

**TRANSLATED RESOLUTIONS ADOPTED BY THE 52ND SESSION OF THE NATIONAL
ASSEMBLY HELD FROM JUNE 10-24, 1980**

1. REGARDING UNIFORMITY OF TAXATION THROUGHOUT THE COUNTRY

The proposal to have a uniform system of taxation throughout the country had been raised in the 51st session in view of the difference in the rates of taxation between interior and other districts. This difference in the rates of taxation has also led to low revenue-returns for the government from some parts of the country, and subsequently there is also a difference in availability of government grants, subsidies and compensation. Therefore, according to Resolution No.34 adopted in the 51st session, it was decided that the People's Representatives should consult the people on the matter and discuss it during this session, and accordingly the resolution regarding uniformity of taxation would be adopted.

In this session, the public of Tashigang, Kartshog, Yueso and Bji of Ha, Chang, Babesa, Teywang and Bjimey of Thimphu, Samchi, Langthil of Tongsa, Gaylegphug, Kalikhola, Chirang, Lamidara, Mongar and Dorokha proposed that, as two systems of law is not suitable in a country, there should be uniformity in the system of law, taxation and kidug (Government assistance) throughout the country.

During the deliberation, the National Assembly felt that two systems of rules and regulations are not tenable and justifiable within a country under one king. Henceforth, all kinds of taxation payable to the government, government grants, subsidies and assistance to the people, and all form of rules and regulations should be uniform. Therefore, regarding uniformity of taxation the National Assembly resolved that the system of taxation, as practised presently in the interior districts and the government grants, assistance and compensation to the people shall be implemented in all the districts with effect from January, 1981. The Assembly further resolved that the general application of rules and regulations also should be made uniform within the country.

2. MATTER RELATING TO ECONOMIC SELF-RELIANCE

During the discussion in the session it was revealed that the revenue was not sufficient to meet the expenditure, thereby, having to seek more aid from outside sources every year. Therefore, it was discussed that ways and means should be found to be economically self-reliant so that the foreign aid need not be sought.

In this regard, most of the People's Representatives pointed out that ever since HRH Ashi Sonam Choeden Wangchuck was appointed as His Majesty's Representative in the Ministry of Finance and till now, exemption of taxes on 2 acres of land, 5 cows/bulls, 2 horses/donkeys, 10 sheep/goats and class III and IV houses has been granted for each joint family for the welfare of the poor people, for which the people are very grateful. But most of the People's Representatives proposed in this session that the exemption of such taxes should be discontinued. Because, firstly, at this juncture of development of the country, however small the sum may be, the extra revenue gained therefore may help a lot in easing the financial problems. Secondly, it has been found that the land, cattle and other properties belonging to one joint family is divided and registered in the names of various members to gain more exemption of such taxes. It has also been found that a person owing lands in number of districts also avail the exemption of taxes from each district thus leading to evasion of taxes on lands more than 2 acres per family/person. Thirdly, most of the poor people possess less than 2 acres of land. Thus the system has benefitted only people with more than 2 acres of land. Generally, compared to the previous rates of taxes, the present rates are low and it is felt that there should not be much difficulty in paying the taxes. Therefore, it was proposed that exemption of such taxes should be abolished from now onwards.

On the above issue, His Majesty the King announced his appreciation of the members' constructive proposal for the welfare of the country. However, His Majesty felt that if the exemptions are abolished completely, it would adversely effect the genuinely poor public. His Majesty informed the Assembly that the welfare of the people is most important and the cases of genuinely poor people should definitely be considered. However, His Majesty expressed the opinion that it would not be difficult to pay taxes for a family owing more than 2 acres of land, 5 cows/bulls, 2 horses/donkeys, 10 sheep/goats and higher grades of houses than class III and IV.

The National Assembly resolved that :-

- a) Families or persons, who do not have other means of income, owing two acres of land, 5 cows/bulls, 2 horses/donkeys, 10 sheep/goats or less and class III and IV houses shall be exempted from taxes.

- b) Families/persons, who own the stipulated acreage of lands, numbers of cattle/animals and the categories of houses and have any other source of income shall not be exempted from taxation. In addition, families/persons who own more than 2 acres of land. 5 cows/bulls, 2 horses/donkeys, 10 sheep/goats and houses of higher grades than class III and IV, shall also not be exempted from taxation. The stipulated taxation shall be payable with effect from January, 1981.
- c) The Dzongdas and members of Dzongkhag Yargye Tshogchung of each district should examine the categories of people/families, thoroughly and submit the report to the Government within January, 1981 for effective implementation.

3. REGARDING RE-SURVEY OF LANDS

The People's Representative of Chang and Babesa, Thimphu district pointed out that the survey of landholdings has not been conducted properly. As such, it has been found that though the acreage of land-holdings is shown less in the land-deeds, the actual acreage of such holdings are large. This has also deprived the Government of valuable revenue and the people are also not aware of the acreage of their land-holdings. Therefore, it was proposed that the Government should conduct a re-survey of land-holdings in the country and incorporate the correct acreage of land records for the benefit of both the Government and the people.

In response, the Chief of Survey informed the Assembly that the Government were aware of such facts and the Department of Survey already has plans to conduct re-survey of lands and now the work has been started in Paro. After Paro, other districts of the country will also be re-surveyed.

The National Assembly, endorsing the Chief of Survey's statement, resolved that re-survey of land-holdings in all the districts should be conducted at the earliest possible.

4. REGARDING TAXES ON SOGSHING AND PASTURE LANDS

To be able to meet the expenditure of the country from its own revenue, it was proposed by the People's Representative of Teywang and Bjimey, Thimphu district, taxes should be imposed on Sogshing (forests maintained for manure) and pasture lands. The members expressed various opinions on the proposal.

His Majesty appreciated the concern of the public to co-operate with the Government in achieving the very objectives of the economic self-reliance. However, His Majesty expressed the view that since the Land Act has recently been approved, it is not desirable to incorporate any amendments at this initial stage. Therefore, His Majesty suggested that the matter should be kept pending for discussion in future as and when necessary.

The National Assembly, endorsing His Majesty's suggestion, resolved that taxes shall not be levied on sogshing and pasture lands for the time being.

5. REGARDING MISAPPROPRIATION OF GOVERNMENT FUNDS AND PROPERTIES

As resolved in earlier session that investigation shall be conducted into cases of misuse of government funds and properties, the People's Representative of Kartshog and Yueso of Ha enquired as to what measures are being taken by the Royal Government in this regard.

His Majesty appreciated the concern of the public on the matter and informed the Assembly that since the responsibility of conducting such investigation rests with the Royal Advisory Council, it is the Council's duty to investigate such instances.

The National Assembly resolved that necessary steps should be taken as per His Majesty's command.

6. REGARDING ALLOTMENT OF CONTRACT WORKS

The members from Gaylegphug, Bhangtar and Sibsoo proposed that the contract works should be given only to the nationals firstly to enable them to get experience in the execution of work and secondly to stop the out flow of money from the country.

In response, some of the Official representatives informed the Assembly that it is also the policy of the Royal Government to get whatever works are possible done through our own people and it was resolved in the previous session to give contract works to our nationals only and accordingly whatever works are there in the respective districts, these are being granted to the people of the particular district only on tender basis. Therefore, the opinion expressed by the people are in line with the policies of the government.

His Majesty also informed the Assembly that from the beginning of the 5th Five Year Plan, except for advanced technical works in which our people lack appropriate knowledge and skill, no work will be given to non-nationals. His Majesty further commanded that in order to be self-sufficient in manpower requirements, the people and the Government should work hand in hand in all adventures.

Endorsing His Majesty's command, the National Assembly resolved that contract works should be given to the nationals only.

7. REGARDING SALE OF MEDICINAL PLANTS AND HERBS

It was proposed by the public of Lamidara that, as medicinal plants and herbs are sold by individual persons and the profit accruing thereof goes to them, the Government should establish centers with storage facilities for collection and export.

In response, the Director of Forests informed the Assembly that as resolved in the previous session, all activities relating to collection and sale of medicinal plants and herbs are undertaken by the government itself. He further informed the Assembly that as regards the export of such plants and herbs, it will be included in the 5th Five Year Plan.

The Assembly resolved that the export of medicinal plants and herbs will be undertaken as stated by the Director of Forests.

8. REGARDING TRAINING FOR AGRICULTURE WORK

The Members of Chengmari, Lamidara and Kalikhola proposed that, as Bhutan is an agrarian country, the Department of Agriculture should depute efficient and technical employees to local agricultural farms and villages in the districts to teach the farmers for the betterment of the agricultural work.

