

[Shri Damodara Menon]

having in the State undertakings a new method of management. For example, the railways are totally run by the Government, and we have got a Railway Board containing four full-time members. In respect of other Government undertakings, we are having another set-up. One thing must be made very clear. Mr. Matthen referred to that point. What would be the function and the status of Government officers who come into the Committee? I find that different Ministries of the Government are having different ideas in this respect. The other day, the hon. Shri T. T. Kishnamachari, when speaking on the Tea Bill, as reported by the Select Committee, said that it would not be good to have Government officers going into the Tea Board and voting upon different proposals. This is precisely what he said:

"...it seemed unseemly to the Committee that Government should be associated with the Committee's work by representatives sent to the Committee who would have the right to vote, which would, in one sense, mean that the officers are committed to the decisions made by the Board."

When this question was discussed, the hon. Minister stated that one difficulty he felt in having all the members whole-time was that he wanted some representation to be given to different Ministries—Communications and probably one or two other Ministries whose representatives—officers—will be sitting in the Committee.

Shri Jagjivan Ram: That is a Committee, not a Corporation.

Shri Damodara Menon: It is a Board, not a Committee.

The principle is the same. If the Government want to send their own officers to this Board and they sit there and vote upon certain propositions that come, then the Government will be put in a very unenviable position, because these officers would have taken a decision on matters which probably the Government may require to revise later on. If that is so, what is the position of the Government? Government's position would be rather unenviable. Therefore, the suggestion that these officers may come and attend and offer their advice and probably may even persuade the Board to accept certain propositions may be good, but let them not

commit themselves or the Government by participating in the voting. If that proposition as explained by hon. Mr. T. T. Kishnamachari is acceptable to the Communications Ministry also, then there is no difficulty whatsoever in having a small Board with four or five members, all whole-time, who will look to the interests and manage the affairs of the Corporation, and Government can send their own officers as advisers and later on when decisions are taken—as power is vested in the Government now to revise the decisions of the Board and also to give directions to the Board—these officers can tender proper advice to Government for arriving at a correct opinion regarding the advice they must give to the Corporation or the provision they must make regarding any decision taken by the Corporation.

Therefore, I would appeal to the hon. Minister even at this stage to think of having a small Corporation of five members who are all whole-time and who could devote all their attention, time and earnestness to the work of the Corporation.

Mr. Deputy-Speaker: If the hon. Member wants more time, he may continue later.

COIR INDUSTRY

Shri Punnoose (Alleppey): I will be only expressing the feelings of lakhs of people in my State when I say that I am grateful to you for giving me this occasion to raise this question so that I may draw the attention of this House and Government to an industry with which the existence of a large section of our people is bound up.

Very soon we will be having before us a Coir Industry Bill. In the objects of that Bill it has been stated clearly that this industry is one which is very important in our national economy, that it has got a role to play in it and that it is of very great importance to Travancore-Cochin State. Rege Committee has also said that this industry employs 70,000 people in the manufacture of mats and mattings alone. As such, there is no room for keeping quiet over the crisis that has overwhelmed this industry.

In his answer to the Starred Question of Shri Achuthan on the 6th of April, the hon. Minister of Commerce and Industry tried to make out two

points. One was that since June 1952 there had been a gradual increase in the export of coir products and that this indicates some improvement in the position. Secondly, he was pleased to say that some steps had been taken by the Central Government to ease the crisis in the coir industry, and he gave a list of such steps. The impression that he seems to entertain, and which he wants to convey to the House, is that as a result of some improvement in the export position and the measures taken to ease the crisis, the over-all picture of the industry and the people concerned with it is better than it was previously, say in 1952. My submission is that there is no improvement in the export position. On the other hand, there are disturbing developments in that respect. I want to submit further that the steps taken by the Government of India have not proved fruitful to ease the situation. According to me, the over-all picture is as dim and dark and gloomy as it was, if not more so.

While coming to this you will bear with me for a little while to look into certain statistics which I have collected. Then it will be found that facts do not support the optimism of the hon. Minister. In 1950-51 we had exported 385 tons of unmanufactured coir, in 1951-52 it increased to 500 tons and in 1952-53 it reached the figure of 698 tons. But the hon. Minister will please look into the earnings. In 1950-51 when we exported 385 tons, we got Rs. 3,69,779; in 1951-52 when we exported 500 tons we earned Rs. 6,43,794, but when we exported almost double the quantity of 1950-51 in 1952-53, that is, 698 tons, we got only Rs. 5,82,813. Here the picture is not at all encouraging.

