

Mr. Speaker: The question is:

"That in pursuance of sub-section (2) (h) of section 5 of the Delhi Development Act, 1957 the members of Lok Sabha do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Advisory Council of the Delhi Development Authority."

The motion was adopted.

12.29 hrs.

DEMANDS FOR GRANTS*—contd.

MINISTRY OF STEEL AND HEAVY INDUSTRIES

Mr. Speaker: We shall take up Discussion and Voting on the Demands for Grants under the control of the Ministry of Steel and Heavy Industries. Members who want to move cut motions may give the list within the next fifteen minutes here on the Table. The ordinary time limit is also known to every hon. Member. Shri Daji

DEMAND NO. 86—MINISTRY OF STEEL AND HEAVY INDUSTRIES

Mr. Speaker: Motion moved:

"That a sum not exceeding Rs. 18,30,000 including the sum already voted on account be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963 in respect of 'Ministry of Steel and Heavy Industries'."

DEMAND NO. 87—OTHER REVENUE EXPENDITURE OF THE MINISTRY OF STEEL AND HEAVY INDUSTRIES.

Mr. Speaker: Motion moved:

"That a sum not exceeding Rs. 38,90,55,000 including the sum

already voted on account be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March 1963 in respect of 'Other Revenue Expenditure of the Ministry of Steel and Heavy Industries'."

DEMAND NO. 135—CAPITAL OUTLAY OF THE MINISTRY OF STEEL AND HEAVY INDUSTRIES

Mr. Speaker: Motion moved:

"That a sum not exceeding Rs. 95,57,43,000 including the sum already voted on account be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963 in respect of 'Capital Outlay of the Ministry of Steel and Heavy Industries'."

Shri Daji (Indore): Sir, we are discussing the Demands of this very important Ministry and as was pointed out yesterday, together with Mines and Fuel, these constitute the strategic heights of our development programmes for the future.

Last year, there was a controversy whether the Third Five Year Plan target of 10 million tons was over-ambitious or not. After a year or so of controversy, it came to be recognised that that was, in fact not, over-ambitious, but an under-estimation of the immediate requirements that we would be requiring towards the end of the Third Five Year Plan. In fact, further studies in the matter have shown that even when we shall be able to achieve a production of 50 to 60 million tons some years hence, we shall be only covering one-third of our requirements as a big Power. Therefore, last year, the House discussed and rung down the curtain on the controversy. At that time, the Government was taking a strong

*Moved with the recommendation of the President.

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view of the matter and saying that 10 million tons were the minimum that we should reach.

However, within a year of having decided the target, today, we are faced with the most important problem that this target is not likely to be fulfilled. We say this not with any éclat, not with an intention to merely pick holes, but we say this because we ourselves are fully conscious of the urgency of the target being fulfilled. We have the greatest sympathies for the stupendous task that faces the new Minister, almost the task of cleaning the Augean stables of the Ministry and cleaning the mass of debris of the past few years of wrong planning.

But, let us take stock of what the situation is today. Today, even according to the figures given by Government, in 1961, the production of finished steel was lagging behind what the target was for the first and second years of the Third Plan, and matters have not improved much in the four or five months in 1962 also.

We were told by the then Minister of Steel, Shri Swaran Singh that the production in Rourkela and Durgapur would attain their rated capacity at the most within the next six months, and he had made bold to say that by the time next year when we met to discuss the Budget Demands, he would have no apologies to give for the lag. But, still, we find that excepting for Bhilai, the other two steel plants, namely Rourkela and Durgapur have not yet attained even their rated capacity. The production figures make a surprising reading. Taking the figures for 1961, we find that whereas Bhilai has given us 7.88 lakhs tons of steel, and even Durgapur starting late has given us 4.62 lakhs tons, Rourkela which was commissioned almost simultaneously with Bhilai has been lagging behind at 3.53 lakhs tons. These are the figures for

1961. Subsequently also, we find that matters have not improved much.

With this state of the present or existing capacity of production, the next question is how we are to set about to fulfil the target of 10 million tons, which was the minimum required for building the sinews of our economy. The next point is the question of expansion. Even on the question of expansion, we are lagging behind, and lagging behind lamentably. Except for Bhilai where the machinery have been ordered, which are likely to be delivered in 1962, and the installation of which would be started in 1963, the Rourkela and Durgapur expansion projects are still at the stage of project-finalisation only, and tenders have not yet been even publicised. Therefore, if we concede that tenders are publicised during this year or next year, and if we take into account the speed which Rourkela and Durgapur and Bhilai took during the last few years to expand, it is very doubtful whether the expanded capacity can be taken credit of before the end of the Third Plan. Therefore, on this score also, it is very difficult to fulfil the target expected from the expansion Plan.

Then, I shall take up one particular point which has been dwelt upon by the Estimates Committee in their Thirty-third Report. I shall deal with it in a different context. As regards the question of the estimated costs, the original costs have, no doubt, gone up. But what about the costs of the expansion programme? They also seem to be inflating again and again. Even as matters stand, there is something seriously wrong with the cost structure of the expansion programme, because we find, and find it on good authority, that the expansion programmes of the three plants make a very different reading, and different cost structures emerge from these three plants. Whereas the Bhilai expansion project will cost something like Rs. 920 per ton, the Durgapur

expansion project will cost Rs. 933 per ton, and that of the Rourkela expansion programme will be Rs. 1125 per ton. Even on these figures, the situation has worsened; because of the lag in the expansion programme, the cost is likely to go up further. And last but not the least, the most important lag in the whole programme is the scuttling of the Bokaro plant. Bokaro was supposed to be the show-piece of American aid. It has really become a show-piece, not of American help or aid, but of American resistance to give any real, substantial aid for the sinews of our economy. Uptil now they have not underwritten fully the financial commitment for the plant. They have been dillying and dallying. Now it has been given out that the Agency for International Development is sending out a techno-economic survey team. To do what? Not to finalise the scheme but to survey the feasibility of additional steel output in India. The sovereign Parliament of a sovereign country has decided that in our Third Plan. It is for us to decide what we require. We have decided that we shall require 10 million tons of steel. How is it open for America, or for that matter, any foreign country to send out a team to survey the feasibility, whether we shall be requiring or we shall be able to use or absorb the steel or not? I most respectfully submit that it is not only most annoying but surprising how the Government condescended to this team coming here at this late stage when we are in the second year of the Third Plan, and surveying the feasibility of additional steel output here. Yet none is talking about the actual aid that will be coming to Bokaro. From Bokaro we have taken credit of 3 lakh tons of finished steel during the Third Plan. Now Bokaro is nowhere in the picture.

Mr. Speaker: Why should the hon. Member feel annoyed so much? It is for us to chalk out our programme, 10 million tons or whatever it is.

Shri Daji: Certainly.

Mr. Speaker: But if any foreign Government wants to give us help and wants to satisfy itself, what is the objection?

Shri Daji: If they do not give aid, we will make our own arrangements. If they want to give aid, let them give it. But who are they to come and survey the feasibility of the additional output?

Mr. Speaker: The team may come and do whatever they like. We are not much concerned with that.

Shri Daji: Let them do that from across the Atlantic.

Mr. Speaker: We will not be influenced by that.

Shri Daji: Exactly. Let them do that from across the Atlantic Ocean. But why should they come here, go round the country and try to assess again what is our requirement, which has already been assessed by our sovereign Parliament. We cannot go back on the decision of Parliament, whatever advice we may receive. That is where the annoyance comes. It means that they may come here, go round and say that we may need it or not need it and they may give some excuses. If this is what they are going to say, that additional production is not feasible, we do not want to entertain that. If they give the aid, thanks very much. If they do not, let them not give. Let them live across the Atlantic. We shall seek aid from whatever source is available. But why should Government entertain such a team coming to survey? We are now in the second year of the Third Plan. Bokaro has not begin in the second year of this Plan. Even the speediest project, Bhilai, took four to five years to be commissioned. Even if Bokaro was com-

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pleted at that speed, it would mean that by the end of the Third Plan we are not going to get a scrap of steel from Bokaro. That means, 3 lakh tons of steel which we took credit for from Bokaro are straightway written off because of American dilly-dallying and because we put more trust on American aid than we should have. We should have been wiser now and learnt a lesson. But still we are putting trust in them and allowing their mission to come here to examine the feasibility when we should be insisting upon immediate steps to be taken to establish the plant at Bokaro.

If American aid is not forthcoming, there are other countries which can help us. Perhaps the USSR is willing, or perhaps some other country will be willing to help us with definite, substantial aid for the Bokaro plant. Government should explore the possibility of aid from this source. Otherwise the whole steel programme that we have envisaged in our target will fall to the ground.

I know this is a very envious job for the new Minister to do. It will require not only drive and initiative but also imagination and courage. We will expect him to live up to the expectations and challenges of the situation. On our part, we can assure him that in any efforts that are taken in this direction, he will be supported by all sections of the House definitely and positively.

The same story has been repeated in regard to the special alloy steel and tool plant which was to be set up at Durgapur. Its importance need not be stressed. The Five Year Plan itself says:

"The manufacture of tool, alloy and stainless steel has, therefore, to be assigned very high priority".

What is this 'very high priority' that the Government has assigned? The plans they have do not show that the highest priority has been given

The highest priority that Government has given is this. In the beginning of the second year of the Third Five Year Plan, Government is yet unable to provide the foreign exchange necessary for the setting up of this plant.

The Minister of Steel and Heavy Industries (Shri C. Subramaniam):
That is not a correct report.

Shri Daji: That is the report; it is certainly for you to contradict it. Whatever the change may be, it is true that in the fifth month of the second year of the Third Five Year Plan, enough and sufficient steps have not been taken to set it up. The private sector which has been allotted some quotas out of this have also lagged behind. We are told that the Defence Organisation which was to put up something is also lagging behind. The total picture in the second year is that still the plant is not there. We are lagging behind the target. And, if no substantial steps are taken, it is very difficult to visualise how within the remaining three years we are going to put up a new plant and how much we shall be able to give by way of actual production which can be used by our country.

All this may be repeated again, because the same criticism was made last year and the hon. Minister took exception. Whatever criticism may be made or levelled against Government, the Government is not paying adequate attention to that. This was the point made last year and the hon. Minister took exception to that. The same story has been repeated again and again.

Now, we have the report of the Hindustan Steel Ltd. The latest is not available. The last year's report is available. It shows a strange picture.

An Hon. Member: This is the latest report available.

Shri Daji: Yes; that is the latest. I am told that the latest is always given after the debate on the Grants is over. I would request the hon. Minister to give us the latest report, at least the rough estimated account which is audited. It may be circulated to the Members. It may be a usual trick with private companies to do this but it may not look good for the public sector undertaking. It is shown that there is a loss of Rs. 15.56 million in Rourkela, Rs. 7.5 millions in Durgapur and a profit of Rs. 15.27 millions in Bhilai. Bhilai and Rourkela went into production simultaneously. One has a loss of about Rs. 15 million and odd and the other has a profit of Rs. 15 million odd. Why is this different picture? We are forced to come to this conclusion—and it is not a question of our partisan outlook; the plant may come from Germany, or from England or from America or, for the matter of that, from the Devil itself; if the plant comes from somewhere, we all welcome it—that when the plant comes from a socialist country by way of aid, it has come up within time and is giving the rated capacity of production and it has had the minimum operational difficulties; while the plants which were wrung up from the capitalist countries are having various difficulties and continue to give us teething troubles or problem child trouble or this or that trouble.

The reason is very clear. It is this. Even if we get plants from private entrepreneurs, their motive is only profit and profit and profit. We want to know whether, when the expansion scheme takes place, we are going to have the same picture. We have 130 foreign contractors and 110 Indian contractors, in all 240 firms meddling

with each other, quarrelling amongst one another. This story of Rourkela is to be repeated for the expansion also. If that is so, we will come at the end of the Third Five Year Plan and say that no result has come about. Therefore, I submit that in regard to these complaints that have been made in this House again and again, energetic steps should be taken immediately to change the entire pattern and to bring about, so to say, a new pattern in this department so that we are actually able to achieve as much as our targetted quota.

Then coming to the Heavy Electricals, the Heavy Electricals is going to assume greater importance now because some new installations are going to be handed over to it. The Heavy Electricals have not got things that ought to be there. The production-targets have not been achieved. And, what has been shown as achieved is not really achieved. I referred to this story during the discussion on the President's Address also, I underscore it today and I stand by every word of what I have said. I have, with all responsibility, challenged an enquiry into that. All that was shown to the Prime Minister as having been produced in the Heavy Electricals was not produced there. Only the outer casing was manufactured in Bhopal whereas every component of it was British made, bought from Bombay, brought overnight and put inside and painted as 'Made in Bhopal'. (Interruption). This is the extent to which they have gone to bamboozle even the Prime Minister. This is a serious thing and should be taken note of.

I request the hon. Minister to call for one thing from the Bhopal Heavy Electricals. See the number of invitation cards issued by the Heavy Electricals for inauguration ceremonies. Every one month there is some inauguration by the Governor or the Chief Minister or the Labour Minister or Shri Reddy or Shri Shastri or Shri Nehru or this Minister or that Minister. For the installation of every

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machine and for every new bolt that is put in there is some inauguration. By these series of inaugurations an impression is sought to be created that things are proceeding according to the target whereas really it is not so, I know a big batch of foreign engineers who have come to Bhopal and they are staying there. I am told that the work for them will begin only six months hence. They are staying in the guest house and going around in jeeps and visiting the historical sites and doing all sorts of thing. But their real work, technical work would begin only after six months. Why should they come six months before? This is the stage of affairs at Heavy Electricals. You are handing over other installations such as the one at Ranchi to them. My request to the Minister is: please look into this matter more deeply; probe them very deeply. We are not making this a grievance and we have no individual scores to settle. We want the public sector undertakings to succeed. There should be a change in the attitude of the bureaucracy that is at present operating in the Heavy Electricals and the Hindustan Steel. There should be a radical change. First of all the Minister and his staff must have a burning faith in them. I know the present Minister has that. But the entire staff and the department must have it.

I shall give out an information. I am told that the Hindustan Steel has entered into a contract for a study of the management and personnel problems by a company called personnel and Production Services (Private) Limited. The contract is for a fabulous, fees. Probably this company is in Bombay. Its managing director is an avowed enemy of public sector undertakings. He has spared no pains when he was in the House or even outside to say that the public sector undertakings should be scrapped. This company is being engaged by the Hindustan Steel Ltd. to study management problems in the public sector undertakings. Have we gone so bankrupt in imagination and

intelligence that we must hand over this study to the avowed enemies of public sector? I may further tell you that this company is going to undertake a study; it will in turn engage a team of American experts who will come to India and study it. It is all fantastic. This contract is being negotiated and it will run into tens of lakhs of rupees. The Minister must have a close look into them and find out whether we could not invite anybody else but only these people of the private sector who have no sympathy with the public sector undertakings. What is required is a real burning faith in the public sector. Without that and without drive, initiative and imagination no officer who may be efficient on paper will be able to run our public sector undertakings.....

Mr. Speaker: The hon. Member's time is up.

Shri Daji: I shall take a few more minutes.

Mr. Speaker: His Group is entitled to 30 minutes; he alone may take it or it may be divided among two speakers.

Shri Daji: I shall conclude very soon as I have some more points. Yesterday the debate closed quite early.

Mr. Speaker: He cannot anticipate how many I have got on the list today.

Shri Daji: There is the question of the retention price. The other speakers may tell about this in detail. But I wish to ask one question: have you worked out the cost structure and the difference in the private sector and the public sector plants? Have the increases given from year to year any relation to the increase in cost of production? A new settlement is about to come into effect. We should not rely upon the figures given by the Tariff Commission. The Government itself should work out these things and come to a final conclusion as to why it is that from time to time we have to go on increasing the retention price.

There are some other questions which call for immediate attention. We have mechanised some of the iron ore mines. But how is it that while mechanising the iron ore mines we have forgotten to start sintering which can increase the yield of the blast furnace immediately? Mechanisation has come about. How was it that this particular important aspect was forgotten and had to be brought home by the Estimates Committee in its report?

A word more about the general attitude in the public sector undertakings to labour relations. There was a report in Rourkela by the Government of Orissa which said that labour laws are being observed in the exception! There was one open certificate given by the Government agency itself. But this thing is not an isolated one. In none of these public sector plants have the standing orders been so far certified. If any private undertakings continues for five years without standing orders, the management would be penalised, but the public sector undertakings are continuing without standing orders. In the absence of standing orders, trained personnel are dismissed, victimised, without any charge-sheet. I can point out one instance. There was one Mr. Roy in Rourkela on whom the Government spent Rs. 7,000 on training for two and a half years, and after training, without any charge-sheet, without any reason being assigned his services have been terminated on some police report or something like that. I do not know. But if the standing orders were there, no company can do like that. Overtime is not paid; labour relations are not discussed. The conciliation machinery is not availed of. Works Committee has not been set up. Even in the report, it is only said that it is about to be set up. After five years, Works Committee has not been set up. The canteen committee has not been set up, so many committees are yet to be set up. This is the state of affairs there: Is this the way to mobilise workers' active, wil-

ling, participation in the public sector, when we are speaking of labour participation in management, when we are speaking of labour being given its due share, when the public sector undertakings themselves do not come forward, and when their bureaucrats are wooden-headed, with old ideas of the 18th century? When you have such public sector undertakings you will never have smoother labour relations.

In regard to the Heavy Electricals, the charge-sheets are hanging like a Damocles' sword over the heads of the workers. In Rourkela, the lock-out problem has been settled, but the workers are still being victimised. We have a Wage Board which is going to look into increase in scales of pay. But in Bhilai some officer has unilaterally announced the revised wage scales. We have actually reduced the present scales giving to the workers. So, the new scales announced in Bhilai are less. After all, Bhilai has entered the rated capacity. A sort of encouragement has to be given for greater production, but not by the lower scales of pay. One wage board is actually sitting and is going into the matter. So with these things, you cannot expect labour to participate and give its best to the public sector undertakings.

Even the question of labour policy has to be revised and reviewed, and we are inclined to say that it is necessary, in order to eliminate discriminatory treatment in order to eliminate State Governments' politics from entering in the public sector undertakings labour relations are run by the Central Government. In trade union matters pertaining to the public sector undertakings, let us not bring in politics; let us negotiate and settle; and let us discuss matters with the trade unions which have the workers' backing. In this matter, we say that in order to take the public sector from out of the purview of local State politics, the labour relations in the public sector undertakings—steel plants—should be governed by the Central Government and not by the State Governments.

[Shri Daji]

There is a demand voiced by all the plants now. We are tired of all kinds of interference of the State Governments.

These are some of the matters which require and call for the immediate attention of the Minister. As I said in the beginning, so do I conclude: We wish the Minister good speed and all God-speed that he requires in doing this stupendous job. But we do say, merely sitting on will not help him. Merely resting on his oars will not also help him. He has first of all to battle with the Bakrao plant. In order to battle with it, he has to cut across the stranglehold of American steel lords who are going to throttle the Bokaro plant and thereby almost scuttle the entire targeted figure for the steel and iron sector.

Shri P. K. Deo (Kalahandi): Mr. Speaker, Sir, this debate is one of the rare instances of political unanimity, on an economic aspect so far as it relates to the uneconomic working of the various state enterprises. We are passing through an era of industrial revolution, and this Ministry has to play a vital role in taking India to the take-off stage that is to the stage of self-sustained or self-generating economic growth which the third Plan envisages to achieve within a decade.

So far as the demand of iron and steel is concerned, it had been estimated that in 1961-62 the demand would be 6.2 million tons, as against 5.6 million tons in 1960-61 and 4.1 million tons in 1959-60. This goes to prove that the demand of iron and steel has been constantly increasing which is mostly due to the growth of our steel-using industries, the large-scale construction of structural units and the heavy expansion plans and programmes of our railways.

Even though we find that the graph, so far as demand is concerned, has been increasingly rising, there has not been sufficient rise in the supply side. So, due to limited supplies, the consumers

are forced to take recourse to black-marketing and get their requirements anyhow, even by paying heavy prices.

In 1961-62, the actual availability of steel was 4.15 million tons of which our indigenous production contributed 3.15 million tons and one million tons had been imported. This is the state of affairs, and we should take adequate steps to see that we stick to the target and supply adequately to our various steel-consuming industries and the consumers in general, sooner and at cheaper prices.

Going through the second Plan, we find, the accent on heavy industries has been initiated with a lot of fanfare whereas the performance of heavy industries in the State sector in the last five years has been most disappointing. All that glitters is not gold, and it particularly applies to the steel plants which are expected to supply surplus goods worth Rs. 150 crores in the third Plan. We estimated that in the third Plan we would get a surplus of Rs. 450 crores from the various State enterprises: it has been divided as Rs. 150 crores from the various State Government enterprises like nationalisation of transport and State Electricity Boards, etc and about Rs. 300 crores from the Central Government enterprises. But we are completely disillusioned by the performance. All shades of political opinion in this House expected that there should be a better return on the capital that has been ploughed into the various steel industries. The capital outlay in the three steel industries was first estimated at Rs. 605 crores, but there has been an increase in this regard, and actually the present revised estimate is Rs. 607.2 crores. But it is a pity that instead of paying back the usual return, last year's figures show that Hindustan Steel had to incur a loss of Rs. 75.4 lakhs. There is no question of profit now. An attempt has been made to manipulate and show a profit in the steel plants by raising the retention price of steel. This is a novel way of adjusting the accounts, and I do not

think even in the public sector, they should take recourse to such jugglery of statistics. Rather they should come out with a clear picture, calling spade a spade.

The same story is being repeated in most of the public sector undertakings. I may quote from the official statements. Last year, the profit from the public sector dropped from Rs. 2.01 crores in 1960-61 to Rs. 1.95 crores in 1961-62. Uptil now I cannot understand why there has been a decline in our returns from the public sector undertakings even though every year we go on investing more and more in that regard. It is most unfortunate that the capital investment has reached astronomical proportions, but still the field has been very miserable. It is even much less than the interest we usually get from the banker. Again I quote from the official figures that the return is less than 1 per cent. in certain cases. In 73 State enterprises, the return has not been more than 0.3 per cent in 1961-62. This is much less than what we expect from a banker. The public sector alone can afford the luxury of incurring such huge losses without hurting anybody. If such inefficiency would have been noticed in the private sector, those people who are responsible for it would have been out of business. They would have been sacked either by the share holders or by company law administration. But here it is being run by the Government. The party in power has a large majority in this House and whatever criticisms are being made fall on deaf ears.

13. hrs.

In this august House, sometime in August, 1961, the Prime Minister had most boldly pointed out that the public sector would go all out to compete the private sector. He had categorically stated that the British concept that the public sector should not go after profit and profit should be the concern of the private sector is something out-

dated and the public sector should make it a point to show more profit. But that statement of the Prime Minister has just remained a statement and no action has been taken in this regard. The State enterprise has not been properly run and it has been a drag on our national progress.

We shall have to find out what is at the root of all this, the low return, inefficiency etc. Is it the choice of wrong personnel? Is it lack of 'cost' consciousness? Is it excessive centralisation of power in the Ministry? I think all the three are true. There is a great famine of trained men. We are short of technicians and it is not always correct to expect nor is it worthwhile to hand over the administration of these huge steel plants to immature IAS officers or to have the impersonal character of the secretariat administration transplanted there. Business administration is something different from general administration and the ninth report of the Estimates Committee of the second Lok Sabha has been very clear on that point. They have categorically recommended that no personnel should be taken from the general administration to serve as Managing Directors or in the Board of Directors of the various state enterprises. But I am sorry to say that due regard has not been given to that recommendation and the same red-tape, the same bureaucratic administration, is being perpetuated in the various state enterprises, which acts as a stumbling block in its growth.

Rather more freedom should have been given in this business administration. We feel that excessive centralisation of power and lack of delegation of authority to those who are on the spot has been responsible for this crippled working of the State enterprises. Excessive centralisation of power in the Ministry in regard to appointment, dismissal and transfer of personnel and in regard to purchase of stores and spare parts has pulled down the performance to a considerable extent. I think the Minister will

[Shri P. K. Deo]

give serious thought to this matter and see that these concerns are being run as proper business organisations

I come to the human aspect of the question. The Government have completely lost sight of the human aspect of the question. Mismanagement in tackling the workers has been manifest in most of the public undertakings. The previous speaker also hammered on that point. I want to reiterate that the recent lock-out at Rourkela has been preceded by a strike at the Heavy Electricals, Bhopal. My friend, who comes from Madhya Pradesh, has given a lucid picture of the state of affairs in Bhopal. So far as Rourkela is concerned, the lock-out did take place. Two blast furnaces were out of action. 450 workers were out of employment and there has been a loss in the output of pig iron to the tune of 1700 tons a day. Though the workers have started going to work, I am very sorry to say that the management is bent upon victimising the labour leaders there. That should not be the attitude. Trust begets trust. If we trust the workers, they will work contented. The machines are to be manned by hundreds of workers and if they are disgruntled and dissatisfied, to expect any good return would be far-fetched.

Even though Rourkela has been equipped with the latest steel plant—Rourkela is the second steel plant in the whole of Asia where the LD process is used, the first being in Japan why is it that Rourkela is having so much trouble? There have been too frequent breakdowns and we are far behind the schedule. There should be a thorough probe into this matter. I feel that the human aspect of the question has been completely neglected. In Rourkela, it is a pity that no labour union has been recognised so far and the labourers have been completely denied their right of collective bargaining for their emoluments or better conditions of service.

The previous speaker had referred to the report of the Orissa Government. Sometime back, an evaluation and implementation committee was appointed by the Orissa Government with regard to the implementation of labour laws in Hindustan Steel Limited. The preliminary enquiry report in respect of the conditions of the workers at Rourkela by the Labour Commissioner, Orissa submitted before that committee contains many startling revelations regarding the violation of the various labour laws and contravention of the Factories Act. When the Government have been prescribing a code of conduct to the private sector, they should try to follow that code themselves. They should be the ideal employers and should set an example for the private sector. What is sauce for the goose is sauce for the gander. If that is not done, no amount of sermons or even penal action taken in regard to the private sector will be of any avail.