In response, the Director of the Department of Agriculture informed the Assembly that at the initial stage when the Department was established, there was an acute shortage of adequately educated people, so the Department was compelled to accept persons with low level of education and train them in the methods of agriculture to meet the demands of the time, and therefore some workers may not have been able to satisfy the needs of the farmers. The Director also said that the old batches of employees are being recalled for further training for

a duration of two years. The Director further informed that from the beginning of 5th Five Year Plan, the Department has a policy to recruit only Class VIII passed and above persons for training in Agriculture. The Director also expressed the hope that the Department would be able to extend the maximum benefit to the public.

The National Assembly endorsed the Director of Agriculture's statement and resolved that the Department should depute only trained and skilled workers to agricultural farms and extension centres.

9. **MATTER RELATING TO MANPOWER REQUIREMENTS**

The People's Representative of Sarbhang pointed out that our country is facing acute manpower shortage and requested the government to enlighten the public as to what steps are being taken. The People's Representative of Gaylegphug proposed that it is improper to have any non-nationals either directly recruited or on deputation as heads of Departments. The People's Representative of Mongar proposed that measures to meet the manpower requirements of the country with our own nationals should be taken. The People's Representatives of Lamidara and Gasengtshowom, Nahi and Thetsho proposed that the Government should reduce the number of highly paid officers by appointing royal, devoted and talented nationals with appropriate delegation of power.

In response, His Majesty informed the Assembly that as proposed by the public, it is also the policy of the Royal Government to recruit our own nationals to meet the manpower requirements of the country to achieve the goal of economic self-reliance. His Majesty further informed the Assembly that in future also all the plans and programmes of development will be formulated keeping in view the availability of required manpower from our own nationals.

The National Assembly resolved that endorsing His Majesty's statement, action should be taken to reduce the numbers of non-national employees to the extent possible.

10. **REGARDING CUSTOMS AND TRADITIONS**

The People's Representative of Chengmari pointed out that unity and loyalty are important factors in strengthening independence and achieving self-reliance. To foster unity among the people of different regions with different languages, customs and traditions, dress and food

habits, the government has already taken major steps like encouraging inter-community marriage, education of students from one part of the country in another.

Therefore, the People's Representative of Chengmari proposed that to foster unity from young age itself, the Department of Education should incorporate the teaching of various communities' customs and traditions, languages, dress and food habits in the school curriculum. Most of the members supported the proposal.

In response, the Director of Education informed the Assembly that the Department of Education has already begun taking steps in this direction and that this is also the educational policies of the Royal Government.

His Majesty appreciated the proposal of the public and informed the members that like the opinion of public as expressed in the Assembly, the Government has taken steps in this regard by establishing the National Council for Social and Cultural Promotion. His Majesty further stated that as proposed by the public, the Royal Government will make every effort in serving the interest of the country.

The National Assembly resolved that programmes to educate the people of various communities the rich cultural heritage to foster the unity among the people should be implemented

11. REGARDING TRAINING IN HANDLOOM INDUSTRY

The People's Representative of Lamidara pointed out that the Women of Eastern and Central Bhutan weave clothes to meet their requirements. In this connection, it was proposed that training in cloth-weaving should be given to womenfolks of other regions and the raw materials for cloth-weaving should be produced within the country itself.

His Majesty was pleased to command that such programme is very useful and beneficial to the public which should be undertaken by the Department of Trade and Industries.

The National Assembly, as per His Majesty's command, resolved that the programme should be implemented.

12. REGARDING DAIRY DEVELOPMENT

The People's Representative of Lamidara pointed out that the country is not yet self-sufficient in milk and other dairy products. Thus to be self-sufficient in such products, he

proposed that the Department of Animal Husbandry should take measures to increase and improve its output. He also proposed that if it is not possible to distribute exotic breed of cows, the locally available breeds of cows should be distributed.

The Director of Animal Husbandry informed the Assembly of the various problems and constraints faced by the Department in the implementation of its projects.

The National Assembly resolved that the Department of Animal Husbandry should put extra efforts to produce more milk and other allied products to be self-sufficient within the country.

13. REGARDING FOREIGN EXCHANGE REQUIREMENTS

The People's Representative of Gaylegphug requested the Government to clarify as to how the foreign exchange requirements of the country is being met. Clarification was also sought as to how the government is being benefitted from the Department of Tourism.

In response, the Finance Secretary clarified that whatever foreign ex-change were required earlier were sought from the Government of India, and after Bhutan became the member of the United Nations, the country started receiving multilateral aids. Besides, since the establishment of the Department of Tourism in 1974, the country has been earning enough foreign exchange from tourism. Therefore, since 1977, the country has been self-sufficient in foreign exchange and did not need to seek from India to meet the foreign exchange requirements.

The Director of Tourism explained the benefits derived from the Department of Tourism till now since its establishment and benefits expected to be derived from the Department in future too.

14. REGARDING PRESENTATION OF GOVERNMENT BUDGET TO THE NATIONAL ASSEMBLY

The People's Representative of Chapcha and Bjachhop proposed that the Government's Budget should be presented to the National Assembly.

The Deputy Minister, Planning Commission, informed the members that the annual budget used to be presented to the National Assembly earlier. However, as the members did not comment on the Budget, the practice was discontinued. However, if the members desired

that the budget should again be presented to the Assembly, then it would be done so from the next financial year.

The National Assembly resolved that annual budget should be presented in the National Assembly as it was practised earlier.

15. REGARDING RESTRICTION ON MISUSE OF TRADE LICENCE

The People's Representative of Gaylegphug pointed out that non-nationals procure trade licence in the national's name to run shops. Therefore, it was proposed that the Department of Trade and Industries should examine the matter and ban such misuse of trade licence.

Many members pointed out that regarding the question of misusing trade licence, it had already been resolved as per resolution 10 of the 50th session. Therefore, the question of misuse of trade licence should not have occurred. If any such instance of misuse is still prevalent, the case should be brought to the notice of the authorities for suitable action.

The National Assembly therefore, resolved that the Dzongdas and the Department of Trade and Industries should investigate the matter to ban such activities.

16. MATTER RELATING TO BUSINESS ACTIVITIES

The Representative of the Business Community pointed out that various departments and organizations of the Royal Government order its official requirements directly from outside Bhutan. Therefore, it was proposed that such orders should be made only through Bhutanese traders for their benefit. The People's Representative of Lamidara proposed that there should be uniformity in price in respect of items imported from India for the benefit of the poor public.

In response, the Director of Trade and Industries informed the Assembly that the requirements of department and organizations of the Royal Government are, till now, ordered through and supplied by Druk Tshongle (State Trading Corporation of Bhutan) based in Calcutta. The Department is considering to let Druk Tshongle handle only the commodities that come to Bhutan on quota-basis from the Government of India and let other traders/trading agencies to supply other requirements, if they are able to meet such demands.

Replying to the question of uniformity in price, the Director said that since it had been resolved in the previous sessions, the Department is working on it. However, the Director of

Trade and Industries informed the Assembly that the issues would be forwarded to the National Commission for development of Trade and Industries for its consideration. The National Assembly endorsed the Director's statement and resolved accordingly.

17. REGARDING BANK AND RATE OF INTEREST

The People's Representative of Sarbhang enquired as to how much the public and the Government have benefitted from the Bank of Bhutan since its establishment. He also sought clarification as to whether any agreement had been reached between the Bank of Bhutan and the State Bank of India at the time of its establishment. He further sought clarification as to why there was a difference in the rate of interest on loans as stipulated in the National Law and the Bank rates.

The Finance Secretary informed the Assembly that the Bank is assisting industries and commercial ventures in both the Government and the private sectors by providing funds. Whatever funds that the government require to give financial assistance (kidug) to the general public, have been procured from the Bank. He further informed that in Bhutan there are, at present, only two monetary institutions, namely, the Bank of Bhutan and the Royal Insurance Corporation of Bhutan. Apart from these two institutions, there is no other source from where funds could be borrowed.

The Secretary informed the Assembly that the Bank of Bhutan was established in 1968. However, a lot of problems and difficulties were encountered, which made smooth functioning of the institution impossible. Therefore, in 1972, an agreement was concluded with the State Bank of India to run the Bank of Bhutan in collaboration with the State Bank. Thus the Royal Government has 60 percent shares in it while the State Bank has 40 percent. All the functions relating to the Management are vested in the Managing Director while matters relating to policy guidance and procedures are decided by the seven member Board of Directors. Of these seven members, four including the Chairman represent Bhutan while the other three members including the Managing Director represent the State Bank.

