3159 Petition re: Realisation of 4 DECEMBER 1958 Loans Displaced Persons in Tripura

which was passed by the Lok Sabha at its sitting held on the 17th November, 1958.'

- (ii) In accordance with the provisions of rule 125 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on the 2nd December, 1958, agreed without any amendment to the Poisons (Amendment) Bill, 1958, which was passed by the Lok Sabha at its sitting held on the 19th November, 1958."
- (iii) 'In accordance with the provisions of rule 97 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to enclose a copy of the Workmen's Compensation (Amendment) Bill, 1958, which has been passed by the Rajya Sabha at its sitting held on the 27th November, 1958.'

12.031 hrs.

BILL PASSED BY RAJYA SABHA LAID ON THE TABLE

Secretary: Sir, I beg to lay on the Table of the House the Workmen's Compensation (Amendment) Bill, 1958, as passed by Rajya Sabha.

12.632 hrs.

PETITION RE: REALISATION OF LOANS FROM DISPLACED PER-SONS IN TRIPURA

Shri Dasaratha Deb (Tripura): Sir, I beg to present a petition signed by 2,853 displaced persons in Tripura regarding realisation of loans from them.

12.84 hrs.

MOTION RE: PRESENT TRENDS IN THE EXPORT TRADE—contd.

Mr. Speaker: The House will now take up further consideration of the following motion moved by Shri Lal Bahadur Shastri on the 3rd December, 1958, namely:—

"That the present trends in the export trade of India and the state of the textile industry which contributes materially to that trade, be taken into consideration."

Shri Ramji Verma will kindly resume his speech.

Shri Tangamani (Madulai): Sir, for this particular motion 6 hours were allotted. Yesterday, when it was taken up, the hon. Deputy-Speaker was pleased to observe that the time may be extended.

Shri Raghunath Singh (Varanasi): Sir, at least two hours more are required for this very important discussion.

Shri A. C. Guha (Barasat): If the hon. Minister makes his reply to-morrow morning, the whole of the day may be utilised for speeches by other hon. Members.

Mr. Speaker: Let hon. Members be prepared to sit up as long as possible today. We have four hours; I will extend it by one hour. Up to five let us go on with this.

श्री रा० ग० वर्मा: (निमाइ): श्रीमान, शासन की सहायता के लिये और सदन की जानकारी के लिए मैं कुछ सुझाव रखना बाहता हूं। उनकी कल मैंने अपने भाषण में शुरूधात की थी।

माज हमारे सामने फारिन एक्सचेंब प्राप्त करने के लिए निर्यात करने का और निर्यात करने के लिए उत्पादन बढ़ाने का [श्री रा० क० वर्मा]
ज्ञदन है। हमको चाइना और जापान के
मुकाबर्से में धपनी टैक्सटाइल इंडस्ट्री के
निर्यात को दुनिया के दूसरे देशों में बराबर
कायम रखना है। ऐसा करने के लिए वो बातें
बहुत जरूरी है। एक तो यह जरूरत है कि
हमारा कास्ट धाफ प्रोडक्शन कम हो और
दूसरे इंडस्ट्री के झन्दर सेस्समैन स्पिरिट होनी
चाहिए। ये वो चीजें जरूरी है।

जहां तक कास्ट धाफ प्रोडक्शन को कम करने का सवाल है उसके लिए हमारे यहां यह ट्रेंड चल रही है कि मजदूरों को कम किया जाय टैक्स की छट प्राप्त की जाय, बैकों से सहायता दी जाय वगैरह वगैरह। वह बीज कास्ट आफ प्रोडक्शन में कमी करना नहीं होता बल्कि एक तरह से मिसमैनेजमेंट को प्रोत्साहन देना होता है।

दूसरी तरफ सवाल प्राता है रेशनलाइ-जेशन का, माडरनाइजेशन का, मशीनों के धाषुनीकरण और नवीनीकरण का और इस पर बहुत ज्यादा जोर दिया जाता है। ग्रगर हमें सेल्समैन स्पिरिट को इडस्ट्री में कायम करना है, प्रगर हमको जापान भीर चाइना के मुकाबले में दूसरे देशों में प्रपने माल की सपत करना है, तो उसके लिए रेशनलाइजेशन भीर माडरनाइजेशन करना बहुत जरूरी है क्योंकि उसके बिना बहुत गड़बड़ हो रही है।

इस उच्चोग में माज हो क्या रहा है इसके सम्बन्ध में कुछ निवंदन करना चाहता हूं। रेशनलाइजेशन, नवीनीकरण भीर माधु-नीकरण के नाम पर माज मजदूरों की छटनी करते हैं, लेकिन जो मिल मालिकों के सगे सम्बन्धी हौते हैं, साले बहनोई होते हैं, मामा फूका होते हैं उनमें से मिल के भन्दर किसी को सेल्समैन बना दिया जाता है, किसी को बैधियर कना दिया जाता है और उनको पांच यांच चार चार भीर दीन तीन हजार रुपवे क्षीना बेदन दिया जाता है, और वे सोन क्लकों में जाकर किय सेलते हैं या चौपाटी पर जाकर सैर करते हैं। पर इस तरह से कोई उद्योग नहीं चल सकता। मिसभैनेवमेंट की भी कोई हद होती हैं। भीर इसके बड़े दुव्परि-णाम होते हैं। उनमें से कुछ के उदाहरण मैं भागके सामने रखना चाहता हूं।

हम यह देखते हैं कि जो कैशियर होता है वह सेठ का सगा होता है। वह स्टेट बैक से मजदूरों का वेतन लेने जाता है भौर गिन-गिन कर दस दस, पांच पांच भीर एक एक दुवरे के नोट यैली में रख कर लाता है। लेकिन जब वह वापस भाकर कैश विभाग में खडा होता है भीर उस बैली को स्रोलता है तो नोटों के बजाये कागज के टकड़े धैनी में से निकलते हैं, भौर जब यह चीज सामने भाती है तो उसके खिलाफ़ कोई ऐक्शन नही लिया जाता। स्टेट बैक तो सरकारी बैक है। वहां से नोट गिन कर लाये जाते है, उन नोटों के वहां पर नम्बर भी दर्ज होते हैं। लेकिन यैली में से कागज निकलते हैं भीर मजदूरों को वेतन नहीं मिल पाता । पर कैशियर के खिलाफ कोई ऐक्शन नहीं लिया जाता। उनको माफ कर दिया जाता है।