Coming to the location of heavy industries, I would be failing in my duty if I do not point out this aspect of the question while discussing the Demands for Grants relating to this Ministry, viz., that there has been a feeling that all these heavy industries in the Government sector are being located only in such areas where there are pulls. Government yields to various pulls, which go into work in deciding the location of an industry. If the Government wants that there should be simultaneous development of all the areas in this country, it should select such areas which are primitive and backward. Take the example of Dandakaranya area. Even though there is the Bailadilla iron ore area which has the largest deposits of iron ore, and near that there is the Chanda coal fields and Singareni coal fields, the Government has not yet thought of having the next steel plant in the Dandakaranya area. I hope the Government would give serious thought to this and examine this

aspect of the question to see that the dispersal of heavy industries takes place not on any party considerations or any other considerations but purely on a question of merit and the development of the country as a whole.

I would like to point out another aspect of the question, and that is about the consumers' advisory council. I have been hammering on this subject every time I get an occasion to speak on demands like this, that there should be a consumers' advisory council attached to all such industries which will represent the views of the consumers regarding price and quality of the products.

Participation of labour in the management has been very well spoken of by the previous speaker. The aim of our socialist government is that the labour should be associated with the management and with the participation of workers and the consumers in the field of production. I am sure the standard and the price of various products will improve. I sincerely request the Government to give their deep consideration to this matter.

Lastly, I would like to point that as we have the Public Accounts Committee and the Estimates Committee there should be a statutory Parliamentary committee of this House to go into the question of the various public sector undertakings. That committee should be primarily responsible to look into the working of these undertakings and to give suggestions as to how the working of these various public sector undertakings could be improved.

Shri Heda : (Nizamabad): Mr. Speaker, Sir, I am very happy that a new Ministry with the name "Steel and Heavy Industries" has been formed, but I would have been happier if "Steel" by itself would have been a separate or independent Ministry.

In the industrialisation programme of any country, steel has a very im-
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portant role to play. In fact, the measure of industrialisation is generally taken by the production and consumption of steel. This we have also accepted and we take pride in stating that the steel production or steel consumption, year to year, has been increasing. It is on that basis that we have been able to tell other countries that we have been making industrial progress. So the importance of steel cannot be denied. If you take the steel department of the Ministry, it has a heavy scope for work. A large chunk of industrialisation and public sector is there. That by itself should have been an independent Ministry. I will deal with this matter a little later.

There is another added factor which gives importance to the production of steel at this juncture. Today we are in short supply of steel. Therefore our industries are starving. What is the result? The result is that steel has gone into the blackmarket and prices have risen all over the country.

13.14 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

Even in Delhi, Sir, steel has gone into the blackmarket. We have to pay Rs. 400 to Rs. 500 per ton extra to get steel. This aspect itself has given quite a different colour to the entire industrial sector. Every industry today bases its profits mainly because of this margin. They get a certain amount of steel quota. This Rs. 400 or Rs. 500 margin comes very handy to them, and thereby even an inefficient industry can make profit. What is the result? The result is that today the average efficiency of the industry, whether it is small or big, is suffering and it does not come up to the same level of efficiency which should have been there otherwise. Therefore, if there is an overnight change and there is full supply of steel to industries I think quite a number of small industries would collapse as they would not be able to make both ends meet, they would not be able to make any profits. Therefore, because

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of the present position, in the conditions as they prevail today, steel has an overall importance and it should have been under an independent ministry by itself.

Again, it is very difficult to find out why heavy industries have been tagged on to steel. Except for the fact that steel provides the very basic material for the industries, there is no other apparent relationship between steel and heavy industries. One is production of a material which provides a raw material for other industries while the other industries take up the particular line of production or manufacture. Therefore, these two items should have been kept quite different, and it would have been better had there been a rational bifurcation of the Commerce and Industry Ministry and the entire industries kept under an independent ministry. Instead of that, out of the department of industries of the Commerce and Industry Ministry, heavy industries have been taken out and thus a new category has been created.

Sir, we have been enamoured of coining new words. When new words are coined and definitions are given, it takes time for the people to understand in implications of those words. Take the case of the term "small scale industries" that was coined in this country. In the beginning when the term "small scale industries" was coined in spite of the fact that a definition was given that there should be a capital of Rs. 5 lakhs, so much labour and all that, it was very difficult to bring home the meaning of this term and make it known to everybody. Very soon it was found out that "small" scale industry" was not small enough. Therefore, another term was used and that was "small industries". Now we are using the term "heavy industries". As against "small industries" we are using the term "large scale industries". What are these "heavy industries"? There we have

to refer to the Government communique wherein they have defined what are the heavy industries. Therefore, this bifurcation of heavy industries from industries is also not a healthy one.

Now I come to the scope of the steel industry. This industry itself is very heavy. With regard to heavy industries the Government communique states that heavy industries include "the manufacture of heavy engineering equipment for all industries including coal mining equipment, heavy machinery projects, foundry project, coal mining equipment project, heavy electrical equipment project, machinery industries including machine tools and steel manufacture, auto industries including tractors, earth moving equipment and diesel engines, heavy electrical engineering industries, cement, fertilizers, public sector projects falling under the above mentioned subjects and the department will also deal with the Directorates of the Development Wing dealing with the above subjects." Thus you will find that under the heading "heavy industries" a variety of subjects have been brought. Steel by itself is a very big chunk; projects worth a few dozen crores are there. Again, under "heavy industries" there is another big chunk. Why have these two things brought under one Ministry and made it out of proportion? When you compare this Ministry with any other Ministry out of the reorganised ministries, you will find that this Ministry has become very large and rather out of proportion. I hope the Minister would be able to give us the rationale behind the reorganisation of this Ministry.

Then I would like to refer to one difficulty that the people feel. Soon after the announcement of this new Ministry it was very difficult to find out what particular application lay in the scope of the Ministry of Steel and Heavy Industries and what application was to be sent to the Minis-

try of Industry proper. So there was, according to my information, a stand-still, the work was stagnated in the government departments and they were not able to find out as to which file should go to the Ministry of Steel and Heavy Industries and which should be retained in the Ministry of Commerce and Industry. For two or three weeks everyone was in suspense. Even now things are no very clear and they will not be clear for a long time to come. Then there is a further ambiguity. If we look at the Ministry of Steel and Heavy Industries, we find that there are a number of public sector projects in it. Therefore, it would have been more appropriate and more healthier if a Ministry with the name or nomenclature of "public sector projects" had been created and all these projects brought under it. But, for some reason or another, a different name was given to the Ministry.

So far as the location of various public sector industries are concerned, the hon. Member who preceded me has touched upon it and referred to the pulls of the various governments. Of course, he has not excluded the Government of the State from which he comes. In fact, the complaint from members belonging to other States is that a particular portion of the States of West Bengal, Orissa and Bihar are chosen for establishing so many new industries with the result that there will be a perennial problem of supplying water, coal and other essentials, maintaining roads and other means of transport etc. It is very difficult to understand why Government have decided to select this belt of 100 to 200 miles in the three States of Bihar, Bengal and Orissa for setting up all the major industries and thereby creating such a heavy congestion and all kinds of problems to that area. It would have been better if they had set up the various projects at various places. But, instead of that, they have preferred to establish all of them in this area. There are already three steel plants, a thermal plant a coal mining machinery manufacturing

project and the West Bengal Government's coke oven plant. Then a whole complex of new industries such as alloy steel plant, fertilizer plant, chemical plant and a few bi-product projects would be coming up in that area very soon. Then, if you take the area covered by Durgapur, Bhilai and Rourkela, we will find that in the next ten or fifteen years it will be Ruhr of India. No doubt, it will occupy a place of pride in India because we would be having so many projects in that area but when we compare it with the other backward areas the difference would be so glaring. What is the result of bringing all the public sector projects together in such a congested area? The result is that in a number of factories there is considerable idle capacity. Why is there idle capacity? Because of shortage of power. So, the entire capacity of the factories cannot be commissioned and the machines cannot work to full capacity. Therefore, a part of their capacity remain idle which is a loss to the country. It also results in paucity of raw materials, and spareparts, delay in transport of essential raw materials and, on top of that, lack of adequate managerial skill because we have taken up so many industries in a particular area. So, this particular way of locating industries has created a number of problems for us.

Coming to Hindustan Steel, as both the previous speakers have stated, there is no doubt that Bhilai has done better than Rourkela or Durgapur. But even Bhilai has not fulfilled our target. Though I have nothing to say against the fulfilment of the target, so far as production is concerned. I cannot help saying that our Russian friends have not fulfilled our expectations, so far as training of Indian personnel in adequate number is concerned. In fact, this is the one factor in which the other parties have done quite well.

In the case of Rourkela, there has been a very ugly controversy in the press between us and the German

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experts. They are coming forward and saying that their Indian counterparts are not doing their jobs properly and, therefore, Rourkela plant is not making progress as expected. These are the things that should be settled without delay so that the production of the plant is not affected by any unseemly controversy.

Then I will take up one point which was referred to by Shri Daji, and that is the advent of the American team to find out or investigate the feasibility of increase in steel production in India. He was very averse to it and so he severely condemned it. His reaction is just a natural reaction. In the early days, ten or twelve years ago, when we had talks of American aid to India, we had the same reaction and we felt very strongly on it. I had occasion to discuss this subject with some of the American officers here in their Embassy and, later on, I discussed this matter with some Americans when I visited United States. And what did I find there? I found that they have got real appreciation of our difficulties. They also appreciate the fact that we rightly react when they are wrongly or untactfully handling a problem because that would be hurting us. But, at the same time, we have to appreciate their difficulties too. I am not defending them, but I would say that we cannot overlook their difficulties either. It is very easy for a country like Russia to give aid to another country without inviting any criticism from its own country; but it is very difficult, if not impossible, for a country which is democratic to give aid and not invite any criticism in its own country, because in a democratic country the government have to respond to the wishes of the people. In America particularly, two things have aggravated the situation. Firstly, it has got a presidential form of government and not a parliamentary form of government. Therefore, the criticism is bound to be much more

severe for the Minister is not there in the House to reply to the debate. So, the debate takes such a dimension with severe criticism and there is no end to it. Added to it, in the United States there is no party whip or party discipline. Therefore, the criticism is without any limit and without any restraint. So, in their zeal to convince the people that this aid is very necessary and no money would be wasted and whatever they give would be beneficial to the country receiving the aid, they have to do all these things.

On my discussions with them I have found out that they have high appreciation for our Planning Commission and the work done by it. In fact, the best publicity material of our country in the United States or, for that matter, in any democratic country is the reports of the Planning Commission. They are highly appreciative of the work done by the Planning Commission. Even then, I feel that the reports of the Planning Commission are not given the publicity which they should have been given. About ten years ago the situation was very bad. At that time, Mr. Chester Bowles, after he relinquished his post of Ambassador here—then he was a private member or a Senator at the most; sometimes he was a Senator and sometimes not—he did a very wonderful job for us by publicising our Five Year Plans and trying to explain to Americans the advance we have made during the First and Second Plan. Now, he is holding a very responsible position. So, what I am pointing out is if any country has to satisfy its own people, it has to make some show that it has investigated and found out that the money that it would be giving us would not be wasted, would not be misspent but would be utilized for the good of our country.

Let me make two points very clear here. Firstly, they admit us as an independent and great country. There

is no doubt about it. They know that in Asia, particularly in South and South East Asia including West Asia, if there is any country which can be a central figure of spearhead of democracy, it is only India. That respect they have.

Another thing is that in the beginning they were very much averse to two words. One is socialism and the other is Planning Commission. They had the idea that planning and democracy cannot go together. But today they have understood the implications of both these words. They have accepted that socialism is a respectable word, though they themselves do not use it. Probably they are still not able to digest it.

Shri Surendranath Dwivedy (Kendrapara): It is nothing different from American capitalism.

Shri Heda: For their counterpart for our socialism they use the words 'welfare state'. They call their ideal as a welfare state and we call our ideal as a socialistic State. But, I think, the connotation of both these means almost the same thing.

Anyway, this was only a reply to a point made by Shri Daji. I was not discussing American capitalism or American welfare state here. But again I want to make one thing clear and that is that the expenditure on such teams does not form part of the aid that we receive. Therefore apparently that may be interfering with our sovereignty. I still feel that it does not hurt our pride and self-respect; even then they have to satisfy their own people who, again, are equally proud. They have to be responsible to them. Therefore we have to bear with certain attitudes that they take up.

Lastly, I would say that for some reason or another a controversy has already started about the working of the public sector versus the working of the private sector. We have ac-

cepted a mixed economy as our goal. In a mixed economy it is just natural that certain sectors would be public sector and certain sectors would be private sector. Unfortunately, in the public sector the mind is not a commercial mind. They do not try to show profits. Many times I feel that they do not try to make profits. When I visited the Indian Telephones—of course, this is outside this Ministry—I found that the officers in charge were saying, "What is there? If we do not make a profit, there is nothing wrong in it. If we make a profit, there is nothing particular in it. The whole point is how we are working."

Another thing is that the bureaucratic way of working has also gone there. That is why that respect for efficiency is lacking. Such lack of efficiency will not go with any industrial undertaking. As it happens, the private sector earns enough to expand itself. Similarly, the public sector should also earn to expand itself. Today the public sector is not earning. The hon. Member gave the total figure of profits as a few crores of rupees. But that does not give the real picture. The profit earned by the public sector comes to .03 per cent. He gave the figures in crores of rupees, but if you take the percentage, it will be .03 per cent. It is such a small margin of profit. The minimum profit that the private sector people expect is about 10 per cent. If anybody earns less than 10 per cent, it means that the project is going in an inefficient way and is not earning properly. So there is such a big gap. Therefore we should apply commercial intelligence in the public sector also.

With these words I support the Demands for the Steel and Heavy Industries Ministry.

Shri Surendranath Dwivedy: Mr. Deputy-Speaker, Sir, we are discussing a new Ministry with a new Minister who is absent.

The Deputy Minister in the Ministry of Community Development,

Panchayati Raj and Cooperation (Shri Shyam Dhar Misra): I am here.

The Deputy Minister in the Ministry of Finance (Shri B. R. Bhagat): I am also here.

Shri Surendranath Dwivedy: It is an important Ministry and I am surprised to see that no Cabinet Minister is present here. Two hon. Deputy Ministers are here who have nothing to do with this Ministry at all. The Government should give serious consideration to the debate.

Shri B. R. Bhagat: He was here and will be coming back shortly.

Shri Surendranath Dwivedy: The Minister is new but his achievements and work would not be judged from the point of view of the heaviness of this Ministry, but from how heavily he is going to sit over the bureaucratic machinery that is in charge of the large public sector and the steel industry.

Shri Heda has referred to the rationale of the division of the Ministry. If I want to raise that point again it is because we attach the greatest importance to this Ministry. Public sector today occupies the highest position and its success or failure is going to decide the future pattern of our national economy. Therefore it is not only essential that the public sector by its own performance establish its superiority, effectiveness or usefulness but should also be able to stand the competition of the private sector. Therefore, I think, while the bifurcation of the Ministry was thought of the entire thing must have been thought of from this angle. What do we find today?

In this respect I want to say that firstly we had the Production Ministry which negotiated the establishment of the Rourkela steel plant. After some months or years there was another ministry, namely, the Iron

and Steel Ministry. Again that was converted into the Steel, Mines and Fuel Ministry. Now it has again been bifurcated into Steel and Heavy Industries Ministry and Mines and Fuel Ministry. I doubt whether this bifurcation is going to create more confusion and disorder or is going really to bring about more efficiency.

I would like to know what is heavy industry? How do they define it? We find heavy industries under the jurisdiction of different ministries in the public sector. Do they propose that all these public sector heavy industries would come under the Steel and Heavy Industries Ministry? If that is to that should be made very clear. As you know, in this House we have the sorry spectacle of shirking of responsibility from one Ministry to another. Regarding production in these industries there was a charge against the Railway Ministry that transport was not available—that was the bottleneck—and coal was being produced but it could not be brought to the factories for production purposes. Then the hon. Railway Minister comes here and says that there is no such thing and "We have provided the wagons, but there is shortage of coal". All these public controversies go on not only side the Ministry but they also come forward publicly to shirk the responsibility and to defend themselves. I feel it is again going to create more confusion in the sense that for its production the heavy industry would depend more and more on mines for its raw material, such as, iron ore, limestone, coal etc. Therefore if we were serious that the Industrial Policy Resolution must be implemented and that we shall strictly adhere to it—it is a right policy that steel must be in the public sector—then, instead of bifurcating this into two Ministries probably we would have done much better if Mines and Steel were kept together. I would rather advocate that we should nationalise all mines, the supplier of

raw materials that are necessary for the production of steel so that there is an integrated control and planning for the production of the entire steel products. Therefore my first point would be that this bifurcation is likely to affect the real success of this Ministry.

Before I go into the question of Hindustan Steel Limited, I would like to bring to the notice of the House the question of Parliamentary control over public undertakings. We find that the Government is more in favour of official control and is averse to Parliamentary control. Parliament gets very little information about the achievements in the public sector. As you know, this question as to what should be Parliament's control over this Ministry and what sort of information should be made available to this House has been raised many times in the House. I think it was first raised in 1953 when the late Shri Mavalankar wrote to the hon. Prime Minister. A series of discussions went on, for the appointment of a committee on public undertakings on the lines of the Public Accounts Committee and the Estimates Committee. But nothing has been done in that respect till now.

Sir, the Estimates Committee in its Seventy-third report, said as follows:

"Under the existing arrangement. Parliament does not get a comprehensive picture of the undertakings. Firstly as pointed out above, there is no consolidated information available with regard to the total investment made by Government in the public undertakings and subsequent changes made therein by way of additions or withdrawals. Secondly no consolidated information is available with regard to the working of the undertakings and the net effect thereof on the national economy of the country. Thirdly, even with regard to individual undertakings, Parliament does not get information in time with re-

gard to their working and the state of their present conditions and even when the information is made available it is found to be very often inadequate. There is, therefore, a real need for improving the methods of furnishing information to Parliament about public undertakings."

There was another recommendation. The Committee in its Seventy-Third Report further recommended that "these bodies might also be encouraged to prepare business type budgets which could be of use to Parliament at the time of budget discussion." But Government has not so far given us any such thing. So, when we go into this question we find there is practically no material available on which real criticism could be based.

Hon. Members who preceded me have referred to the profits of these public undertakings. The public sector undertakings are expected to contribute a good share towards the schemes in the Third Five Year Plan. In this connection we should examine what these undertakings have earned during the first year of the Third Plan. It has been pointed out that the investment in the year 1960-61 has gone up from Rs. 605 crores to Rs. 709 crores. The profits in 1960-61 was Rs. 2.01 crores, but in 1961-62 it dropped to Rs. 1.95 crores. I have no doubt that if there had been greater parliamentary say in these matters things would have improved, as perhaps it is going to improve in the case of coal. Because of insistent demand in the House the question is being taken up at the highest level. It is necessary that these matters should be taken up at the highest level.

It must be clearly understood that barring a few in Parliament, Parliament as a whole, wants that public undertakings should expand and should become a real success. If any criticism is made today it is with that end in view. There should not be any feeling that by letting Parliament know more about them, there is go-

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ing to be an adverse effect on the functioning of these undertakings.

I now come to the question of steel production and the Hindustan Steel Limited. When we are expecting a production of 10 million tons in the Third Five Year Plan, let us examine what are our achievements in this direction. The Report of the Ministry for 1961-62 says:

"The total availability in 1961-62 was about 4.15 million tons, comprising of indigenous production of about 3.15 million tons and imports of about 1 million tons against the total availability of about 3.2 million tons in 1960 and 2.6 million tons in 1959."

The target for the Second Plan was 6 million tons per year. The total demand during the year 1961-62 was assessed at 6.2 million tons, and now there is a shortfall. The authorised capital of the Hindustan Steel Limited has recently been increased from Rs. 300 crores to Rs. 600 crores, but their performance is so disappointing. In this connection I would like to quote the figures given by the new Minister in the House on the 9th May. In reply to a question on the 9th May, the hon. Minister said:

"The production of steel ingots in each of the three public sector plants from the commencement of production up to 31st March 1962, was:

Bhilai	1.27 million tonnes
Rourkela	.634 million tonnes
Durgapur	.63 million tonnes.

It must be remembered, when we consider these figures, that all the three steel plants almost started production simultaneously. The first blast furnace in Rourkela was commissioned on 3rd February 1959 and

in Bhilai on 4th February 1959. The first blast furnace at Durgapur was commissioned on the 11th January 1960. It only shows that although the three plants started production simultaneously they do not appear to have been planned together. It also proves that three big steel plants cannot be managed properly by a huge steel corporation like the Hindustan Steel Limited. I understand there is a lot of bureaucratic interference even in small things. The individual steel plants although they are autonomous in character, have no freedom. I would like this giant corporation to be broken up and more powers and autonomy should be given to the steel plants so that, within their sphere, they can function more effectively and efficiently. I do not deny that there should be co-ordination, so that the public sector undertaking may set an example as a model employer. I think before we start the fourth plant at Bokaro this question ought to be examined.

The top heavy management is actually an obstacle in the efficient functioning. It is a fact that the maximum utilisation of the existing capacity in the steel plants is not being made. This matter should be gone into very thoroughly. In regard to Bokaro, it was reported in the papers that a fact-finding mission is coming to this country from America. Americans are going to be the collaborators for this plant. But what is the function of the fact-finding mission. It is said that the Mission is coming to survey the area to find out the availability of raw materials, etc. What does it mean? Does it mean that before finding out all these things the USA is not going to commit anything. That again means that the setting up of the plant would be delayed. The plant is not likely to go into production in the Third Five Year Plan. I am afraid whether it is at all going to come in the Fourth Five Year Plan and with the disappointing performance of the three steel plants if there is a short fall in the

public sector, it is doubtful how we are going to achieve the 10 million target.

Mr. Deputy-Speaker: The hon. Member must now conclude.

Shri Surendranath Dwivedy: I will take a few more minutes.

About Rourkela many things have been said by the previous speakers. It is in this Ministry's report itself that it is running at a loss. I think one of our friends referred to that figure. I do not want to go to the Audit Report. But this seems to be an ill-fated plant. It started quite early. In fact, it was the first one with which we started in this country. It has been admitted by the hon. Minister himself that there have been as many as 26 breakdowns in the course of a few years. Why has this happened? Because there is a competition between Bhilai, Rourkela and so on. And without adequate preparation—because they wanted to be the first—the first blast furnace was started and commissioned to action. What happened? After all the three blast furnaces have started working actually, the first is kept out of action for repairs; the second is having some trouble. So it is just not mechanical trouble. From the very beginning, in this factory there have been so many problems, on the organisational and administrative side also, excluding labour trouble.

Labour trouble is a chronic element in Rourkela, and the reasons have been stated by the previous speakers. I attended one conference between the labour and the management, and an assurance was given there. It was admitted that the labour troubles mainly arise because they have not as yet recognised any single union, although three or four unions are functioning.

An Hon. Member: Five.

Shri Surendranath Dwivedy: And it was said that an enquiry would be made for giving recognition to the union. The enquiry was started, but the enquiry has been stopped after it

had gone on for a few months, when it was found that the I.N.T.U.C. is not likely to command the required membership for getting recognition. If that is how we are going to look to factories like this, I think it is wishful thinking to say that things would improve.

For Rourkela specially, because of these reasons, I would suggest, let us appoint an Investigation Committee, not only for labour troubles but for going into the question of organisation and administration in that factory, because there are a lot of other things that have come up. Nepotism, favouritism, provincial jealousy, all these have been encouraged by elements in the administration. This is a factory belonging to the whole nation and we do not want it to be a spot of trouble for all these provincial jealousies. And those things have come because in regard to the appointments in the steel factories we have not yet decided on a very good procedure. The men at the top, they themselves appoint all the persons. They have their own Selection Boards through which the appointments are made, and that gives rise to many other complications.

One word more and I have done, and that is about foreign experts. We find from this report that the number of the foreign technicians and other personnel is going to be increase. Even on 9th February last a contract has been signed with the Soviet people under which foreign experts will be taken in connection with the expansion of the Bhilai plant. This point has been raised in this House also. On this point, even the Estimates Committee has, on an earlier occasion, made its remarks, which are very relevant in this connection. They said: "The number of foreign experts should be kept to the minimum and efforts should be made to obtain the maximum results from them by a well-planned replacement by Indian counterparts". I do not think very serious attention has been paid to this,

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because we must take into account recent developments.

We get aid from foreign countries, all right. But what happens? Even in China, when the Russians decided to withdraw, their whole Plan has come to a standstill. So, we may take aid. But should we go on depending either on the Russians or the Americans in this fashion? There has already been a cut, because of some political considerations, in the aid that is to come to this country from America. If we go on depending on them and on the foreign technicians, I am afraid that probably the time may come as a result of these political considerations when the entire plan of our country, because of this element, would come to a standstill.

Shri Morarka (Jhunjhunu): Mr. Deputy-Speaker, Sir, the activities of this Ministry are so vast, the projects under the Ministry are so important and the Demands of the Ministry are so big—Rs. 135 crores—that it is difficult to assess the progress and performance of the Ministry fully with such a short time. I therefore propose to confine my remarks only to the question of steel.

The importance and use of steel are increasing all the world over almost simultaneously. The production of steel during the last decade has increased from 158 million tons to 340 million tons all over the world, and knowledgeable people forecast that during the next decade there would be a further similar increase. The share of the Communist countries in this increase has double from one-sixth in the total world production to one-third. And the two great powers of the world, namely Russia and America, together produce almost half of the total steel production in the world. Japan has made a phenomenal progress during the last three years. Between 1958 and 1960 the production of steel in Japan has increased from 11 million tons to 22 million tons.

Most of the industrial development in the present century is steel-based. Extensive plans for industrial development exist both in the under-developed countries as well as in the older industrial areas. Besides, in some of the countries the per capita consumption of steel is still ridiculously low. All these factors indicate that the demand for steel, the use of steel, is going to increase more rapidly than we anticipate.

During the same period, that is between 1950 and 1960, our production of steel increased from 1 million tons to 2.2 million tons—comparatively a very feeble achievement. Though our supply of steel increased, the demand for steel in this country increased more rapidly. In 1961-62 our total demand was 6.2 million tons, and the total supply including imports was 4.1 million tons, leaving a gap of 2.1 million tons, as against the gap of 1.2 million tons in 1959-60. The point is that the gap between supply and demand in this country, in spite of the increased production, is increasing.

