

the different countries of Europe then searching for the settlement of European problems with their top hats, tail coats and striped trousers holding each other's hands, dancing round and saying, "Oh ! give us peace without principles, give us peace without principles". Of course, the world laughed at that.

I am glad that that cannot be said of our Prime Minister, He has certain principles on which he is proceeding. It is for the house to decide whether the principles on which he is proceeding are principles which can furnish us a safe guide and whether they are valid principles on which the destiny of this country could be staked. That is the only question that we can discuss and it is to these principles that I am going to confine myself.

The principles on which the Prime Minister is proceeding—and he has said so himself—are mainly three. One is peace : the second is co-existence between communism and free democracy; and the third is opposition to SEATO. These are the three main props on which his Foreign policy is based. Now, Sir, in order that one may be able to assess the validity and the adequacy of these principles, I think, it is necessary to have some knowledge of the background of the present day problems with which we are concerned and for which these principles are enunciated.

Now, the background, to my mind is nothing else but the expansion of communism in the world. It is quite impossible to follow the principle or to understand the validity and the nature of the principle unless one bears in mind the problem that the world has to face today—that part of the world which believes in parliamentary and free democracy, *viz.*, the expansion of communism in the world. I propose to give some figures to the House which I have collected in this matter. I am not going back into the long past but I am going to start from May 1945 when the War came to an end. By May 1945, Russia had consumed ten European States.

Shri B. Gupta: It is an utter falsehood.

Mr. Chairman : Mr. Gupta, you will have your chance to reply.

Shri B. Gupta: He cannot say such things. An older man like him can not say such things.

Mr. Chairman: Mr. Sundarayya, tell him that he will have an opportunity of answering and he need not get excited.

Dr. B. R. Ambedkar: You will have time to answer. Don't be impatient. The person who is often uneasy is the Prime Minister but he is not today. He is quite calm. Why are you so excited ?

If you want to have a look at the authority, I will give it to you—I have got it here—provided I am assured that you will return it to me.

Shri B. Gupta: You have your document from McCarthy and Dulles.

Dr. B. R. Ambedkar: Now, Sir, I was saying that if we take stock of the situation from May 1945, and find out what has happened, this is the situation. Russia has consumed, as I said, ten European States: one is Finland; two, Estonia; three, Latvia; four, Lithuania; five, Poland; six, Czechoslovakia, seven; Hungary; eight, Rumania; nine, Bulgaria; and ten, Albania.

Shri B. Gupta: and eleven is Dr. Ambedkar!

Dr. B. R. Ambedkar: I am glad you add to my list. You are more upto-date than the book.

In addition, Russia has taken possession of parts of Germany, Austria, Norway and the Danish Island of Bornholm. Of these ten European States, three have been straightway annexed by Russia and made part of her country. The rest seven are kept under Russian influence. This European conquest of Russia amounts to an absorption of a total of 85,000 square miles and 23 millions of people subjugated.

In the Far East, Russia has annexed the Chinese territory of China (Tannu Tuva). Manchuria, and Korea, north of the 38th parallel, and Southern Sakhalin. This territory in the Far East represents against a total area of 20,000 square miles and 500,000 inhabitants.

Shri P. Sundarayya: What about the People's Republic of China ? Why did you omit it ?

Shri Govinda Reddy: He said that.

Shri B. Gupta: A great demonstration of history is going on; a great historian has devolved!

Dr. B. R. Ambedkar: They have increased the number by further aggression in South Korea and Indo-China.

Well, Sir, this is the background, I say against which the adequacy of the principles on which the foreign policy of this Government is based must be considered. I will take first the principle of peace. We want peace; nobody wants war. The only question is, what the price of this peace is going to be. At what price are we purchasing this peace ? Now, it is quite obvious that peace is being purchased by what might be called partitioning and dis-membering of countries. I can quite understand the dismemberment of Austria-Hungary where different nationalities with different languages, different cultures, different races, were kept together under one sovereign autocracy of the Austrian Empire. The first World War brought about the end of the Austrian Empire on the well-known principle of self-determination. But here what you are doing is this. There are countries which are culturally one, which are socially homogeneous, which have one language, one race, one destiny, desiring to live together. You go there, cut them up and divide the carcass, and hand over a part of the carcass to what ? To countries who are interested in spreading communism. From the figures which I have given there can be no doubt about it that communist countries today are as big as a giant—nobody has seen a giant—I have not seen anyhow

Shri B. Gupta: Except yourself.