इसी तरह से कोई चीज भाती है और उसका म्राक्ट्राय ६ पाई चुकाया जाता है तो मिल से ५०० रुपये मौर ६ पाई लिया जाता है। पर कोई पूछ नहीं करता। जिस चीज पर ६ पाई भाक्ट्राय दिया जायेगा वह तो इतनी छोटो होगी कि उसको जेब में लाना जा सकता है, लेकिन जिसका भाव्ट्राय ५०० रुपया दिया जायेगा उसको तो ट्रको में लाना होगा। इस पर मैनेजमेंट को विचार करना चाहिए छि ऐसी कौनसी चीज मायी है जिसका ५०० रुपया माक्ट्राय देना पड़ा है। पर इस पर कोई भ्यान नहीं दिया जाता।

इतना ही नहीं एक्साइज ब्यूटी के क्या गवर्नमेंट में जमा करने जाते है पर खबा करने के बजाये लाख डेढ़ लाख कपया खा काते हैं भीर जब सवास उठता है तो कोई हेन्छन नहीं सिया जाता बस्कि उस मिल के हकावे उनको दूसरे मिल में अधिक बेतन पर एक दिया जाता है। तो जो यह सारा का बारा इस उद्योग में ट्रेंड चल रहा है उस पर विचार करने की जरूरत है। इस मिसमैनेज-वैंट पर बहुत सोचने की आवश्यकता है।

कल मैंने घापसे कहा या कि एक मिल है क्षीर वह प्राफिट नहीं कर रही है। उस का वित्रिसियेशन नहीं निकाला जा रहा है। लेकिन बही मिल एक साल में जब २५ लाख का बनाफा करती है तो वह दूसरी खराब मिल के २५ लाख के शेयर खरीद लेती है। यह दूसरी श्रिल भी नुकसान कर रही होती है। पर इसके बोबर खरीब लिये जाते है। पर मिल का डिप्रिशियेशन नहीं निकाला जाता और पांच सास ब्याज का दिया जाता है। भीर जब बह मिल नकसान देती है तो फिर गवर्नमेंट से सहायता मांगी जाती है। साथ ही जो मिल सरीदी है उसमें बम्बई में काम करने के लिए इन्दौर की मिल के ब्रादमी बाते है बौर वहां पर चार चार छः छः महीने रहते हैं लेकिन उनकी हाजिरी इन्दौर में लिखी जाती है भीर उनका बेतन इन्दौर के मिल से दिया जाता है हालांकि वे काम बम्बई में करते होते हैं। यह चीज मेरी समझ में नही झाती। इसके लिये हमने गवर्नमेंट को भी लिखा, कम्पनी की भ्रयारिटीज को भी लिखा कि यह ४२० हो रहा है लेकिन कोई ऐक्शन नहीं लिया गया। उनका जवाब भाता है कि ऐसा कोई बात नहीं है।

तो जो यह ट्रेंड चल रही है धौर जो हमारा कानून धौर विचारधारा है इसका कोई मतलब नहीं होता है धौर घन्त में हमारे सामने एक बात धाती है धौर वह यह है क्लोजर जिससे मजदूरों की बंकारी बढती है। मैं धापके सामने क्लोजर का एक उदाहरण पेख करना चाहता हूं। एक मिल ने नोटिस बंगाबा कि धमुक तारीख से इस मिल को बन्द किया जायेगा क्योंकि धाजकंस फूंडस्टी में टेंड प्रज्ञा नहीं है । लेकिन मैं भापके सामने यह चीच पेश करना चाहता हूं कि जिस मिल ने सरकार से टैक्स माफ कराने के लिए और सहिलयत लेने के लिए क्लोजर का नोटिस सगाया उसकी हासत क्या है । इस सम्बन्ध में मैं सदन के सामने उसकी जानकारी के लिए वह बैलंसशीट रखना चाहता हूं जो कि उस मिल ने सन् १६५७ में निकाला है। इस मिल को बड़ा करने में मालिकों ने ३० लाख ६१ हजार रुपया लगाया । उस मिल में एक पाई भपनी जेब से या बाहर से डाले बिना भाज जो प्राफिट है उसके भाषार पर उन्होंने भपना शेयर कैपीटल ३०,६१,००० के बजाये ४,३२,७४,२८० कर दिया । यानी उन्होंने तीस लाख से घपना शेयर कैपीटल बिना कुछ अपने पास से या बाहर से लगाये चार करोड कर लिया। इसके ग्रनावा जो रिजर्व है वह ३,१६,०३,३०८ है। इसके अलावा जो उन्होंने दूसरी इंडस्ट्रीज में एनबेस्टमेंट किया है वह ३,८४,००,००० है। इसके प्रति-रिक्त बैकों में दो करोड़ डिपाजिट किया है। नो भाप देखें कि तीस लाख से इतना सारा मनाफा किया गया है। आप आगे देखें कि सन १६४७ में उनका मनाफा है ६१,६०,१६४ भौर डिप्रिसियंशन जो निकाला है वह है २१,२०,३२६ गवर्नमेंट को टैक्स दिया है ३० लास, डिबीडेंट बाटा है ३१,७२,७८६ ग्रीर कमीशन के लिए हैं ६,८४,१६६ ग्रीर दान में दिये हैं १२,१३,७५४ भीर जो मरप्लस उनके पास बचा है वह है १,२७,४६४। यह इस मिल का धन्तिम बैलेसशीट है। भौर जिम रोज यह बैलेंसशीट निकलता है उसके दो महीने के बाद वह मिल यह नोटिस लगाता है कि दो महीने के बाद इस मिल को बन्द किया जायेगा क्योंकि भाज जो ट्रेंड है इडस्ट्री का वह नकसान की तरफ है।

