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LOK SABHA

Saturday, August 12, 1967/Sravana 21,
1888 (Saka)

*The Lok Sabha met at Eleven of the
Clock*

[MR. SPEAKER in the Chair].

SHORT NOTICE QUESTION

Lay-off of Workers in Jute Mills

SNQ. 46. Dr. Ranen Sen:

Shri Indrajit Gupta:

Shri Jagannath Roa Joshi:

Shri M. L. Sondhi:

Shri Virendrakumar Shah:

Shri D. N. Patodia:

Shri Hem Barua:

Will the Minister of Commerce be pleased to state:

(a) whether Government's attention has been drawn to a news-item appearing in the Hindustan Times, on the 25th July, 1967 that the Indian Jute Mills Association is contemplating to lay-off workers in the Jute Mills one day a week from August, 1967 for 4 months; and

(b) if so, the reaction of Government thereto?

The Minister of Commerce (Shri Dinesh Singh): (a) Yes, Sir.

(b) Attention is invited to the Statement laid on the Table of this House on the 10th August, 1967 regarding the policy Government propose to follow in respect of the problems of the Jute industry. It will be observed therefrom that Government do not consider the proposed curtailment of production of jute goods necessary in the present circumstances.

Dr. Ranen Sen: The Jute industry is 100 years old, if not more. It has been a common phenomenon for the Indian Jute Millowners' Association to close down mills partially or reduce working hours. This

year there is the prospect of a bumper jute crop. It is widely believed in the jute growing areas that this move to close down mills for the coming four months one day a week is with a view to bring down the price of raw jute. Besides the step he was suggested in the statement given to us earlier, what actual step has been taken to see that the Jute growers are not cheated of their rightful price for raw jute?

Shri Dinesh Singh: So far as the earlier part of the question is concerned, we are aware of this problem. That is why I said we do not feel there is any justification for any closure just now. As for the second part, I announced sometime ago that we have raised the support price of raw jute from Rs. 35 to Rs. 40. I had mentioned in that statement that Government would purchase all jute at this support price, if it became necessary.

Dr. Ranen Sen: Sometime back IJMA had approached the West Bengal Government also and that Government have set up a commission of inquiry under the Commissions of Inquiry Act. What is Government's reaction to such an inquiry instituted by the State Government?

Shri Dinesh Singh: It is difficult for me to give reactions; I can only give facts.

Shri Indrajit Gupta: In the statement which the non Minister laid on the Table the other day, he had stated that 'it has been decided to suspend futures trading for a period of one week to begin with'. Is it not a fact that the difficulty from which the jute export trade is suffering at the moment is basically due to the excessive speculation that is going on in the futures market? And has his attention been drawn to the speech made at the East India jute and Hessian Exchange's annual meeting by the president of that body, Shri S. K. Ghosh, where he said about the futures market:

'There was excess of speculation which by grossly exaggerating price .

movements did serious harm to the export trade".

Does the Minister consider that suspension of futures trading for one week is really adequate to cope with such a deep-rooted malady as this kind of speculation, without eliminating which the export trade will never recover?

Shri Dinesh Singh: I think in that statement later on I have said that we shall keep it closed so long as it is necessary. We have already extended the closure.

श्री जगन्नाथ राव जोशी : अध्यक्ष महोदय, मैं मंत्री महोदय से यह जानना चाहता हूँ कि जूट उद्योग में पाकिस्तान के साथ हमारा कम्पिटेशन है, हिन्दुस्तान के माल के मुकाबिले में पाकिस्तान का माल काफी सस्ता बिक जाता है, इसके कारण कई तकलीफें हमारे उद्योगपति महसूस कर रहे हैं, इसलिए पाकिस्तान के मुकाबिले में अपने माल की ज्यादा खपत हो इस दृष्टि से क्या सरकार के सामने कुछ सुझाव रखे गये हैं ? यदि हाँ, तो कौन कौन से और सरकार की उन पर क्या प्रतिक्रिया है ?