Dr. B. R. Ambedkar : and he is supposed to be one of the biggest individuals or persons that can be imagined. Here you have a vast country endlessly occupied in destroying other people, absorbing them within its fold on the theory that it is liberating them. The Russian liberation, so far as I can understand, is liberation followed by servitude; it is not

liberation followed by freedom. But the point is this—and it worries me considerably. You are, by this kind of a peace, doing nothing more but feeding the giant every time the giant opens his jaw and wants something to eat. When you are feeding the giant regularly and constantly, the question that I should ask myself is this. Is it not conceivable that this giant may one day turn to us and say: “I have now consumed everything that there was to be consumed : you are the only person that remains, and I want to consume you”.

Shri H. P. Saksena: Then we will consume the giant.

Dr. B. R. Ambedkar: Let us not boost ourselves too much. We have not been tried as yet in an international bout and when we are tried in an international bout I think it will be found out whether we can face the situation ourselves. But the point that I was making is this. This principle of feeding the giant seems to me a most obnoxious principle and how, for instance as I said can we expect to be relieved ? Will the Russians show any gratitude because the Indian Prime Minister and the Indian Parliament have supported the partition of Indo-China or supported the partition of Korea, and will they not turn to us ? I think this is a question which the Indians should bear in mind and not forget or overlook.

Now the other question, namely, co-existence. This coexistence to my mind is an astounding principle unless it is very strictly limited. The question is : Can communism and free democracy work together ? Can they live together ? Is it possible to hope that there will not be a conflict between them ? The theory, at any rate, seems to me utterly absurd, for communism is like a forest fire; it goes on burning and consuming anything and everything that comes in its way. It is quite possible that countries which are far distant from the centre of communism may feel safe that the forest fire may be extinguished before it reaches them or it may be that the fire may never reach them. But what about the countries which are living in the vicinity of this forest fire ? Can you expect that human habitation and this forest fire can long live together ? I have seen comments from Canadian statesmen and from European statesmen congratulating the policy of

co-existence. Their praises and their encomiums do not move me in the least. I attach no value to their view and to their opinion. The statesmen of Canada can very easily say that co-existence is possible because Canada is separated from China and Russia by thousands and thousands of miles. Similarly, England after having pulled itself out from the great conflagration, now thinks that she is too exhausted to do anything and therefore likes to enunciate and support the principle of co-existence. But there again it is a matter of distance. One must not forget that in the foreign policy of a country the geographical factor is one of the most important factors. Each country's foreign policy must vary with its geographical location in relation to the factor with which it is dealing. What is good for Canada may not be good for us. What is good for England may not be good for us. Therefore, this co-existence seems to me a principle which has been adopted without much thought on the part of the Prime Minister.

Then, Sir, I will say a few words with regard to the SEATO. I was very carefully listening to the Prime Minister's observations with regard to the SEATO, and I was glad to find that he had not made up his mind about the SEATO. If I heard him correctly, he said that in view of the fact that this country has accepted the chairmanship of some commission in accordance with the Geneva decisions it may not be compatible for him and for this country to join the SEATO at the same time. The two things would undoubtedly be incompatible. But apart from that I think the merits of the SEATO must be considered.

The repugnance to SEATO appears to me to arise from two sources. I think I am not letting out any secret nor am I accusing the Prime Minister of anything of which he does not know, that the Prime Minister had a certain amount of hostility, or if he does not like that word, estrangement between himself and the United States. Somehow he and the U.S.A. do not see eye to eye together. That is one reason why I think he always had a certain amount of repugnance to anything that comes from the United States.

Shri B. Gupta: Are you speaking for match-making ?

Mr. Chairman: The Prime Minister is quiet and you are talking.

Dr. B. R. Ambedkar : And secondly from the fear of what Russia will think if India joins the SEATO. Here again, I think, it is necessary to give the House some background against which the merits of the SEATO may be assessed. Now, Sir, what is the background of all this ? The background is this.