The target of the Second Plan was 4.2 million tons. The achievement was 2.8 million tons. And this happened in spite of our putting our steel plants in the 'hard core' of the Plan and in spite of the fact that we gave top priority to the steel plants.

Our target for the Third Plan is 10 million tons. It is impossible, or almost impossible, to achieve this target of 10 million tons so far as the actual production is concerned. But even if you take this 10 million tons target as a capacity target, even then there are serious doubts of achieving it, and unless vigorous efforts are made one can almost be certain that this target, even in capacity, would not be achieved.

The Sub-Committee of the U. N. which met in Geneva assessed the requirements of steel for India in 1974 at 28 million tons. That is, within the next twelve years our requirements would be 28 million tons. At present,

our capacity is 6 million tons and our production is 3.2 million tons. It is, therefore, very vital that we must carefully plan the production of steel and vigorously execute that plan in order to achieve those targets.

It is evident that so far as steel is concerned, there is a long timelag between planning and actual production. It is our experience that the target of the Second Plan would be achieved some time in the middle of the Third Plan and the target of the Third Plan would be achieved some time in the Fourth plan. Therefore, whatever our requirements are the Fourth, Fifth and other plans, it is imperative that we plan them right now.

Shri Surendranath Dwivedy: It is a Seven year Plan.

Shri Morarka: My purpose is to emphasise the fact that a basic industry like steel which occupies a pivotal position in the nation's economy, needs long prospective planning, much ahead of actual requirements.

Increased production can be achieved in two ways: (i) by expanding existing capacity and (ii) by creating new capacity. Our Government is taking action in both these directions. So far as expansion is concerned, they are expanding Bhilai by 150 per cent, Rourkela by 80 per cent and Durgapur by 60 per cent. In the first place, I do not understand why, when Bhilai is being expanded by 150 per cent, Rourkela and Durgapur are expanded only to a smaller extent. It is not because our needs are less. With all assessment, our needs are going up much more and at the end of the Third Five Year Plan, we shall require 10 million tons. Even about Bhilai, there was a statement in Moscow by Mr. Sergeev, Member of the State Committee for External Economic Relations that Bhilai would be expanded further in the third stage. That means, the scope for further expansion of Bhilai beyond 2.5 million tons is there. The question is, why

not expand the steel plants to the maximum capacity now.

The reason why I advocate expansion is, firstly, expansion always is cheaper than creating new capacity. The cost of expansion, as was pointed out by the hon. Member Shri Daji, is much less. It would be about Rs. 1000 per ton of new capacity created by expansion as against a new plant where the cost comes to about Rs. 2000 per ton. That is our experience. In Durgapur, Bhilai and Rourkela, our total expenditure has come to more than Rs. 600 crores. The capacity created is 3 million tons.

Secondly, steel industry is an industry of rapid innovation and new improvement. When the steel industry is of rapid innovation, it is necessary that the latest techniques and new improvements are also incorporated in our steel plants. That can be done if you expand them and expand them in such a way that we can incorporate these latest improvements.

A third advantage in expanding a steel plant to the maximum capacity is the time factor. Whether you expand a steel plant from 1 million tons to 1.8 million tons or from 2 million tons to 2.5 million tons, the time taken would almost be the same. Since time is the most important factor now so far as the development of the steel industry is concerned, I think that the expansion of the steel plants would have been a much quicker process.

The last but not the least argument is, in an expansion, you do not have what is known as the teething troubles, because they would be all grown up plants. By all this I don't mean not even by implication, to suggest that we should not try to create new capacity. All that I want to suggest is that for putting up new plants, you must plan carefully both as regards its size and location.

Technological advances have made large plants not only possible, but more desirable, because the capital cost of a large plant is less and the operational costs are cheaper. It is admitted by

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knowledgeable people, again, that for the Bokharo plant, if the capacity is to be 1 million tons, the cost is going to be Rs. 2000 per ton, and if the size of the Bokharo plant is 2 million tons its cost would be reduced to Rs. 1100 per ton. If the size of the Bokharo steel plant is still bigger, 5, 6 or 7 million tons, it is natural that the cost per ton capacity would be still lower. It is said that in the world, there are very few sites where we can build a steel plant of a big size, because it requires the existence of raw materials and vicinity of several other facilities. World experts have said that Bokharo is a site where you can have all these facilities and the situation of Bokharo entitles you to plan a plant of the size of 5, 6 or 7 million or even 10 million tons. Even our consultants have stated that this plant should be planned in a way that we may have today 1 or 2 million tons capacity and later on, it may be expanded to 10 or 12 million tons.

A point which we are apt to overlook when we create new capacity is the per ton cost of new capacity created. If we want our steel plants to compete in the world markets, if we want our production to be competitive, it is essential, it is vital that we give due importance to this factor, because the capital cost of a steel plant is an important factor in the element of cost of the product.

Another advantage in planning a big project is, the statisticians have come to the conclusion, is that the cost of putting up a plant increases every year by 2 per cent. Whether you plan today or whether you plan after 10 years, it is going to make a huge difference in the cost of the project itself. If our needs are there, if the possibility of putting up the big Bokharo plant is there, why not start the Bokharo plant with a 7 or 10 million ton capacity and insulate yourself against an increased cost of 2 per cent every year? I do hope the hon. Minister will give due consideration

and have this matter properly examined.

Now, I come to Hindustan Steel Ltd. The Hindustan Steel Ltd. is the biggest corporation in this country and it is easily one of the biggest in the world. There is a feeling and the feeling grows more and more that the top management of this company is rather weak. It has under it a vast ramification of industrial units. It has three steel plants, the coal washeries, the biggest by-product plant, it has the special tool steel and alloy plant, the expansion programmes for the three steel plants and then, it has the fourth Bokharo plant under it. It is a huge programme, and its timely execution requires vigilance and vigorous efforts not only at the execution level, but also at the policy making stage. From past experience, one can say that these steel plants did not receive the supervision which was necessary during construction and they are not receiving the attention which is necessary now for running them. I will give you one example. In Rourkela alone, during a short period of a little more than 2 years, from April 1959 to July 1961, they paid the Railways by way of demurrage of more than Rs. 1 crore. Demurrage to Railways alone by Rourkela alone in about 2 years, more than Rs. 1 crore—it is, I think, a sad commentary on the supervision and on the vigilance of those who were managing it. What is happening now? An ordinary letter making enquiries about what they produce, whether they can supply something or not, takes about 6 months before that letter is properly replied. Even acknowledgment takes three months. This is not the way a business concern be run. If you leave the business or the commercial side weak, to that extent, your projects are bound to suffer because they would have a built-in handicap. These steel plants are the backbones of our development plans. Indeed, they are the backbones of the entire national economy. They are the prestige projects for the

public sector. On their successful working depends the success of the entire public sector. This is an important experiment which the world is watching all over, and if this experiment fails, it is not only the steel plants which would fail but it might shake the confidence of the people in the entire philosophy of nationalisation and public ownership of these means of production. It is, therefore, not only important but it is vital that Government take this thing more seriously and give the needed attention and reorganise the whole Hindustan Steel Limited.

These three steel plants are expected to contribute a sum of Rs. 111 crores to our Third Five Year Plan. While this is not an impossible thing, the rate at which we are going is such that it would be very difficult to achieve this target.

All these aspects, namely the importance of steel to the national economy, of the steel plants to the public sector and the contribution of Rs. 111 crores to the Plan are vital. Therefore, the Planning Commission have started worrying about it, and I believe that it is the firm view of the Planning Commission that the Hindustan Steel Limited, as it is organised, is not up to the task of handling the fourth plant at Bokaro, and, therefore, they are thinking in terms of reorganising it. I am very happy that after all, the Planning Commission have thought it necessary to devote some time to this organisational aspect. I think that even if some important structural changes are necessary in the organisation of Hindustan Steel Limited, the Government would not hesitate to implement them. After all, what is essential is the execution of the work, the implementation of the programme and the achievement of the target. If this cannot be done, if this cannot be achieved by one corporation, there is no harm in having two or three. Besides, if these three steel plants are run by three different corporations, there

would be a spirit of greater competition among them, and we would be able to show better what Bhilai and Durgapur are doing and what Rourkela is not doing.

Some people have now asked for more autonomy for the steel plants. Frankly speaking, I cannot support this demand, because I feel that we should give them only that much autonomy which enables flexibility of operation; autonomy should not be given merely for the sake of autonomy. In this Ministry, if we make all the Corporations autonomous, what would be left? The Ministry would be completely drained of its authority and an empty husk or shell alone would remain, and the directors of the steel plants would become almost like the emperors of the steel empire. I, therefore, feel that the need of autonomy must be judged according to each corporation and its functions. More than that, we have heard that almost Rs. 700 crores of public funds are invested in the Hindustan Steel Limited. If we give complete autonomy and do not make the directors, the chairman and others responsible or answerable either to the Minister or to the Parliament or to the Auditor-General, and they have no financial stake in these plants, and they will have such huge corporations under them, I shudder to think what would happen. Therefore, I feel that control of the Government machinery on the Hindustan Steel Limited, which exists today, is very necessary or vital, and it is desirable not only from the point of view of safeguarding the public funds but also of making these people answerable for the performance of these steel plants.

Now, I would like to say a few words about Rourkela. Rourkela is considered to be the latest and the best steel plant not only in this country, but one of the best in the world. Some say that it is 'tailor-made'. Our Prime Minister has called it the 'symbol of resurgent India'. Some people have called it the temple of prospere-

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rity'. The German press has described this as 'a magnificent spectacle of beauty' and added that 'all the errors committed there cannot take away the brilliance of the final result'.

It is supposed to be the plant having the latest type of rolling mills, and only rolling mills of this type are supposed to exist in the entire Europe, including the USSR.

It is also said that the price of the final product at Rourkela would be Rs. 800 to 850 per ton as against Rs. 500 per ton in the other steel plants. Its cost of production would be less than at other plants. It is going to have the biggest by-product plant, producing 14 different items worth about Rs. 10 crores every year.

These are the points in favour of Rourkela. As against this, we find that Rourkela has been a real problem child with prolonged teething troubles. My hon. friend who preceded me mentioned about Blast Furnace No. 1 and Blast Furnace No. 2. Blast Furnace No. 1 had three breakdowns so far in such a short period. Blast Furnace No. 2 also underwent some repairs for what is known as 'severe chilling'. Out of the four open earth furnaces, one is already being relined.

The blooming and slabbing mills had two major mishaps, one on the 17th June, 1961 and the other on the 6th December, 1961. Some people think that it was due to the negligence of the operatives, but the experts think that it was due to metal fatigue or whatever that may be.

The pig iron casting machine seems to have given constant troubles because it is overstrained. Its capacity is supposed to be 30,000 tons per year, but at present, it has already been used for half a million tons during the last three years. The

overstraining of this has created a lot of problems.

There has been shortage of slag ladles.

Similarly, the dolomite calcining plant trouble, the mechanical breakdown in the oxygen plant, the burning of the Busbar crucible in the hydro-electric pumps etc. all give endless troubles there.

I feel that in view of all these troubles, and particularly in view of the fact that the production there is so slow, one has to carefully examine to find whether these are only the teething troubles or whether this plant is suffering from structural and constitutional ailment which requires proper diagnosis and treatment.

The main trouble in this plant, according to me, is due to two reasons. One has already been mentioned by one of the hon. Members who preceded me, and that was that the Rourkela plant had too many contractors to execute the works, and there was no co-ordinating agency. But more than that, this Rourkela plant had the singular distinction of having five different general managers in such a short time. What can we expect in such a huge plant, if the average tenure of general managership is not more than fourteen to eighteen months? Howsoever competent that man may be, in fourteen to fifteen months' time, he would not know even the subordinate staff, not to talk of the various other things. And, further, the persons whom we appoint are not essentially the steel men. They are good administrators, or they are clever ICS officers or they may be anything else, but in order to understand all these things, and in order to get the proper ropes and the bearing, it will take some time for them, but before they settle down, they are transferred somewhere else. That I think, is one of the most unfortunate parts of this matter.

There has been less production in Rourkela and Durgapur, due to shortage of raw material and transport difficulties. I understand that recently there has been shortage of power also, because the DVC refused to supply power. But the most surprising thing is that some of the capacity was slowed down because there was no off-take and there was no order. In this connection, I would like to read out a small extract from the Seventh Report of the Hindustan Steel Limited and point out what the directors had to say about it. I am quoting from para 8.4 under the heading 'Exports'.

This is what they say:

"Exports, besides earning valuable foreign exchange, have helped a great deal in keeping up production by enabling the disposal of semi-finished products like ingots and slabs which are not saleable in the country."

Somewhere else I have read that the production had to be slowed down because there was no off-take, firstly, for want of transport, secondly, for want of demand. If our production pattern is such that we cannot sell what we produce and because of that we have to slow down production, the investment in these huge plants will never become economical and successful.

Finally, I would like to say a word about the heavy industries in general. We are putting up all these heavy industries in order to create machine-making capacity in this country so that we may depend less on imports, and if possible, even try to export some. That would be possible only if we keep pace with the latest developments in technology and incorporate all the latest advances and inventions in the field of science. If this is overlooked, our main purpose of putting up these heavy plants at such huge cost and starting making machines would be competitively lost. I, therefore, suggest that side by side, we should also develop technological

research and organise our industrial intelligence so that we incorporate the latest inventions and keep our production equipment up-to-date. That is the only way we can cut down our imports and that is the only way we can ever expect to get a share of the export market.

Shri K. C. Pant (Naini Tal): The Demands for Grants before us relate to the Ministry of Steel and Heavy Industries which has been created only recently to take care of many key industries like iron and steel, heavy machinery and fertilisers which together, and even perhaps singly, can decide the fate of the Third Plan.

The Third Plan lays emphasis on the development of steel and heavy industries. There are people in this country who are opposed to plans for rapid increase of production of steel. But I, for one, fail to understand why we should not go in for steel production at as rapid a rate as we can when we are fortunate enough to have very large deposits of iron ore of excellent quality, adequate labour and a population sizeable enough to support many more large and modern steel plants.

Shri Morarka before me made out a rather strong and lucid case for raising our steel targets not only for this Plan, but keeping in view the rapidly growing demands all over the world, particularly in our country. I support the case he has made out and I personally feel that in a growing industry-oriented economy, there is hardly any scope for surplus of steel or power. It is the experience of all countries which are developing, that there never is in fact any surplus of steel or power. We in this country ignored this in the First Plan and to this day we are rueing the fact that we did not put up a plant under that Plan. In the Second Plan, however, there was a shift in our strategy of investment, and looking back over the ten years as a whole. I think it can be said that the achievements, on the whole, have not been unimpressive.

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sive. The index for machinery has risen by 400 per cent. Steel and iron production has gone up by 124 per cent. The index for chemicals has also gone up 4 times. These are not small achievements. Even in fertilisers, consumption has gone up by 318 per cent. Nevertheless, we have to accept the fact that there have been serious shortfalls in many important items, including iron and steel, fertilisers, chemical pulp, heavy forgings and castings, soda ash and the like—various heavy chemicals—and cement also. So we have to view these things in perspective. I feel that on the whole we have to examine this question in view of both the achievements and the shortfalls.

Let us examine some of these shortfalls in relation to steel. The Second Plan target was 6 million tons of ingots and 4.3 million tons of saleable steel. As against this target, production was 3.5 million ton ingots and 2.2 million tons of finished steel. The shortfall was bad, and the natural consequence of it was that funds meant for development had to be diverted to import of steel. Some speakers before me have quoted figures to show that even in 1961-62, the total demand of steel was 6.2 million tons as against the total availability of 4.15 million tons, of which 1 million tons were imported. They quoted them for a particular year, but the actual fact is that in the last few years that has been the rate of imports into this country. I am not against the import of steel as such. Steel is a producer material and it is the general experience that the value of steel when converted into machinery increases almost 8 times. Thus the foreign exchange spent on import of 1 million tons of steel which would be about Rs. 90 crores when converted into machinery will result in a saving of about Rs. 700 crores in foreign exchange.

So I view this question of imports from a slightly different angle.

Nevertheless, it has to be accepted that there have been shortfalls, and I think we should go into these shortfalls and attempt to learn from our past mistakes and try not to repeat them in future. As was pointed out by Shri Morarka again, huge amounts of money go into the construction of these steel plants. In the Second Plan alone, three steel plants were put up in the public sector. The original estimate of capital outlay on these plants was about Rs. 350 crores; ultimately it rose to a little over Rs. 600 crores. This is a large rise by any standard and it imposed a fairly heavy strain on the Second Plan.

Again the question of returns was raised here. It was said that against this investment of almost Rs. 600 crores, the return was nominal. I find from the figures given that there was actually a loss in 1960-61 of Rs. 74.34 lakhs, and if depreciation is provided and the loss brought forward—including depreciation—taken into account, the Hindustan Steel has accumulated losses to the extent of almost Rs. 20 crores by 31st March, 1961.

This is, to say the latest, hardly a satisfactory situation. Even so, having said all this, I would like to emphasise that, while it is the duty of this Parliament to scrutinise the working of these steel plants critically and to pin-point their shortcomings and failures, there is great need to preserve a proper sense of perspective. After all, it was an act of courage and vision to have taken up the construction of 3 public sector steel plants of 1 million ton capacity each, simultaneously in the second Plan.

Now, these plants have been set up. Although they are not giving the production expected of them, even the fact of their being set up, I think, has added to the strength of this country, not only materially but also psychologically. People have begun to feel that we can industrialise and that we have it in us to set up these big plants by our own efforts.

We have made mistakes, no doubt. And, I think, we all want to profit from these mistakes. I would suggest, therefore, that a full-fledged enquiry should be held into the causes of failure to achieve our Second Plan steel targets. A committee of experts may be formed to go round the different steel plants and to analyse the defects on the spot and with sufficient authority to remove those defects by taking immediate steps and without going through regular red-tape channels. Only thus can we avoid being helpless spectators to the kind of delay involved in the third blast furnace in Durgapur which has been reported to be ready to go in for firing for the last 15 months.

Mention was made in this House by previous speakers of the time taken to set up a steel plant. The hon. Member, Shri Daji, mentioned and I agree with him, that, judging by our experience of the Second Plan, it takes 4 to 5 years to set up a steel plant. On that basis, where are we placed in the second year of the Third Plan? The work on the steel projects for the Third Plan should have been well under way by now. I would even say that work on the Fourth Plan project should have begun. But, what do we find? Except for Bhilai, which has by far the best record of the three plants to date, no other steel plant has taken any concrete steps for expansion and, as has been pointed out by various speakers, the question of setting up a new plant at Bokaro has not made the kind of progress which we all hoped it would. Therefore, I regret to say that I have to agree with those speakers who have said that it is gradually appearing to become doubtful if we can actually achieve the Third Plan target which we have before us, which is 10 million tons of steel.

The time has come, I think, to think of making some changes in the organisational pattern of these public sector enterprises, including the steel factories. The shortfalls and the failures have been so obvious that

some steps must be taken. In that regard, I think, we are all agreed, whichever party we may belong to, we are all interested in seeing these steel plants making a profit and working in a businesslike way. So, let us go to the heart of the problem and try to devise an organisational pattern in which responsibility for performance can be clearly and definitely fixed.

Public enterprises should be run by persons who feel, who know and who are told that their careers will be made or marred by their performance in these plants; and their performance should be judged purely by results. But, at the same time, they should be given a free hand to achieve these results as best as they can. Government should, of course, lay down the broad policy; but, it should not interfere in the day to day working. Industrial units cannot be run as departmental wings; and civil administrators, however able, do not necessarily make good managers. What is required really is that technical persons, who have a specialised knowledge of the fields in which particular plants deal, should have a much larger say and, as far as possible, a decisive voice in the affairs of those plants.

If these suggestions are to work, Parliament must exercise some restraint. We talk of delegation of authority. But, delegation of authority carries with it the delegation of the right to make mistakes. No one is infallible; and I personally feel that a man should not be guillotined for making *bona fide* mistakes. While we should not tolerate inefficiency or procrastination of any sort, the courage to expedite action even at the risk of making mistakes should be encouraged. That is the only way in which we can maintain discipline in these public sector plants and create a climate in which those in charge of the plants cannot shirk taking decisions and can work fearlessly in the best interests of the plants under them without being subject to any

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kind of pressures at all. This is an important aspect.

Another suggestion that I have to make is that if you want to encourage local initiative, Government should make lists of the references made to it by the different public sector enterprises and these lists should be submitted to Parliament. Parliament can then judge for itself how far any particular management has a tendency to pass the buck; and also, in case of delays, Parliament can see whether Government is responsible or the company.

Mr. Deputy-Speaker: The hon. Member should try to conclude now.

Shri K. C. Pant: You may just give me two or three minutes, Sir. I am reminded of one instance of the ridiculous delays that our procedures sometimes lead to. There was an efficiency expert who ordered 4 stop-watches. Thirteen months went by and the indent changed hands 89 times in an orgy of references and cross references. Yet no decision was taken to buy the stop-watches. In the meantime, the prices rose by 100 per cent. That is the kind of thing that has to be put down with a heavy hand.

Just a word about fertilizers. One of the basic weaknesses in the fertilizer policy has been that it is not based on a proper soil survey. Every fertilizer is not necessarily suited to every kind of soil or every kind of crop. So, we must have a soil survey in this country so that we can divide it into broad soil zones and after that is done we should go ahead to locate large fertilizer plants producing concentrated multi-nutrient fertilizers, within those particular zones. Local variations can be taken care of by having small mixing plants dotted all over the countryside. These plants can also mix the micro-nutrients which are needed locally. In this way we could have a proper set up and we could have fertilizers produced which

are tailor-made to the needs of those particular areas.

We have to make a steady effort to bring down the price of these fertilizers and to bring them within the reach of the common farmer. This can only be done by reducing the costs and costs can be reduced by making these plants integral parts of very much larger multi product chemical complexes. With these words, I thank you for giving me an opportunity.

Mr. Deputy-Speaker: I shall announce the selected cut motions.

Shri Daji: Sir, when the hon. Speaker asked us to send in the names and numbers of cut motions I was on my legs and I could not send them. So my cut motions may also be treated as moved.

Mr. Deputy-Speaker: They have all been gone through.

Hon. Members may now move their cut motions relating to the Demands under the Ministry of Steel and Heavy Industries subject to their being otherwise admissible.

Failure to establish heavy industries in Kerala

Shri M. K. Kumaran: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced to Re. 1."
(17)

Need for nationalisation of steel and heavy industries

Shri Sivamurthy Swami: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(4)

Need for establishment of a steel industry at Sondur in Bellary district, Mysore

Shri Sivamurthy Swami: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(5)

Need to utilise the iron ore and manganese in Bellary District, Mysore State for iron and steel industry by the State

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(6)

Need for establishing a sizable steel plant in Southern India

Shri Koya: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(7)

Need for co-ordination between the Ministries of Steel and Heavy Industries and of Railways to ensure quick movement of finished products from the Bhilai Steel Plant

Shri M. K. Kumaran: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(18)

Frequent breakdowns of mills and stoppages of production at Rourkela Steel Plant

Shri M. K. Kumaran: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100. (19)

Need to expedite work regarding setting up of a Steel Plant in Salem

Shri M. K. Kumaran: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(20)

Need to ensure equal opportunities of employment in Steel Plants and other heavy industries in public sector for people coming from different States.

Shri M. K. Kumaran: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(21)

Need to expedite establishment of the fourth Steel Plant at Bokaro

Shri M. K. Kumaran: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(22)

Working of Heavy Electricals (Private) Ltd. Bhopal

Shri S. M. Banerjee: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(23)

Non-implementation of Labour Laws in Steel Plants

Shri S. M. Banerjee: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(24)

Retention price of steel

Shri S. M. Banerjee: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(25)

Need to have a uniform wage for all Steel Plants

Shri S. M. Banerjee: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(26)

Need to bring all Steel Plants, Heavy Electricals, Bhopal under central labour legislation.

Shri S. M. Banerjee: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(27)

Non-implementation of agreement reached on 12-3-1962 between the representatives of Heavy Electricals Limited, Surat, Bhopal and Chairman, Heavy Electricals Limited, Bhopal.

Shri S. M. Banerjee: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(28)

Latest position in regard to collaboration of USA in setting up the Bokaro Steel Plant.

Shri Surendranath Dwivedy: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(32)

Question of employment of foreign technicians and other personnel from foreign countries in the three public sector steel plants.

Shri Surendranath Dwivedy: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(33)

Failure to reach the target of production in the Rourkela Steel Plant

Shri Surendranath Dwivedy: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(34)

Need for better Parliamentary control on the steel industries

Shri Surendranath Dwivedy: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(35)

Need for better labour relationship in the Steel Plants.

Shri Surendranath Dwivedy: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(36)

Need for appointment of a Committee to investigate into administrative and management affairs of the Rourkela Steel Plant

Shri Surendranath Dwivedy: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(37)

Need to bifurcate the management of Steel Plants in Public Sector into separate autonomous boards

Shri Surendranath Dwivedy: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100."
(38)

Working of the Department of Iron and Steel

Shri Daji: I beg to move:

"That the Demand under the head Ministry of Steel and Heavy Industries be reduced by Rs. 100." (39)

Failure of the iron and steel control policy

Shri Sivamurthi Swami: I beg to move:

"That the demand under the head Other Revenue Expenditure of the Ministry of Steel and Heavy Industries be reduced by Rs. 100." (11).

Working of the Office of the Iron and Steel Controller

Shri M. K. Kumaran: I beg to move:

"That the demand under the head Other Revenue Expenditure of the Ministry of Steel and Heavy Industries be reduced by Rs. 100." (29)

Failure to supply iron and steel to bona fide consumers in Kerala

Shri M. K. Kumaran: I beg to move:

"That the demand under the head Other Revenue Expenditure of the Ministry of Steel and Heavy Industries be reduced by Rs. 100." (30)

Need to ensure regular supply of iron and steel for small industries

Shri M. K. Kumaran: I beg to move:

"That the demand under the head Other Revenue Expenditure of the Ministry of Steel and Heavy Industries be reduced by Rs. 100." (31)

Impact of the fixation of price of steel on the general economy

Shri Surendranath Dwivedy: I beg move:

"That the demand under the head Other Revenue Expenditure

of the Ministry of Steel and Heavy Industries be reduced by Rs. 100." (40).

