

चूना, बाक्सहाइट, कोयला आदि के  
निक्षेप वाले मध्य प्रदेश के  
क्षेत्रों का आरक्षण

1605. श्री हुकूम शम्श कदमाय: क्या  
इस्पात और खान मंत्री यह बताने की कृपा  
करेंगे कि:

(क) क्या मध्य प्रदेश में जबलपुर,  
बिलासपुर, दुर्ग, सरगुजा, सिध, बेतुल और  
सतना जिलों के सैकड़ों गांवों को चूना, बाक्स-  
हाइट और कोयला आदि के निक्षेपों के लिए  
आरक्षित कर दिया है;

(ख) यदि हां, तो क्या इसके परिणाम  
स्वरूप इस क्षेत्र का विकास प्रवर्द्ध नहीं हो  
सका है जो, अन्यथा विकसित हो गया होता;  
और

(ग) यदि हां, तो क्या सरकार का विचार  
सरकारी क्षेत्र के लिए अपेक्षित कम से कम  
क्षेत्र को अपने पास रख कर इतने बड़े क्षेत्र का  
व्यापक आरक्षण वापिस लेने का है?

इस्पात और खान मंत्रालय में राज्य मंत्री  
(श्री साहनबाबू खां): (क) जी, हां राज्य सरकार  
द्वारा आरक्षित क्षेत्र, मध्य प्रदेश के सतना,  
बिलासपुर, रीवा, जबलपुर, दुर्ग, बालाघाट,  
मण्डला, बस्तर, शाहडोल, सरगुजा और रायगढ़  
जिलों में है। मण्डला और बालाघाट जिलों में  
राष्ट्रीय पार्क के विकास के लिए क्षेत्र आरक्षित  
किया गया है।

(ख और ग). समस्त: खनिज विकास  
की दृष्टि में रखते हुए और समय समय यथा  
निर्धारित सरकारी नीति के अनुसार ही पब्लिक  
सेक्टर में समुपयोजन के लिए क्षेत्र आरक्षित  
किए जाते हैं। तथापि, ऐसे मामलों में जहां  
तत्परता यह पाया जाता है कि ऐसे क्षेत्र  
पब्लिक सेक्टर में समुपयोजन के लिए अपेक्षित  
नहीं हैं उनकी निरूपित किया जाता है।

*Cyclone Flood Advance to Employees of  
N.C.D.C. at Orissa*

1606. SHRI B.K. DASCHOU DHURY  
Will the Minister of STEEL AND MINES  
be pleased to state:

(a) whether cyclone/flood advance has  
not been paid to the employees of National  
Coal Development Corporation of the coal  
belt at Talcher, Orissa;

(a) whether other Central Government  
employees located at Talcher, Orissa are  
paid cyclone/flood advance equal to 9  
months pay, not exceeding Rs.1000-; and

(a) if so, the steps being taken to pay  
the cyclone/flood advance to the the emp-  
loyees of collieries at Talcher, Orissa ?

THE MINISTER OF STATE IN THE  
MINISTRY OF STEEL AND MINES  
(SHRI SHAH NAWAZ KHAN) (a): A  
proposal in this connection is under consi-  
deration.

(b) No Sir. It may, however, be  
mentioned that under rule 249 of the  
General Financial Rules, the amount of an  
advance which may be granted to a Govern-  
ment servant is restricted to a maximum  
of Rs. 500/-or three months' pay, which-  
ever is less. In cases where the grant of  
second advance becomes necessary, the  
quantum of the second advance plus out-  
standing balance of the first advance is  
restricted to the limits prescribed in G.F.  
R. 249. These limits were liberalised in the  
Ministry of Finance O.M. NO. F.18 (12)  
F.11 (A)/71 dated 9.12.1971. The benefit  
of these liberalised orders has also been  
extended to the Central Government employ-  
ees affected by cyclone in Orissa.

(c) The rules mentioned in (b) above  
do not directly apply to the employees of  
the National Coal Development Corpora-  
tion, which is a Government Company.

12. hrs.

