suggestion to me. But we must also realize the difficulties of the Central Government in the huge task they have to perform in reconstructing our India and their difficulties in matters like defence and foreign relations which are under their charge. We do want our Centre to be very effective directing all matters entrusted to them. Sir, the

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taxable capacity of the people in our Province being so low, we will have to rack our brains to see how that small tax-paying capacity should be exploited to the full and apportioned between the Centre and the Provinces. So, Sir, it is a very difficult matter and this subject has been engaging the attention of the various financial experts and Sir, Otto Neimeyer, when he came down here some years ago, in 1936, to examine this question, he realized how very difficult the position was and made certain settlement with regard to the apportionment of the revenues between the Centre and the Provinces. Sir, last year when we assembled at the conference of Finance Ministers at Delhi, I know that Minister after Minister got up and began to impress upon the Centre that his province was the most backward one in many matters and that the Centre must give some special subsidy or grant, in order to enable it to come up to the level of other Provinces. For instance, the Finance Ministers of Orissa, Assam, the East Punjab, the Central Provinces and Bihar—all these Finance Ministers waxed very eloquently at that Conference that their Province was backward in every respect and they should be helped by the Centre by means of grants and subsidies. Sir, if backwardness alone is the criterion, certainly perhaps those Provinces have a better claim than Madras and Bombay.

“Sir, the Constituent Assembly has invited the Provincial Ministers and Provincial Premiers for a Conference to be held in Delhi on the 21st of this month to discuss with the Drafting Committee of the Constituent Assembly, matters that are held over and this question of the allocation of Provincial and Central finances is the first and foremost of all the items which are still outstanding. But, Sir, quite apart from that, I myself have given notice of an amendment on the subject and the Draft Constitution as well as all these subjects will certainly form the basis of our discussions, and knowing as I do, the difficulties of the Government of India, I am not quite sure, whether we will get any additional source of revenue assigned to the provinces already. Perhaps we might get a share in the Central excise. I am not quite sure about it, but I am only hoping so. I do not know whether it will be on a Provincial basis or on an All-India basis, or whether the duty collected under Excise will go to an All-India pool or to the Provincial pool. All these things will have to be discussed and a settlement come to at the Conference. But, I have said just now, that is only my hope and beyond that, I do not think that the Government of India will be in a position to get more money to the Provinces. But, Sir, I may assure the House that we shall try our best to reach an agreed solution in the matter in consultation with the other Provincial Premiers and Provincial Finance Ministers.

“Sir, reference was made to the additional compensation that we are getting by way of the tobacco tax. It is true that we are getting from this year onwards, some Rs. 36 lakhs extra under this tax, but of course it is subject to certain other conditions, because I am also told that the Constituent Assembly or the

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Dominion Legislature is contemplating to bring in a measure prohibiting us from levying the sales tax on goods exported to provinces outside. Just now under the provisions of the Sales Tax Act, we are levying sales tax on goods exported from this Province, provided that at the time of sale, the goods were found in this Province. The Central Government took objection to this and this was also discussed at the last Finance Ministers' Conference and now I am told a Bill is ready with the Central Government prohibiting taxation of goods exported from this Province. If that comes up, certainly our sales tax will go down to a considerable extent, and perhaps we may have to lose something like a crore of rupees and to that extent we will be losers. But all the same, the consumers will be benefited, because goods coming from outside, such as textile from Bombay, will be made available to consumers at a cheaper rate. Therefore, immediately in the future the Government will be confronted with a deficit on that account and so we will have to make provision to meet such unexpected deficits too. Sir, the rebate of Rs. 34 lakhs under the Tobacco Tax is not after all a big amount from the point of view of budget, although the enhancement from Rs. 22 lakhs to Rs. 56 lakhs might seem big enough. At that rate, even under the sales tax, for the first two months of this year, we have got Rs. 46 lakhs more than what we obtained during the corresponding period of last year. Under certain other items also, there has been a little increase in revenue. But they may or may not meet the entire deficit anticipated this year. An argument that has been urged here is, 'Anyway you are not going to cover up the Rs. 4 crores deficit; then why levy these small taxes? What does it matter if you draw from the Revenue Reserve Fund all these three or four crores?' Sir, that is a very peculiar argument. When I am going to be faced with a deficit to the tune of nearly Rs. 4 crores, and when I proposed several small taxation measures which were opposed both by the Members of this House as well as by the public outside, and when at last I dropped many of them and now finally come with only three or four items for taxation in this Bill, the same members get up and say, 'You have given up many other items; why get unpopularity by taxing these four small items also? You better drop them also and try to meet the entire deficit by drawing from the Revenue Reserve Fund.'