मेरी समझ में नहीं भाता कि जा ऐसा घट-नायें हमारे सामने हो रही है त गवनैमेंट जन पर ऐक्शन क्यों नहीं लेती। भीर फिर सबन के भन्कर भीर बाहर यह सवास भाता

[श्री रा॰ क॰ वर्मा]

् है कि प्रोडक्टिविटी बढ़ाई जाए, रादानलाइ-जेशन किया जाए । श्रीमान्, मैं पूछना चाहता हं कि यह सब किस के लिए किया जाए? मैं मानता इं कि देश के लिए कारेन एक्स बेंज प्राप्त करने के लिए हमारी इंडस्ट्री की बढाने के लिए, हमारे लोगो को काम देने के लिए या हमारी जरूरनो को पूरा करने के लिए अगर कोई हक्म दिया जाता है या कोई काम किया जाता है तो हम सब उसका स्वागत करने के लिए नैयार है। लेकिन जो ट्रेड है वह दूसरी दिशा की ग्रीर मंकेत करना है। जैसा मैने कल निवान किया या हमारे प्रोडक्शन का क्या हैं है. जनता के रूचि किस भोर है तथा हमारी जरूर ने क्या है, इस मार घ्यान न देकर हमारा घ्यान ज्यादा से ज्यादा मनाफा कमाने की ग्रोर होता है। हमारा ट्रेंड एक्सपोर्ट करने की ग्रोर भी नहीं है। ज्यादा से ज्यादा म्नाका कमाने के लिए क्या कुछ किया जा मकना है क्या क्या तरकीब हो सकती है इस ग्रांट हुं हमारा ध्यान है। ' एक्सवोर्ट को बढ़ाने की कीशिश नहीं हैं।

म्राज कहा जाता है कि टैक्सटाइल इ-इस्ट्री के ग्रन्दर काइमिम है। श्रीमानु मै करना। हं कि कोई काइसिन नही है। धगर काई ऋाईसिस है तो वह इडस्ट्रा के चलान वालो ने, उसके सचालको ने जान वृत्त कर पैदा किया है। एक तरफ टैक्सटाइल बज बोर्ड बैटा हुआ है, उसके काम में घपला डालने के लिए यह सब काम किया गया है। इसका कारण यह है कि ग्रगर टैक्सटाइल वेज वोडं ग्रपन काम में कामयाब नही होता है तो मिख मानिकों के बादर ब्रोढ़ कर मोने के दिन ब्रा जाने है बौर प्रवार वह कामयाब होना है और मजदूरों को कुछ मिल जाता है तो वह उनके मुनाफे में से, उनकी जेब में से मजदूरों के पेट में जाता है, जिसे वे लोग बरदाश्त नहीं कर सकते हैं। इस वास्ते वे टैक्सटाइल वेज बोर्ड के काम में नडबड़ी पैदा करने की कोशिश करते है भीर शसको यह बतलाने की फिक में हैं कि इस

ंहर्ट्री में एक काइसिस सा है। साथ ही साथ वं गवर्तमेट से ज्याना से ज्याना टैक्सों में खट लेने की दृष्टि से ज्यादा से ज्यादा सहायता लेने की दृष्टि से यह सब कुछ कर १ है है।

माय ही साथ यह जो बतलाया जाता है कि मोवर-प्रोडक्शन है, यह बात बिल्कुल गलत है। मैं भ्रापमे निवंदन करना चाहता हूं कि कोर्स भीर मीडियम ज्यादा भरा पडा है भीर फाइन भीर सुपर फाइन कम है। फैट की जो किस्में है वे ज्यादा निकाली गई है। ध्रगर एवरेज काउट हमारा लिया जाता है तो ३० ग्रीर ४० के बीच है। इस हिसाब से ग्राज जब जनता की माग श्रीर जनता की हिंच को देखा जाता हुता यहां पर यह बताया गया है कि हमारो मिलो के अन्दर ५ अरब २१ करोड है वह ५ भग्ब २१ करोड़ में घट जाएगा क्योंकि हमारा बाउण्ट यहन कम है। कोर्स भीर माडियम का कपडा डिमाण्ड के बावजद भी ज्यादा निकाला गया है। १६५५ के अन्दर जैसा कि टैक्मटाइल इन्क्वायरी कमेटी की रिपंट में बताया गया है ६० लाख गज धोतिया कार्म व मोडियम बनो गई थी और १६५७ को भ्राप देखने है ना भ्रापको पता चलगा कि ६० लाख के बजाय १७२० लाख गज ब्नी गई हैं। इसा तरह से १९४४ में साड़िया २० लाख गज ब्तो गई यी लेकिन १६५७ में २००० लाख गज बना गई। श्रीमान् हमें देखना है कि ग्राज डिमाण्ड किस चीत्र की है। ग्राज हम देखने है कि फीट ग्रीर किनियड माल के लिए लांग द्यातर है। खादी भडारों में हम देखते है वहा ताला लगा रहता है भीर लोग बाहर खंड रहते हैं नि कब खुले। हमें ६चि को देखना चाहिए। फैटके ग्रगर ग्राप परसेटेंग को देखें तो भ्रापको पता चलगा कि १६५५ में उसका परमेटेज दो या, १६५७ के मन्दर वह साढं चार हो गया भीर १६५८ के बन्दर लगभग पाच होने वह जा रहा है।

इस बास्ते हमें विवार करना वाहिये कि हमारा ट्रेंड किस तरफ वा रहा है। हमें देवना होगा कि हम एक्सपोर्ट किस तरह से बढ़ा सकते हैं। एक तरफ कास्ट झाफ प्रोडक्शन कम करने की बात होती हैं, राशनलाडजेगन की बात होती हैं और दूसरी तरफ मजदूरों की बेकारी की बात होती हैं और साथ ही माथ यह बात होती हैं कि कपड़ा भर दो, ऐमा कपड़ा तैयार करों जिमे कि कोई खुए न या जिसको लेने में लोगो की हचिन हो। इस बास्ते गवनंमेंट तथा शासन के लिए मोचने की बात हैं कि इस टैक्सटाइल इडस्ट्री के बारे में क्या करने की भावश्यकता है।