Calling Attention to matter of Urgent  
Public Importance

REPORTED CLOSURE OF COIR SPINNING  
YARDS OF KERALA

SHRI CM STEPHEN (Muvattu-  
puzha): Mr. Speaker, Sir, I call the  
attention of the Minister of Foreign Trade  
to the following matter of urgent public  
importance and I request that he may make  
a statement thereon:—

"The reported largescale closure of the coir spinning yards of Kerala and consequent unemployment of lakhs of workers and the shrinkage of coir products in the channel of export trade."

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI A.C. GEORGE): Mr. Speaker, Sir, according to the information available with the Government, there had been some minor dislocation in the Spinning sector of the Coir Industry in Kerala, as a result of the revision of minimum wages by the Kerala State Government in respect of coir industry. The State Government have decided to open purchase depots convenient places as a temporary measure by the Alleppey and Quilon Central Coir Marketing Co-operative Societies Ltd. While the yarn produced after the disbursement of minimum wages alone will be purchased, the yarn made out of machine-made fibre will not be accepted. For implementing the above scheme the State Government have sanctioned a special loan of Rs.30/-lakhs.

There have been no adverse effect on the export as result of this minor dislocation which will be apparent from the fact that the export of coir products during April '70-Feb. '71 was worth Rs. 5.94 crores and during April '71. Feb. '72 it was worth Rs 6.72 crores. A break up of the export figure in respect of coir products during the periods mentioned above is placed on the table of the House. [*Placed in Library. See No. LT-1577/72*]

SHRI C.M. STEPHEN: I am surprised and shocked when the Minister informed the House that the problem in Kerala in the coir industry is minor, I am receiving Kerala papers every day and every issue of the paper gives frantic statements and comments and articles about almost the wholesale closure of the coir spinning yards in the State. The Minister stated that a small amount is sanctioned by the State Government with the specific condition that only yarns spun after paying the minimum wages will be purchased there. The position is, if that is the condition, no yarn will be purchased at all, because it is not possible to give minimum wages at the moment. That is why the coir spinning yards are being closed down. Instead of

Rs.16 crores, only Rs. 3 lakhs is sanctioned. That shows the callousness of the Government.

Now, may I point out to this House the seriousness of the problem? The coir industry is a very vital industry. I am reading from the Administrative Report of the Ministry of Foreign Trade. It says:

"The coir industry, one of the largest cottage industries of the country is essentially an export-oriented industry, and it is exporting to the tune of 55,000 tonnes and is drawing foreign exchange to the tune of Rs. 15 crores."

At per the statistics quoted by the Coir Board, it is employing directly 7 lakhs of workers, and it is giving indirect employment to about 10 lakhs of people on the coastal belt of Kerala. That entire area is now paralysed. An absolutely frantic situation is prevailing there. How has this come about? Let me explain it in two or three minutes.

There are three important sectors in the coir industry. One is the husk-retting or husk-soaking sector. Another which is at the other extreme is the exporting sector. In between there is the middle sector or the spinning sector and the coir producing sector. As far as the husk-retting sector is concerned, there are 24,000 people engaged in this. The total investment is to the tune of Rs. 10 crores. 37 per cent of these 24,000 persons are handling 97 per cent of the entire trade. The House will kindly realise from this that there is a monopoly existing at that end. At the other end, there are certain exporters who have nothing to do with production. They collect the orders and pass them down on extortionate terms. The husk-retting people give the husk only at extortionate prices. The other people pass on the order at expropriatory prices. That is what is happening. The effect of both these things comes on the workers, The result is that lakhs and lakhs of workers who are sandwiched between the two do not get minimum wage; they get wages to the tune of only a rupee or so per day. They are the lowest-paid in the whole of this country and perhaps in the whole of the world too. That community is existing or subsisting on such low wages.

[Shri C. M. Stephen]

The position was analysed, and it was found that three measures had to be taken. One was control on the husk-retting side, and another was control on the export side and the third was strengthening of the co-operative sector in between. These were the three measures which were found to be necessary on analysis.