“That, Sir, is very queer logic; but that is not the right way of meeting the deficit. 'Whether I am in a deficit of five crores or six crores, I am in a deficit; so let me go on increasing the deficit', is also not the right view from the administrative point of view. Four crores is the deficit. I took credit for certain savings, and; as I stated, I am not realizing those savings, because we are unable to retrench as anticipated. Department after department, officer after officer, and secretary after secretary come up and say 'it is impossible; we have just now started this additional work; we have undertaken these huge projects, and this is not the time for retrenchment'. Rs. 292 lakhs were taken credit under various heads like contingencies, retrenchment, etc., and I do

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not think we will realize even Rs. 100 lakhs under these heads. There is the deficit of Rs. 192 lakhs which has to be covered. As against this, we are getting perhaps an increased revenue under the sales tax and also under the motor vehicles tax, and to some extent it will meet the expected deficit. I do not venture to say how the budgetary position is going to be at the end of the year. There may be a deficit or there may not be a deficit, because if the yield from our sales tax and motor vehicles tax for the first two months of this year should be an indication for the whole year, our gap may not be very much. It may be a little over a crore or less than a crore. Whatever that may be, Rs. 34 lakhs is nothing, and we need not bank upon these windfalls or unexpected revenue allocations from the Government of India. These are in the natural course of events; they come and go. Our taxation measures cannot be depending on these elusive incomes and windfalls. Whatever it is, I have a correct view of the Province that is to regenerate, say, in the next ten or fifteen years. When I look ahead, the Provincial requirements loom large before me, and I do not know how we are going to tackle those problems. For instance, every village must be provided with an elementary school. The elementary school should not be in a thatched house or cow-shed or buffalo-shed. It must be in a decent building with recreation grounds for our small boys and girls. If we are to provide a decent building in every village, I do not know how many lakhs and crores of rupees it will cost the Government, under that single head. Under medical relief, maternity and child welfare centres, we will have to treble or quadruple our existing number of institutions. All these institutions must be equipped with decent apparatus. We will have to provide them with all the medicines required. I do not know how many crores of rupees these are going to cost Government. Likewise, if we analyse every item, whether it is rural communications or cottage industries or Harijan Welfare or backward classes welfare we will require huge sums of money. Backward areas also will claim equality of status with other areas and communities. When I look at that picture, I am compelled to bring forward all these measures. Of course they may yield very little, precious little; but if they are once put on the Statute Book, according to our requirements they can be switched on and switched off, and they can be made to pay a little more or a little less according to the needs and exigencies that are then operating. For instance, the sales tax was begun with one pie in the rupee, i.e., half per cent. It was reduced to one-fourth per cent. Again it became one per cent and Rs. 1-9-0. There is a demand from certain members as to why it is Rs. 1-9-0 and not Rs. 2. I want to tell our Members that our sales tax is a turnover tax. It is a tax at every point, and at every transfer of goods. It is not a single point tax as in Bombay or in Bengal. It would not bear any additional proportion for the present. Three pies in the rupee may not stand for a long time. Members are feeling that there will be a clamour even from the public that this three pies is too

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much of a burden on articles of foodstuffs. There may be a persistent demand from the public when this three pies will have to be put back to two pies, namely, one per cent. The sales tax may not yield more. Small items like cinema shows or advertisements had to be exploited for our purpose even though each will bring in only five or six lakhs of rupees. All these five lakhs or ten lakhs will make a crore, and a crore will certainly be a substantial addition to the Provincial revenues. It is from that point of view, I justify these small measures. I repeat that as things stand to-day, under the provisions of the Government of India Act, there are not very many items left over to the Provinces, and we will have to be content with these small revenue measures. Mr. Majid's argument was a little curious. He said that after all the newspapers were not going to pay the tax, and that this tax would be passed on, as in the case of sales tax, to the advertiser, industrialist, or the commercial magnate. If that argument is to be taken seriously, the papers ought not to have clamoured against the advertisements tax. On the other hand the mill-owners or the industrialists or the commercial magnates must have asked for the dropping of the Bill. But as far as I am concerned, no industrialist, no business man and no commercial magnate has asked for the dropping of the Bill. For the time being, it is only the Press that has opposed this Bill, though the Bill is not exclusively meant for the Press. The Bill affects other advertisers also. In the Bombay Act, it is applicable exclusively to the newspapers. I have the provisions of the Bombay Act before me. While our Bill is an all comprehensive one, no business man and no commercial magnate has asked for the dropping of this Bill. Mr. Bhashyam has followed up this argument and said that if it were going to be passed on to the industrialist, he would certainly not pay from his pocket, but he would pass it on to the consumer. He said that ultimately the consumer would be asked to pay this tax. Even here no consumer has asked for the dropping of the Bill. (An hon. Member: 'We are all consumers.') Yes; I am also a consumer. So, whatever you do, whether you tax the Press or whether you tax the industrialist or a merchant or a middle man, the argument employed is that it is going to ultimately fall on the consumer. Members said 'why not tax the rich'. But when we tax the rich, the same argument can be applied. If we tax the producer, he will pass it on to the consumer, and ultimately the consumer has to pay it. Therefore, it is a vicious argument. It is asked 'why not tax the rich' and when actually the rich is taxed, it is said that ultimately the burden will fall on the consumer. So the consumer cannot escape this tax and he has to pay it. Whatever taxes we levy will be passed on to the consumer, and the consumer has for the time being to bear this burden.

