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Title: Called the attention of Minister of Commerce to the difficulties being faced by rubber growers in the country due to fall in the price of natural rubber and steps taken by the Government. The Minister of Commerce made a statement in regard thereto.

सभापति महोदय : सभा की कार्यवाही शुरू की जाती है, अब ध्यानाकर्षण प्रस्ताव की सूचना ली जाएगी।

SHRI SURESH KURUP (KOTTAYAM): Sir, I call the attention of the Minister of Commerce to the following matter of urgent public importance and request that he may make a statement thereon:

"The difficulties being faced by rubber growers in the country due to fall in the price of natural rubber and steps being taken by the Government in regard thereto."

Respected Mr. Chairman, Sir, thank you for giving me this opportunity of calling the attention of the Government. This concerns a very serious problem of the State of Kerala.

As most hon. Members in this House know, 93 per cent of the production of rubber in this country is from Kerala. The farmers in Kerala turned to rubber cultivation because of the active patronage extended to it by the Central Government through the Rubber Board. A lot of incentives were given and the farmers were given the impression that whenever there is a fluctuation in the prices, the Central Government would intervene to help the farmers.

You may be under the impression that these cultivators are rich farmers. Eighty-five per cent of them are small and marginal farmers who have only one or two acres of land. Over the last one year, the rubber price has gone to the lowest ebb. Our complaint is that in spite of repeated agitations and demands from all corners of this House, the Central Government has not done anything to protect the rubber growers.

I have great respect for Shri Ramakrishna Hegde. But in spite of my great regard and respect, I am constrained to say that he has not done anything to protect the farmers and rubber growers of Kerala and also of Karnataka.

We were under the impression that a person who has got the first hand knowledge of the problems of the cultivators would do something. But till this date nothing has been done to ensure a fair price for rubber. Earlier it was not the case. The scene was different. For the last two decades whenever there was a fluctuation in the price of rubber, the Government used to intervene; and STC used to procure rubber at a price fixed by the Government of India. All these changes have taken place due to the new economic policy. The statement given by the hon. Minister mentions about an important factor, that is the recession being faced by the automobile industry. I do admit that there is a recession in the tyre industry. The fall in the price of rubber is not only due to the recession in the tyre industry, but there are so many other factors which the hon. Minister has not mentioned.

Sir, this Government does not have any figure regarding the import of rubber. Now, rubber can be imported under public notice, under advance licencing and under special import licence. So, on all these accounts, tonnes of rubber are being imported. The Government should at least have a temporary measure to stop the import of rubber at least for the time being. ... (Interruptions)

सभापति महोदय :आप पहले मंत्री जी की बात सुन लीजिए।

SHRI SURESH KURUP: The statement has already been circulated.

During the last fifty years, tyre was not imported in this country. Now, tyre is being imported, cycle tube is being imported and used tyres are being imported.

SHRI MULLAPALLY RAMACHANDRAN (CANNANORE): This is not the procedure. The hon. Minister has to make the statement first. Then only the discussion should be allowed.

सभापति महोदय : पहले मंत्री जी को बोलने दीजिए।

">THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): If I could lay the statement on the Table, that will save my labour. Normally, the statement is read. If you are interested in listening to what has been stated in the statement, I would like to read the statement so that other hon. Members can also be enlightened.

SHRI P.C. CHACKO (IDUKKI): If you lay the statement, we can ask some questions on it.

SHRI RAMAKRISHNA HEGDE: Is it the intention of the hon. Member to carry on this discussion till evening?

In reply to Calling Attention Motion given by the hon. Members of the House, I seek your permission to make the following statement:-

Urgent attention has been drawn to the difficulties being faced by rubber growers in the country due to the fall in the price of Natural Rubber. In this regard, I am giving below the details of the steps taken by the Government of India to arrest the declining trend of rubber prices in the domestic market and also to provide a remunerative price to the rubber growers in the country.

