

[Shri R. Venkataraman]

I want to submit to the hon. House that though people have been using the word 'subsidy', it is really not a subsidy. It is really a compensation for certain indirect taxes, certain other differential rates in the transport costs and some of the invisibles which go into the exports. If we give subsidy, we will offend the GATT regulations. People in other countries are trying to say that we are giving subsidy. I want to categorically assert in the House that no subsidy is given. The cash compensation is given for such levies which are made and which cannot be qualified.

Then other countries give subsidies for dumping their goods in other countries. On the other hand, we are giving only compensation for some of the levies which cannot be qualified. This must be made absolutely clear.

So far as the second point is concerned whether FICCI wants more, it is like Oliver Twist. All the time, it is asking. The FICCI is never satisfied with anything that we give. You give 10 per cent more rebate in surcharge, they want more. You give additional differential allowance, they want more. They will now come forward in the budget session with a series of requests and resolutions and all that asking for more. Government calculates what is the amount that would be necessary to compensate our articles and commodities against above disadvantages and goes to the help only to that extent. It cannot satisfy the demands of the people who want to profit by it.

SHRI MADHAVRAO SCINDIA: I understand that certain cash incentives which are given even for quota items have been withdrawn on some of the commodities. If we do not fulfil our quotas, these may be given to other countries like Malaysia and Indonesia and it would cause tremendous damage to our trade relationship. As Mr. Banatwalla said, keeping in mind the rise in the cost of power, in wages and in capital goods and in oil, what grounds the Government have to remove cash incentives given at

least to quota items? Would Government re-consider re-imposing or re-establishing cash incentives at least for quota items?

SHRI PRANAB MUKHERJEE: If the hon. Member who could have mentioned any specific item it would have been possible for me to indicate the rationale behind that. As I explained, in general terms, we always take into account the competitiveness of our product in the market because we cannot subsidise straightaway the exportable items. Various countries put countervailing duties and they are using the argument that we are heavily subsidising our products and thus causing injury to their domestic products. That is the argument that is going on in the international forum.

If I get a specific item which the hon. Member has in mind, I will be able to explain the reasons for that because the quota is not limited to one commodity. Even in garments, there are various specifications.

SHRIMATI GEETA MUKHERJEE: In reply to earlier question with regard to the FICCI's demand of about 60 per cent, will the Minister kindly assure that he is not going to concede such kinds of demands particularly this demand?

MR. DEPUTY-SPEAKER: The demand was made by Shri Chitta Basu.

SHRI R. VENKATARAMAN: I assure the hon. House and the hon. Member that whatever is fair and right will be done by the Government.

Progress made in introduction of Third-line Air Service

*163. SHRI K. LAKKAPPA:

SHRI H. N. NANJE GOWDA:

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) what progress has been made in introducing Third-line Air Service in the country;

(b) which are the places likely to be covered by this scheme; and

(c) what procedure has been followed in acquiring this service?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI CHANDULAL CHANDRAKAR): (a) to (c). Government have approved in principle operation of feeder services in the North-Eastern Region. So far as other places are concerned, the matter is under consideration. On the questions of agency to be entrusted with the operation, places to be connected, type of aircraft to be used etc., are under examination.

SHRI K. LAKKAPPA: Mr. Deputy-Speaker, Sir, during the last budget session itself this question was raised. Now that the portfolio has been handed over to Shri A. P. Sharma, I am sure that he has been taking keen interest in establishing a Third-line Air Service in the country. But the point is since three months, the Members of Parliament and the people outside are agitated over this Third-line Air Service. The reply given by the hon. Minister is not encouraging. Here he says "it is under active consideration". This reply of "active consideration" will not satisfy the people. Apart from the North-Eastern region, I would like to know whether any other specific proposal or a Master Plan for Third-line Air Service is going to be operated soon or whether it is still under the active consideration of the Government.

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI A. P. SHARMA): This question of setting up Third-line Air Service in principle, as has been pointed by my colleague, has been considered and very shortly, rather to be more specific as I have already indicated on many occasions, we are going to begin with the service in the North-Eastern Region. We have also specified the places in the North-Eastern Region. To start with, we are going to operate the services from the next year. They are 8 in number. Regarding the other places in the country, the number of places where the services are to be operated,

have also been identified and for that, my colleague has, in the main answer of the question, said that it is under consideration of the Government and I want to assure the House that very shortly the Government will take a decision in this matter.

SHRI K. LAKKAPPA: Even though there is a clear indication to this effect and because the Civil Aviation being linked with the tourism activities in this country, I would like to know from the hon. Minister whether the Third-line Air Service will also be covered while considering development of tourism and expansion of the tourism activities in the country. There are important tourist centres which are uncovered by the service. I would like to know whether these uncovered places will also be included in the Third-line Air Service so that these places are linked with the tourist centres and the people living in those places are also benefited. I would like to know a specific answer for this question and also whether any scheme has been worked out in the Ministry.

SHRI A. P. SHARMA: While taking the decision for setting up the Third level Air Service in this country, the following considerations have been taken into account by the Government:

- (1) the industrial importance,
- (2) commercial importance,
- (3) the importance of tourist interest.

(Interruptions)

Four considerations were in the mind of the Government and the fourth consideration was: difficulties in access by other means of transport.

SHRI H. N. NANJE GOWDA: The Government have identified certain districts in different States as backward areas in the State. Are there any proposals to connect these backward district with this third-line air service. Secondly, the hon. Member was just now telling that they have identified certain places in different States. I would like to know what are

the places that they have identified in Karnataka for third-line air service.

SHRI A. P. SHARMA: I would lay a statement on the Table of the House mentioning the names which have been identified in Karnataka for this purpose.