Coming to coir yarn, in 1950-51 we exported 8,86,291 cwts. and earned Rs. 5,43,42,815.

Shri A. M. Thomas (Ernakulam): Is it for the entire year or for ten months?

Shri Punnose: It is for ten months.

In 1951-52, it was 7,55,757 cwts. and we got Rs. 567 lakhs, that is to say, some Rs. 25 lakhs more. In 1952-53 we exported more than 7,82,000 cwts. and the return was only Rs. 374 lakhs, that is, almost two crores less than in 1951-52.

With regard to coir of other sorts, we had exported 23,212 cwts. in 1950-51 earning Rs. 2,4,17,000 and odd. In 1951-52 we had an export of 78,140 cwts. for one crore and a lakh and odd rupees. In 1952-53 the export was reduced to 52,200 cwts. and we got only Rs. 46,59,000 and that is a drop of 50 per cent. in the earning.

Then come mats and mattings. We had exported 32,99,17 cwts. in 1950-51 for Rs. 247 lakhs, in 1951-52, we had exported 19,16,60 cwts. for Rs. 214 lakhs and odd. Coming to 1952-53. Though the quantity of export has slightly increased the earning has fallen to Rs. 58,04,000, that is, it had been reduced by almost a crore of rupees. The over-all picture is that while we got in 1950-51, Rs. 814 lakhs and in 1951-52, Rs. 883 lakhs, in 1952-53 we got only 579 lakhs of rupees. So, the hon. Minister's conclusion of improvement has not been founded on facts. I am also sorry, yet another aspect has been left out.

The industry has two sectors, the cottage industry sector and the actual industrial sector. Husking, soaking of the husks, taking fibre out of the husks, making coir, all these are done on a cottage industry level and it is calculated that more than five lakhs of people are directly or indirectly involved in this. Then there is the mechanised sector. This was the first industry to develop in our State to be developed.

I want to draw pointed attention to this basic factor, that when we consider these exports you will find three things. One is that the drop in the earning is much greater than the drop in the quantity exported; secondly, that more of raw materials have been exported than mats and mattings, that is, finished products and thirdly, that the value of mats and mattings has gone down more than that of the raw materials. Here is a very disturbing situation. Previously, we were under the impression that the yarn and fibre are being exported for making nets and other things in Europe. But, now we get the information that in Holland and other countries, they are developing Coir industry on a large scale. We are told that in Holland there are nearly 97 factories employing 4,000 workers. The World Federation of Trade Unions has been kind enough to give this information. This means that the most developed industry in our State is going to be permanently jeopardised. This means that one major source of income to the State is going to be dried up. Before Pepper became black-gold, Coir industry was the leading source of income for our State and even now it is second only to Pepper.

Now, I come to another aspect. The hon. Minister of Commerce and Industry was pleased to say that steps have been taken to ease the situation. Let him for a while look at the steps and see how far they have proved to be of help. He said that two community projects are there and they will be of

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help to us. The fact is that one community project in South Travancore is at least 150 miles away from the centre of coir industry and the one in Trichur is also some fifty or sixty miles away from the industrial centre. It cannot give us any work.

Then he said about some civil works were being undertaken. The fact is that these civil works were there for some time. They gave six hundred workers work for three months. What a small fraction of the unemployed could be benefited by it. But there is none of it now. The hon. Minister said that certain advances have been made by the Central Government to the State Government—he said about rupees two lakhs and odd. But the fact is that it still remains in a stage of promise. It affects only the cottage industry, and even there the Central Government has not been pleased to see whether there is proper organisation to work it with the result that I am afraid it is not being worked in the proper way it should be done.

Therefore, the whole position is most disturbing and the earlier the hon. Minister of Commerce and Industry takes up the matter the better it is for us. He mentioned about a conference held in Trivandrum by the Finance Minister of that State. There representation was not given to the workers and to the owners of the factories. When that point was raised in the conference itself, the Finance Minister was pleased to say that he could not do it; there was no time to do that. In the Bill that is coming also—the Coir Industry Bill—I find that there is no provision for representatives of organised labour on that Board. Then, he was pleased to say that some sort of special treatment is given to coir and coir goods in the South Indian Railway. I am thankful for that, but what we want is that preferential treatment should be given to the coir goods in every railway, so that it could have a market everywhere in India. The other day I had been to the Rashtrapati Bhavan, where I was invited to tea. I was interested in all the sweet things given, but I was more interested to see whether there was a piece of coir matting there. But, there was none. Well, a beautiful mat coir will definitely enhance the dignity of that place. The hon. the Finance Minister was pleased to say when all the M.Ps. from Kerala, irrespective of party affiliations, waited on him that he will see that coir goods are purchased by Government Departments.

