

(b) whether the Indian Airlines has approached Government for a subsidy to compensate it for the losses it has been suffering as a result of the continued operation of the avro (HS-748) aircraft in its fleet and if so, the reaction of Government thereto?

THE MINISTER OF TOURISM AND CIVIL AVIATION (DR. KARAN SINGH): (a) The profitability of an aircraft depends on a variety of factors such as the sectors on which it is used, the load factors achieved, direct and indirect operating costs and the fare structure. The Avro HS-748 is being used mainly on regional routes which have short stage lengths and where load factors are not very high. It would, therefore, not be appropriate to make a generalised type-wise assessment of profitability. Experience shows that the majority of regional routes operate at a loss. Indian Airlines is performing a public service and it is not possible for it to operate only on the profitable sectors. Since the regional routes are normally the losing sectors, and the HS-748 are mainly operating on them, it is correct that in the overall picture these aircraft are operating at a loss.

(b) While no such request has yet been received, Government has been subsidising certain uneconomic routes including some of the operated with Avro aircraft. Government is also giving Indian Airlines some subsidy towards the purchase of these planes.

Wig Industry in India

752. SHRI S. P. BHATTACHARYA: Will the Minister of COMMERCE be pleased to state:

(a) whether wig industry in our country is in a critical state; and

(b) if so, what steps Government are taking to save this industry and the persons involved in this industry?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI A. C. GEORGE): (a) and (b). There is only one factory, namely, Wig India, Madras, run by State Trading Corporation of India, which is manufacturing wigs for exports. Government is not aware of any other unit manufacturing wigs for export. Export of wigs started falling from 1968-69 onwards due to general decline in demand for human hair wigs as a result of the advent of and growing popularity of cheap synthetic wigs, which account today for bulk of international demand. Wig India has now diversified its production activities to other fields.

Proposal to Canalise Lac Trade through STC

753. SHRI S. P. BHATTACHARYA: Will the Minister of COMMERCE be pleased to state:

(a) the average price of raw lac received by the producers from the lac traders;

(b) the average price of finished lac sent for export; and

(c) whether Government have any proposal to canalise this trade through State Trading Corporation to safeguard the interests of the lac producers and also the industry?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI A. C. GEORGE): (a) and (b). Average export price of hand-made and machine-made shellac exported during April-August, 1972, was Rs. 608 and Rs. 665 per quintal respectively. The average price received by the producers is difficult to state; it is, however, understood, that in recent months due to over-all spurt in prices the prices paid to producers too have shown a marked increase;

(c) There is no proposal to canalise lac trade through State Trading Corporation.