Imbalance in distribution of iron and steel to the States

Shri Daji: I beg to move:

"That the demand under the head Other Revenue Expenditure of the Ministry of Steel and Heavy Industries be reduced by Rs. 100." (41)

Impropriety of giving retention prices

Shri Daji: I beg to move:

"That the demand under the head Other Revenue Expenditure of the Ministry of Steel and Heavy Industries be reduced by Rs. 100." (42)

Failure to implement labour laws in the Undertakings

Shri Daji: I beg to move:

"That the demand under the head Other Revenue Expenditure of the Ministry of Steel and Heavy Industries be reduced by Rs. 100." (43)

Arbitrary revision of grades of operatives at the Bhilai Steel Plant

Shri Daji: I beg to move:

"That the demand under the head Other Revenue Expenditure of the Ministry of Steel and Heavy Industries be reduced by Rs. 100." (44)

Unsatisfactory working of the Rourkela Steel Plant and the resultant fall in production

Shri Daji: I beg to move:

"That the demand under the head Other Revenue Expenditure of the Ministry of Steel and Heavy Industries be reduced by Rs. 100." (45)

Need to set up steel and heavy industries in Mysore State and Tungabhadra project area

Shri Sivamurthi Swami: I beg to move:

"That the demand under the head Capital Outlay of the Ministry of Steel and Heavy Industries be reduced by Rs. 100." (14).

Need to set up shipping industries at Mangalore or Karwar port and aluminium industry in the State of Mysore

Shri Sivamurthi Swami: I beg to move:

"That the demand under the head Capital Outlay of the Ministry of Steel and Heavy Industries be reduced by Rs. 100." (15).

Mr. Deputy-Speaker: These cut motions are now before the House.

Shri Jaipal Singh: (Ranchi West): Mr. Deputy-Speaker, while I am glad that Shri Subramaniam is a newcomer to this new responsibility, I am sorry that at this debate his predecessor is not present. We have the same handicap in the Public Accounts Committee where we find the Secretaries change and really the Secretary who should be answering questions has been transferred elsewhere and his successor looks at the files and says that from the notes he finds this and that. I hope Shri Subramaniam will have better luck than his predecessor.

We live in an age where the stature of a country and the strength of a nation is measured by its steel and electricity capacity. Electricity will be on the anvil tomorrow and so I restrict myself to steel and heavy industries, which is also part of steel. I must congratulate the Ministry for making a frank confession, no Ministry has made before in the history of independent India. The other day we had a meeting of the consultative

committee and since this was a new-born Ministry it had no time to print the usual Report. So, this was distributed by my very revered friend, the Cabinet Minister, the Minister for Parliamentary Affairs; he distributed this note on the Demands for Grants for the Ministry of Steel and Heavy Industries. This becomes a historical document. No document of this character has ever been distributed to Members of Parliament. It has been distributed; it is in my possession and it can be in the possession of any hon. Member of Parliament who can take the trouble to get it. It is really very illuminating in the sense that it is a frank confession of failures. Failures are there to good us on to better achievements. The fact that this is the first time that they are admitting their failures is significant as far as Parliamentary democracy is concerned.

श्री बागडी : (हिसार) प्रान ए प्वायंट आफ आर्डर सर, हाउस में क्वोरम नहीं है।

श्री नाथपाई (राजापुर): जब माननीय सदस्य का नाम पुकारा गया, तो वह हाउस में मौजूद नहीं थे। अब वह क्वोरम का सवाल उठा रहे हैं।

उपाध्यक्ष महोदय : आर्डर, आर्डर।

Shri Jaipal Singh: We have been used to an apology of one type or the other; they put up a defence. When they know they are not doing well, they feel they must put up a defence.

Shri C. Subramaniam: May I have the advantage of that document? I and my officers are ignorant of that.

Shri Jaipal Singh: He can have it from the Minister of Parliamentary Affairs.

Shri C. Subramaniam: He is also ignorant of that.

Shri Jaipal Singh: This has been distributed to everyone of us the other

day only, at the consultative committee meeting at which the Minister was present. Of course this particular subject was put off to another day in the month of June, if the hon. Minister remembers. It is worthwhile that I read certain portions of it not because I want to chastise the Ministry but because, at long last a sense of honesty is dawning on the Government, which is a redeeming feature. If the hon. Minister thinks that this is not a document that was given to me and others by his officers or by himself or by the hon. Minister of Parliamentary Affairs, I have nothing more to say. But it is an official document.

Shri C. Subramaniam: I would like to know the nature of the document.

Shri Jaipal Singh: Let the Minister listen to me. He has a right to reply; he must not interrupt like this. If what I read from this document is not what he and his officers have written, let him contradict that.

Shri C. Subramaniam: I do not know what it is about. If he says that I will know whether I have got a copy or not.

Mr. Deputy-Speaker: It is the note distributed by your Ministry to the consultative committee through the Ministry of Parliamentary Affairs.

The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha): I have nothing to do with it.

Mr. Deputy-Speaker: You may look into it.

Shri Jaipal Singh: I think all that time is being deducted from the allotted time for me. The legend here reads: 'Note on the Demands for grants on the Ministry of Steel and Heavy Industries'. This is Government paper; you cannot find it anywhere and everywhere. I do not think you will permit me to go through the whole lot but it is just as well I read excerpts from this valuable document.

*The review of the working of the public sector companies under

the administration of the Ministry of Steel and Heavy Industries as also of others discloses that except for a very few companies like the Hindustan Machine Tools, the performance of the rest have not been satisfactory."

That is honest enough. Later on it says:

"A managerial cadre of the requisite quality and strength is absent with the result that most of the projects have to depend on civil servants and retired persons."

Mr. Deputy-Speaker: Is it your own note or the note of the Ministry?

Shri Jaipal Singh: It is note of the Ministry.

Shri Heda: If I may be allowed to say, I may say that I have received a similar note; it is from the Federation of Indian Chambers of Commerce and Industry.

Shri Jaipal Singh: It is Shri Heda's word. It will be for the Ministry to accept me or him—whether I am telling the truth or not.

Mr. Deputy-Speaker: But he asserted that it was a note from the Ministry.

Shri D. C. Sharma (Gurdaspur): We accept Shri Jaipal Singh's words.

Shri Jaipal Singh: I have some good and loyal friends. Then it says:

"A project-wise survey discloses that so far as the Hindustan Steel Limited is concerned a good lot remains to be done. Rourkela steel project has become a monument of mishaps."

I am not prepared to accept Shri Heda's version because this was in an official envelope and so I take it that it came from the Ministry. I am prepared to accept that the Federation or

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whoever it was, was clever enough to get round Shri Heda and others and pass on notes.

Shri C. Subramaniam: I thought Shri Jaipal Singh was a hockey wizard, but I find he is a paper wizard also!

Shri Jaipal Singh: Yes. The note says that "the plant's defects are too many to enumerate." Later on, they say that "Bhilai seems to be the best of the 'bad lot'." I stop there. Then, had I known that this was from the Federation, I would not have wasted my breath! I do not want to take unfair advantage in respect of the Ministry and its great supporter, Shri Heda. If they think that I am trying to take unfair advantage of the document which I have misunderstood, that is not right. I stop there. I just end there.

But there is one particular thing in this confused and unhappy picture. It is the question of labour relations. If this paper is worthless I have no use for it. The whole thing is within my own knowledge. Steel and heavy industries are in my home area. I hope Shri Heda knows it, and I know he knows I am talking from knowledge of those things and not from any academic study.

If you look to the third Plan, what do you find? We find that the first impossible situation we are confronted with is the question of evaluation reports,—as to what the cost will be in regard to these projects. We first get a preliminary report. Take the question of the steel plants in the public sector. A steel plant includes of course the land, the quarry mines, the township, etc. In the preliminary project report, we are told that it will cost the country Rs. 425 crores. A little later, we are told that there is a revision— inclusive of escalation, from Rs. 425 crores to Rs. 559 crores. The latest is Rs. 620 crores. I ask you: is this

planning? I can understand certain things going wrong. I know in the Planning Commission's report itself they have pointed out these things. In the TISCO also, in the case of Tata's expansion programme also, the estimate went up by some per cent. One can allow that. But what I am hitting at is, I think there is too much of this detached planning, tending to go away from reality as to what it is really going to cost us. This has been happening again and again. I need not go further into it.

In other words, what I venture to suggest is that we must have specialists. There are specialised organisations who, because of their being specialists, assist the entrepreneurs including the Government, of course, in these huge projects, where, if the Government were only amenable to listen to them, the country will be saved enormous sums from projects of this sort. In other words, what I feel is that consultant organisations having specialised knowledge should be brought in so that in the projects, the evaluation and estimating the cost structure could be done in a more thorough and a scientific manner. Having myself been a Member of the Public Accounts Committee you would appreciate what I feel. I feel rather strongly about it, because the money that goes in a particular sector, if it is not properly utilised and if it remains unutilised, is, as it were, serialised and frozen for other equally important purposes.

As I said earlier, right at the beginning, if we are to be anything at all, we have to go ahead in the matter of steel and electricity. I am very glad that it is my home area which is going to take the step for the rest of the country. You will never make much headway if you are not going to become human. That is where the new Minister is handicapped.

There is at Ranchi the Heavy Engineering Corporation. I do not know whether he has been there. But he has told us in the House that he had been to Rourkela. I would like him to go to Ranchi. I am sorry the Prime Minister is not here. He was supposed to visit Ranchi during the elections. But when he heard that things were not all right there, that he would get a black flag demonstration, he did not turn up. He was advised not to go there. I mention this not because I am making a political issue of it. But the point is this. What were the figures, what was the evaluation, when the Heavy Engineering Corporation was to have been initiated there? Why have the figures trebled now? This is rather an interesting point. It is not that we mind the figures getting trebled. There is no harm in it if we are going the right way, but in the case of the Heavy Engineering Corporation, they made a bad start. You cannot have a Heavy Engineering Corporation plant and other ancillary industries there unless you have the land there. What do they do? They first acquire the land. Acquiring the land is a State subject. It is the State Government. Nine Adivasi villages had to be acquired. The Adivasi villagers must quit it. Why? It is a Central project. If it were a provincial project, the State Ministers would have been somewhat reluctant in going ahead. But, "No, it is a Nehru project; the Central Government project; the Government of India project; a national project. Get out." The Land Acquisition Officer comes round and he gives an award of Rs. 45 per acre. I ask you: is there any patch of land even in the jungles—deserts of Rajasthan where you can get an acre of land for Rs. 45? I ask my hon. friends there. I do not want them to tell me how many big dams they have built and how many big factories and the like they have built. They forget the human beings completely. So, what happens? Trouble, tension, labour troubles. Even to this day, what is happening? One clever businessman went to court and he got

an award of Rs. 6,000 for exactly the same type of land. Where is Rs. 45 and where is Rs. 6,000? They say, "Come along, Jaipal Singh, this is a national project. Come in; we all together." The latest picture is that compensation bagins from Rs. 3,500 and goes as far up as it can. Meanwhile, a High Court decision has come in regard to a particular owner of land for Rs. 20,000. When I got into touch with the local bosses of the Heavy Engineering Corporation, they said: "it is not our business; it is the State Government; we are willing to pay Rs. 45 but none of your fellows is willing to accept it." I say that is not the way. We want the thing to work, and if you want the thing to you. After all, you are living in the midst of those people. Today the position is like this. Here is this wonderful project which is going to help us go ahead, but the question is, every day's delay in the matter of compensation to these people means that every day you are losing a lakh of rupees. Once the enormous thing what will it mean? Every day's delay means you are losing that much of money. I am not trying to argue that, "Therefore, accept the demand they are making." All I say is, be reasonable. You have made enough mistakes. In the DVC, in the Chittaranjan Factory,—everywhere—you have made mistakes. Are you going to go on like that? You have paid very heavily, and the elections have shown it not once, not twice but thrice. All I say is that you must realise that you cannot go on like this.

I am not talking politically now. Whether it is Rourkela, whether it is Durgapur, whether it is Sindri or anything like that, in the matter of land acquisition and rehabilitation, as the Dhebar Commission has already pointed out, must be simultaneous. If not simultaneous, you can make it earlier or before. In other words, no person, whether he is Adivasi or non-Adivasi, should be made to quit his land till he is assured of rehabilitation elsewhere. It is very important that we should all

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pull our full weight in trying to make this enormous project succeed. But there is a limit to decency and I humbly suggest that our friends on the other side have been relying too much on this Government of India basis; they are dealing with these humble human beings. We ask them in the name of national integration, "Come along. Here is a national project. Join it", but if that had to happen to themselves, I wonder how they would feel. I wish them the very best of luck; as I said, I have no desire not to help them. We would like to help them, we would like to help them, but they must not go by these ridiculous methods of Rs. 45 per acre, jumping to Rs. 6,000, Rs. 6,000 jumping to Rs. 20,000, etc. and expecting that the people will accept it because the law is there.

15 hrs.

Shrimati Lakshmikanthamma (Khammam): Sir, first of all, I thank you for giving me this opportunity to speak on this subject. After making a study of the subject with the material available to me, after making a study of the history of steel before and after independence and also going through the first, second and third Plans and the booklets that have been given to us on steel and heavy industries, I want broadly to base my speech on the following headlines: First of all, the importance of the steel industry for the economic progress of the country, which can never be under-estimated how we could not start a steel plant in the first Plan and the lessons that the second Plan taught us in the progress of steel, to be kept in view for the third Plan. Then I would like to say why I am afraid we may not be able to realise the targets for the third Plan, as many hon. Members have already pointed out and ask why we are not pooling our technical talent to design our future plants.

Then, I would point out the differences in cost in the three steel plants

and why there is so much difference in the construction of these plants and whether Government has undertaken a study of these differences. Then I would like to point out the rate of raw material consumption in the different plants, whether the same kind of coke or other raw material was used or if any inferior quality was used, whether it is economic to use such inferior quality. Then I want to deal with the transport bottlenecks that the industry has been facing. Merely the railway department is not to be blamed for this. Though they are responsible to a small extent, to a great extent the departments of steel and heavy industries and also mines are responsible for this. If at all any criticisms are made, it is only to eliminate the symptoms that are unfavourable for the working of the industries. In the end, I would also like to ask for certain steel plants in my own district of Khammam, where there is lot of raw material. The Singareni coalfields are very near, and the coal can be blended with that of Jharia and other better quality coal. We can get limestone from the Ceded Districts and Guntur, which are very near. Then, we have high grade iron ore also. Lastly, I would like to know the position about our fertiliser plant.

The significance of steel industry for economic development has been expressed in several books by several economists. The economic progress of any country is judged only by the quantity of iron and steel produced and consumed by that country, because the iron and steel industry provides the foundation for building complex industrial structures. The key role of the steel industry in economic development can also be shown by analysing the correlations between per capita consumption of steel and other major economic variables, such as per capita national income, the value of per capita industrial production and per capita consumption expenditure.

The Economic Commission for Europe made such a study sometime

back in which it showed that steel consumption increases at a faster rate than industrial production in the initial stages of economic development. But once the industrial base is established, every increase in steel consumption brings about a large increase in industrial production, national income and living standards. On the other hand, the industrial growth in any nation is never solitary and one can easily discern a good deal of interdependence of industries. It is found that the birth and growth of some industries are always linked with the simultaneous expansion of many subsidiary and ancillary industries. It is found that industries with high linkage effect provide maximum growth stimuli. Hirschman, in his book *Strategy of Economic Development* says that the pleading of the undeveloped countries for starting steel units is not as foolish as it appears because the steel industry provides maximum linkage effect, as it consumes the largest volume of products from other industries and provides the maximum volume of raw material for further consuming industries. The most complex and agglomerative industrial unit in any country is thus steel industry.

It is always a moot question why the Government of India had not taken the question of starting a steel unit in the first Five Year Plan itself. In the Second Plan, the Government have started a series of steel plants, which would put the country on the road of economic independence. If we view the progress of steel industry in India from the commencement of the Second Plan, there are very many lessons that we have to learn and digest and I fear we have not done it. I doubt very much whether we had realised our steel targets, I mean, the targets which we should have realised by 1960-61, even now. I am quite sceptical whether we will be able to reach the third Plan targets.

Many Members have already said that at the end of 1965-66, we have to reach a target of 9.9 million tons—

TISCO 2 million, IISCO 1 million, Rourkela 1.8 million, Bhilai 2.5 million, Durgapur 1.6 million and Bokaro 1 million. But I think by the end of 1965-66, we will be able to come up to 6.6 million tons only. Why? Because the expansion schemes which should have been taken up last year have not reached the implementation stage for one reason or the other. Even in the most technically advanced countries like US, from the beginning of project planning to the time of ultimate production, it takes a minimum of five years. Further, the fourth steel plant at Bokaro, which should have been well under construction by now, has not even emerged from the drawing board stage.

What surprises our imagination is why the Ministry is so indolent and procrastinating with regard to the implementation of the plan decisions. We would very much like to hear from the hon. Minister whether there is no possibility of pooling the technical talent from these six big steel plants to design the Bokaro plant.

We would also like to hear whether Government has taken full advantage of associating Indian technicians with the designing of our steel plants. We heard that the Rourkela and Durgapur contracts have not provided for any such association of Indian technicians. Why is it so? The Government has not sent people to Russia when the Bhilai steel plant was designed. Our technicians who were sent to Russia were sent at a time when the designing was almost completed. Why did we not take advantage of this provision at least in the case of the Bhilai steel plant where they allowed our technicians to be present.

Coming to another point, Sir, there is a lot of difference between the costs of construction of the three steel plants. There is a difference of some few crores of rupees. Why is there this difference in the cost of construction which cannot be explained by differences in their capacity? We

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would very much like to know whether the Government at any time has undertaken any study as to why such cost differences have come. We are unable to understand why it is so, even after giving allowances for differences in their production capacities and the type of products.

It is regrettable to note that the rate of raw material consumption in the various steel units in the steel belt varies considerably beyond reasonable explanation. The rate of raw material consumption in Bhilai is 5.3 tons, in Rourkela it is 6.7 tons, in Durgapur it is 8.2 tons, in IISCO it is 5.4 and in TISCO it is 4.3 tons. The Minister, I feel, is of the opinion that in some cases an inferior kind of raw material is used and therefore there is difference in the rate of consumption. But I think almost all the steel plants are taking the raw material from the same regions, TISCO gets coal from Jharia, IISCO also gets coal from Jharia, Rourkela gets coal from Bakaro, Kargali and Jharia, Durgapur gets from Jharia and Bhilai also gets from Bokaro, Kargali and Jharia. I think mostly they get from the same regions. Even accepting what he says, that the quality of the raw material is poor, I think we are not supposed to use such poor quality raw materials for many reasons. The quality of the coke should be maintained at the required level; otherwise it affects not only production of iron but also leads to increased use of coal and other flux materials. The quality of the coke is dependent on the ash content of the coke. For every one per cent increase of ash in cooking coal the effects produced are: (i) decrease in the production of pig iron up to 6 per cent; (ii) increase in coal consumption by about 5 per cent; (iii) increase in limestone consumption by about 5 per cent; (iv) decrease in the yield of carbon in coke and ovens will have to be established involving extra capital expenditure and decrease in tar and gas yield.

The transport bottlenecks which the steel industry is complaining and the

coal industry is clamouring is to a small extent genuine and to a large extent they are their own creation. It should be noted that transport is not a service but it could be kept on tap especially in conditions of scarcity of resources. The steel and coal industry, I understand, have not done everything in their power to ease the transport situation.

In their anxiety to fulfil their targets they have stepped up coal production in Bengal-Bihar area and failed signally to achieve the targets especially in Central India. Under these circumstances, it would not be charitable to blame others for the non-availability of transport services.

Sir, any criticism of mine should by no means be understood as an opposition towards public sector projects. I feel that the public sector projects are the temples of progress. I want them to be kept as clean and as efficient so that they become the real instruments of economic advancement of the nation. All I mean is that there are certain unfavourable symptoms in their working which can and should be eliminated by taking an intelligent interest in these projects. As a matter of fact, we want the Durgapur and Rourkela units to reach the efficiency of Bhilai plant as quickly as possible.

Mr. Deputy-Speaker: The hon. Member's time is up.

An Hon. Member: Give her two minutes more.

Shrimati Lakshmikanthamma: The hon. Member is not the Speaker.

Mr. Deputy-Speaker: She should conclude her speech.

Shrimati Lakshmikanthamma: Sir, he has taken two minutes of my time.

Sir, it is a matter of pleasure to hear that in the last few months the rate of production has exceeded the rated capacity in the Bhilai steel plant. We

do not see any reason why the other two cannot emulate this example.

I learnt with pleasure that the Government is contemplating the construction of a steel plant at Neiveli area using lignite. I also heard that the hon. Minister is favourably inclined to this project. May I request the Government that it would be worthwhile to consider the starting of a medium-sized steel plant in Andhra Pradesh, especially in Khammam District where we have got....

Shri C. Subramaniam: The hon. Member's constituency.

Shrimati LakshmiKanthamma: It is not a question of my constituency. Singarenj is not merely a question of my constituency, it is a national problem. In Khammam District we have got not only good supply of high grade iron ore, we have also got a reasonably good quality of coal which can be blended with Raniganj and Jharia coals.

Mr. Deputy-Speaker: The hon. Member is now repeating herself.

Shrimati LakshmiKanthamma: If I ask twice, the Minister may not forget it.

We have all the necessary raw materials available. I hope the hon. Minister will have a kind eye on this and will sanction it early. I also want to ask, at what stage our fertilizer plant is and when it is going to come up at Kothagudium in our State. I think it is almost in a very advanced stage.

Then, according to the geological survey I learn that a lot of barium chemical is available in Khammam District. The Government can very well start a barium chemical industry in Khammam. Also, lot of bamboc pulp can be had at Kurnool for the use of paper industries. One more paper plant can therefore be sanctioned for Kurnool. I hope the Minis-

ter would give serious thought to this.

Sir, with these words I thank you for the opportunity that you have given me to speak on these Demands.

श्री बागड़ी : उपाध्यक्ष महोदय, मैं आपकी माफत इतना भ्रज करना चाहूंगा कि किसी देश के अन्दर जब उद्योगों और इस्पात के सम्बन्ध में निर्णय किया जाता है तो तीन बड़ी बुनियादी बातों को उस देश के प्रतिनिधि और उस देश की सरकार अपनी ग्राहकों के सामने रखना करते हैं। (१) देश को फीरी तौर पर, उस वक्त के मुताबिक किस चीज की जरूरत है और उस फीरी जरूरत को पूरा करके देश को उस वक्त की परिस्थितियों से बचाया जाये। (२) रात दिन बराबर या आगे आने वाले समय में भी उस की जरूरतें पूरी होती रहें। (३) उस उद्योग से जो चीज पैदा हो उससे देश के रहने वालों को ज्यादा से ज्यादा नफा मिले, मफाद हासिल हों। मैं समझता हूँ कि हमारे देश के अन्दर इस्पात और भारी उद्योगों के कारखाने जो हैं, उनसे थोड़ी बहुत कमी इस्पात की पूरी हुई हो तो हुई हो, हिन्दुस्तान के जो पुराने तौर तरीके के कल कारखाने चलते थे या पुराने तौर तरीके से जो इस्पात की कमी थी वह भले ही पूरा हो गई है। लेकिन इस देश की जरूरियात जिन्दगी जो हैं, उन को पूरा करने में जो इस देश के भारी उद्योग धंधे हैं वह बिल्कुल असफल रहे हैं इस से तो सिर्फ एक ही बात नज़र आती है कि जिस किसी तरीके से भी उद्योगों का शास्त्र लिखा जा रहा है कि हम इस देश के अन्दर समाजवाद को फैलाना चाहते हैं, लेकिन जिस शास्त्र को खूद नौबत नाबराबरी पर और भ्रष्टाचार पर रक्खें जाये, जिस को खूद नीबत सरमायादाराना समाज के नाम पर रक्खी जाये, वह किस तरीके से एक आदर्श पेश कर सकता है दूसरे लोगों के सामने समाजवाद का, और किस तरीके से समाजवाद आ सकता है ?

