

districts. The ground water level has come down considerably and is almost the lowest in recent years. The depletion of ground water level has resulted in drying up of open wells as well as bore-wells and this has caused acute shortage of drinking water and the problem has become unmanageable.

The ad hoc amounts sanctioned by the State Government to the district authorities are quite insufficient and inadequate to mitigate the unprecedented sufferings of the people.

I would, therefore, request that the Union Government may urgently depute a relief team to Telengana region and particularly to Warangal district to assess the havoc and damage caused by the unprecedented drought and the extent of the Central assistance needed to tackle the situation.

I would also request that the Union Government may sanction a sizeable amount (say Rs. 40 crores to Rs.50 crores) out of the Natural Calamities Fund to the Andhra Pradesh Government for providing relief measures to mitigate the sufferings of the people of the drought-affected areas of Telengana region, particularly Warangal district.

SUPPLEMENTARY DEMANDS FOR
GRANTS (GENERAL), 1994-95,

DEMANDS FOR EXCESS
GRANTS (GENERAL), 1990-91,

AND

DEMANDS FOR EXCESS

GRANTS (GENERAL), 1991-92-
CONTD.

12.48 hrs.

[English]

MR. DEPUTY-SPEAKER: The House will now take up Supplementary Demands for Grants (General). Prof. K.V. Thomas was on his legs. He will continue his speech.

PROF. K.V. THOMAS (Ernakulam): When we come back to the economic situation of the country, one more factor that we have to examine is the rate of inflation. Three years ago, the rate of inflation was 17.8 per cent. From that rate, today it stands at about 10.2 per cent. This double digit inflation is not something which gives us satisfaction. If we look at the change of inflation during the last three years on the basis of WPI, we will find that in April, 1991-92, it was 11.6 per cent.

Again, in 1992-93, it was 13.8 per cent, in 1993-94, it was 6.9 per cent and during the week ending 2nd July, 1994, it has come to 10.7 per cent. There are various factors which contribute to the inflation. My request to the Government is that Government have to take the strongest measures so that inflation is contained below two digits. Otherwise, there will be an increase in the price of essential commodities which will be causing undue difficulties to the daily life of the common man. Fortunately, from the last months of April to August, if you look at the prices of the essential commodities like rice, wheat, pulses and edible-oil, the prices have been more or less stabilised. But Government cannot be complacent on this. The PDS system has to be strength-

[Prof. K.V. Thomas]

ened and adequate financial assistance has to be given to the State Governments for strengthening the PDS systems.

Sir, in this connection, I would like to stress one important point. On the one side, we, who want to help the farmers, are stressing and arguing that the minimum procurement price or the floor price has to be increased and on the other side, we say the price of the essential commodities has to be brought down. Both these things cannot be done simultaneously. It has to be balanced. This Government, after coming to power, for the last three years has increased the procurement price of wheat and rice twice. Naturally, the increase in the procurement price will have its effect in the market in regard to the price of wheat and rice. But it has to be a balanced action so that the farmers are helped and at the same time, the consumers do not have a big burden to bear.

One of the major steps taken by this Government is the economic liberalisation. We have got the new Industrial Policy. This Government has been stressing on the direct foreign investment. Unfortunately, during the last thirty years, the direct foreign investment in this country has been very meagre. When a country like China is getting a direct foreign investment up to the tune of US \$ 5 billions, our country is getting a foreign investment to the tune of only US \$ 100 to 200 millions. When a country like China, which has got as much market potential as India, is getting US \$ 5 billions, why in our country the foreign investment is very low? This question has to be answered.