Steps were taken on the husk-retting side, and coir was brought under the Essential Commodities Act, The Coir Retting Licensing Order was issued by the Government of India, and the husk-retting was controlled. The orders were issued. So far so good. But on the other side, a floor price was fixed but for the purpose of export, floor price not for the purpose of fixing the prices while passing on the order to the manufacturer. Therefore, it did not filter down to the manufacturer. It went to the benefit of the export, that is, it benefited only the exporter, for the purpose of exporting there was a floor price. On the basis of these things, the State Government proceeded to declare a minimum wage. When the minimum wage was declared, the monopolists on the husk-soaking side went to the High Court, and they got an order from the High Court under which the very basis of this arrangement went out, that is to say, the High Court struck down the order.

It was a very vital matter when the High Court struck down the order. I am charging this Government with callous indifference in the matter of defending their case before the High Court struck down the order in the month of January. Here is an observation by the High Court:

"The Union of India, that is, first Respondent, has entered appearance in the writ petition, but it has filed counter-affidavit in OP...wherein this point has not been raised. No counsel appeared for the Union at the time of hearing. I do not have, therefore, the advantage of hearing the Central Government in these cases, though they involve a question considerable and vital importance."

This was the observation of the High Court. On the basis of that, the order was struck down. The order on the basis

of which the entire structure was built up was struck down *ex-parte*, if I may say so, because the advocate of the Union of India did not appear to argue the case. This happened in January.

I would like to know who handled this matter and which Ministry handled this matter and what kind of view was taken as a result of which the present position has come about when no husk is available at all. The alarming situation has been brought out in a statement given to us, MPs from Kerala, by the State Government of Kerala. I would like to quote two or three sentences from that statement.

"In the meanwhile, some of the monopoly holders in the coconut husk trade filed writ petitions in the High Court of Kerala and got stay orders from implementing provisions of the said order. Further, the provisions of the order were also found to be not comprehensive enough to enforce strict control over the price and distribution of coconut husk and to bring the delinquents to book. Consequently, Government drafted an order by name the Kerala Coconut Husk (Control, Distribution and Regulation of Prices) Order 1971 and forwarded the same to the Government of India for approval. Even though the Government were reminded, the Central Government have not yet given clearance to the draft order...by which coconut husk has become a scarce commodity in the State where it is produced in plenty. To avoid further deterioration of a bad situation, the Government of India may be urged to convey their approval to the draft order immediately or to repeal the Coir Retting (Licensing) Order forthwith".

The State Government warned them that this was going to happen. They drafted an order and forwarded it to the Government. But for two months nobody seems to have attended to it. A vacuum has been created. Husk is not just available. Therefore, spinning yards are closing down, therefore, coir is not available. The Minister is now telling us that the export position is absolutely okay. He has quoted statistics upto March 1971. I am speaking about

the things that are happening today. If this state of affairs goes on, he will draw a big cipher at the end of 1972-73. This is the alarming situation.

What is the solution to the problem? The Government of India will have to consider in all seriousness the promulgation of some other order. Some other order has got to be promulgated. Either the Essential Commodities Act or the Coir Board or Coir Act has got to be amended to include in the definition husk also. The delinquent advocate who brought about to book. What exactly has to be done now must be looked into.

The solution is strengthening of the co-operative sector. Here I quote a statement from the Mid-Term Appraisal of the Fourth Plan. About coir they say.

"Particular attention will need to be paid to reorganise the co-operative sector so as to place them on a viable basis, to ensure an adequate and smooth flow of institutional finance to bring about an improvement".

Who can implement the suggestion put forward by the Planning Commission? Certainly not the State Government. In this sector the State Government have already pumped in Rs 3 crores, to build up the co-operative sector. The Central Government have given us only Rs 45 lakhs. They gave a loan of Rs. 118 crores. Almost the entire loan has been paid back. What the State Government have done is not enough. It has got to be built up. Money has got come in. Out of the sweated labour of workers getting Re 1 a day working for 12 hours, 90 per cent of them women, the Government have collected by way of customs duty about Rs 1 crore per year. That money may be ploughed back to the co-operative sector.

