

**TRANSLATED RESOLUTIONS ADOPTED BY THE 51ST SESSION OF THE NATIONAL
ASSEMBLY HELD FROM 18TH TO 29TH NOVEMBER 1979**

1. ASSISTANCE TO SMALL BUSINESS

The Member of the business community moved the motion in the Assembly that the Government should provide capital assistance for the development of the business community.

In response, the Ministry of Trade, Industry and Forests explained that the Government had so far provided over Nu.7,80,000 in loans to business community. However, since the loans could not be recovered in time, the Government has stopped granting any financial assistance for the time being. The Ministry of Trade, Industry and Forests is exploring the possibility of getting financial assistance from the Capital Development Fund to alleviate the financial difficulties faced by the business community. If the financial assistance from the Capital Development Fund is forthcoming, the Government would be able to help the business community better.

The National Assembly endorsed the statement of the Ministry of Trade, Industry and Forests.

2. MATTER RELATING TO SALE OF POTATOES AND APPLES

The Member of Lamgong stated that the Government should help in the sale of agricultural and horticultural products such as potatoes and apples.

In reply, the Ministry of Trade, Industry and Forests informed the Assembly that the Government has been helping the public to market potatoes and apples. But the outside markets do not accept diseased and inferior quality products. However, for the welfare of the people, the Government has already set up three apple juice industries, one each at Bumthang, Paro and R.B.A. Center, where the people can sell their apples irrespective of its quality. Similarly, the Government is making feasibility survey to establish an industry in which potato can be used to produce spirit and other products.

The Secretary, Planning Commission, pointed out that some members were of the view that potatoes cultivated from some seeds provided by the Government were not acceptable in

outside markets. He explained that there were many varieties of potatoes and that different countries prefer different varieties. He said that the Government would conduct surveys to determine which country preferred which variety of potatoes.

On this issue, His Majesty the King was pleased to command that the department would study the market for all cash crops including potatoes and thereafter distribute the seeds accordingly.

The National Assembly unanimously endorsed the command of His Majesty the King.

3. MATTERS RELATING TO CARDAMOM

The Member of Sibsoo moved the motion that the Food Corporation of Bhutan should buy cardamom from the public without any distinction in quality at competitive market prices. In addition, the cardamom growers should also be allowed to sell their products to any buyer.

In response, Secretary, Ministry of Trade, Industry and Forests, and the Managing Director of Food Corporation of Bhutan, explained that if no distinction is made in the quality of cardamom, the Government would face substantial losses when they are graded. There have been instances where growers were found adulterating the cardamom. Therefore, the cardamom had to be classified into two grades. Henceforth, the Food Corporation of Bhutan and the Department of Agriculture would explain the differences in quality and cost between grades.

It was also explained that even when no restrictions were imposed on other cash crops besides cardamom, the public faced loss due to fraudulent dealings by the private buyers. Keeping in view the welfare of the public, the Government had decided that these cash crops would be purchased by the Food Corporation of Bhutan. Regarding the rates, the Government had fixed the price of cardamom at the rate of Nu.18/- per kg for first grade and Nu.16/- per kg. for second grade after a detailed study of prices in the market. These rates are reasonable.

On this issue, His Majesty the King commanded that the Food Corporation of Bhutan was established for the benefit of the people, and not a profit earning agency. If the Food Corporation of Bhutan makes profits from the sale of commodities, such profits are passed on to the people. His Majesty has further been pleased to state that the Government would try to offer the public as high a price as possible for each cash crops.

The National Assembly resolved not to amend the existing cardamom purchase procedure of the Food Corporation of Bhutan. It further resolved that the Food Corporation of Bhutan shall exercise a preemptive right over the purchase of cardamom from the public, as purchase by private parties results in profit earning which results in loss to the people.

4. MATTER RELATING TO SETTING UP OF EDIBLE OIL INDUSTRIES

In accordance with resolution 8 of the 50th Session of the National Assembly the Department of Trade, Industry and Forests, Food Corporation of Bhutan and the Department of Agriculture were required to submit a feasibility report on setting up of edible oil producing industries in various districts.

The Department of Trade, Industries and Forests, explained that they were unable to present the feasibility reports as they have yet to receive relevant data from some of the districts. However, the Department of Trade, Industry and Forests has proposed to include the setting up of 17 edible oil industries during the 5th Five Year Plan. The Department of Trade and Industry further explained that if the people express the urgency for setting up such industries even before the plan period, the Department of Trade and Industry will render all possible assistance.

The National Assembly endorsed the proposal of the Ministry of Trade, Industry and Forests.

5. MATTER RELATING TO GOMCHU COPPER MINING

The Member of Khaling requested the Government to start mining of copper deposits at Gomchu in Khaling, since feasibility studies and investigations had been completed.

In response, the Ministry of Trade, Industry and Forests explained that according to the feasibility study report, the mining of copper at Gomchu cannot be undertaken due to various problems like inaccessibility and small deposits, instead of Gomchu, it was decided to undertake the mining of copper deposits at Gongkhola in Gaylegphug. Mining of this deposit has been found economically viable.

The National Assembly resolved that instead of exploiting copper deposits at Gomchu which is not economically feasible, the Government must undertake the mining of copper deposits at Gongkhola in Gaylegphug district.

6. DISTRIBUTION OF FOREST ACT

The Member of Dakab and Gasengtshowom requested for the distribution of Forest Act to enable the general public to understand the rules and regulations relating to permits royalty, fines, etc.

In response, the Ministry of Trade, Industry and Forests stated that copies of Forest Act had already been circulated twice in the districts. However, the Department could distribute them again if necessary. In event of any amendments or any new legislation the amendments would also be circulated separately.

The National Assembly expressed its satisfaction on this arrangement.

7. SALES TAX ON BAMBOO PRODUCTS

The Member of Dakab and Gasengtshowom requested for clarification on the levy of sales tax on bamboo products.

The Secretary, Ministry of Finance, explained that the sales tax on bamboo products which was promulgated in 1976, has so far not been amended. However, instances of deviation from the existing rules have been found in different districts and this has led to variations in the levy of sales taxes. Therefore, the Dzongdas are directed to see that the levy of sales tax is in conformity with the existing rules.

The National Assembly resolved that no amendment was necessary on resolution 27 of the 50 session.