The domestic price of natural rubber had witnessed considerable fluctuations in 1994 and 1995. The price of natural rubber during 1994 varied from Rs.2600 per quintal to Rs.4200 per quintal. However, the price of natural rubber touched an all time high of over Rs.6000 per quintal in June 1995. Thereafter, there has been a steady decline in domestic prices and this trend continued during 1996 and 1997 also. The average price of RSS-IV, which is standard good quality sheet rubber, was Rs.2663 per quintal in the primary domestic market of Kottayam in April 1998. All through the domestic prices have followed the pattern of international prices reported at Kuala Lumpur. However, domestic prices are again firming up and are ruling at Rs.300 to Rs.400 higher per quintal than the international prices.

Tyre industry which includes automobile/cycle tyres and tubes accounts for 60 per cent of the domestic consumption. There has been a significant decline in the consumption by this sector. Automobile tyre industry which accounts for 47 per cent of domestic consumption, after an annual growth rate of nearly nine per cent for the last few years, has reported a negative figure at about -2 per cent in 1997-98.

I may mention here that several Members of Parliament and Government of Kerala have expressed concern over the continuing decline in prices of rubber. The Government of India had earlier authorised market intervention by State Trading Corporation and STC was directed in the month of August, 1997 to procure up to 10,000 MT of natural rubber on Government account at current prevailing prices. STC has procured 9596 MT and it has been reported that two agencies of the Government of Kerala, namely, M/s. Rubco and Kerala State Warehousing Corporation have also procured 20,000 MT.

However, this did not arrest the decline and in April 1998, prices came down to Rs.2663 per quintal. The Government of India authorised STC in mid-May 1998 to procure a quantity of 20,000 MT on Government account at the prevailing market prices not exceeding Rs.3400 per quintal.

The Government of India further directed STC not to off-load the procured quantity into the domestic market and to export and/or sell the entire quantity of procured rubber to the Advance Licence Holders.

The Benchmark Price of natural rubber was last fixed in February, 1994 at Rs.2490 per quintal for RSS-IV Grade. In view of escalation in the cost of labour and various inputs, the Ministry of Commerce had taken up with the Ministry of Finance, the issue of fixing a revised Benchmark Price. The report of the Cost Accounts Branch of the Ministry of Finance has been received in the Ministry of Commerce and is under examination.

As explained above, the Government is fully aware of the difficulties of the rubber growers and is keeping a close watch on the price situation of natural rubber. In fact, after the intervention by the STC, the price of natural rubber has improved from Rs.2525 per quintal on 6.5.98 to Rs.3300 per quintal on 18.7.98 and it is hoped that the upward trend will continue.

In view of the position explained above, it may be seen that the Government of India has spared no efforts and taken all steps to stabilize the domestic price of natural rubber.

Sir, I may add that Shri Suresh Kurup was very considerate in paying some kind of a compliment but he is under mistaken notion that Government of India has not done anything to come to the succour of rubber growers. I agree that Kerala is the largest rubber-growing State and we occupy the third position in the world in the production of natural rubber. The decline in the prices of natural rubber is due to several factors and many of them are beyond our control. Regarding the general recession, it is not only in India that the rubber prices have gone down but it is so all over the world. If there was a possibility of exporting rubber, we would have certainly done it. There is no demand and there is no point in exporting rubber only to incur losses. The ruling prices in international market are much lower than the ruling prices in our own country.

Many hon. Members met me personally, have represented and expressed their views on the floor of the House that unless the declining prices are arrested, the growers would be put to great hardship. I entirely agree with them. The cost of production has gone up. I entirely agree with them that nearly 80 per cent of the growers are small growers and are not big planters. Therefore, I consider that it is necessary and as the duty of the Government to help the maximum possible extent.

The hon. Members had met me personally and made several suggestions. I have already taken action on those suggestions. Firstly, they wanted market intervention by the STC. Shri Kurup has said that during the last two decades, whenever the prices declined, the Government had asked the STC to buy rubber in the market at the price fixed by the Government. This is not true. As I told in the statement, last time also, when market intervention was resorted to, the maximum price fixed was Rs.34. This time, we thought that since the STC has entered into the market to buy a great quantity as 20,000 tonnes, the prices would pick up, and the prices did pick up. There is no doubt about it. From Rs.2700 per quintal, it has now risen to Rs.3400 per quintal. This trend will perhaps continue.