We want a Coir Board not only to expand the market in India, but also to find markets outside India. I was looking through the list of countries abroad where our coir products find a market, but I regret to find that many countries in Europe are not there. There is the U.K., there is the U.S.A., there is Holland.

Shri B. S. Murthy (Eluru): U.S.S.R.?

Shri Punnoose: U.S.S.R. is not there; the Eastern democracies are not there. It is not my anxiety to give them the benefit of our mats and mattings. It is because I want that there shall be a market for our goods. I hope the hon. Minister will take up this matter seriously and develop new markets for our exports.

Mr. Deputy-Speaker: The hon. Member must give some time for the hon. Minister.

Shri Punnoose: In the meantime he should take certain measures to subsidise the unemployed workers. They may be given rations at a lower price; the construction of the Aroor bridge may be taken up immediately and another railway line may be constructed from Ernakulam via Alleppey to Mavelikkara.

1 P.M.

Shri A. M. Thomas: I had occasion to go through the value of our exports and study the comparative figures. From 1952 April to 1953 January the value of our exports comes to Rs. 5,79,91,575. I wish to know from the hon. Minister whether he is in a position to give the figures for the last three months. If so, that will help us in getting a real clarification of the present situation.

I really appreciate the attempts made by Government, but no substantial improvement is yet in sight. The hon. Minister made a study at the spot of the situation in Travancore-Cochin. I should like to be told what are the definite proposals formulated by him, especially in the direction of not allowing our products to be swamped by foreign competitors. I am told that Holland and Switzerland have brought about considerable technological improvement and marketing skill and their coir products are artistically and tastefully designed like cotton textiles.

Secondly, I understand that the work of the Trade Commissioners in this connection is only one among so many other items of work. Having regard to the number of people involved—five to six lakhs of people are involved in this—why can we not appoint a few

Marketing Officers who will solely devote their time and energy to find larger markets and keep effective liaison with the trade at home as well as abroad?

I wish further to know how far Government has been able to tap the internal market also in this connection.

Shri K. K. Basu (Diamond Harbour): I wish to make only one point which has already been referred to. It is reported that Holland is establishing more mechanized and up-to-date factories for the utilisation of this raw material as a result whereof our industries here are suffering, and we are nowadays working more as an exporting country of the raw material.

Shri Velayudhan (Quilon cum Mavelikkara—Reserved—Sch. Castes): Export of fibre, you mean?

Shri K. K. Basu: Yes. I want to know whether there is any possibility of putting restrictions on this.

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): I am glad that the hon. Member who raised this discussion has taken a very practical view of the whole question, and I cannot take exception to his complaint when he sees no tangible, or at any rate substantial, results in regard to the work that we sought to do in this area where coir workers are concentrated. But at the same time I must say that his reading of the statistics is, while plausible, nevertheless defective. He has not demonstrated that there has been a perceptible drop in the export figures, leaving out the peak period. What I did indicate was if you take the figure for 1947-48 when coir yarn export was 7,49,000 cwt. and if you take the figure for eleven months for 1952-53 which is 8,45,000 cwt., well, it certainly shows an improvement. If you take 1948-49 when the total was a little less than seven lakhs cwt. the eleven months figure shows an improvement. Of course, 1949-50 and 1951-52 were peak periods when we had a Korean war and the boom. In the same way in regard to manufactured products, in 1947-48 the figure was 194,000 cwt. and in 1948-49 it was 160,000 cwt. Now, for eleven months for 1952-53 the figure is 214,000 cwt. Even there, the manufactured products do not show a drop over normal years and it must be recognised that there was a big demand for manufactured products and coir yarn during the Korean boom and many factories came into being. I have seen some of these factories myself. I am not speaking from hearsay reports. Some of them are jerry-built. There are older factories like Daragh Ismail but the newer factories came into being because

of the boom and of possibilities of export. Naturally, when the boom disappears, then the opportunity for shipping out the same quantity also disappears.