जैसा कि रिपेट में कहा गया है कि मज-दूरों ने चार नुम्म चलाना मजुर कर लिया है, मै इसका विरोध करता हु। मजदूरों ने हमेशा चार लम्स चलाने का विरोध किया है भौर वे चार लम्स चलाना नही चाहते हैं। बार लुम्स चलाने से ग्राप यह न समझे कि कास्ट भाफ प्रोडक्शन कम होगा बल्कि मैं तो यह मानता ह कि वह बढेगा। चार लुम्स चला कर मले ही प्राप मजदूरों में कमी करके कुछ बचा ले लेकिन धापका जो स्कोर परमेटेज हैं बह बढ जाएगा, जो वेस्टेज है वह सारे का सारा बढ जाएगा। इस वास्ते सब बातो पर श्रगर भ्राप विचार करे तो ग्रापको पता चलेगा कि चार लम्स चलाना हमारे देश के हित में नहीं हैं। ध्रगर यापको एक्सपार्ट करना है तो उसके लिए भाग को

Mr. Speaker: The Hon. Member must conclude his speech. The other day he had taken thirteen minutes and today he has taken 15 minutes.

भी रा० क० वर्मा थोड़ी सी देर में सत्म किये देता हं।

प्रध्यक्ष महोदय . थोड़ी देर क्या ?

He may conclude in two minutes.

भी रा० क० वर्षा: मैं वह निवेदन करना चाहता हूं कि सगर हमको देश के सन्दर व्हैक्सटाइन इडस्ट्री को मजबूत करना है सौर इस इहस्ट्री को मखदूरों की, संवालकों की और गवर्नमेट की देखरेख में चलाना है तो मै इसके लिए तैयार हू कि भगर दरभमल में इम इडस्टी की हालत खगब है श्रीर श्रगर दरग्रसल में हम बाहते हैं कि चीन और जापान के मनाबसे हम बाजार में खड़े हो तो जितनी मिल्स के भन्दर भी भारोमेंटिक मशीनरी लगी हुई है उसको वही ठहरा दिया जाय भौर यह भी ठहरा लिया जाए कि एक साल के लिये हमें ज्यादा से ज्यादा एक्सपार्ट करना है भीर ज्यादा से ज्यादा फारेन एक्यवेत कमाना है और उस साल के लिए नो कमीशन, नो डिविडेट, नो टैक्स, नो डिप्रिसिएशन होगा। अगर ब्राज हम तय कर देने हैं कि बारह महीने के लिये कोई कमीशन नही दिया जाएगा, कोई डिवीडेट नही दिया जाएगा, कोई टैक्स नही दिया जाएगा तो मैं मजदूरों की तरफ में यह कह सकता हूं कि मजदर भी बोनस की माग एक साल के लिए नहीं करेंगे और इस तरह से जितनी भी रकम इकटठी होगी उस रकम के घाधार पर हम कास्ट श्राफ प्रोडक्शन को कम करके जितना भी श्रधिक में श्रधिक एक्सपोर्ट कर सकते हैं, एक्सपोर्ट करेगे। इस तरह से धगर किया गया तो बाग्ह महीने के अन्दर हम काफी फारेन एक्सबेज प्राप्त कर लेगे। मै पूछता बाहता हं कि मिल मालिक क्या इसके लिए तैयार है ?

जब यहा पर कम्पनी एक्ट श्राया था श्रीर उस एक्ट के अन्दर जब कमीशन की लिमिट ठहरा दी गई थी उस वक्त सेठों के खोकरों को मिलों में शामिल कर लिया गया, उनके नाम उनमें दाखिल कर लिये गये और किसी के नाम दो हजार, किमी के नाम तीन हजार और किसी के नाम चार हजार कर दिया गया। इसके साथ ही साथ सैकडों मजदूरों को निकाल बाहर कर दिया गया। यह जो तरीका है काम करने का यह अच्छा नहीं है। यह इस इडस्ट्री को तरक्की देने का, इस को मजबुत करने का या फारेन एक्सचेंज कमाने का तरीका नहीं है और यह तरीका हमारे देश को भारी पढ़ रहा है। इस बास्ते हमें विचार करना होगा कि यह जो स्पिडल्स बढ़ रही है, लूम्स बढ़ रहीं है तबा दूसरी बातें जो नही बढ़नी पाहियें वे बढ़ रही है उनको कैसे रोका जा सकता है। हम कहते हैं कि प्रोडक्शन इकट्ठा हो यया है और प्रोडक्शन को भीज किया जाना पाहिये। यह जो हम करते हैं इसको करने से पहले हमें दूसरी बातों पर भी प्रच्छी तरह से विचार लेना चाहिए।

Motion re:

भाज मजदूर माग कर रहे हैं कि साप्ता-हिक खुड़टी ग्राप रखिये, ग्राप रैस्ट इटरवल रिक्षये, पन्द्रह घगस्त की खट्टी उनको दें, गाबी जयन्ती की छट्टी उनको दें, खब्बीस बनवरी की खुटी उनको दें लेकिन इनको माना नही जाता है। इसके विपरीत उनको ३६६ दिन--३६४ नही-- तथा बीबीस घंटे भीर सण्डे विका है रख करके नाजायज तीर पर दबाया जाता है भीर उनसे उनकी मर्जी के खिलाफ काम लिया जाता है। साथ ही साथ कानून भग किया जाता है भीर इमारी गवर्नमेट हैं जो सारे कानून को शिथिल कर रही है, प्राविडेट फण्ड की वसुली रोक रही है, स्टेट इंत्योरेस में ढिलाई दिखा रही है, फ़ैक्ट्री एक्ट का पालन नहीं करती, पेमेट श्राफ बेजिज एक्ट का पालन नहीं करती, कोई श्रम न्यायालय नहीं है भीर न ही कोई न्याय देने बाला है। मजदूर सहको पर भगवान के भरोसे खडे है या वे इस सदन के भरोसे है। मैं निवेदन करना चाइता ह कि इस विषय पर हमें बहुत घ्यानपुरंक विचार करना चाहिये और शासन को जिन को सहायता की मावश्यकता है उनको सहायता पहचानी चाहियं ग्री- ग्रापको मै मजदूरों की मार से विश्वास दिलाता ह कि हम भापकी पूरी महायना करेग ।

Shri S. A. Dange (Bombay City-Central): Sir, the statement and the debate on this problem of exports raises certain very important problems not only for the export industry but also for our whole economy and our thinking, and instead of going into

the grievances of the working class on this question of textile industry I would first raise the main problems of our economy as have found expression in the statement of the hon. Minister.