In sum, the points I have got to make. (1) Anarchy has followed the annulment of the order; (2) The person who is responsible for not arguing the case of the Central Government has not been identified and no action taken against him; (3) The vacuum that has been created has not been filled and the statutory lacuna has not been rectified so that husk may become available;

(4) Export trade control has not been made fool-proof. The export trade must be taken over so that the producer may get a price at which this commodity could be sold; and (5) the co-operatives have got to be completely strengthened. Out of the Rs. 10 crores the Central Government have collected by way of customs duty, whatever is necessary has got to be pumped back so that the co-operatives may be strengthened, and the workers may be given their proper position.

The attitude of the Central Government has all along been, I regret to say, one of indifference. They say 'wait' wait! wait! For two years they are waiting.

MR. SPEAKER: Are you going to listen to me, or to the ringing of the bell, or not?

SHRI C. M. STEPHEN: I am closing.

MR. SPEAKER. I am not ringing the bell as a hobby. It is meant to be taken seriously. You have come with all those books and reports. A simple question should have been put and you should have brought it to the attention of the Minister. Everytime I ask you, you say are putting the question. I think this is the fourth or the fifth question. Kindly wind it up, because other Members are also waiting. You, are not the only Member, I have a lot of further business to finish before lunch-time. SHRI C. M. STEPHEN: I am closing. With respect to the points that have raised, may I ask the Minister to give me the clarification? (*Interruption*)

SHRI A. C. GEORGE: Mr. Speaker, Sir, apparently it may look like a Kerala matter, but I may humbly submit, agreeing the hon Member, that this is a vital industry affecting directly and indirectly 10 lakhs of poor workers and earning Rs. 14 crores as foreign exchange. We are quite aware of the difficulties in this sector.

I was not trying to console myself or the hon. Members with the statistics saying that it has not gone down. Since there was a specific question on that, I was only pointing out that there may be difficulties

in this particular sector. This was prevailing for quite a long time. There are certain maladies which are very deep-rooted, and the hon. Member has very correctly pointed out that there are three major aspects in this industry. One is retting the other is producing, and the third is the exporting side. At present, it is rather true that the entire earnings are being mopped up either by the retting people—it amounts only to a small figure—or by a few exporters. But during these years we have taken different measures to see that the producers ultimately are benefited. For that, the co-operative sector is the answer.

Coming to the specific question that the hon. Member has put, I have to admit that there is a remark by the hon. High Court Judge that the case was not argued properly (*Interruption*)

AN HON. MEMBER : It was *ex parte*.

SHRI A.C. GEORGE : The legal situation is, if an affidavit is filed, there is an argument there also. But I did admit that it was not argued properly. I may assure the House that on such an important matter, if there was any dereliction of duty, very serious steps will have to be taken against them.

MR. SPEAKER : It appears that the Call Attention motion is by arrangement !

SHRI A. C. GEORGE : If there is an element of compliment in it, I accept it, because the problem is well known to both of us. In such legal matters, I tried to enquire into the real position. The Home Ministry and the Law Ministry were in it, and there was some attempt to present our case, but there was some lacuna in it. I assure the House that remedial measures will be taken. But that is not alone.

Now, the most important remedy is, as the hon. Member suggested, to fill the vacuum. But about that, I may humbly submit that there are certain points in which the Government of India may be helpless and maybe the State Government has to do more.

In the fourth Five Year Plan, Rs. 10 crores are earmarked for cottage industries,

wherein coir also is included. Out of this Rs. 10 crores, it is the State Government's prerogative to earmark such amount according to priorities. We understand that Rs. 3 crores are earmarked for the betterment of the coir industry. Recently, there was a discussion in the hon. Finance Minister's room, and we were all quite sympathetic to the demands of the State Government. But there are certain clarifications to be given by the Kerala State Government. As soon as they are over, we shall be moving fast and effective, and the maximum measures will be taken to see that the middle sector, most important sector, the producing sector, is vitalised by strengthening co-operatives.

Regarding the husk control order, we are in touch with the administrative ministry the Industries Development and internal Trade and whatever steps are needed by amendment of the Coir Act or the Essential Commodities Act, we shall be taking them in consultation with that Ministry.