[श्री बागडी]

हमारे माननीय प्रधान मंत्री ने अपने भाषण के दौरान में कहा था कि क्या बांट दें, गरीबी बांट दें या भूख बांट दें? जब सवाल उठता है बांटने का तो एसी बात कही जाती है। लेकिन जब भिलाई के कारखाने में या भोपाल के कारखाने में या दूसरे कारखानों में हड़तालें होती हैं तो उनमें भूख के बटवारे की बात नहीं होती, उनमें सरकार की नीति की बात होती है। एक तरफ तो समाजवादी कही जाने वाली सरकार की तरफ से मीनेजमेंट के लिए लाखों रुपया खर्च किया जाता है, उनके लिए ठंडी हवा के फंसे और रहने के लिए बंगलों वगैरह पर खर्च किया जाता है और दूसरी तरफ जो मजदूर अपनी जिन्दगी को लोहा बना कर और अपने खून को पानों और तेल बनाकर मशीन के साथ लगता है उसको हड़ताल करने के लिए मजबूर किया जाता है और फिर जब डंडे के जोर से हड़ताल तोड़ दी जाती है तो आते हैं बड़े नाज के साथ जंग तोड़ बन के हालांकि चीन की तरफ जाते डर लगता है। मैं अर्ज करना चाहता हूँ कि यह जो समाजवाद की बुनियाद से विपरीत है। मैं भी कहता हूँ कि भारी उद्योग के कारखाने हों, लेकिन वे चलें किस तरीके से? वे इस तरीके से चलें कि इस देश के अन्दर लोगों को काम मिले। यह भारत जो आज नजर आ रहा है, ये जो चन्द व्यक्तियों और आदमियों के नाम लिए जा रहे हैं, दर असल इतना ही भारत नहीं है। इसके ऊपर जो छिपा हुआ भारत है जो जंगलों में रहता है, जो खाना-बदोश भारत है, आज नहीं तो कल और कल नहीं तो परसों वह जाग उठेगा और वह काम चाहेगा। वह खानाबदोश नहीं रह सकेगा और उनके लिए काम चाहिए। और इन भारी उद्योगों को ऐसी मशीनें बनानी चाहिए जिनसे इस देश के करोड़ों इन्सानों की जो साढ़े पांच लाख गांवों में रहते हैं, काम चल सके। इन बड़े बड़े कारखानों में चमड़े के जूते बनाने की, कपड़ा बनाने की और साबुन बनाने की छोटी छोटी मशीनें बनायी जायें, तभी वह सारे

देश के बोझ को उठा सकेंगे। आज भारत की पृथ्वी इतने बोझ को नहीं उठा सकती। इस बोझ को उद्योग को उठाना है, लेकिन जिस प्रकार के उद्योग आजकल चल रहे हैं जिनमें मीनेजमेंट पर ज्यादा खर्चा किया जाता है वह इस देश के गरीबों का बोझ नहीं उठा सकते और न उठा सकेंगे।

मैं अर्ज करना चाहता हूँ कि भोपाल में एच० एम० टी० का कारखाना बना कर सरकार एसा समझ रही है कि जैसे बड़ा तीर मार दिया। कहा जाता है कि इसमें बिजली के पुरजे बनाये जाते हैं, लेकिन बुनियादी बात यह है कि यह बिजली के पुरजे बनाने का कारखाना नहीं है बल्कि मिश्रियों की ट्रेनिंग का स्कूल है जहां बाहर से पुरजे मंगा लिए जाते हैं और उनको जोड़ लिया जाता है और कहा जाता है कि हम बिजली के पुरजे बना रहे हैं। पुरजे बाहर से मंगाये जाते हैं और वहां जोड़ दिये जाते हैं और जब प्रधान मंत्री जाते हैं तो जय जयकार करके कहते हैं कि हम ने बड़ा उद्योग कायम कर दिया और न जाने कितनी तरक्की कर ली। तो बुनियादी बात आपको यह करनी चाहिए कि इस उद्योग में पुरजे बनाये जायें और जो लोग काम करते हैं उनको केवल फिटर ही न बनाया जायें।

दूसरी बात मुझे यह कहनी है कि जो बड़े उद्योग हमारी सरकार की तरफ से चलते हैं और जो प्राइवेट लोगों के कारखाने चलते हैं उनमें मजदूरों और मीनेजमेंट के सम्बन्धों में कोई अन्तर होना चाहिए। यहां हड़ताल होती है तो मजदूरों के साथ वही व्यवहार किया जाता है जो प्राइवेट कारखानों में किया जाता है। मैं चाहता हूँ कि सरकारी कारखानों में और प्राइवेट कारखानों में इस बारे में अन्तर होना चाहिए और वह अन्तर जनता के सामने आना चाहिए तब जनता को मालूम

हो कि सरकारी कारखाने समाजवादी तरीके पर चलाये जा रहे हैं ।

घ्राप देखें कि सिदरी के सरकारी कारखाने में जो खाद बनती है उसकी कीमत तीन सौ सवा तीन सौ रुपया प्रति टन घ्राती है जबकि जो खाद बाहर से मंगायी जाती है सब खर्च दे कर उसकी कीमत २२० रुपय टन घ्राती है । तो फिर अपने यहां खाद बनाने से क्या फायदा हुआ, घ्राप देश को यह बेकार की प्रैक्टिस क्यों करवा रहे हो । हमारे देश के अन्दर पैदावार होनी चाहिए लेकिन यह नहीं कि मिट्टी मल कर सोना निकाला जाये बल्कि मिट्टी से अनाज पैदा करके उससे सोना बनाया जाये, हमें देश में पैदावार बढ़ानी है लेकिन दूसरे मुल्कों के मुकाबले में हमारा रेट बराबर चलना चाहिए । जो चीज सरमायेदार के कारखाने में बनती है और जो चीज सरकार के कारखाने में बनती है उनमें अन्तर होना चाहिए । जो चीज सरकारी कारखाने में पैदा होती है वह जनता को सरमायेदारों के कारखानों की चीज से सस्ती मिले । मैं अर्ज करना चाहता हूँ कि ऐसा होगा तभी देश के अन्दर जो मुनाफ़ाखोरी हो रही है वह खत्म हो सकेगी । हमारी सरकार के कुछ लोग कहते हैं कि हम सरमायादाराना समाज को तोड़ना चाहते हैं, मुनाफ़ा खोर वर्ग को तोड़ना चाहते हैं । यह अच्छा है, तोड़ो । मगर हम देखते हैं कि पिम्परी के कारखाने में जो दवा बनती है उसकी क्या हालत है । हमने सुना है कि हिरण कदयप के समय में कुछ बिल्ली के बच्चे भ्रवे में से जिन्दा निकल प्राये थे इस पिम्परी के कारखाने में जो दवा बनती है उसमें एक मक्खो जिन्दा निकलती है । यह चीज एक माननीय सदस्य के सामने प्रायी थी और उसका चर्चा यहां हुआ था । मैं अर्ज करना चाहता हूँ कि एक तरफ हमको सरमायादार वर्ग सूटता है और दूसरी तरफ रेड्डी सेठ बिड़ला सेठ की तरह उस दवा जे जिसकी लागत तीन घ्राने है और जो तपेदिक के मरीज के काम को है १२ घ्राने लेता है । हमारी

सरकार उस दवा का दाम उस बीमार से १२ घ्राने लेती है जिसकी लागत ३ घ्राने है । कितना बड़ा अन्याय है । इस देश के गरीब बीमार आदमी के फेफड़े से किस बेदरदी के साथ खून और रस को चूस कर मुनाफ़ाखोरी की जाती है । सरकार कहती है कि हम मुनाफ़ाखोरी को बन्द करना चाहते हैं लेकिन इस तरह मुनाफ़ाखोरी बढ़ाई जा रही है । मैं अर्ज करना चाहता हूँ कि इस तरह से यह बातें बन्द नहीं हो सकती । घ्राज घ्रापके पास शक्ति है । उस शक्ति के बलबूते पर घ्राप जों चाहे कर सकते हैं । लेकिन याद रखिये कि जिस जनता के हम प्रतिनिधि हैं वह इन बातों को अभी नहीं समझती है । लेकिन वह दिन प्रायेगा कि जनता इन बातों को समझेगी तो वह कहेगी कि घ्राप कहते तो कुछ और हैं और यहां बैठ कर करते कुछ और हैं । घ्राप देखें कि अग़र एक चपरासी या चौकीदार या किसान और मजदूर तपेदिक से बीमार होता है तो उससे मुनाफ़ा लेना कहाँ तक उचित है । अग़र कोई बड़ा आदमी बीमार हो तो उससे अग़र घ्राप ३० रुपया भी ले लें उस पैनिस्लिन के जिसका दाम ३ घ्राना है तो कोई बात नहीं क्योंकि वह तो दे सकता है । लेकिन एक गरीब ज्यादा दाम कैसे दे सकेगा ।

इसके बाद मैं अर्ज कर्ंगा खादी के बारे में । सरकार देश में खादी का डिबोरा पीटती है और गांधी जी का नाम लिया जाता है

उपाध्यक्ष महोदय : भारी उद्योग की बात कहिये ।

श्री बागड़ी : मैं भारी उद्योग के साथ खादी की बात भी कहना चाहता हूँ । मैं कहता हूँ कि खादी उद्योग को भी बड़ा उद्योग बनाओ ।

उपाध्यक्ष महोदय : खादी इसमें शामिल नहीं होती ।

श्री बागड़ी : शामिल कर लीजिये । खादी से डर लगता है तो जाने दो ।

उपाध्यक्ष महोदय : नहीं नहीं ।

श्री बागड़ी : मैं एक सजेशन रखता हूँ कि जो ये बड़े कारखाने हैं वे ऐसे प्रौद्योगिकता के जिनसे कि खादी का काम चल सके और देश के लाखों गरीब लोगों को काम मिल सके

Mr. Deputy-Speaker: Order, order. The hon. Member must speak about heavy industries; not about khadi.

श्री बागड़ी : बहुत अच्छा ।

तो मैं अर्ज कर रहा था कि कितना करप्शन और भ्रष्टाचार चल रहा है इन बड़े उद्योगों के नाम पर । एक कारखाना बनाया जाता है, उसमें कुछ चीज बने या न बने लेकिन कुछ लोगों का मुनाफा बन जाता है । वहाँ पर परमिटों का सिस्टम चलता है, खादरों का, लोहे का और हर चीज का परमिट मिब जाता है । राम के युग में कहा जाता था कि :

राम नाम की लूट है लूटा जाये सो लूट, अन्त काल पछतायेगा जब प्राण जायेगे छूट ।

प्राजकल बड़े उद्योगों में कहा जाता है

बड़े उद्योग के नाम में लूटा जाये सो लूट, परमिट सिस्टम चला जायेगा फिर करोग क्या ।

तो यह उद्योग विपरीत तरह से चल रहे हैं, अगर इस देश को आगे बढ़ाना है और खाना है तो आपको तीन बातों को लेकर चलना होगा ।

(१) इस देश में जो प्राइवेट सेक्टर में सरमायदारों के कारखाने हैं उनको नेशनलाइज किया जाय क्योंकि वे हमारे कारखानों से ज्यादा कम्पिटेशन करते हैं । हमारे जो रिटायर्ड मैनजर आदि होते हैं उनको अपने यहाँ रख लेते हैं और उनसे मिल कर करप्शन और

भ्रष्टाचार चलते हैं और हमारे कारखानों के माल के लिए मार्केट में कम्पिटेशन करते हैं । ऐसा न हो कि जो भयानक वादल प्राज छिपे हैं वे छा जायें और ये भारी उद्योग पूंजीवाद का रूप ले लें । अगर इस तरह ध्यान न दिया गया तो देश में पूंजीवाद आ जायगा और जनता का समाजवाद से विश्वास हट जायेगा । यह चीज देश के लिए बड़ी हानिकार होगी और देश के अन्दर गलत नीति चल जायगी और देश तबाह हो जायगा । इसलिए अगर इस देश को तबाही से और कम्पिटेशन से बचाना है तो प्राइवेट कारखानों की नेशनलाइज करना चाहिए ।

(२) इन कारखानों के अन्दर ऐसी मशीनें बनायी जाय जो कि छोटे छोटे उद्योगों को चला सकें, जो खादी बना सकें, चमड़े का सामान बना सकें, जिनसे गरीबों को काम मिल सके । इसी के साथ मैं कहना चाहता हूँ कि गांधी जी के नाम पर बिड़ला भवन को एक्वायर करके वहाँ कोई अच्छे उद्योग खोस दिया जाय और उसको गांधी जी के नाम से चलाया जाय जिससे देश के लोगों का भला हो सके ।

मैं यही चन्द चीजें आपकी खिदमत में अर्ज करना चाहता हूँ ।

Shri Man Singh P. Patel (Mehsana): Mr. Deputy-Speaker, Sir, I have heard my hon. friend, Shri Morarka, and many other hon. friends giving long details of the achievements of the Ministry, the shortfall in the Ministry and likely anticipations in the Third Five Year Plan. Within the time likely to be available to me, I would like to confine myself to the organisational aspect of the Iron and Steel Controller at Calcutta and its despatches only.

As it is well said, whatever may be the production, when the production is under control and is to be distributed at far off places according to allotments, much depends on the

vigilance regarding the actual despatch so that whatever has been allotted to an area reaches it and the consumers derive satisfaction. As I know, allotments are made by the Iron and Steel Controller for a period ranging from a quarter of a year to a year in four instalments, but the despatches and the receipts being done by the respective areas are at a very late stage. Sometimes it is six, seven or eight months. Therefore the real purpose for which allotment of iron and steel is being made is never served and thereby the principle of control which is to serve the real consumers and to see that they get it at the fixed price suffers a lot and discontent arises.

It has been experienced by one and all that the despatch of iron and steel to the rural areas has two aspects. Normally, iron and steel is distributed for two purposes, agricultural and non-agricultural. When the non-agricultural quota is required in a particular season, it is never received in that season. When the agricultural quota is expected to be received from January to June or even in other instalments, it is also never received in right earnest. To our misfortune, repeated reminders to follow up the regular despatch of allotments made by the Steel Controller at Calcutta by the regional offices are not being properly attended to. I have had an occasion to work in the District Development Department. In spite of repeated reminders and explanations explaining the situation in a particular area that allotments of a particular period are still pending and additional allotments are being indented by the respective wholesale distributing agencies which are of a co-operative nature and whose money sometimes is also to be paid in advance, neither the actual allotments are received nor the complaints are properly attended to.

Not only that, I have in my hand a letter which I received very re-

cently. The office at Calcutta is not courteous enough even to reply to the District Magistrate, who is in charge of the District, for a period of seven to eight months. In my District one District Sale and Purchase Co-operative Union is being recommended to be registered stockists for the wholesale indents on behalf of Government of any nature of iron, agricultural or non-agricultural. Correspondence is going on for the last two years and the last recommendation made by the District Magistrate is dated November 1961. It has been pursued by repeated references by me and by our Iron and Steel Controller at Ahmedabad also. To my surprise, so far even there is no acknowledgment to that correspondence and to those references. Therefore as the Iron and Steel Control Order is being administered and this matter is being pursued, there is a great discontent amongst the rural agricultural consumers. However small the quota might be and whatever may be the distribution system, at least the system should be perfect and explainable to the common people that there is no loophole. This is as far as that aspect is concerned.

Now I would like to say a few words regarding the quantum of allotment. I am not sure, but mostly it is on population basis Statewise. The quantum need not be on population basis but it may be according to the actual consumption or the nature of requirements in a particular region. In certain regions sheets, iron rods or other qualities may be required in a larger amount and in certain areas these may be required in smaller amounts. Whatever quantum is fixed at the Controller level as a whole should not be on population basis only but on the basis of consumption also.

We see that in Delhi or anywhere else corrugated sheets are available in the open market. There must be somewhere some loophole. Either through the registered stockists or

[Shri Man Singh P. Patel]

through the existing agencies of distribution, wherever it may be, this leakage is there and it is available to the other non-executing agencies etc. If our distribution is according to the consumption roughly in addition to the population basis it may be that this leakage and open market of certain controlled articles are not of a vast nature and our administration may not be misunderstood.

As far as the question of registration of stockists is concerned, my experience shows that these two private concerns, the Indian Iron Company and the Tata Iron and Steel Company are not registering new co-operative societies as stockists even though our annual reports do speak that there is an increase in the number of registration of stockists. Wherever a co-operative society comes forward for registration as stockists it should be preferred if all other conditions are fulfilled as required by the private sector or by the company. But registration should be preferred through a co-operative society if the other conditions are fulfilled.

As far as the target of the Third Plan is concerned, we here on our side, looking to the achievement of the Second Plan, feel a shadow of about that if the expectations are not reached there may be a further shortage, and an acute shortage, and the Steel Control Order, which is being retained since the last ten years, will still be required for a further period of five or ten years. And, as is normal, the rural area is averse to control—it may be of any nature. Even though the poor man might be getting an article at the controlled price, he gets it in such a sparse quantum that there is no satisfaction even to a person who is given, and to a person who is not given.

So, in order to achieve self-sufficiency, or to avoid a situation as occurred during the Second Plan when certain types of iron rods, sheets

or wires were short-falling, the Ministry should see as far as our achievement in regard to those items in the Third Plan is concerned, that they reach a particular quantum when the control order does not require to be continued or pursued as happened before, whether in the matter of cement or foodgrains.

* Dr. U. Misra (Jamshedpur): Mr. Deputy-Speaker, Sir, though I have got high hopes about our new Minister and the Ministry that has been formed, this report does not give me very much encouragement. Rather, it does not give a proper perspective of the development, so far as steel and heavy industries are concerned. It is very scappily written, I regret to say. Even some geographical inaccuracies have not been checked up. For example, it is written "Gua region of Orissa", which is not correct. However, that is not a big point.

But what I mean to say is this. We are heading towards socialism. So we should fix up our policy to that effect. But what is happening is that by and by we are fattening the private sector at the expense of the public sector.

Take this Bolani Ores, where we have got a 50.5 per cent share. But who manages that? We do not manage it. It is left to the private sector to manage it.

Like this, in steel we have heard about the Bokaro plant. We have heard that it is possible to be set up. But even today we are reading in the newspapers that the "feasibilities are being enquired into". But last year, at about this time that is in April 1961, this House was informed by the hon. Minister of Steel that "the decision has now been formally taken and steps are going to be pushed ahead in respect of the project." And now we hear that "the feasibility and other things are being enquired into".

Why? Is it because some people do not want this? Here I would like to

quote the spokesman of Tatas, Sir Gandhi who said that our ten million ton steel project is a very ambitious one and therefore we should not do it. They were against it. Is it on account of that that we are dilly-dallying with this project?

We should be very firm about our policy. We should not merely indulge in slogan-mongering about socialism. We must be very firm in our policy and we should be very firm that steel and every heavy industry should go to the public sector, and it should go well.

Now, what have we done? Some hon. Members have criticised that we have not made any profits and we cannot make any profit. I have no doubt about it. I have no illusions that we will have profits from our public sector very soon.

If you take Tatas, they have made enough profits during the last ten or twelve years, because they have enjoyed a monopoly of it so long. We have given them profits after tax to the extent of 318 points in 1958 with 1950 index as 100—and they have made enormous amounts out of it running to some hundreds of crores of rupees. Tatas had for their plant a paid up capital of Rs. 10.47 crores in 1949. In 1960-61 they have got a paid up capital of Rs. 38.97 crores with a general reserve of Rs. 27.66 crores. The present gross block of Tatas comes to Rs. 185.52 crores. So we have fattened them.

And when the question of alloy steel comes, they also get their share. They have taken up a project for production of about 50,000 tons. Why? We give preference to Tatas, because they possess the technique and the know-how? But our ordnance factory, however small it may be, was also producing alloy steel up to the extent of 10,000 tons. Why was the whole thing given to Tatas?

Shri B. R. Bhagat: They have also been given; they are also producing.

Dr. U. Misra: They are also producing. But why should there be this division also? Why not we take the whole thing to our public sector? Then only we can proceed towards socialism.

I am sorry that I have not got much time at my disposal and therefore I will not be able to go into the details of the profits which Tatas have made, but we have fattened them enough. And fattened them at what cost? At the cost of the productivity of the workers. They have exploited the productivity of the workers with a workload to this extent that their profit, the index which was 100 in 1950 went up to 318 in 1958. This is the way in which the workers have been exploited with regard to their workload. As I said, I have no time; otherwise I would have gone into greater details. I will explain how much workload they have put. They have increased their plant to two million ton capacity, without increasing the labour force. I know, the hon. Ministers are smiling because they perhaps think that because I am a discharged worker from Tatas, I must be very sensitive about it. I am not. I am not speaking as a discharged worker of Tatas; I am speaking as a responsible Member of this House. Anyhow, we are fattening those people. And what are they doing? They are utilising this money in our politics and to build up a small empire. They are meddling with even the Congress groupings. If they do not want a group in the Ministry, they spend money just to oust it. If they want one, they spend enough money just to instal that. This is how they use the money.

Shri Sheo Narain (Bansi): There is no groupism in the Budget.

Dr. U. Misra: They use the money that they get against the interests of the country. (*Interruption*)

Mr. Deputy-Speaker: The discussion is not about Tatas.

An Hon. Member: How much are you using?

Dr. U. Misra: I will now come to the question of retention prices. Thirteen times, we have given them increases in the retention prices. That is how they have made profits. I will explain how these empires are being built. Zamindari is being abolished everywhere. That zamindari is being given to the Tatas where they can do anything.

I will say a few words about Rourkela. I am connected with Rourkela. We wish that this plant should run. There is somehow some idea in some quarters that because it is from West Germany, we do not help or we do not want it to be successful. It is odd to think like that. After all, we have paid; it is our money. It is our plant. So, we want to run it. If the Germans are not running it well, how is it that more Germans are being requisitioned and they are coming? It is better to do like Burma. I read it in the newspapers. They faced the same trouble. They pooled their own strength from other countries and they went ahead. We should take our own people in recruitment. We are short of engineers. We think we have no technicians and therefore, we should get from other countries. I will tell you one story. A man from Hindustan Steel went to England and recruited people. Two candidates were there. One was a European and the other was our own countryman. The European who was selected was working there under that Indian gentleman. Therefore, the Indian refused to accept the same pay. Later on, that Indian boy came here on a contract with four times the salary. That is how recruitment is made. We must find out our engineers working outside India and inside India and pool them and not depend upon these Tatas and other people, who do not want our projects to grow. I think there is something wrong in depending too much on these people.

I shall finish with one word. I hope and believe our policy should be firm to nationalise the whole of the steel industry. In respect of coal, we may think that the units are small and obsolete and it will not be easy to nationalise them. What about the steel industries? They are not obsolete; they are not small. Only if the whole of the steel industry is nationalised, our politics will be healthy, our industries will grow and we will be heading towards socialism.

Shri Subramanayam (Bellary): Mr. Deputy-Speaker, steel and heavy industries which we are discussing today constitute virtually the industrial revolution which we are seeing. There are many defects, no doubt. But, in the last ten years, we have seen this revolution silently and un-obtrusively overtaking this country. We are trying to concentrate in India, the progress of a century in Europe during the course of a decade. These steel plants, heavy machine-building, heavy electricals, heavy engineering machinery, nitrogenous fertilisers—each one of them is a substantial factor which would contribute towards our progress.

Take steel. Criticism has been made that the actual investment has gone far beyond the original estimates. That is true. It is also said that the income from this investment is also low. That is also true; about .3 per cent or .4 per cent. There have been short-falls also. I shall illustrate the short-falls. In 1960-61, the target of production for finished steel was 4.3 million tons, but the actual production is only 2.2 million tons. With regard to nitrogenous fertilisers, 290,000 tons was the target of production; actual production was 110,000 tons. With regard to phosphatic fertilisers, 120,000 tons was the target and 55,000 tons actual output. Same thing in textile machinery: Rs. 17 crores worth was expected; but actually only Rs. 9 crores was produced. Cement making machinery also: Rs. 2 crores worth was expected and the actual output was Rs. 6 crores. We

expect to achieve a stage when these industries would enable us to reach the self-sustaining stage. That is, from the stage of designing, everything should be done by our technicians, our own personnel, our own engineers and we should be able to finance these projects also with our own resources. That is what is meant by self-sustaining stage. We hope to reach that stage. For that much leeway has to be made up. We should not leave any stone unturned.

Some hon. Members said that there should be no expansion taken up in the Third Plan until the targets of production have been realised. That is not a just nor a desirable proposition. There should be a sort of dovetailing. Actually, there is a time lag in designing, then in getting foreign collaboration and then in getting machinery. There is usually a delay of 18 to 24 months in getting machinery once an order is placed. Therefore, it is a continuous process. We should go on planning for the Third Plan and the Fourth Plan.

In the Third Plan it is proposed to have 10.2 million tons of steel ingots. Of these 7 million tons would be in the public sector and 3.2 million tons in the private sector. The reason which has impelled the starting of these industries has been the availability of raw materials and other technical advice has also been taken into consideration. There is a sort of a regional imbalance. It has to be made up. In the matter of starting pig iron plants, I suggest that this should be kept in view. The target of pig iron production for the Third Plan is 1.5 million tons. In the public sector, it would be 1 million tons and in the private sector .5 million tons has been reserved. Already for a capacity of 240,000 tons, licences have been given to two concerns. Each of them would be for 100,000 tons. Still, there is a gap to be covered. The Government, I understand, propose to license some more persons to cover up this gap. In this connection, I suggest this. In the Bellary district of Mysore State, there is iron

ore of the most precious variety. We are now exporting millions of tons every year. Some Russian experts said that this ore is of the most precious variety in the world. There is a railway also which is undertaken to be opened from Salem to Bangalore. The Madras Government propose to put up a pig iron plant in Neyveli. I suggest that the wagons that go from Bellary may come back with lignite from Neyveli. Those beneficiated briquettes could help the starting of a pig iron plant at this end in the Bellary district of Mysore State and at that end in Salem. Electricity would also be available from the Sharavathi project. If possible, it may also be considered whether we could get Singareni coal.

16 hrs.

With regard to alloy steel, applications to produce nearly 261,000 tons have been sanctioned. Durgapur is manufacturing about 50,000 tons. The Tatas also have been given licence. In this context, I would say that the Mysore Government's proposal to set up an alloy steel plant for the manufacture of 15,000 tons per year of high grade steel bars is under consideration. I urge that this should be expedited because if such plants are installed in various parts of the country, we shall be able to overcome the transport bottle-necks. At present, we are facing bottle-necks everywhere, and it is not easily possible to send finished products from one region to another, or from one State to another. If such plants are established in various parts of the country, it would help also local consumption, and besides, the freight difficulties could be overcome, and the bottle-necks of transport also could be eliminated.

I shall say a word about the automobile industry. The Third Five Year Plan envisages the production of passenger cars of the order of 30,000, commercial vehicles of the order of 60,000 and jeeps and station wagons of the order of 10,000 and motor cycles etc. of the order of 60,000. By 1965-66 it is estimated that 85 per cent of the components could be had

[Shri Subaramanyam]

from this country. We shall be investing about Rs. 85 crores in this, and the foreign exchange involved would be of the order of Rs. 40 crores.

In this context, I would say that for the last five or six years, we have been trying to have a sort of small low priced car produced in this country. Licences were given, and opportunities were also given to the various industrial units, but they did not easily avail themselves of these opportunities for some reason or the other, and there has been a terrible time-lag. Still, we are trying to put it into the market. Even at the end of 1965-66, only 85 per cent of the components would be manufactured in this country. It is a sorry tale, but still we have to face facts as they are.

I would say a word now about the re-rolling mills. 100,000 to 150,000 tons of further capacity is to be created during the Third Five Year Plan. Also, applications for further capacity in small units in Assam, Bihar, Gujarat, Kerala, Madras, Andhra Pradesh, and Madhya Pradesh have been sanctioned. Again, for Mysore and Orissa, about 15,000 tons each have been proposed to be sanctioned. I request that Government should take an early decision on this matter.

Regarding the distribution of iron and steel, there is no doubt that there has been some liberalisation regarding this matter. Quotas are allotted only for thinner gauge sheets, wires, baling hoops and tin-plates, and the controlled stock-holders today get them. They are about 214 in number, and the registered stock-holders are 1,903. I have seen in several taluks that the taluk multi-purpose or service co-operative societies have not been granted licences. It has not been easy for them to get this iron and steel. I suggest that at the taluk level at least, all these service co-operative societies should be declared or should be registered as

stock-holders, and they should be enabled to get their stock or allotment of iron and steel direct from the Controller of Iron and Steel without any difficulty, and the centralisation should be somewhat relaxed in this matter.

