

mood of the whole country. There is no question of any party or group in this matter, the whole House is agitated about it, that in India an Indian has been insulted by a foreigner, a Chinese. Therefore, let us leave it to the Government to decide what serious action they are going to take.

16.36 hrs.

RESOLUTION RE. DECONTROL OF STEEL—Contd.

Shri Virendrakumar Shah: Sir, this will be a sort of an anticlimax, from the Chinese Embassy to steel decontrol. The fact that it has been moved by an hon. Member belonging to the Left Communist Party, I do not think, has any connection to the fact that the discussion on his resolution was interrupted by the Chinese affair.

Sir, before I was interrupted, I was asking why the price rise has taken place. I will give a simple answer to that. Despite what the hon. Minister has said this morning, the only reason why price rise has taken place is to allow the Hindustan Steel Limited to sustain its inefficiency and to go on to show to this House and to the country that this inefficient organisation which was making loss could make profits by increasing the prices. I want to quote here some statements to show how the precept of the Government and their practice always differ. I want to utilise this speech for quoting certain statements made by the Government. On the 18th March the Deputy Prime Minister sent a message to Lokudiyog saying:

"Large sums of money have been invested in public enterprises during the last 15 years and further investments will be made in future. While some of the projects have done better than others, it is unfair to expect the people of India to continue to subsidise losses of most of these projects year after year or ask them to pay prices higher than landed costs of similar products if they

had been allowed to be imported. The time has now come when we should take a close and critical look at the performance of the various enterprises and see that their management leads to the fulfilment of the expectations of the people."

But what does our Government do? Not only that; the Deputy Prime Minister at the annual meeting of the All-India Manufacturers' Association on 27th April 1967 said:

"The business community should not agitate for increasing prices in their respective fields of production even if it involves great inconvenience and temporary loss."

This is his advice to the business community. This advice was given to public sector projects and to the people of India. Even you, Sir, are reported to have said in Madras on 14th May—it was reported in the Hindu on 18th May—

"The country would not be facing bad food situation now even if one-tenth of the money invested on steel plants had been diverted to agriculture. The heavy industries including steel plants had been only showcases to impress foreign visitors about the country's industrial progress."

Even Dr. Chenna Reddy, the Minister of Steel and Mines, said at Hyderabad:

"That the rising price was the biggest problem of the day and that everything should be done to correct the inflationary pressures."

After having said that, the practice is entirely different. He allowed the steel prices to be raised. One major beneficiary is the public sector project. Also, because of that, the private sector projects like Tatas and Indian Iron were benefited, and to my mind benefited unduly and improperly. So, you

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talk something and do something different.

What is the effect of this? The Railway Minister increased the fares for the poor passengers and also the freight rates, thereby increasing the already high price spiral. One of the reasons for the price spiral is the high price of steel, and yet it was allowed to go up.

I know in the past when the Tariff Commission recommended price increases for Tatas and Indian Iron, the Government of India took years for accepting the recommendation of the Tariff Commission. They negotiated and bargained for Rs. 8, 9 or 10. But when they found that their projects are not making profits due to inefficiency there is no hesitation in allowing a price increase on the next day after a statement is made saying that there is no undue rise in prices.

What is the effect of this price rise? There is an additional burden of Rs. 24 crores per annum on the people of India. And how much does the HSL benefit? It benefits something like Rs. 15 crores per annum. Where does it come from? Government and semi-government give Rs. 12 crores out of the Rs. 15 crores and additional export subsidy another Rs. 3 crores. Rs. 15 crores come out of the Government's exchequer to show that HSL makes a profit, and the Government's exchequer you always balance the budget by increasing the excise duties and taxes. I am not saying that price increase has not taken place. I am examining critically the price increase. I differ from Shri Nambiar only in the matter of the cause for the price increase. He thinks that decontrol is the cause for it. Perhaps he has been led away by the statement of the Minister in this House and the other House.

What is its effect on the economy? The Mahtab Committee has also stated—and I want to read from that as well about what Mr. Mahtab has stated about prices and their effect on economy, steel prices particularly—

"It is not only in India but also in other countries that steel prices and production costs have evinced keen interest of the public as also sometimes controversies have developed. In the United States, steel prices were subjected to Congressional scrutiny"

—that is what should have been here also, parliamentary scrutiny—

more than once in recent years. In Great Britain, a recent inquiry by the Restrictive Practices Court into what could be called the administration of steel prices by an association of producers aroused considerable public interest."

This is what the JPC is doing in this country I am quoting still further from the Mahtab Committee Report, which says:

"Steel is such a widely used material that its price stability serves as a discipline to other competing materials such as aluminium..... The price of steel has a strategic significance—for the price cost behaviour of American industry.....

In a developing country like ours the public concern for steel prices and production costs would understandably be even keener."

The engineering industry today consumes steel. The Minister has stated that for exports they will get the international price. But what percentage of the production of the engineering industry is exported? A large percentage of its production is used in India today. The engineering industry is facing a severe recession. At that time, instead of reducing the steel prices to break up the recession and put the economy in gear, we increase the price of steel and make it impossible for the engineering industry to function.

Then, take the housing projects. The most vulnerable part of the com-

munity, the lower and middle-income group people depend on houses constructed by the various State Government housing units. Their costs have gone up immediately by this price increase, the sole object of which is to show to this House and to the country that HSL is making profits.

This price spiral is not only in the case of steel. This will have chain reaction on other prices in the economy of the country. Apart from that, we are talking about increasing our exports. Even the export of steel itself is going to be in difficulties as we have found in the production of the steel-rolling industry it has been made impossible for them to look for exports. They have attained the highest performance pro rata last year, over Rs. 7 crores of exports last year. On the 1st of May when the price increase was announced, as an immediate concomitant they wanted adjustment in the price for exports. But, till the 16th of June, they could not move this Government. They went from pillar to post. They went to Commerce Ministry and Steel Ministry. Together they blamed the Finance Ministry. It is the whole of this Government; all those Ministers are part of the Government. That is where also we are going to suffer.

Then, let us take care of the market conditions today. It is one of the most intriguing phenomena that in today's market conditions when the Minister himself says and the HSL report says that there is a recession, the Minister makes a statement in Rajya Sabha on the 8th June:—

"There is a glut in certain varieties or categories of steel especially in structurals, rails, bars etc.... Because there is a glut in certain categories we are trying to find export market for this."

This is a kind of economics which I do not know whether any country of the world would be adopting. When you cannot sell a product when there

is glut for that particular product, when the demand has gone down, you reduce the price. But no, not this Government, which has its own special economic theories. They increase the prices and even after increasing the prices the Minister makes a statement in the Rajya Sabha that there is glut in the prices of these. Even then he can sustain this price rise and support it in this House and make statements that the price increase and decontrol have no connection. This is amazing, to say the least.