"There is another argument that has been put forward, i.e., 'newspapers are already paying taxes: just now they are paying their reporters and employees dearness allowances and high emoluments: there are numerous reporters working in so many

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places, and if a big slice of their profit is taken away, newspapers will have to withdraw their dearness or other allowances to their staff and ultimately it will hit the stomach of the workers.' Again this is a very curious argument. Whenever I go to a rich man and ask him to pay taxes to the Centre or to the Provincial Government, and if that man were to cut out the dearness allowance or pay of his workers on that account, I think no taxes can be devised, and no financial expert or economic expert or anybody for that matter can devise measures which will fall only on that particular individual without being passed on to his establishment or servants or purchaser or advertiser. After all we will have to allow some of these factors to adjust themselves. They have their own level of adjustment, and in spite of all these arguments, they will naturally adjust themselves.

"All the arguments we heard to-day have been put forward when the sales tax was introduced in this House in 1939. When it was a tax on the foodstuffs, when the salesman in the village was going to be licensed, it was mentioned that there would be a lot of harassment by the Commercial Tax Officers. If only hon. Members would care to scrutinize the speeches on the Sales Tax Bill in 1939, they will see the very same arguments which were advanced to-day and yesterday had been advanced then also. These are an echo of those arguments. The arguments are the same from the poor man's point of view, labourer's point of view and stomach point of view. The arguments are the same whether it is sales tax or cinema tax or any other tax. At that rate no Government can levy taxes, and no Government will be able to render better service to the people. Our people are certainly looking forward for better service from this Government, in the years to come. In the next ten or fifteen years, they are naturally dreaming of a new India under Republican aegis.

"Clause 13 has been attacked by Begum Amiruddin. She said that I have out-Hitlered Hitler and out-Mussolinied Mussolini. She said that 'what they did not do in the days of strife and stress, our Finance Minister is doing'. (Muhammad Raza Khan Sahib: 'What is it?') We are trying to get money from advertisements and taxing newspapers. Clause 13 is not new to this Bill. It is suggested that this clause will be used to victimize papers which hold different views from the Government's. It is also said that this clause would cut at the freedom of the Press, and that the freedom of the Press is assaulted. That is the word employed. Very big phrases have been used against this clause. Section 13 says that the Government have got discretionary power to exempt certain people or certain class of advertisements, etc., from liability to this tax. Sir, a similar provision is also found in the General Sales Tax Act. There is also a similar provision in the Entertainments Tax Act. I want to ask hon. Members to go through them."

SRI T. VISWANATHAM:—"What about Income-tax Act?"

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THE HON. SRI B. GOPALA REDDI:—"If there was such a provision in that Act, there would not have been so much trouble. Sir, here is the relevant provision in the General Sales Tax Act.

'The Provincial Government may by notification in the *Fort St. George Gazette* make exemption or reduction in the rate of any tax payable under this Act the sale of any specified class of goods at specified point or points in the series of sales by successive dealers, etc.'

Therefore, Sir, we have got this discretionary power under that Act also to exempt certain classes of goods. We were losing about Rs. 300 from a certain article. It was reported to the Sales Tax Advisory Committee. Their objection was taken. We had the matter examined at the next possible convenient time. Because we were losing Rs. 300, on this account, the matter was placed before the Sales Tax Advisory Committee and they were willing to ascertain the fact. Therefore, we have never used this discretion though it was there in the General Sales Tax Act for some years. Likewise, in the Entertainments Tax Act also, we have got similar powers. There is a provision in the Entertainments Tax Act which says:

'The Provincial Government may, by general or special order, exempt any entertainment or class of entertainments from liability to the entertainments tax.'

Therefore, this provision is there by which we can exempt certain entertainments from the payment of this tax."

M. S. ABDUL MAJID SAHIB BAHADUR:—"The exemptions that are being given in such cases are different from exemptions that are given to the Press. The Press has got some political views and all that. Therefore, that will be a great hardship on the Press concerned."

THE HON. SRI B. GOPALA REDDI:—"My Bill does not envisage the Press alone. It also includes advertisements of various other kinds. For instance, there are the cinema slides. There are also some people who advertise their goods by posters. My Bill contemplates all those advertisements also and not merely the Press. This exemption is there in every taxation measure and there is nothing peculiar about it. Section 13 is not for advertisements in the Press alone nor is it intended to oppress the Press alone. It is on the general line of every taxation measure. As I pointed out, the Sales Tax Act, the Entertainments Tax Act and other such Acts contain such a provision. After all, we are anxious to get as much revenue to the Government as possible and all these powers of discretion and exemption are used only rarely. I admit that sometimes the entertainments tax is collected as a commercial tax also. Sometimes, they do give it as sales tax. I know a case within the last two years. Some ladies were running some thrift shops in the Government House compound and the matter was immediately reported to the Sales Tax Department.