With regard to fertilisers, I must say a word. The increase in yields in agriculture depends, next to irrigation, mainly upon the use of fertilisers. We propose to attain a stage of self-sufficiency by the end of the Third Plan, that is, produce about 100 million tons. If we have to reach that target and get rid of these imports which we are having every year from the USA under the PL-480 arrangements and all those things, it is of the utmost importance that we should have these fertiliser plants as planned at present. Unfortunately, there has been a terrible delay even regarding this matter. The Sindri fertiliser factory in the public sector, and the private sector factory in Varanasi have not shown very prompt and expected results. There has been a delay of nearly 18 months with regard to their starting. The actual implementation of the three public sector plants at Neyveli, Nangal and Rourkela has also been delayed. Therefore, this seems to be the story of every fertiliser plant. There has been terrible delay. As I said, it is of the utmost importance that we should have these fertiliser plants as early as possible. By 1965-66, the demand is expected to reach one million tons of nitrogeous fertilisers (in terms of nitrogen) besides phosphatic fertilisers to the extent of nearly 600,000 to 700,000 tons. In the public sector, over 729,000 tons are to be produced in terms of nitrogen. Then, as regards the private sector, applications from Madras, Madhya Pradesh, Andhra, Rajasthan, and West Bengal have been approved. It has been proposed that fertiliser factories should also be set up in Gujarat and Mysore. Only the details are being examined. I suggest that there should be no time lag in this matter. Since it is of

the utmost importance, I request the hon. Minister of Steel and Heavy Industries to take a personal interest in this matter. Sometimes, delay occurs even in the matter of acquisition of sites or lands for installing these plants, and these difficulties are all trotted out. Then, of course, there is also the difficulty of getting foreign exchange and so on. Therefore, I make a personal appeal to the hon. Minister to see that in the interests of the country, these fertiliser plants are set up as expeditiously as possible. Otherwise, there will be terrible difficulty in the matter of realising increase in agricultural production.

Mr. Deputy-Speaker: Is there any hon. Member from the Jan Sangh who wants to speak?

Shri Bade (Khargone): Shri Rameshwaranand wants to speak.

Mr. Deputy-Speaker: But he is not here at the moment.

Shri Bade: He has said that he wants to speak. He has gone out and he will be coming in a few minutes.

Shri D. C. Sharma: That means that the debate has collapsed, and you should call the hon. Minister to reply.

Shri Satya Narayan Sinha: We cannot wait for the hon. Member.

श्री मुंजनी (लोहरदगा): उपाध्यक्ष महोदय, मैं सिर्फ इस लिये खड़ा हुआ हूँ कि यह कहूँ कि लोहा और इस्पात मंत्रालय को १३५ करोड़ रु० देना गलत होगा। तजुबे से देखा गया है कि जो भी व्यय होता है वह इस ढंग से खर्च होता है कि सारा रुपया बेकार बरबाद हो जाता है। मैं सारी बातें न कह कर सिर्फ इतना ही बतलाना चाहता हूँ, नक्शा खींचना चाहता हूँ, कि मांग नं० ८६, ८७ और १३५ के सम्बन्ध में क्या गलती हो सकती है।

मुझे एक कारखानों के शहर में रहने का अवसर हुआ। मैं रूरकेला में छः वर्ष रहा था

और बहुत नजदीक से जानता हूँ कि यह शहर कैसे बढ़ा और यहां कैसे कैसे नुक्स कारखाने में होते हैं। मैं चार दिन पहले रूरकेला गया था और वहां देखा कि जो मकान या क्वार्टर मजदूरों के लिये बने हैं उन में दरार पड़ती जा रही है। मकान फट रहे हैं। इस की वजह हमारे मंत्री शायद जानते होंगे कि टेम्बर तो दिये गये थे सीमेन्ट के साथ इंट जोड़ने के लिये लेकिन चल कर देखिये कि वहां पर चीप टाइप के क्वार्टर जो मजदूर के लिये बनाये गये उन का क्या हाल है। पहली बात तो यह कि मजदूरों के लिये वे क्वार्टर बने फिर चीप टाइप के क्वार्टर बने और उस के बाद उन चीप टाइप क्वार्टरों में इंटों को मिट्टी से जोड़ कर सीमेंट का पलस्तर देते हैं। नतीजा यह है कि सैंकड़ों मकान फट रहे हैं। मेरी समझ में नहीं आता है कि किस तरह की उन की प्लैनिंग थी और किस तरह के इंजीनियर थे जो इस तरह का नुक्स पैदा हो गया। यहां तो मंत्रेजी में बतलाया जाता है कि :

"Hindustan Steel have the services of experienced architects and town planners".

कहते तो इस तरह से हैं लेकिन जोड़ा मिट्टी से जाता है और हजारों रुपये बरबाद करते हैं उन गरीबों के और उन लोगों के जिन से गला दबोच कर टैक्स लिया जाता है।

मंत्री महोदय को यह मालूम होना चाहिए कि रूरकेला टाउनशिप के सैंक्टर नम्बर १६ और २० में मजदूरों के लिए जो क्वार्टर्स बने हैं वह घसने को हैं और उन मकानों में दरारें पड़ गयी हैं।

ब्लिमिंग मिल और स्लैविंग मिल में कई दफे बेकडाउन हुआ था और उस के फलस्वरूप कई बार समिति बनाई गई लेकिन हमें पता नहीं कि उस का क्या परिणाम हुआ और क्या तबदीली वे करने जा रहे हैं। हम ने देखा कि जो वहां पर फरनेसेज बड़े बड़े चुल्हे बनाये गये थे उनमें दरा रें पड़ गयी हैं और वह चूले बंध

[श्री मुंजनी]

गये और उन्होंने उन घंसे हुए चूल्हों को जल्दी से गुड्स ट्रेन पर लाद कर बाहर दूर फेंक दिया और नये चूल्हे बनाने का इंतजाम किया गया।

तो मैं कहना चाह रहा था कि बड़े बड़े प्लानर्स हैं और बड़े बड़े कारखाने बने और बहुत रुपया खर्च हुआ लेकिन स्थानीय परिस्थिति को ये बड़े इंजिनियर और प्लानर नहीं देख सके। इस कारखाने के बीच में एक पहाड़ पूरब से पश्चिम जाता है और उत्तर दिशा की जो मिट्टी है वह कुछ सस्त है और दक्षिण दिशा की जो मिट्टी है वह नगड़ा मिट्टी है जो बार बार फटती रहती है। मौसम बदलता है तो यह मिट्टी फटती है और मिट्टी के साथ बड़े बड़े घर जो बने हुए हैं वे भी फटते हैं और हमने देखा कि कारखाने के जो मकान बनाए गए थे वे फटे और बेकार हो गए और लाखों रुपए का घाटा हुआ। तो क्या हम करोड़ों रुपया प्लानिंग के लिए देते रहेंगे और इस तरह का प्लानिंग होता रहेगा। उत्तर दिशा में कारखाना बनना चाहिए था और दक्षिण दिशा में मकानात बनने चाहिए थे।

तो इस तरह तो इंजिनियर लोग काम करते हैं और मंत्री महोदय जो वहां जमीन लेते हैं वह कितनी जबरदस्ती से लेते हैं। और कितने दिनों में जमीन एक्वायर करते हैं और कैंसी जमीन एक्वायर करते हैं यह देखने के साथक है। रूरकेला में ६३ गांव लेने का नोटिस दिया गया फिर ६० गांव लेने की बात कही गयी। कुछ जमीन ऐसी ली गयी है जिसका कोई काम नहीं है लेकिन उसका पैसा देना है। उस जमीन के लिए नोटिस दिया गया, वह एक्वायर की गयी और वह बेकार पड़ी है। हमारे माननीय जयपाल सिंह जी ने भी कहा था कि जबरदस्ती करके जमीन एक्वायर की जाती है लेकिन उससे फायदा नहीं उठाया जाता। अगर कोई मस्जिद या मन्दिर बनवाने के लिए जमीन चाहे तो कम्पनी ४०,००० रुपए एकड़ लेती है और गांव के बाशिन्दों से कितने

में ली जाती है? कभी तो ६०० रुपए एकड़ की बात कही गयी और कभी ६००० रुपए एकड़ की बात कही गयी। अब क्या तै हुआ है यह किसी को पता नहीं। सरकार का गांव के बाशिन्दों को भ्रमी रुपया देना बाकी है। यह मालूम नहीं कि यह पैसा काम में आवेगा या बरबाद होगा।

जितनी देर में कारखाना बनता है और जो जमीन खरीदने के भ्रष्टचर्चें आती हैं और स्थानीय परिस्थिति को न समझने के कारण रोजाना लाखों रुपए का घाटा होता है।

इतना ही नहीं। सरकार के जो वहां स्थानीय अफसर रखे जाते हैं वह कैसे काम करते हैं हमें पता नहीं। वह काफी रुपया सरकार का कचहरियों में खर्च करते हैं। गांवों के लोगों से जमीन लेने में और भ्रष्टाचार से छोटे छोटे झगड़ों में वह कचहरियों में जाते हैं और सरकारी रुपया खर्च करते हैं। ऐसा भी हुआ कि कम्पनी के अफसरों ने गिरजाघर बना दिया। उसका हरजाना देना होगा। गिरजाघर बना के देना होगा। नेहरू जी जब रूरकेला गए थे उन्होंने कहा था कि सरकार गिरजाघर बनाकर देगी यह पैसा तो सपकार का जाएगा। तो क्या इस तरह से हम अफसरों की गलतियों के लिए पैसा देते रहेंगे?

दूसरे जिन लड़कों को ट्रेनिंग दी जाती है कारखाना चलाने के लिए, स्किल्ड लेबर के नाम पर, क्या उनको वहां नौकरी देने की सुविधा है? आपने उन पर खर्च किया है। क्या उनका बन्धन का समय बीत जाने पर वे वहां से काम छोड़ कर दूसरी जगह न जा सकेंगे? इस तरह की जो भ्रष्टचर्चें भ्रष्टमिनिस्ट्रेशन को चलाने में हैं उनको मंत्रिमंडल देखे और उसका सुधार करे।

हमने देखा कि बोर्ड आफ डा रेक्टर जिस कम्पनी को चलाने के लिए है उसमें तीन जनरल मैनेजर हैं जो कारखाने में काम करते

हैं। ऐसे लोगों को डाइरेक्टोरेट में न रखा जाए। उसमें ऐसे लोग रखे जाएं जिनको बिजनेस का अन्दाजा हो और यह नहीं कि जो लोग दफ्तर और एडमिनिस्ट्रेशन को चलावें वे ही बोर्ड आफ डाइरेक्टर्स में रहें। हमने पब्लिक सेक्टर में जो कारखाने बनाए हैं वे मुनाफे के लिए बनाए हैं, इसलिए हमको इस तरह का परसोनल डाइरेक्टोरेट में रखना चाहिए जिससे घाटा न हो और प्रोडक्शन जो कम होता है वह कम न हो।

प्रोडक्शन के लिए बहुत से फिगर दिए गए। आप देखें कि पिग आयरन रूरकेला में सन् १९६० में १ लाख ८६ हजार मिट्रिक टन पदा हुआ था, लेकिन सन् १९६१ में उसका उत्पादन १ लाख मिट्रिक टन ही रह गया। फिनिशड स्टील को देखा जाए। रूरकेला में भिलाई से आधे से भी कम रहा। तो पैदावार देखने से मालूम होता है कि साल साल कम होती जा रही है और हम लोग ज्यादा पैसा देते जाते हैं। इसलिए मेरे ब्याल में होना यह चाहिए कि डिमांड नम्बर ८६, ८७ और १३५ के लिए केवल सौ रूपए ही दिया जाए।

श्री रामेश्वरानन्द (करनाल) : श्री३म बात वेद से सुनवाम सोम मरातीयतो निदहाति वेदं सनः पर्वदति दुर्गाणि विष्वा नावेवसिन्धुं दरितात्यग्निः ।

श्रीमान उपाध्यक्ष महोदय, देश का उत्थान कल कारखानों से होगा यह निविवाद बात है क्योंकि जब शिल्प की उन्नति होती है, जहां देश का उत्थान होता है वहां देश की सब वस्तु काम आती है और लाखों करोड़ों व्यक्तियों को काम मिलता है। आज मेरे देश में बेकारी बढ़ी हुई है। उसका सर्वोत्तम उपाय उत्तम प्रकार की रसायनशालाएं और विज्ञान-शालाएं खोलना है। उनसे देश का उत्थान होगा। परन्तु मैं इस बात को मानने को तैयार नहीं हूँ कि सरकार स्वयं बड़े बड़े कारखाने खोले। जो काम केवल नौकरों का होता है वह छोटा हो या बड़ा ही

कमी पूरा नहीं होता है। आज सारे विभागों में जो रोग पड़ा है वह रोग इसीलिए पड़ा हुआ है कि सारा काम केवल वैतनिक नौकरों से चलाया जा रहा है। सरकार यदि वास्तव में देश का उत्थान करना चाहती है तो उसको उन लोगों को जिनको कि लोहे लकड़ी आदि वैज्ञानिक कार्यों का अनुभव है सहायता देनी चाहिए। यदि सरकार उन अनुभवी लोगों को सहयोग और सहायता दे जैसे कि लोहे का कोई काम करने वाला है उसको यदि सरकार सहायता देती है तो जो काम सरकार के द्वारा चलाये जाने वाले कारखानों में १००० रुपये से होगा वही काम वह १०० रुपये में कर के दिखा सकेंगे क्योंकि उसको उस चीज का अनुभव प्राप्त है। वह वस्तु जो कि सरकार द्वारा चलाये गये कारखाने में अधिक लागत पर बनेंगे उसको अनुभवी व्यक्ति स्वयं कम लागत में तैयार कर के रख देगा। एक स्वाभाविक बात यह भी है कि जिस का लाभ व्यक्ति को स्वयं पहुँचता है उस काम को व्यक्ति बहुत अधिक चाव से करता है। इस के विपरीत सरकार द्वारा संचालित कारखानों में वैतनिक कर्मचारी एक सरकारी झूठी की दृष्टि से काम करते हैं और एक नियत समय के अंदर ही काम करते हैं। लेकिन जिन के अपने हाथ के कल कारखाने हैं वे उन्हें अपना समझ कर अधिक से अधिक समय काम करते हैं और बहुत अच्छे प्रकार से करते हैं।

एक दूसरी बात जिसकी कि और मैं सदन का ध्यान आकृष्ट करना चाहता हूँ वह यह है कि सरकार द्वारा जो कल कारखाने खोले जा रहे हैं और विशाल नगरों को और अधिक विशालकाय बनाया जा रहा है इस से ग्रामों की अवस्था और दयनीय हो गयी है। गांवों में धूँक उद्योग घंघे सुलभ नहीं होते इसलिए ग्रामीण जनता विशालकाय नगरों की तरफ दौड़ रही है। नगरों में हम उनके आवास और खान-पान आदि का प्रबन्ध नहीं कर सकते हैं। मेरा तो कहना यह है कि यदि सरकार इस प्रकार

[श्री रामेश्वरानन्द]

के कारखाने खोलती भी है तो जो छोटे मोटे अविकसित नगर हैं उन में इन को खोलना चाहिए। वहां पर इसके लिए आपको सहस्त्रों बीघा जमीन वैसे ही पड़ी मिल सकती है जो कि कृषि योग्य भूमि नहीं है।

उदाहरण के लिए मैं आपको बतलाऊं कि हमारे करनाल जिले में इन्द्री कस्बा है। किसी युग में वह पड़ा समृद्ध होता था लेकिन आज के युग में वहां की हालत यह है कि हजारों बीघा जमीन बेकार पड़ी हुई है। कस्बे के लोग शहर की ओर भाग रहे हैं क्योंकि वहां पर कुछ काम काज नहीं है। यदि ऐसे स्थानों पर जहां कि काफी गैर कृषि योग्य भूमि पड़ी है, यह कल कारखाने खोले जायें तो उन कस्बों की जनता को वहां पर काम काज मिल सकता है और काम काज के अभाव में आज विशालकाय नगरों की ओर उन के भागने से जो सरकार के लिए आवास और खान पान का एक सिरदर्द हो जाता है वह भी हलका हो सकता है। इस के अलावा शहरों में जैसी महंगाई चलती है उस को देखते हुए वे हमारे प्रामीण भाई चाहे कितनाही पैसा क्यों न कमा लें, बड़े बड़े शहरों की जैसी महंगी जिन्दगी है वहां पर किसी के भी पास पैसा नहीं रह सकता है। इस के विपरीत छोटे नगरों और कस्बों में वे उस से आधे पैसों में भी अपना जीवन अच्छी तरह व्यतीत कर सकते हैं। इसलिए मेरा सरकार को सुझाव है कि यह कल कारखाने छोटे छोटे कस्बों में खोले जायें और वहां पर पुराने युग के जो शिल्पकार हैं और अनपढ़ विश्व-कर्मा इस देश के हैं उन से काम लिया जाय उन का सहयोग इस के लिये प्राप्त किया जाय तो मैं अनुभव की दृष्टि से यह बात कहता हूँ कि काम अधिक अच्छी तरह से और सस्ते में होगा। स्पष्ट बात है कि एक अनपढ़ व्यक्ति जिस के कि घर में लोहे, लकड़ी

का काम होता है वह बिना पढ़े बहुत सारी बातें जानता है लेकिन इस के विरुद्ध दिल्ली में लाला जी का बालक इंजीनियरिंग पास कर लेता है लेकिन चूंकि उस को प्रैक्टिकल अनुभव नहीं होता है इसलिए उस को उस प्रामाण्य व्यक्ति के बालक की अपेक्षा कम अनुभव और जानकारी होगी। इसलिए आवश्यकता आज इस बात की है कि जो छोटे छोटे काम करते हैं उन को ही सरकार सहायता प्रोत्साहन दे और छोटे छोटे अविकसित नगरों और कस्बों में यह सरकारी कल कारखाने खुलें।

दिल्ली आदि शहरों में सरकार द्वारा कल, कारखाने खोलने की योजना बनाई जा रही है। एक तरफ तो सरकार चिल्लाती है कि देश की खाद्य समस्या अभी तक हल नहीं हो पाई है लेकिन दूसरी तरफ वह कृषि योग्य भूमि पर कल कारखाने खोलती जा रही है और आबादी का यह हाल है कि बरसाती मच्छरों की तरह निरन्तर बढ़ती ही चली जा रही है। अब जमीन कोई रबड़ तो है नहीं जोकि बढ़ती चली जायगी। इसलिए यह और भी जरूरी हो जाता है कि यह कल कारखाने गैर कृषि योग्य भूमि पर बनाये जायें, जो छोटे छोटे पहाड़ों पर या राजस्थान के कम उन्नत पहाड़ी स्थानों पर यह कारखाने यदि खोले जायेंगे तो पहाड़ी जनता को और पहाड़ों की आसपास की जनता को जो भलों मरती हैं और जिन के कि पास रहने को शौंपड़ा भी नहीं है और खाने को रोटी भी नहीं मिलती है, उन को सहारा मिल सकेगा और वह अच्छे प्रकार से अपना जीवन व्यतीत कर सकेंगे। यदि आप को देश को समृद्ध बनाना है तो आप को कृषि योग्य भूमि और नीची भूमि पर यह कारखाने नहीं बनाने चाहियें क्योंकि अगर आप वे

ऐसा नहीं किया तो आप देश की खाने की आवश्यकता को पूरा न कर सकेंगे, खाद्यार्थ के सम्बन्ध में देश को आत्मनिर्भर नहीं बना सकेंगे और आप को या तो कहीं बाहर से अनाज मंगवाना पड़ेगा या फिर कोई वैज्ञानिक आविष्कार करना पड़ेगा कि जिस से आप का काम चल सके।

आज देश की निर्बन्धता हम एक जगह इकट्ठे हो कर दूर नहीं कर सकते हैं। यह दुर्भाग्य का विषय है कि आज इस प्रकार के यत्न हो रहे हैं कि बड़े बड़े विशालकाय नगरों को और विशाल बनाया जाय। मेरे शरीर के यदि सब अंग ठीक ठाक रहते हैं तो मेरा शरीर स्वस्थ समझा जायगा लेकिन यदि उस का कोई भाग मोटा हो जाता है, पतला हो जाता है अथवा सूख जाता है तो यह माना जायगा कि मेरा शरीर अस्वस्थ है।

पहले भारतवर्ष में विशालकाय नगर नहीं होते थे और छोटे छोटे नगरों में ही सब प्रकार के उद्योग धंधे होते थे। उदाहरणस्वरूप गांव में तेल का धंधा करने वाले तेली होते थे और लोगों को शुद्ध तेल और खली मिल जाया करती थी। इस के साथ ही गांवों में ही लोगों को इस तौर पर कामकाज मिल जाया करता था और बिना बड़ी मेहनत के काम चल सकता था। एक और तो सरकार यह कल कारखाने खोल कर देश को समृद्ध बनाना चाहती है लेकिन दूसरी ओर गांवों में जो छोटे मोटे उद्योग धंधे तेल आदि के पहले होते थे उन को भी चौपट किया जा रहा है और समाप्त किया जा रहा है। मेरी बुद्धि इस को नहीं मानती कि हम देश को विकास पथ पर ले जा रहे हैं देश को विकास की ओर ले जाना है तो आप पीछे की ओर भी देखिये। किस प्रकार से पिछड़े लोग देश को बढ़ा रहे थे यह भी आप को देखना होगा। प्रत्येक गांव में सभी जातियों और वर्गों के लोग परस्पर मिल कर रहते थे और उद्योग धंधे चलते थे और सारी आवश्यक

14.27 hrs.

[Mr. SPEAKER in the Chair].

चीजें वहीं गांव में पैदा कर लिया करते थे। लेकिन आज हालत यह हो गई है कि अगर किसी ने बढ़िया टाइप का जूता पहनना है तो वह शहर की ओर भागता है क्योंकि गांव में इस प्रकार के साधन नहीं हैं जिससे कि गांव का चमार उस प्रकार का जूता तैयार कर सके। साधन के अभाव के कारण गांव का लुहार उस प्रकार का वस्तुएं नहीं बना पाता जैसी कि शहरों के बड़े बड़े कारखानों में तैयार होती हैं। लेकिन यदि उस बेचारे गांव के लुहार को आप आवश्यक साधन मुलभ कर दें तो वह वही वस्तु जो कि शहर में सरकार के कारखाने में १००० रुपये में तैयार होगी उसे १०० रुपये में तैयार करके दे सकता है। इसलिए सरकार जहां कल कारखाने खोलने की सोचती है वहां गांवों के उन पुराने और अनपढ़ लुहार और बढ़ई विश्वकर्माओं को यदि वह आवश्यक सामान मुलभ करे और उनको प्रोत्सहान दे तो वह इस देश की अधिकाधिक आवश्यक वस्तुएं तैयार कर सकते हैं। लेकिन हमारी सरकार उनकी बात नहीं पूछती है। हमारे मंत्री महोदय को तो पुराने युग की बात यदि कही जाय तो वह जिस तरह से बिच्छू का जहर शरीर में एकदम से दीड़ जाता है उसी तरह से पुरानी बातें सुन कर उनके शरीर में जहर चढ़ जाता है। यह बाबा तो पुराने समय की बातें करता है, ऐसा समझ कर उसकी ओर उपेक्षा बर्तते हैं। लेकिन मैं अपने मंत्री महोदय को यह बतलाना चाहता हूं कि पुराने समय में जो छोटी छोटी जगहों में बड़ी बड़ी चीजें तैयार होती थीं उनको यही पुराने युग के विश्वकर्मा तैयार किया करते थे। आज हमने उन विश्वकर्माओं को दुष्टि से अज्ञान कर दिया है। देश में पड़े लिखे और नवीन विश्वकर्मा बनें, या लम्ब-चोड़े विशालकाय कारखाने खुलें, मैं इसका विरोधी नहीं हूं। लेकिन इस बात का मैं

[श्री रामेश्वरानन्द]

अवश्य विरोधी हूँ कि उन पुराने युग के लोगों को दृष्टि से प्रोत्साहन कर दिया जाये, जो कि नवीन युग की चीजें भी अधिक से अधिक दे सकते हैं। उनको दृष्टि से प्रोत्साहन करने के परिणामस्वरूप हमारे सामने कई समस्याएँ खड़ी हो जाती हैं।

आज यदि हम उन लोगों की तरफ ध्यान नहीं देते, तो वे बेकार हो जाते हैं। सरकार तो उन पढ़े-लिखे को ही बेकार समझती है, जोकि उसके यहाँ आकर नाम लिखाते हैं और कहते हैं कि हम नौकरी चाहते हैं। किन्तु मैं आपकी बातना चाहता हूँ कि आज देश में ऐसे करोड़ों आदमी बैठे हुए हैं, जो बेचारे सरकार के सामने बोलना नहीं जानते, जो मूक हैं, जो हाथ से काम करना चाहते हैं। उनको सरकार बेकार नहीं समझती और उनकी और दृष्टिपात नहीं करती। मैं नम्रता से आपका ध्यान उन बेचारे ऊँचे से ऊँचे इंजीनियरों और विश्वकर्माओं की ओर आकृष्ट करना चाहता हूँ, जिनके पास कोई बड़े साधन नहीं हैं और जो इस कारण अच्ची से अच्ची वस्तुएँ बना कर नहीं दे सकते। मैं आपको यह घोषणापूर्वक कहूंगा कि यदि मैं सरकार उनको साधन दे, तो वे अपनी छोटी भट्टियों में भी बड़ी बड़ी और ऊँची से ऊँची वस्तुएँ बना कर दे सकते हैं। इस लिए मैं आपसे निवेदन करूंगा कि आप इस विषय सरकार को हमारी ओर से परामर्श दें और सरकार के मंत्री महोदय को बूढ़ें कि वे उन लोगों की ओर भी ध्यान दें। मैं सरकार के मंत्री महोदय पर आरोप नहीं करता। यदि वह कहीं किसी पुराने विश्वकर्मा कुल के होते, तो वे मेरी बात को बहुत जल्दी अच्ची तरह से समझ सकते थे।