That is why, the Government took some important decisions and as a result of those decisions, the direct foreign investment has been on an increase. In 1990, the number of proposals involving direct foreign investment was 194 and the amount involved was Rs. 128.32 crores. In 1991, the number of proposals was 289 and the amount involved was Rs. 534.11 crores. In 1992, the number of proposals was 692 and the amount involved was Rs. 3,887.54 crores and in 1993 up to November, the number of proposals was 671 and the amount involved was Rs. 7,990.62 crores. Every year, because of the new Industrial Policy, because of the new licensing policy— as we have got rid of the licensing raj— the foreign investment is on an increase. Only the direct foreign investment will help for the inflow of new industries, for the inflow of new technologies. So the actions taken by this Government are very courageous actions on industrial policy and thus new investments are coming into our country.

Coming to the public sectors, Indian public sector has got its own strength. It has contributed for the development of this country. When some of my friends are unusually afraid of the direct foreign investment, they should know that the direct foreign investment to this country is only three per cent of the total investment in this country. Major investment is done by the public sector undertakings. But in the case of the public sector undertakings also, they should have a responsibility to this nation, to this country and there cannot be public sector undertakings which are a liability to our industrial sector. In this connection, I would also like to mention that Government should

take appropriate actions at appropriate times. Even now a large number of public sector undertakings are without Chairmen. Why is this delay in taking decision to appoint chairmen to the major public sector undertakings?

Coming to the labour field, our labour is quite peaceful. One of the major decisions in the labour front is an agreement in the port sector. In all the major ports, there has been an agreement between the workers and the port authorities. And now for the next five years, we will have ports which can be run very smoothly. My request to the Government is that in the steel industry as well as in the textile industry, similar settlements have to be made immediately. And I am sure, our trade unions are so responsible that at this particular juncture, they will have positive outlook to the Government's move.

Coming back to my own State, I have got some suggestions to make. One of the major problems of my State is the shortage of power. Power shortage is a problem which the entire nation faces. But Kerala is a State where so far we have been depending only on hydro—electric power. Now, Government of India has been kind enough to help us.

The Kayamkulam Project has been cleared. Three Thermal Power Projects one in my constituency Ernakulam another in Kasargodu and the third one in Calicut have been cleared. The work has to be started immediately. We have made suggestions to Southern Gas Grid. There had been a meeting of the Chief Ministers of the Southern States at Bangalore to implement this project on a time

basis. I think Government will take appropriate action.

Sir, Kerala is a State which depends mainly on agriculture. We depend on coconut. But, unfortunately the coconut cultivators are facing a very bad situation because the price of coconut is going down. I think, the Coconut Development Board which the Government of India has constituted has to take some positive steps. But, unfortunately here also, I want to mention that the Coconut Development Board does not have Chairman for the last two and a half years. I do not know why the Government is sleeping on this. The Board has to take appropriate action.

The northern part of Kerala, Malabar's economy depends on Coffee cultivation. Last year, Government of India allowed export of 130 lakh tones of coffee. But, this year it has been restricted to 110 lakh tones. I do not know why this restrictions has been made.

MR. DEPUTY SPEAKER: Though there is demand outside, export is restricted.

PROF. K.V. THOMAS: Last year, the export was restricted to 130 lakh tonnes. This year, our production is expected to be around 200 lakh tonnes. Our total internal consumption may be 60,000 tonnes. I do not know why restrictions are made on export when we have a variety, when there is an agricultural product, that can be exported. Why is the Government making such a restriction? In the case of agricultural products, just like in the industrial products, there should not be any restriction on export.

[Prof. K.V. Thomas]

Even in the case of Rubber, there is no restriction on export. In the case of coconut, there is an assurance from the Government that coconut oil can be exported. But, here there is an item 'Coffee' which is in greater demand outside is put under restriction. I do not understand in whose interest we are putting restrictions.

MR. DEPUTY SPEAKER: As far as copra is concerned, there is no demand. Therefore, the rate has gone down.

PROF. K.V. THOMAS: Why should there be a restriction in the export of agricultural products? This restriction should be taken out.