PROF. MADHU DANDAVATE: I would like to know from the hon. Minister whether it is true that on the third-line air service, D. B. Braganza Committee was appointed and it has already submitted its report and some of the aircrafts that they have recommended were Canada's 'Otar', America's 'Sesna' and Spain's 'Kasa' and whether his attention has been drawn to the report that Dhirender Brahmchari who happens to be the agent for the American Aircraft, "Sesna"... (*Interruptions*). It is for you, Mr. Deputy-Speaker, to decide whether my question is in order or not. There is only one presiding officer here, not a varieties of presiding officers... (*Interruptions*).

MR. DEPUTY-SPEAKER: It is for you to decide whether you should mention the names of persons who are not here to defend themselves.

PROF. MADHU DANDAVATE: So long as you do not make any derogatory remarks, there is no rule preventing members from mentioning any name. Jaiparkash Narayan's name was mentioned in the House, Pandit Nehru's name was mentioned and so many other names were mentioned in the House from time to time.

MR. DEPUTY-SPEAKER: All right.

PROF. MADHU DANDAVATE: I would like to know, whether Shri Dhirender Brahmchari who happens to be an agent for this American Aircraft, "Sesna", and who has also set up a company, "Aparna Ashram", had gone to America along with the technical experts and whether Minister's attention has been drawn to this. And what is the final decision about the

Committee's report to which I have made a reference.

SHRI A. P. SHARMA: I have just now said that on this question, several committees were set up and Braganza Committee was the last one set up on this question. The Braganza Committee has given certain recommendations and those recommendations are under the consideration of the Government as to what type of aircrafts we are going to buy and how we are going to operate in different areas. All these questions are under consideration of the Government and the Government will take a decision shortly in this matter.

As regards information which my friend, Prof. Madhu Dandavate has furnished, I find that he has got more information in this matter than what the Government has. Whatever he said, it must be his presumption; there is no truth in it.

SHRI MANORANJAN BHAKTA: I congratulate the hon. Minister for having taken a decision to have the third-line air service in the country, but at the same time I would like to bring to his kind notice, that though the north-eastern region, is the most backward territory in the country, there are other parts of Andaman and Nicobar Islands which are equally backward. The difference is that in the north-eastern region, there is agitation going on and in Andaman and Nicobar there is no agitation. Is it the reason that he is not considering to have the third-line air service to the Andaman and Nicobar Islands?

SHRI A. P. SHARMA: So far as considerations for setting up the third-line air service in the north-eastern region are concerned, it has got nothing to do with the agitation which has been going on there. This question has been considered at various stages by the Government and now the Government is going to take a final decision.

As far as my friend's place is concerned, it is already connected with

Indian Airlines and, therefore, there is no question of covering it by the third-line air service.

SHRI MANORANJAN BHAKTA: There are a number of islands in the Andaman and Nicobar Islands. The Indian Airlines is connected to Port Blair only and not to any other island. The hon. Minister is aware of the difficulties in the shipping services; he was the Minister of Shipping and Transport. To reach upto Port Blair from the inaccessible areas, there is no such avenue. In view of this, would the hon. Minister consider to have the third-line air service to different islands?

SHRI A. P. SHARMA: I have already said that the Committee has considered all these questions, Sir, and they have identified certain places, Sir, I have promised to lay the list of the places on the Table of the House.

SHRI BAPUSAHEB PARULEKAR: Mr. Deputy Speaker, Sir, Konkan which is a backward area and declared to be so by the Government is neglected for the last 33 years. Sir, there is no rail connection though, Sir, Mr. Dandavate was at the helm of the Railway Ministry trying to prepare the railway connection to Konkan. Sir, sea communication is stopped during monsoon for six months. Sir, the airstrip is prepared at Ratnagiri at the cost of lakhs of rupees by the State Government. Private operators were operating the flights for two years but because of some difficulties with the Government, the operations have been stopped. Sir, the Chief Minister of Maharashtra has yesterday declared to have one more airstrip in Colaba in Konkan. In view of these circumstances, will the Honourable minister kindly tell us whether this Konkan part of this country which is totally neglected all these years will be connected by the Third Level Air Services? If not, the reasons for it.

SHRI A. P. SHARMA: I have already stated that I will be placing the list

of places identified on the Table of the House. In that, Konkan, is not included.

SHRI R. S. SPARROW: Sir, Jullundur city is the centre and had been the capital of Punjab. A number of districts, half of the districts of Punjab, are on one side of Jullundur, and the others, on the other side of it. As I have pointed out it has been the capital of Punjab. And secondly, in so far industrial output is concerned, for overseas trade, it gives maximum output as a district in Punjab. Thirdly, the maximum movement, foreign movement, up and down, with different countries, as a district it does as number one in the whole of India. Fourthly,

MR. DEPUTY SPEAKER: You can put only one question.

SHRI R. S. SPARROW: Sir, not very far away from Jullundur city, is situated an Air Force Airfield at only about 12 miles away. As you have got in Delhi, if some little benefit of extension is also made here, it will be the most simple thing to do. In view of this, I would wish to ask the Honourable Minister for Tourism and Civil Aviation if he has any plan and if he is now considering as an impromptu plan to put Jullundur city on the map of Third Level Air Services?

SHRI A. P. SHARMA: Sir, when my Honourable friend was putting the question, I was looking at the list. Sir, I must tell him that Jullundur is in the list.

MR. DEPUTY SPEAKER: Next question—Shri R. L. P. Verma. (*Interruptions*). It has already taken 35 minutes. (*Interruptions*) I am sorry I have called Mr. R. L. P. Verma. No, no, this is not the way. (*Interruptions*) Whatever Shrimati Pramila Dandavate says will not go on record.

SHRIMATI PRAMILA DANDAVATE: (*Interruptions*) @@