

Mr. Speaker: It might be placed on the Table.

SHORT NOTICE QUESTION

Export of Tea

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**S.N.Q. 26. Shri P. C. Borooah:
Shri Indrajit Gupta:**

Will the Minister of Commerce be pleased to state:

(a) whether it is a fact that India has lost to Ceylon the position of the leading supplier of tea in the world market last year;

(b) if so, the reasons therefor; and

(c) the steps proposed to be taken to regain the position this year?

The Minister of Commerce (Shri Manubhai Shah): (a) to (c). A statement is laid on the Table of the House. [*Placed in Library. See No. LT-6242/66.*]

श्री मधु लिमये: यह जो प्रश्न है बहुत महत्वपूर्ण है क्योंकि इंडियन एयरलाइन्स कारपोरेशन या एयर इंडिया इन्टरनेशनल के अध्यक्ष पद या उपाध्यक्ष पद को अगर सचिव ग्रहण करता रहेगा तो नतीजा यह होगा कि इन निगमों के खिलाफ जो आरोप किये जाते हैं उनकी निष्पक्ष जांच सरकार की ओर से नहीं होगी। मैं ने इस मंत्रालय के सचिव को 11 मई का पत्र लिखा था जिसमें सब सबूत दिये थे। तो मैं जानना चाहता हूँ कि क्या इस बात पर उपरोक्त तथ्य की रीशनी में भी, विचार किया जायेगा ?

Shri D. Sanjivayya: I am bringing this to the notice of my colleague who is in charge of the subject.

Shri Surendranath Dwivedy: It is not only the IAC. Is it not a fact that the committee on Public Undertakings have recommended that the appointment of secretaries to ministries to the chairmanship or managing directorship of public corporations is undesirable and improper and it should be discontinued by the government? Has the government taken any decision?

Shri D. Sanjivayya: I stated in my answer that not only the Estimates Committee but the committee on Public Undertakings also made a similar recommendation.

Shri Surendranath Dwivedy: Not on this particular matter but in regard to the other appointments.

Shri D. Sanjivayya: With regard to this also, wherever secretaries are appointed as chairman of the various public sector undertakings, that question is being examined by the government in the light of the recommendations made by both the EC and PUC.

Shri P. C. Borooah: Ever since tea has been accepted as an international drink, India and China were fighting against each other for the leadership of the world so far as tea supply is concerned, and after the fall of China to India in the year 1918, India was reigning supreme in the world so far as the tea market is concerned. After enjoying this good position for the last 50 years or so, India has lost to Ceylon, a country which is infinitely smaller than ours in area and also in population. That is why this question is very important. Viewing it in this context, in the statement that has been laid before the House, in one part of the statement, it has been stated that "during these eight years, both production and exports from India have been steadily rising". But then, if reference is made to the other part of the statement, it will be found that in the year 1965...

Mr. Speaker: What is the question?

Shri P. C. Borooah: There is a discrepancy. In one part of the statement, it has been said that production and exports have been increasing. But

in the same statement, there is another remark by which I want to show....

Mr. Speaker: He knows the statement that has been placed on the Table of the House. He can only put a supplementary.

Shri P. C. Borooah: That is why I want an explanation for the discrepancy. The hon. Members do not know this.

Mr. Speaker: The Members may not know that, but the Minister knows it.

Shri P. C. Borooah: In the year 1956, we had raised our production by 15 million kilograms, while Ceylon also had the same amount of increase. But so far as the export of tea is concerned....

Mr. Speaker: The Minister has not made the statement orally but has placed it on the Table of the House. And the hon. Member is reading the whole statement.

Shri P. C. Borooah: There is a discrepancy in the statement, Sir. In export, we have lost to the extent of 38 million kilograms. But the statement says the other way. While Ceylon is 50 million kilograms up, India is about 38 million kilograms down. In the first part of the statement, it says that we are increasing our exports, while . . .

Shri Manubhai Shah: I have placed all the figures of the last 10 years of production.