Then, HSL had to curtail production in 1966-67 by Rs. 70 crores. Of course, in this House the Minister has indicated that the current trend is also downward; the demand has not picked up, rather it is going down. Even then, I am told, Shri Nakra, the Financial Controller or Advisor of Hindustan Steel has stated that there has been less production by Rs. 70 crores in 1966-67. Prices in Bombay and Calcutta are below even old selling prices. I will give an example. 3"— $\frac{1}{2}$ " channels are selling at Rs. 80 per tonne below old prices. There is no demand. I would like the Minister to tell me how many indents they have received on the JPC after 1st May and whether the saturation point is reached or not.

Why has this happened? I will give you the reasons. My hon. friend, Shri Nambiar, mentioned about monopoly. What is monopoly? I am going to quote Oxford and Chambers' dictionaries. According to Oxford, monopoly is exclusive possession of trade in some commodity; this conferred as privilege by State. According to Chambers, monopoly is sole power or privilege, of dealing in anything; exclusive command or possession; that of which one has such a sole power, privilege, command or possession.

But it is not only a monopoly of JPC; here is a cartel. This is the only commodity where in this country a cartel has been permitted. We may talk about the Hazari Report and various other things and talk about

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monopolies. I do not know why the Members have not taken care to see that if there is one product in this country it is steel only where a cartel is permitted and encouraged by the Government. What is a cartel? A cartel, according to the Oxford Dictionary, is manufacturers' union to control production; marketing arrangements, prices etc. If the Joint Plant Committee is not that, what is it? If somebody will enlighten me, I will be obliged. The Chambers says that a cartel is a combination of firms for certain purposes, especially to keep up prices and kill competition. This is what the Joint Committee is doing by increasing prices.

We were given reasons this morning by the Minister that costs have gone up and devaluation has affected it. I say that devaluation must have affected all the industries in this country. What is happening about the structural industry, the Foundry industry and the machine tools industry? Of general engineering industries in the last two years prices have gone down and not gone up. Even then the hon. Minister made a statement this morning in this House that there is a sympathetic increase in prices. In fact, it is lower than the general price increase. I would respectfully submit to him to quote the price rise in these four industries which I have cited and how the steel prices have increased.

I would also quote here the Mahatab Committee again. It says:—

“It is a matter of concern that our ex-work prices have risen faster than the corresponding prices elsewhere.”

It further states:—

“A general study of price trends in the country discloses that ex-work prices of steel have risen faster than the average ex-factory prices of several other commodities. Also the ex-work price of steel has risen faster than the general level of prices”.

This is what the Mahatab Committee said. And the Minister said exactly the opposite of it today that since 1964 there has not been price increase. That also is not true. There has been a price increase in a disguised manner. I have shown how price increases have been allowed in a disguised manner that people did not know, just as, by changing the retention price or by abolishing the retention price.

16.50 hrs.

[SHRI G. S. DHILLON in the Chair.]

There have been price rises 11 times during last 8 years. I would also like to quote the Raj Committee on the cost aspect because the Minister is taking shelter under the cost increases. I think, he has no excuse for that. The Raj Committee says:

“When prices are based on the assumption of costs, there is always a tendency to inflate cost and not to allow adequately for cost reductions that may, in fact, be feasible.”

This is what is happening in our country. Why are the prices allowed to rise? It is because the H.S.L. and Tata Iron and Steel make a representation that the cost has gone up and, if the cost has gone up, the price must also go up. Does that happen in any economy of the world?

I would also like to quote the Chairman of the Heavy Engineering Corporation, the Government of India concern on this very aspect of cost. I quote:

“Industries have got used to work on the cost plus profits economic basis. They are able to sell what they produce and make enough profits and, therefore, very little attention has been paid to cost reduction.”

I purposely quoted the Chairman of the public sector undertaking, not any Opposition leader, not Mr. Nambiar or anyone else, to show that what I am saying is something which is accepted by the Government but not practised by them.

The other day, the Minister said that the costs of H.S.L. are lower and the lowest of them were of Durgapur. Immediately thereafter, we had the Pande Committee Report which showed that Durgapur was the most mismanaged plant. I argue that if Durgapur costs are the lowest and Durgapur plant was examined and found to be most mismanaged, then, by comparison, if Bhilai and Rourkela costs are higher, they must be, surely worst managed. There is competition in mismanagement and who mismanages more will get kudos. If it is the intention of the Government to allow the public sector undertakings to compete in mismanagement and cost increase, there is no end to all this.

Then, there were the cost figures given. In 1964, the H.S.A. was paying much less wages than what the Tatas and the Iron and Steel were paying. Let Mr. Nambiar take note of it. Only now they have started paying higher wages. Let us also take cost indices. In 1966-67, there again is an excuse given that our plant is new and that is why the costs are higher. The plants are new in the U. S. A., Belgium, France, Germany, Japan and Italy and there the costs are not higher. They provide new technology, new methods, new operational techniques in order to lower the cost and give benefit to the community by having lower costs and lower prices. You spend crores of rupees and you give an excuse that because you have invested now, your costs are higher. This is what Mr. Nakra, the Finance Adviser of the Hindustan Steel has said:

"Every drop of Rs. 1 crore production is a loss of Rs. 40 lakhs."

There is going to be a drop of not

Rs. 1 crore production but of several crores of rupees production because you are not going to be in a position to sell these products as there is no one in the position to buy them at high prices.

Then, I want to quote Mr. Lal, the Secretary of the Steel Ministry. On the 30th April, he is reported to have said:

"If the Government would have any undue fear of a steep rise in prices following decontrol, the Government would step in when it felt the J.P.C. was exceeding reasonable limits."

As to what is the reasonable limit that is for the J.P.C. to decide. Even then, there is a much higher increase taking place in the price of billets and bars. Curiously enough, in the case of billets it is 9 per cent increase and in the case of bars, it is 7 per cent increase. This is going to be a great blow to small-scale and medium-sized steel industries in U.P., Bihar, Gujarat, in South India, everywhere employing forty to fifty thousand people and with an investment of about Rs. 40 crores. Is this only to see that the main producers flourish and the re-rollers perish? The prices shown this morning were of standard quality products. Our Members are also misled in this. The price increase of, what is called, off grade has been much higher. There is a premium on inefficiency all round. There is a premium not only on inefficiency but also on bad quality. If the quality is worse, you get higher prices; the price of Hindustan steel would be higher. If they want to make more profits, let them make worse quality and that be a matter of pride for us.

I want to suggest, what I think, the right solution. In my opinion, these are the remedies; immediately with effect from today reduce the prices and maintain them at the level in

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which they were on 30th April; create competition amongst the steel plants and not cartal—Hindustan Steel, Tatas and Indian Iron getting together. The Railway representative is also here I have seen now they function. The junior officer of the Railways protests every time there is a price increase, but that protest, is absolutely and totally unheard of. The Railways consume less than 700,000 tonnes out of the six million tonnes. What about the other major consumers? What about the re-rollers? What about the engineering industries and structural fabricators? They are not there because if they are there, it would cease to be a cartal. There has to be a competition. I suggest that competition must be created by disbanding the Joint Plant Committee and if that is too bitter a pill for the Minister or the Government to swallow, I would suggest that he may consider having representatives of the consumers on the Joint Plant Committee.

