

If the committee makes such a recommendation, will you accept that recommendation?

SHRI P.A.SANGMA: Sir, I am actually a part of this tripartite committee because I am chairman of this committee. So, my duty as a member and as chairman of this special tripartite committee is to give recommendations to the Government. Therefore, I cannot say whether the Government will accept because our duty is to give recommendations.

SHRI MUKUL BALKRISHNA WASNIK: In view of the serious misgivings about the industrial policy and its adverse impact on labour, several trade unions have called an industrial strike recently. May I know from the hon. Minister whether the Government has made any assessment about the loss incurred due to this industrial strike?

MR. SPEAKER: This question does not arise out of the main question.

[Translation]

SHRI SATYANARAYAN JATIYA: Mr. Speaker, Sir, at present the condition of industrial workers is very bad. I would like to know as to what would be their condition under the new industrial policy and from this point of view what is the intention of the Government on the recommendations of the Committee? As Shri George Fernandes was just saying about fishery, the condition of textile industry is also going from bad to worse which has rendered lakhs of textile employees jobless. So, I would like to know as to what remedial measures are being taken by the Government to provide relief to the workers?

[English]

MR. SPEAKER: Your question does not arise out of this question.

SHRI M. SAYEED: I want to know from the hon. Minister as to whether or not the Government is bringing the Bill and

hastening the passing of the Bill on labour participation so as to remove this misapprehension in the minds of the trade unionists.

MR. SPEAKER: This question is about the impact of the Industrial Policy.

SHRI P.A.SANGMA: This supplementary does not arise out of the main question. (Interruptions)

SHRI AMAL DATTA: It is apparent that they do not understand the question and answer. They do not understand what for the Committee is set up. (Interruptions)

SHRI SOBHANANDREESWARA RAO VADDE: Sir, through you, I would like to ask the hon. Minister whether or not the Government will add another term also for to examination by this Committee, that is, the impact of the import of foreign technology and capital which are further going to increase the unemployment problem that is being faced by the country at the present moment. In view of such circumstances, will this Committee examine this aspect also and suggest some remedial measures to help in further increasing the employment opportunities to the people of this country and at the same time, invite foreign technology and capital?

SHRI P.A.SANGMA: In fact, I took the first meeting with the leaders of the trade unions on the 17th and they have pleaded for expanding the scope and the terms of reference of the Special Tripartite Committee. The suggestion was that this Committee should not only go into the effect of the labour policy but its scope should be on the entire economy as such. This was the suggestion made by the members of the trade unions. We are examining this suggestion also.

Report of BICP on Drug Prices

*285. **SHRI HARIN PATHAK:**
SHRI DHARMANNA MON-
DAYYA SADUL:

Will the PRIME MINISTER be pleased to state:

(a) whether the Government have accepted the recommendation contained in the Supplementary Report of the Bureau of Industrial Costs and Prices for retention of 50 per cent reduction in cost of drugs;

(b) whether a number of benefits have already been allowed to drug companies; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (DR. CHINTA MOHAN): (a) to (c). A Statement is laid on the table of the Lok Sabha.

STATEMENT

(a) There is no such report of the BICP.

(b) and (c). As compared to 1978 Drug Policy, the Policy of 1986 was liberal in the following main aspects:-

- (i) Span of control was reduced from 381 to 143 drugs.
- (ii) Categories of drugs under price control were reduced from 3 to 2.
- (iii) MAPE (Maximum Allowable Post-manufacturing Expenses) was enhanced.
- (iv) Entire drug sector was de-licensed (except 6-APA).
- (v) Incentives were given for Research and Development in the drug sector.

SHRI HARIN PATHAK: Sir, I am sorry and unhappy to read the answer to my question.

MR. SPEAKER: I hope you are not going to read out the answer.

SHRI HARIN PATHAK: Of course, it is

necessary to read out the answer and I want your protection in it.

MR. SPEAKER: I am not allowing you to read out the answer. That is the Minister's prerogative.

SHRI HARIN PATHAK: Sir, for the same question in Rajya Sabha, the answer was...

MR. SPEAKER: Mr. Pathak, please do not read. I am not allowing you to read out the answer.

SHRI HARIN PATHAK: Sir, I want your protection.