श्री विनेश सिंह : जी हाँ, अध्यक्ष महोदय, यह बात सही है कि पाकिस्तान का जो जूट का सामान है, वह कुछ सस्ता बेचते हैं, हमें से बेचते धाबे हैं। वह पहले हमारा दाम जान लेते हैं और उसके बाद उससे थोड़ा सा कम करके बेचते हैं। थोड़ा सामान वह बनाते हैं। ज्यादा सामान हम बनाते हैं। खाली उनसे दाम कम करने के कम्पिटेशन में हम परें तो उन्हें न हमारा फायदा है न उनका फायदा है, बल्कि जो बाहर वाला खरीदार है उसको सब फायदा मिलता जायेगा। तो हम तो कोशिश में हैं कि एक मुनासिब दाम होना चाहिए, मुनासिब दाम पर हम बेचें, इसी आधार पर हम बेचते आये हैं।

Shri Virendrakumar Shah: The hon. Minister said just now that he does not

want to enter into a price war with Pakistan and that there is the question only of price reduction. May I know if it not a fact that, whatever be our flour price, the effect of excise duty high India has levied is retarding our exports and the effect of incentives which Pakistan is giving is encouraging Pakistani exports and whether these factors have not led in the last two or three years to an imbalance, that is, Pakistan's exports increasing and India's exports decreasing; if so, what specific steps we suggest, apart from the fact that we do not want to enter into a price war with Pakistan, to reduce this imbalance? What is it that we want to do by which we can reduce this imbalance?

Shri Dinesh Singh: The imbalance can only be narrowed by some action that Government may take. We have reduced the export duties to some extent. But we are actually the price setters in the jute industry and it should be possible for us to sell jute by proper unit values of jute goods that we are selling abroad. There is still considerable profit in this industry to absorb Pakistan's reduction of price from time to time. The whole point in this is that we must move into new items of production and new items of export; just as we developed carpet bagging more new lines must be developed for our products.

Shri D. N. Patodia: The suggestion for closing down the mills arises out of the shrinkage of demand for Indian jute goods in the world. May I know, therefore, from the hon. Minister whether it is a fact that in the course of the last nine years the share of India in the world export of jute goods has dropped down from 32 per cent to 58 per cent and the share of Pakistan has increased from 7 per cent to 33 per cent and it is expected that by 1970 Pakistan's share will come to 50 per cent? The export of sacking particularly has gone down from 4,45,000 tonnes in 1955 to only 1,73,000 tonnes in 1966. Therefore, will the hon. Minister admit that the entire imbalance arises out of the fact that in spite of the conversion cost in India being lower it is the export duty imposed by India and the incentive allowed by Pakistan which create this imbalance?

Shri Ranga: Hear, hear.

Shri Dinesh Singh: I do not know what hon. Member, Professor sahib, was chiding.

Shri Rang: You cannot even understand what he has said just now.

Shri S. K. Tapuriah: It is beyond him.

Shri Dinesh Singh: May I give you some figures which may be of interest to this House? Let us take the last four years. In 1963-64 the export of Pakistan has been about 244,000 tonnes and our export quantum then had been 913,000 tonnes. Then again, if we take the last year where we had difficulty because we were short of raw jute, our exports were 734,000 tonnes as against Pakistan's 379,000 tonnes. So, there is still a big gap between what we are exporting and what Pakistan is exporting. The main point is that the jute industry is not facing competition only between India and Pakistan but also from synthetics that are coming in. That is why I said that the whole secret of success lay in our exploring of new markets and not banking on sacking only because sacking is being produced by Pakistan in large quantities. We should go into new channels like carpet bagging. It is a very important industry and we are in continuous talks with leaders of this industry to see that they can find new markets for it.

Shri D. N. Patodia: Sir, I seek your protection. My question was whether it is a fact that our percentage in world export has gone down from 82 per cent in 1957 to 58 per cent in 1966. Is it a fact or not?

Shri Dinesh Singh: Without working it out how can I say? But I have given the figures.

Shri Hem Barua: Since in competition with Pakistan India is losing her international markets in jute, may I know what positive steps Government propose to take to resurrect and revitalise the declining market for India, may be by exporting to new markets? Do the Government think that the buffer stock for manufactured jute

good proposed by the Government is going to solve the problem in any way?