Then another thing is this. All these reports and other things are quoted. Let him insist on cost reduction. Let him tell the General Managers of the Plants that no price increase will be given because their costs have gone up as it is happening in all private industries. The price in one particular industry that I know of, in three years, has gone down 50 or 100 per cent; the price of a particular product that I know of in an engineering industry has gone down from Rs. 286 to 103. No one says, "give us higher prices; we have to cut down our costs if we have to survive". But this is not the case with steel industry. They are used to spoon-feeding since the days of Tata and Indian Steel. They should have been told earlier, "no price increase will be given consequent on the cost increase; you reduce your cost; you should be beneficial to the country." As the Deputy Prime Minister said, the people of this country cannot be expected to bear this burden of higher prices, heavier losses and subsidising the industry. So, let

the General Managers be told that they must live within their means and make profits and if they do not, they are not suitable to be in the position where they are. This will require a radical change in the basic approach. Do not go on the beaten path saying that whatever is said must be done and all that. Get out of the rut now. This is buyers' market and is no longer sellers' market. You have to provide the leadership and the leadership can come only if you take unusual steps, not the unusual steps of increasing the prices when the demand goes down but the unusual steps of increasing efficiency, improving quality and reducing costs.

Lastly I would like to submit that the major difficulty with the steel plants, why there is need for price increase, is that they do not have the consumer orientedness and this, I speak, from my own experience and of many consumers of the steel produced by all these plants. There again the main culprit is the Hindustan Steel who have no concern for their customers, for their consumers. Whatever they produce must be bought. If they do not buy, not only the sales managers whoever are the executives, feel displeased with the consumers but they also display their displeasure quite clearly and unequivocally to the consumers. Is this way we are going to build up the industry in the private sector or the public sector, or the economic growth of the country? I would like to mention here one instance. I am told that a very senior executive on the sales side of the Hindustan Steel was informed by one of his Assistants just before the price increase that the price increase would not be borne by the market and he immediately said, "that is non-sense; do not put such a thing in writing to me because in India they have to buy from us; where else will they go; the prices are elastic and they have to buy." This is the attitude that we have come to have in this country.

I would urge the hon. Minister to see that these suggestions that I have made may kindly be accepted. Decontrol should continue; prices should be reduced forthwith and all other steps should be taken so that HSL has not to come out every now and then with a statement that the costs have increased. Let the profitability increase by their competence, by their ability, their cost-control and quality consciousness

17 hrs.

Shri J. B. Kripalani (Guna): The hon Minister is not an industrialist. So, how can he accept them?

Shri Virendrakumar Shah: He is incharge of the portfolio

श्री रणबीर सिंह (राहतक) माननीय नम्बियार साहब न जो प्रस्ताव पेश किया है इसको मैं अपनी कठोरता से मना देता हूँ। इस रेगुलेशन को मान लेने से अगर कोमर्से गिर जायें ना भइ इसकी जरूरत टिपायत करता हूँ। अगर यह ऐसा वेग बना कर माबिन कर दें कि कोमर्से गिरेगी ना मैं इसकी पूरी पूरी डिमायत करता हूँ।

इस उद्योग में कच्चे का खाना, कच्चे का लगाना एक तमाशा सा बन गया है। यह कह दिया जाता है कि सरकार गय भागमा के सामने झुक जानी है इस वास्ते वह कच्चे का खाना देनी है। लेकिन जब कोमर्से बढ़ जाती है तो फिर कच्चे का खाना देनी है। अभी हटाना और कमो लगाना, इसमें तो यही पना चलना है कि इसका एक खेल का बिडिया बना दिया गया है, एक शटल काक बना दिया गया है।

अभी तक हम इस बुनियादी बात को तय नहीं कर पाए। हमें पता नहीं चल सका है कि कच्चे का खाने से कोमर्से बढ़ती है या कच्चे का लगाने से कोमर्से बढ़ती है। इसका पता लगाना बहुत जरूरी है।

तोहा हम देश के किसान की जान है। आप कहेंगे कि बार बार मैं किसान की बात करता हूँ। लेकिन मैं बतला कि मारे देश का ठेका एक आदमी नहीं उठा सकता है। हमको देखना होगा कि कौन ज्यादा आबादी में है और कितनी जो काट है वह सहन करना पड़ता है। जिस तरह में हमारे लिए रोटी जरूरी है उसी तरह में किसान के लिए नाहा जरूरी है, उसकी जिन्दगी के लिए जरूरी है। उसकी जिन्दगी में लोहे का एक बहुत बड़ा मुकाम है। दगनी जिनमें फल बाटी जाती है, उसमें लेकर ट्रेक्टर तक, आजकल के जमान की जो नई ईजाद है, लोहे की जरूरत पड़ती है। ये सब किसान के मजारे हैं। दगनी की कीमत बढ़ गई है। खुशी जिनमें फल निर्गई जाती है, उसके लिए लोहे की जरूरत पड़ती है। उसकी कीमत बढ़ गई है। फावड़ा जिसमें खुदाई की जाती है उसमें लोहे की जरूरत पड़ती है। उसकी कीमत बढ़ गई है। जिसमें फल की गाड़ी की जाती है और जिनका हमारी तरफ फुसला बढ़ने है उसकी कीमत बढ़ गई है। जिसमें जमीन को हमबाय किया जाता है, जिसमें जमीन को देबाया जाता है जब डेले हो जाते हैं और जिसको कोरडा हमारी तरफ बढ़ने है उसकी कीमत बढ़ गई है। जहा नहर नहीं है, जहा परिशयन स्थील होता है उसमें जो चैन लगी होती है व सारी की सारी लोहे की होती है। उसकी कीमत बहुत बढ़ गई है। उसमें जो बाण्डिया लगी होती है, कितनी टिंडर कहने हैं और पचास-सौ एक एक चैन में लगी हानी हैं उन बाण्डियों की कीमत दुगुनी और तिगुनी हो गई है। जहा पर परिशयन स्थील इस्तेमाल होते हैं वह किसान बेचारा क्या आबपाशी करेगा जब कि वह चैन खरीद नहीं सकता है। चूंकि वह बहुत महंगी हो गई है। जो बेलगाड़ी चलती है, उसके जो पहिये हाते हैं वे लोहे के होते हैं। उसमें किसान अपने रिस्तेदारों को, अपनी बच्चे को लाता और ले जाता है। जो रेहड होता है वह भी लोहे का होता है। कित

[श्री रणधीर सिंह]

किस चीज का मैं जिन्न करूँ। शुरू से लेकर घाबिर तक उसकी जिन्दगी में लोहा एक बहुत ही महत्वपूर्ण स्थान रखता है। मैं दोहराना नहीं चाहता हूँ, जो कुछ हा गया है। जिस तरह से जिन्दगी के लिये सब से प्रथम चीजें चीनी हैं, सीमेंट हैं, कण्डा है, दवा दारू है, उसी तरह से लोहा भी बहुत जरूरी है उसके लिए।