8. REGARDING THE DEPARTMENT OF CUSTOMS

The member of Chirang sought explanation from the Government on the necessity of maintaining the Department of Customs.

The Finance Secretary explained that the Department of Customs is not a revenue earning department. Besides its normal functions, its existence symbolizes the sovereignty of Bhutan. The main functions of the department are :-

- a) To prevent valuable goods and articles, including antiques from being taken out of the country.
- b) To record the income earned from the export of goods.
- c) To prohibit the entry of undesirable goods into the country.
- d) To maintain a record of import of goods.

The above data is necessary in the planning process.

His majesty was pleased to command that all departments have been instituted to carry out the policies of the Government and not necessarily to earn revenue. To question departments only from revenue generating aspects would be wrong. His Majesty explained that the Department of Customs is not only a symbol of sovereignty but also enforces security measures.

The National Assembly resolved that the Department be maintained.

9. MATTER RELATING TO MUNICIPALITIES

The Public of Chapcha and Jyachhup requested the Assembly to make the Municipal rules and regulations available to the public.

The Assembly resolved that the Home Ministry will distribute copies of municipal rules and regulations to the people. It further resolved that the Home Ministry should put up bill boards posters, etc., explaining the rules and regulations of municipalities and public places.

10. SHIFTING OF MILITARY TRAINING CAMP OF TSENTO JEW-TSAPHU

The Member of Lungny, Humgray and Wangchang pointed out in the National Assembly that the people are facing great difficulties due to the damages to the farms, pastures and forests caused by the military training camp at Tsento Jew-Tsaphu. The Member also said that the presence of the Indian Military Training personnel is causing uneasiness in the minds of the public. He, therefore, suggested that instead of keeping the Indian military personnel here, our army personnel should be sent to India for training. If this were not possible, he further suggested that it would be better if the present military training camp could be shifted to a suitable location in border areas in the South.

In response, the representative of the Royal Bhutan Army said that the military training camp had been established many years ago and so far no complaint has been received. However, if the military training camp at Tsento Jew-Tsaphu is causing harm to the public, arrangement to shifting the camp to some other place will be made by the Royal Bhutan Army.

The Members of National Assembly resolved that since the military training camp is causing harm to the public, it will be shifted from Jew-Tsaphu to some other place after ascertaining the genuineness of the case from the public.

11. CONSTRUCTION OF TEMPLES IN MILITARY CAMPS

The Member of Khaling requested the National Assembly that as Bhutan is a religious country, temples should be built at all border outposts, training and other military camps.

In reply, the R.B.A. representative stated that everyone is aware that the protection and spiritual upliftment of the country depends on the faith of the people in our deities. He pointed out that there was no army centre without a temple. However, he said that the R.B.A would, in future, exert even more efforts for religious services.

Regarding the proposal of constructing new temples and chortens at the border outposts, it was explained that this will not be possible due to financial and other physical constraints. However, the R.B.A. representative requested the public and the monastic body to render all possible assistance while constructing temples or chortens in military camps.

12. CLARIFICATION ON BORDER ENCROACHMENT

The Member of Chengmari raised a number of queries in the Assembly to find out the truth about the reports of in-filtration of Chinese graziers into Bhutanese territory as reported by foreign press.

The R.B.A representative explained that Bhutan shares a traditional boundary of 470 kms with our northern neighbour. Although the boundary has not been formally demarcated, there has been no instance of serious border dispute so far. In the absence of a formally demarcated boundary, the instances of both the Chinese and Bhutanese graziers' entering into each other's territory is not uncommon. Due to the absence of a formally demarcated boundary,

both sides have refrained from raising the issue of intrusion by graziers. Therefore, in order to avoid any border disputes in future, the boundary between the two countries should be formally demarcated at an appropriate time.

Regarding the question of whether the intruders were real graziers or not, the R.B.A representative explained that no armed personnel had entered into the Bhutanese territory. He further stated that it was not a major issue, and therefore, no further discussion on this was necessary. He also explained that there was no truth in such reports as the whole incident was exaggerated by the foreign press.

On this question, His Majesty the King has been pleased to state that one must not believe all reports that appear in the press, as all journalists, while writing about distant places, depend more on their imagination than the actual facts. Whatever reports are published thereafter in other papers are only re-productions. His Majesty further stated that if the boundary incidence had been that of a serious and sensitive nature, the National Assembly would have been informed.

Regarding the question of defence arrangements, His Majesty has been pleased to state that as there is no external threat to the security of our country, it is not an immediate issue. However, the Government of India has repeatedly told us that we ourselves should be able to defend our country, and they have been assisting us to that end. His Majesty added that in the event of an emergency, the Government of India would render all possible assistance.

13. MATTERS PERTAINING TO INTERNATIONAL BOUNDARY OF BHUTAN

The Member of Bumthang Chhokhor pointed out that in accordance with resolution 16 of the 50th session of the National Assembly, the Chief of Survey was required to present a detailed report on the international boundary of Bhutan to the National Assembly during the current session.

The Chief of Survey gave a detailed report on the southern international boundary of Bhutan and explained with the help of maps about the boundary starting from pillar No. 20 in the west, pillar No.283 in the east beginning from the period of the British rule in India to the present day. He also explained that the northern boundary, which extends for 470 kms is based on the traditional boundary and has never been formally demarcated. He further stated that our Government had never held any talk with the Chinese Government on the question of

the northern boundary so far. Therefore, to avoid any likelihood of misunderstanding between the two countries in future, he requested the Assembly to consider the possibility of formally demarcating the borders.

14. REGARDING SOUTHERN BHUTAN BOUNDARY

Several Members pointed out that the demarcation of the southern border had been done unilaterally by the British during their rule in India. At present, our Government has been following this line of demarcation. Aside from other areas, the area between boundary pillar No.149 and pillar No.179 yet remains to be settled. The members of the National Assembly stated that there is evidence that Bhutan Government used to issue permits to private contractors to extract wood from forests lying in this area until a few years ago. This was supported further by the fact that the royalty for the timber extracted was paid to Bhutan. Even the Raja of Gauripur had to obtain permit from the Royal Government to hunt elephants in that area. Moreover, the village elders of the area have stated that this land has been in the actual possession of Bhutan until a few years ago. Therefore, the members felt that if the matter was taken up with the Government of India, the Government of India would certainly understand that Bhutan had a sound and justifiable claim to this area. This point had been raised repeatedly in the past sessions of the Assembly, but the Government had so far failed to take any satisfactory action in the matter.