The Secretary said that no mention had been made in the agreement regarding the rate of interest. Whether to increase or decrease the rate of interest is decided by the Monetary Board in the Ministry of Finance, after considering the economic situation of the country from time to time. Replying to the question relating to the difference between the rates of interest as stipulated in the National Law 1957 and the present rate of interest of Bank, the

Finance Secretary said that it had been raised in the 51st session and resolution seeking to retain the present procedure of levying interest had also been passed.

In this regard, the Chairman of the Royal Advisory Council pointed out that as resolved in the 51st session, the Chapter on loans in the National Law is being revised.

The National Assembly endorsed the statement made by the Finance Secretary and the Chairman of the Royal Advisory Council.

18. REGARDING SALE OF POTATOES TO FOOD CORPORATION OF BHUTAN

The People's Representative of Ura, Bumthang pointed out that as Bhutan is an agricultural country, the farmers have been growing more potatoes as cash crops to earn more income and proposed that the Food Corporation should accept all potatoes for sale from the public in time to avoid loss to them.

The Spokesman of the Ministry of Trade and Industries informed the Assembly that the Food Corporation of Bhutan has till now been making every possible effort keeping in view the convenience and benefit of the public. But every year the quantity of such crops increases and therefore, in some place the Food Corporation of Bhutan is not able to accept them in time because of certain problems and constraints faced by the Corporation. However, the corporation will take necessary measures as far as possible to avoid inconvenience to the public.

In this connection, the Minister for Home Affairs pointed out that the sale of cash crops is the only means of earning income for the public. If such crops are not accepted by the Corporation in time, both the Government and the public have to suffer a loss. Therefore, the Corporation should make all arrangements for accepting such crops. If still problem arises the members and the respective Dzongdas should take up the matter with the authorities concerned. In case the matter could not be solved, it should be reported to the Ministry of Home Affairs for further action.

The National Assembly, endorsing the Home Minister's statement resolved that the Food Corporation of Bhutan should make the necessary arrangements to accept potatoes from the public in time.

19. REGARDING THE ESTABLISHMENT OF EDIBLE OIL FACTORY

As resolved in the previous session and in view of the productive of large quantities of mustard seeds and availability of other seeds and fruits from which oil could be extracted, the People's Representative of Tashigang and Mongar proposed that an edible oil factory one each in Tashigang and Mongar should be established.

The Director of Trade and Industries informed the Assembly that in accordance with the resolutions adopted in the previous sessions, the Department of Trade and Industry is conducting and investigating quantity of mustard seed productions in all districts, on the basis of which the Department will decide upon the place for the establishment of the factory and its size. To set up a large factory will involve huge capital, therefore, the Department is considering to set up only small oil factories during the 5th Five Year Plan period.

The National Assembly resolved on the issue according to the statement made by the Director of Trade and Industries.

20. REGARDING SETTING UP OF AGRICULTURE-BASED INDUSTRIES

The People's Representative of Ura, Bumthang proposed that in order not to waste potatoes, which could not be exported, factories should be set up for manufacturing by products wherever feasible.

In response, the Director of Trade and Industries informed the Assembly, that the question had also been raised in the previous session and the Department is making necessary arrangements to classify superior and inferior qualities of potatoes.

He said that the potatoes of superior quality would be exported while inferior quality of potatoes and other agricultural products could be utilized for manufacturing by products. In this connection, he informed that an assistance worth about Nu.20 million in terms of equipment is expected from the Capital Development Fund (C.D.F.). He assured that as soon as the assistance is available, the proposed project will be implemented.

The National Assembly endorsed the proposal of the Director of Trade and Industries.

21. REGARDING ACQUISITION OF LAND FOR PENDEN CEMENT FACTORY

The People's Representative of Samchi pointed out in the Assembly that the Royal Government had acquired public land for setting up Penden Cement Factory. But since the factory has been set up at another site, the land already acquired for the purpose should not be allotted to any person other than the former land owners who are still landless.

The Director of Trade and Industries said that though the site for the Penden Cement Factory had been moved to other place, the land is still required by the Government as many other new factories related to Penden Cement Project are to be set up and the existence of a school at the site. The Director said that the site which has been acquired earlier is still required for the interest of both the public and the government.

In this regard, His Royal Highness, the Minister for Trade, Industries and Forests informed the House that once the public land is acquired by the Government even if any private individual is allowed to set up industrial as well as developmental projects, the tax related to these ventures will have to be paid by the individuals concerned. However, the land cannot be registered in the name of the private individuals. His Royal Highness further pointed out that in case the land is not required by the government, the first priority for purchasing the land will be given to the previous owner.

The National Assembly resolved that if the lands acquired for Penden Cement Project are not required by the Government it should not be sold to any other individuals except the previous owners of the land who are landless. Similarly, it was also resolved that in the event of sale of lands acquired by the Government in any part of the country, preference in sale shall be given to the previous owner.

22. MATTERS RELATING TO THE EXPLOITATION OF MINERALS

The People's Representative of Lamidara proposed that, instead of exporting raw materials and minerals directly, it would be better if the raw materials are processed and refined within the country itself and manufactured into goods. If it is not possible, he suggested whether it would be better to stop the exploitation of minerals for the time being.

The Director of Trade and Industries informed the Assembly that though it is the policy of the Royal Government to manufacture goods not only from minerals but also from all other raw materials for export, it could not be undertaken due to shortage of required technically skilled manpower and financial constraints. However, he informed the Assembly that the production of Penden Cement at Pagli, exploitation of dolomite at Samchi, Gypsum at

Dungsam Khothangpa, and Graphite at Bejelela, Paro will be started during the 5th Five Year Plan period.

In this regard, His Royal Highness, the Minister for Trade, Industries and Forests said that before a project is started, proper investigation has to be conducted to assess the feasibility. If thorough investigation and feasibility surveys are not conducted there might be failure of the project resulting in heavy loss for the country.

His Royal Highness further informed the Assembly that because of the cordial and friendly relations between Bhutan and India, the Geological Survey of India is rendering satisfactory services for our country even risking their own lives, and reports of studies on the availability of minerals in the country are being received regularly. He also stated that even in future the Geological Survey of India will continue to report to our Government on whatever previous minerals are available in the country.

The National Assembly resolved the setting up of mineral based industries as per the statement of the Director of Trade and Industries, and regarding the exploitation of minerals, it was decided to adhere to resolution 61st of the 50th session.

23. REGARDING FORESTS MAINTENANCE AND UTILIZATION OF TREES

The People's Representative of Chhoeckhor in Bumthang, Samchi, Chirang and Chengmari proposed that the public should be allowed to utilize trees grown in one's registered land for agricultural and domestic purposes as resolved in the earlier sessions of the National Assembly. It was also proposed that as per Home Minister's circular the imposition of penalty to the people of the locality in the event of their failure to apprehend the real culprit should be abolished.

The Home Minister informed the Assembly that forests being the only major resources and also the main source of revenue and income for the country, strict rules had to be promulgated for prevention of damages to forests. He said that the person who damages forests in a locality would invariably be a member of the local public but other members of the locality are reluctant to report the matter to the authorities concerned. He reiterated that if the situation is allowed to continue, forest damages will take place in a large scale and ultimately, the country has to face the loss in terms of forest resources and wealth. He further commented that as people do not realize the value of forest wealth and loss of revenue, it was felt that a law would be the only effective instrument in curbing such destruction, hence

the circular imposing penalty to the people of the locality, in the event of their failure to apprehend the real culprit, was issued.

The Forest Director informed the Assembly that it is important to maintain and preserve the forests. But due to shortage of manpower, the Department of Forests could not maintain all the forests in the country and had to seek the co-operation of public in this matter. He further stated that it was also very important that the public should think of forests in terms of the country's wealth and income.

Regarding utilization of trees in one's registered lands for domestic purpose, the Director said that as it has already been incorporated in the recently approved Land Act, it should be adhered to accordingly.

His Majesty was pleased to announce that as stated by the Home Minister and the Director of Forests, the preservation of forests is very important. His Majesty also pointed out that it was resolved in the previous session that the private saw mills should be closed down and when the government starts timber activities in the locality, the work contract will be given to the public of the respective locality. His Majesty assured that if the Government earns substantial revenue and profit from such ventures, welfare of the public in the respective locality from where timbers were extracted will also be looked after. His Majesty commanded that as resolved earlier, the maintenance and preservation of the forests should be the responsibility of the public of the concerned locality.