मैं समझता हूँ कि अगर लोहे की कीमतों को कम करने का कोई उपाय इस रेजोल्यूशन के जरिये निकल सके और उसकी कीमते गिर जायें तो इस रेजोल्यूशन को मैं एक बड़ी नेमत समझूँगा। कीमते कम करने के लिये मैं वजीर साहब से भी पुरजोर अपील करूँगा। देश को आज इस महंगाई ने खा लिया है। इसका पब से बड़ा गिकार गरीब आदमी है। प्रमीर आदमी वा खरोद नेना है लेकिन बेचारे गरीब आदमी के लिये बड़ा मुश्किल है। मेरे भाई ने शहरों की बात की है, फंस्ट्रीज की बात की है। वह भी ठीक बात है। फंस्ट्रीज में भी लोहा लगता है। बड़ी बड़ी मशीनें लगनी हैं जो कि लॉह की बनी होनी हैं। मेरे भाई जो मकान बनाते हैं उनके पास जो मकान बनाने के हथियार होते हैं, जो घीदार होते हैं, वे भी लॉह के दने होते हैं। जो लॉहार होता है वह भी लॉहा बड़ा इस्तेमान करता है। उसके जितने घीजार होते हैं लॉह के होते हैं। राज हो, मकान बनाने वाला हो, बन्द हो, मजदूर हो हर एक की जिन्दगी में लोहे को एक खाम अहमियत है। यह हेमियत इसको भार देश में हासिल है। लेकिन देहाता में लोहा खाम तौर पर कास उन लोगों को जान है। वहाँ पर अरसी परनेर आभाशो देश की रहती है। वहाँ चालीम करोड आदमी बसते हैं। उन चालीम करोड आदमियों में से शीछ करोड किसान हैं।

जो दस करोड बचते हैं वे गरीब भण्डार हैं जिन को बैकवर्ड लोग कहा जाता है वे हैं। मैं कोई लम्बा चौड़ा भाषण नहीं दूँगा। मैं एक मोटी सी बात कहूँगा। घांकड़े मेरे दोस्त ने पेश कर दिये हैं। वह कहते हैं कि कंट्रोल बिल्कुल नहीं होना चाहिये। दूसरे मेरे साथी कहते हैं कि यह होना चाहिये। इन्तसा-दियात की बात की जाती है। मैं देखता हूँ कि बड़े बड़े जो इन्तसादियात के माहिर हैं वे भी चौपट हो जाते हैं। वे एक फार्मुला बताने हैं लेकिन जो उनके नतीजे निकलने हैं वे उलटते होते हैं। डिबैल्युएशन हमने किया। किसी मकमद को ले कर किया। लेकिन उसका नतीजा कुछ और ही हो गया। खोदते हैं पहाड निकलना है चूहा। करते हैं कंट्रोल लगाने की बात या कंट्रोल हटाने की बात और समझने हैं कि महंगाई दूर होगी लेकिन महंगाई और भी बढ़नी जाती है। अभी अभी कहा गया है कि डिक्ंट्रोल करने की वजह से कीमतें 21 परसेंट और पाच परसेंट बढ़ गई हैं। ये जो बड़ी हैं वे तो बड़ी ही हैं लेकिन कही कही ऐसा न हो कि वे पचास परसेंट और दस परसेंट और बढ़ जायें। मैं एक मोटी बात कहता हूँ। जब कंट्रोल करते हैं तो मेरे दोस्त ने ठीक कहा है स्वतन्त्र पार्टी वाले ने, कि परमित और कोटे का राज हो जाता है। लेकिन तसबीर के दूसरे रूख को भी प्राप देख। जब कंट्रोल का हटाते हैं तो मीनोपोलिस्ट का राज हो जाता है। तब खबीरा घबोखी शुरू हो जाती है। खीखो को रोक कर रख लिया जाता है। खोर बाजारी शुरू हो जाती है। यह पहले भी होती है और बाद में भी होती है। इसका क्या इलाज है। मैं बीच में हूँ। मेरी समझ में नहीं आता है कि किधर जाऊँ। मैं कोई इन्तसादियात का माहिर नहीं हूँ। इन्तसा-दियात के माहरीन की बात वहाँ पर मुकत-मिफ बैचों से हुई है। मैं तो एक बात कहता हूँ और वह यह है कि कीमतों गिरें। बहुत

ज्यादा कीमतें बढ़ गई हैं। गुजारा होना मुश्किल हो रहा है। घादमी को खाने को मिलता नहीं है। किस तरह से कीमतें गिर सकती हैं इसको हमें देखना होगा। अगर मेरे दोस्त इस रेजोल्यूशन के तहत कीमत गिराने की बात करते हैं और समझते हैं कि इसको मान लेने से कीमत गिरेगी तो मैं उनको एक तरह का बैनीफैक्टर समझूंगा। मैं प्रार्थना करता हू कि कोई कदम ऐसा उठाया जाए जिससे कीमत गिरे। मैं भ्रकेले लोहे की बात नहीं कहता हू। मैं चाहता हू कि जिनकी जरूरियाते जिन्दगी की चीज हैं उनकी कीमत गिरे। उनको सरकार गिराये। मैं चाहता हू कि कोई ऐसी स्ट्रेबुटरी बाडी हो जो कीमतों को स्ट्रेबिलाइज करने में आपकी मदद कर सके। घाए साल कीमतों को स्ट्रेबेलाइज किया जाए तो बहुत भ्रच्छी बात होगी। यह देखा जाना चाहिये कि उस मान उस कीमत से ज्यादा कीमत बढ़ने न पायें। कीमतों को मुकरर करते वक्त आप माजिन घाफ प्राइट को भी देख ल प्रोडक्शन कितना कितना होता है इनबैस्टमेंट कितनी होती है पैस उस पर कितना लजगता है इसको भी देख लिया जाए। लेकिन जब आप कीमतें मुकरर कर दें तो इसको भी आप देख कि उन कीमतों पर लोगों को चीजें मिलें और कीमतें बढ़ने न पायें। अगर जखीरा घंघोखी होती है तो जो लोग इसको करते हैं उनको आप गर्दन से पकड़ लें। मैं चाहूंगा कि चीजों का डिस्ट्रीब्यूशन ठीक हो। इस रेजोल्यूशन की स्पिरिट तो ठीक है। कीमतें बढ़नी नहीं चाहियें। लेकिन इसको अगर मान लिया जाए तो नताइज क्या होंगे, उनके बारे में मैं बहुत ज्यादा कनविन्स नहीं हू। लेकिन जो उनके दिल की बात है स्पिरिट की जो बात उन्होंने कही है और यह कहा है कि गरीब घादमी तंग घा गए हैं लोहे की कीमत जो बढ़ है उसके कारण और डिफेंडोल जो उसको किया गया है उसके कारण और जो इनके बिज को ठेस पहुंची है उसकी मैं

कद्र करता हू। मैं चाहता हू कि इस रेजोल्यूशन की स्पिरिट को आप पकड़ें। यह जो मंहगाई है यह घुन की तरह शहर वालों को, देहात वालों को, किसान को, मजदूर को, गरीब को खा रही है। इसका आप कोई उपाय करें। इतना ही मैं कहना चाहता हू। मैं आपका बड़ा मशकूर हू कि आपने मुझे समय दिया।

Mr. Chairman: The time allotted for this resolution was only one hour. That is already over. Rather, more than an hour has been taken for this. Does the House want to continue. There are a number of names still pending. Members are sending chits.