In response, the Chief of Survey explained that regarding the land lying along the Sarbhang - Gaylegphug boundary line, as resolved by the National Assembly and commands by His Majesty the King, the Royal Advisory Councillors and he made a joint inspection of the area alongwith the officials of the Central Government of India and Assam state. During the joint inspection, the Indian officials agreed that the area actually belonged to Bhutan and was under Bhutanese possession until recently, and that they would report the matter to their Government accordingly. However, no reply has been received so far from the Government of India.

On this issue, His Majesty the King has been pleased to state that if we can produce evidence stating that the area was under the control of Bhutan until recently and the Royal Government had been collecting taxes in the area, there would not be any difficulty in following up the matter with our friendly neighbour India. His Majesty was further pleased to state that the Royal Government would make all possible efforts in the matter.

The National Assembly resolved that the Royal Government of Bhutan must discuss this matter as soon as possible with the Government of India.

15. REGARDING NORTHERN BHUTAN BOUNDARY

Most of the Members expressed the view that Bhutan had not taken any initiative to establish friendly relation with China. China, for its part, has not refused to establish friendly relations with Bhutan. They expressed the view that the time is most appropriate to demarcate the border between China and Bhutan. To this end, the Ministry of Foreign Affairs should make efforts to hold talks with the Government of China at the earliest.

In response, the Chief of Survey stated that if the Assembly felt that the northern boundary should be demarcated soon, the time was appropriate to start negotiations. He also informed the Assembly that the Government of India is willing to give to him all documentary evidence in their possession with regard to our northern border. He felt that if we can support our case with adequate documentary and other evidence, the response of the Chinese Government during the border demarcation talks would be positive and favourable to us.

The National Assembly unanimously resolved that the Royal Government must demarcate the northern boundary of Bhutan as soon as possible. The Ministry of Foreign Affairs and the Office of the Chief of Survey must make all necessary preparations to hold negotiations with the Chinese Government in this regard.

16. PREACHING OF CHRISTIANITY PROHIBITED

The Member of Bongo and Gyeta pointed out that Bhutan is a Buddhist country but there are few people who are following Christian religion, particularly in schools where some Fathers are preaching Christianity. The Christian religion, he said, is not only contradictory to Buddhism, but in the long run would harm the unity of our country because of the differences in faith. Thus, he requested the Assembly to ban preaching of this religion. The majority of the members supported this view.

The Secretary, Planning Commission explained that the Government had already laid down the following principles.

- a) The Christians are not allowed to preach their religion in public.

- b) Only academic studies are to be taught in schools and no Christian religion and practice are to be taught.
- c) The Christians are allowed to practice their religion in their homes.
- d) Any person found preaching Christianity in public shall be expelled from the country.

The National Assembly resolved that the preaching of Christianity in public shall be banned. Moreover, the existing morning and evening prayers in some of the schools shall be stopped.

17. RELIGIOUS SERVICES TO AVERT NATURAL CALAMITIES

The Members of Dakab and Gasengshowom proposed that Bhutan being a religious country, provision should be made to perform religious services to avert disease, war, famine and other natural calamities.

The National Assembly resolved that the religious institutions shall perform the regular services for the above purpose. The public shall be responsible for the renovation and proper maintenance of the sacred monasteries and temples. The public shall also in keeping with their local customs perform religious ceremony.

18. WORKING LANGUAGE OF THE NATIONAL ASSEMBLY

The Speaker of the National Assembly had sent a circular to all concerned that the members should speak in Dzongkha in the National Assembly.

The Members of Khaling and Samchi stated that though all the members should speak Dzongkha in the National Assembly, members from remote areas are not well versed in Dzongkha and, therefore, this should be postponed for the time being. The majority of the National Assembly members agreed that Dzongkha should be the working language of the National Assembly. However, for the time being, those members who have difficulty in speaking Dzongkha should be allowed to speak in their regional languages.

The National Assembly resolved that, in future Dzongkha will be enforced as the working language of the Assembly.

19. MATTER RELATING TO PELDEN DRUKPAI DIGLAM NAMSHA

In accordance with resolution 40 of the 50th Session, the National Assembly decided that the Government and people must observe and promote our cultural heritage. In this regard, the Home Ministry had circulated a brief compilation of Pelden Drukpa Diglam Namzha (principles of Bhutanese customs and traditions) in the Assembly. Most of the members agreed and consented that the National dress must be worn during the National Assembly. However, the member of Samchi and a few members from southern Bhutan expressed the inconvenience in wearing the national dress.

During the deliberation, it was pointed out that the southern Bhutanese are not outsiders but the citizens of Pelden Drukpa (Bhutan), and that they should be proud to wear the national dress. However, some members from southern Bhutan requested that they be exempted from wearing the national dress, as they felt they would be criticized by some members of their society.

The National Assembly decided that all people must observe the Pelden Drukpa Diglam Namzha. However, the draft of Pelden Drukpa Namzha will be enacted only in the next session. Meanwhile it was hoped that all the members would understand the implication and importance of wearing the national dress as a symbol of national integrity.

20. REGARDING SAFEGUARDING OF ANTIQUES

The Members of Gyelta and Bongo pointed out that many antiques and fugitives are being smuggled out of the country in the vehicle of IMTRAT, Dantak and Royal Bhutan Army which are not checked at checkposts. Therefore, he suggested that henceforth, all such vehicles should be checked at checkposts to prevent smuggling in military vehicles.

In response, the Chief Operations Officer of the Royal Bhutan Army explained that smuggling of antiques could be stopped by checking vehicles at checkposts. However, all over the world, army vehicle are not checked by police. Moreover, the Dantak and the IMTRAT are here to provide assistance, and checking them would be unpleasant and detrimental to our relationship with India. Besides, the Royal Bhutan Army vehicles are not checked while passing through Indian territory. Therefore, he explained that checking army vehicles is not desirable. However, if checking is necessary, he suggested that there is a standing rule in the army according to which army vehicles are not permitted to carry

civilians. Thus, he proposed that the rule be enforced and army vehicles, including Dantak and IMTRAT will not be allowed to carry any civilians.