I have given a list of countries which have gone under the Russian regime. I think it is well known that this happened largely because, if I may say so, of the foolishness of the Americans during the last Great War. The Russians got possession of these territories with the consent of Mr. Roosevelt and with the reluctant willingness of Mr. Churchill. Mr. Churchill expressed, when the war ended that they had done a great mistake, and a great wrong, in sacrificing the liberty of so many nations for the sake of winning victory against Hitler. And the same feeling, I think, is expressed by him in his last volume which he called "Triumph and Tragedy". It is because of this that he named his last volume "Triumph and Tragedy". Now, Sir, what the Americans are doing. If I understand, their policy correctly, is this. Their point of view is that Russia should be satisfied with what she has got during the war, the ten countries. As a matter of fact. I should have thought that it should have been the duty of the Americans and the Britishers to extricate these countries, to liberate them, to make them free. But neither country has the will, nor the moral stamina, nor the desire to engage itself in such a stupendous task. They are therefore following, what may be called a second line of defence, and that second line of defence is that Russia should not be allowed, or China should not be allowed to occupy any further part of the free world. I think that is the principle to which all freedom-loving people would agree. There could be no objection to it. And it is to prevent Russia from making further aggression that they are planning the SEATO. The SEATO is not an organisation for committing

aggression on any country. The SEATO is an organisation for the purpose of preventing aggression on free countries. I wonder whether the Prime Minister will not be prepared to accept this principle, that at any rate, such part of the free world as has, by accident, remained free should be allowed to remain free and not to be subjugated. Is India not exposed to aggression? I should have thought that it is very much exposed to aggression. I have no time. Otherwise, I was going to point the House how this country has been completely encircled on one side by Pakistan and the other Muslim countries. I do not know what is going to happen, but now that the barrier between Egypt and England has been removed by the handing over of the Suez Canal, I think, there may be very little difficulty in the Muslim countries joining with Pakistan and forming a block on that side. On this side by allowing the Chinese to take possession of Lhasa, the Prime Minister has practically helped the Chinese to bring their border down to the Indian border. Looking at all these things, it seems to me that it would be an act of levity not to believe that India, if it is not exposed to aggression right now, is exposed to aggression and that—aggression might well be committed by people who always are in the habit of committing aggression.

Now, I come to the other question. What will Russia say if we join SEATO? And the question that I like to ask is this. What is the key-note of Russian foreign policy? What is it? The key note of our foreign policy is to solve the problems of the other countries, and not to solve the problems of our own. We have here the problem of Kashmir. We have never succeeded in solving it. Everybody seems to have forgotten that it is a problem. But I suppose, some day, we may wake up and find that the ghost is there. And I find that the Prime Minister has launched upon the project of digging a tunnel connecting Kashmir to India. Sir, I think, it is one of the most dangerous things that a Prime Minister could do. We have been hearing of a tunnel under the English Channel to connect France with England. We have been hearing it for 50 years, I think someone has been proposing, and yet the English have never done anything to carry out the project, because it is

a double-edged weapon. The enemy, if he conquers France, can use the tunnel and rush troops into England and conquer England. That might also happen. The Prime Minister, in digging the tunnel, thinks that he alone would be able to use it. He does not realise that it can always be a two-way traffic, and that a conqueror who comes on the other side and captures Kashmir, can come away straight to Pathankot, and probably come into the Prime Minister's house—I do not know.

Mr. Chairman: Getting time.

Dr. B. R. Ambedkar: Now, one or two small observations

Mr. Chairman : One or two small observations to wind up.

Dr. B. R. Ambedkar: Yes. The Prime Minister has been depending upon what may be called the *Panchsheel* taken by Mr. Mao and recorded in the Tibet Treaty of non-aggression. Well, I am somewhat surprised that the Prime Minister should take this *Panchsheel* seriously. The *Panchsheel*, as you, Sir, know it well, is the essential part of the Buddhist religion, and if Mr. Mao had any faith in the *Panchsheel*, he certainly would treat the Buddhists in his own country in a very different way. There is no room for *Panchsheel* in politics and secondly, not in the politics of a communist country. The communist countries have two well-known principles on which they always act. One is that morality is always in a flux. There is no morality. Today's morality is not tomorrow's morality.