Regarding imposition of penalties, His Majesty commanded that if the public are found indulging in damaging trees intentionally for firewood and extraction of Mipchey, they will be penalized. His Majesty further commanded that if the public extract Mipchey from dried, big and matured trees, they will not be penalized.

The National Assembly resolved the imposition of penalty on the people for damaging the forests as per His Majesty's command.

The National Assembly further resolved that the maintenance and preservation of forests by the public and the utilization of trees in one's registered lands, the rules and regulations stipulated in the Land Act of 1979 and the resolutions of the previous sessions shall be effective.

24. REGARDING ROYALTY ON TREES

The People's Representatives of Talo and Chhubu of Punakha proposed that the tax of ch. 50 on trees felled for Tsogphug and Dangchu (pillars and railings) for the purpose of fencing crops should be reduced for the well-being of the public.

The People's Representative of Chengmari proposed that no royalty should be imposed on trees required for the construction of repairs of schools and dispensaries.

In response, the Director of Forests said that the forest revenues are collected for the benefit of the country and that it should not be impossible for the public to pay a royalty of ch. 50 per trees. He however, said that if it is causing difficulties to the general public, it is a matter that needs consideration. Therefore, the Director said that it is possible to reduce the tax to ch. 25 for Tsogphug (trees for pillars) and ch. 10 for Dangchu (trees for railings) each. He further said that the imposition of this tax is not of much benefit to the government. He commented that if it is given free, people would not attach much importance and misuse it. He therefore said that the need to impose tax was felt.

Replying to the proposal of People's Representative of Chengmari, the Director informed the House that only half rates were being imposed on trees requested for the construction or repairs of schools and dispensaries, which the Department of Education and Health Services have been paying.

The National Assembly resolved that ch. 25 for Tshogphug and ch. 10 for Dangchu will be imposed on trees required only for fencing agricultural and horticultural lands. It was also decided that trees required for fencing will be allotted, as far as possible, from interior species which are not useful for the government.

Regarding exemption of royalty on trees required for schools and dispensaries, the National Assembly felt that it was not necessary to come to decision on the matter, since the necessary royalties are being paid by the Departments concerned.

25. REGARDING TSERI (SHIFTING CULTIVATION)

The People's Representative of Talo and Chubu of Punakha, Nobidunghog of Tongsa, and Gasengtshowom, Nahi and Thetsho of Wangdiphodrang proposed that the government should allow the practice of 'Tseri' cultivation in one's registered land as practised earlier.

The Home Minister informed the House, that 'Tseri' land can be cultivated only once in about 10 years at the earliest. He pointed out that if all the trees grown during that period are cut down indiscriminately for tseri cultivation, it results in a loss to the country. Besides, he mentioned that the 'Tseri' farmers, though they own large acreage of lands, cannot cultivate all the 'Tseri' lands at a time to benefit them. Considering these difficulties and problems of Tseri cultivation and the development taking place in the country with the passage of time, the Home Minister informed the Assembly that there is a plan either to rehabilitate the people who are dependent on Tseri cultivation in other suitable land or the Tseri land should be converted into permanently cultivable lands.

He informed the House that according to the new Land Act 'Tseri' lands could also be converted into wet and dry fields. Therefore, he was compelled to make strict rules to restrict Tseri cultivation.

While endorsing the policy of the Royal Government, the Assembly resolved that till the government is able to make alternate arrangements, the people dependent on Tseri cultivation should be allowed to continue 'Tseri' farming within the prescribed Land Ceiling.

26. REGARDING LAND AT JAMPANI DAIFAM

People's Representative of Daifam proposed that the Government should allow the landless people to resettle at Jampani.

During the deliberation, it was revealed that afforestation programme had already been started and lot of expenditure had also been incurred on the programme. It was also revealed that some people who had been granted Kasho for land allotment at Jampani earlier were cancelled and their money were also refunded.

The National Assembly resolved that no land for cultivation shall be allotted to any one at Jampani.

27. REGARDING ALLOTMENT OF LAND

The People's Representatives of Chapcha and Bjachhop, Geta and Bongo, Gasengtshowom, Nahi and Thetsho, Chenkhar and Chirang proposed that landless people should be allotted lands as early as possible. The People's Representative of Lamidara proposed that people

who had been awarded land deeds earlier should be rehabilitated soon. The People's Representative of Geta and Bongo proposed the allotment of land for the purpose of cash crops.

The Director of Agriculture informed the Assembly that the procedure of land allotment to the landless and lands for cash crops are incorporated in the new Land Act. He also informed that the allotment of lands will be made in accordance with the new Land Act and as per the resolution on the issue passed in the previous sessions. The Director also pointed out that the Government's inability to complete the rehabilitation of these people, who have been awarded land deeds, was due to the unwillingness of the people to settle in allotted regions on grounds of inconvenience caused by distance. However, he said that the Department of Agriculture is conducting surveys as to where it would be suitable to rehabilitate them and assured that efforts are being made to complete the rehabilitation within March, 1981.

The National Assembly decided that the allotment of lands to the landless will be made as per the statement of the Director of Agriculture.

28. **REGARDING SELF-SUFFICIENCY IN FOOD GRAINS**

The People's Representative of Lamidara requested to know the plans of the government in achieving self-sufficiency in food.

In response, the Director of Agriculture said that achievement of self-sufficiency in food is very important and as per His Majesty's command, the Department of Agriculture had been taking measures to achieve self-sufficiency since 1976. In 1976, the country had to import 10,000 tons of food grains. But over the years import had been decreasing and in 1979, only 5,000 tons were imported. If everything goes well according to the plans, the country will be self-sufficient in food by 1985 and there would be no need to import food.

29. **REGARDING BLACK-TOPPING OF LAMIDARA ROAD**

The People's Representative of Lamidara requested the government to complete the black-topping of Lamidara road.

In response, the Secretary General, Ministry of Development, informed the Assembly that the black-topping of Lamidara road was included in the plan. Besides, major works on the road have been completed and vehicles have also begun plying on the road without any

problems. He therefore said that in view of other important commitments, it was felt that the work should be taken up later whenever convenient to the government.

In this regard, His Majesty commanded that since it was a minor issue for the Assembly to resolve upon, the works of black-topping the Lamidara road should be decided in consultation among the Dzongda, the public and the public works department.

The National Assembly endorsed the statement of His Majesty.

30. ESTABLISHMENT OF DISPENSARY AT NUBIDUNGHOG, TONGSA

The People's Representative of Nubidunghog, Tongsa, requested the government to provide materials and wages to the workers for the construction of the dispensary.

The Director of Health Services informed the Assembly that enough hospitals, dispensaries and Basic Health Units have been established throughout the country. He also pointed out that as per His Majesty's command, quality of services and the standard in the existing hospitals/dispensaries were to be improved. Hence the Department did not make any provisions for new schemes. The Director further informed that the Health Units/Dispensaries are established for the general welfare of the people and as such there is no practice of paying wages.

On this point, His Majesty clarified in the Assembly that the decision to limit further establishment of dispensaries and health units have been taken with a view to concentrate on the improvement of the quality of doctors, health workers and equipment in the existing hospitals. His Majesty further pointed out that proper training for doctors and installation of standard equipment in the existing hospitals could not be undertaken, as a result of which our people still have to go abroad for treatment. His Majesty however, stated that if the requirement of a dispensary at Nubidunghog is genuine and the people are willing to provide free labour, the establishment of the dispensary during the 5th Five Year Plan will be considered after conducting proper studies by the Department of Health Services.

The National Assembly resolved the issue as per His Majesty's statement.

31. REGARDING EMBANKMENT AT PAGLI RIVER

People's Representative of Samchi requested that works on the construction of embankment along Pagli river should be started as resolved in the 50th session.

The Director of Agriculture informed the Assembly that as per the resolution of the 50th session, the Department of Agriculture should undertake the construction of embankments and accordingly investigation team had been sent to Pagli to conduct the surveys. He pointed out that it was revealed after investigation that the cost of embankment along the river was about 30,00,000.00 Ngultrum, whereas the total acreage, of which only 31 acres were cultivable lands. He, therefore, felt that the cost did not justify the project, and major construction works could not be taken up. He, however, said that in view of the threat to the public, it was decided to undertake minor works at strategic points only. The Director further informed that as resolved earlier, labour was to be provided by the public themselves while materials were to be provided by the government, and in this connection, the Department of Agriculture had supplied 9,600 sq.ft. of wire nets and works are still going on. He also informed the House, that the Department will continue to undertake the work in this manner even in future.

The National Assembly resolved that works on the construction of embankments along Pagli river will be undertaken as stated by the Director of Agriculture.