The National Assembly endorsed the proposal of the representative of Royal Bhutan Army and resolved that with effect from 1.1.1980, no military vehicles will be permitted to carry civilians.

21. MISCELLANEOUS PROPOSALS RELATING TO HOME MINISTRY

- a) The Member of Punakha expressed that some people registered under Thimphu District (Tshogchen) have been living in Punakha throughout the year. He requested that these people may be registered under Punakha.
- b) The Member of Khen Shingkhari pointed out in the Assembly that some land and pastures in Shemgang were owned by people from Bumthang and registered under Bumthang District. He requested that such land be registered under Shemgang District where they are located.
- c) The Member of Gyeta and Bongo pointed out that land offered to the temples and monasteries as donations are subject to taxes. He requested that such land be exempted from taxation.
- d) The Members of Chapcha and Jyachhup suggested that the practice of sharing pastures should be made legal.

The National Assembly agreed that the above matters should be settled by the Ministry of Home Affairs and the Law Committee after proper enquiry and investigation have been carried out.

22. MATTERS RELATING TO LAWS ENACTED EARLIER

- a) The Members of Dakab and Gasengshowom stated that the Dzongdas be empowered to grant land to people who own less than five acres.
- b) The Members of Jyachhap and Chapcha expressed that the civil cases, which cannot be settled by the respective Senior Ramjams, may be allowed to appeal directly to the High Court without having to be routed through the District Courts.

- c) The Members of Gyeta and Bongo suggested that no Government servant should be allowed to fight a law suit in Courts on behalf of someone else.
- d) The Members of Dakab and Gasengtshowom stated that a person should not be allowed to file three petitions in the courts on a single subject. In a year, a person should also not be allowed to present cases three times to the Court. In such cases, he proposed that the person concerned should not be employed by the Government and should not be allowed to appear in Court any more.

The National Assembly decided that there shall be no changes in the existing civil and criminal laws.

23. REQUEST TO SHORTEN THE DURATION OF CASES

The Member of Bongo and Gyeta requested the Assembly to shorten the duration of cases held in the Courts.

In response, the Representative of the High Court explained that the duration of cases depended entirely on the respondent or the individuals involved in such cases. He elaborated further that in this matter, the High Court had no reason to delay the cases.

The National Assembly decided that since the duration of cases depended entirely on the individuals fighting the cases, there is nothing that can be done by the Assembly on this issue.

24. PROCEDURE FOR SERVING SUMMONS TO THE PARTIES INVOLVED IN A LAW SUIT

The Member of Dakab and Gasengtshowom stated that instead of the Chipon being ordered to summon a defendant in a legal dispute to the Court, the plaintiff himself should serve the summons.

It was then pointed out that this was not being done either in Bhutan or in any other country and, therefore, it was advisable to continue with the present procedure in conformity with our customs.

25. DISTRIBUTION OF LAW BOOKS

The Member of Khaling stated that as the general public was unaware of the various legal acts in force in the country, distribution of law books was advisable and essential. The member of Paro Lamgong also made a request for distribution of the Motor Vehicle Act. The member of Tyewang and Bjimey requested for the distribution of the Land Act.

In response, the Law Committee stated that in pursuance of His Majesty's command, copies of the Land Act would be made available to the general public. Copies of the Land Act were distributed to the members during the session. Regarding the distribution of other Acts, the Law Committee stated that they were being thoroughly re-examined and as soon as these are completed, copies would also be distributed to the public.

26. AMENDMENTS TO MARRIAGE ACT

During the 50th session of the National Assembly, the Law Committee had presented the draft of the Marriage Act to the Assembly and had solicited the opinions of the members or any changes or amendments. In accordance with resolution 24 of that session, wherein it had been agreed that the decisions would be made in the current session of the National Assembly. Hence, detailed discussions were held. With the exception of the following two clauses, the Act was passed without any changes:

- a) Regardless of the manner in which the marriage had been solemnized, a marriage certificate must be obtained to make the marriage legal.
- b) If either the husband or the wife is imprisoned for three years or more, a spouse after obtaining a divorce certificate from the court can marry again. After release of the person from the jail, he or she is entitled for the compensation (Borjyel) provided he or she had not been imprisoned for any anti-government activities.

27. MATTER RELATING TO MARRIAGE WITH FOREIGNERS AND GRANTING OF CITIZENSHIP

- a) The Member of Sibsoo pointed out that the scholarships awarded to students, who go outside Bhutan for further studies, should not be withdrawn if they are married to foreigners.
- b) The Member of Samchi stated that those Bhutanese Citizens, who were married to foreigners before the marriage act came into force, should be allowed to obtain marriage certificate.

- c) The Member of Mongar suggested that permanent rules with regard to penalising those who marry foreigners be framed.
- d) The Members of Sibsoo and Chengmari proposed that citizenship be granted without much delay to foreign women, who are married to Bhutanese citizens. Foreigners who are married to Bhutanese women and have been living in Bhutan for many years, should also be granted citizenship.
- e) The Member of Phuntsholing proposed that citizenship granted to foreigners married to Bhutanese citizens should be revoked if the person is suspected of indulging in any form of anti-government activities.

Regarding above issues, His Majesty was pleased to point out that the Marriage Act and the Citizenship Act had been passed in 1977 for the future security of the country, and in the larger interest of our people. These laws had already been accepted and passed by the earlier sessions of the National Assembly, but if the people felt that some amendments were necessary, it was upto the Assembly to decide.

The National Assembly unanimously agreed that no amendments were necessary to the Marriage and Citizenship Acts of 1977. They resolved that the above Acts be enforced strictly.

28. INCENTIVES FOR INTER-MARRIAGE

As per resolution 25 of the 50th session of the National Assembly, the representative of the Royal Advisory Council explained in detail the procedure of grant of incentives for inter-marriages between the Drukpa and the Bhutanese of Nepali origin.

The National Assembly unanimously endorsed the proposal of granting incentives.

29. PROCEDURE OF IMPLEMENTING THE PROJECTS INCLUDED IN THE PLAN

The Member of Bhangtar pointed out that the development projects included in the plan should be completed within the plan period.