About import of natural rubber and rubber products, I must mention here that we have not permitted any sort of import of rubber except by the advanced licence holders. We cannot prevent them. It is their right. Those who export apply for advance licence for import and it is not specified what they are going to import. It is also necessary to manufacture certain products to import certain kinds of rubber from other countries. I must also inform the hon. Members that one of the demands made by them was that the Benchmark price fixed in 1994 was Rs.24 per kilogram which comes to Rs.2400 per quintal. The demand was very reasonable. I immediately agreed and as I said in the statement, a Committee was constituted. The Committee has surveyed taking into consideration the cost of various inputs and have just prepared a report. I do not know what exactly is there in the report. As soon as the Finance Ministry clears it, we are going to implement it. If the prices further decline, I will consult the hon. Members as to what kind of steps we have to take further. I hope and I am confident that the prices will not decline further and in case, they decline further, we would meet again and I will take such steps as you think are necessary to be taken.

SHRI SURESH KURUP : Sir, I am repeating what I have mentioned earlier. Whatever be the claim of the Government, the fact is that the rubber price is not picking up. Now, it is the monsoon season in Kerala. No tapping is done in the months of June, July and August. Normally, there will be a slight upward trend in the prices of rubber. The prevailing price of rubber of first quality is Rs. 33 per kilogram. The prevailing price of rubber, which is slightly of lower quality and which is produced by a majority of the cultivators, is Rs. 29 per kilogram. So, this shows that the price is not going up. All of us have personally met the Minister of Commerce. We gave many representations. The Government promised to fix the benchmark price immediately. I draw the attention of the hon. Minister to the meeting that I, along with other Members, had with him one-and-a-half months back. He promised us that the benchmark market price will be fixed immediately and will also be announced soon. But till this date, the Government has not taken any step for fixing the benchmark price.

What I mention is that the Government has no figures regarding the quantity that is being imported into this country. As I mentioned earlier, tyres and cycle tubes are imported. Used tyres are also imported. I do not know for what purposes the used tyres are imported. The developed countries want to dump the used tyres somewhere

in the Third World because it causes environmental problems there. The used tyres are imported and our country is being used as a dumping ground.

Now, I also talk about the import of synthetic rubber. The other day, my learned friend, Prof. P.J. Kurien, mentioned to the Minister about the import of polyurethane. Polyurethane is imported. It can replace centrifugal latex. There is also another material, called 'Toluene Diisocyanate', which, along with other locally available materials, can be used for manufacturing polyurethane. All these things are being imported. Ultimately, it affects the price of rubber.

My submission is that import of natural rubber, synthetic rubber, other chemicals, tyres, used tyres and all these things should be stopped at least for the time being. I know that the Government is going forward with the liberalised economic policy. You have also got a duty towards the rubber cultivators. As I mentioned earlier, these people turned to rubber cultivation only because of patronage of the Central Government. Now, the Government is not doing anything to protect the farmers and to fix the fair price for rubber.

Lastly, these cultivators are at the mercy of the industrialists who manufacture rubber products. The tyre companies in India, who raise the prices of tyres, when the price of natural rubber is higher, have not cared to reduce a single rupee when the prices are lower. The fact is that the tyre prices are going up even when the price of natural rubber is going down. Can anybody be blamed if they think that the Government is playing into the hands of the big industrialists, big tyre manufacturers and not taking care of the interests of the cultivators?

सभापति महोदय : ठीक है, यह आपका लास्ट प्वाइंट था, अब आप बैठिये।

SHRI SURESH KURUP :Sir, let me formulate it. It is the practice of the House. I would only take two to three more minutes.