32. REGARDING TRAINING FOR SKILLED WORKERS

The People's Representative of Mongar proposed that an institute for the training of personnel required in Government Departments and other industrial Organizations should be established.

On the above proposal, the Director of Trade and Industries informed the Assembly that the country needs at present about 2000 workers ranging from skilled workers to engineers and to meet this requirement, there is a plan to train the required manpower in co-operation and consultation between the Department of Education, Manpower and Trade and Industries from the 5th Five Year Plan. He further informed that for the time being, on the job training programme in Industrial Organizations has been started since last year after recruiting people from Mongar and Dungsum. The Director also stated that in this way, measures are being taken step by step to meet the requirements of the country with our own nationals.

The National Assembly decided as per the statement of Director of Trade and Industries.

33. MATTERS RELATING TO MINISTRY OF FOREIGN AFFAIRS

The Ministry of Foreign Affairs presented its reports to this Session of the National Assembly. Commenting on the report, the People's Representatives of Chengmari and Sibsoo expressed their satisfaction with the works of the Ministry and happiness on the election of the leader of Bhutanese delegation as Chairman of the 36th session of ESCAP at Bangkok, Thailand this year.

34. REGARDING ROYAL BHUTAN AIRLINES

The People's Representative of Luni, Wangchang and Humrey of Paro and Teywang and Bjimey of Thimphu enquired as to why the commencement of airline service has been delayed till now though the decision to start the air service had been resolved in the previous session. The People's representative of Kartshog and Yueso of Ha and Lamidara requested to know whether the proposed airline service will be operated only between Bhutan and India or it will also operate between Bhutan and third countries. They also enquired whether passengers from third countries would be able to come to Bhutan directly or not after the establishment of the airlines service. The People's representative of Teywang and Bjimey of Thimphu and Sarbhang sought clarification of the government as to who will possess the airline once it is established.

The Foreign Minister said that as per resolution of the National Assembly the government has not neglected the matter but is pursuing it actively. He, however, said that due to frequent changes in the government of India last year, the matter could not be finalized uptil now.

However, the Minister informed the House that after the formation of the government of Congress (I) in India, His Majesty paid an official visit to New Delhi during which discussions on the establishment of the airlines were held. He also said that the Government of India has given assurance of their assistance in this matter. He further informed the Assembly that construction of some houses have been started at Paro airfield and order for some small aircrafts have been placed by the government of India. The Foreign Minister stated that it is important to conclude proper agreement between the two countries before the

commencement of the airlines, for which a delegation will be visiting India soon to finalize the matter.

Regarding the operation of flights, the Foreign Minister explained that it is the plan of the Royal Government to operate flight between Paro and Calcutta for the time being, because to have direct airlink with third countries was not feasible due to financial reasons and lack of required facilities. Moreover, Calcutta being an International Airport, International Airlines to any destination are available there without any problem. Therefore, he said that it is not necessary to have direct link with third countries at present.

Regarding the entry of passengers from third countries directly into Bhutan, the Foreign Minister said that the point raised by the public in this connection will be given due consideration when negotiation for the agreement is conducted.

Regarding the right of ownership of the airlines, the Foreign Minister said that the airlines service will be under the possession of Royal Government of Bhutan and may be named as Royal Bhutan Airlines.

However, the Foreign Minister explained that due to unavailability of trained manpower, assistance for the management and operation will be sought from the government of India for the time being. He further informed that the government of India has also given assurance that it will help in training of our nationals, and once they are trained our nationals will look after the management and operation of the flights.

The Foreign Minister further informed that the government is not aware whether the airline service will be profitable or not, but it is a matter of prestige for a country to have airlines service. He said that it has been decided to start the airline service positively and there may be two schedule of flights to Calcutta per week. The Minister also informed that according to international practice, when we start operating our airlines to other countries, aeroplanes from such countries can also land in our country. He said that there will be no problem if such countries desire to operate their airlines to Bhutan.

The National Assembly was of the opinion that the issue of establishing the airlines had been going on for a long time. Therefore, the Assembly resolved that airlines should be established and operated positively at the earliest possible.

35. REGARDING P-FORM CLEARANCE CERTIFICATE

The People's Representative of Gaylegphug enquired whether there is any objection if our nationals desire to travel to third countries. He also sought clarification on the need for P-Form Clearance Certificate.

In response, the Foreign Secretary informed the Assembly that the P-Form Clearance Certificate was required not only for the Bhutanese but for Indian nationals also. The system of the P-Form Clearance Certificate was established to eliminate the problem of using foreign exchange to buy air tickets to go abroad. This system had posed a lot of problems to our people going abroad in the past. But in January 1978 the system of P-Form Clearance Certificate had been abolished. Since then there has been no problem regarding P-Form Certificate.

36. MATTER RELATING TO DIPLOMATIC RELATIONS WITH OTHER COUNTRIES

The People's Representative of Teywang and Bjimey of Thimphu requested to know whether any problem will arise from India if we establish diplomatic relations with third countries.

In response, the Foreign Minister informed the Assembly that 10 percent of our country's present internal revenue are required for the running of the existing embassies, including the Ministry of Foreign Affairs, secondly, he said that the country does not have enough educated manpower to meet the requirements. Therefore, while establishing diplomatic relations, the Foreign Minister suggested that the benefit to our country from such relations should be considered carefully.

However, if it was necessary, there is no problem of establishing diplomatic relations with any country even if there is financial constraints. The Foreign Minister also expressed the view that there was no need at present to establish diplomatic relations with new countries, as Bhutan already has good contracts with all countries through the Royal Bhutanese Embassies in India and Bangladesh and the Permanent Mission of Bhutan to the United Nations in New York.

The Foreign Minister further informed that the UNDP Resident Representative in Bhutan will be redesignated as Representative of the United Nations to Bhutan as resolved in the last session of the UN General Assembly.

37. MATTER RELATING TO FOREIGN AID

The People's Representative of Kartsog and Yueso of Ha, suggested that to avoid future political implications as a result of seeking aid only from one country, the Government should seek loans from the World Bank.

The People's Representative of Teywang and Bjimey of Thimphu sought clarification about countries which have given us aid and in what form. It was also requested as to how our country is being benefitted by such aid.

In response, the Foreign Minister informed the Assembly that for the 4th Five Year Plan, the country received assistance worth Nu.62,71,000,00 from India and Nu.32,60,000,00 from UN Agencies and other countries. The Foreign Minister said that for the 5th Five Year Plan, it is expected to receive more aid. The Minister also explained that these aids were given free and we do not need to repay it. He further stated if loans are sought, we not only have to return the capital but also pay interest on it which might create various problems in the event of our country's inability to pay. The Minister said that regarding policies on seeking aid and loans from various agencies and countries, it is not the responsibility of the Ministry of Foreign Affairs to make the policy. The Ministry, he explained, will only execute the policy once such policy has been formulated by the Government.

His Majesty commanded the Planning Commission to submit a detailed report on countries which have granted aids, the quantity and form, the benefit derived by the country from such aids and the government's policy on the issue.

38. REGARDING AID FROM UN AGENCIES

The People's Representative of Gaylegphug requested to know as to how much aid the government had been receiving from UNDP and how such aid is being utilized by the government.

In response, the Deputy Minister, Planning Commission informed the Assembly that since 1972 to 1980, the UN aid programme has completed its second phase. He also said the country has been receiving aid from about seven UN Agencies in the form of machinery/equipment, salaries of Experts and other staff. According to the Deputy Minister the country received 30,70,000.00 dollars in the first phase and 360,000,00.00 dollars in the second phase. He further said that the third phase of the UN aid programme coincides with the 5th Five Year Plan and though no decision on the volume of aid has been known, yet it is

expected to receive more aid this time. He also said, the International Fund for Agriculture development is expected to give 22, 500,000.00 US dollars in the 5th Five Year Plan and studies are being conducted to determine the form in which the aid should be given. He explained that the aids received from UN Agencies were utilized in Agriculture, Animal Husbandry, Forests, Industries, Education, Health Services, Public Work Department, Department. of Posts & Telegraphs, Transportation and Workshops.

39. REGARDING RELATIONS WITH BANGLADESH

The People's Representative of Gaylegphug pointed out that the public is extremely happy about the establishment of diplomatic relations with Bangladesh and the exchange of resident Ambassadors between Dhaka and Thimphu. In this regard the Government was requested to enlighten the public on the trade and other bilateral relations.

The People's Representative of Sarbhang asked the government whether ordinary Bhutanese could visit Bangladesh.