In response, the Secretary, Planning Commission, explained that whatever projects are included in the plan should be completed in time. However, first, a Five Year Plan is

formulated, then the priority and urgency of projects are determined in the Dzongkhag Yargye Tshogchung after considering the convenience of the people and the Government, and accordingly yearly plans are made. Therefore, it is not justified to think that a project when included in plans can be executed in time without considering the convenience of the people and the Government.

The National Assembly resolved that the plan projects must be executed according to the existing practice as stated by the Secretary, Planning Commission.

30. COOPERATION FOR COMMON INTEREST

The Members of Dakab and Gasengtshowom pointed out that non-residents (people coming from other districts) staying in a particular locality must co-operate in the implementation of developmental programmes in the locality where they are residing.

The National Assembly resolved that without exception, everyone in a locality must contribute in the implementation of their developmental programmes in the locality of their residence. In cases of non-cooperation, the Dzongdas must enquire and ask for cooperation. If they still fail to cooperate, the matter must be referred to the Ministry of Home Affairs.

31. TRAINING FACILITIES FOR INDIGENOUS MEDICINE

The Members of Dakab and Gasengtshowom suggested that in order to popularize the practice of indigenous medicine in the country, the Education Department should arrange for training facilities in the schools.

In response, the Secretary, Planning Commission, clarified that in accordance with the command of His Majesty, the Ministry of Development had established a separate institution where students can pursue and practice the study of indigenous medicine. On the completion, they will be attached to the Basic Health Units set-up in rural areas.

The National Assembly endorsed the statement of the Secretary, Planning Commission.

32. REGARDING ALTERNATIVE SOURCES OF ELECTRIC POWER

The Member of Dakab and Gasengtshowom suggested that the Department of Power look for alternative sources of energy for rural areas.

In response, the Secretary, Planning Commission explained that the Government was looking for alternative sources of energy. When such sources were identified, the Government would introduce them wherever possible.

33. REGARDING HYDEL PROJECT

The Members of Tewang and Bjimey stated that steps should be taken to speed up the construction of Chukha Hydel Project. If this was not possible he suggested that assistance be sought from other countries for the construction of another project elsewhere.

In response, the Secretary, Planning Commission, stated that Chukha Hydel Project is the biggest project in the country, for which feasibility survey had been conducted with the assistance of the Government of India since 1976. Till 1978, the progress of work was not satisfactory, but since the arrival of the General Manager, Mr.S.B. Khare, work at Chukha Project has speeded up considerably. If the progress of work is maintained at this speed, the Chukha Project could be completed by 1984. However, this would be difficult to guarantee. The Chukha Board of Directors, consisting of senior officials of the Royal Government under the Chairmanship of HRH Ashi Dechen Wangmo Wangchuck, are all trying their best to speed up the work in the Project.

The Secretary, Planning Commission, also stated that plans for constructing a seven megawatt power at Begana Thimphu, 5 megawatt at Tangbi, Tongsa, 1 megawatt at Getsa, Bumthang and a 7 megawatt at Gaylegphug were being drawn up for the Fifth Five Year Plan. However, he stated that the feasibility for Hydel Projects took a long time.

34. ECONOMIC SELF-RELIANCE

During the current session of the National Assembly prolonged discussions were held on the subject of economic self-reliance.

At the onset of the discussion, the Secretaries of the Planning Commission and Finance Ministry presented statements of the Royal Government's budget requirement for the 4th Five Year Plan, and the annual revenue and expenditure figures. They stated that the Primary goal of any country is to achieve economic self-reliance. In order to achieve self-reliance, the

Government must be able to meet its expenditures from its own resources. In order to develop our resources, the Government has embarked in development programmes since 1961, and we are now in the fourth year of the Fourth Five Year Plan. However, despite all the efforts and time spent in development, today, we are able to meet only 15% of the expenditure from our own resources. Out of every Nu.100/- earned by the people, the Government levies only 12 to 15 cheltrums as tax, this by comparison is by far the lowest tax rate in the world. The rest of the funds have to be financed from external sources. Fortunately, owing to Bhutan's excellent relations with India, much of the financial assistance required have been extended by them. However, it would not be proper to continuously depend on assistance from India, as they themselves are badly constrained by over population and frequent natural calamities. Should the situation ever arise where the Government of India is in a position to provide only 50% of the total assistance they are providing now, the financial situation in Bhutan will become critical. Of course, owing to the able leadership of His Majesty and the good fortune of the people, assistance could always be sought from other sources. However, Bhutan cannot rely on external assistance for all the time to come. We cannot over rule the fact that our dependence on external assistance would prove detrimental to the sovereignty of the country. Despite the grave financial situation, it is only through the able leadership and guidance of His Majesty that the citizens of Bhutan are leading a peaceful and harmonious life.

The Secretary urged the Assembly members to consider the matter seriously and suggest ways and means of achieving the goal of self-reliance, whether they may be through public participation in projects, implementation of revenue generating projects or increased taxes.

In response, the members of the National Assembly stated that they now realized the seriousness of the financial imbalance of the Royal Government's budget. Some suggested that taxes should be raised and new forms of taxes introduced. Others suggested that funds should be saved by cutting back on some of Government projects.

His Majesty was pleased to make the following comments on the above subject. His Majesty stated that Bhutan is fortunate and grateful to receive financial assistance from India. However, to continuously rely on external assistance for the bulk of the Government's financial requirement is not a pleasant situation. Moreover, reliance on foreign aid will adversely affect the sovereignty of the country. Drawing the example of the budget, His Majesty pointed out that Bhutan required Nu.4.44 million for the year 1979-80. Likewise, similar amounts are required each year, of which the bulk has to be sought from external sources. His Majesty stated that while the public in general were unaware and unconcerned,

he regretfully noted that the Government officials were neither conscious or worried by the facts.

His Majesty stated that self-reliance cannot be achieved by raising taxes alone. In fact, the question of self-reliance was not raised in the Assembly for the purpose of increasing taxes only. The whole question of self-reliance was raised so that both the Government and people would carefully consider possibilities of increasing our resources through the development of trade, commerce, agriculture, livestock, forest, industry, etc.

His Majesty clearly stated that the decision whether Bhutan should become a self-reliant and strong state or a weak dependent state lay with the National Assembly. If the National Assembly was indifferent to the present condition, and preferred that the existing system of receiving increased assistance from external sources be continued, the Government would frame its policies along that line. On the other hand, if the National Assembly wants to achieve self-reliance and ensure the continued sovereignty of Bhutan, it is time to take strong measures towards self-reliance.

