

# LOK SABHA DEBATES

---

## LOK SABHA

---

Wednesday, December 27, 1989/Pausa  
6, 1911 (Saka)

---

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER in the Chair]

### ORAL ANSWERS TO QUESTIONS

[English]

SHRI SAMBASIVA RAO KAVURI: Mr. Speaker Sir, at least fifteen questions must be covered.

MR. SPEAKER: If you cooperate, we can.

SHRI SAMBASIVA RAO KAVURI: We all cooperate. But very few questions are being covered.

MR. SPEAKER: I have taken note of your point. We will do it.

### Crisis in Jute Industry

+

\*41. SHRI HANNAN MOLLAH:  
SHRI CHITTA BASU:

Will the Minister of TEXTILES be pleased to state:

(a) whether a large number of jute mills in West Bengal and elsewhere are facing serious crisis and even closure; and

(b) if so, the steps Government propose to take to bring-back to health this oldest industry?

[Translation]

THE MINISTER OF TEXTILES AND MINISTER OF FOOD PROCESSING INDUSTRIES (SHRI SHARAD YADAV): (a) No, Sir. In fact the position in regard to closed Jute Mills has shown a distinct improvement during the last few months. As against 24 mills lying closed in Jute, 1989 the present number is 9. Of these, the number of closed mills in West Bengal is 6 as compared to 19 in Jute, 1989.

(b) Does not arise.

[English]

SHRI HANNAN MOLLAH: Sir, the reply of the Minister is rather deceptive in the sense that this recent improvement is absolutely a temporary phenomenon. During these two or three months, there has been some improvement. But the workers suffered during the rest of the year. This is the history of the jute workers' fate for the last few years. As you know, this is the oldest industry, known as the mother of industries. The owners loot and squeeze money from this industry and build up other industries. They never invested a single pie in jute industry. Secondly, there is no research for diversification of the industry. Thirdly, the recent mindless import of granules and the pressure of the synthetic lobby have also tolled the death-knell for the industry. Lakhs of workers are suffering and dying. 80 per cent of the workers are from Bihar, Uttar Pradesh and Orissa.

In this situation, I would like to know from the hon. Minister about the situation of the Fund which was declared with so much fanfare by the Government. How much of the Fund is utilised so far to revive and modernise the jute industry? Will the Government

see that proper investment is made for modernisation and diversification of the industry? Also, will the research work be taken up properly and the import of granules is stopped to save this industry?

[*Translation*]

SHRI SHARAD YADAV: Mr. Speaker Sir, I am already aware of the facts pointed out by the hon. Minister and agree that the Jute industry is the oldest industry in the country and it has been facing continuous ups and downs. As the hon. Member has raised this question I would submit that with the onset of new civilization in the world new commodities have arrived in the market. At the same time I would like to point out that the present condition of Jute industry is much better than before. At present 9 mills are closed and about 21,680 employees are out of job. I would like to make a submission that we would leave no stone unturned to improve the situation and with the new approach that is emerging in the world and a new thinking going on in regard to fibre cloth and manmade fibre cloth imports from our country have shown improvement. Our production of foodgrains has also increased. We have got bulk orders for the purchase of the material produced by jute industry. The hon'ble Member has raised this question. I am new to this Ministry best I think that the industrialists used textile industry and jute industry as a means to generate black money and when these industries faced crisis they deserted them in preference to new pastures. But this industry has got bright prospects of flourishing. There are good chances of diversification. All these matters will be given serious thought. Calcutta is the biggest centre of jute industry. I would visit that place for 2-3 days in order to consult the workers, industrialists and other people of that area to find out a new solution. I assure you that no avenues will be left unexplored in this connection.

[*English*]

SHRI HANNAN MOLLAH: I must thank

the Minister for showing a positive attitude towards a large number of workers who are suffering there. There is a movement going on for the last several years in the jute industry and the long-standing demand of the workers is the nationalisation of the industry. I want to know whether this Government will consider that proposal and if not what is the reason. I want to know how they want to involve the workers in order to see that this industry works properly and the job security of the workers is ensured.

[*Translation*]

SHRI SHARAD YADAV: Mr. Speaker, Sir, so far as nationalisation is concerned I am not in a position to say anything about it at present. As far as I think, nationalisation is not the solution to these problems. But serious consideration would be given to all aspects which may harm to the industry. However, I am not in a position to say anything at present on the issue of nationalisation.

[*English*]

SHRI CHITTA BASU: I am happy to listen to the Minister of Textiles who happens to be a good friend of mine. I appreciate that hon. Minister has really understood the phenomena that the jute industry is in deep crisis. This crisis is multi-dimensional and a multi-dimensional approach is also essential to rescue the industry from the crisis. The multi-pronged, well-thought-out and integrated programme is needed at the present moment for the survival of the industry. Such a programme must include speedy modernisation of jute mills without throwing out the workers from the jobs, reopening of already closed mills, compulsory purchase of raw jute by the JCI at a remunerative price; It must also include a step for banning the synthetic bags and cent per cent use of the jute bags by the Government Departments, namely, for foodgrains, sugar, cement, fertilizers and for strict enforcement of the jute packaging material under Packing Commodities Act, 1987. It must also include steps to expand the domestic and external markets.

May I know from the hon. Minister whether he has been able to—as he is new to the Ministry—apply his mind to all these aspects of the problem and take a suitable action so that the jute industry may be rescued from the ever-depending crisis. May I know further whether he proposes to have a conference with the trade union leaders and the Chief Ministers of the jute growing States where the problem is acute as early as possible.