The other point that is raised is what is Government doing about this drop in our earnings? That, I am afraid, is a matter in which Government can do nothing. After all terms of trade being against you, it is a matter of wartime prices and peace time prices. When there is a boom, when there is a big demand, naturally prices go up. If you want to base the boom period as the basic period for price comparison, obviously no Government or nobody responsible for business can be blamed. You cannot have a boom period all the time. It comes like a flash in the pan and disappears. Therefore, it affects our earnings from the point of view of the money that is put in the hands of the coir worker—and that is precious little—because the middleman takes away the initial gain in the boom period and makes these people shoulder the initial losses when the depression comes but nonetheless that is money coming into our country which also helps the foreign exchange position but I want the hon. Members to know that in respect of any commodity that we export, we would find that on the price basis we have come down rapidly. Take jute. There the diminution has been something phenomenal. We were getting Rs 90 crores by way of export duty alone and it has dropped terribly. I have got some figures on the basis of calendar years which again show that in coir mat and mattings, 1950 was the highest year, in 1951 it was 279,000 cwts, in 1952 it was 223,000 cwts, and for the first three months of 1953—of course, it is not worthwhile comparing—it is 78,000 cwts. Of course, 1950 was the peak year, leave alone values. On that point—my hon. friend generally complained about the coir industry—there is a substratum of truth and he is on a strong wicket. When he merely points out his finger of accusation against Government and says, "Prices have dropped, what have you done about it?", I cannot help it. That is what is called business cycle. No country can help it. You cannot keep up prices artificially unless we subsidise, and we have not got resources to subsidise our exports to keep the prices on a par with the prices obtained during the boom period.

The hon. Member, Mr. Thomas wanted some information about shipments. I have got figures for eleven months, that is, 845,000 cwts. of coir yarn, 214,000 cwts. of mats and mattings and other products 57,000 cwts.

Shri A. M. Thomas: What is the valuation?

Shri T. T. Krishnamachari: The value is Rs. 4,01,83,000 for coir yarn. Rs. 1,74,55,000 for mats and matting and Rs. 51,13,000 for other products.

In regard to the question of what we have been doing, apart from what we have been doing in a particular year, we have made a survey, called for reports from practically every country, from Ceylon, New Zealand, Pakistan, Iraq, Afghanistan, United Kingdom, Sweden, Finland, Denmark, Aden, Philippines, Thailand, France, Italy, Greece, United States of America, Egypt, Yugoslavia, Kingdom of Jordan, Malaya, Canada, Iran, Germany, Netherlands, Indonesia and Japan. We have some information from our Trade.....

Shri Pannoose: Is it a fact that this Daragh Ismail, to which you made a reference, is now opening factories in Holland, and also, is it a fact that the British elements who are very strong in that industry are trying to pull away our industry?

Shri T. T. Krishnamachari: It might be a fact. I do not dispute the authenticity of the report. I have no information so far as I am concerned. The point is we have been keeping in touch with outside market and we find that everywhere due to heavy stocks held the off-take has dropped. Conditions in other countries have changed. Take the United Kingdom. The cost of living has gone up by about 40 points in one year. Hon. Members know that when the cost of living of a normal man goes up, some of these things which could be eliminated are the things which are eliminated. Coir goods is one of the things that could be eliminated. There was stock-piling. In Australia, stock-piling was huge. In Finland, we have got a good market; but the currency position there is so bad that they cannot buy anything from us. It is a combination of circumstances over which we have really no control. We are trying to keep in touch with all these countries and are trying to do what we can.

Take the case of Holland. I agree that Holland is importing coir yarn and is manufacturing coir goods. In Belgium, for instance, we have a market but we find we cannot get our leg in so far as coir goods are concerned. But, what is the solution? Does my hon. friend want me to say, I will not export coir yarn to you at all and allow them to go in for substitutes—after all, there are substitutes for coir; other things could be used in the place

of coir—and lose the trade that we have even with Holland for coir yarn on which depend very nearly about five lakhs of people, merely for the reason that I am not able to employ 50,000 people that we were employing in the peak period in coir goods manufacture. As a statement of fact, the hon. Member is right. But, as an argument, he is not quite so right. You cannot prevent another country from importing raw material and manufacturing the finished product. I have no jurisdiction over Holland to be able to tell them, you cannot manufacture coir products. Can I take it to the United Nations and say that these people are poaching into my trade? This happens inevitably because there is such an amount of freedom everywhere and people go on doing what they like. If it is possible for me after a period of time to establish a market for my manufactured goods, then automatically, you can take it that the amount of coir yarn available to these people will be reduced. If I adopt the remedy that the hon. Member has suggested, there will be more distress in the coir area. I do not think that can be adopted.