The National Assembly expressed their gratitude to His Majesty for his deep concern for the economic stability and sovereignty of the country. In their deliberations, they stated that while they understood the need to take strong measures for the achievement of economic self-reliance, the time constraint of the National Assembly did not permit them to formulate specific proposal. They decided that the responsibility of formulating specific proposals and measures for the achievement of self-reliance be entrusted to the Government.

The National Assembly resolved that in the forthcoming National Assembly, the Government will submit specific proposals on the following :

- a) The role of the government and the people in development.
- b) How this could be made into a combined efforts.
- c) Ways and means of increasing sources of revenue.
- d) Identification of revenue oriented projects.

In response, His Majesty assured the Assembly that as resolved by them the Government would present a programme of action in the next session. However, he again cautioned the National Assembly to think very carefully about the financial situation of the country. As an example, he stated that the annual cost of maintaining on-going projects alone was Nu.60 million without taking into consideration of new projects, and the revenue is not sufficient to meet the above expenditure.

35. CONSTRUCTION OF ROADS

The Members of Dorokha and Bhangtar requested the National Assembly to include the construction of motorable road from Samchi to Dorokha and from Dansari to Daifam respectively in the Fifth Five Year Plan.

In response, the Secretary, Planning Commission, explained that in accordance with the repeated command of His Majesty the King, the following three factors must be taken into consideration before taking any decision to construct any new roads :

- a) Whether it is beneficial to the Government and the people.
- b) Whether there would be participation of the people in the construction.
- c) Whether the public will be able to maintain the road after construction.

The National Assembly endorsed the statement of the Secretary, Planning Commission, that a decision to construct any new road may be taken after studying the above factors.

36. ISSUE OF IDENTITY CARDS TO BHUTANESE CITIZENS

In accordance with resolution 45 of the 50th session, the Government was to report on the procedure of issuing identity cards to the citizens during the current session.

As the procedure for issuing identity cards is still being worked out, the National Assembly requested the Government to submit it in the next session.

37. REGARDING THE DEPARTMENT OF REGISTRATION

The Member of Chirang enquired whether the Department of Registration is a profit making agency and whether respective Senior Ramjams could do its work. He suggested that it would be better to abolish such a non-profitable agency.

In response, it was explained that earlier the work of the Department of Registration was done by Senior Ramjams, but later it was established as a separate department because of its importance in the security of the country.

The National Assembly resolved to keep the Department as it is.

38. REGARDING INTEREST RATES OF BANK AND ROYAL INSURANCE CORPORATION OF BHUTAN

Some Members pointed out that there should be no compound interest on loans given by the Bank of Bhutan and Royal Insurance Corporation of Bhutan.

In response, the Finance Secretary explained that the Bank and the Royal Insurance Corporation of Bhutan have to follow rules and regulations of the international monetary institutions. Therefore, the rates of interest cannot be in accordance with the traditional law. The procedure to levy or not to levy interest depends upon the international monetary practice and also on the economic condition of the country and the capital of the Bank. However, now the government had decided to establish a Monetary Board which will, in future, determine the rates of interest.

The Finance Secretary further explained that the Bank of Bhutan was established in 1968 and in 1972 its capital stood at Nu.2.72 million. This amount has increased to Nu.127.1 million in 1978. He pointed out that if Bank followed the existing rules and regulations of transaction, it is hoped that the Bank would be able to earn about Nu.150 million by 1981. Similarly, the Royal Insurance Corporation of Bhutan was established in 1975. In 1976, its capital was only Nu.7.6 million, but by 1979, it has been able to increase its capital to Nu.21.1 million. He said that unless our financial institutions earn money, the Government and the people cannot borrow whenever funds were required. If the existing procedures were changed or the rates of interest decreased, the financial institutions cannot exist for long, and after some time would have to be closed down.

The Finance Secretary pointed out that for loans affecting public welfare, the Government was bearing half the interest levied on loans. In view of this, they cannot desire better

benefits. Therefore, he requested the National Assembly that the present practice of levying interest of loans should be retained without any change.

The National Assembly felt that the issue of compound interest was raised for discussions because according to traditional law, no compound interest can be levied. However, with the passage of time, the traditional law is being revised. Therefore, the National Assembly resolved that the interest rates of the Bank and the Royal Insurance Corporation of Bhutan should be retained without any changes.

39. REGARDING LOANS GRANTED BY FOOD CORPORATION OF BHUTAN

Some Members pointed out that no penalty should be imposed on the compound interest of Food Corporation of Bhutan loan when the loan is not paid back on time.

The Secretary, Ministry of Trade, Industry and Forests explained that no compound interest has so far been levied on loans given by Food Corporation of Bhutan. The Secretary, further explained that penalty is not imposed when the loanee abides by the rules and regulations. However, if there are instances of imposition of penalty even when rules and regulations are being properly followed by the loanee, such cases should be reported to Headquarters.

Endorsing the statement of the Secretary, Ministry of Trade, Industry and Forests, the National Assembly resolved to retain the system of loan given by the Food Corporation of Bhutan without any amendments. The National Assembly further decided that in cases of imposition of penalty even when the rules and regulations have been properly followed, the Food Corporation of Bhutan must investigate the matter thoroughly.

40. (a) ELECTION OF MEMBERS FOR ROYAL ADVISORY COUNCIL

In accordance with resolution I of the 50th Session of the National Assembly, the election for Royal Advisory Council members was conducted on the 26th November, 1979. Following are the details of the election.

i. Representative of the Central Monk Body

As endorsed by the 50th Session of the National Assembly under B-I of the procedure for election of Royal Advisory Councillors, the Assembly was

informed that Lopen Gyeltshen, Ex-Shudap was nominated in place of Lam Zeko.

- ii. People's Representative from the Districts of Tashigang, Mongar, Kurtey and Pema Gatshel.

Mr. Kesang, Member of the National Assembly of Tashigang was elected by a simple majority vote against Mr. Phuntsho Dorji of Mongar, Mr. Kuenzang Thinley of Kurtey and Mr. Norbu of Pema Gatshel.