सभापति महोदय (डा.रघुवंश प्रसाद सिंह): क्लैरीफिकेशन ही पूछना है। इसमें भाषण की जरूरत कहां है? कृपया बैठिए।

SHRI SURESH KURUP :Sir, when you sit with us here, then you used to make long speeches ... (Interruptions) It is totally unfair.

सभापति महोदय : आप क्या चाहते हैं? नियमों के अनुसार ही तो काम होगा। स्पष्टीकरण आप पूछ सकते हैं। चार माननीय सदस्य और भी हैं। उनको भी बोलने का समय देना है। आप अपना लास्ट प्वाइंट रखिए।

There are four hon. Members.

SHRI SURESH KURUP (KOTTAYAM): Sir, this has been the practice of the House ... (Interruptions)

SHRI V.V. RAGHAVAN (TRICHUR): Sir, let him complete his submissions ... (Interruptions)

PROF. P.J. KURIEN :Sir, rubber is elastic and it would stretch. That is what is happening here.

SHRI SURESH KURUP :Sir, there is an oligopolistic arrangement between these companies. They depress the prices in a declining market and they back out from an upward market. This is what is happening.

Sir, through you, I would like to know from the hon. Minister what steps the Government is taking to fix the benchmark price of rubber and whether the Government intends to procure rubber from the market for this benchmark price. This is the most important thing which the Government should do. That should be declared immediately ... (Interruptions)

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): Sir, I am sorry that the hon. Member has not understood what I said.

SHRI SURESH KURUP :The prices are coming down. The Government has not done anything. Whatever little has been done by the Government has not affected the market ... (Interruptions)

SHRI RAMAKRISHNA HEGDE: It may be that I have not been intelligible to him. I said that we have taken steps to fix the benchmark price.

SHRI SURESH KURUP :Then, you declare it now.

SHRI RAMAKRISHNA HEGDE: I cannot declare it in an ad hoc manner. There is a procedure. An expert team has to go and they have to take into consideration the various factors, for example, the cost of inputs, the cost of labour etc. I said the Report is ready. It has to be approved by the Ministry of Finance and, maybe, in the next two to three days, if the approval is obtained, I will immediately publish it.

Let me say in which way the hon. Member has asked the question. Would the hon. Minister tell us whether rubber would be procured at the benchmark price? The answer is 'yes'.

Are you satisfied now? ... (Interruptions)

SHRI A.C. JOS :Sir, would you tell, how many tonnes of rubber have been procured by STC?

सभापति महोदय : आप फिर क्यों खड़े हो गए। कृपया बैठिए।

SHRI A.C. JOS (MUKUNDAPURAM): That is all I want to know from the hon. Minister ... (Interruptions)

सभापति महोदय : शांति रखिए। जोस साहब आपका नाम ध्यानाकर्षण प्रस्ताव पर हस्ताक्षर करने वालों में नहीं है। आप कृपया बैठिए।

SHRI RAMAKRISHNA HEGDE: I would give you that figure also.

Here, some kind of a suggestion was made that the Government is under the influence of the big business houses, monopolists etc. That is not true. I refute it with all the force at my command.

Sir, the hon. Members are not unaware, they read the newspapers, that there is a slump in the industrial production. There is a recession in the entire South-East Asian region. In our own country also, production in the automobile sector has come down by 40 per cent. Some of the automobile industries like, M/s Ashok Leyland, TELCO etc. are in doldrums. Who will buy this rubber? Unless there is a demand, the tyre manufacturers will not manufacture them.

SHRI P.C. THOMAS (MUVATTUPUZHA): Tyre prices never came down, they always went up ... (Interruptions)

15.00 hrs.

SHRI RAMAKRISHNA HEGDE: May I complete?

सभापति महोदय : अब तो कम्प्लीट हो गया।

">SHRI CHENGARA SURENDRAN (ADOOR): I would like to invite your attention towards the rubber growers of our country. About 92 per cent of the natural rubber is produced in Kerala. The majority of the rubber growers are from the middle class and the lower middle class categories. Thinking that the rubber cultivation is profitable, the small scale farmers stopped cultivating tapioca and paddy, and switched over to rubber cultivation. Now, the rubber is a non-profitable crop as far as the State of Kerala is concerned. This has affected the very foundation of Kerala's economy.