Shri Amrit Nahata (Barmer): There are other very important resolutions. If the time is extended, they will not be introduced. If you can assure the House that that the other resolution will be introduced, time can be extended.

Mr. Chairman: There are two more resolutions, but usually it is our practice that we stick to the time schedule. If you do not mind I might put this resolution to vote after the Minister has replied.

Shri S. S. Kothari: You do not allow us to speak at all.

जनसंघ को मोका नहीं दिया गया है। स्वतंत्र पार्टी के बाद हमारा दूसरा नम्बर है।

श्री अम्बुल लकी बार(गुडगांव) : चेयरमैन साहब, जब वक्त घा गया है कि मिनिस्टर साहब, या गवर्नमेन्ट इस बात पर बिचार करे कि घाखिर क्या कारण है कि हमारे मुल्क में हर चीज की मसलूई कमी बता जाती है और मसलूई दिक्कत दिखाई जाती है। मैं घाज करना चाहता हू कि 1956 में हमारे मुल्क में सिर्फ 59 मिलियन टन घनाइज

اس بات پر وچلو کریں کہ آخر کیا کاروں ہے کہ ہمارے ملک میں ۲۴ چھڑ کی مصنوعات کی بتائی جاتی ہے اور مصنوعات دسٹ دیکھائی جاتی ہے۔ میں عرض کرنا چاہتا ہوں کہ ۱۹۵۱ء میں ہمارے ملک میں صرف ۵۹ ملین ٹن اناج پیدا ہوا اور املین ٹن باہر سے منگایا گیا۔ اس کے بعد یہاں پر ۹۱ ملین ٹن اناج پیدا ہوا۔ موجودہ پوزیشن یہ ہے کہ ہمارے یہاں ۷۶ ملین ٹن اناج پیدا ہوا اور ہم قریب ۷ ملین ٹن باہر سے منگا رہے ہیں۔ آخر کیا وجہ ہے کہ جب ہمارے ملک میں بھی اناج کی پراڈکشن زیادہ ہوئی اور باہر سے بھی زیادہ اناج منگایا جا رہا ہے۔ تب بھی یہاں پر ہیکموی اور مہنگائی ہے۔ منسٹر صاحب ہم کو سمجھائیں کہ ان حالات میں بھی ہمارے ملک میں غلے کی کمی اور مہنگائی کیوں ہوئی۔ میں سمجھتا ہوں کہ اس میں معاملے میں کہیں نہ کہیں انسپروں کی کوئی چال ہے۔

یہی حال لڑھے کا ہے۔ ایک طرف تو گاڑخانے پر کوڑھانے لگا رہے ہیں اور ان پر عربوں (۵۵) خرچ کر

رہے ہیں اور دوسری طرف ہم کہہ رہے ہیں کہ اس کی مہنگائی ہے۔ میں گورنمنٹ سے یہ پوچھنا چاہتا ہوں کہ آخر اس بات کی کیا وجہ ہے کہ ایک طرف تو پراڈکشن زیادہ ہو اور دوسری طرف کمی اور مہنگائی ہو۔

सभापति महोदय - मैं धानरेबल मेम्बर को कहूंगा कि वक्त बहुत थोड़ा है, इस लिये वह मुश्किल में अपनी बात रख दे।

شری عبدالغلی دار - میں ایک منٹ اور لہنا چاہتا ہوں۔ آپ نے مجھ سے چار منٹ مانگے ہیں۔ میں اس سے زیادہ نہیں لوں گا۔

میں سمجھتا ہوں کہ کچھ لوگ۔ کچھ ایسے نہیں دہی ہیں۔ جو اس سرکار کو بہکا رہے ہیں اور وٹاں کالے روہیت بدھی،، کی بات اس پر لگو کر رہے ہیں۔ وہ کہتی کہونستوں کو اپنی ہاتھوں میں کھاتے ہیں اور کہتی سوتلوانٹس کو اپنی ہاتھوں میں کھاتے ہیں۔ دیکھنا یہ ہے کہ کیا واقعی ہماری پراڈکشن کم ہو گئی ہے یا ہورنگ کی جا رہی ہے یا ہمارے انتظام میں کوئی کمی

[شری مہدالہلی دلو]

ہے یا ہناری پالہسی دوست نہیں ہے۔
 آج وقت آگیا ہے کہ گورنمنٹ اس
 سارے معاملے کو اپنالو کرے کہ یہ
 مصنویٰ کسی کہوں آجاتی ہے۔ یہ
 تمہیں مصنویٰ طور پر کہوں بڑھ
 جاتی ہیں اور اس دہس کو تہاہ کرتی
 ہیں۔

آج مجھے دکھ ہوا کہ ایک
 چھلی سہاسی کے یاگل پن سے ہنارے
 نوجوان اور شاندار ساتھی۔ شری
 مدھو لہہ۔ نے یہاں تک کہہ دیا
 کہ دہلی میں چین کی حکومت
 ہے۔ اس کی وجہ صرف یہ ہے کہ
 فرسٹیشن ہے۔ یہ بھی مصنوی
 فرسٹیشن ہے۔

Shri S. S. Kothari: On a point of order. What has that to do with the present discussion? What is the relevance?

सभापति महोदय : घानरेवल मेम्बर देखें कि कहां स्टील का डीकंट्रोल प्रौर कहां जबीनी सिपाही ! इन दोनों बातों का घापम में क्या ताल्लुक है ?

شری مہدالہلی دلو : میں یہ
 ثابت کرنا چاہتا ہوں کہ مصنوی
 کنٹرول۔ مصنوی کنٹرول تمہیں
 میں مصنوی امانت۔ مصنوی کسی
 کا دکھانا۔ یہ سب مصنوی ہے اور
 سہرے پھائی۔ شری مدھو لہہ۔ کا
 یہ بات کہنا بھی مصنوی ہے کہ
 پہلی چین والوں کی حکومت ہے۔ [

Mr. Chairman: This is not the first time I hear him speak. When I was Speaker of the Punjab Assembly, I have seen him and we know each other very well and I know his ways of putting a case.

