

Mr. Speaker: I am afraid that will be a question of opinion.

Shri A. C. Guha: May I know if this Indo-British Trade Agreement has been found to be in conflict with the G.A.T.T.?

Shri T. T. Krishnamachari: Naturally, Sir, as signatories to the G.A.T.T. we cannot offer these preferences afresh to anybody and if we remove the preferences given to U.K. and other Commonwealth countries, as we have done in some cases, there is no question of restoring them. We have diminished these preferences in many cases. If any new agreement is to be made the question of preference does not enter into the scheme at all so long as we are signatories to the G.A.T.T.

Shri A. C. Guha: Is it the intention of the Government, in view of the G.A.T.T. and the Havana Charter, to revise this Indo-British Trade Agreement wholesale?

Shri T. T. Krishnamachari: It raises a number of questions. The Havana Charter, though we did agree tentatively to it at one stage, has not obtained approval all over the world and the G.A.T.T. is the only thing that is now holding the field. It is very difficult for me to say whether it will also continue to be in force for any length of time. The procedure that India follows is one of bilateral agreements in many cases subject to our commitments as signatories to the G.A.T.T. That is the process and it is now going on. We are negotiating with the U.K. and other countries and maybe where it is most advantageous to us we will come to an arrangement.

Shri Velayudhan: May I know whether there was any proposal with the Government of India to revise the imperial preference by which trade relations between India and Britain are going on still?

Shri T. T. Krishnamachari: The question has been so rapidly voiced that I could not catch it.

Mr. Speaker: I am going to the next question.

JAPANESE MACHINERY FOR COTTAGE INDUSTRY

*889. **Pandit M. B. Bhargava:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that the late Ministry of Industry and Supply and

the Ministry of Rehabilitation jointly sent a delegation to Japan to study cottage and small-scale industries there;

(b) if so, whether this Delegation made some purchases of Japanese machinery;

(c) whether these machines were brought into India on Government account and run on Government account or were given to private parties; and

(d) in which centres these machines are working now and with what results?

The Deputy Minister of Commerce and Industry (Shri Karmarkar): (a) Yes, Sir.

(b) Yes, Sir.

(c) All the machines purchased by the Delegation were brought to India on Government account. Except for a few machines allotted on payment to displaced persons and their organisations, the machines are being used by Government.

(d) The machines are working in the Central Cottage Industries Institute at Harduaganj, various Training and Work Centres at Delhi and Bhopal, and a number of other Centres run by State Governments. Generally, the machines have proved useful.

Pandit M. B. Bhargava: May I know what trade or industry of India has been improved by the import of these machines?

Shri Karmarkar: Some machines have been found to be extremely useful. For instance, in the Arab-kisarai centre the job printing press worth about Rs. 175 and the oil expeller, power-driven and hand-driven, are getting more and more popular. But it would be premature to assess in quantity the amount of benefit received though these machines certainly have been useful.

Pandit M. B. Bhargava: What has been the total production during 1951-52 from these machines?

Shri Karmarkar: These machines are brought in here so that they could prove as models. The machines were tested and duplicates of these machines were put up for sale. It is too early to say how much production has resulted from these machines.

Pandit M. B. Bhargava: May I know whether the necessary technical personnel has been available for the successful operation of these machines?

Shri Karmarkar: Yes, Sir.

Shrimati Benu Chakravarty: What are the small-scale industries for which these machines have been imported?

Shri Karmarkar: I should like to have notice for a full answer to that question, but, for instance, some of the machines mentioned here are: the treadle spinning machine, the treadle weaving machine, the needle-making machine. Machines for the bamboo industry have been received and they have been sent to Assam where the particular type of bamboo is available. Then there are the job printing press and the oil expellers which I have already mentioned.

Shrimati Benu Chakravarty: May I know if any of these machines has been used for the formation of co-operatives? The Minister says they have been used by the States. Have any of the machines been given over for the formation of co-operatives?

Shri Karmarkar: No, Sir.

Shri N. P. Damodaran: The hon. Minister said that these machines are intended as models. May I know whether any attempt has been made or there is any scheme to produce such machines in India?

Shri Karmarkar: As I said certain duplicates have been produced and they have been sold, particularly the job printing presses and the oil expellers. I think my hon. colleague the Minister for Rehabilitation will perhaps be able to give more information on it.

The Minister of Rehabilitation (Shri A. F. Jain): These machines have been duplicated on an experimental scale and while some of the machines like the printing press, power-driven oil expellers etc., have been produced on a large scale, other machines like the plastic projectors have been manufactured in small dimensions—just one or two—and have not been put on the market.

Short Notice Question and Answer

PRICES OF COTTON AND CLOTH

Shri Sinhasan Singh: Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that the price of cotton has increased;

(b) whether Government have raised the sale price of medium and coarse cloth;

(c) the reasons that have led Government to increase the price of these varieties of cloth; and

(d) whether this increase was decided by Government on the representation of the millowners?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari):

(a) Yes.

(b) Yes.

(c) and (d). Prices of cloth are revised ordinarily every quarter according to the Tariff Board formula. Prices of fine and superfine cloth which are predominantly made out of foreign cotton were revised, as usual, for the quarter April-June 1952. In the case of coarse and medium cloth, which is made of Indian cotton, owing to uncertainties in the cotton market, it was decided to continue the previous prices for the month of April. The question of price revision was taken up again in April, of coarse and medium varieties, but no agreement with the mill industry was possible, as, for one thing, they claimed they had bought Indian cotton at the time when high prices were ruling and that the costs of manufacture had also gone up. An enquiry into the manufacturing cost was promised and pending such enquiry prices were revised according to the Tariff Board formula for the month of May resulting in decrease of 5 per cent. and 24 per cent. over the previous quarter's prices. As a result of the enquiry into the manufacturing cost, prices were again revised from the 1st of June making due allowance for increase in wages and other items of manufacturing charges. The result is a slight increase of .7 per cent. to 2.59 per cent over the May prices.

Shri Sinhasan Singh: In comparison with the increase in the price of the cotton piecegoods, may I know what is the percentage of increase in the price of the cotton itself?

Shri T. T. Krishnamachari: When the revision was made in the month of June, the question of increase in the price of cotton was not taken into account. Actually, when revising the prices in May according to the Tariff Board formula, what had to be taken into account was merely the question of the decrease in the price of cotton.

Shri Sinhasan Singh: I find that there has been a decrease in the price of cotton, while in the price of piecegoods there has been an increase. How do Government explain this? Is it due to increased labour costs?