You can keep your word in accordance with the morality of today and you can break your word with equal justification tomorrow because tomorrow's morality will be different. The second thing is that when the Russian Communist State is dealing with the other States, each transaction is a unit by itself. When we deal with somebody, we begin with goodwill and end with gratitude. When the Russians deal with somebody, they do not begin with goodwill, nor do they end with any gratitude. Each transaction begins and ends by itself, and this is what I am sure the Prime Minister will find at the end when the situation ripens. The Prime Minister has always been saying that there is such a thing as the principle,

“Asia for Asiatics”. Yes, in so far as colonialism is concerned, that principle is perfectly true. Asia must be for Asiatics, but we are dealing with a situation like this ? Is Asia one today ? In what sense ? Asia is divided now, it is a divided house now. More than half of Asia is communist. It has adopted a different principle of life and a different principle of Government. The rest of Asia follows a different life and a different principle of Government. What unity can there be among Asiatics ? What is the use of talking about Asia for Asiatics ? There can be no such thing at all. Asia is already becoming the cockpit of war and strife among Asians themselves. Therefore, it is better to align ourselves with what we call free nations if we believe in freedom.

One word about Goa. There can be no doubt that the Prime Minister in pursuing the policy of getting Goa evacuated is quite right. It is a very sound policy and everybody must lend his support to him. I do. But there is one observation that I would like to make. This question about the evacuation of Goa by the Portuguese and handing it over to India was, if I remember aright, brought to his notice very early when we got our independence. I possess with me some notes which were submitted to him by a delegation—I have forgotten their names, but I have got them with me—but the Prime Minister took no active interest in it. I am very sorry to say that, because I feel that if the Prime Minister had in the very beginning taken an active interest in the matter. I am sure about it that a small police action on the part of the Government of India would have been quite sufficient to enable us to get possession of Goa, but he has always been only shouting against them, only shouting and doing nothing. The result has been that the Portuguese have been able, so far as we know, to garrison Goa. Of course, the Prime Minister’s information must be correct and must be accepted by us that Goa is still defenseless, that there is no garrison there, no army there, brought by the Portuguese.

Shri Jawaharlal Nehru: I said no such thing.

Dr. B. R. Ambedkar: I thought he said so, but whatever it is, the point now is this : Personally I myself think that

this discussion over observers has no value and no consequence. Supposing the Portuguese give the best treatment to the Goanese, are we going to give up our claim over Goa ? May be that they give dominion status to them, so far as we know, and make them full-fledged citizens, but we are not going to give up our claim to Goa. No doubt about it. It is part of India. Therefore all this talk about observers seems to me to be beside the point. We must deal with the Portuguese people over this question. Are they prepared to surrender their sovereignty in the same way as the British did ? This is the only issue that I think need be discussed. Sir, it seems very unfortunate that some of the enlightened nations are siding with the Portuguese. I am sorry to see Mr. Churchill in a clandestine manner siding with the Portuguese saying to us. 'Do not use force', Why ? Are they going to go away with a kiss from the Prime Minister ? And without a shot being fired ? Similarly Brazil, and I do not know what the attitude of the U.S.A. is, which has not been publicly proclaimed. Possibly, they may also have a soft corner for Portugal. I have been wondering why all these things have happened, why England, which voluntarily surrendered sovereignty, to the people of this country, should ask another country similarly situated to act in a contrary way. It is impossible to understand it. It seems to me—the Prime minister may accept my suggestion or may not accept it but it seems to me that they are trying to teach our Prime Minister that neutrality has price.

Shri P. Sundarayya : The Prime Minister must take note of it.

Dr. B. R. Ambedkar: I am going to make one suggestion to the Prime Minister. I do not think that we should have an armed conflict with the Portuguese if the Portuguese are going to be supported by other United Nations members, but less than that, there are two proposals that I wanted to make. You remember perhaps that there was the case in America which concerned the State of Louisiana, which was a French possession in the midst of American possessions and the Americans were very anxious to get rid of the French and to have Louisiana transferred to the United States. The

measure that they adopted was to get it for a price. The price given was—I have got the figures with me.

Shri P. Sundarayya: A few pieces or silver.

Dr. B. R. Ambedkar: A very small price indeed for a huge territory. Goa is really nothing compared with it. Goa is just one of the towns of Louisiana. If the Prime Minister wishes to adopt it

Shri Jawaharlal Nehru: What is it ?

Mr. Chairman: Purchase it from Portugal

Dr. B. R. Ambedkar: Initiate discussion on that. I am suggesting alternative methods.

Mr. Chairman: That is one suggestion. What is the other ?

Dr. B. R. Ambedkar: The other suggestion that I would like to put before the Prime Minister is that we can take Goa on lease. We all remember in our own country of the lease of Berar. Berar was the property of the Nizam. He had sovereignty over it, but the British Government in the year 1853 or so got Berar on a permanent lease. I do not know what amount of money they gave the Nizam. It might have been very small.