Sir, one point which we stressed in this House during the debate on floods is the sea erosion. Earlier, for anti-sea erosion work, for new work, we were getting 50 per cent aid and assistance from the Central Government. For the repair of old anti-sea erosion work, of old bunds, we were getting one-third assistance. Now, the Government of India has arbitrarily withdrawn this assistance and they say it is the business of the State Government. Sir, how a State like Kerala can do this anti-sea erosion work where even one kilometer of anti-sea erosion work costs more than two to three crore of rupees. This is not possible for the State Government. I think, it is an area just like Defence of the nation to protect our frontiers. When we are pumping so much amount for the defence, why we do not put a reasonable amount on anti-sea erosion work. So, my request to the Government is that this factor should be considered.

Another point is, we have given some suggestions for the development of small and medium towns. About three-four years back we were giving some assistance. But, for the last two years there is no assistance from the Government of India for the development of small and medium towns.

13.00 hrs.

One more request is regarding the fishermen. Foreign trollers are now allowed to fish in our territorial waters. This is against the interest of the traditional fishermen. I can understand when our cooperative societies are given the trollers. But only the foreign trollers are given licence without any restriction. As a result, our fish wealth is being depleted and our fishermen are starved. When the foreign trollers are given licence, adequate restrictions have to be made.

Kerala is a State which has been exporting pepper, ginger and other spices. Unfortunately, after the USSR has been disintegrated, we find it very difficult to export these items. The Government has to find out a way, so that our pepper, ginger and other spice cultivators are helped. A similar situation is true of the coir industry also. We were exporting a lot of coir to USSR. We have to now find out other States. We are doing our best. For the coir industry, with regard to the export, the Government has to take a proper decision.

Kerala is one of the States which does not have the Central Government Health Services system. The Central Government employees are allowed to go to recognised private hospitals. But

only the civilian employees of the Cochin Naval Base are not allowed to go to recognised private hospitals which have been allowed to other Central Government employees. These civilian employees of the Cochin Naval Base do not have any facility within the Navy. They are not allowed to make use of the naval hospital in Cochin; nor are they allowed to go to the recognised private hospitals in Cochin or Calicut or Trivandrum. My request is that since we do not have a CGHS system, the civilian Defence employees in Kerala should be allowed to make use of the services of the Central Government recognised private hospitals.

Lastly I come to the Ezhimala Naval academy. There was a proposal to have a single academy for the Defence Forces--for the Army, for the Navy and for the Air Force. But, so far the Government has not taken any decision. If the Government is not going to take a decision on this, why don't you allow this Ezhimala Naval Academy to develop itself? We have given the land. We have the financial difficulties. Even then the Kerala Government has given adequate land. We have developed the roads, we have given electricity, but still the Government of India has not taken any decision to develop the Ezhimala Naval Academy. So, I request the Government to take an immediate decision to develop this Naval Academy in Ezhimala.

SHRI P.C. THOMAS (Muvattupuzha): Mr. Deputy Speaker Sir, out of the total of Rs. 304.4 crore demanded for this year, I find that Rs. 250 crore is demanded for agriculture and rightly so. Agriculture is a field where maximum input has to be made.

MR. DEPUTY-SPEAKER: The hon. Member may continue after lunch break.

Now the House stands adjourned to meet again at 2 p.m.

1302 hrs.

The Lok Sabha then adjourned for Lunch till

Fourteen of the Clock.

14.03 hrs.

The Lok Sabha re-assembled after Lunch at Three Minutes

past Fourteen of the Clock.

(MR. DEPUTY-SPEAKER *in the Chair*)

SUPPLEMENTARY DEMANDS FOR GRANTS (GENERAL), 1994-95

DEMANDS FOR EXCESS GRANTS (GENERAL), 1990-91

AND

DEMANDS FOR EXCESS GRANTS (GENERAL), 1991-92-
CONTECT

[*English*]

MR. DEPUTY SPEAKER: The House shall now continue with the discussion on the Supplementary Demands for Grants (General) and the Demands for Excess Grants (General) for 1990-91 and 1991-92.

Shri P.C. Thomas may continue. Mr. Thomas, you were in the right side before lunch. Now, you have switched over to the left side.