Shri Dinesh Singh: I mentioned that we felt that the main thing that we have got to consider is exploring new avenues for this. May I again give a figure to give an example? Look at the position of hessian. This is not a very new item in that sense, but here again we have a certain advantage. We did not have the advantage we had in the past in sacking because Pakistan has gone into production of sacking considerably and they have increased their production. Therefore the advantage for our industry is in going into new avenues where they will face less competition.

Shri Hem Barua: We must know that we have been beaten back by Pakistan and the Minister did not enlighten us on that. What we are interested in is what steps the Government has taken or proposes to take to resurrect and revitalise the declining market of India. That is what we are interested in. He can give us the steps taken by Government as a, b, c, d.

Shri Dinesh Singh: There is some difference in the approach and that is why I think there is a misunderstanding. My point is only this that it is not a question of resurrection but it is a question of moving into new avenues. That is what we have constantly been bearing in mind.

श्री सिद्धेश्वर प्रसाद : मैं यह जानना चाहता हूँ कि क्या सरकार का ध्यान इस बात की ओर गया है कि इस साल जूट की फसल काफी अच्छी होने की आशा है और अगर अभी तक सरकार ने इस बात के बारे में कोई निर्णय नहीं किया है कि किसान को दाम अच्छे मिल सकें तो अगले साल जूट की फसल में कमी हो सकती है, और कारखाने बन्द हो सकते हैं तथा राज्य व्यापार निगम ने इस सम्बन्ध में जो व्यवस्था की है वह अपर्याप्त है? यदि मंत्री महोदय का ध्यान इस बात की ओर गया है तो उन्होंने इसके लिये क्या प्रबन्ध किया है?

श्री विनेश सिंह : मैंने अभी कहा कि पिछले साल जो सपोर्ट प्राइस 35 रु० तक थी उसको हम ने 40 रुपया कर दिया है । मैंने यह भी कहा कि जितना जूट खरीदने की जरूरत पड़ेगी सरकार इस दाम में खरीदेगी ।

Shri Surendranath Dwivedy : The Minister, in reply to Dr. Sen. said that they would give price support to jute growers, if necessary. May I know whether it is not a fact that Rs. 40 for Assam bottom jute fixed at Calcutta is too low considering the increased cost of production and will they review the position because actually jute growers in Orissa and Assam do not get that rate because it is fixed at Calcutta ?

Shri Hem Barua : We are neglected.

Shri Surendranath Dwivedy : Will there be a review and will they take any step to see that this price is available to growers in Assam and Orissa as well?

Shri D. N. Tiwary : Bihar also.

Shri Dinesh Singh : We do not consider that Rs. 40 that we have fixed is low. In fact, the Agricultural Prices Commission went into this question and without giving out any secret I might say that we fixed a higher price than was recommended. We have taken all this into account and we have said that we shall have Rs. 40 as the support price at which Government will buy jute as it becomes necessary.

Shri M. L. Sondhi : The Minister has been urging the industry to take steps to find new avenues but surely as a way of evading his own responsibility. Since direct and indirect employment provided by jute mills runs into lakhs and there is need for maintenance of employment opportunities in West Bengal for political and economic stability there, what are the urgent measures which he himself and his ministry propose to take to develop these new areas and new products on a very urgent and immediate basis ?

Shri Dinesh Singh : I request you to consider whether it is desirable for me to discuss in detail what new avenues the

industry may be wanting to enter. There will be no surprise left if we tell that in advance.

Shri H. P. Chatterji : May I know whether it is a fact that the Central Jute Committee fixed a parity price of raw jute with paddy, and that is three times? Now, I come from a jute-growing province. There, in the mofussil paddy is being sold at Rs. 100 per maund. If we fix the price at Rs. 40 for jute, how can the Minister expect that the production of jute will be again coming just like this year, because the parity price should be three times, that is what the Central Jute Committee has recommended. That should be the parity price between paddy and jute. My question is : what is he going to do to bring that parity price between jute and paddy ?

Shri Dinesh Singh : This matter had been taken into consideration, the parity between paddy and jute. As I mentioned, the Agricultural Prices Commission had gone into all these matters. Bearing this in mind, we fixed, as I said, the price of jute slightly higher than that recommended by the Commission.