In response, the Foreign Minister informed the Assembly that after the establishment of diplomatic relations with Bangladesh and subsequent exchange of resident Ambassadors, exchange of official delegation had also taken place. He further stated that most students were being sent to India for higher education, but in view of the cordial and friendly relations, Bangladesh has also offered scholarships for 10 students every year for medical, engineering and agriculture courses.

He also informed that except for signing, all the documents relating to trade agreement with Bangladesh have been completed. He also expressed that the trade activities between the two countries are expected to start soon.

Regarding the visits of any Bhutanese citizen to Bangladesh, the Foreign Minister explained that the exchange of Ambassadors signifies the good relations between the two countries, therefore there is no restriction on travel to Bangladesh. Instead the people of that country would welcome the visit of our people.

Replying to the question on trade activities between Bhutan and Bangladesh, the Director of Trade and Industries informed the Assembly that the Government is making necessary arrangements on trade routes with Bangladesh for export of minerals, agriculture products and forest resources and expressed the hope that trade relations between the two countries

would greatly be improved. He also stated that moreover Bangladesh has got keen interest in helping us in this matter, about which we are extremely happy.

40. MATTERS RELATING TO INTERNATIONAL BOUNDARIES

The People's Representative of Tsakaling of Mongar pointed out that as resolved in the last session the government were to discuss issues relating to the international boundaries with India and report to the National Assembly. The Government, therefore, it is requested to inform the public of the progress made so far.

Regarding the southern boundary, the Chief of Survey informed the Assembly that except for a small portion of boundary in Gaylegphug region, other boundary disputes have been settled with India and as resolved in the last session of the National Assembly, the matter has been taken up with the government of India. He explained that, due to politically unstable situation prevailing in Assam, the Government of India expressed the desire to take up the matter when the situation in Assam improves.

Regarding the northern boundary, the Chief of Survey informed that as resolved in the last session, the Government is collecting documentary evidences in preparation for holding negotiations with the Chinese Government. The Chief of Survey stated that definite decision regarding the negotiations of our northern border would be taken after completing all the preparations.

As per resolution of the previous session, the members of National Assembly pointed out that traditional undemarcated open border was a constant threat to our security and therefore to resolve and to safeguard the security of our country, the negotiations for the demarcation of the northern boundary should be undertaken at the earliest possible. The Assembly further resolved that the settlement of pending boundaries in Gaylegphug region should be taken up immediately after the situation in Assam improves.

41. REGARDING PASTURE-LAND ALONG THE NORTHERN BORDER IN HA DISTRICT

The People's Representative of Bji, Kartshog and Yueso of Ha pointed out that the public of Ha and Chinese graziers used to share the pasture-land along the border till now, but the Chinese graziers are demanding grazing fee. Therefore, the government is requested to settle this dispute with the Chinese government as soon as possible.

The Chief of Survey stated that pasture-lands on both sides of the boundary were traditionally utilized by both the Bhutanese and Chinese graziers, thus it is not a new phenomenon. Regarding the grazing fee, the Chief of Survey stated that it would be decided only after negotiations between the two countries and therefore the payment of fees to the Chinese graziers and vice-versa does not arise. However, if the public is facing serious problems, the Chief of Survey assured the House that he would go to the area and conduct necessary investigation on the issue.

The National Assembly endorsed the Chief of Survey's statement.

42. REGARDING DETERMINATION OF DISTRICT BOUNDARIES

The People's Representative of Tongpa of Shemgang proposed that when surveys for the determination of district boundaries are conducted, old land records of the district concerned should be consulted.

In response, the Chief of Survey stated that generally demarcation of district boundaries are conducted in consultation with the land records of the district. However, in some cases where it is not possible, he requested the Assembly whether the matter could be decided in consultation with the Ministry of Home Affairs.

The National Assembly resolved that in such cases of problems in the demarcation of the boundary, the Dzongda, Assembly Members, public of the respective districts and the officials of the Survey Department should decide the matter in consultation with the Ministry of Home Affairs. The Assembly also resolved that in general case whenever demarcation of district boundaries are carried out, it should be referred to the old documents and land records of the districts concerned.

43. REGARDING WATER TRANSPORTATION

The People's Representative of Teywang and Bjimey, asked the government as to when it is going to start the water transportation system as resolved in the previous session.

In response, the Director of Trade and Industries informed the Assembly that the United Nations had been requested to provide funds which has been committed. He further said that the Government of India has also given assurance to provide assistance in this connection. He therefore, explained that our government is at present conducting investigation and surveys to determine where such water transportation system is feasible which is expected to start it soon and a report will be submitted to the National Assembly.

44. REGARDING RESTRICTION OF POSSESSION OF LAND, MONEY AND HOUSE OUTSIDE BHUTAN

The People's Representative of Lamidara and Gaylegphug pointed out that possession of land, money and house outside Bhutan by the nationals may constitute a risk to the security of the country. Therefore, it was requested to the government to enforce the rules and regulations strictly without distinction.

The Minister for Home Affairs informed the Assembly that according to the National Law, persons possessing land and house outside Bhutan are not considered to be citizens and are recognized as foreigners. He stated that circulars have been issued and investigations are being conducted in this regard.

Regarding deposit of money in Banks outside Bhutan by nationals, the Finance Secretary informed that there are no rules and regulations relating to the deposit of money in Banks outside Bhutan by nationals and deposit of money by non-nationals in the Bank of Bhutan till now. However, the Ministry of Finance is drafting a policy on monetary regulations which would be submitted to the Cabinet and eventually presented in the next session of the National Assembly.

The National Assembly resolved that rules and regulations shall be strictly enforced, regarding possession of land, house and money by nationals outside the country.

45. REGARDING EXEMPTION OF CONSCRIPTED LABOUR SYSTEM (SHAPTOLEMI)

The People's Representative of Toebesa, Thimphu proposed that the system of conscripted labour should be abolished.

During the deliberation, it was revealed that question of abolishing this system was raised in the previous session and it was decided to retain the system of conscripted labour. However,

if the abolition of the system would elevate the difficulties of the general public, it should be abolished. Moreover, this system is not practised in southern districts and in view of the decision to have uniform laws throughout the country, it should be dispensed with.

Therefore, the National Assembly resolved.

- a. The system of conscripted labour shall be abolished with effect from 1981.
- b. That in the event of requirement of labour for the government, the required conscripted labour should be provided depending on the number of members in a household, however, if there is any justification for their inability to contribute such a conscripted labour, they should be exempted by the respective Dzongda, National Assembly Members and the Gups.
- c. That the census record, which is prepared only after a period of two-three years in southern districts, shall now be prepared every year as practised in the interior districts; and
- d. That Thenchhas (free labour provided by the villagers) for the Gups will be abolished from 1981 as the Gups will be expected to get salaries from the government. If salaries are not provided to the Gups, the government will make provision to provide alternative facilities to the Gups.

46. REGARDING PROPOSAL FOR SITTING OF A HINDU PANDIT IN THE ASSEMBLY HALL

The People's Representative of Lamidara suggested that as Hindu religion is followed by most of the people in southern Bhutan, a seat should be given in the Assembly Hall to a Pandit.

During the deliberations, the Assembly felt that Hinduism being a religion followed by most of the southern Bhutanese is an important one, but the constitution of the National Assembly has limited the number, and category of members. The Assembly also observed that although Buddhism is the state religion of the country, still some of the provincial monastic bodies (Rabdeys) could not be accommodated in the membership. Therefore, the Assembly felt that if a seat is given to a Pandit, the Rabdeys and other Monastic Institutions, which have not been provided seats in the Assembly so far, would also demand seats, which would

then create problems and also go against the constitution of the National Assembly. The Assembly, however, suggested that there will not be any restriction for a Pandit to attend the National Assembly provided he is elected as representative of the people but he should abide by the norms and procedures of the National Assembly applicable to other public members.

The Assembly resolved that no separate seat for a Pandit shall be given in the Assembly Hall.

47. REGARDING HA WANGCHUKLO DZONG

The People's Representative of Kartshog and Yueso of Ha pointed out in the Assembly that Ha Wangchuklo Dzong had been given to the IMTRAT to be used as Military Training Centre for 15 years only. In view of the fact that the terms of 15 years had expired and being not in the interest of the public, it was proposed that the Dzong should be returned to the public. Based on this proposal, some members said that our own army should be able to look after the defence and security of the country and military team from any other country should not be stationed in Bhutan.

