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Title: Regarding problems faced by Jute Industry in West Bengal.

PROF. SAUGATA ROY: Madam, I am raising an issue, which I had raised last week regarding the jute industry in West Bengal. This is an issue which affects my colleagues Shri Dinesh Trivedi, whose constituency has 22 jute mills; Shri Kalyan Banerjee, whose constituency has many jute mills and Dr. Ratna De (Nag). The jute is grown in Murshidabad, Nadia and all other parts up to Raiganj. In Bihar also, it is grown in Purnia, Supaul and many other parts of the State. So, it is a big problem.

Over the last two years, the jute industry has been reeling under an existential crisis. This has led to around 25 per cent mills out of total of 56 in the State being shut and nearly one lakh workmen rendered jobless. Even yesterday, Weaverly Jute Mill in Shyamnagar and Nadia Jute Mill at Naihati closed down making the tally to 11 jute mills closed in 11 days. The livelihoods of around 40 lakh farmer families are endangered due to uncertainty.

In the meantime, Bangladeshi jute industry has doubled its size in last seven years and jute products are being hailed globally as an environment friendly alternative to plastics. The precarious situation has arisen mainly due to the acts of the Central Government such as: 1) Dilution of the Mandatory Packaging Act – introduced by Shri Rajiv Gandhi – from 100 per cent reservation for sugar and foodgrains - 20 per cent for sugar and 90 per cent for foodgrains on strong lobbying by plastic industry; 2) continuous attempts to violate the Act further by sugar industry and procurement agencies: (a) default in procurement of bags despite mandatory requirements, (b) attempts to keep jute bags out of the National Food Security Mission, (c) erratic indenting of jute bags in violation of established norms and system; 3) Erosion of the non-governmental market due to heavy imports from Bangladesh aided by (a) zero duty on imports and (b) 10 per cent export subsidy by Government of Bangladesh; 4) the procurement of jute bags has fallen from an average of 26.8 lakh bales annually (July to June) in 2013 to 20.3 lakh bales in 2013-14 and 19.9 lakh bales in 2014-15 (July to May); 5) The lack of demand has led to many mills cutting production which has aggravated labour issues, leading to violence and closure.

In the face of the shrinking market and added uncertainty about the future, the jute industry is going through de-growth. Investments in modernisation and product diversification have all but stopped since 2012-13. Joblessness among workers is creating skill deficit while uncertainty over market is discouraging jute farmers from adoption of the best practices developed over long years.

A strong supporting hand by the Central Government by way of stable orders for an extended time period and protection from cheap imports is required. This will lead to modernisation of industry resulting in cheaper and more efficient jute bags, diversification of products to increase market footprint beyond packaging into new areas like consumer bags, geotextiles etc. An environment-friendly and sustainable product like jute, will help solve a lot of national problems like river pollution, depletion of petrochemicals, landfill overload.

Madam, I had raised it last week. There is no response from the Minister. I have been looking for the Minister, Shri Gangwar, for the last three days. He is nowhere to be visible. Will there be any response from him? Or, will mill after mill close down? He is from Bareilly. There are no jute mills or textile mills in Bareilly. He does not care. The industry is shutting down, putting lives of lakhs of farmers and workers at stake. There is no response from the Government as a whole to this big crisis in the jute industry. The Government remains silent. It is very strange that this is the way the Government is responding to people's woes and miseries!

Thank you. ...(*Interruptions*)

HON. SPEAKER: Shri Abhijit Mukherjee, Shri Nishikant Dubey, Dr. Ratna De (Nag) and Shri Md. Badaruddoza Khan are permitted to associate with the issue raised by Prof. Saugata Roy.

...(*Interruptions*)

HON. SPEAKER: Shri Anto Antony. He is not there.

...(*Interruptions*)

HON. SPEAKER: Dr. A. Sampath.

...(*Interruptions*)