

allowed to import one tonne of newsprint from abroad. That was intended to protect the indigenous industry. But since indigenous industry was not able to produce according to its licenced capacity and there was a sharp difference between demand and supply, newspaper industry found that it was not able to meet its requirements from indigenous units and it had to depend on imports. And this 2:1 ratio is working against them. Very often, they could not lift two metric tonnes which meant they could not import the entitlement of one metric tonne. This has been debated and one of the first delegations which I met after I joined the Government was from the newspaper industry. I said to the newspaper industry, "Yes, I am aware of it, we will see what we can do and I intend to aim at a new policy on the 1st of April, 1995 and we will make amendments to the "Exim policy." They came to me - I know that they will bear me out - on the 29th of March with a resolution agreeing that while customs duties may be kept at zero today, in case, indigenous industry requires a tariff protection at some future date, they would not mind a small customs duty to give that protection. That resolution came to me on the 29th March. And I told them that it was too late then to say anything by the 1st of April but we will do something very soon. The delay is not intentional nor is the statement made today only because there is an intended strike tomorrow. In fact, I am happy that Shri Vajpayee, Shri Choudhury and others can also share the credit for this policy. Let me say that since you called my attention, I have made this policy and we are quite happy that we can all share in this happy denouement to this problem. We are all happy that today they we placed it on OGL; we are all happy that we have removed this 2:1 restriction; we are all happy that industry has agreed that in case indigenous industry requires a tariff protection at some date in future, it is able to justify it such a tariff protection will be granted to indigenous industry but that will be a careful decision taken after weighing the pros and cons. Today, we are moving from control to freedom. This industry requires to be liberalised. This industry requires decontrol and that is what we have done and I am glad that the entire House will agree that what we have done today, moving from the little control that we had imposed in 1992 to full freedom that we have granted in 1995, is a right step to take and I sincerely hope that there will be no need to go back to any kind of control as far as newsprint is concerned. It is, I think, fundamental to democracy that newsprint should be available on demand and a newspaper should be able to buy it whenever it likes, from wherever it likes, subject only to some tariff protection at a future date, if necessary and if justified for indigenous industry.

Sir, some other remarks have been made about white paper and printing paper. Members will know that we have placed paper and paper products on the freely importable list but that does not mean that it would bring down paper prices immediately. The reason why paper prices have gone up, as I said - is because the

price of pulp has gone up very sharply. Let me just give the figure on pulp. Pulp prices have gone up so sharply that since that is the main input of paper, it affects the paper prices. For example, the price of pulp in April 1994 was 380 US dollars, and in January 1995 it was 1200 US dollars. The price of waste paper - which is another input - in April 1994 was 17 US dollars and in January, 1995 it was 300 US dollars. One of the reasons is, there is a high rate of growth in demand within India. That demand is not adequately met by raw materials. It is a problem that we have to face.

But I believe, Sir, it is, under your consideration, a special call attention motion on Paper. If there is another occasion in this House or in the Rajya Sabha, if there is an occasion to make a Statement, my distinguished colleague will make a Statement on Paper Prices.

For the present, we have reached a happy conclusion and I warmly thank the hon. Members for supporting the Government in announcing this Policy.

MR. SPEAKER : Now, we take up Matters under Rule 377.

12.47 hrs.

MATTERS UNDER RULE - 377

- (i) Need to provide employment to local people in the industries being set up by NRIs, particularly in Himachal Pradesh

[Translation]

SHRI KRISHNA DUTT SULTANPURI (Shimla) : Mr. Speaker, Sir, in keeping with the new economic policy of the Government of India, the Non-resident Indians are determined to participate by way of capital investment in the expansion programme of the Power Projects in order to strengthen the economy of the country. Here, I would like to demand that there should be a provision for giving employment to the local youth at places where such schemes and projects have been allotted to the NRIs on the basis of action taken on their applications for participating in the power projects in the country. In case of non-availability of technical and stalled manpower in that particular area, provision may be made for the training of the local youth in the respective fields and the local inhabitants of the state be employed in all the State Government projects. Generally speaking, the local inhabitants are not given employment in any of the projects set up in hilly areas. Only very few local people are given employment and the rest are recruited from other states which generates a great dissatisfaction among the local educated unemployed youth. I urge upon the Government of India to immediately pay attention to the above issue and implement it.