SHRI K. P. UNNIKRIISHNAN (Badagara) : The coir industry is inescapably woven into the pattern of life of Kerala and life in Kerala depends on coconut and coir, which, thanks to the policy of the Ministry of Foreign Trade and Finance, are in doldrums. It is an export industry and as in particular become the Cinderello of this Ministry. On 16.12 1970 in the Lok Sabha the hon. Minister of Foreign Trade, Shri L. N. Mishra stated that substantial and huge aid would be given to this industry. We do not know what has happened. An election has come in between. Despite the hon. Minister's classic under-statement, in the written statement they are prepared to concede that this industry earns not less than Rs. 15 crores of foreign exchange. Nearly 1.2 crores of people are employed in this industry. Still the hon. Minister says that there has been a minor dislocation. The industry makes a tremendous contribution to the national exchequer, compared to the meagre wages that they earn. Still there has been an unfortunate tendency on the part of the Government of India and the Ministry of Foreign Trade to pass the buck to the State Government, whether it was led by Namboodiripad or Achuta Menon. It has been a regular feature unfortunately with the Centre. What has happened to the

repeated requests of the present United Front Government for a small sum of Rs. 1.5 crores—it is small compared to Rs. 14 crores of foreign exchange it earns and the employment it offers. What has happened to the assurance of the hon. Minister made in this House on 16.12, 1970, to which I referred earlier? In view of what my hon. friend Stephen has said, will there be a notification about the invalidation of the Act in question? Will the Ministry of Foreign Trade continue to treat this industry as the Cinderella because I know for other areas which earn Rs. 5 or 6 crores the Ministry is pumping in Rs 3 or Rs 4 crores annual. I would like to know why this coir industry alone is given this treatment. Is it because we are wholly dependent upon this?

SHRI A. C. GEORGE : There is absolutely no question of treating the coir industry as a cinderella or meting out to it, a step-motherly treatment. This is quite important, and we are aware of that.

The hon. Member was raising a point regarding a scheme submitted by the Kerala Government. The original scheme was submitted a few years back, and that scheme, as my hon. friend Mr. Stephen pointed out, was aimed at strengthening the co-operatives and strengthening the producing sector of it. In that also there were certain schemes of remedial measures to be taken in the retting operation. But the scheme of the Kerala Government was studied by the Planning Commission, and it was found that instead of spending Rs. 15.59 crores as desired by the Kerala Government, it could be implemented, in the light of the nationalisation of banks with Rs. 6.99 crores, and it was found that nearly Rs. 4.5 crores of this expenditure could be met by institutional financing, and that there was no need for direct grant or aid. But subsequently it was found that since this coir industry is a sector which employs the weaker section of the people, and there are some intrinsic defects in the co-operative system, it was difficult to make institutional finance available. For provision of institutional finance, it has to be a production co-operative, but the nature of the coir co-operatives is that for years together they do not come directly within the purview of production co-operatives. Further, if a loan is to be given, it has to be a viable unit,

but in the present situation, unless some money is pumped, the co-operatives will not become viable, and unless they are viable, financial institutions will not help. So, this is a vicious circle, and we wanted to tackle this basic point. And in this context, as I referred to earlier, further discussions were held, and I can assure the House and the hon. Member that very soon we will be able to solve this problem of strengthening the co-operatives with necessary aid to the Kerala Government.

The hon. Member also raised a point regarding a fresh notification. I assured on an earlier occasion also that whatever is the best step to fill this vacuum will be taken without any delay whatsoever.

I thank the hon. Members for highlighting the crisis, if at all there was anybody is backing out of the assurance given by my senior colleague, the Minister of Foreign Trade. I have said that all the necessary help will be given.

12-29 hrs.

RE: MOTION FOR ADJOURNMENT  
( Query )

SHRI K. BALADHANDAYUTHAM (Coimbatore) : I have tabled on adjournment motion.

MR. SPEAKER : I have conveyed to you that I have not allowed it.

SHRI BALADHANDAYUTHAM : If you are rejecting it, you may read out the motion and say why, you are rejecting it.

MR. SPEAKER : I am sorry, the Speaker does not explain things inside the Houses.

SHRI BALADHANDAYUTHAM : It is a matter of such importance that because of a trouble between the Central Government and the State Government, 2,000 employees are put out of jobs, I have tabled a short notice question, I have asked for a half-hour discussion, I have given notice of a calling attention, I have used every form available and lastly I have tabled