Mr. Speaker: The part that I could hear was that in one part of the statement, it is said that there is some stepping up of our production, while, in the other part, it is said we have lost to other countries. That can be explained.—the contradiction can be explained.

Shri Manubhai Shah: The two are not contradictory. I have given in the statement the figures of production for the last 10 years; for the in-

formation of the House, because the statement is not with them, I may point out that production has increased by 59 million kilograms over what it was before a decade with 308 million kilograms. The production last year was 367 million kilograms. So, the statement is right in indicating to the House that production has gone up. The real problem is one of internal consumption. If the hon. House sees the second column, it will find that from 71 million kilograms in 1956, before a decade, the consumption has jumped up to 168 million kilograms during the past 10 years. This makes the export of surplus difficult, and that is why our exports, when compared to Ceylon in 1965, are on the smaller fringe.

Shri P. C. Borooah: The discrepancy is that the export is not rising.

Mr. Speaker: He has finished now.

Shri P. C. Borooah: The second question is this. The main reasons have been shown for the fall in export and the loss in production and the rise in internal consumption. If that is so, may I know why the Government has not been able to give thought to the question of liberalisation of the tea plantation loan scheme which aims particularly at an increased production of tea, and also, in regard to the fiscal policy, may I know why it has not possible to see that Indian tea is not priced out in the world market?

Shri Manubhai Shah: These are relevant questions. Government have now accorded to the tea industry a priority status in the recent Finance Bill. Over and above that, depreciation has been allowed by the Finance Minister in the current year's budget only to this industry and to no other industry. There is a demand from the tea industry for a tax rebate, which is still under consideration.

Shri A. C. Guha: Is it true that one of the reasons for the fall is the high price of Indian tea as compared to

Ceylonese tea and if so, what steps do government intend to take to counteract this?

Shri Manubhai Shah: It is a fact that slightly, by 5 per cent or so, Indian tea is more expensive than the counterpart quality in Ceylon. The reason is obvious. India is a country where tea is in short supply because of rising internal demand. In Ceylon with a population of 8 million, 98.7 per cent of the tea is surplus. So, it is bound to be depressed.

Shri Hari Vishnu Kamath: There is a disconcerting, rather astounding observation in the tail-piece of the statement:

"The continuously rising internal consumption of tea in India is a matter of great and serious worry and anxiety as it reduces the export surplus."

Is it the policy of the government to discourage tea-drinking in India and if so, is it the policy of the government to dump inferior on the poor Indian people and export superior tea abroad?

Shri Manubhai Shah: The worry is obvious because tea is a big exchange earner for India and at the same time, population is fast increasing and living standards of working class and other people are going up. Therefore, it is a matter for anxious enquiry and worry. We have to do something to restrain consumption.

Shri Hari Vishnu Kamath: They can put it better, not in this way that drinking of tea by the people in India is a matter of great anxiety and worry to the government.

Shri Hem Barua: In view of the fact that once India was the queen of exporters of tea and she had lost that position now to Ceylon, may I know what special steps the government have taken to restore that distinction to India now?

Shri Manubhai Shah: Firstly in the Tea Board, we have extended the tea financing advisory scheme by giving hire purchase, artificial irrigation and long-term replantation and new plantation finance. Secondly, we have made the tea profession more paying by including depreciation and 60 per cent development rebate in the recent Finance Bill. Over and above that, 2 per cent tax credit to loose tea and 5 per cent to the packed tea was announced in the previous year's budget. Further financial assistance to make tea industry more paying is always under the consideration of the government.

Shrimati Renu Chakravartty: Has the attention of government been drawn to the fact that the publicity which we are doing is being done in common with Ceylonese as well as Kenyan tea owners? Is it not a fact that we are not only losing steadily on this score to Ceylon but in the very near future we are going to lose to Kenya also?