We have suffered a setback in exports; that is admitted. Now we are going to more or less overcome this setback. An atmosphere of optimism is entering our economy and even in textiles where the exports were rather seriously threatened. We are also seeing better days. When this problem is passed; what is the analysis given to us? What is the reason?

Now, the hon. Minister's statement gives a proper approach, no doubt, and I must congratulate him for making a frank statement I will come to the content of that statement, but I must say this is a frank statement But I would wish it were more explicit, explicit in such a way that it would help the country to think about the problem and its solution in proper perspective

What is the main thing that he says? The main thing he says is that our exports suffered for the simple reason that there was a recession in some of the industrialised countries. That is the main event. Why has our economy been thrown back in exports? Because there was recession in some of the industrialised countries. He says.

"This decline, as I have said before, has in fact resulted largely from the decline in commodity prices, and from the setback in economic activity in some of the highly industrialized countries of the world, more particularly in the United States and later in western Europe"

I am thankful for the statement, because there are enough leaders in this country and there are enough leaders even of the Socialist Party who say that we must link perpetually sar economy to the most rich and nost prosperous and never declining susstry sulled the dollar country of Juited States of America. And, in season and out of season we are told sar economy must depend upon the foliar economy, must depend upon terling economy, must depend upon the industrialised countries of capitalist Europe and America. well, we are linked, and the setback in exports in the proof of it.....

Skri C. D. Pande (Naini Tal): A recovery there will bring recovery here also.

Shri S. A. Dange: Wait for recovery, what we will recover we will know. Morarjibhai will tell you what we are going to recover.

Therefore, the recession in exports is a clear proof that our economy is very much linked to this economy of America and western Europe. And, what happens to that economy? That economy is a capitalist economy which was supposed to be a progressive capitalism and a democratic capitalism. That suffered a setback and along with that they sent that setback to us also. Not only to us. I am thankful to the hon. Minister for having put before the thinking men of this country another fact, that it is the fate of all under-developed countries whenever they link their economy with the capitalist countries to suffer a setback, to suffer ups and downs and be at the mercy of these capitalist industrialised countries. That is another good lesson which are put before the country. But the misfortune is that sometimes he cannot be frank or he does not wish to be frank or, perhaps, might be, he has failed to understand sometimes the problem. For example, when he calls these countries 'industrialised countries'. why not call them by the straightforward name 'capitalist industrialised countries'? There are two industrialised countries in the world: capitalist industrialised countries and socialist industrialised countries. And Indian exports have not suffered a setback in their link with socialist industrialised countries, wherever we have depended on them. This lesson is not clearly stated.

In the next paragraph he says:

"The House will be interested to know that imports into industrially advanced countries suffered a significant decline during this period, and consequently most of the undeveloped countries dependent on the export of primary products were unable to maintain a high level of imports."

He said that the undeveloped countries of America have suffered 20 per cent. to 25 per cent. fall in their exports and naturally suffered in their economy.

But, he says: "industrialised countries". Well, wherever we find ourselves linked with socialist industrialised countries what has been the result? The result of link with America and western Europe is well known. It is admitted very frankly.

Shri Tyagi (Dehra Dun): But we suffered in respect of China also-coal and textiles.

Shri S. A. Dange: Until the tax comes out, please wait. Have patience. I will quote your own authors, not mine.

Shri Tyagi: It is wrong information, I believe. I am glad.

Shri S. A. Dange: Please wait for the right information. We are talking of exports. My friend Shri Tyagi jumped up too early and referred simply to China and the textiles. We are first discussing the exports of primary products. They are exporting to industrialized countries not only textiles. Just wait.

What happened? Here it is. "The increased demand from Russia and other Communist countries has provided an outstanding feature of exports in the last season. Russia had figured as the largest buyer of Indian pepper at 4,668 tons and the East

[Shri S. A. Dange]

European countries have accounted for exports of about 1,400 tons. Of these countries, Rumania, East Germany and Hungary"—that most beloved country of the Praja-Socialists—"have made substantial purchases" despite the hanging of Imre Nagy, "and the total purchases by Communist countries thus amount to about 46 per cent, of the entire exports."

So, primary products exported to socialist countries have gone up and not gone down. Primary products exported to the rich dollar countries have gone down and not up. is one lesson for my friend Shri Tyagi. On the other hand, trade with America, the principal buyer in recent years, has shrunk from 3,300 tons to 2,747 tons in the past season. This is the lesson about industrialized capicountries and industrialized socialist countries. Therefore, I would have been very happy if the Minister had drawn the lesson for our countrymen in a clearer form.

There is another thing. I am referring to the same commentator as the writer in the *Times of India* commercial columns. He is not a member of the Communist party. He says:

"The emergency of the demand from Red countries in the past two or three years has provided considerable help to Indian exports which might have otherwise declined sharply on account of the smaller purchases by the U.S. and other traditional buyers".

Therefore, I would say that this statement and this debate ought to hold a very good political and economic lesson for our countrymen. I am not here quarrelling either with the Commerce Minister or with the Congress Ministry. As I said just now, the problem is this. What lesson in the future development of the econnomy are we going to convey to our countrymen? That lesson is that the espitalist countries suffer from recession and our trade with them is bound to suffer from ups and downs; that

socialist countries never suffer from recession and we are suffering from recession not only because of capitalist countries' link-up but also because we are a capitalist economy. Therefore, we are also suffering from recession.

For example, sometime back were told that production is going up and more must go up. The moment production in a capitalist country goes up, it is immediately followed by a recession and a fall, and there is unemployment, closures, falls and whatever they are. I do not think that recession, closures, falls, in production, etc., are at all a characteristic of any socialist economy, and the very fact that this takes place in our country shows that we are neither nearer socialism nor even of a socialist pattern, because, if a socialist pattern is to develop, it must develop in such a way that increase in production never leads to the crisis in the market. Increase in production leading to a crisis in the market of consumption is a definite index that the economy is not heading towards socialism but that it is heading or is already on the road to capitalism and becoming worse.