Shri S. S. Kothari: The economy has suffered sufficiently on account of the plethora of controls that plagued us for quite sometime. The results of this decontrol has been that a breath of fresh air was introduced and I am surprised that my friend Mr. Nambiar wants to put the clock back. Instead of proceeding more and more towards further decontrol of various commodities, he wants us to go back to controls and I am surprised at that. It is because of these controls that we have what has been lightly called the licence permit quota raj. The evils of state control are only too well-known and I need hardly elaborate the number of incidents which had been brought before the House during the Third Lok Sabha which related to the scandals with regard to the iron and steel ministry. Most of them were on account of these controls. Had there been decontrol, probably most of these scandals would not have arisen. Besides that corruption and nepotism are directly attributable to controls. Controls result in black-marketing and the consequence is that the money that goes underground and are in circulation as black money result not only in the loss of revenue because that income is not assessable to income tax; they result in loss to the State Governments also because sufficient taxes are not paid. Thus the whole atmosphere of the society is vitiated. We hear so many talks about the moral degradation and the whole society had been affected adversely because of declining moral values; to a great extent these are attributable to controls. Decontrol is a step in the right direction. If voluntary regulation is there as in the case of steel there is an incentive to industry to expand. A satisfactory return on

capital employed is necessary for expansion. The flow of investment capital into the steel industry has been facilitated and a number of concerns are coming up for producing alloy steels of various types. These concerns would not have come up if steel had not been decontrolled. Such a development is absolutely necessary because it leads to import substitution. If alloy steel is developed the other steels that are required for the manufacture of heavy commodities and even for the purpose of manufacturing armaments would be produced in this country. It would all lead to import substitution and that is the benefit that has come from steel decontrol. Besides the licensing procedures and permits involve considerable delays and they lead to slowing down in the flow of commerce and trade. The fixation of prices was entrusted to the joint plan committee. We have a statement here given by the Minister which says that since 1964, there was no substantial increase in prices but after May 1967 there has been some increase in certain cases ranging between 5 to 11 or 12 per cent. Compared to the increase in the price level as also the increase in costs, this is not much. There are three specific items where the prices had increased considerably. The galvanised corrugated sheets have increased by 29 per cent. I was told that zinc prices have gone up from Rs. 1,375 to Rs. 2,800 and that is the reason why it had gone up by 29 per cent. When I come to the other two items, there is a snag. The price of wheel and tyres had gone up by 20 per cent because I am told that this would result in lowering or reducing the losses that are suffered by the Durgapur steel plant. I come to a very important point. Basically what is happening today is that one of the prime causes of inflation in this country is the tremendous losses of resources that are taking place in the economy owing to the inefficient working of the public sector plants. What is happening is that money is syphoned off by the Government through various taxes to the

public sector, and there, firstly, the management money is not sufficient, and secondly, it is being put into the public sector plants which are not earning sufficient return on capital employed. If you compare the plants, for example, of Hindustan Steel with the budgeted figures, it will be seen that the amount spent was probably more than one and a half times the scheduled amount. The result is that the depreciation and interest charges have gone up considerably and they enter into the price of the finished product and that is why the cost of steel is high.

So basically, if you have to reduce the cost of steel, you have to make these plants run efficiently. They must earn a proper return on the capital employed. They must earn sufficient profits and their cost of production must come down. That is the fundamental point without which you cannot hope to bring down steel prices, whether there is State control or State decontrol. Decontrol, I would say, has only done the economy considerable good.

This economy has been suffering considerably on account of the over-centralisation, statism and an excess or surfeit of controls. Even in Soviet Russia, Poland and Yugoslavia, they are drifting away from statism and overcentralisation, and that has done their economies a lot of good. I was talking the other day to the Yugoslav Ambassador; he said they are giving a greater amount of autonomy to their plants and factories, and from this, the economy as a whole has benefited and they are working more efficiently.

Prices tend to move together. If prices are to be restrained, production has to increase and for that purpose, increasing decontrol could do a lot of good to the economy because prices and wages move in a vicious circle. The increase in wages inevitably lead to an increase in steel prices also.

[Shri S. S. Kothari]

Now, to reduce wages and prices, we ultimately come to the same point, namely, that production has to be increased. For that purpose, as I said, the economy has to let in a breath of fresh air to have more and more of decontrol so that the industry may not be placed in a straight-jacket and the industry may have the requisite incentive to expand, to develop and the investment capital may flow into fresh industrial ventures, so that production goes on increasing.

About the excise duty, I would like to make a point, and that is an important one, because in my opinion, it is a fallacy to assert that excise duties are anti-inflationary. The fact is that the excise duties are inflationary.

Mr. Chairman: Please conclude.

Shri S. S. Kothari: Just a minute, Sir, I am concluding. The excise duties enter into the cost of commodities and directly lead to increase in the price level. These excise duties have to be brought down, and that is only possible if the Government reduces its expenditure, utilises the money that it collects and siphons off from the private sector, utilise it properly and gets the maximum return on the capital employed.

The Minister of State in the Ministry of Steel, Mines and Metals (Shri P. C. Sethi): Sir, the resolution which has been moved by the hon. Member, Shri Nambiar, has two aspects of the question. One is that he does not favour decontrol, and the other is that he is concerned about price increase after decontrol. As far as the aspect of decontrol is concerned, I think except Shri Nambiar, practically all the Members, whether on this side of the House or on the other side of the House, who have come to speak on this occasion, have welcomed decontrol.

Shri Nambiar: I would welcome it provided the prices are reduced. I am only concerned about prices: decontrol or control, whatever it is.

Shri P. C. Sethi: I am glad Mr. Nambiar has at last realised that half

of his resolution is not correct, and therefore now he is banking upon the other aspect of the question. As far as the question of decontrol of iron and steel is concerned, the House is well aware that before the Raj Committee's appointment, there was a lot of complaints about the Iron and Steel Controller's office, about the delays that were taking place and the basic consumer and the industries had to go from pillar to post to get their requirements of iron and steel. That in turn brought so many malpractices and other things. The result was two-fold. The genuine consumer was not getting iron and steel and the demand was to some extent inflated, with the result that we had to import pig iron to the tune of 1.2 lakh tonnes from USSR a few years back.

When Mr. Subramaniam was the minister in charge, an expert committee, known as the Raj Committee, consisting of economists was appointed. That committee recommended that there should be gradual decontrol of iron and steel, that a Joint Plant Committee should be formed, that a priority committee in the steel ministry should be formed and that the products of the re-rolling industry should be decontrolled. After careful scrutiny of the report, the ministry came to the conclusion that most of the recommendations could be adopted and it would be better to do so. Therefore a Joint Plant Committee was formed. A priority committee was formed and non-flat products were decontrolled. All products of the re-rolling industry, of which Mr. Shah is one of the spokesmen here, were decontrolled. Although they were getting billets from the steel plants at controlled rates, yet the products of the re-rolling industry were decontrolled on the Raj Committee's recommendations. This worked very well.

In the second stage, we decontrolled billets, pig iron and also the thicker sheets. Only flat products which were scarce were left under control.