Shri Manubhai Shah: We are interested in earning more and more foreign exchange through tea. We are the world's biggest producer. Kenya does not produce even 1 per cent of the world tea. Some years later it may grow into a competitor. We cannot allow other countries' growth to be retarded. What we have to do is to promote our own growth. That is what we are doing.

Shri S. Kandappan: In view of the shortage in tea production, which leaves on surplus for export, I would like to know whether the Government has taken any efforts to extend the tea-growing area in the country. In this connection, I would also like to know what has happened to the efforts made in Andamans to grow tea.

Shri Manubhai Shah: As far as land area is concerned, very little surplus land is available for any crop, whether wheat, rice, tea or anything. So, our effort has been to raise producti-

vity per acre in the existing plantations. Secondly, we want to replant the old bushes which are more than 40 or 50 years old, because when they are rejuvenated we are getting better yields. That is all what we can do. Here I would like to say this much. So far as productivity of tea is concerned, we are the biggest producers in the world, 1200 lbs. per acre, as against 900 lbs. in Ceylon and 850 lbs. in Kenya. But that is not enough. We have to get more land for tea and also to replant in the existing areas. So far as Andamans is concerned, whether the climatic and other conditions are suitable for tea cultivation has to be provided before we can have tea plantations there in a minor way.

श्री यशपाल सिंह : क्या सरकार ने यह बात समझने की कोशिश की है कि दूध की पैदावार घटी है और इतनी घटी है कि जो लोग दूध पीते थे, उन्होंने भी चाय पीना शुरू कर दिया है, इस लिए हम ने अपना प्रैस्टीज खोया है ; यदि हां, तो क्या सरकार सोच रही है कि दूध की पैदावार बढ़ाई जाये, तो हम एक बार फिर लंका को सारपास करेंगे ?

अध्यक्ष महोदय : श्री किशन पटनायक ।

श्री किशन पटनायक : क्या यह सही है कि चाय बागान के विदेशी मालिक यहां से बड़ा मुनाफा ले कर अफ्रीका में नये प्लान्टेशन लगा रहे हैं ; यदि हां, तो इस को रोकने के लिए सरकार क्या कर रही है ?

श्री मनुभाई शाह : सरकार किसी दूसरे मुल्क में किसी को रोकने के लिए क्या कर सकती है ? हम अपने मुल्क में बढ़ाने की कोशिश कर रहे हैं ।

श्री किशन पटनायक : वे यहां से बड़ा मुनाफा ले कर ऐसा कर रहे हैं ।

WRITTEN ANSWERS TO QUESTIONS

Manufacture of Tractors

*1521. **Shri R. Barua:** Will the Minister of Industry be pleased to state:

(a) whether any steps are being taken to have cheap and light tractors for use for small holdings;

(b) whether any measures are being taken to manufacture tractors and ploughs suitable for varying climatic conditions of India; and

(c) if so, the nature thereof?

The Minister of Industry (Shri D. Sanjivayya): (a) to (c). Agricultural tractors fall into three different broad categories; viz:

(i) Below 20 H.P. range

(ii) Between 20 and 35 HP range; and

(iii) Above 35 HP range.

The demand for tractors in all the ranges is estimated at 40,000 Nos. per annum by the end of the Fourth Five Year Plan. Five firms have already been licensed for the manufacture of tractors above 20 HP, with matching implements, for a total capacity of 30,000 Nos. per annum. All the licensed units are in production. To meet the demand for tractors below 20 HP, it is proposed to set up a public sector project with an annual capacity of 12,000 Nos. with matching implements. For this purpose, an agreement for the preparation of a Detailed Project Report was entered into with M/s. Motokov of Czechoslovakia in August last year. The report is expected to be ready by the end of this year.

Two wheeled tractors generally known as Power Tillers are usually in the range below 10 HP. It is estimated that the demand for Power Tillers would be around 60,000 Nos. per annum by the end of the Fourth Five Year Plan. One unit with an annual capacity of 3,000 Nos. is already in production, and this unit is being permitted to effect substantial expansion