The price of natural rubber during 1994 varied from Rs.2600 per quintal to Rs.4200 per quintal and over Rs.6000 quintal in 1995. Thereafter, there had been a steady decline in the domestic price and this trend continued during 1996 and 1997 also. But, today the price of natural rubber has come down. The Government of India had earlier authorised the market intervention by State Trading Corporation to procure up to 10,000 MT of natural rubber. However, that did not arrest the decline and the price came down to Rs. 3300 per quintal.

The Government may take urgent steps for improving the price of natural rubber and for the progress of rubber growers. By banning the import of rubber and rubber products, the Government can help the rubber growers. My demand is that the price of rubber may be stabilized.

SHRI S. JAIPAL REDDY (MAHABUBNAGAR): Sir, the discussion on the Maruti issue was to begin at 1500 hours. I do not mind waiting until this discussion is over provided the Chair gives a specific ruling that it would be taken up soon after it is over.

सभापति महोदय : ठीक बात है। मारुति पर बहस है, उसको इसके बाद होना है।

SHRI P.C. THOMAS (MUVATTUPUZHA): Sir, Maruti needs tyres. And, for tyres we require rubber. So, the hon. Member can wait for some time.

">SHRI P.C. CHACKO :Without repeating what the hon. Members have already said, I would like to draw the attention of the hon. Minister and in turn seek clarifications on certain points. The agony of the rubber growers of Kerala goes back to a few years when you, as the hon. Minister, visited Kottayam. At that time also we had drawn your attention towards the problems of the rubber growers. Let me quantify the whole thing for the understanding of everybody. We are producing 6 lakh tonnes of rubber in our country. Its cost used to be Rs.60 per Kg. and now its cost is Rs.30 per Kg. So, the loss comes to about Rs.3000 crore to the rubber growers all over the country. In 1960 we were producing only 15,000 tonnes of rubber. Today we are producing about 6 lakh tonnes of rubber which is sufficient for the Indian industry. The rubber growers are being penalised for their hard work. One may imagine for a minute, had they not been producing 6 lakh tonnes of rubber what would have been the outflow of foreign exchange for the Indian industry to meet the requirement of rubber? I am not going into the details of this. We have taken up this issue not only in this House but in various other fora, like the Standing Committee and the Consultative Committee. The hon. Minister was also there the other day and we directly listened to the people who are in the field.

Once, Supplementary Demands for Grants for Rs.150 crore were placed in this very House by the then Finance Minister on account of giving price support to cane-growers in the country. At that time we demanded as to why Supplementary Demand for Grants could not be placed and a fund be created in the Union Commerce Ministry to give subsidy to exporters of rubber. We are producing surplus rubber. Rubber can be exported, may not be at an economic price. In this kind of a situation, if the Government of India gives subsidy, or at least meets the loss on account of exports, it will be of great help to the rubber farmer. How much amount of money would be needed for this? It is not even half of what was provided for sugarcane and various other crops.

It is a fact that there are imports. The hon. Minister has stated that Advance Licencing Scheme cannot be stopped. I do not agree with him. Advance Licensing Scheme is the existing practice that a person who exports, has a right to import. But, when you impose a ban on the import of certain items, that does not come under Advance Licencing Scheme. The hon. Minister has stated that various grades of rubber is required for the manufacture of tyres. Any grade of natural rubber required for the manufacture of tyre which is available in Malaysia or in Sri Lanka is available within the country. So, there is absolutely no necessity for any industrialist in the country -whatever is his Advance Licencing entitlement -- to import a single kilogram of rubber into the country. When our supply and demand situation is not justified, where is the question of importing rubber from outside?

