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THE  
PARLIAMENTARY DEBATES  
(Part I—Questions and Answers)  
OFFICIAL REPORT

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HOUSE OF THE PEOPLE

Wednesday, 1st April, 1953

The House met at Two of the Clock.

[MR. DEPUTY-SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

RELIEF TO TEA INDUSTRY

\*1115. **Dr. Ram Subhag Singh:** (a) Will the Minister of Commerce and Industry be pleased to state whether the representatives of the tea interests have requested the Government for direct relief to the tea industry?

(b) If so, have Government taken any steps in regard to that request?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** (a) Yes, Sir.

(b) Government have not accepted the proposal for direct relief to the tea industry.

**Dr. Ram Subhag Singh:** May I know what sort of indirect relief is being given to them?

**Shri T. T. Krishnamachari:** No relief has been given by Government Sir, as yet...

**Dr. Ram Subhag Singh:** The hon. Minister stated that no direct relief is being contemplated and hence I want to know whether there is any proposal to give any indirect relief to them.

**Shri T. T. Krishnamachari:** Certain measures have been taken by State Governments which do provide indirect relief, Sir. They have got the parties together, the estate owners and labour, and they have arranged for certain concessions that were being given to labour to be partially modified, and they have also undertaken to supply foodgrains at certain prices, and the

tea industry itself is thinking of reducing the output by about 50 million lbs. On the top of it, Sir, the question of relief today is not pressing because the prices have materially advanced and I was assured by the Chairman of the Indian Tea Association that at present the prices are fairly favourable.

**Shri Bansal:** May I know what types of direct reliefs were asked for by the representatives of the tea interests?

**Shri T. T. Krishnamachari:** Two out of the three parties joined together and they said that Government must more or less divest themselves of the income that is derived by tea excise and export duties and give it to the industry in the shape of doles.

**Shri Bansal:** May I know whether that is the only relief asked for by the representatives of the Tea industry?

**Shri T. T. Krishnamachari:** So far as the Government is concerned, it is the main relief asked for.

**Dr. Ram Subhag Singh:** May I know if in view of this current depression in tea trade, the banks have become shy in advancing loans to the tea industry?

**Shri T. T. Krishnamachari:** My hon. friend is a trifle out of date. The current depression has lifted. It was true that when there was depression the estates found difficulty in raising money and Government had gone to their help to some extent. Information, as to the amount of guarantee that Government have given to banks and the amount that the banks have given to the tea industry, has been given to the House. Today the depression has definitely lifted.

**Shri T. K. Chaudhuri:** May I know by what date the proposed Expert Committee for examining the cost

structure of the tea industry will be appointed?

**Shri T. T. Krishnamachari:** It is more than I can say. I am trying to find the experts, and the search is still proceeding.

**Shri Nambiar:** Last time we were told that 117 tea gardens were closed in the Darjeeling and Assam areas. May I know whether any of these gardens have since re-opened?

**Shri T. T. Krishnamachari:** I believe quite a number of tea gardens have re-opened, but if the hon. Member wants a specific answer, I would suggest that he puts down a question.

**Shri C. R. Iyyunni:** May I know whether no amount has been given to tea interests by way of loan?

**Shri T. T. Krishnamachari:** I think the question was answered on the floor of the House when my hon. colleague the Finance Minister indicated the extent of the loan that has been given by the banks on the guarantee provided by Government.

**Shri V. P. Nayar:** The hon. Minister said that the tea industry was planning to have the production reduced by 50 million lbs. Will this not entail the retrenchment of labourers? What will be the number of labourers that will be thrown out of work out of this alone?

**Shri T. T. Krishnamachari:** I am sorry that I have not applied my mind to this aspect of the matter. It is possible that if plucking is to be careful and stalky tea is to be avoided, there will be an automatic reduction. Careful plucking does not mean a reduction in the quantum of labour employed. Anyway I am unable to give a definite answer to the question.

#### AUTOMOBILE ASSEMBLING PLANTS

\*1116. **Shri Kasliwal:** Will the Minister of Commerce and Industry be pleased to state whether it is a fact that the automobile assembling plants in the country are working below capacity and if so, why?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** It is difficult to say with any precision whether or not the assembling plants are working to capacity as the measurement of the capacity to assemble automobiles would depend on what is being assembled. In some cases every unit in an automobile is being assembled, in other cases only

some units are assembled and the engine gear box differential and the bodies are imported as assembled units. Under these circumstances the capacity to assemble is largely determined by the size of the workshop and by the labour force it employs. If these are the criteria, then it can be said that many of these factories have still left a large unused capacity. The reasons for their not assembling as much as they could, happen primarily to be the high cost of the product and the low offtake.

**Shri Kasliwal:** May I know if all the assembly plants are shortly going to close down in Bombay?

**Shri T. T. Krishnamachari:** We have had rumours of assembly plants which have not a manufacturing programme closing down. I do not think that there is anything definite in regard to their closing down. Much will depend on the report of the Tariff Commission and the action that Government would take on that report, whether these plants will continue to work or will close down.

**Shri S. V. Ramaswamy:** How many plants are there which assemble cars in whole and what is their total capacity?

**Shri T. T. Krishnamachari:** My hon. friend being a lawyer has asked a question which is rather difficult for me to answer. There are I think 12 plants which assemble cars in this country. Out of these only a few of them have a manufacturing programme.

**Shri S. V. Ramaswamy:** Is it a fact that Ford and the General Motors are going to close down their assembly plants in Bombay?

**Shri T. T. Krishnamachari:** I think I have answered that question before. There were references in the paper that these factories were closing down. I had no official information about it. In fact, the people belonging to these factories have met me but they have not indicated that they are going to close them down yet. As I said, their future will depend very largely on the report of the Tariff Commission and the decision that Government would take on it.

**Shri G. P. Sinha:** Is it a fact that a large number of assembling plants have been permitted by the Government and hence there is trouble in the market?

**Mr. Deputy-Speaker:** It is too late now.