Shri B. Gupta: If we do that, we will have to mortgage India's honour.

Dr. B. R. Ambedkar: I am sorry I Can't follow him. It is very difficult for me to follow him.

Mr. Chairman: It is difficult to follow him.

Dr. B. R. Ambedkar: What I say is this. We are hot interested very much as to who is the nominal sovereign in this matter. What we are interested in getting possession of Goa, and in establishing our own administration there. We have here a case where in our own country a territory belonging to another sovereign was leased over, made permanently part of India with certain embellishments to indicate that there was a sovereign. I think his son was made Prince of Berar. That is another method which the Prime

Minister may try. I don't see any reason why he should not succeed with the Portuguese in persuading them to adopt either of the two methods.

There is only one more observation I will make and I will sit down. I was reading the other day a volume published by the Institute of International Affairs at Chatham House, giving a survey of things that led to the Second World War, and the author, undoubtedly one of the best and most erudite, drew two conclusions as to why the war came and why it was not avoided. One was that Mr. Chamberlain, on account of the policy of disarmament which was then being agitated upon by the Labour Party could not preserve what is called the balance of power in Europe and allowed Hitler to grow and grow until, it was difficult to control him. The second thing, he said, was that Chamberlain made the greatest mistake in believing in the word of Hitler. There was no greater liar than Hitler. He was given all that he wanted when the Sudetan Germans were separated from Czechoslovakia and he said he had nothing more to ask. The whole House will remember that after that treaty was signed, the very next day he marched into Czechoslovakia. I hope our Prime Minister will not make these blunders. Sir, I have done.

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GOVERNMENT ORDER ON BANK
DISPUTES

***Dr. B. R. Ambedkar** (Bombay) : Mr. Chairman, I see from the speech of the Hon. the Prime Minister that it was more anxious to dispel certain charges which people are likely to make against the Government on the ground that they have shown a bias in favour of capitalists and against labour. I certainly am not one of those who are seeking to make such a charge against the Government. I may make out a case towards the end of my speech that the Government has altogether misjudged the position expressed in my judgement, has not even understood the facts which were before them.

12-00 NOON

The Prime Minister's case—if I understood him correctly—resembled the case of a woman who had given birth to an illegitimate child and when she was questioned on this issue, she said : “Sir, it may be illegitimate, but it is a very small baby.” Well, I suppose we could separate the two issues, the fact that the decision is illegitimate and the fact that the decision probably is a small one. We are concerned only whether the decision is a just one or not.

As the time is very short, it is not possible to indulge in any preliminary observations before entering into the subject matter. I, therefore, propose to begin with the subject matter itself.

A certain issue raised by the Leader of the Opposition is this : Are the modifications made by the Government in the Labour Appellate Tribunal's Award justified ? The Prime Minister legitimately said that the Government has the right to modify and I entirely agree with him that the Government should have the right to modify the Award, because, after all,

* P. D. Vol. 7A. (R. S.), 2nd September 1954, pp. 1207-16.

the Government which he is in charge of, has to consider the welfare of the people as a whole and not merely of one section of the people, and they carry the responsibility all together. Therefore, that is a very legitimate right. As I said, the question is whether they had exercised their right properly.

Now, Sir, in order to appreciate the point that I propose to make, I think it is necessary to itemise the modifications which the Government has made in the Labour Appellate Tribunal's Award. What are the modifications? So far as I see, the modifications are four. In the first place, the Government has added a new area, called class IV area, which is to comprise populations of less than 30,000. The previous awards, commencing from the award of Mr. Justice Sen, the Sastry award and the Tribunal award, have all agreed that it was enough to classify the areas into three classes. A fourth class was not necessary, but the Government felt, for reasons I have no doubt the Hon. Finance Minister will explain in the course of his reply which led them to create this new class IV area. Sir, the second thing they have done is to have fixed the salary for the Class IV area. So far as A Class banks are concerned, the minimum salary—I am not dealing with the other matters such as house rent allowance and dearness allowance, because what we are concerned with is the basic minimum salary—is Rs. 66. For B class banks it is Rs. 60; for C class it is Rs. 51, and for D class also it is Rs. 51, I think my friend will correct me if I am wrong. I find the two bracketed together. The third change which the Government has made in the Award of the Tribunal is that they have exempted from the operation of the Award Part B and Part C States, except the three towns, I think, of Delhi, Ajmer and some other town. I forget now. And the fourth modification which the Government has made is to grant complete exemption to a bank which is called the United Bank of India.

