

strike on December 28, 1973, in support of their demands;

(b) if so, the major demands of LIC employees; and

(c) the reaction of Government thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI-MATI SUSHILA ROHATGI): (a) Yes, Sir.

(b) and (c). The demands of the Class III and Class IV employees of the Life Insurance Corporation included upward revision of the existing scales of pay, allowances and improvements in the terms and conditions of service. The demands were discussed between the LIC and the Unions of its employees and an agreement was signed on 24-1-1974. The consequential amendments to the LIC Staff Regulations have been approved by the Government.

Steps to establish Jute Factories in Oil producing countries

3269. **SHRI D. D. DESAI:**

SHRI N SHIVAPPA:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government have taken any steps to explore the possibility of establishing some jute factories in the oil producing countries; and

(b) if not, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI A. C. GEORGE): (a) No, Sir.

(b) The oil producing countries, in general, do not have raw material for jute factories. The export of raw materials from India is also economically disadvantageous, specially when India can, by exporting finished products, obtain higher unit realization.

Efforts are therefore directed to

increase exports of manufactured jute products to this region, where substantial export possibilities exist in view of requirements for bagging food stuff, fertilizers, cement etc.

Functioning of Public Undertakings

3270. **SHRI D. D. DESAI:**

SHRI RAGHUNANDANLAL BHATIA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Bureau of Public Enterprises has made any study of the basic problems in the functioning of Public Sector undertakings;

(b) if so, the result thereof; and

(c) the measures proposed to be taken by Government to meet these problems?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH): (a) The Government keep a constant watch over the working of public enterprises so as to take timely remedial action. An Action Committee on Public Enterprises, has also been constituted to identify the obstacles in the way of achieving higher operational efficiencies and for recommending suitable steps to remove these road-blocks.

(b) Some of the basic problems of the public enterprises relate to the long gestation periods, the time taken to develop skills in some sophisticated industries, shortage of raw materials, components and power unsatisfactory industrial relations and in some cases inadequacy of demand.

(c) Some of the important measures taken to improve the operations of public enterprises relate to:—

(i) Improvements in organisational structure and manning at the corporate as well as plant level;

- (ii) improvements in technology; operating methods and maintenance systems;
- (iii) diversification and export to improve capacity utilisation;
- (iv) provision of additional facilities to remove bottlenecks and imbalances;
- (v) improvement of the quality and availability of indigenous materials;
- (vi) import of critical components and raw materials, not indigenously available to minimise production loss;
- (vii) improvements in industrial relations, communication system, personnel management, training and development;
- (viii) institution of Improved Incentive/Reward Scheme at all levels.

Setting up of an Export/Import Bank

3271. SHRI D. D. DESAI:

SHRI FATEHSINGHRAO
GAEKWAD:

Will the Minister of FINANCE be pleased to state:

(a) whether setting up of an Export-Import Bank is under the active consideration of Government; and

(b) if so, when a decision is likely to be taken in this regard?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN): (a) and (b). The question whether there is a need for an Export-Import Bank for the country is under the consideration of Government.

Loans from World Bank due to Oil Crisis

3272. SHRI SUKHDEO PRASAD
VERMA:

Will the Minister of FINANCE be pleased to state:

(a) whether due to the huge increase in the price of oil, country is facing a threat to its economic stability; and

(b) if so, the extent to which the World Bank has agreed to give additional long-term loans to help the economy of the country?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN):

(a) The sharp rise in oil prices will place a burden on the balance of payments and it will be necessary to make maximum effort to augment export earnings and reduce dependence on imports.

(b) The World Bank is exploring ways in which it could assist developing countries to meet the problem created by the increase in oil prices, but no definite plan has as yet emerged.

Taking over of Sick Tea Gardens.

3273. SHRI SUKHDEO PRASAD
VERMA:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government are considering the proposal to take over the sick tea gardens in the country; and

(b) if not, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI A. C. GEORGE): (a) The Task Force on tea, set up for evolving a long term strategy for development of tea industry and promotion of tea exports, recommended certain measures