The Representative of the Royal Bhutan Army informed that defence and security of nation being very important, it was found necessary to establish our own army. But at the initial stage of establishment, there were no qualified personnel to train our armed forces. Therefore, the representative explained that our government had to seek the necessary assistance from the government of India. He further explained that when the Indian Training Team arrived in Bhutan, proper accommodation and facilities were not available then. Thus, he said, the Ha Wangchuklo Dzong was given to them for accommodation.

The Representative further informed the Assembly that if the training personnel have caused problems to the public, the complaints should be reported to the Royal Bhutan Army Headquarters for necessary action.

Regarding the continuation of military training programme, the Representative of Royal Bhutan Army stated that the new batch of soldiers who are recruited annually must be given training. He explained that the training programme is a continuous process, not only in Bhutan but also in other countries. The Representative also stated that the number of trained personnel in the armed forces is increasing and gradually our own defence personnel would be in a position to safeguard the security of the country.

His Majesty the King was pleased to inform that Ha Wangchuklo Dzong has been given to the Indian Training Team as temporary accommodation. His Majesty suggested that if the Ha people have genuine grievances, then the Dzong could be vacated but providing alternative accommodation would pose financial difficulties. His Majesty further suggested that Royal Bhutan Army and the public of Ha should discuss and settle the question keeping in view the mutual benefits and problems.

The National Assembly resolved that regarding Ha Wangchuklo Dzong, the matter should be settled after discussion between the Royal Bhutan Army and the public of Ha district as per His Majesty's suggestion.

48. MATTERS RELATING TO PEOPLE'S REPRESENTATIVE IN THE ROYAL ADVISORY COUNCIL

The People's Representative of Kartshog and Yueso of Ha and Paro proposed that an election for the People's Representative in the Royal Advisory Council from Ha and Paro district should be conducted in this session.

The Home Minister told the Assembly that if a People's Representative is elected from Paro and Ha districts in the Royal Advisory Council, other would also demand one People's Representative for each two districts. This would cause administrative problems and the government also cannot accept it. Regarding the election of more people's representatives the Home Minister said that important question is the loyalty of the people and not the strength of the people's representatives. He also told the members that the candidates from Ha and Paro were also given equal opportunity along with candidates from other district to contest the election to the Royal Advisory Council in the last session without any discrimination.

The National Assembly, keeping in view that the People's Representative to the current term of the Royal Advisory Council had been elected in the 51st session, resolved that People's Representative of Ha and Paro for the Royal Advisory Council shall not be accepted for the time being.

49. MATTERS RELATING TO SPEAKER OF THE NATIONAL ASSEMBLY

The People's Representative of Chapcha and Bjachhop proposed that the Speaker of the National Assembly, whichever category he is elected from, should compulsorily be the member of the Lhengye Shungtshog (Cabinet) and other policy-making committee.

This suggestion was accepted by the Royal Government.

50. MATTER RELATING TO DELEGATION OF POWER TO THE REGIONAL OFFICERS

The People's Representative of Lamidara proposed that the Regional Officers in the districts should be delegated with adequate executive power.

The People's Representative of Chapcha and Bjachhop pointed out that if the departmental representatives in the Dzongkhag Yargye Tshogchung are not vested with adequate executive authority, the resolutions of the Dzongkhag Yargye Tshogchung are rendered ineffective.

His Majesty was pleased to inform the Assembly that from the 5th Five Year Plan, all development plans will be formulated after consultation with the public of the district concerned. Thereafter, the plans will be presented in the National Assembly for its approval. Therefore, His Majesty commanded that the responsibility of the Dzongkhag Yargye Tshogchung is to implement only the approval plans.

His Majesty further informed that since the 4th Five Year Plan is coming to an end, it is not necessary to hold discussion on the issue.

The National Assembly endorsed His Majesty's command.

51. REGARDING INVESTIGATION ON ILLEGAL RESIDENCE

The People's Representative of Geta and Bongo pointed out that Bhutanese people who had once left Bhutan again come back and disguise themselves as Bhutanese citizens to take advantage of facilities and benefits extended by the government towards the citizens. Therefore, it was requested that an investigation of such cases should be undertaken.

The Home Minister, appreciating the proposal stated that instances of such cases should be restricted in the interest of the country. He, however, said that since government alone would not be able to tackle the problem, the public should render full co-operation in this regard for effective implementation. He, therefore, suggested that the Assembly Members and the Gups should conduct strict investigation at the time of yearly compilation of census record and report the existence of such cases to the government for suitable action.

The National Assembly endorsed the Home Minister's suggestion and resolved accordingly.

52. REGARDING SERVICE COMMISSION

The People's Representative of Sarbhang and Chengmari proposed that a Service Commission, headed by His Majesty, must be formed to look after the appointment, promotion and demotion of Government servants according to their educational qualifications and capabilities.

Speaking on behalf of the government, the Foreign Minister said that in this regard, a special committee has already been formed and members nominated as per His Majesty's command. He further stated that from now onwards, this committee will look after the appointments and promotions of all government servants on the basis of their educational qualifications, abilities, seniority and loyalty to the King and the Country. The Committee will also ensure uniformity in service conditions of all government servants.

The Minister further said that the committee will not have a Chairman and all the members will have equal power. The Finance Secretary will be the Secretary of the Committee

The National Assembly endorsed the statement of the Foreign Minister.

53. REGARDING PELDEN DRUKPAI DIGLAM NAMZHA (NATIONAL CUSTOMS & TRADITIONS)

The People's Representative of Gasentshogom, Nahi and Thetsho proposed that as it is the responsibility of every Bhutanese to observe Pelden Drukpai Diglam Namzha, the Bhutanese diplomats residing in Royal Bhutanese Embassies in foreign countries should also wear formal national dress on all official functions.

In response, the Foreign Secretary explained that Bhutanese diplomats residing in foreign countries are wearing formal national dress on official functions do not permit them to wear the national costumes on rest of the times.

The Home Minister informed the members that the question relating to Pelden Drukpa Diglam Namzha have been raised frequently and resolved in the previous sessions of the Assembly. However, he remarked that some of our government officers are still reluctant to observe the customs. He further explained that the Pelden Drukpa Diglam Namzha which symbolises our country's independence and sovereignty, is very important for our people to observe and abide by it.

Replying to the question on teaching Pelden Drukpa Diglam Namzha to the people, the Home Minister explained that it was not necessary to teach Pelden Drukpa Diglam Namzha separately, as once the head of the department enforces it, it can be learnt easily. Most of the members recommended the Home Minister's view.

Therefore, the National Assembly resolved as per the statement made by the Home Minister.

54. REGARDING APPROVAL OF THE INHERITANCE ACT

In accordance with Resolution No. 43 of the 51st session, this Session approved the draft Inheritance Act after revision of two sections.

- a. Section Ga/2-2 has been cancelled as Ga/2-13 serves the purpose of Ga/2-2.
- b. Section Ga/2-40 has been amended as below.

“ A member of a joint family having equitable rights of inheritance of the main house with the other members, if forced to leave the main house after the death of both the parents, he/she shall have equal rights with other members of the family and shall have the right to claim a value of a proportionate portion of the house as his/her rightful share”.

55. MATTER RELATING TO JUDGES

The People's Representative of Chapcha and Bjachhop pointed out that Judges have been touring villages, explaining the procedures of law to the people, thereby, causing

unnecessary expenditure to both the Government and the public. Therefore, he requested that copies of such Acts/Laws should be distributed to Gups and Chimis who will explain them to the public.

His Majesty the King explained that the Judges were busy as it is with their daily works and the Government will not send the Judges to the villages without any specific assignment. His Majesty, however, commanded that sometime Judges, have to be sent to the villages to conduct investigation in connection with various cases for the well-being of general public. Therefore, His Majesty commanded that the deputation of Judges in the villages is the discretion of the government.

However, His Majesty was pleased to command that if the villages have any problems caused from the tour of the Judges to the villages, such matter should be reported to the Home Ministry through the respective Dzongdas for suitable action.

The National Assembly endorsed His Majesty's command.

56. REGARDING RESTRICTION ON SLAUGHTER OF ANIMALS

The Representative of the Central Monastic Body pointed out that the people have been allowed to offer vegetarian and non-vegetarian food to the Monk Body for performing religious ceremony till now. Venerable Tshenyi Lopen, on behalf of the Central Monastic Body requested the Royal Government to regulate strict laws for slaughtering of animals by the public for the purpose of offering it to the Monk Body. He further requested to the Government to restrict the slaughter of animals to lessen the general consumption of meat. His Majesty appreciated the desire of the Central Monastic Body to become vegetarian.