Shri Krishna Kumar Chatterji : Is the Minister aware of the fact that most of the very important jute mills are situated in Howrah, the constituency which I represent. I would say that this IJMA is there always hanging as the Damocles's sword on the workers, that they will lay off the workers and stop the mill for a few days in the week. This has been going on for a long time. Is the Minister prepared to take effective steps to see that this constant threat is not there on the workers: because of which they are in a state of consternation all the while and production is thereby hampered ?

Shri Dinesh Singh : My statement should remove any misunderstanding on this account.

Shri M. Amersey : In consideration of the bumper jute crop which is expected, will he consider exporting raw jute?

Shri Dinesh Singh : We can, consider if it become necessary.

श्री बलराज मधोक : विभाजन के समय से हो देश में पटसन के बारे में एक सी सा पालिसी चल रही है। कभी कहा जाता है कि जूट कम है इस लिये हमारी मिलें काम नहीं कर रही हैं और कभी कहा जाता है कि चूकि जूट अधिक है इसलिये मिलें ठीक प्रकार से काम नहीं कर रही हैं और उन्हें ठीक कीमत नहीं मिल रही है। मैं जानना चाहता हूँ कि क्या सरकार ने कोई अन्दाजा लगाया है कि हमारी प्रोडक्शन कैपैसिटी कितनी है और हमारा जूट प्रोडक्शन कितना है और उनमें कहां तक ताल मेल है। चूकि हम को पाकिस्तान से कोई जूट नहीं मिलता है इसलिये हमारे देश की मिलों की जितनी आवश्यकता है उसको पूरा करने के लिये कितना जूट पैदा होना चाहिये, क्या इसका कोई अन्दाजा लगाया गया है और क्या उतनी जमीन पर जूट पैदा करने का कोई प्रबन्ध किया गया है ताकि जूट प्रायर्स का कीमत मिलती रहे और मिलों को रा मटीरियल मिलता रहे और हम वर्ल्ड मार्केट में अपनी जगह न खोयें ?

श्री विनेश सिंह : जो हां, यह सब आंकड़े हमारे पास हैं। माननीय सदस्य को पूरी सूचना यहां पर देना तो कठिन है, लेकिन अगर वे चाहेंगे तो मैं उनके पास उन्हें भेज दूंगा। इसके बारे में मैं एक बात का जिक्र कर देना चाहता हूँ कि हमारे यहां आज जो भी जूट की पैदावार है वह फी एकड़ उतनी अच्छी नहीं है जितनी और जगहों पर है। हम इसका और बढ़ाने को कांशिश कर रहे हैं।

श्री डा० ना० तिवारी : बराबर यह देखा गया है ईख और जूट के सम्बन्ध में कि जब कभी पैदावार ज्यादा हो जाती है तो भाव गिर जाता है। कलकत्ता में जूट का रेट 40 रु० रखने से बिहार के प्रोप्रर्स को 30 रु० से अधिक नहीं मिलता। क्या इसके लिये गवर्नमेंट ने कोई उपाय सोचा है ? जिस समय बंगाल के लोग जूट खरीदने

आते हैं तो बिहार के कल्टिवेटर उनसे बंगला में बात नहीं कर सकते हैं, उड़ासा और असम के लोग बंगला में बात करके दाम ठीक करा लेते हैं, लेकिन बिहार के लोग जो देहाती भाषा में बोलते हैं ठीक नहीं करा पाते हैं। इसलिये क्या इस पर विचार किया गया है कि उनको भी 40 रु० कीमत मिल जाये ताकि जूट की पैदावार कम न हो ?

श्री विनेश सिंह : इसके बारे में मेरे पास कोई शिकायत नहीं आई है। लेकिन माननीय सदस्य ने कहा है इसको और हम इस पर देखेंगे और बिहार सरकार से कहेंगे कि वह कुछ इसके बारे में इंतजाम करे।

Shri S. K. Tapariah : It is an established fact that the conversion cost of jute in our country is about fifty per cent lower than in Pakistan. Conceding that the price of raw jute is the same in both countries, may I know why our export prices are nearly thirty per cent higher than the export prices of Pakistan? What would he attribute this to—higher taxes, higher excise duty or what?