MR. SPEAKER: I will give you full protection to your question and not for reading the answer.

SHRI HARIN PATHAK: Sir, I am not reading. I am just drawing the attention of the House to one point. The same question, without any change in the wording, was asked in the Rajya Sabha on 25th July, 1991 where the Minister replied...

MR. SPEAKER: You don't refer to Rajya Sabha proceedings here.

SHRI HARIN PATHAK: But here the Minister says that there is no such report of the BICP, whereas the answer which was given in the Rajya Sabha was different.

MR. SPEAKER: Please put your question.

SHRI HARIN PATHAK: Is it true that the same question was raised in the Rajya Sabha and the Minister said that they have accepted the recommendations of the BICP?

DR. CHINTA MOHAN: I do not remember about the questions raised in the Rajya Sabha.

SHRI HARIN PATHAK: I can give him a copy of it, Sir.

DR. CHINTA MOHAN: His question is

not very clear. I have given him a very clear answer. If you go through his question, it is like this. "Whether the Government have accepted the recommendation contained in the supplementary report of the BICP for retention of 50 per cent reduction in costs of drugs." To my knowledge, there is no such supplementary report from the BICP.

SHRI HARIN PATHAK: But Sir, here is the answer given by the Minister in the Rajya Sabha. It is stated there that they have accepted the recommendation of the BICP.

MR. SPEAKER: Find out whether the word 'supplementary' is there.

SHRI HARIN PATHAK: I will read it out, if you permit me Sir.

DR. CHINTA MOHAN: I would like to clarify. If the hon. Member had asked regarding supplementary recommendations of Kelkar, then I would have given the answer with all details. But he asked a short question and he was not very clear in this wording.

MR. SPEAKER: If you have understood the question, please explain it to him.

DR. CHINTA MOHAN: In October 1988, Kelkar Committee had given supplementary recommendations to give some incentives for research and development work. If any indigenous manufacturer produces drugs with his own research and development and thereby if there is any reduction in the production cost, it will be divided into two -50 per cent goes to the consumer and 50 per cent goes to the manufacturer. This was the incentive that he had recommended through the process of supplementary recommendations.

SHRI HARIN PATHAK: Two main benefits are available to the drug producer due to the improvement of technology, that is, as the Minister has said, the exemption from price control for a period of five years and actual expenses incurred on research and development allowable, in determination of reduction of drug prices. So, I would

like to know from the Hon. Minister as to what is the need for this recommendation. Why have the Government accepted it?

DR. CHINTA MOHAN: In 1988 when Mr. Kelkar was the Chairman of the BICP, we asked for the expert opinion. Government generally accepts the recommendations of the BICP. We always try to scrutinise and try to reduce the cost of drugs.

MR. SPEAKER: And also to improve the technology.

DR. CHINTA MOHAN: The idea is to improve the techno-economic conditions. (*Interruptions*)

SHRI HARIN PATHAK: My second supplementary Sir.

MR. SPEAKER: I thought both the supplementaries are over. Okay, go ahead.

SHRI HARIN PATHAK: I want to know whether it is true that the technical experts committee appointed by the Government under the permanent committee known as the Standing Committee has rejected the recommendation of the BICP to allow 50 per cent cost reduction benefit to the producers. If so, what are the details of their observations on this issue and what action was taken by the Government on this observation?

DR. CHINTA MOHAN: There are a number of producers in the country and there are about 30,000 formulations. 10,000 formulations are under drug price control. If he poses a specific question about specific producers, then I will be able to give the answer.

[*Translation*]

SHRI DHARMANNA MNDAYYA SADUL: Mr. Speaker, Sir, through you, I would like to know the reasons for continuous increase in the prices of drugs during the last several years, because of which it has become difficult for the common man the purchase these drugs. Just now the hon.

Minster has informed that the Government have not received any report from BICP but Shri Pathak has rightly said that BICP has submitted a report and the Government have not accepted the report. The Government have constituted a separate committee and some steps are being taken through this committee. I would like to know as to what machinery the government have engaged to check the prices of drugs so that drugs may be made available to the common people at cheaper rates.

[*English*]

MR. SPEAKER: This is a completely different question. If you can answer, you may.

DR. CHINTA MOHAN: The cost of medicines today in India is much less when compared to the prices in other parts of the world. We take the recommendations of the Bureau of Industrial Costs and Prices.