The other day, a big advertisement appeared in the newspapers that a multinational tyre company launched their tyre in India. They are marketing their tyre. I do not want to mention the name of the company. It was a multinational company which has started selling their tyres in India. Secondhand tyres are being imported. We

raised a question and we were told that retreading lobby is behind this. As Shri Kurup has said, we have repeatedly made a lot of hue and cry in this House in regard to Polyurethane Foam (PUF). Import duty on PUF was 50 per cent; it was reduced to 40 per cent; further reduced to 25 per cent; and now it is 15 per cent. That means, whatever is a substitute for rubber -- whether it is in the form of used tyre, in the form of new tyre or in the form of PUF -- is being imported. When this country is producing enough of rubber, it is absolutely within the rights of the Government of India to ban Advance Licencing on that commodity. I am not saying that hon. Minister or the Government is not aware of this problem. I am not saying that the Minister is concerned about it. I admit that the Minister is very much concerned about it. But the question is that when he is asking STC to procure large quantities of rubber, it is not helping the rubber farmer. A benchmark price should be fixed on this. The Minister has said that it is under the consideration of the Finance Ministry. He may kindly check up with his officers. The matter has gone back to the Ministry of Commerce at least 20 days before. The cost accountants in the Finance Ministry had worked out the figure and sent it back to the Commerce Ministry. It is a different matter that it is not acceptable to us.

Government is a continuous mechanism. The previous Finance Minister stated in this House that as and when prices fell below Rs.40 per kilogram, market intervention was resorted to by Government of India for various commodities. Where is such an intervention scheme for rubber? STC purchasing rubber at market price cannot be called market intervention. They purchase rubber at market price and when the price goes up they sell it and make money. That is not market intervention. Market intervention means fixing a benchmark price or a minimum support price and then purchasing that commodity at that price. This is not our anger against the hon. Minister; this is our agony. We urge upon him to kindly state on the floor of the House today that a benchmark will be announced on such and such a date. He can do it in 24 hours because he knows what the cost of production is. He comes from a rubber-producing State. We should get a minimum price of Rs.45 to Rs.50. If that price is fixed and if, say, 5000 tonnes of rubber is purchased at that minimum price, the situation will improve.

The Advance Licencing Scheme should go. A benchmark price should be fixed and at that benchmark price, STC should make purchases. Then only we will be saved. The farmer has started cutting the rubber trees.

The farmers started cutting rubber trees ... (Interruptions)

सभापति महोदय (श्री रघुवंश प्रसाद सिंह): फार्मर्स का पूरा ख्याल रखा जाएगा।

श्री पी.सी. चाक्को (इदुक्की) : सभापति जी, आप भी सुनिए।

Kindly understand, Sir. We have full faith in the Minister and I would request the hon. Minister to make an announcement today.

Thank you very much.

">PROF. A.K. PREMAJAM (BADAGARA): Sir, thank you very much for giving me this opportunity. I would like to call the attention of the Central Government, especially the hon. Minister for Commerce to the very desperate conditions of the rubber growers of the whole country in general and the rubber farmers of Kerala in particular. As you are aware of, most of the rubber farmers in Kerala are marginal farmers and are having just one to two acres of land. They are not big planters. Hence, a very grave situation is there.

I would also like to call the attention of the Government to the fact that the major chunk of the rubber produce is actually coming from Kerala. This matter has been repeatedly brought to the notice of this Government, especially during the discussion on the General Budget. I myself had raised this point during the discussion. It is highly regretted on behalf of the people of Kerala and also on behalf of the Members of Kerala in this august House that the Government had done nothing to improve the situation and to make the farmers get better price.

I have certain doubts about what the hon. Minister has said. He has said that the Ministry or the Government had done everything possible to improve the price and help the farmers. But the points which we have raised here for

improving the price of rubber had not actually been taken care of or not even given any attention at all. If attention had been given to the suggestions given by us, definitely there would have been improvement. But there something contrary is happening.

Unless the Government changes its import policy as is repeatedly said by other Members, it is not going to improve. When there is ample produce of rubber in this country and when Kerala alone will be able to produce rubber that is required for the industrial purposes in this country, then why should there be this import? At least, for a short while, until the price is picked up, why cannot the Government change its policy of import?