The Minister for Finance (Shri C. D. Deshmukh): May I point out that protection of the present emoluments is also a modification of the Award?

Dr. B. R. Ambedkar: Yes, I take it to be so.

Shri C. D. Deshmukh: I assure the hon. Member that it is so.

Dr. B. R. Ambedkar: Now, Sir, what we have to do is to consider the grounds urged in support of these modification. It is said that banking is a very necessary industry or service for the development of India, its commerce and its industry. It is a thing, I think, which nobody would dispute, that banking is a very essential thing which ought to be sustained by all legitimate means. Secondly if the banks are necessary, then salaries and wage bills of employees must be so fixed that they will allow the banks to make a profit. That is the proposition, I think, which most people would question, but that is one of the foundations on which the modification rests.

The first thing to which I would like to draw the attention of the House is this. There is in existence today, in fact in operation, the Sen Award. It has been in operation since 1951. Its scales were certainly much higher than the scales of the Sastry Award. Now the point is this. This award given by Mr. Justice Sen in 1951 has been in operation and was put into operation by the Government by special ordinance, because the Sen Award was declared to be void, by the Supreme Court, on the application of certain bankers on the ground that there was some technical defect in its composition, and, therefore, the Sen Committee was not entitled to give an award. When the bankers had started reducing the salary of the employees, Government stepped in, and by an ordinance declared that the wages were frozen, that is to say, whatever was given to the employees under the Sen Award would continue notwithstanding the fact that the Supreme Court had declared the Award to be void. Now, Sir, that is one piece of evidence, I submit, which goes to show that the argument that this Award, if placed upon the shoulders of the banks, would not leave them with sufficient profits does not seem, to my mind, to carry any weight at all.

Then again, let us compare the figures which have been supplied by the Reserve Bank in a booklet, I understand, which is called, "The Trend of Events" or something like that. It contains figures from 1949 to 1953. I have taken out just the relevant figures. Now, in the case of A class banks, there is a fall in the working capital of 10 per cent gross

earnings have gone up by 20 per cent, and the dividends have increased by 8 per cent, during this period. In the case of B class banks, there is a fall in deposits of 13 per cent, also a fall in working capital of 13 percent., but gross earnings have gone up by 9 per cent. In the case of C class banks, deposits have gone up by 12 per cent., working capital has gone up by 12 percent, and there has been an increase in gross earnings, and also an increase in dividends. So far as the D class banks are concerned, they appear to me to be a most prosperous institution in this country, because there has been in their case an all-round increase, in deposits, in working capital, gross earnings and dividends. Now, Sir, there is no doubt that there is a certain amount of fall in the profits with regard to class A banks and class B banks. What are the reasons for it? Is it the reason that the Wage Bill has increased, or, does the reason lie somewhere else? It seems to me that there is a fall in the deposits, and a considerable rise in the rate of interest, to account for the fact that there has been a certain amount of fall in their profits. And surely, the Wage bill could not be used as a ground for urging that the banks have been sent into ruination by this Award. I therefore, submit that it is not possible to accept the argument that profits have gone down because of Wage bill. They have certainly not gone down on that account, although they may have gone down. Therefore, this argument certainly cannot be used for the modification of the Award in order to bring down the wage as fixed by the Tribunal.

Then again, Sir, with regard to the second change, namely, the creation of a class IV area I do not quite understand why the Government felt the necessity of creating this new area. The cases were argued before three tribunals. There were innumerable lawyers representing the workers and representing the bankers. Surely, none of them ever thought that it was necessary, in the case of any class of banks, that this new area should be created. What led the Government to create this area, I do not quite understand.

Then, Sir, the third change—the exemption of Part B and Part C States—seems to me to be one of the most difficult things to justify.

Mr. Chairman: It is getting time.

Dr. B. R. Ambedkar: I have just a few things to say

Mr. Chairman: Yes, as briefly as possible.

Dr. B. R. Ambedkar: Thank you, Sir. It is very difficult to understand on what ground these two areas of Part B and Part C States could be excluded from the operation of this Award. Now, Sir, what does this mean? It means that the lowest scale which the Government has laid down for class IV area, namely, a minimum salary of Rs. 51, is not to be operative in Part B and Part C States, that is to say, the employees have been left at the mercy of the employer.

