

[English]

Indian Tea Export Target Lagging behind Sri Lanka and Kenya

*268. SHRI SURESH KURUP : Will the Minister of COMMERCE be pleased to state :

(a) whether any assessment has been made to know the reasons as to why Indian tea export target has lagged behind Sri Lanka and Kenya in the recent past with the possibility of the continued trend in the future;

(b) if so, the details of the said assessment;

(c) if no assessment has been made till now, whether that will be done now; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (d). A statement is given below.

Statement

(a) to (c). India continues to be the largest exporter of tea. Exports of tea from India, Sri Lanka and Kenya during the past three years are indicated below :

(Figures in Million kg.)

Year	India	Sri Lanka	Kenya
1982	189.90	181.14	79.80
1983	208.47	157.9	100.65
1984	214.73	204.23	91.20

(d) Does not arise.

SHRI SURESH KURUP : I am glad that in the answer the Minister has said that tea continues to be the largest exporter. But the thing is that the target fixed for this year is 220 million kgs. It is almost certain that our country is not going to achieve this target as only two to three months back the Government was ready to take away the minimum export price and other restrictions on the export of tea. My first supplementary

is in regard to this. This minimum export price and other restrictions which the Central Government imposed have affected the whole South Indian tea plantations adversely and the whole of South Indian tea is still struggling hard to recover from this set back. I want to know specifically from the Minister : What steps the Union Government will take to help the South Indian tea to recover from this serious setback due to restrictions imposed on the tea export and such policies of the Central Government ?

SHRI KHURSHID ALAM KHAN : I would like to assure the hon. Member in the first place that our target of 220 million kgs. of tea export will be fulfilled as upto November we have already exported 194.64 million kgs. As far as the restrictions on the minimum export price are concerned, they have already been removed and the latest figure is, upto 2 December, 1985 208 million kgs. of tea has already been exported.

SHRI SURESH KURUP : The main question was : What steps the Government would take to help the South Indian tea to recover from the set back it received due to the policies of the Union Government ?

SHRI KHURSHID ALAM KHAN : As export of tea is increasing, naturally more tea will go out of the country besides 15 million kgs. more will be required for domestic consumption. All this tea will be consumed.

SHRI SURESH KURUP : I seek your protection, Sir.

MR. SPEAKER : What more can be say about it ?

SHRI SURESH KURUP : My question was that overall price of South Indian tea is very low as compared to the North Indian tea.

MR. SPEAKER : What can they do about it ?

SHRI SURESH KURUP : What I asked was what steps the Government would take to help the South Indian tea producers and he is not going to answer that. Every time the Minister is answering in this House like this.

MR. SPEAKER : What can I do about this, Sir ?

SHRI KHURSHID ALAM KHAN : The prices of tea depend upon the quality of tea produced in different parts of the country.

SHRI SURESH KURUP : What is this answer, Sir ? What does he mean about the South Indian tea ? South Indian tea is the best quality tea in India.

MR. SPEAKER : Then why should it go down ?...

(Interruptions)

MR. SPEAKER : What sort of restrictions, Sir ? There is an open market. There are various qualities of tea in the open market and there cannot be two different prices for same quality teas ? I do not think so....

(Interruptions)

SHRI SURESH KURUP : Please allow me to say, Sir.

MR. SPEAKER : You are making it a debate.

SHRI SURESH KURUP : Sir, there was the minimum export price and other restrictions on the export of tea and the Government took them away 2-3 months back...*(Interruptions)*.

MR. SPEAKER : One minute. Is there any specific idea about South Indian tea in your mind ?

SHRI KHURSHID ALAM KHAN : Normally, the tea produced in the country is promoted and in that the South Indian tea is also inclusive.

MR. SPEAKER : There is nothing more in this.

SHRI SURESH KURUP : I have not asked my second supplementary, Sir. Give me a few minutes more.

MR. SPEAKER : No, no, you have taken a lot of time.

SHRI SURESH KURUP : Sir, this is a question regarding the whole of South India.

MR. SPEAKER : Put the question then.

SHRI SURESH KURUP : I will put the question, Sir. The South Indian Tea Plantations Association which is known as UTPASI, has specifically said in its annual conference that the control by the Central Government is adversely affecting the tea plantations in South India...*(Interruption)*.