Mr Kesang was declared elected in place of Dasho Lam Sangha

- iii. People's Representative from the Districts of Bumthang, Tongsa and Shemgang

Dasho Thubchey, Ramjam Gom from Tongsa District was elected by a simple majority vote against Mr. Tshewang Chhophel of Bumthang and Mr. Dorji Nima of Shemgang.

Dasho Thubchey was declared elected in place of Dasho Koley Lam.

- iv. People's Representative from the District of Thimphu, Dagana, Paro, Ha, Wangdiphodrang, Punakha and Gasa

Mr. Rinzin Dorji, Member of the National Assembly of Wangdiphodrang was elected by a simple majority vote against Mr. Kado of Thimphu, Mr. Sonam Dorji of Dagana. Mr. Namgey of Paro, Mr. Lhab Tshering of Ha, Mr. Namgey Dorji of Punakha and Mr. Damchey of Gasa.

Mr. Rinzin Dorji was declared elected in place of Dasho Hothey.

- v. People's Representative from Chirang and Phuntsholing districts

Dasho Pirthiman Ghaley, Royal Advisory Councillor from Phuntsholing district was re-elected by a simple majority vote against Dasho J.B. Chhetri of Chirang District.

Dasho Pirthiman Ghaley was declared re-elected as People's Representative from Chirang and Phuntsholing districts in place of Dasho J.B. Chhetri.

- vi. People's Representative from Gaylegphug and Samdrupjongkhar districts

Dasho Prahlad Gurung, Rabjam Gom of Gaylegphug from Gaylegphug district was elected by a simple majority vote against Mr. Bhim Bahadur Gurung of Samdrupjongkhar.

Dasho Prahlad Gurung was declared elected People's Representative from Gaylegphug and Samdrupjongkhar districts.

All the elected members will serve as People's Representative in the Royal Advisory Council for a period of five years.

(b) ELECTION OF ROYAL ADVISORY COUNCILLORS (PENDING)

- i. It was decided that the election of the representative from the Rabdeys (District Monk Body) would be postponed till the next National Assembly. This decision was reached because although the Central Monk Body had nominated a candidate to represent the Rabdey, there were objections raised by other Rabdeys. It was, therefore, decided that the former representative Lopen Rinchen will continue to act as the representative of Rabdeys till the next session of the National Assembly.
- ii. The Member from Ha proposed that the Assembly elect a representative in place of Dasho Tshewang Penjore as People's Representative from Ha and Paro.
In response, His Majesty commanded that a decision in this matter could be taken in the next session of the National Assembly.

41. ELECTION OF PEOPLE'S REPRESENTATIVE IN THE HIGH COURT

In accordance with resolution I of the 50th session of the National Assembly, the election of the People's Representative in the High Court was conducted on the 27th November, 1979. Following are the details of the election :

- i. People's Representative from the District of Tashigang, Mongar, Lhuntshi, Pema Gatshel, Jakar, Tongsa, Shemgang, Wangdiphodrang, Punakha, Thimphu, Paro and Ha.

Mr. Tashi Gyeltshen of Tashigang was elected by a simple majority vote against Mr. Dorji Tshering of Mongar, Mr. Kunzang Tshering of Lhuntshi, Mr. Kuenzang of Pema Gatsel, Mr. Dorji of Jakar, Mr. Kuenzang Rinzin of Tongsa. Mr. Phuntsho Wangdi of Shemgang, Mr. Lhatu of Wangdiphodrang, Mr. Bangey of Punakha, Mr. Namgey Rinchen of Thimphu, Mr. Ugen of Paro and Mr. Dhendup of Ha.

Mr. Tashi Gyeltshen was declared elected in place of Dasho Dawa.

- ii. People's Representative from the district of Samdrupjongkhar, Chirang, Phuntsholing and Gaylegphug

Dasho Jit Bahadur Pradhan, Ramjam Gom of Kalikhola, Gaylegphug district was elected by a simple majority vote against Dasho D.K. Gurung of Phuntsholing, Samdrupjongkhar and Chirang.

Dasho Jit Bahadur Pradhan was declared elected in place of Dasho D.K. Gurung.

These elected members will serve as People's Representatives in High Court for a period of five years.

42. REGARDING TIBETAN REFUGEES SETTLED IN BHUTAN

Most of the members pointed out in the National Assembly that, according to resolution 64 of the 50 session, if those Tibetan refugees who did not wish to become Bhutanese Citizens and leave, could not be sent to other countries, they would have to be repatriated. They also pointed out that while awaiting acceptance by other countries, the Tibetan refugees would have to be confined at a specific place. The members enquired whether arrangements had been made to send any Tibetan refugees to other countries. If such arrangements had not been made, when the Government was prepared to repatriate the Tibetan refugees.

On behalf of the Ministry of Foreign Affairs, the Foreign Minister explained that in accordance with the above resolution, the Royal Government, through our Delhi Embassy, had approached the Embassies of Australia, New Zealand, Canada, Norway, Sweden, Denmark, Austria and Switzerland, the countries who have been providing us assistance, whether they could accept Tibetan refugees from Bhutan. However, with the exception of Austria, the seven countries have expressed their inability to accept any Tibetan refugees from Bhutan. The Foreign Minister explained that they were probably unable to accept any Tibetan refugees because of the fact that there were already more than two million

Vietnamese refugees who have yet to be settled. Further, the cost of transporting the refugees from here would entail huge expenditure. Nevertheless, the Foreign Relations Committee of the United States Senate had agreed to recommend to their Government to accept about 1,000 refugees from Bhutan. However, in the absence of any direct relations with the United States, the Royal Government is not in a position to strongly peruse the matter further. The Foreign Minister further explained that since the National Assembly had directed the Ministry of Foreign Affairs to approach only those countries who have been providing assistance to Bhutan, the Ministry had felt hesitant to approach any other countries without the prior approval of the Assembly.

In response, many members stated that they had reported to the Assembly on many occasions that the Royal Government should establish friendly relations and diplomatic ties with neighbouring and as many other countries as possible, but the Foreign Ministry had not taken any initiative in this direction on the ground of either shortage of fund or manpower. As a result, Bhutan was unable to secure any help from other countries in the time of need. This, therefore, indicated that the Ministry of Foreign Affairs had not carried out the responsibilities entrusted to it.