They may pay them any wages they like. May be that banking is necessary and that banks should make profits. That also be a reasonable thing, but should we allow this kind of exploitation, complete exploitation? No minimum standards have been fixed at all. It seems to me completely inexplicable and un-understandable.

Now, again, the fourth modification made by the Government in respect of the exemption of the United Bank of India is also a very extraordinary thing. So far as I have been able to gather any information about this particular institution, originally there were four banks started by the refugees in Calcutta to help themselves, I believe, and to carry on the business of banking.

The Deputy Minister for Finance (Shri A. C. Guha) : I am afraid the lion. Member is not quite correct. The banks were there long before the partition. Only, they were amalgamated into one bank after the partition.

Dr. B. R. Ambedkar: I am very glad to hear that. That supports me much more. I was taking a broken reed for my stand. I take it that this is a long-standing institution, but they were amalgamated.

Shri A. C. Guha: May be long-standing but may not be sound-standing.

Dr. B. R. Ambedkar: This bank, according to the information I have, has a working capital of Rs. 33 crores.

Let my friend deny it or let him correct me. He knows something about this bank evidently. The capital of this bank is somewhere near Rs. 33 crores. Now, according to the classification that has been adopted by the Sen Award, the Sastry Award and of the Appellate Tribunal, this bank ought to be placed under A class banks, because A class banks are banks whose working capital is Rs. 25 crores or above. Certainly this bank as I said, ought to be in the A class and the scale prescribed by Government ought to be applied to this bank. Apparently there seems to be no ground. Evidently this bank for some reason which I am unable to understand, was in troubled waters. It applied to the Sastry Committee and asked for some exemption. The Sastry Committee gave it exemption up to 31st December 1954. They said "After that date the Award will apply to you." When the matter went to the Appellate Tribunal, this bank which was not satisfied with the concession given to it by the Sastry Committee, again applied for further exemption, and the Tribunal was pleased to extend the period of exemption up to December 1955, and the Government in its notification specifying the modifications which they wanted to make said : "This Award shall not apply to this bank at all." I hope that my friend does not say that it shall never apply to them. I hope it will apply to them some day. It requires some justification as to why the Government was so biased in favour of this particular bank as to set aside the limited concession that was given by the two previous tribunals and exempted it altogether. There is no justification whatsoever.

Now, there are other points to which I wish to draw the attention of the house. I find that in certain respects the Government ought to have modified the Award but has not modified, and the first point which, I think the Government ought to have taken into consideration as a point requiring modification is the system of classification that was adopted from the very beginning, from the Sen Committee down to the labour Appellate Tribunal. Now, Sir, I should like to give just one illustration to show how absurd has been the classification. Take Class A banks. Class A banks are banks with a working capital of Rs. 25 crores or more. It does not

set any upper limit. It just says Rs. 25 crores. That is to say, all other banks who have—may be—Rs. 100 crores as working capital or Rs. 200 crores as working capital, are to be on a par with a bank who has got just Rs. 25 crores as its working capital. As a flagrant illustration of this wrong classification, I find that the case of the Imperial Bank is the most apposite. My friend there has given figures, but I would like to give the figures that I have for what they are worth. Its capital, I understand is somewhere about Rs. 218 crores, and it has deposits totalling 41 per cent, of the total deposits of all the Indian scheduled banks. Now, Sir, I should like to ask whether it is right to place a bank with Rs. 25 crores as working capital on the same footing, on the same par with a bank which has got Rs. 218 crores as working capital and whether it was not desirable and necessary for the government to create a special class of the Imperial Bank.

Prof. G. Ranga (Andhara): Let them nationalise it.

Dr. B.R. Ambedkar: I have not got all the figures but there are many groups between Rs. 25 crores and Rs. 218 crores, and I am sure that, if there had been many classifications, many employees would have got larger benefits by way of wages and other emoluments, because they will all be related to profits, but the Finance Minister has very quietly accepted the classification proposed by these three bodies without proper investigation.

Mr. Chairman : You must wind up. Dr. Ambedkar. There are other speakers.

Dr. B. R. Ambedkar: Yes, Sir, I would not take more than a minute or two. I do not know why my hon. friend, who made an exemption in the case of the United Bank, which was really an exemption which worked adversely to the working classes, did not make a different category of the Imperial Bank, so that it would have been a discrimination in favour of the working classes. Surely, one would have been on a par with the other.