The hon. Minister has said that it was not possible to change the rules regarding Advance Licence System. I do not think, that it is such a difficult matter. We have amended our Constitution so many times. What prevents the Government from changing the Advance Licensing Policy? I do not think, it is a hardcore matter or an iron bar which cannot be melted. Even the iron bars can be melted into something else. This is the point which I want to raise in this House and I want an answer from the Government on this.

MR. CHAIRMAN :Yes. Now, the hon. Minister.

PROF. A.K. PREMAJAM :Sir, just one minute. This is an important point. I want to emphasise the point that the hon. Minister had been saying that they had done everything possible within their limits. Months have passed by since this Government came to power. Rubber season is over. Now it is the monsoon season. It is time when the price should pick up. But since the benchmark price is not fixed by the Government so far, it is not going to pick up.

There is no point in STC procuring rubber unless the benchmark price is fixed.

MR. CHAIRMAN: All right. Please take your seat now.

PROF. A.K. PREMAJAM :Sir, I am raising this point on behalf of the people of Kerala, it cannot be stopped like that.

MR. CHAIRMAN: Same thing is said again and again.

PROF. A.K. PREMAJAM :Sir, I am very sorry to say that the Government has not done anything in this regard. I want the Government to take necessary steps in this regard and fix the benchmark price. I also want the Government to procure the rubber on that price.

MR. CHAIRMAN: Hon. Minister, please.

SHRI A.C. JOS :Sir, my question has not been answered. I would like to know how much quantity of tyre the STC is procuring from the market after his intervention.

सभापति महोदय :नियम यह है कि जिनके नाम इसमें दिए हैं उनके अतिरिक्त कोई प्रश्न नहीं पूछ सकता। इस पर सारे माननीय सदस्य बोलना चाहेंगे तो हम किस को बुलाएं और किस को छोड़ें।

... (व्यवधान)

श्री ई. अहमद (मंजेरी) : महोदय, हमें भी इस पर बोलना है।

... (व्यवधान)

सभापति महोदय : ध्यानाकर्षण में डिबेट की गुंजाइश नहीं होती है। जिन माननीय सदस्यों के इसमें नाम हैं वे स्पष्टीकरण पूछ सकते हैं और हमने उन सबको बोलने का समय दिया है।

SHRI P.C. THOMAS :Why should we import used tyres? Used tyres should not be imported. At least, the Government should see that much is not done..(Interruptions)

सभापति महोदय : ठीक है, आपका पाइंट हो गया, अब आप आसन ग्रहण कीजिए।

कृपा करके आसन ग्रहण कीजिए।

श्री रामदास आठवले :सभापति जी, देश में प्राकृतिक रबड़ के मूल्य में गिरावट आने के कारण केरल के रबड़ उत्पादकों को हो रही कठिनाइयों की ओर हम ध्यान आकृष्ट करना चाहते हैं और हम रबर फार्मर्स की मांगों का समर्थन करते हैं।

MR. CHAIRMAN: Please take your seat.

SHRI RAMAKRISHNA HEGDE: I cannot understand when there is no demand for the new tyres, how can anybody import used second-hand tyres? This is a kind of illusion. Three main points were raised. I am going to reply to those three points. The first point is, regarding the benchmark price that has not been fixed. I said that we have taken steps immediately after the hon. Members met me about three weeks ago, maybe, one month ago and the report is ready. The report is with the Commerce Department. It has to be according to the rules of procedure. It has to be taken to the Cabinet. At the earliest possible time, this matter will be taken to the Cabinet. I hope the Cabinet will approve.

Secondly, a question was asked whether the Government, through STC or any other agency will buy natural rubber at the benchmark price. I said, yes. Whatever benchmark price is indicated, the Government will buy.