Later on a committee was appointed under the chairmanship of Mr. Khadi-lkar, our present Deputy-Speaker, which went into the question thoroughly and examined the entire aspect of control and decontrol. The committee stated then the control was working in a manner which was very harmful and it was not resulting in proper supply of material to genuine consumers. The committee recommended gradual decontrol of the remaining varieties also. Of course, they suggested certain things, which should be followed.

After decontrol, may be due to some recession also, the demand also went down. There was one aspect during the time of control. The prices were quoted at a certain level. But in spite of the control, black-market prices were there and the genuine consumers hardly received the goods expected from the Iron and Steel Controller's office. It took a lot of time. Even after taking time, nobody was certain, neither the Iron and Steel Controller nor the producer nor the consumer was certain that he would get the material required in time to produce the goods which he wants to produce. After decontrol we found that the prices of those commodities which were decontrolled at the first instance went down. About pig iron, the situation now is whereas at one time we had to import pig iron from Soviet Union, last year we have exported pig iron to the tune of 2.67 lakh tonnes bringing in a foreign exchange of Rs. 5 crores. This is the situation after decontrol.

Shri Virendrakumar Shah: The pig iron was exported before the decontrol was made on 1st May.

Shri P. C. Sethi: I have already said that recession in certain industries had also resulted in surplus of pig iron. This question was further examined and we came to the conclusion that the Khadi-lkar Committee's recommendations should be further examined and we should try to decontrol the other commodities that remained.

In this connection, I would like to draw the attention of the House to the fact that since 1-3-1964 no price increase was given to the steel industry except to the extent that the price increase was given to them on account of either excise duty or on account of freight increase. Previously the position was that before 1-3-1964 there was the problem of retention price and the steel industry used to be given a retention price on a cost-plus basis. The cost-plus basis was, whatever the cost of production on that cost of production 8 per cent profit was given to them. On the running capital they were given 5 per cent profit. Since 1-3-1964 the retention price problem has been done away with and partial decontrol has been introduced.

The House would realise that as far as comparable prices which have risen during this period are concerned, it would be interesting to note that whereas the price increase in steel industry works out on an average to something like 11 to 12 per cent, in the case of textiles during this period there has been an increase of about 19.4 per cent, in machinery, transport and equipment there has been increase of 20.6 per cent—I am quoting from the index numbers of the Reserve Bank of India Bulletin of January 1967—in fuel, power, light, and lubricants the increase is about 16.8 per cent, as far as raw materials are concerned the increase is 58.7 per cent and in respect of coal, steam coal etc., the increase is about 14 per cent. Compared to these figures we have to see whether the increase that has been given to the steel industry now by the JPC is desirable or not.

Shri Virendrakumar Shah: What is the price trend of consumers of these products?

Shri P. C. Sethi: I am giving the price increase in other industries compared to the steel industry because it was pointed out that in the steel industry there has been a steep rise. The figures I have quoted show that this is not the case.

[Shri P. C. Sathi]

I quite agree that as far as the increase in certain categories like galvanised sheets is concerned the price increase is certainly much more and it is about 29 per cent. My hon. friend Shri Kothari gave the figures showing the increase in the price of zinc from Rs. 1375 per ton to Rs. 2800 per ton. On account of the increase in the price of zinc alone the increase in the price of corrugated sheets is Rs. 120 per ton. Apart from this what we should see is that Rs. 30 is the average increase on account of devaluation. The engineering industries which are doing exports are given a subsidy to the extent of Rs. 5 per ton. The position was actually this. Although corrugated sheets were said to be sold at Rs. 1200 per ton, it is a known fact that corrugated sheets were not available to anybody in the open market even at Rs. 2200 to Rs. 2500 per ton. Now, Sir, what was the result? With this price of Rs. 1,200 the production went down for corrugated sheets. One reason is zinc was not available. The other reason was that the price of Rs. 1,200 was not giving proper dividend to the producers and, therefore, they were clamouring for an increase. The result was this. The production of galvanised sheets in 1964-65 was 1,46,000 tons. In the year 1965-66 it went down to 1,07,000 tons. In the year 1966, from January to December the production of galvanised sheets and GP sheets came to 49,300 tons. Out of these 49,300 tons most of this was being supplied to defence purposes with the result that corrugated sheets practically went out of the market and this caused great hardship to the peasant, to the consumer and to the various State Governments who were asking for special allotment of these corrugated sheets.

Now, after this increase, the production of corrugated sheets would increase, and that is why we have made arrangements to give 6,400 tons of zinc which will cover the production of about 1 lakh galvanised sheets of

the producers. Besides this, since September the production of corrugated sheets would come to the average of 18,000 tons per month and we hope that at the rate of 1 lakh tons from TISCO and 80,000 tons from IISCO per year would start coming. This would naturally bring down the price of corrugated sheets, I am quite sure, and the prices which were before de-control, about Rs. 2,500—even at that price it was not available—I am sure that from September onwards as soon as production picks up in the case of corrugated sheets, the increase in price of which is agitating the minds of the hon. Members, it would certainly be available round about the price increase which is given now, that is about Rs. 1,500 per ton. As compared to Rs. 2,500 this Rs. 1,500 would be more beneficial to the consumers.

Besides this we hope that the Rourkela steel plant would go into production from September onwards and it would be producing about 26,000 tons of corrugated sheets. So far as corrugated sheets are concerned, taking into account the existing capacity and the schemes for current expansion we hope that Rourkela steel plant would take care of production of corrugated sheets and GP sheets to the tune of 1,50,000 tons. Therefore, from this point of view, I can safely say that the production of corrugated sheets would increase from September onwards and we are quite sure that this would ease the situation.

Shri Virendrakumar Shah: What about the products for which there is a glut in the market? How does the price increase help them?

Shri P. C. Sathi: The hon. Member is well aware of the market conditions. Till now there was a sellers' market which has now become a buyers' market. Then, whatever price the JPC will fix, they will have to come and sell according to the market conditions. What we have fixed is the price we would like to give the. But we've not debarred

them from charging a lesser price. Therefore, if there is a glut and if there is no buyer for their production then naturally they will have to reduce their prices. As the hon. Deputy Prime Minister said the other day, what was the position of cars at one time? They were being sold at a premium. Now, it is the other way round. Therefore, if the market conditions are like that, then, even though JPC has fixed a price—he described JPC as...

Shri Virendrakumar Shah: Cartel.

Shri P. C. Sethi: Yes, he has given the name cartel to JPC. I would not agree with the hon. Member, Shri Nambiar or Shri Shah, when they describe JPC as a cartel because of its constitution. Shri Nambiar said that JPC is influenced by the private sector steel plants. That is not the case. The Iron and Steel Controller is the Chairman of JPC. Then, there are three representatives of Hindustan Steel in JPC. The private sector plants have got only two representatives. Besides these, there is the representative of the Railway Board.

Then, Shri Shah has thrown out a suggestion that apart from these people, there should be some representative of the consumers also. We would very much like to have them. But it would be very difficult for us to decide as to how many consumers we should consult. However, we shall take into consideration the suggestion which Shri Shah has thrown out. If there is any improvement possible, we shall try to do so.