Therefore, the lessons to be drawn from this debate with regard to exports and the development of industries are highly important for our economy as a whole. Hence, I would like the hon. Minister to tell the world and tell our own people that we suffered recession because for the export of our primary commodities for our economy, we depended upon the industrialized capitalist countries; we are suffering because of capitalist recession, and if we have profited we have profited by socialist advancement.

So far as our exports of our commodities are concerned, there are two countries with which we have trade. That of course does not mean that we can go up in respect of our trade immediately with any of the capitaiist countries We cannot, because unless we are ourselves socialists, we
cannot protect ourselves from the impact of capitalist economy and our
exports to or imports from them
Therefore, that solution certainly is
not the solution just now in our hand
Nor is it my proposal that all our
trade can be diverted to socialist
countries I do not say that it is possible today or possible after sometime
also

For example, we cannot certainly sell toa, the bulk of which is being sold to England, to China or the Soviet Union We cannot do that Therefore, I do not mean to say that all this situation can be cured by simply transferring the bulk of our trade to socialist countries But I want to suggest that we must think of our economy in a more serious manner and draw correct lessons by finding out how our relations with capitalist economy react on us and how our relations with socialist economy react on us and thereby we must try to introduce a certain balance m our economic dealings with the outside world and also a certain reorganisation of economy inside our country

That is so far as the first point is concerned I now refer to the statement made yesterday

"So, there has been a widespread recession in international trade and we have also been affected by it"

Even if the literature of the United Nations were studied, we would find that this recession in international trade does not affect the economy of the socialist countries at all The trade of the socialist block countries has increased and is multiplying while the trade of the capitalist countries is falling, as it is bound to fall, because capitalism certainly cannot prosper continuously on rising costs of production, for, there is always a

contradiction between the profits accumulated at one end and poverty at the other end You produce, but who is to buy? Because the producer himself has become poverty-striken, and m the capitalist economy there is the fundamental law, namely, production goes up to the benefit of the owning classes and poverty goes to the benefit of the producing classes What is produced more and more comes to a deadlock of consumption, and therefore, this hiatus between production capacity and consumption capacity can never be cured by capitalists We can have prosperity and depression turn by turn, but continuous prosperity is not possible I am not blaming the Congress Ministry for that, because it is a theoretical proposition I have to state it because whenever in this House we pose this problem before the Government and whenever we warned them about recession, about capitalism suffering a setback and about our also being the victims of it there are remarks made I remember that in April last, when we mentioned this question, the hon Finance Minister Shri Morarji Desai, pitied our intelligence and said, "Recession? India has a developing economy What of recession m India? Nothing doing" But here it is debate shows that at least the hon Minister of Commerce and Industry and the hon Minister of Finance are at loggerheads on this question recession I hope they will fight their battle inside the Cabinet and come to certain conclusions

But here it is Recession is there and about which we warned them. The intelligence of the Finance Minister at that time lay m his trying to ridicule the intelligence of the Communists, while it is for the country to judge now whose intelligence is better. In any case, the recession in the intelligence of the Opposition Benches is clearly seen by the trade statistics that are handed over to us

Shri Tyagi There is inflation on this side

Shri S. A. Dange: I do not know. It is their problem. Let me now come to the second problem. I am now dealing particularly with regard to textiles. There are exports of tea, jute and ores. About ores, there has been a criticism, but I do not want to go into that matter and those measures. We will come to them later on. The second point that has been suggested is this. It was not suggested here. I am glad to see that our Commerce Minister has not suggested that the main evil with our exports of textiles particularly is the Chinese competition. He has not said that, but there is a subtle propaganda going on that our Indian economy is being hedged by our own Chinese friends, particularly by Mr. Neville Wadia, who was the Chairman of the Bombay Mill-owners' Association. now of the Mill-owners' Federation. I know his father was an indulgent mill-owner and his is one of the prosperous mills in India and technically very good. I do not know whether Mr. Wadia knows his own industry or his own mill at all. I am not sure But he puts the whole textile trouble on poor China. I was surprised to find Mr. Wadia saying that they are "dumping". "Dumping" in economic thinking means selling a thing below the cost of production in order to beat down the market. Does Mr. Wadia know the cost of production of Chinese cotton textiles? Does he even know the cost of production of his own textiles?

An Hen. Member: Does anybody know?

Shri S. A. Dange: I know; I can tell you that. My friend does not know the cost of production of Bombay textules because the Bombay mills have consistently refused to bring their costing before Tariff Board. Even the Tariff Board had to my "we had to start on a basis given by the Bombay mill-owners which we cannot test." That is about your own cost of production and you are talking about Chinese cost of production. You are saying "dumping" just because the Chinese textiles have come in the market. But why have they come in the market? I need not discuss that; that is not the main point here.

Let us look at some of the falls which are listed here for our information. There is a fall from 485.49 million yards in January-July, 1967 to 319.96 million yards in 1938. The fall is of the order of 165.53 million yards. It is said, Chinese competition has come to Indonesia. How much is it? 75,000 yards! 75,000 yards of Chinese textiles have uprooted our Indian textile industry from Indonesia; it is wonderful to hear, because Indonesia imported 28 million yards and the Chinese have exported 75,000 yards to Indonesia. It is wonderful logic. Is it logic of economics or of politics, of running down Chinese friendship and our treaty with them, I should like to know on the basis of facts This sort of propaganda is not good for the health of our economy—running down the Chinese economy. In ten years, China had done wonderful things and in ten years, we are complaining about recession despite rising production. Naturally we are going to suffer by comparison with China in ten years, but that is not the reason why we should run down a socialist economy if it is prospering, and it is prospering not to our detriment.