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So objection need not be taken that section 13 is going to be used by the Government to help some people and that it is going to be used as an engine of oppression against some others.

"Then, Sir, certain hon. Members brought in here the question of the freedom of the Press and said that the freedom of the Press was going to be curtailed by this Bill. Sir, I do not know how this taxation measure which we have introduced is going to hamper the freedom of the Press. We have been paying the sales tax, the coffee hotels' tax, the entertainments tax and we are paying so many other taxes. Are they all curtailing our freedom? I may pay my tax but yet fight with the Government of India or the Government of Madras and say that my freedom should not be hampered in any way. Without feeling that their freedom is going to be curtailed by this extra taxation, the Press can pay this tax and continue to express whatever views they may have. Now, this is only an advertisements tax and I am surprised how this is going to affect the freedom of the Press. I cannot discriminate between paper and paper or victimize certain papers. Therefore, the question of the freedom of the Press need not have been brought in at all. Sir, the freedom of the Press will certainly be maintained. If it is going to be curtailed, it will not be by this Advertisements Tax Act but by other Acts like the Press Emergency (Powers) Act or the Criminal Law Amendment Act. There are also several other Acts in the armoury of the Government under which we can book the newspapers. Therefore, it is not as if the Press can do or write whatever they like.

"Then, Sir, Mr. Majid has taken objection to the clause which states that the prescribed authority may call for and examine the record or any order passed or any proceeding recorded by any officer or authority under the provisions of this Act for the purpose of satisfying himself as to the legality or propriety of such order. He asked, why should this tax-collecting officer scrutinize the records and files. Sir, I must point out that a similar provision exists in the Income-tax Act. This is necessary because if the tax-collecting officer is not satisfied with the documents, he must have the right to scrutinize other records. Such a power is given to the income-tax people, and the commercial tax people. When it is provided in the Sales Tax Act, it is equally necessary that this should be provided in the Advertisements Tax Act. If the officer is reasonable and if all the relevant facts have been brought before him, then he need not go and unnecessarily worry the persons who have to pay this advertisement tax. Only when the tax-collecting authority has got suspicion against a person, he has got the power to enter into the premises and to scrutinize all the records and to satisfy himself that all the provisions of the Act have been complied with. A similar provision exists in the Entertainments Tax Act and also in the Public Health Act. A Health Officer can enter a premises or a latrine and see whether it is being kept clean or maintained properly or not. Such powers are given to the Sanitary Inspectors and Health

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Inspectors under the Public Health Act. Now, I will read out to hon. Members the relevant portion from the Madras Entertainments Tax Act. It is in force from 1949. It runs as follows:—

'Any officer authorized by the Provincial Government in this behalf may enter any place of entertainment while the entertainment is proceeding, and any place ordinarily used as a place of entertainment at any reasonable time, for the purpose of seeing whether the provisions of this Act or any rules made thereunder are being complied with.'

When such a provision is there in the Entertainments Tax Act, if a similar provision is made in the Advertisements Tax Bill, why should you take exemption to it?

"Then, Sir, the question of licensing also has been brought up. Some hon. Members asked, why should newspapers take out a licence before accepting advertisements on behalf of industrialists, etc., and why should Government harass them or victimize them. In this connexion, I may state that even under the General Sales Tax Act, persons who have a turnover of Rs. 10,000 and above per month only are required to take out licences. Ordinarily persons, men and women, who sell mutton, fish or flowers or groceries whose turnover is very small are not required to take out such licences. Only if their turnover is Rs. 10,000 and above, they come under the purview of the General Sales Tax Act and they are obliged to take a licence. A similar provision is made for the Advertisements Tax also. Persons who run the newspapers, who are distributing knowledge day in and day out, who have their offices and accounts, must take licences, when such poor and ignorant people who sell these flowers, fruits or groceries and who do not know how to maintain their accounts are themselves taking such licences. Therefore, Sir, the licence, in my opinion, is not going to be a heavy burden on these newspapers. Anyhow, they will have to maintain accounts and show them as and when required by the Tax Collecting Officer. So, this question of licence is not a matter for oppression. Such a provision has already found a place in other taxation measures and therefore objection need not be taken on that score.