[*Translation*]

SHRI SHARAD YADAV: Mr. Speaker, Sir, I have already replied all the points raised by the hon. Member. So far as the question of consultation with the workers for providing them more and more opportunities is concerned, it is part of our policy to consult the genuine trade unions in this regard. We are of the view that the more the participation of workers the better it will be in the interest of work. We are accomplishing this task. You all know that inner contradictions in the industry are causing multi-dimensional problems. These problems can be overcome with the co-operation and support of all the people. The hon. Member's cooperation in this regard is very essential, because he comes from the region where the problem is severe and he is very well acquainted with it. As regards the question of consulting the Chief Ministers of the concerned states where these industries are located, we will consult them to find out ways and means to remove the hurdles in the way of smooth functioning of the industry. We will try to eliminate the causes which are posing danger to these industries. We will solve the problems of jute growers. I am happy to say that farmers are getting fair prices. Out of the total 73 mills 13 were closed in the beginning, then their number increased to 24 and now it is only 9. So the condition of this industry is not pitiable at present. About the issue raised by the hon'ble Member to set up industries in other areas where jute is grown, we will make efforts to set up industries in those areas.

[*English*]

SHRI AJIT KUMAR PANJA: There are

three points on which the jute industry in West Bengal and other places suffer. The first is the competition from the synthetic fibre, as you know, like HTPC. Secondly, the neighbouring country Bangladesh is competing with so far export as the world market prices are concerned. The third is modernization, because the machinery has become dilapidated. We have to consider all these points and also that 40 lakh workers and farmers are engaged, on record, in this industry—otherwise there are many more workers.

I come from West Bengal. In large areas, i.e. various areas of West Bengal, the main earning of the farmers is from jute production—a cash crop. So, the then Prime Minister Rajiv Gandhi had made a package. The first package was in September 1986 for Rs. 150 crores, and the second one was for Rs. 100 crores for the Special Jute Development Fund. The point is that there was not only this package. There were six items which were decided upon and enforced. And that is why the Minister has stated that Jute Industry has started improving. Twenty four mills were closed in 1989; it has come down to nine all over the country. In West Bengal, mills closed down were 19; it has come down to six. Six items were directed by the previous Government, so that the employers and also the owners continue with the programmes. Some examples the first one is the import of identified machinery for modernization of the jute industry. Secondly, the specific industry were given a mandatory order that they must use jute as packaging material for their products.

Thirdly, the industry was made eligible for borrowing funds for modernisation at a concessional rate of interest of 11.5 per cent upto Rs. 6 crores. Are all these conditions still valid? Is he going to look into these conditions and see that the employer enforces this for the benefit of the 40 lakh farmers who are relying on this?

[*Translation*]

SHRI SHARAD YADAV: Mr. Speaker, Sir, the hon. Members has rightly said that I

am new to this Ministry. He is also right to say that financial aid to the tune of Rs. 250 crores has already been provided by the previous Government for the modernisation of the industry which has resulted in improving the health of the industry. I assure the hon'ble Member that we will take all possible steps for further improving the functioning of the industry.

**SHRI LALU PRASAD:** Mr. Speaker, Sir, the issue of jute is related with the farmers and unemployment of workers. During the last few years thousands of workers of eastern Uttar Pradesh and Bihar, who were out of work used to get employment in Jute factories in Calcutta. The hon. Minister has stated in his reply that improvements are being made in jute industry. My submission is that Rs. 32/-, which is the price of quintal of jute fetch only 1 Kg. of meat. Thus the chief crop of the farmers is sold at throw away prices in Bihar and Bengal. During the past, Congress has been responsible for the increase in number of unemployed people and they played foul with the farmers. Previously jute bogs were used for packing sugar which were later reused by the poor people to cover their bodies. But during the last few years Congress Party propagated the use of polythene; this has rendered the jute industry sick and given it a set back. In view of this I would like to know from the hon. Minister whether use of polythene would be checked in order to encourage the jute industry.

**SHRI SHARAD YADAV:** Mr. Speaker, Sir, I have already submitted that the hon. Member has raised a very just issue that the use of polyester bags has proved very harmful for this industry. We have taken certain measures to check it and the process would continue. An Act in this regard already exists according to which FCI, Punjab Agro Industries and the states are required to purchase jute products for their packing requirements.

I fully agree with the hon. Member that the use of polyester bags has proved very harmful to that industry. The labourers who carry these bags and other workers engaged in this industry has suffered. The food

staffs packed in these bags become unhygienic also. That is why the Government have taken certain steps to discourage the use of polyester bags and the task would be accomplished earnestly by implementing the concerned law with strictness.

[English]

#### **Erosion of Ghoramara Island by River Currents**

\*42. **SHRI RADHIKA RANJAN PRAMANIK:** Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the Government are aware that 'Ghoramara Island, just at the junction of the Bay of Bengal and the river Hooghly, is gradually being eroded by the river currents;

(b) If so, the details thereof; and

(c) the steps to be taken by Government to save the Island?

**THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES (SHRI MANUBHAI KOTADIA):** (a) to (c). It has been reported that the circuit embankment of the Ghoramara Island is affected by erosion. A protection scheme is under formulation by the Government of West Bengal.

**SHRI RADHIKA RANJAN PRAMANIK:** Will the hon. Minister be pleased to state whether the Government will take immediate necessary measures for the rehabilitation and compensation of the poor people of Ghoramara Island who have lost their dwelling houses, homestead land and cultivable land under this erosion? Already, two-thirds of this island has gone into the river Hooghly due to erosion and thousands of people have been made homeless and landless.

**SHRI MANUBHAI KOTADIA:** Let me submit that this entire liability is on the State Government. The State Government has reported that only 2000 persons are there. The population of this entire island is only 2000. What the hon. member submits is