The other question that he mentioned was, in regard to what the Government have done. I went down to Travancore myself. I was asked by the Prime Minister to go. In fact, he commissioned me to look into Travancore-Cochin's economic matters though it is not my responsibility. He was so keen on it. We realise as a Government that this is an area, as I have said here before, where the educated public are greater in proportion than in the rest of India and that it compares favourably with most advanced countries of the world. Unemployment is rife, something has to be done. It is a matter which we realise. But, everything takes time. We can only work through the agency of the local Government. That is why I asked Mr. Govinda Menon to summon a conference. Whom he summoned and whom he did not summon, it is not for me to say. It is not my business to say how he conducts his business. It is an autonomous State to that extent. Certain decisions were taken at the conference. We have made funds available for them. I do realise that unless the factory is opened, the number of people that were employed in the factory amounting to 28,000 cannot be employed again. Now, I think there are 15,000 unemployed, who were formerly working there. I do not deny the fact. That is a fact. But, the sequel is, I must ask him to manufacture, hold stocks and find a market for them. All

this takes time. That is why, to show our earnestness, we brought forward the Coir Industry Bill. Once we have an organisation, then, what the hon. Member suggested can be done. Mr. Thomas wanted that we must send out special travellers for this purpose. We can engage one or two people to go round. He also mentioned the East European countries. I do not know whether the standard of living of the people there would permit them to buy these products. It is a matter worth while exploring. So far as our objectives are concerned, I entirely agree with him. But, the position is, the problem is a difficult one. It is what you call a dependent economy, that is, dependent on somebody else for a demand being created. In all dependent economies, our controls are imperfect.

In regard to what we are doing, the Railway Board had not originally included the Ernakulam-Quilon line in their plan for this year. The Prime Minister asked them to include it. It may be that the line goes a little beyond the coir area. Unless labour is mobile and is going to take advantage of the one crore of rupees that is going to be spent in that area, I am afraid I cannot do anything. I can only lead a horse to the water; I cannot make it drink. The position really is, we here in Delhi are dead earnest to do what we can for these unfortunate people. There are circumstances which limit our utility and the period of time that is needed, I think, has not been enough. I can assure my hon. friend that I shall not lose sight of this problem. I am glad that he has raised this problem and has focussed the attention of the Government and the public on it. I shall certainly take advantage of what he has done and pursue the problem further.

BUSINESS OF THE HOUSE

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): May I make a personal request, Sir? I have got the Tea Bill on hand. I shall be grateful if some time in the afternoon of Friday can be found for the consideration of this Bill.

Mr. Deputy-Speaker: When shall we begin?

Shri T. T. Krishnamachari: Usual hours: 4 to 7 or 4 to 7-30.

Prof. D. C. Sharma (Hoshiarpur): It is very hot these days, Sir.

An Hon. Member: Inside the House is not hot.

Shri Nambiar (Mayuram): It is very difficult to come to the House in the afternoons. We have some other work to do: reading the material that is circulated, etc. We are here the whole of the morning. We have got so many visitors.

Shri T. T. Krishnamachari: We are at the fag end. Next week has been assigned more or less for the Estate Duty Bill, and unless the House will be indulgent enough to give an afternoon, the Bill will never be passed. (Interruption)

Mr. Deputy-Speaker: Hon. Members yesterday complained that this will go on for years. Is it right that they should themselves participate and make it go on for years?

I think tomorrow or day after tomorrow afternoon may be fixed. After all, we are coming to the fag end. I am anxious that we should finish by the 15th and not extend even by a day. Hon. Members have been here for 3½ months. Hon. Members will have to put up with some inconvenience. I shall also do so.

Shri Punnoose (Alleppey): We would like to take it up in the ordinary course.

Mr. Deputy-Speaker: It is not possible because there is programme for the rest of the days.

Shri Sarmah (Goalghat-Jorhat): Why can the Estate Duty Bill not come after the Tea Bill is passed? There are very important matters in the Estate Duty Bill. We welcome it, but we have to say something on the Estate Duty Bill and we have also to consult our constituency as to the *Mitakshara* and *Daya-bagha* business. It may be.....

Mr. Deputy-Speaker: We are not now discussing the Estate Duty Bill. It is already agreed that the Estate Duty Bill consideration stage must be over, and five days have been allotted for that. The Tea Bill is also necessary, particularly for gentlemen from Assam. It has to go to the other House. Therefore, hon. Members will kindly put up with some inconvenience, and then come at 4 o'clock on Friday.

Shri Sarmah: What I am submitting is, before you make up your mind, will you.....

Shri U. S. Malliah (South Kanara—North): He has made up.

Mr. Deputy-Speaker: What is the difficulty?

Shri Sarmah: The Estate Duty Bill is no doubt important, but why not take out one day out of it, so that the Tea Bill may be passed?