For instance. Indonesian Malayan exports fell by 34 million yards only, while the total fall in Indian exports in these six months is 165 million yards Yet so much is being made of Chinese 'dumping'. Perhaps the gentlemen in the Forum of Free Enterprise advised Mr. Neville Wadia or some of those gentlemen from the Praja-Socialist Party who wanted to take demonstrations against Chinese events on October 2, the birthday of Mahatma Gandhi, to protest against Chinese development or Chinese war-mongering, as they called it; they want to hide facts.

Shri Rajdssira Singh (Chapra): Will' you ask this man to behave properly? Shri S. A. Dange: Shut up.

Shri Braj Raj Singh (Firozabad): "Shut up" has again come up in parliamentary proceedings.

Mr. Speaker: We must address each other as "hon. Member".

Shri Raghnnath Singh: "Shut up" is unperliamentary.

Shri S. A. Dange: When he says "this man" I will say "shut up". (Interruptions).

Shri Ranga (Tenali): Both are wrong.

Shri Raghunath Singh: Both should be asked to withdraw their remarks.

Shri S. A. Dange: I will withdraw the moment he withdraws "this man".

Mr. Speaker: I am here trying to settle the difference. After all, it does not do any justice to the hon. Members. Sometimes this may be ignored. I am here as far as possible to see that these things are corrected. The hon. Member ought not to use such language. We are all hon. Members. I am sure the hon. Member used it rather hastily. Mr. Dange has withdrawn his words; I am sure the other hon. Member will withdraw his words too.

Shri Rajendra Singh: If Mr. Dange can behave properly, I am the first person to respond.

Mr. Speaker: All hon. Members are expected to behave properly. They ought not to use this kind of language. I want him to withdraw the remark.

Shri Rajendra Singh: I have no objection.

Mr. Speaker: He understands; let it be taken to have been withdrawn.

Shri S. A. Dange: I am sorry my seference to the P.S.P. has irritated some people. Taking the question of supports, there is a report of the Export Promotion Council. The Council's delegation went to the African countries. The report says that exports of indian textiles to these countries are suffering because of competition from West Germany, United Kingdom and such other countries. Therefore, in East Africa and West Africa, the loss of our exports is 24.71 million yards.

I do not want to go into details. I admit we have lost the export market in textiles. I admit a part of it may be due, is certainly due, to Chinese exports. But my point is that the main fall in our exports is not at all due to the Chinese competition in the Indonesian market. Even if we consider that that is the main reason, we should pay attention to the measures. For example, why has Indonesia suddenly taken to imports from China? It is because the Chinese give tenyear loans. You may say, we cannot give them. I can understand that; I am not complaining we are not able to give loans. That is not the point. The point is to find out whether it is dumping in order to beat our interests or whether it is ordinary economic practice of a socialist economy to give 21 per cent, credit loans. We are not able to give that. Even the capitalist countries are not able to give it: they would not give it.

There is another thing. In Chinese contract, there is a falling clause. After a contract has been made, if the prices go down, the importer can quote the fallen prices and can revise the contract. Is this practice being adopted by capitalist countries? No; capitalism would collapse if they introduce a falling clause in their contracts.

There is another thing which the Chinese are doing. Indonesia was in trouble, so far as their economy was concerned, when the Celebes were invaded with the help of the Americans. So, they wanted loan which the Chinese gave. So, they could not buy our textiles. So, Chinese competition in these markets is not dumping competition. As they say, they are helping Indonesia in their struggle against

[Shri S. A. Dange] imperialism. The Chinese are building a textile mill in Cambodia, another in Yemen and a small thing in Arabia. Their experts and technicians are going on the conditions laid down by the importing countries. The Chinese are doing it not because they are dumping as Sir Neville Wadia or his advisers would think, but because a certain concessions are given to the importing countries which we may not afford. Let us see whether we can give those concessions, whether we can build a textile mill in Iran, instead of building it in Ethiopia, as my friend, Mr. Birla has done. Let us see whether we can give them textile machinery. We are now trying to import Lancashire machinery. In fact, the textile machinery manufacturers complain that the Indian mills do not buy their machinery. So, these textile machinery manufacturers, instead of manufacturing textile machinery, are manufacturing broad gauge wagons or axles.

The Minister of Industry (Shri Manubhai Shah): No textile machinery which is made in India is now imported from other countries.

Shri S. A. Dange: I do not quite follow.

Shri Manubhai Shah: No textile machinery made in India is allowed to be imported.

Shri S. A. Dange: I am not saying about imports. I am simply saying that textile machinery manufacturers in our country are complaining that in the early stages their machinery was not bought at all. After some time it began to be bought and even now their capacity is not so fully used, therefore, they have to manufacture some orders for the Railway Ministry. That is what is written in the annual report of the textile machinery manufacturers and their Chairman. I do not know whether the hon. Minister has read the report. It was a standing complaint. Some three years ago the carding machines were thrown out by the Bombay Mill-owners Association and there was a crisis. Therefore, I can quote innumerable examples of this kind.

So, the second point is that we should see where exactly our exports are being hit and for what reason. It is no good going into the questions of political campaigning and running down the Chinese economy. That is what I wanted to point out. That is the tone I found in certain discussions. not in the hon. Minister's speech-I am not attributing it to him-but in the economic literature, e.g. the famous Eastern Economist. It does not see even the American recession. It is prospering and prospering. Maybe, he identifies his own prosperity with American recession: that is a different matter. But this false picturisation of economy is going to mislead people from drawing correct conclusions.

So the second point is about this question of competition from socialist countries, and the conclusion is that socialist economy is definitely helpful to Indian economy, whether in export trade or import trade.

As regards the import of strategic materials, my hon. friend Shri K. D. Malaviya would be able to tell the story better in the matter of oil. There also there is the question of export of oil. What is happening? If my hon. friend, the Commerce Minister investigates the position of exports from the Trombay refineries it would be a good thing. What is the foreign exchange involved? That also forms part of the question of exports, though not a primary commodity, certainly a very inflammable commodity with inflammable politics. Therefore, we should pay attention to that also.