"Then, Sir, there are many uncertainties and Government have taken enormous power under their rule-making powers to clear all those uncertainties instead of placing all of them before this Assembly and incorporating them all in the Act itself. Certain uncertainties which are found in this Bill will be made certain in the rules, and will be cleared. Here again, it is in the general run of all taxation measures. Certain things may have to be made specific under the rules and these rules cannot be incorporated in the Act itself. Under the rules which we may make, we have to state at what point the tax has to be collected, by whom it should be collected and so on. All these small details will only come under the rules and will not be incorporated in the Act. Under the General Sales Tax Act and the Entertainments Tax

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Act there were many things that were left over to be cleared under the rule making powers of the Government. We have followed in this Bill also what was done previously in other Acts. After all, our administrative system is not governed by any Act. There is no specific Act under which remission of land revenue is given. It has to be done by executive orders after examining the areas affected. There is no section under any Act which gives entire discretion to the Government in this matter. For instance, with regard to land revenue remission last year, because there was a failure of monsoon, several lakhs of rupees of remission had to be given. It was given by the executive orders of the Government. Does it mean that this power is being used in a lavish manner for the people who are supporting us or being used to victimize others who are opposed to the Government? It is not so. The remission is being given after close examination of all the areas affected and also the circumstances under which this remission has to be given. Likewise, in the Advertisements Tax Bill also, there may be some uncertainties in certain places but all these uncertainties will have to be made clear when the rules are framed. Sir, even though the Bill for the tax on cinema shows was passed last month, still it has not come into force. It will not come into force until the 1st of August because rules have to be published and four weeks' time has to be given for any objections or criticisms. Similarly under this Bill, also, there need be no apprehension that the rules will not be published in the *Fort St. George Gazette* and that the Act will come into operation immediately. Sir, I may inform this House when the rules under all these taxation measures are published, four weeks time is given for people who may be affected to put in their objections. We hear those objections and see whether the rules can be finalized and whether the Act can come into force. Therefore, the tax on cinema shows, the sales tax on coffee hotels, etc., will all come into force only from the 1st of August and not from the 1st of July as originally intended because it was shown to us that in all these taxation measures, when the rules are published, four weeks time should be allowed to hear objections or to receive criticisms and then only they could be finalized. Then, Sir, certain rules will have to be approved by this very Assembly and the amended rules have to be published and later on they must be finalized. Therefore, all these processes have to be gone through and these uncertainties which are now appearing as uncertainties will certainly be made clear and specific when the rules are to be finalized. Sir, our tax is very mild and very limited in its scope and it is all comprehensive as compared with the Bombay Act. I am glad to announce that the Finance Minister of Bombay has telegraphed to me saying that the Bombay Advertisement Tax Act has come into force from 1st April 1949. I made some enquiries before and I was still in doubt whether the Governor's assent was given to the Bombay Act and whether it was brought into operation. My doubts were cleared by the Bombay Finance Minister who telegraphed to me saying that the Act had come into force from the

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1st of April of this year. Our tax is on advertisements in newspapers, cinemas, etc., all visible advertisements. The tax is not on audible advertisements. In America where the broadcasting stations are private-owned, in the middle of an interesting programme, an advertisement is put on saying, 'Buy Pears Soap' or some such things. That sort of advertisement has not come into vogue here. But all visible advertisements—wall posters, cinema slides, newspaper advertisements, etc.—will have to be taxed for the present. The Bombay Act leaves some of these things to the local bodies perhaps. I do not know. I will have to verify it. They single out newspaper advertisements alone and the Bill is called the Newspaper Advertisements Tax Bill. At least I have not made any discrimination between newspaper advertisements and other advertisements. In Bombay they have singled out newspapers like the Times of India, the Bombay Chronicle, the Times of India Weekly and such papers for taxation and the tax is being collected from the 1st April this year. It is 6½ per cent and there is no exemption at all. I have assured the House that in the select committee stage, we shall certainly examine the question and give relief to those newspapers which are struggling to maintain themselves. The Bombay Bill does not contemplate any exemption at all. If a newspaper gets Rs. 50 as advertisement charges, it will have to pay fifty annas as tax. The question of struggling newspapers, hardworking journalists and other considerations have not stood in the way of the Government imposing this tax. The Bombay Act contains a provision for the exemption of any advertisement or class of advertisement from the payment of tax. Similar provision is made in clause 13 of the Bill. It is not a new thing for our Bill alone. The Bombay Act has it and other taxation measures also have it. There is no provision in the Bombay Act under which a portion of the income derived from advertisements in a newspaper is exempt from tax. All newspapers publishing advertisements, irrespective of the income derived from this source are liable to tax. That is the sum and substance of the Bombay Act. I may also inform the House that the West Bengal Government also is contemplating a Bill of this kind. Let it not therefore be said that in Madras and Bombay alone there is an advertisement tax, that the advertisers will refuse to advertise in Madras and Bombay papers and that they would advertise their goods in Calcutta papers only. Calcutta also will fall in line with Madras and Bombay. They cannot escape it. (An hon. Member: 'It is 6½ per cent.'). Whether it should be 6½ per cent or 12½ per cent, the select committee will have to go into the question. It may be 6½ per cent at certain levels. All these things are open to the select committee to discuss in greater detail and come to correct conclusions.