The Foreign Minister replied that while he appreciated the concern of the Members, the Ministry of Foreign Affairs had not neglected its responsibilities. He explained that the work of the Ministry involved many issues, of which some were of confidential nature, and therefore, had not put up to the National Assembly.

Regarding the establishment of diplomatic ties and missions, the Foreign Minister stated that before taking any decisions, the Government had to consider the following: Firstly, the advantages and disadvantages of setting-up any diplomatic ties and missions. Secondly, the financial and manpower.

In view of these constraints, he stated that Bhutan had been unable to establish resident diplomatic mission even in Bangladesh, and had to entrust the Embassy in Delhi with the responsibilities of carrying out diplomatic relations with Bangladesh. However, since the trade transit routes are of utmost importance for our development and also for the sale of our agricultural crops at the most lucrative prices, the Royal Government and Bangladesh have decided to establish resident diplomatic missions at Thimphu and Dhaka. Similarly, depending on the financial and manpower position, the Royal Government is considering the

possibility of establishing diplomatic missions with countries with whom the relationship would prove beneficial.

The Minister of Home Affairs stated that in keeping with the decision of the 50th session of the National Assembly to confine the Tibetan refugees wanting to leave the country at a specific place, his Ministry had arranged, starting with the refugees residing in towns, to be sent to Daifam. However, this decision had been delayed considering the fact that as far as the place for confinement of these refugees is considered, it would not make any difference where, as long as it was within Bhutanese territory. Besides, while confining them at any location, the Royal Government would have to provide land, money or employment which would be a burden on the Royal Government. Furthermore, the Tibetan refugees have stated that when they reached the borders, they would enter India. The Government of India had made it clear that they would not accept any refugees from Bhutan. As it is the intention of the Royal Government to avoid any misunderstanding with India on this issue, the Royal Government has abandoned the proposal of shifting the Tibetan refugees.

In response to the trends of the discussions, the members stated that the Government had neither been able to send the Tibetan refugees to other countries nor confine them to a specific location as per the decision of the last session of the National Assembly. They expressed their strong fear that leaving the situation as it stood posed a serious threat to national security. They insisted that, in accordance with resolution 64 of the 50th session of the National Assembly, the Tibetan refugees, who refused to accept Bhutanese citizenship, must be repatriated.

Again, on behalf of the Government, the Foreign Minister explained that although the National Assembly had resolved to repatriate those Tibetan refugees, who refused to accept Bhutanese Citizenship, being a Buddhist Country and also a member of the United Nations, the National Assembly must reconsider their earlier decision, as the international law does not endorse sending refugees to any country where their lives and freedom are likely to be jeopardized. He requested the National Assembly to grant more time to the Ministry of Foreign Affairs to explore further possibilities of getting other countries to accept Tibetan refugees. He further requested the National Assembly to give the Ministry of Foreign Affairs full authority to conduct negotiations with any country, and to exchange delegations, if necessary, on the Tibetan refugees issue. In view of the fact that the presence of the Tibetan refugees is a big threat to the security of Bhutan, the Foreign Minister expressed the hope that the Government of India would extend every possible help in this regard. The Foreign Minister

also expressed the hope that give the time, Bhutan would be able to send at least half of the Tibetan refugees, who do not wish to stay here, to other countries.

His Majesty the King was pleased to state the following on the Tibetan refugees issue: In accordance with the decision of the National Assembly, more than 2,500 Tibetan refugees had already been granted Bhutanese Citizenship. There were also many Tibetan refugees in different settlement who had applied for citizenship. These applicants would also be granted citizenship after the proper formalities have been completed. The business community of Tibetan refugees had already approached His Majesty and categorically stated that despite all the facilities offered by the Royal Government they preferred to leave Bhutan. Therefore, the Royal Government had no intention of holding them back in Bhutan.

His Majesty also explained that as pointed out earlier, the Government of India had decided not to accept any Tibetan refugees. In fact, they had made it clear that even if a few refugees entered into India from Bhutan, they would be sent back. It is, therefore apparent that despite our efforts, if no country is willing to accept the Tibetan refugees who wanted to leave Bhutan, we will be left with no other alternative, but to repatriate them to their homeland. However, being a Buddhist country, Bhutan must take compassion on the plight of these refugees before implementing the earlier resolution of the Assembly.

His Majesty was further pleased to explain that the Foreign Minister has already stated that if the Ministry of Foreign Affairs was given more time and the authority to conduct negotiations and exchange delegations with any country we are certain that at least half of the refugees, if not all, could be sent to other countries. His Majesty the King was pleased to endorse the request of the Foreign Minister and expressed the hope that perhaps all the Tibetan refugees would be accepted by other countries. His Majesty urged the National Assembly to endorse the request of the Foreign Minister.

During the deliberation that followed, the members pointed out that despite all the benefits and facilities that the Royal Government had provided to the Tibetan refugees during the past eighteen years, they have still chosen to leave the country. However, in spite of all the efforts of the Royal Government, no country has agreed to accept them and keeping them here any longer would be a security threat to Bhutan. The members felt that repatriating them would not be contrary to international law, as the policy of the People's Republic of China had changed and their lives and freedom would not be jeopardized. However, despite their ill feeling towards Bhutan, being a Buddhist country, Bhutan would still consider their welfare

and postpone implementation of their repatriation. Therefore the National Assembly had adopted the following :

- a) The Ministry of Foreign Affairs has been authorized to negotiate, exchange delegations and even establish diplomatic relations, if necessary, with any country without having to go through Delhi Embassy for sending those Tibetan refugees, who have expressed their desire to leave Bhutan.
- b) The Ministry of Home Affairs will look after those Tibetan refugees, who wanted to leave the country, in ways best befitting Bhutan's security until such time as they are sent to third countries.
- c) Despite all our efforts, if we are unable to send the Tibetan refugees to third countries, they shall be repatriated in accordance with the earlier resolution of the National Assembly.

43. DRAFT INHERITANCE ACT

The Law Committee explained that they had issued the Draft Inheritance Act to all the members of the National Assembly. The Law Committee requested the members of the National Assembly to study the Draft Inheritance Act and see if it met with their approval. They stated if the members felt that there should be any amendments they may submit their suggestions to the Law Committee one month before the next session of the National Assembly so that the final draft of the Inheritance Act may be approved during the next session.

Dated, 29th November, 1979

sd/-

(Speaker)

National Assembly of Bhutan