Then, there is another thing arising out of this point of classification. None of these three bodies, the Sen Committee,

the Sastry Committee and the Appellate Tribunal, had felt it necessary to make a distinction between Indian banks and foreign banks in this country. By foreign banks I mean the exchange banks. I find from the Sastry Award that there were twelve of these exchange banks which were a party to the dispute before the. Sen Committee, the Sastry Committee and the Appellate Tribunal. Now, Sir, each of these banks according to the Sastry Award, has more than Rs. 50 crores by way of deposits which are mostly gathered from the depositors in this country. Now, everyone knows that these foreign or exchange banks mainly engage themselves in supporting foreign investors or foreign commerce.

They render, I suppose, very little help to the indigenous industry or to the indigenous trade. That is one point. Secondly, they import a large volume of their personnel from outside and Indians whom they employ are employed on the lowest rung of the ladder. The Europeans whom they employ are paid fabulous salaries. Surely, I ask whether it is not justifiable to make a distinction between the Indian banks and the foreign banks and to enable Indians at least to get some advantage from these foreign banks which is all going to the foreign employees. Sir, I have done.

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REPORT OF COMMISSIONER FOR SCHEDULED
CASTES AND TRIBES FOR 1953

***Dr. B. R. Ambedkar** (Bombay): Mr. Deputy Chairman, this is the third Report which the Commissioner for the Scheduled Castes and the Scheduled Tribes has submitted to the President. At the outset, going through the Report, one notices that the Commissioner makes a complaint against the Members of Parliament blaming him for not taking action on the various matters discussed by him in his Report. He says that the Members of Parliament have forgotten that he is not an executive authority, that his duty is merely to report. The executive departments are supposed to give effect to whatever recommendations or suggestions that he makes, I think his observations are very sound. He is not an executive authority and for the purpose of criticising what action has been taken, the criticism must be levelled either against the Home Minister or against the other departments of the Government of India. But, Sir, while one must admit the legitimacy of the criticism made by the Commissioner, I think there is one criticism that one can legitimately make against the Commissioner himself in the matter of drafting and presenting his Report. I was referring to his chapter dealing with complaints, because I thought that would be one of the most interesting and instructive chapters in that book. We are all aware of the fact that the Scheduled Castes in particular are subjected to all sorts of tyrannies, oppressions and maltreatment at the hands of the villagers in the midst of whom they live. And it would undoubtedly be a matter of great interest to know what are the tyrannies, maltreatments and oppressions to which they are being subjected almost every day, I have no doubt that the Commissioner's report would be the proper place where such complaints would be

* P. D., Vol. 7A, (R. S.), 6th September 1954, pp. 1447-75.

recorded, but I find the Commissioner absolutely silent over this matter of the gravest importance for the Scheduled Castes. I find, for instance, that from the complaints which have come to me—and I am sure that many more complaints must have gone to the Commissioner; they could not be less than a thousand, or certainly five hundred, but I mention one or two which have come to my notice and are of very recent occurrence—I am told on very reliable authority that in Rajasthan thirty Scheduled Caste people have been shot down by the so-called dacoits. The real fact is that the Rajputs and the high caste Hindus do not like the Scheduled Castes in Rajasthan to enjoy what are called the fundamental rights which give them equality of status with the other Hindus. In order to terrorise them and to make them nervous, in the matter of exercising these fundamental rights, the high caste Hindus have organised themselves into a band of dacoits and they go on shooting the Chamars, who are trying to exercise and derive the benefit of the fundamental rights. Police parties have been sent there in order to give protection to them, but my information is that the police are in league with the dacoits. Half a number of guns possessed by the police were handed over to the dacoits and the report is made that the guns have been snatched away from them by the dacoits. Half the number of bullets are again handed over to these dacoits by the police. Only half are fired, probably in the air without causing any effect. The result is that the dacoits are getting on merrily. The dacoits are really nothing else but what existed in the southern States of America known as the Ku-Klux-Klan, a band of Whites who were bent upon shooting down the Negroes if they tried to exercise the right of equality which was given to them after the Civil War. I do not find any mention of this incident in the Report of the Commissioner.

I mention another incident, and that has occurred in Bombay. One Bhangi who was living in a village was supposed by the Hindus to have brought about a certain disease in the village. They thought the malignant influence which he possessed was the cause of a certain disease which was prevalent in the village. They caught hold of him and asked him to take a burning fire on his head and walk around the