The Assembly resolved that from now onwards whenever food offerings are made to the Central Monastic Body (Dratshang), Rabdey and any other Monk Societies only vegetarian food should be offered and slaughtering of animals exclusively for offering to monk societies shall not be allowed.

57. REGARDING ISSUE OF CITIZENSHIP IDENTITY CARD RULES

In accordance with the resolution Nos.45 and 36 of the 50th and 51st sessions, the Director of Registration presented a report on the rules and regulations of issuing Identity Cards to the Bhutanese Citizens.

The National Assembly approved the Citizenship Identity Cards Rules and resolved that it should be enforced as early as possible.

58. MATTERS RELATING TO TIBETAN REFUGEES

In accordance with the resolution of the 50th and the 51st sessions of the National Assembly, it was resolved that the Tibetan refugees, who have expressed their desire to leave Bhutan, should be sent to third countries, if not possible, they should be repatriated to their homeland. On this issue, the People's Representatives of Tsakaling of Mongar, Daifam and Bhangtar requested the Government to inform the public as to how many Tibetan refugees are being sent to third countries. If no third countries are willing to accept them, then the decision to repatriate the Tibetan refugees must be finalized in this session.

In response, the Foreign Minister informed that as per resolution of the 51st session of National Assembly the Foreign Ministry had been conducting the negotiations with third countries for sending the Tibetan refugees who refused to accept Bhutanese Citizenship and expressed their desire to leave the country.

In the meantime, the Foreign Minister informed that during His Majesty's official visit to New Delhi in February 1980, Mrs. Indira Gandhi, the Prime Minister of India, offered to accept the Tibetan refugees who refused to accept Bhutanese Citizenship.

The Foreign Minister also explained that the Ministries of Foreign and Home Affairs jointly conducted the investigation and found that 3,479 Tibetan refugees had applied for Bhutanese Citizenship, of which 2,500 persons were already granted citizenship by His Majesty. He further said that the list of names of 2,910 Tibetan refugees, who refused to accept Bhutanese Citizenship, including self-supporters and those rehabilitated in settlement and their properties, has been sent to the government of India.

The Foreign Minister further explained that as the government of India has offered to accept the Tibetan refugees, who refused to accept Bhutanese Citizenship, it is not necessary to

repatriate them to their homeland as resolved in earlier sessions, and our government is also making all arrangements to send them to India as soon as possible.

His Majesty, endorsing the Foreign Minister's statement, explained that during His Majesty's visit to New Delhi, Mrs. Indira Gandhi, the Prime Minister of India said that if the Tibetan refugees, who refused to accept Bhutanese Citizenship constituted any problem to Bhutan, the government of India is prepared to accept them, His Majesty also informed that our government has furnished the necessary details of such Tibetan refugees and their properties to the government of India. In this regard, His Majesty stated that in view of the serious concern of the people for the security of the country as expressed in various resolutions adopted by the National Assembly, and due to the satisfactory execution of the responsibility entrusted to the Ministry of Foreign Affairs, the issue has now been successfully resolved.

Regarding the Tibetan refugees who have applied for Bhutanese Citizenship, His Majesty stated that citizenship has already been granted to 2,500 out of 3,479 persons, and the government is considering to render assistance in agriculture and livestock to them. His Majesty also stated that after having sent the Tibetan refugees to India the land which are occupied by them at present would be distributed free of cost to the Tibetans who have applied for citizenship and also our landless people.

The Members of the National Assembly expressed the opinion that the decision to repatriate those Tibetan refugees to their homeland who refused to accept Bhutanese Citizenship in the event of the refusal of third countries to accept them, has been taken repeatedly in the previous sessions. The members also felt that our government has not repatriated them when they could not be sent to third countries.

The National Assembly felt that though the Tibetan refugees have harboured ill-will, both in thought and action, towards us, our government has always treated them with compassion and kindness keeping in mind their welfare. Lastly, the Assembly expressed its happiness that the government of India has offered to accept Tibetan refugees in view of our cordial and friendly relations with India.

The National Assembly felt that if the decision to send the Tibetan refugees, who are unwilling to accept Bhutanese Citizenship, to India is delayed further, their existence in the country would endanger security. Therefore, the National Assembly resolved that if the

government of India decided to accept those Tibetan refugees who are desirous of leaving Bhutan, the Royal Government of Bhutan should not delay any further in sending them to India.

59. ELECTION OF REPRESENTATIVES OF RABDEYS TO THE ROYAL ADVISORY COUNCIL

In accordance with resolution No. 40 (2) of the 51st session of the National Assembly, the election of the Representative of Rabdeys was conducted on June 21, 1980.

Lam Nim Tshering, National Assembly Member of Wangdiphodrang Rabdey, was elected by simple majority vote against National Assembly Member of Rabdeys, Gelong Dawa Tshering of Paro, Lam Jampel of Tongsa, Gelong Chhoephela of Lhuntshi and Gelong Tenzing Dorji of Tashigang. Lam Nim Tshering was declared elected as the Representative of Rabdeys in the Royal Advisory Council in place of Lopen Rinchen for a term of five years.

Matters kept pending for further discussion in the next session.

1. Regarding increase of Commercial and Industrial taxes

In order to be economically self-reliant, it was proposed by many members of the National Assembly that commercial and other industrial taxes should be increased.

In response, the Finance Secretary informed the Assembly that the Government is trying not to rely on only land and other revenues from the public. He also informed that the government has constituted a National Commission for Development of Trade and Industries to formulate plans and policies to increase taxes on commerce and industry. He said that if the plan is successful, the government will be able to double the amount of revenue.

His Majesty pointed out that if only taxes are increased it might prove to be counter-productive and harmful to our industry and commerce. His Majesty commanded that the National Commission for Development of Trade and Industries is at present in the process of framing plans and programmes to develop and improve the industry and commerce, and after the finalization of the plans and programmes, it will be

presented to the National Assembly. His Majesty further commanded that the proposal to increase commercial and industrial taxes should be kept pending for discussion in the next session of the National Assembly.

The National Assembly endorsed His Majesty's command.

2. Regarding improvement of Project to achieve economic self-reliance

To improve the economic situation of the country, forests, agriculture and industries should be developed.

In this regard, the members submitted proposals for the improvement of the cultivation of cash crops for export, development of irrigational facilities in dry and vacant lands and other agriculture methods to improve yields, afforestation and preservation of forests and export of timber. The members also assured the Assembly that the public are ready to extend full co-operation in these efforts.

His Majesty the King appreciated and welcomed the proposals moved in the National Assembly aimed at achieving economic-self-reliance and announced that these works will be incorporated in the plans and programmes of the 5th Five Year Plan, which will be drafted in consultation with the people, National Assembly Members and Dzongdas of the respective districts, after which it will be presented in the National Assembly for its approval.

The National Assembly unanimously endorsed His Majesty's command.

3. Regarding cost of Slate roofing

The People's Representative of Toebesa of Thimphu requested the Government that the cost of Slate for roofing should be made payable on installments spread over a period of three years instead of lumpsum payment as practised now.

In response to this request, His Royal Highness the Minister for Trade, Industries and Forests said as slate is an indigenous material available in our country, is very encouraging to know that the idea of slate-roofing has caught up with our people, and besides it is also cheaper and durable than C.G.I. sheets. HRH said that it is very important to help the public to enable them to buy slates, but the Department of

Trade and Industries has to have ready funds to avoid stagnation in slate-mining operation. HRH, therefore, said that the Department is compelled to accept only lumpsum cash payment and thus cannot accept payments on installment basis.

In this regard, the Finance Secretary informed the Assembly that as per resolution No. 32 of the 50th session, the Bank of Bhutan is providing Nu.2,500/- per family for construction of houses under welfare scheme. Therefore, the Finance Secretary expressed that the Ministry of Finance may not be in a position to consider any further financial assistance.

The National Assembly decided that the Department of Trade and Industries should examine the proposal as to whether it will be able to accept payments on installments without affecting the operation of slate mining and submit the report to the National Assembly in the next session.

4. Regarding Citizenship Act

The People's Representative of Gaylegphug pointed out that the Citizenship Act of 1977 was simple and comprehensive but it is not elaborate enough to cover certain aspects. Therefore, he proposed that the Law Committee should revise the Citizenship Act 1977, in consultation with concerned officials.

The Assembly welcomed the proposal to revise the Citizenship Act of 1977, and resolved to decide that the Royal Advisory Council and the Law Committee, will revise the Act in consultation with the Dzongdas and other concerned civil authorities after making careful study in the matter and then shall be presented in the next session of the National Assembly on the recommendation of the Lhengye Shuntshog.

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