"Sir, the question of taxing knowledge was also raised. As I said before, we are taxing stationery like pencils etc. and many articles of foodstuff which some other provinces have exempted. We are taxing rice, wheat, kerosene and vegetables. They are all subject to tax. When your foodstuffs are subject to tax, why not

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we also tax something which may be knowledge or an upper-class man's luxury or necessity. In our scheme of things newspapers need not be exempt; because they diffuse knowledge after gathering it from the nooks and corners of the world. Of course I know that they have to spend enormously in paying their representatives in the various places for collecting the news and transmitting it to the head office by trunk phone or other means so that their paper may be the first to broadcast the news. In spite of that I want them to come into the picture along with coffee hotels and cinema shows and bear a little burden of this taxation. Sir, it is not as if the Government of India have exempted the newspapers from all taxation. Are they not imposing a heavy customs duty on newsprint? Because they are diffusing knowledge, are the Madras and Bombay papers exempt from paying a stiff customs duty on the rotary press and other machinery they are importing from abroad? Are not typewriters and their accessories taxed by the Government of India when they are imported from other countries? They are all subject to a stiff customs duty. They are not given any relief. When we tax advertisements at 6½ per cent or 10 per cent or whatever it is, a hue and cry is raised. It is a question of time. The customs duty has been there for a long time—10 to 20 years; the sales tax has been there for ten years and the people have been accustomed to it. They do not therefore feel it. Likewise, this tax also will not be felt after three months. They will get reconciled to it and they will pay it. The clerk himself will send a cheque to the Commercial Tax Officer and the Chief may not even know it. Even a head-ache when it is constant, you get accustomed to it and you get along with your work. The same will be the case with this taxation measure. I know the amount of opposition raised in the country when the sales tax was first introduced. I have seen it when I visited the districts. When I went to Tiruchirappalli, all the shops were closed in protest, though I was not responsible for the sales tax though I was in the Cabinet at that time. At present I know the opposition of the coffee hotels and the cinema proprietors. I am glad that the bus operators have not struck work much against the apprehensions of Mr. Varadachari. Their representatives are willing to pay the additional tax. This afternoon some representatives from Chittoor saw me and said that they would pay the additional tax but they wanted some convenience. They did not want that we should allow a number of lorries indiscriminately. I certainly sympathized with them and said that there would be no indiscriminate sanction of permits in the districts. In the case of newspapers also, it is a question of weeks or 2 months. The tax may not come into force till the 1st of December or till the 1st of January. The Bill can be passed by the Assembly only by the end of September and it cannot come into force on the 1st of October, because the rules will have to be published and finalized. It will take a little time, till the 1st January. For two months, they may grudge, afterwards they will forget all about it. I will have Rs. 5 to 10 lakhs or whatever it is from this source.

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When you get such sums from different sources, they will make a crore and it will be a good addition to the exchequer. All told, we have not singled out newspapers. What is being done by the Corporation of Madras to-day, will have to be extended to the other municipalities also. There is no provision in the District Municipalities Act for taxing wall advertisements as in the City of Madras. Such advertisements are not taxed in Mathurai, Tiruchirappalli and Vijayavada. We have to extend this to the municipal towns. (An hon. Member: 'What about sign board?') If you have a sign board saying 'Mr. S. Nagappa, Member, Constituent Assembly,' it would not be taxed. It is only an indication that Mr. Nagappa is residing there. It is not an advertisement of a business.

"So, Sir, though 26 hon. Members have spoken, there is nothing unusual about it. When a particular section is affected, of course, they naturally resent it. They protest and they agitate and try to see that the Bill is dropped or modified to their advantage. So we need not take very serious view of what has happened and we certainly expect the Press to be very friendly as usual and hope they would not implement the resolution they have passed previously. Everything will go on well and the Government will get a little money out of this tax. Sir, I move that the Advertisement Tax Bill be referred to a select committee consisting of the following members:—

The Hon. Sri P. S. Kumaraswami Raja.

The Hon. Sri M. Bhaktavatsalam.

Dr. P. Subbarayan.

Sri N. Venkatasubbayya.

Sri K. A. Nachiappa Gounder.

Sri P. R. Kandaswami Gounder.

Sri B. Venkatanarayana Reddi.

Yuvaraja of Pithapuram.

Sri M. Doraikannu.

Sri P. Govindan Nair.

Sri K. T. Kosalam.

Sinna Kaziar Haji Moulvi S. A. F. Ibrahim Sahib Bahadur.

Begum Sultan Mir Amiruddin.

Mr. W. J. Fernandes.

The Hon. Sri B. Gopala Reddi."

Mr. SPEAKER:—"The question is:

'That the Madras Advertisements Tax Bill be referred to a select committee consisting of the following members:—

The Hon. Sri P. S. Kumaraswami Raja.

The Hon. Sri M. Bhaktavatsalam.

Dr. P. Subbarayan.