Shri Jos has asked a question what is the actual quantity of rubber the STC has purchased. STC has raised orders for 4,500 metric tonnes of rubber. STC does not buy directly or through private agencies. It buys through the cooperative societies. But the cooperative societies have raised one question that the handling charges that they were getting are not adequate. Therefore, they are demanding 50 paise more. I am negotiating with the STC. I said, 'if Kerala Government is prepared to share this, I am prepared to share 50 per cent of the total cost.' Kerala Government has done it before. I have written to the Kerala Chief Minister that he should consider this matter and he should also come to the help. Last time, he did it. This year also, he should do it.

Apart from this, I have written to the various State Chief Ministers that they should start rubberising the highways. I have written to my colleague, the Minister of Surface Transport. I have got a copy of the letter here. I have written to him. Now the rubber market is down and rubber prices have gone down. It has become uneconomical for the farmers to grow. Once they stop growing, then we will have to import. That will cost us foreign exchange. It is not the lobby of this industry or that industry. Why should rubber prices fall here more than in main countries where rubber is grown more than us? In Indonesia, Malaysia, Thailand and everywhere, the price of natural rubber has gone down, actually, more steeply than in our own country. Therefore, I would like to assure the hon. Members that I share the concern and I do everything that is possible at our hand. Also, they must bring some kind of pressure on the Chief Minister of Kerala so that he should also come to the help of the farmers.

The bench-mark price will be announced as soon as the Cabinet takes a decision, maybe in the next meeting or whatever it is. Whatever bench-mark price is fixed, I assure that the STC is going to buy at that price, whatever may be the cost. I quite agree with the suggestion that unless we step into the market the price of rubber goes up.

They should also know that India's productivity is the highest and during the last few years, the growth has been more than nine per cent per annum and we should take all these factors into consideration. Therefore, please do not go by wrong conclusions that the Government is not coming to the help of the farmers. We will go to the farthest extent and he said rubber is stretchable, but if we stretch it, it will snap.

PROF. P.J. KURIEN (MAVELIKARA): Do not do that.

Only on clarification. The hon. Minister has said that it is not possible to import used tyres. That is correct. I know that they cannot be imported. But in the interests of the farmers, is the Minister prepared to import new tyres? Probably because the new tyres are being imported that affects the industry also. Is he prepared to allow import of new tyres?

SHRI RAMAKRISHNA HEGDE: Radial tyres.

PROF. P.J. KURIEN :Secondly, the Minister has said that already more than 4,000 tonnes of rubber has been procured by the STC and his target is 20,000 tonnes. Instead of releasing those 4,000 or 20,000 tonnes, whatever may be into the Indian market, is he prepared to export it. Of course, I know when we export he may incur a loss. Whatever may be that loss, the Government of India has to suffer that loss. Suffering that loss by the Government of India, is he prepared to export that rubber? These are two specific demands which the Government of Kerala and the people of Kerala are making. What is his reaction to these two specific points?

SHRI MULLAPALLY RAMACHANDRAN (CANNANORE): The hon. Minister has agreed that he has given permission to import. That point has to be clarified.

SHRI RAMAKRISHNA HEGDE: We have not given any permission. The total cost of import has been less than Rs.2 crore. Do not go by rumours. I want to clarify that last year we procured 9900, almost 10000 metric tonnes of rubber. It is still lying in STC godowns. We do not know, whatever we call it.

SHRI P.C. THOMAS :There is a demand from Japan.

SHRI RAMAKRISHNA HEGDE : Will you take the agency?

SHRI P.C. THOMAS :There is a company in Kerala. It is ready to take the agency.

SHRI RAMAKRISHNA HEGDE: Please send them here. Ask them to contact STC. They are prepared to export.

SHRI P.C. THOMAS :They have an export order of 20,000 tonnes. They do not have the money. As Prof. Kurien has said if the Government of India is prepared to sustain a loss, there are companies which are ready to come forward to export.

SHRI RAMAKRISHNA HEGDE: Would you please ask that company which is interested in exporting rubber to contact the STC.

SHRI P.C. THOMAS :The name of the company isPalazhy Tyres, Kottayam, Kerala.

SHRI RAMAKRISHNA HEGDE: Even if it is a matter of some loss, not substantial, the STC will export through that company.