Shri Dinesh Singh : I am sorry the hon. Member has for the second time not given the correct things. Jute prices in India and Pakistan are not the same; they are very much cheaper in Pakistan.

श्री कंवर लाल गुप्त : अभी मंत्री महोदय ने कहा है कि कुछ जूट के ऊपर इप्टी कम की गई है और कुछ और एवेन्यूज, माफिक बगैरह बढ़ी है। मैं पूछना चाहता हूँ कि पिछले तीन सालों में जो स्टेप आपने लिये हैं एक्सपोर्ट को ज्यादा करने के लिये इस जूट की उनसे कितना फर्क पड़ा है। आंवर आल पोजिन जूट के एक्सपोर्ट की बढ़ी है क्या और अगर बढ़ा है तो कितनी ?

श्री विनेश सिंह : इसके बारे में मैं यह सूचना दे सकता हूँ कि 1963-64 में हमारे जूट के एक्सपोर्ट्स का मूल्य 326.8 मिलियन डालर थी, 1964-65 में 354.5

मिलियन डालर था और 1965-66 में 383.1 मिलियन डालर था। पिछले साल यह जरूर गिरा है और यह इस कारण से है क्योंकि हमारे यहां जूट की कमी थी। पिछले साल यह 334.4 मिलियन डालर था।

11.23 hrs.

RE : BUSINESS OF THE HOUSE

Shri Bakar Ali Mirza (Secundarabad) : Sir, on a point of order about the business. The Education Commission report....

Mr. Speaker: No, please, not now Shri Hem Barua. The order of business is not fixed by me.

Shri Bakar Ali Mirza: After call attention notice, I will say that.

Mr. Speaker: All of us may have to say about that. Somebody else may want to discuss something else. The whole of the day we will discuss the order of business, I have no objection. Let us see by evening what we can do. If you want, you can discuss in the evening. If you raise that point now, there are a number of people. They have come to my chamber, not here, as you are rising now; they wanted to include this and that. I have not been able to oblige them.

Shri Bakar Ali Mirza: It is an extraordinary situation, a revolutionary measure which is going to affect millions. I want it to be taken up first before any other business. He says he is going to announce on the 15th of August.... (Interruptions.)

Mr. Speaker: Will you please sit down when I am on my legs? Let us follow that principle at least. Other members also suggested some other things. I would have myself proposed it before the House if you had at least discussed it with me. I want the hon. members to give up the practice of just standing up and raising any question. If you want to raise any point, Mr. Nath Pal or other hon. members, I have absolutely no objection. I will just sit here and everybody can raise everything. I want only the rules to be changed

to enable me so that I will be free to sit here seeing everybody raising anything. If the Ministers are able to reply, I will be very happy to hear them also I only say: let us follow some procedure.

One should not simply raise anything here. That is what I say. Now, Shri Hem Barua.

Shri Vasudevan Nair (Peermade) : Will you kindly allow us to convey what we wish to say through you to the Minister of Education? The situation is this. The Minister has said that on the 15th August, the Government of India is going to declare its policy. Now, before the Lok Sabha discusses the report, if the Government is going to declare its policy on the 15th of August, it looks very odd. It is really unfortunate that they are doing it. We will at least request him through you that they will postpone the declaration till the Lok Sabha gets an opportunity to discuss it.

Several hon. Members rose—

Mr. Speaker: Now, Shri Bakar Ali Mirza has begun it. He has set the ball rolling. So, I must now hear every body!

Shri Bakar Ali Mirza: It is a very important thing, Sir.

Mr. Speaker: I know it is a very important thing; I agree with you.

Shri Bakar Ali Mirza: It is abnormal

Shri Bal Raj Madhok (South Delhi) : About the report of the Education Commission, this question has been—

Several hon. Members rose—

Mr. Speaker: One by one; not all of you together.

श्री रामाबलार शास्त्री (पटना) : मेरा एक व्यवस्था का प्रश्न है। आज के गार्डर शीट को देखने से पता चलता है कि आपने अबिलम्बनीय लोक महत्व के दो प्रस्तावों को स्वीकार किया है। मैंने भी एक कालिग एटेंशन नोटिस दिया था और वह मध्य प्रदेश की जनता जो बिहार और