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Sri N. Venkatasubbayya.
 Sri K. A. Nachiappa Gounder.
 Sri P. R. Kandaswami Gounder.
 Sri B. Venkatanarayana Reddi.
 Yuvaraja of Pithapuram.
 Sri M. Doraikannu.
 Sri P. Govindan Nair.
 Sri K. T. Kosalram.
 Sinna Kaziar Haji Moulvi S. A. F. Ibrahim Sahib Bahadur.
 Begum Sultan Mir Amiruddin.
 Mr. W. J. Fernandez.
 The Hon. Sri B. Gopala Reddi."

The motion was carried.

MR. SPEAKER:—"Under rule 78, I nominate the Hon. Sri P. S. Kumaraswami Raja to be the Chairman of the Committee. I now adjourn the House *sine die*."

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APPENDIX.

[Vide item II (2) at page 761 supra.]

DRAFT RULE.

For Schedule V to the Madras District Municipalities Act, 1920, the following schedule shall be substituted, namely:—

SCHEDULE V.

Purposes for which premises may not be used without a licence under section 249.

(See section 249.)

Aerated waters—Manufacturing.

Agricultural produce which is notified by the Provincial Government as likely to attract rats—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.

Alcohol—See the entry relating to spirits.

Animals—Keeping together twenty or more sheep or goats or ten or more pigs or ten or more head of cattle.

Arrack—See the entry relating to spirits.

Articles of food made of flour, nuts, sugar or jaggery—Preparing for human consumption or selling.

Asafoetida—Manufacturing or storing.

Bedding—See the entry relating to clothes (second hand).

Beedis—Manufacturing, storing or selling.

Beer—Brewing.

Blankets—See the entry relating to clothes (second hand).

Blood—Storing or otherwise dealing with.

Boarding house—See the entry relating to lodging house.

Bones—Storing or otherwise dealing with.

Bran—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.

Bricks—Burning.

Camphor—Boiling.

Candles—Manufacturing.

Cashewnut shells—Frying.

Cattle—See the entry relating to animals.

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- Charcoal—Selling or storing.
- Chillies—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.
- Choultry—See the entry relating to lodging house.
- Cloth—Printing.
- Cigars—Manufacturing, storing or selling.
- Clothes (second hand)—Storing, selling or hiring second hand clothes, blankets, mattresses, pillows or bedding.
- Clothes (soiled)—Washing soiled clothes and keeping soiled clothes for the purpose of washing them and keeping the washed clothes.
- Coal—Selling or storing.
- Coffee house—See the entry relating to lodging house.
- Coir or coir products—Manufacturing or storing.
- Copra—Storing or otherwise dealing with.
- Cotton—Selling wholesale or retail or storing for wholesale or retail trade or for conversion into yarn.
- Dyeing.
- Eating house—See the entry relating to lodging house.
- Electro-plating.
- Explosive or combustible materials—Storing:
 Provided that no licence shall be required for storing petroleum and its products in quantities exceeding those to which the operation of this Act is limited by the provisions of the Petroleum Act, 1934, or the rules or notifications issued thereunder.
- Fat (animal or vegetable)—Storing or otherwise dealing with.
- Fibre—Selling or storing.
- Films—Storing of.
- Firewood—Selling or storing.
- Fireworks—Manufacturing.
- Fish—Storing or otherwise dealing with.
- Fish oil—Making.
- Flour—Preparing for human consumption.
- Flour—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.
- Fuel—Using for any industrial purpose.
- Goats—See the entry relating to animals.
- Grain—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.

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- Grass—Selling or storing.
- Groundnut—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.
- Gunny bags—Storing or otherwise dealing with.
- Gunpowder—Manufacturing.
- Hair—Washing or drying.
- Hair-dressing saloon—See the entry relating to shaving or hair-dressing saloon.
- Hay—Selling or storing.
- Hiles—Storing or otherwise dealing with.
- Horns—Storing or otherwise dealing with.
- Hotel—See the entry relating to lodging house.
- Ice—Manufacturing.
- Iron safes—Manufacturing.
- Jaggery—Manufacturing (otherwise than as a cottage industry by tappers or persons in enjoyment of the trees carried on in their own premises).
- Jaggery—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.
- Lathe works—Keeping.
- Leather—Storing or otherwise dealing with.
- Lodging house—Keeping a public halting place, choultry or other rest house for travellers (other than a choultry or rest-house maintained by the Government or a local authority), a hotel, restaurant, eating-house, coffee-house, boarding house or lodging house (other than a students' hostel under public or recognized control).
- Lime—Burning.
- Machinery (other than such machinery as may by notification be exempted by the Provincial Government from time to time)—Using for any industrial purpose.
- Manure—Storing or otherwise dealing with.
- Manure, artificial—Manufacturing.
- Mattresses—See the entry relating to clothes (second hand).
- Metals—Beating or melting.
- Metal vessels—Manufacturing.
- Offal—Storing or otherwise dealing with.
- Oil—Boiling or pressing.
- Oil-cakes—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.

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Charcoal—Selling or storing.

Chillies—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.

Choultry—See the entry relating to lodging house.

Cloth—Printing.

Cigars—Manufacturing, storing or selling.