एक माननीय सदस्य : शर्मा जी तो समझ रहे हैं।

श्री रामेश्वरानन्द : शर्मा जी तो ब्राह्मण हैं। ब्राह्मण का तो ज्ञान और विज्ञान

कर्तव्य है। "ज्ञान विज्ञान मास्तिक्यं ब्रह्म-कर्म स्वभाव जम्"। ब्राह्मण तभी बनता था, जब कि उसको विज्ञान आता था। बिना विज्ञान के ब्राह्मण बनता ही नहीं था। इसलिए अगर शर्मा जी न समझें, तो क्या बर्मा जी समझेंगे, या गप्ता जी समझेंगे? शर्मा जी का तो समझना अनिवार्य है। मैं चाहता हूँ कि विज्ञान-शास्त्राएँ खुलें।

इसी तरह से मैं और सुझाव देना चाहता हूँ। मैं पहले ही स्पष्ट कर दूँ कि मैं अन्य प्रान्तों का विरोध नहीं करता हूँ। अन्य प्रान्तों में भी इस प्रकार के इंजीनियर और विश्वकर्मा बैठे हैं। किन्तु पंजाब में विश्वकर्मा अधिक से अधिक मिल सकेंगे। सरकार पंजाब में छोटे छोटे उद्योग घरनों की भी व्यवस्था करे और बड़ी बड़ी मशीनें भी बनवाए, लेकिन वह छोटे छोटे विश्वकर्माओं के हितों का भी ध्यान रखे और उनसे इस विषय में सहयोग ले। यदि वह यह काम पंजाब के लोगों से करवाएँ, तो इसमें बहुत जल्दी सफलता मिल सकती है। आप देश के कोने कोने में जाकर देखिये। आपको इस प्रकार के कल-कारखानों के मालिक और उन कल-कारखानों में काम करने वाले अधिक से अधिक पंजाबी ही मिल सकते हैं। मैं इस विषय में कोई अति-शयोक्ति से काम नहीं ले रहा हूँ। सरकार स्वयं अपने साधनों से इस बात की जांच करके वास्तविक स्थिति को जान सकती है। इसलिए सरकार पंजाब में इस प्रकार की सुविधाएँ दे और पंजाब के लोगों को आगे लाने का यत्न करे। कोई माननीय सदस्य मेरी इस बात का यह अर्थ न लगाएँ कि दूसरे प्रान्तों में इस प्रकार की सुविधाएँ उपलब्ध किये जाने अथवा वहाँ के लोगों को अवसर देने के विरुद्ध हूँ। मेरा कहना तो यह है कि और प्रान्तों को भी आगे लाया जाए, लेकिन पंजाबी अधिक से अधिक मिल सकते हैं और वे मेहनती आदमी हैं। वे थोड़े से थोड़े में काम कर सकते हैं।

यदि सरकार इतने काम कर पाई, तो उसके बहुत सारे सिर-बर्द जो आज उसके सिर पर चढ़े हुए हैं, हल हो सकते हैं। इन सुझावों को कार्यान्वित करने से विशालकाय नगर नहीं बनेंगे और उन नगरों में सरकार को आवास की व्यवस्था नहीं करनी पड़ेगी, लोगों को रोजगार दिलाने के लिए बड़े यत्न नहीं करने पड़ेंगे, कृषि-योग्य भूमि को इस तरह से कुचलने के लिए किसानों को भूमि नहीं लेनी पड़ेगी। आज सरकार के हाथों में डंडा है। अभी एक माननीय सदस्य कह रहे थे कि किसानों से भूमि बलात् ली जा रही है। वह टके में ले ली जाती है और आगे लाखों में बेची जाती है। अगर सरकार चाहती है कि किसान का भी विकास हो, तो जिस कीमत पर किसान से भूमि ली गई है, उसी कीमत पर वह क्यों नहीं बेची जाये, या जिस कीमत पर कारखाने वाले भूमि बेचते हैं, वह कीमत किसानों को भी क्यों न दी जाये। इसका नाम तो न्याय है। लेकिन सरकार इधर ध्यान नहीं देती। मेरे जैसी सीधे-सादे, बिना डिजाइन के व्यक्ति की बात सरकार की समझ में नहीं आती। वह तो किसी और ही डिजाइन के आदमियों की बात को समझती है। अगर कोई मेरे जैसी सीधी भाषा में कहे, तो उसकी बात सरकार की समझ में नहीं आती। जब तक कोई पूर्ण घुटी-घुटा इंग्लिश न बोले और पाश्चात्य संस्कृति की चमक से चमत्कृत न हो, तब तक सरकार की समझ में नहीं आती है। उनके दिमाग में यह बात आई हुई है कि यह बेचारा बे डिजाइन का आदमी क्या जाने। ठीक है, बे डिजाइन का आदमी सरकार को पसन्द नहीं है, परन्तु मेरे कपड़े भी वही काम करते हैं, जो कि उनके डिजाइन वाले करते हैं। यह बात उसकी समझ में नहीं आ सकती है। क्यों? सब बातें सबकी समझ में नहीं आती हैं। जब कोई व्यक्ति मलेरिया में बीमार होता है, तो उसको रोटी और पानी कड़वे मालूम होते हैं। कोई वैद्य या डाक्टर उसके सामने यह साबित नहीं कर सकता कि

वह पानी मीठा है। अगर हम उस पानी को पीते हैं, तो वह मीठा है, लेकिन मलेरिया के रोगी को वही पानी कड़वा मालूम होता है और वह उसको कड़वा बताता है। इसी प्रकार पीलिया के रोगी को सब पीला ही पीला दिखाई देता है। मैं चाहता हूँ कि सरकार का पीलिया हटे और वह सीधे-सादे लोगों की बात पर भी ध्यान दे। वह सब लोगों से—हम से भी—पूछे कि किस तरह से देश समृद्ध हो सकता है। यह नहीं कि टोपी वालों से कान में बात करके पूछ लिया जाये। उनका ही ज्यादा दिमाग नहीं है। हम लोग कहीं पागल नहीं बैठे हुए हैं। हम लोग पांच पांच लाख की राय लेकर आए हुए हैं।

श्रीरम् शान्ति ।

Shri S. M. Banerjee (Kanpur): Sir, I will confine myself to the various cut motions, Nos. 23 to 28. First of all I will refer to the retention price of steel. I would like to know when a final decision is to be taken on this. I have an impression that there is terrible pressure from the private sector, especially from TISCO and IISCO and that is one of the reasons why the thing has been abnormally delayed. I would request the hon. Minister to take a final decision at the earliest opportunity.

My hon. friend Shri Daji spoke at length about the working of the steel plants. Rourkela has become a trouble spot and it is for the hon. Minister to see whether things could be set right and set in motion there. The difficulty there is the approach of the foreigners towards Indians; it is something which excites more horror than pity. That is the main reason why even though the Indian experts can give their best in the working of the steel plant are not giving their best. The industrial workers, technicians and artisans cannot do anything better because in that particular steel-plant labour legislation has no meaning. I have been told several times

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in the House and outside in the consultative Committee meetings that efforts were being made to see that labour legislation is implemented in all the steel plants, including Rourkela. The report submitted by the Labour Minister of Orissa and the Labour Commissioner of Orissa clearly shows that all the labour laws which ought to be implemented are being flouted. I would request the hon. Minister through you to see that special attention is paid to the working of the Rourkela steel plant.

About the Durgapur plant, I do not know whether the foundation is still shaky or something of that sort. I hope that the foundation is sound. As far as Bhilai is concerned, I must only say that there also certain labour laws have not been implemented. It is a pity that in this country, the public sector which is supposed to be a model employer has not implemented either the production committee or the provisions of the various laws; it has not implemented measures like the safety committee and the works committee. It is high time that in the larger interests of the country and in the larger interests of the expansion of the public sector projects we had joint consultative committees in these steel plants. It is not necessary but essential to have such committees.

The question now arises about the Heavy Electricals, Bhopal. I am thankful to the hon. Minister for giving me and the representatives of the Heavy Electricals Servants' Union some time, and I am really thankful to him for giving us a patient hearing. But what happened? You remember that on the 12th March, an agreement was signed between the representatives of the Union and the Chairman of the Corporation, and the strike was withdrawn. A Production Fortnight was observed by the workers and it is true as hon. Minister admitted, production went up. I do not say whatever was the total loss due to the strike

was compensated, but a good portion of it was compensated by observing the Production Fortnight. After that, some of the representatives of the Union came all the way from Bhopal and met the hon. Minister and also the Labour Minister. They expressed their difficulty. The Minister gave them a patient hearing but unfortunately the moment they reached the destination, Bhopal, chargesheets and show cause notices were handed over to them, asking why their service should not be terminated. Their services are likely to be terminated. I am rudely shocked if this is going to be the industrial relations in the Heavy Electricals in Bhopal. I do not know how such relations could serve best the country and help the growth of the public sector projects which, according to the Prime Minister, are places of pilgrimage.

I would request the hon. Minister to take up this question of industrial relations, especially this particular question of 21 artisans and the Union office-bearers. It is surprising that in this particular project, the Chairman of the Corporation wanted to withdraw the cases from the industrial court. He said after the withdrawal of the strike that no action should be taken against these boys in accordance with the provisions of the Madhya Pradesh Industrial Relations Act. But it is strange that the judge of the tribunal said, "Nothing doing. I know the notices have been withdrawn, but I am going to proceed in this fashion." This is something new and never in the history of the trade union movement have I come across such a case or such a stricture passed by an eminent judge of a tribunal. The district authorities said that they would withdraw all the criminal prosecution cases where charges had been levelled against the boys as a gesture of goodwill and to maintain good industrial relations. But unfortunately these cases have not been withdrawn. I would only request the hon. Minister to consider this matter, namely,

whether the dismissal or discharge or removal from service of these boys would establish industrial peace or not. If it would establish industrial peace, then I will ask those boys to sacrifice in the larger interests of the country, but if it can aggravate matters, if it aggravates the situation, and if the situation takes a serious turn, what will happen?

The greatest tragedy in this particular case is that they withdrew the strike at the Prime Minister's instance. The Prime Minister was extremely busy in those days and he sent a message to the president of the union, and the Principal Private Secretary to the Prime Minister promised that they are not going to be victimised. Unfortunately, despite the assurance, there has been victimisation, and victimisation is further to take place. I request the hon. Minister to consider this matter and not to depend much on the group of pensioners in charge of the public sector project, namely the Heavy Electricals, at Bhopal. After the Heavy Electrical, Bhopal, there is going to be another heavy electrical plant in Rishikesh. An agreement has been signed with Soviet experts. I am happy that all these heavy electrical plants will become national assets and these boys trained in Bhopal are going to run the plant at Rishikesh. If these technicians are sacked merely because some officers do not want them, it will be indeed a tragedy.

I would then request the hon. Minister to have some consultation with the hon. Minister for Labour and Employment and see whether the steel plants, the Heavy Electricals and the Heavy Engineering Corporation can come under the central legislation in the matter of labour laws. Unfortunately, politicians have a very vital role in this. In Madhya Pradesh, so far as the Heavy Electricals in Bhopal and the steel plant in Bhilai are concerned, the Madhya Pradesh Government is interested in these; the Labour Minister of Madhya Pradesh is

interested in his own union, the union run by INTUC. I do not grudge the INTUC, but the whole difficulty is that the central legislation is not applied to them. Central Acts under which the Central Government or the Chief Labour Commissioner or the Regional Labour Commissioner can intervene are not applicable to them, because unfortunately, the labour laws pertaining to the State are applicable in these cases. I humbly submit that it is high time that all these public sector projects came under central labour laws, so that there can be effective intervention by the Central Labour Ministry.

There is another point about the shifting of a particular office from Rourkela. The purchase department of the Rourkela steel plant was originally transferred to Rourkela in February, 1957, against the consent of the concerned head of the department and after two years of uneconomic functioning at Rourkela, it was shifted back to Calcutta. Again under the initiative of the Resident Director—I do not want to mention names—an effort is being made to shift it back to Rourkela. I do not know why this Mohammed-bin Tughlak method should be repeated. This is not going to pay anyone. Now we want to have effective and good functioning of this particular plant. Merely because it does not suit the whims of certain officers, it should not be shifted. I request the Minister to consider this matter and see that this does not take place.

A question was raised in this House by Dr. Misra, who comes from Jamshedpur about the purchase of electric Furnace. The questions was:

“Will the Minister of Steel, and Heavy Industries be pleased to state:

- (a) the amount of foreign exchange spent for enabling Jamshedpur Engineering and Machinery Manufacturing Company to purchase an

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electric furnace in 1954;

(b) for what kind of production this furnace is now being used; and

(c) whether it is not a fact that the furnace is now lying idle?"

The reply given by the hon. Minister, Shri C. Subramaniam was:

"(a), (b) & (c): Messrs Jamshedpur Engineering and Machinery Manufacturing Company were granted a licence under the Industries (Development and Regulation) Act, 1951, for the manufacture of 320 tons per month of steel castings as "new article" in their existing undertaking at Tatanagar, in 1954. During the same year they were also granted an import licence for the import of an electric furnace valued at Rs. 3,76,300. The Company has not started production of steel castings and the furnace is not being utilised presently for the production of any article."

If such things happen in the private sector, I would like to know whether it is not a big case that such undertakings should be nationalised and taken over by the Government? The Tatas have got an empire in Jamshedpur. Because Dr. Misra and I said something against Tatas, we were sentenced and I was released on bail. This question has not been answered by me or by Dr. Misra or by some trade union leader. The Minister has answered this. Not only this. There was another question about the area occupied by the Jamshedpur Engineering and Machinery Manufacturing Company at Jamshedpur and its capacity for production of rolls.

(c) its present production; and

(d) to what extent these rolls are now being imported into

our country and what is the amount of foreign exchange spent during the last three years i.e., 1950, 1960 and 1961?"

The reply given by the same hon. Minister, Shri Subramaniam, was:

"(a) The information is being collected and will be placed on the Table of the House.

(b) and (c) Messrs. Jamshedpur Engineering and Machinery Manufacturing Company are licensed for the manufacture of 320 tons of castings per month. Their capacity for production of rolls has not been separately assessed or fixed. They are producing cast iron rolls to a limited extent.

(d) The imports of rolls for the last 3 years are:

Rs.

April 1959—March 1960—107 lakhs

April 1960—March 1961—118 lakhs

April 1961—March 1962—152.5 lakhs

Sir, I would only request the hon. Minister to have a thorough probe into the working of these private sector undertakings who are obstructing the growth of public sector, especially the steel plants. I remember, when there was a strike—unfortunately, there were repeated strikes—in the heavy electrical, articles after articles, editorials after editorials appeared in papers which are financed and run by the big monopolists, telling that the public sector means a scandal. I can read out many answers given by the hon. Minister to show how these undertakings are functioning.

I would only request that this particular agreement which was reached in Bhopal is kept up. I beg of the hon. Minister to kindly see that the industrial peace established in Bhopal Heavy Electricals is not disturbed by the dismissal or removal of these boys.

With these words, Sir, I fully support the intention of the hon. Minister.

ter, and I wish to see the day when his good intentions are translated into action.

Shri C. Subramaniam: Mr. Speaker, Sir, I am grateful to the hon. Members for the very useful debate on the subject of steel and heavy industries. The Ministry of Steel and Heavy Industries is a new creation and it includes both the public sector projects and private sector projects.

As hon. Members are aware, our industrial policy today is to have a mixed economy and as long as we pursue that policy it is necessary to see that those projects which are taken up either in the public sector or in the private sector do deliver the goods. Unfortunately, sometimes criticisms, and recriminatory criticisms, as between the private sector and the public sector have arisen spoiling the atmosphere. Particularly today, the role the public sector has to play in the development of the industry in our country has been fully recognised and has been accepted by the people as a whole and by most of the political parties also, barring perhaps persons belonging to the Swatantra Party or some revered Swamijis who do not live for this world but for the other world. And, therefore, it becomes necessary that we should see that the public sector projects function effectively and efficiently, because in these steel and heavy industries the public sector is already playing a prominent role and it is going to play a greater role. Therefore, it becomes necessary for this House to consider and create an atmosphere and lay down rules and regulations so that the public sector will function as an effective organ for the development of our industries in our country.

Whether an industrial plant is owned in the private sector, or is owned in the public sector, it has to function as an industrial plant. That has always got to be kept in mind, and once we lose that perspective, we are likely to go wrong. It is, therefore, incumbent on this House particularly, to give thought to the relationship

between Parliament and the public sector projects. I am not at all surprised that hon. Members should take a keen interest in these undertakings, involving as they do, hundreds of crores of rupees, but, at the same time, if we take too much of interest and create conditions of interference, instead of contributing to the successful functioning of these projects, we may prejudice the very interests of those projects. That is why I laid emphasis that even if it is a public sector project, if it is an industrial plant, it has to function as an industrial plant.

We have been considering the various forms of organisation and management for the successful working of these public sector projects and we have been creating statutory corporations, registering companies under the company law and sometimes departmentally managing them. On the whole, whatever may be the form of organisation that we set up—statutory corporation, a company or departmental management—unless that plant by itself has got sufficient autonomy in the sense that persons who are in charge of the plant have sufficient scope and freedom to function, I am afraid no industrial plant can function successfully.

For example, I would cite the instance of the creation of Hindustan Steel as a company. Our intention in creating this company was that the Secretariat as such, the Ministry in charge of this portfolio as such, should not have any say with regard to the day to day management and the working of the steel plants and the work of the industrial plant should not be tied down to secretarial procedures and methods which are likely to slow down the various actions which have got to be taken to make the working of the steel plant a success. Here I am just giving my reactions after studying its working during this short period. Therefore, it should not be taken that I have come to any definite conclusion. I am indulging in a bit of loud thinking so that hon. Members also may contri-

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bute their thinking to this aspect. When we created the Hindustan Steel Limited, it was not our intention to substitute Ranchi for Delhi. Unfortunately, I find that the centralised organisation managing these three public sector projects has not been functioning as it should be, as quickly as it should function—that is the main trouble—because it has got itself isolated and it has become another Secretariat, if I may say so. Therefore, the cause of the trouble has got to be further diagnosed, considered fully and we have to take a considered decision on this.

My own view of autonomy of the corporation is, when it runs so many of these plants, particularly when the plants have gone into operation, the plants themselves should have most of the autonomy so that they may function properly.

17 hrs.

I had the advantage of going through the Krishna Menon Committee's Report on public undertakings. There was a significant passage there that each plant should develop its own individuality and unless that individuality is developed perhaps it may not be possible to achieve success. Therefore we should create conditions wherein it should be possible for each plant to develop its own individuality and to compete with each other.

I am glad one project is being compared with another project. But now the management is the same, namely, Hindustan Steel. But if there had been sufficient autonomy left to each plant, perhaps this comparison would have been a little more purposive also. That is why I am thinking on the lines of giving more and more autonomy to the plants so that the responsibility will be taken at the plant level for the various actions to be taken.

Another question is how far the Parliament should take interest in the functioning of public undertakings. No

doubt, they have got to take interest but to what extent has also got to be demarcated. We receive so much information. After I became the Minister of Steel and Heavy Industries, I have been receiving so many petitions, signed and anonymous and I cannot take every bit of information given to me as true because the other side has not been verified. So also, I am sure, hon. Members should be receiving not only signed representations or anonymous representations but even personal representations. But I would request hon. Members not to take them as gospel truth just because those representations have been made to them. Immediately on the basis of that they ask a question here in Parliament so much so that we find that an atmosphere is created wherein nobody is prepared to take responsibility.

Today one great failing or one weakness in our organisation of the public sector is this evasion of responsibility or refusal to take responsibility; the plant trying to push it on to the Hindustan Steel; Hindustan Steel trying to push it on to the Ministry and the Ministry in its turn saying, "There is an autonomous body; why should we take the responsibility?" and pushing it back again on Hindustan Steel. This happens because we take—if I may be pardoned for saying this—a little too much of interest in the day-to-day working of these things. When you place a man in charge of an industrial plant, choose the proper man and give him the entire responsibility. If he does not deliver the goods within one year or two years sack him. That is the best way of dealing with it instead of taking over odd cases and immediately coming up saying that everything is going wrong and that some man has been dismissed or suspended. No doubt, it is wrong. We have to lay down the labour policy which will have to be followed by everybody and if anybody transgresses that policy, we can punish him for that. Simply accusing persons in charge of these various plants creates an atmosphere

in which nobody is prepared to take responsibility for any action. Therefore I would plead with this House to create an atmosphere in which persons in charge of these plants will be willing and prepared to take responsibility for their actions.

This is a matter which will have to be fully considered either in the Consultative Committee or in some other form, the leaders coming together and giving thought to these various aspects.

Shri Heda: If it is a new policy, it is welcome.

Shri C. Subramaniam: I do not know whether it is a new policy, but still I find, particularly from this side, any number of questions and representations. It is not that I do not appreciate their point of view and the interest that they take in the welfare of labour. For example, one man has been transferred from Rourkela. Immediately it becomes a subject matter of discussion in the Parliament. We do not know the full picture. Immediately that person gets nervous, "Oh! this has been raised in the Parliament perhaps I have done a wrong thing" even though he might have done right. Later on he is unable to take effective action. This is what I am referring to. Therefore I respectfully submit...

Shri Daji: This happens because at the present moment there is no policy. If you lay down the policy there will be no such thing.

Shri C. Subramaniam: I am coming to that. This is one aspect which we have to keep in mind.

Another aspect which we have got to keep in mind is with reference to the technical personnel. Particularly, today we have launched upon new schemes and certainly we do not have the experience which other countries have, like, the USA, Britain, Germany or even USSR. Therefore, to a certain extent we have, no doubt, to depend upon foreign personnel in the

initial stages. But how long are we going to depend on foreign personnel? We will have to decide about that. It cannot go on indefinitely. That is why, after a certain initial stage, we will have to take risks and place our younger generation, the young men who have had the training and who have had certain experience also, in responsible positions.

We hesitate to do that, particularly because our experience is quite different. The men in charge of these plants are very experienced men who have risen to these high positions after thirty or forty years. And, therefore, when they think of the younger men coming to almost top positions within five or ten years, they think "Oh, it can never happen". I am not blaming them, because they have been brought up in that atmosphere.

Now, we place very experienced men in charge of these plants. Do they not commit mistakes? They commit mistakes. But in the process of committing mistakes they also gain experience. When these senior men commit mistakes and get the experience, that experience is lost to the plant within a year or two. On the other hand, if the younger generation is in charge of it, even if they commit mistakes the experience that they gain will be available to the plant for at least twenty or thirty years. That we are losing today. We have to take certain risks, because without taking risks I am of the view that it will not be possible to get the experience required.

Therefore, we should adopt the methods which have been adopted by countries which have developed quickly, not through an evolutionary process but through a revolutionary process. I was talking to some of the technicians during my visits abroad, and in some of these countries I was told that many persons were placed in charge of very technical plants, large plants, even at the age of thirty—something which we cannot imagine. But in technology and science . . .

Shri Sinhasan Singh (Gorakhpur): Here they are all retired persons.

Shri C. Subramaniam: Very good men; I have nothing to say against them; they have got rich experience behind them. But what we are now concerned with is how to work successfully. Not only that, but to build up our personnel for the future also.

Therefore, particularly in technology and science today, it is not mature age which matters but that dynamism to think and dare and act. That comes only at a much earlier age than later on when they are mature with experience. That is why, particularly in these technological plants, and even in scientific research institutions, we have got to give responsibility to the younger men.

Just take into account today the persons who are getting their Nobel Prizes for research works. Many of them did that particular piece of work, scientific work, when they were at the age of twenty-five, twenty-six or twenty-seven—many of them before thirty. And I can confidently say that nobody achieved anything substantial after the age of thirty-five or forty.

Shri Heda: What is the point that you are driving at?

Shri Daji: Except Ministers.

Shri C. Subramaniam: It is not a question of Ministers. I am not talking about politicians; I am talking about technologists and scientific personnel. I know what I am talking about.

Therefore, my own view is that we should give greater responsibilities to the coming generation, to the younger generation, who have been trained and who are fully qualified. It may be that they may not have experience of twenty or thirty years. But still they have experience of four or five or six years in our plants. They should be given greater responsibilities.

We are, in the meantime, trying to get our personnel trained in India, abroad, everywhere.

Some mention was made, by Dr. U. Misra, I think, about recruitment of Indians abroad. I am sure, he should be aware that every year, we try to recruit Indians abroad and there is a special committee for the purpose of interviewing Indians. They do not interview foreign personnel at all. We get foreign personnel through the foreign Governments. I do not know wherefrom he got the information that two persons were interviewed, one an Indian and the other a foreigner and therefore the Indian refused. If any interview had taken place, it could only have been of the Indian personnel. Foreign personnel is got through the foreign Governments. Every year, we are getting about 200 Indian engineers who are working outside, in foreign countries, to work in the various plants here.

Our duty is to build up technical personnel to man these various projects. That could be done only by taking a certain amount of risk and creating experience in the existing men however young and however inexperienced they might be according to old standards. That is one aspect. It is not merely technical personnel. The other personnel, that we may call artisans, they are also important.

After coming into this Ministry, I have been receiving representations with regard to the position of labour in the various public sector projects. I am not a stranger to labour relations. I myself have taken active part in the building up of trade unions in my own place. Therefore, it is not a new subject to me. I tried to find out what was the labour policy with regard to the public sector projects and how that was being implemented. I am prepared to confess that we have not laid down any labour policy with regard to our public sector projects. Therefore, immediately, I took up the matter with the

Minister of Labour here. We had discussions and we appointed a small official committee to go into this matter and then produce, so to say, a labour manual which should be applicable to all public sector projects. It would not only be confined to a discussion between these officials. Various General Managers would be called to a conference and if necessary, I am prepared to consult others also who are interested in it. It should be possible for us to evolve a labour policy, a labour code, which should be applicable to all the public sector projects.

In this connection, I have also to strike a note of warning with regard to the suggestion made that it should be a central labour law which should be applicable to all these public sector projects. It appears to be attractive. But, what we have to bear in mind is this. If a Central Law works smoothly, there is absolutely no trouble. If there is trouble and this law is required, it becomes a law and order situation for which the State Government is responsible. Therefore, unless we have the entire co-operation of the State Governments in this matter, it will become difficult to implement the various provisions of the labour law however good it may be. Unless we are able to convince the State Governments also that in this regard, they should agree to a central law which should be applicable to all the public sector projects, we should not undertake such a change.