MR. SPEAKER : Control on what ?

SHRI SURESH KURUP : This minimum export price which the Government took away 2-3 months back and which has adversely affected the South Indian tea...*(Interruption)*.

AN HON. MEMBER : Minimum support price.

SHRI SURESH KURUP : No, it was export price. One demand that the President of UTPASI raised in the annual conference was that the Government should treat the South Indian tea as a separate entity to help the South Indian tea to tide over the difficulty because the policy of the Union Government is adversely affecting the South Indian tea plantation. Will the Government consider it ?

SHRI KHURSHID ALAM KHAN : Sir, this is a suggestion for consideration.

SHRI SURESH KURUP : He has not answered, Sir. What is this reply ? You are in the Chair of this House, Sir, and you are supposed to help us...*(Interruption)*.

MR. SPEAKER : That is all right. I am asking whether he has answered.

SHRI KHURSHID ALAM KHAN : Sir, I have said that this is a suggestion for consideration.

SHRI BASUDEB ACHARIA : Not suggestion, Sir. Why has the minimum support price been withdrawn ?

SHRI KHURSHID ALAM KHAN : There is no minimum price now.

SHRI S. JAIPAL REDDY : Was it there earlier ? If so, then why it has been withdrawn ?

SHRI SURESH KURUP : Sir, you should ask the Minister to give a more specific answer.

MR. SPEAKER : I do not think what more specific can be. I do not know what more can we expect from him.

SHRI BASUDEB ACHARIA : Sir, the specific question is why it has been withdrawn. He has not answered that.

SHRI KHURSHID ALAM KHAN : It was withdrawn on the suggestion of people that more tea will be exported if this is withdrawn because there was a glut in the tea market in the world.

SHRI P. KOLANDAIVELU : Sir, the tea export has become a vested interest in the hands of big bosses like Tatas and Birlas, and the small tea growers, those who are having 4-5 acres, are not getting a chance to export their quality of tea to other countries. May I know from the hon. Minister whether the small tea growers are being given a chance, and if not, whether they will be given a chance in the near future.

SHRI KHURSHID ALAM KHAN : Sir, 75 per cent of the total produce is auctioned and in that auction everybody comes and puts his tea for auction. Therefore, they take the advantage of the auction and they get the auctioned price.

DR. K. G. ADIYODI : Sir, tea plantations are hundred years old. Normally, their average life is 50 years. The standard of tea is deteriorating because of old plantations. I would like to know if the Central Government will take some action to assist in the replantations.

SHRI KHURSHID ALAM KHAN : There are already several schemes to improve the plantation, to add more acreages under plantation and to replant and rejuvenate the old plants.

Freight Equalisation Policy for Iron and Steel

*270. **SHRI ANANDA PATHAK :** Will the Minister of STEEL AND MINES be pleased to state :

(a) whether the policy of freight equalisation for iron and steel, the telescopic freight rate for movement of coal in the absence of similar measures in other vital industrial inputs, have materially affected the industrial growth in the Eastern region, particularly in West Bengal;

(b) if so, whether there will be any review of the said policy soon; and

(c) if so, the time by which it is likely to be reviewed ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : (a) Industrial growth in a particular region/State depends on a number of factors and it is difficult to attribute it to freight equalisation. The telescopic freight structure applies to all commodities including coal.

(b) and (c). On the basis of the recommendations made by the National Transport Policy Committee, Government have already decided, in principle, to phase out the Freight Equalisation Scheme in respect of iron and steel. This will, however, have to be done over a suitable period of time so that the industries concerned have sufficient time for adjustments in the prices. Modalities and time phasing of the withdrawal of the Freight Equalisation Scheme in respect of iron and steel have not yet been finalised.

No review of the telescopic freight structure for any commodity, including coal, is envisaged.

SHRI ANANDA PATHAK : The answer given by the hon. Minister is not only satisfactory, but also evasive. Because of continuance of these irrational policies, the economy not only of West Bengal, but also of Bihar, Orissa and other States in the North Eastern region is being adversely affected. Freight equalisation and its impact on the location of industries was examined in depth by the Marathe Committee. Before that, another Committee also examined this issue in depth. Subsequently the National Transport Policy Committee headed by Shri B. G. Panday also examined this issue...

MR. SPEAKER : Are you narrating the history, Sir ?