MR. SPEAKER: Is there a machinery to control prices?

DR. CHINTA MOHAN: Sir, we have a fullfledged machinery by the cost of so many ingredients like the raw material, power, labour and so on has gone up. When the prices of these things go up we cannot suppress it completely. There are certain norms for it.

[*Translation*]

SHRI SHANKERSINH VAGHEILA: Mr. Speaker, Sir, the Hon. Prime Minister has given different replies in Rajya Sabha and Lok Sabha. The other hon. Member asked about the availability of drugs and sir, you have told him about the controlling system. I think the Government have a machinery to have full control over it. About a month back, the Prime Minister, who is the Chairman of the Consultative Committee for Chemicals, has said that new drug policy would be announced shortly. So I would like to know as to when the Government is going to

announce new drug policy in view of the new Industrial policy?

MR. SPEAKER: Hon. Member, it is a specific question. There can be a wide range of question on drugs so you have to ask question relating to the main question only.

(*Interruptions*)

[*English*]

DR. CHINTA MOHAN: Sir, we have received the previous Drug Policy. At an appropriate time, we will bring it before the House.

SHRI ANKUSHRÁO RAOSAHEB TOPE: Sir, I would like to know from the hon. Minister, will this liberalisation in Drug Policy not lead to adulteration.

DR. CHINTA MOHAN: No, Sir, it will not. Anyway, the adulteration is dealt with the Ministry of Health.

SHRIHARIKISHORE SINGH: Sir, many small scale industrial units have increased the prices of their drugs and on the other hand the big units have not been able to increase the prices. In view of this I would like to know from the Hon. Minister whether he will consider revising the prices of Ampicilins and Cephalicins because large scale adulteration is going in this industry.

MR. SPEAKER: You are asking specifically about one drug. He has to get the information. There are many drugs and the prices are fixed on the recommendation of a body. It is very difficult for him to answer.

SHRI HARI KISHORE SINGH: Sir, I am asking a very specific question.

MR. SPEAKER: But you cannot have the reply to your specific question. Well, you can put the reply to your specific question. Well, you can put the question and if the Minister has the reply, he will give it, otherwise he will send it in writing.

DR. CHINTA MOHAN: Sir, at the moment I do not have the reply. [Translation]

MR. SPEAKER: You send it to him in writing.

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI UTTAMBHAI H. PATEL): (a) to (e).

Water Testing Laboratories

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*286. SHRI ANADI CHARAN DAS:
SHRI SUBASH CHANDRA
NAYAK:

Will the PRIME MINISTER be pleased to state:

(a) whether the Government propose to set up water testing laboratories in each district in the near future;

(b) if so, the details thereof;

(c) whether the Government have in the past sanctioned and set up both stationary and mobile laboratories for water quality surveillance;

(d) if so, the break-up thereof, State-wise; and

(e) the places in Orissa where such laboratories have already been set up and are proposed to be set up?

STATEMENT

(a) and (b). The Government propose to set up the Water Testing laboratory in each district in the country for regular monitoring of quality of drinking water in rural areas subject to the policy and outlays for Eighth Plan which are yet to be decided. The pattern of assistance for the laboratories will be decided after the Eighth Plan outlay is finalised by the Government.

(c) Yes, Sir.

(d) The Statewise break-up of the mobile and stationary laboratories sanctioned in the past are given in the Annexure.

(e) In Orissa, Water Testing Laboratories have already been set up in Koraput (Rayagada), Mayurbhanj (Bharipada), Phulbani, Sambalpur, Ganjam (Behrampur) and Kalahandi (Bhawanipatna) districts. One mobile laboratory has also been provided to the State Government. 6 new laboratories have been approved for being set up in the districts of Balasore, Bolangir, Cuttack, Keonjhar, Dhenkanal and Sundergarh. In addition it is proposed to provide one mobile laboratory for Puri District.

ANNEXURE

S.No.	States/UTs	Stationary Laboratories Sanctioned and set up	Mobile Laboratories Sanctioned and set up
1.	Andhra Pradesh	3	-
2.	Arunachal Pradesh	1	1
3.	Assam	6	1**
4.	Bihar	5	-
5.	Goa	1	-