As far as the JPC is concerned, I would like to say that as it is at present constituted it is not a cartel. As I said, the Iron and Steel Controller is represented on it. Then, there is a priority committee in the Steel Ministry which looks after the most important priorities. Then, there is a Railway Board's representative and there are three representatives of the public sector steel plants.

I am very sorry that Shri Shah has formed a very bad opinion about the public sector steel plants. Although that is not within the purview of this question, I would like to say that the public sector steel plants have helped the steel industry in this country. When the public sector steel plants came into being, a large block of investment was very high compared to TISCO and IISCO and certainly we were at a disadvantage, but I would like to say that without the public sector steel plants we would have been in difficulties.

As far as the question of exports is concerned, I would like to say that we would certainly like to export as much as possible. In the last year, it is true, the re-rolling industry has done very well and they have exported goods worth Rs. 7,61,00,000. I think. As far as the Government is concerned, we have tried to give them subsidy during that period. A subsidy of Rs. 1.5 crores was given to them, if I mistake not. Therefore they were able to export. This year we have received their representation and I may assure hon. Members that it is receiving our attention and we will try to see that the export industry does not suffer and that exports of prime steel as well as engineering goods continue.

We have taken these steps and we want to watch these steps. We are quite sure and hopeful that decontrol as it has come would prove quite useful and beneficial. I would request Shri Nambiar to withdraw the Resolution and if he does not do so, I would request the House to reject it.

Shri Nambiar: Sir, I have patiently heard the arguments of the hon. Minister and I would only say that I am not a lover of controls; my purpose is not at all to impose controls but to focus attention on the fact that the rise in steel prices is most harmful. I would only quote the introductory passage in the Mahatab Committee Report which shows the importance of steel prices. It is not

[Shri Nambiar]

only the price of steel that counts but when steel price goes up it adds to the inflation and the whole country's economy is affected. That is a king-pin of the entire price structure. Here it is stated:—

"Steel is one of the important sinews of industry. Stability of steel prices ensures stability in the prices of manufactures in particular and wholesale prices generally. It helps to contain inflation and stimulate growth. This is brought out very clearly in a recent study of steel prices in the United States".

which is one of the countries which does not believe in controls. It is in this field that the Government has allowed a steep increase. That is my complaint. And that was done after decontrol. Therefore, naturally, I connected decontrol with the increase. But will the Government justify the increase? Shri Shah has clearly explained that there is scope for reduction in cost and that must be attended to. Without imposing such conditions on the producer the Government went to the extent of granting a steep increase which is harmful to the whole country's economy particularly today when in this country the economy is in a terrible crisis due to inflation. That is my complaint.

The Minister stated that there was no spectacular increase in the price of steel during the recent past. He is wrong. I think, he should have read the Mahatab Committee Report. Perhaps the brief given to him was either wrongly worded or wrongly read. Even the Mahatab Committee states on page 9:—

"This Table discloses that the increase in ex-works price of steel has been more than the increase in regard to the four selected commodities. Another significant fact is that the ex-works price of steel has risen faster than the general level of prices.

"As against an increase of 114 per cent in the ex-works price of steel between 1949 and 1965, the all Commodities Index of wholesale Prices showed an increase of only 68 per cent during the same period."

What else is require? The wholesale price of other commodities went up by only 68 per cent whereas here it went up by 144 per cent. Over and above that, you are granting another price increase. This is exactly what is given in the report of 1965. The prices have gone up and this is excluding the excise duty; it is ex-works price. Therefore, here the increase is faster than the general increase in other commodities. It is still more dangerous and harmful to our economy. If it is a buyer's market, naturally, the prices are bound to go down. Why do you arers' the price from coming down and increase it by various other methods.

It is high time that the price of steel comes down in this country and inflationary tendencies are checked positively. The Government can do so because the Government has almost got a monopoly except a small portion being produced by the private sector Government should take courage in both hands and come forward to say that the prices are not going to go up now. Then only we can have a chance of saving our country from the economic crisis that we are in today

My purpose in moving this Resolution was to see that the Government goes in the right direction. About the J.P.C., I have no grouse against any individual in particular. But there, Mr. Shah was right in saying that you have not brought in a consumers' representative. The Khadilkar Committee Report subsequently says that they do not want to bring in a consumers' representative in it and that they want to give an open field to the producers. That is stated in that report. I have no time to read it out.

I submit that this is a very serious issue around which the country's whole future economy is revolving and I request that a fresh thought must be given to. We should take positive steps in the matter. I do not say that the control must come in with all the paraphernalia of appealing, writing petitions and all that. I am not for all that. But there should not be a clear line or a green signal in the name of decontrol given to the producer to do as he likes. That is very harmful. There is still scope for rethinking and I request that my Resolution may be put to a voice vote and I hope that the House will accept my Resolution.

Shri P. C. Sethi: I would just take a minute to explain what I said before. What I have said was that after 1.3.64, there was no increase except the increase allowed on account of increased freight charges or on account of excise duty. The figures are Rs. 373, Rs. 375 and Rs. 383.

As regards the Iron and Steel workers are concerned, I would like to give an assurance to Mr. Nambiar that we are taking care of them and wherever possible, we are trying to give them alternative employment. I hope he will think over it again and withdraw the Resolution.

Mr. Chairman: The question is:

"This House disapproves the action taken by the Government in decontrolling steel and thereby causing steep rise in the price of steel."

The motion was negatived.

17.50 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

17.50 hrs.

RESOLUTION RE: SCHEME FOR PROCUREMENT OF FOODGRAINS

Shri Bhagaban Das (Ausgram): I beg to move:

"This House is of opinion that as a measure to alleviate scarcity conditions in some parts of the country, the Government should immediately prepare a scheme for introduction of compulsory procurement of the entire surplus of foodgrains from the big producers and its uniform distribution throughout the country."

This subject has come up for discussion several times before this House.

In the Chief Ministers' Conference held in New Delhi from 8th to 11th April, 1967, the Union Minister for Food and Agriculture promised to prepare a National Food Budget, but despite repeated demands on the floor of both the Houses of Parliament, such a Food Budget has not yet seen the light of the day.

In our country we find the strange spectacle of deficit States lying adjacent to surplus States and scarcity areas surrounded by surplus regions in the same surplus State. The surplus State of Madras and Andhra Pradesh are the neighbours of Kerala with 50 per cent deficit in its foodgrain production. Orissa, a surplus State, is adjacent to both Bihar and West Bengal and there are scarcity areas inside Orissa too. Madhya Pradesh is a surplus State with scarcity areas like Sarguja. The result is wide disparity in prices of the same commodity in adjoining areas belonging to two different States. The same wheat which sells for Rs. 30 per quintal in Punjab and Haryana is available in the western U.P. markets for such prices as Rs. 140 to 150 per quintal. . . .

Shri Amrit Nahata (Barmer): On a point of order. Two hours were allotted for another Resolution after this one. 1½ hours were taken by Mr.