There is another aspect also. It is not as if we are a nation with only public sector projects. We have got a private sector also doing comparable work. Whether we can have two sets of standards, two sets of laws, one applicable to the public sector and the other applicable to the private sector is a matter which has to be taken into consideration: I am not giving any final decision about it. But, I do feel there is a fundamental difference between a private sector project and a public sector project, a

public sector particularly which has to work towards the ideal of socialism. In a private project, there is an inherent conflict between the employer and the employee. My own view is, there should be no such conflict in the public sector. If there is such a conflict, it is not a socialistic pattern. It will only be state capitalism and not state socialism. We have, therefore, to evolve a clear labour policy for the public sector. Once that labour policy is evolved, I am sure, it should be possible to ensure that this labour policy is implemented in full. My own view is, and it has been emphasised even by those who are opposed to the public sector, that the public sector should set an example of good labour relationship. I am fully in agreement with this suggestion, and as long as I continue to be in charge of these public sector projects, it will be my endeavour to see that not only do Government become the best of employers. Even the relationship of employer-employee should not be there but every public sector enterprise should be a co-operative effort of all the persons concerned in these projects, and I hope and trust that it should be possible to create that atmosphere.

These are some of the considerations which we have to keep in mind if we have got to make the public sector really effective and efficient. If we are able to succeed in bringing about these changes—it is not merely ideas which are necessary; ideas might be good, but how they are implemented is ultimately what matters—if we are able to implement at least to a certain extent some of these, my feeling is that it should be possible to make a success of our public sector projects.

If we look into the various public sector projects, the defects and deficiencies, bring about the necessary organisational changes bring in, the necessary technical personnel and establish the required labour relationship etc., I have no doubt in my mind

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that the public sector will be able to achieve the desired results. It is not as if the private sector alone has achieved results. It has already been pointed out that, after all, even in the private sector projects, there are many defects and deficiencies. What is important is how an industrial plant is managed irrespective of whether the ownership is in the public sector or in the private sector, and it should be the endeavour of this House, and the endeavour of all of us to see that the public sector becomes an efficient instrument in the industrialisation of our country. I have no doubt in my mind that the co-operation of this House will be available in full measure in implementing these policies, at least some of them for achieving full success in this regard.

Naturally, in discussing the activities of this Ministry, much attention has been focussed on steel. That is as it should be, because steel is the basis of the heavy industries, and steel and heavy industries are the basis for the industrialisation of the country. I do remember the days when we were talking about 6 million tons of steel ingots as the Second Plan target, and, there were doubting Thomases asking 'What is the use of million tons? How are we going to absorb it?', but I am glad to find that today it is not the target that is being attacked, but, on the other hand, everybody is aggrieved that this target has not been reached. The more the steel, the greater are the possibilities of industrialisation. Therefore, steel is the basic thing. As somebody has said, steel and power measure the industrial growth and the industrial development of any country. That is why this House has also attached great importance to the discussions with regard to the working of our steel plants, particularly the public sector projects.

With regard to the criticism of the working of these public sector plants, I found two or three classifications. One type of criticism was made with

reference to the working of these public sector plants, with the idea of improving them, and with the idea of making them a success. Even in this, there were two classifications, if I may say so. One classification was represented by Members on one side of the House, who seemed to think that public sector projects can be a success only if the plants come from the socialist or communist countries, and they cannot succeed if the plants should come from the Western bloc or the capitalist countries. After all, an industrial plant is an industrial plant, and the technology is the same, and it does not matter from which country it comes.

Shri Daji: No one suggested that. There was not even the faintest idea of that.

Shri C. Subramaniam: It does not matter if they tried to make a distinction between Rourkela and Bhilai or between Bhilai and Durgapur and so on. That does not matter so long as they discuss it here. But I hope that they would not attempt to substantiate what they have stated here through their attempts outside this House. Rourkela is not a West German plant any longer. The Rourkela plant is an Indian plant now, because we have paid for it, and we have to repay the money; therefore, it is Indian Rourkela and not West German Rourkela; Durgapur is not British Durgapur, but it is Indian Durgapur; in the same way, it is not Russian Bhilai, but it is Indian Bhilai. Therefore, I am very particular that conditions should be created for their working properly irrespective of the original source of the plants. The cold war should not be brought into our industrial plants also. I plead with hon. Members to take a broad view and see that every industrial plant, whichever might be the source of the plant, functions successfully, because each plant has got to contribute to the development of our country and to the industrialisation of our country. Within the framework of this broad aim, I am in full agreement with the other hon. Members

who are interested in the public sector plants and who made a number of suggestions for their improvement. I will go the whole way in co-operating with them in evolving those policies. But for God's sake, do not keep this distinction in mind and do not try to continue it, by any action which you might undertake.

Rourkela is, unfortunately, our sick child today. It has got into very many difficulties. There have been 26 breakdowns, as I once mentioned in answer to a question. All these are not major breakdowns, but I do agree that quite a few were major breakdowns also. It is not as if any further Commission of enquiry is now necessary. As a matter of fact, so many committees have sat upon this. Ultimately, a delegation also came from West Germany to look into these. I am glad to announce that after the visit of our own delegation to West Germany and after a good deal of discussions and consultations, the report of that committee has been agreed upon. I received last night a copy of that report. They have made very many practical suggestions for the purpose for putting right those mistakes which have occurred there. There is no use apportioning blame now. Apportionment of blame will only lead to further bitterness. Therefore, they have adopted the approach and of not apportioning blame have placed before us concrete suggestions for enabling the successful implementation of the targets laid down for Rourkela. I hope to go through that report, have it examined, not in the usual routine way of examination for months together, but within a few days. After all, it is a technical report. I cannot sit in judgment over it, nor can my Secretary do it. Therefore, it is a matter of our acceptance of the report. Proper procedures will also have to be evolved to implement the report. I assure the House this would be done within a few days. We will examine it and shall try to implement the various recommendations in the re-

port and see that Rourkela also gets healthy and contributes its full quota to the production of the various items as targeted for this plant.

In Rourkela, there have been ups and downs of production. As a matter of fact, I wanted a graph to be drawn up showing the trend of production. It is a very erratic curve as far as Rourkela is concerned. But as far as Durgapur is concerned, I find it is a gradually rising curve. I agree it should be a little more steep than it is today. But I hope with a little effort it should be possible to make the production curve rise steeper than now.

It is not a question of the plant itself being wrong or something wrongly built having been handed over to us. It was mentioned that there is profit motive as far as West Germany is concerned or as far as America or England is concerned, and, therefore, proper plants may not have been given to us. On the other hand, I think the factor of the profit motive would be an inducement to them to give us the best plant because only then they will be able to sell us another plant and make more profit. But apart from that, it is not a question of where a plant comes from. Conditions differ from place to place. Particularly as regards Rourkela, everybody knows that it is not one firm which was in charge of erection and production in the plant. There were 30 or 39 separate different firms, and co-ordination was not good enough. But now we have located the mistakes, defects and deficiencies, and I hope it should be possible for us to rectify them.

On going through the report, I find one significant passage with regard to our labour. Not that our labour is not intelligent, not that our labour is not skilful, but particularly in Rourkela, labour discipline has been a little bit slack. It may be due to the fault of the management or it may be due to the fault of labour. That

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is not the question. But there is this slackness and it will have to be removed. If there is indiscipline in labour, if instead of attending to their work in the plant, they just join in groups and talk politics, certainly no plant can run. Therefore, it is necessary particularly for those responsible for labour leadership, who speak for the welfare of labour, to see that labour functions in a disciplined way, produces more and more and thereby gets more. Without producing more, if everybody should ask for more, certainly, no economy, whether it be communistic economy or socialistic economy or capitalist economy, no economy can sustain itself. That is why efficient work and more production is absolutely necessary, particularly in these projects. Therefore, I would appeal to those who are responsible, to a certain extent at least, for labour leadership to take this constructive attitude and see that they function in a disciplined way, particularly in Rourkela. We want to rectify the mistakes there; not merely will technical mistakes have to be rectified; organisational mistakes will have to be rectified and difficulties in labour relationship will have to be rectified and a proper atmosphere will have to be created. I do not want to set any target for the achievement of this. But if the House would like to know the likely time limit, I am hoping that within a period of 6 to 12 months it should be possible to implement all these things and see that full production is reached in the Rourkela plant also.

After all, the target of production (of 6 million tons) should have been reached even during the Second Plan period. But, we are still only limping towards that target. Not only is it necessary for us to reach these targets but we have to think of the targets which we have laid for ourselves in the Third Plan. If that has got to be reached, naturally, the expansion of these steel plants in the public sector is absolutely necessary. It is

not as if we are sleeping over it. Active steps are being taken. Expansion of Bhilai is in an advanced stage and I am sure the work will be taken up soon.

In regard to Rourkela and Durgapur also, even though there have been difficulties in the working of the existing plants, we have reached a stage where we are calling for tenders in regard to the machinery. Therefore, I hope that it should be possible for us—apart from the difficulties which we have faced in the initial stages—to see that the expansion programme is pushed through according to schedule so that we may reach the Third Plan targets as quickly as possible.

I am not in a position to assure the House that in 1965-66 we will reach the target which we have laid for ourselves. But, it will be our endeavour to see that we reach it as quickly as possible. This is absolutely necessary because the various industrial activities which we are undertaking depend upon the production of steel; and without that they are bound to get delayed.

In that context I have to say that it is not enough that we reach the Third Plan targets. Life is not going to stop with the Third Plan. There will be the Fourth, the Fifth and Sixth Plans. It is a continuing thing. Therefore, we should have a perspective view of the steel requirement and steel product requirements in the Fourth, Fifth and future Plans. For that we have to plan even now. Are we going to depend indefinitely upon foreign machinery for the purpose of working these steel plants? That is why, in this context we are launching upon the new steel plant at Bokaro, in which hon. Members showed a considerable interest—and I would come to that—but also indigenous manufacture of machinery for the purpose of the erection of the steel plants is absolutely necessary.

That is why we are taking up the Heavy Engineering Project which will manufacture the steel plants machinery, so much so what we have got to import will get limited, at least during the Fourth Five Year Plan and we may, perhaps, attain self-sufficiency at a later stage.

We are aiming not only at copying what exists already in the other countries. I think Shri Pant referred to this point; and Shri Morarka also referred to it, that we should develop our own technology, we should invent our own methods of production. We attach great importance to this. I hope it should be possible for us not only to erect these plants and copy what is already done in other countries but also create new methods, and go forward. For this purpose we are hoping that it should be possible for us to develop research activities also, coordinated with the various plants, and necessary even outside the plant also, it will be done. For all this an industrial atmosphere and a scientific atmosphere will have to be created. That also can be created only by the younger generation. I cannot become a scientist; nobody else here can become a scientist. That opportunity is given only to the coming, the younger generation. They will have to take greater responsibilities.

Bokaro is of great importance to this House and many hon. Members spoke about it. Criticism was levelled against feasibility or techno-economic survey being undertaken by the aid organisations. Sir, you were good enough to intervene and point out that after all if we have to get aid from a particular country, they have to satisfy themselves that aid is necessary. It is not that we have been asked to give up our policies or that we cut down the targets we have fixed for ourselves. We want the Bokaro project to be implemented with American help. If America says: "We would like to take a look into this and see whether it is a feasible

project", I would not say it is an unreasonable request. Perhaps I might have very much liked them to accept our data and our findings. Still, taking into account the difficulties we have run into, in some of our projects, if U.S.A. want to have an independent look into these things, I do not think we should object. We want to ensure, however, that there is no delay on that account in taking up the work on the plant. That is why we have entrusted to the Indian Consultants the task of preparing a preliminary report. They have prepared it and the various data which is necessary for the techno-economic survey would be available in this preliminary report. If some more data is necessary over and above that it would be made available.

Shri Daji: That was not our objection. The objection was: Why this wisdom dawned upon them after one year? If they wanted a techno-economic survey they could have had it earlier; they need not have waited for one year...after promising.....
(Interruptions.)

Shri C. Subramaniam: I do not think there were any promises as such; I will not call it a promise. No doubt it was suggested that they would like to help the Bokaro project. After all we have to take the aid from them. If some delay is there on their part because of the structure of their society, because of the Governmental procedures there, we cannot say; no, you have not kept your word; nor can we say to them: give aid immediately and change your structure or procedure. The question is only whether there is any interference with our policy. If there is any such interference certainly we would and do resist. For instance, in the initial stages, American aid was available only for the private sector and it was asked: why not establish the steel plant in the private sector? We resisted it. Then, another suggestion was put forward: why not some participation by the

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U.S. steel interests in equity capital? We thought that there might be nothing wrong with minority participation. Even that is gone now. Bokaro is going to be a cent per cent public sector project. A country which was resisting the very idea of a public sector project, later on came to accept the idea of having only some participation by the private sector so that it will not have the character of a public sector project in toto. It is now reconciled to a complete cent per cent public sector project. If the feasibility report is favourable, they are prepared to come with aid. No doubt they have to satisfy themselves. We are proceeding even further. We have asked our consultants separately to proceed with the preparation of the detailed project report. So much so, if later on by some chance America says no, fortunately we are not without friends in the world with the ability, capacity and willingness to extend help we will be ready. Therefore, we will have this Bokaro plant, with American help, without American aid if necessary. In any event we are going to have Bokaro plant; there is no doubt about it. The time factor is also being kept in mind. That is why in a parallel way, while the techno-economic survey is going on, the detailed project report will be prepared by Indian consultants. I hope and trust that the detailed project report will be such as would be acceptable to the Americans. If they want to make some changes here and there, that will not entail any serious loss of time. That is how we are proceeding and taking all steps to see that on Bokaro plant we lose no more time. We have already lost one year.

I would request my hon. friends on this side not to have inhibitions with regard to the American aid or Russian aid. After all, we have to get aid from outside our country, and we are prepared to take aid from whichever source it comes provided our foreign policy and industrial

policy are not interfered with and provided the terms are favourable. From the experience we have had during these ten years, this policy has paid high dividends, and I hope that it will continue to pay dividends, but our effort should be not to get this aid for all time and indefinitely, but to reach the stage of take-off, of self-reliance, so that it would be possible for us to manufacture our own plant and machinery in whatever line it might be. To sum up, as far as steel is concerned, we are trying to see that, even though there might be a small time-lag in reaching our target, even though it might be a delay of one or two years, the delay in that respect is reduced as much possible.

With regard to distribution some complaints were made to the effect that there has not even been a reply from the Iron and Steel Controller to a certain enquiry. I hope this omission was not intentional, but whether it is intentional or not intentional, certainly such things should not happen. Particularly when an enquiry is made from co-operative institutions, they are entitled to get a prompt reply. I hope that this complaint will be looked into and that such complaints will not be heard in future in this House. I am sure that the Steel Controller would take action to see that the queries are replied to promptly and there is no grievance on this account.

As far as steel control is concerned, as hon. Members are aware, we have removed the control on many of the categories. It is only with regard to sheets and certain categories of bars, we have still got control because these varieties are still scarce. We have no control on other varieties, and we hope to remove even this control with regard to the restricted quantities as quickly as possible. That could happen only when production has caught up with the demand. But, unfortunately, today we find that wherever there is scarcity

there is an inflated demand also, because everybody thinks, "there is shortage and therefore if I want ten tons let me ask for 50 tons" and he does that, in the hope that he would get at least ten tons; with the result that today there is an artificial inflation in regard to the demand of scarce commodities. We should not be taken in by that, and I am hoping that with increased production in Rourkela and Durgapur and other projects, it should be possible for us to remove these controls also.

Reference was made to land acquisition. I think Shri Jaipal Singh made that point and said that Rs. 45 per acre was paid as compensation and that later on something more was obtained by somebody going to court. I do agree that there has been some difficulty there. I am sure that the hon. Member realises that land acquisition is the function of the State Governments. It is the State officer who fixes the compensation. There have been some difficulties, but I can assure the hon. Member that an understanding has been reached and we have got possession of certain areas of land. The entire area required would also be made available without causing much difficulty to the occupants of that land. But I do agree that we should have a policy of rehabilitation of those who are displaced by acquisition of land. As a matter of fact, this should be one of the responsibilities either of the Central Government or the State Governments. Whoever that might be, somebody must be responsible. I do realise the difficulty of Adivasis who are not educated, who are backward economically, socially and educationally. I could very well imagine their difficulties. I hope and trust that it might be possible for us to see that these persons are properly rehabilitated and that they would not have any grievance on this account, namely, that they will have to make undue sacrifices for the sake of the development of our country. On the other hand, it should be possi-

ble for us to develop our country without causing these unnecessary grievances for those who will be displaced or those who will be called upon to give up their property for the sake of building up these public projects.

Then I come to the Heavy Electricals. Even as steel is important power is also important.

Shri P. K. Deo: I would request the hon. Minister to throw some light on how the return on the capital can be improved and secondly regarding the raising of the steel retention price.

Shri C. Subramaniam: As far as the return on the public sector projects is concerned, I thought it had been fully discussed. As I have already pointed out, these steel projects and various other projects have started only recently and they are having their teething troubles. Therefore, we are not having full production. With the capital invested for the purpose of producing 1 million tons when we produce in a plant actually only 250,000 or 400,000 tons, if we make a calculation, that is bound to be adverse to the plant. So, I would respectfully submit that the calculations should be made when we reach full production capacity. I hope and trust it is not only full production which we would reach, but we should reach efficient production also. That is the appeal I want to make to hon. Members, to cooperate in that process. I have no doubt in my mind that with the material we have with regard to the technical personnel, skilled personnel, artisans and labourers, it should be possible for us to have efficient production to cut down costs.

We always lay emphasis on earnings and sufficient profits out of the public sector projects for the purpose of further development and further expansion. As it has been pointed out, there cannot be a post

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office socialism. If profits have to be earned, it cannot be through increasing the prices. That will lead to further inflationary trends. These savings and profits should arise by more efficient production and cutting down production costs. Not that we are unaware of this, but immediately our task is to see that we reach full production. Even in that process, we are looking into various economies and efficiency of production which have to come about and I am sure it should be possible for us to show that our plants produce as efficiently and as economically as any other plant in any other part of the world. After all, compared to them, our labour cost is comparatively cheap. Therefore, in course of time, it should be possible to achieve these results.

But even in the initial stages, if we insist that there should be sufficient return, it is only arguing against public sector and against big projects, because in the initial stages, any big project will not yield any return at all. Take irrigation projects. They take 6, 7 or 10 years to be completed. Even two or three years after completion, when the water is not fully utilised, if you calculate the return on the investment of crores of rupees, it will be a minus entry, adverse to the project. You have to wait till we get into full use. However, I do agree we should get into full production as soon as possible. That was the point I was emphasising. Therefore, I would ask the House to have a little patience and to give time to these projects to get into full and efficient production. Then I have no doubt it should be possible for us to show positive results, even in terms of profits—rupees and naye paise.

Shri P. K. Deo: Is there any proposal to raise the steel retention price?

Shri C. Subramaniam: I would request the hon. Member not to drag me into that discussion. Already there is sufficient speculation and I do not want to add to it.

I was dealing with heavy electricals when the hon. Member opposite intervened. Even as steel is important, power is important and power targets have got to be raised almost every quarter, because the demand is increasing. Therefore, the power targets which we thought would be reasonable when we formulated the third Five Year Plan, are no longer valid, because there is so much increased demand. The target has got to be increased further. If it has got to be increased, certainly we cannot go on importing the various machines required for the purpose of generation of electricity. Therefore, just as we have the Heavy Engineering Corporation for the purpose of producing the machinery required for the steel plants, so also we are having the Heavy Electricals at Bhopal for the purpose of producing machines for generating the energy.

As hon. Members are aware, we have the Bhopal project. That is the first project of the kind. Therefore, if it has got into some difficulty there is nothing strange in it because in that field that is our first experience. But that should be no excuse for inefficiency or any bungling. We are making sure that it should go into effective production as quickly as possible. There is a programme for further expansion as far as the Bhopal plant is concerned. The present target is Rs. 25 crores worth of machinery per annum. It is going to be increased to Rs. 50 crores, and increasing it further on to Rs. 100 crores is under consideration. Whether it should be as one plant or at different places is a matter for consideration.

It is not only Bhopal. We have got the other project at Ranipur in

Uttar Pradesh about which a reference was made. There are two other plants in Andhra Pradesh and in Tamilnad. They are also under construction and quick action has got to be taken on them so much so it should be possible for us not only to increase the target of electricity production but also to produce the machines required for the purpose of production of that energy. I am sure hon. Members would also give their kind co-operation with regard to the working of these plants.

In that connection, Sir, Shri Banerjee brought out certain difficulties. It is rather unfortunate that a strike took place in February. The timing of the strike was rather unfortunate. It was just the election time, and the date fixed was with reference to the visit of the Prime Minister to Bhopal. I do not know who advised them.

Shri S. M. Banerjee: The Prime Minister visited because he was to deliver a speech. I am quite sure that it had nothing to do with the Prime Minister.

Shri C. Subramaniam: It is a strange coincidence. Then I hope such coincidences would not occur hereafter. Whatever it is, these people went on strike. Who? It was not the persons who worked there and had accumulated grievances, but it was the trainees who went on strike. What sort of training will they get when the first thing they learn to do after entering is to go on strike? Certainly it is not the attitude that our young men should have. They may have ever so many grievances, undergo ever so many sufferings. But they must have the spirit that they are working for the uplift of the nation, for the development of the country. Therefore, if even in the initial stages they have to undergo certain sufferings they should be prepared to suffer that. That is my appeal. But that is no excuse for any bungling on the part of the officials. I am only

appealing to the people there to keep this in mind. After all, it is not as if they have no remedy at all. They could have approached either the plant manager or the Chairman there. Ultimately, there is the Government whom they could have approached. But to have launched upon a strike was, to say the least, most unfortunate.

After a month and after a good deal of talk the matter was settled. Shri Banerjee complained about the serving of notice on 21 persons. I am aware of it. One thing I have done is that I have arranged that the enquiry should be made by an independent person and that it should not be made by a person who is connected with the management because all sorts of allegations have been made. Even after that enquiry I hope and trust, because ultimately the responsibility is that of the management and it cannot be done by our interference, that the management would take a lenient view of things and see that these young men are put in the right path and they become useful and good technicians who would be useful to this plant. I hope Shri Banerjee would also contribute to the creation of that atmosphere.

Then, some mention was made about the Labour Minister of Madhya Pradesh. I am sorry he was dragged in here. He is not present to answer this charge. I know Shri Draid for quite a long time. I am sure he will take an objective view of things. It is not a question of INTUC or any organisation connected with the Communist organisation, it is a question of correct labour relationship. I hope correct labour relationship will be established in the Bhopal plant so that nobody will have any grievance and laying down of a general labour policy also will contribute to this.

Coming to fertilizers, naturally, Shri K. C. Pant referred to it, because he is an authority on fertilizers,

[Shri C. Subramaniam]

as he is a chemical engineer and, therefore, I was not surprised when he raised certain pertinent points. I particularly liked the point that he made that it is not merely the production of fertilizers that is important, but what fertilizer should be made use of for the soil and for what purpose is more important. Therefore, in that context, the testing of soil and soil analysis is important. As a matter of fact, wherever fertilizer industry has grown, along with it soil testing and soil analysis has also grown. With reference to every land, if I may use an astrological term, there should be a horoscope, and unless that is available we will not be able to select the correct fertilizer to be used for the correct purpose. So, that is also necessary and, I am sure, my colleague in charge of agriculture will take note of this, because it should not be the function of the Ministry of Heavy Industries to undertake this job. I am sure with this co-ordinated activity, soil analysis would also be undertaken to the extent it is necessary.

The fertilizer plants which have already been erected or are in active implementation would contribute to the production of about 650,000 tons of nitrogen, and the total licensing is to the extent of 1:25 million tons. As a matter of fact, we have thus a margin of 25 per cent. Therefore, I am hoping that it should be possible to reach the target of 1 million tons of nitrogen by the end of the Third Plan period.

Most of these factories are in the public sector and only a small portion has been left to the private sector. Even though the private sector has been boasting that they would be able to deliver the goods, as a matter of fact, it is the public sector that is making the biggest progress in this sector. The private sector is lagging behind and some of the persons who took the licences are inclined to surrender those licences. Therefore,

there is no use of making comparisons. Here and there, in certain respects the private enterprise might be efficient and in certain respects we might be efficient. So, it has got to be a combined contribution to the development of our economy.

Shri Sinhasan Singh: What about the low cost car?

Shri C. Subramaniam: Last, but not the least, the automobile industry was referred to and, in that connection, the peoples' car was also mentioned. I have already explained to the House the difficulties involved in it. It is not merely a question of my being willing to undertake that project. The resources and the foreign exchange component should also be available. I am sure the House is aware of the difficult period we are going through with regard to foreign exchange. Therefore, we have to take that also into consideration. Subject to that, if only the Cabinet, and particularly the Finance Minister, would give the green signal, as far as I am concerned, I would not stand in the way of taking up this project. Once the green signal is given, I can give this assurance, I would expedite it and deliver the car as quickly as possible so that hon. Members also may have a joy ride in that car.

Shri M. K. Kumaran: Do not stand in the way of the car; it is dangerous.

Shri C. Subramaniam: In this connection, I want to refer to another matter. This phobia of pressure from some unknown source is being brought in at every stage. With regard to the peoples' car it was mentioned. With regard to the retention price also it was stated that some pressure from some private people is there and that is why quick decisions are not being taken. I may assure the hon. Members that there is no question of any pressure, and I hope and trust that pressure will not be

brought in at any time. I can assure the House that no such pressure will have any effect on the Government and an objective decision will be taken with reference to the merits of each case.

I do realise that I have undertaken a fairly difficult task, a challenging task. And I do not think I will be able to achieve success by my own effort or by my own merit. It is only with the co-operation, understanding and sympathy of this House that I will be able to achieve success. But the discussion today has given me some encouragement that that sympathetic understanding and that co-operation will be available to me in large measure from all sections of the House. As a token of that, may I request the hon. Members to withdraw all their cut motions?

Mr. Speaker: I do not know about withdrawal, but I can put all of them together to the vote of the House.

Shri Heda: That will be easier.

All the cut motions were put and negatived.

Mr. Speaker: The question is:

"That the respective sums not exceeding the amounts shown in the fourth column of the Order Paper, including the sums already voted on account for the relevant services, be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1963, in respect of Demands Nos. 86, 87 and 135 relating to the Ministry of Steel and Heavy Industries."

The motion was adopted.

17.56 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Friday, May 18, 1962/Vaisakha 28, 1884 (Saka).