Clothes (second hand)—Storing, selling or hiring second hand clothes, blankets, mattresses, pillows or bedding.

Clothes (soiled)—Washing soiled clothes and keeping soiled clothes for the purpose of washing them and keeping the washed clothes.

Coal—Selling or storing.

Coffee house—See the entry relating to lodging house.

Coir or coir products—Manufacturing or storing.

Copra—Storing or otherwise dealing with.

Cotton—Selling wholesale or retail or storing for wholesale or retail trade or for conversion into yarn.

Dyeing.

Eating house—See the entry relating to lodging house.

Electro-plating.

Explosive or combustible materials—Storing:
 Provided that no licence shall be required for storing petroleum and its products in quantities exceeding those to which the operation of this Act is limited by the provisions of the Petroleum Act, 1934, or the rules or notifications issued thereunder.

Fat (animal or vegetable)—Storing or otherwise dealing with.

Fibre—Selling or storing.

Films—Storing of.

Firewood—Selling or storing.

Fireworks—Manufacturing.

Fish—Storing or otherwise dealing with.

Fish oil—Making.

Flour—Preparing for human consumption.

Flour—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.

Fuel—Using for any industrial purpose.

Goats—See the entry relating to animals.

Grain—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.

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Grass—Selling or storing.

Groundnut—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.

Gunny bags—Storing or otherwise dealing with.

Gunpowder—Manufacturing.

Hair—Washing or drying.

Hair-dressing saloon—See the entry relating to shaving or hair-dressing saloon.

Hay—Selling or storing.

Hiles—Storing or otherwise dealing with.

Horns—Storing or otherwise dealing with.

Hotel—See the entry relating to lodging house.

Ice—Manufacturing.

Iron safes—Manufacturing.

Jaggery—Manufacturing (otherwise than as a cottage industry by tappers or persons in enjoyment of the trees carried on in their own premises).

Jaggery—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.

Lathe works—Keeping.

Leather—Storing or otherwise dealing with.

Lodging house—Keeping a public halting place, choultry or other rest house for travellers (other than a choultry or rest-house maintained by the Government or a local authority), a hotel, restaurant, eating-house, coffee-house, boarding house or lodging house (other than a students' hostel under public or recognized control).

Lime—Burning.

Machinery (other than such machinery as may by notification be exempted by the Provincial Government from time to time)—Using for any industrial purpose.

Manure—Storing or otherwise dealing with.

Manure, artificial—Manufacturing.

Mattresses—See the entry relating to clothes (second hand).

Metals—Beating or melting.

Metal vessels—Manufacturing.

Offal—Storing or otherwise dealing with.

Oil—Boiling or pressing.

Oil-cakes—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.

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Paddy—Boiling.
 Pigs—*See* the entry relating to animals.
 Pillows—*See* the entry relating to clothes (second hand).
 Pottery—Burning.
 Public halting place—*See* the entry relating to lodging house.
 Pulses—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.
 Rags—Storing or otherwise dealing with.
 Restaurant—*See* the entry relating to lodging house.
 Rest-house for travellers—*See* the entry relating to lodging house.
 Ruby—Grinding.
 Sago—Manufacturing or distilling.
 Shaving or hair-dressing saloon—Keeping of.
 Sheep—*See* the entry relating to animals.
 Skins—Storing or otherwise dealing with.
 Slate—Manufacturing.
 Soap—Making.
 Spirits—Manufacturing arrack or other spirits containing alcohol (whether denatured or not) by distillation.
 Straw—Selling or storing.
 Sugarcandy Manufacturing (otherwise than as a cottage industry by tappers or persons in enjoyment of the trees carried on in their own premises).
 Sulphur—Melting.
 Sweetmeats—Preparing.
 Syrup—Manufacturing (otherwise than as a cottage industry by tappers or persons in enjoyment of the trees carried on in their own premises).
 Syrup—Selling as cool drinks or mixed with water.
 Tallow—Melting.
 Tamarind—Selling wholesale or retail or storing for wholesale or retail trade or for purposes other than private or domestic use.
 Thatching materials—Selling or storing.
 Tiles—Burning.
 Timber—Selling or storing.
 Tobacco—Storing or otherwise dealing with.
 Trunks (iron)—Manufacturing.
 Turmeric—Curing or storing.

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Vulcanizing works—Keeping.
 Welding by gas or electricity.
 Wool—Washing or drying.
 Manufacturing anything from which offensive or unwholesome smells, fumes, dust or noise arise.
 In general, any purpose or the doing in the course of any industrial process, of anything which is likely to be dangerous to human life or health, or property, or cause a nuisance :
 Provided that no licence shall be required for the storage of coal, fibre, firewood, grass, hay, straw, thatching materials or timber or for boiling paddy when such storage or boiling is for private use:
 Provided further that no licence shall be required under this Act for a lodging house as defined in the Madras Public Health Act, 1939 if the keeper thereof has been registered under that Act.

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