The third question which I want to refer to is the question of solution. What is the solution? Now in trying the solutions, are those solutions to save our economy or to save the mill owners? What is the content of the

solution? What is the aim of the solution? My proposition is that the aim of the solution that is today being proposed by the Government is to save the mill owners, neither the people, nor the economy, nor the workers I refuse to accept such a kind of solution Because, the solutions are being offered to extricate the most anti-social part of our capitalism from their difficulties And if you were really to go into the depth of the matter, there are no difficulties for the solution

Now m the excise duty there are troubles We gave them back the excise duty They shouted, threatened and waited upon the Prime Minister Immediately, they got relief in excise 20 crores have been duties Re retuined to the gentlemen They said to Government 'See, the excire duty went to the consumers", they said to the people 'See gentlemen, your prices have gone up because of the cacte duty imposed by the Congre's Ministry you have elected" They refuse to admit they also donated for it They simp; say "you elected them" Therefore they have raised the prices Now the Congress Ministry gives them back Do 10bbe1s give concession in price to the consumers? Here is a quotation

Mr Speaker: Is it necessary to use such expressions?

Shri S A Dange I am referring to the millowners

Mr. Speaker: Even then?

Shri S A. Dange: I will say expropriators and not robbers It is said here

"Export duties have recently been rationalised with a view to enabling the smoother flow of manufactured goods from the producing to the consuming ends. But from reports available it is seen that the benefits of the reduction in prices, as also the prices of cotton, have not as yet been passed on to the ultimate consumer."

How socially advanced these people are! How patriotic! How panting for the poor man, our economy and our country! When excise duties were imposed, prices went up, when Rs 20 crores were returned to them, they pocketed Rs 20 crores and the prices are exactly where they were What has the hon Minister done for solving this part of the problem? I would like to tell him I am quoting what I am quoting 'Trends in production, prices, stocks for the month of August, 1958" issued by the Government of India Ministry of Commerce and Industry So, this is the r own document Now, it should have been made conditional that when excise duties, which were based on the price structure of the textiles, were returned that structure should have been revised partly, if not proportionately and come fall should have taken place in the price for the benefit of the consumer Now the position is this for the benefit of the millowners. return excise duty, for the benefit of the con umer a statement saving we are suff ring from recession, for the benefit of the worker the fellow must produce

Shri C D Pande: The duties were not refunded they were discontinued. There is no question of refunding the duty already collected.

Shri Ranga. The duty was added on earlier

Shri C D. Pande: Discontinuance is different from refunding

Shri Somani (Dausa) May I make a clarification The report from which the hon Member is quoting contains a statement that is absolutely wrong Not only the excise reduction has been passed on to the consumer but the prices ruling today are much less than what they were in 1955 That is to say, the excise duties pievailing in December, 1955 were much lower than the excise duties even after the reduction today, and the prices of textiles

[Shri Somani]

today are lower than what they were in December, 1955. This is a statement which can be checked up by comparing the prices of various varieties. I think the statement that he quoted does not contain proper information on the subject.

Shri S. A. Dange: It is a quarrel between the hon. Minister, a leading millowner and the Textile Commissioner's office, and probably as a result of it the clerk who wrote it might be dismissed. In any case, it is for them to decide. It is a civil war amongst them, and not us.

Now I am coming to solution. The solutions are, I repeat, in order to benefit the millowner. For example, it is stated that our exports are in danger, because automatic looms are not there. There were no automatic looms in 1950, except for a few things here and there. Then we exported 1,000 million yards. Now they state: nothing can be done unless automatic looms come. That is a wonderful statement. I do not know what these experts are doing in the textile industry. They say flawless cloth is possi-*ble only on an automatic loom. I challenge an expert enquiry on this question that flawless cloth is possible only in automatic looms.

Shri C. D. Pande: At a comparative

Shri S. A. Dange: It is not stated here. The cost is a different matter. Do you mean to say that the textile products of India cannot compete with Lancashire? Formerly, Lancashire competed with us and beat us down. Now they have to cry against our competition, and I am proud of it. We have come to sell right in Lancashire and certainly the Indian people are proud of it. We. who were exploited hundred years ago, now tell the Lancashire people "gentlemen, now you see how we are exporting 3,000 million yards". That is something of a lesson in political and socialist his-"tory. But then to say flawless cloth requires automatic looms is not correct. Flawless cloth requires the best mills, very good looms, very good workers. Otherwise, if we are only producing faulty cloth, do you think they are buying faulty cloth from us? Therefore, it is to humbug the people who do not know the technique of production, who do not know what is textile production to say that 300 looms must be imported, the workers are opposing it, the communists are opposing it, because they are bad people; otherwise, flawless cloth cannot be produced. Then people will say: naturally, these fellows are rotters, who do not want the workers to produce good cloth and, therefore, our exports must be suffering. This kind of little against our working class, this kind of libel against our industry, this kind of libel against our technique, ought to go. You can ask for 3,000 automatic looms on other grounds. That I will consider later on. But if you give me a statement showing flawless cloth can only be produced by automatic looms, then, Sir, you are wrong.

Shri Manubhai Shah: I do not want to interrupt the hon. Member. He has over-emphasized the word "only". It is a fact that if flawless cloth is to be produced in larger quantities to compete with the rest of the world, automatic looms are much more preferable to plain looms. It does not mean that some flawless cloth could not be produced on ordinary looms. But if we want to compete with the rest of the world and to stand in the competitive market automatic looms are always preferable as compared to plain looms.

13 hrs.

Shri Somani: May I draw the attention of the hon. Member to the report itself? He quoted the word "only". The same report says that with adequate quality control standards even plain looms, efficiently maintained and worked can produce cloth which is saleable in the expost

market They have not denied the fact that plain looms can produce cloth suitable for export

Shri C. D Pande: He quotes what he likes

Shri S A. Dange: It is a question of giving relief but to whom? Rationalisation, modernisation introduction of automatic looms are all being proposed In principle am not opposed to modernisation But I am opposed to capitalistic modernisation I am in support of socialist I am modernisation opposed modernisation that leads to unemployment, wage cuts and ıncrease working hours

Now I am told that there is a Convention on rationalisation which says that rationalisation can only be in troduced if certain guarantees are given, but that convention is being violated every minute, its observance is zero My friends on the INTUC will support me in this When my hon friend from the INTUC spoke criticised rationalisation. pointed out the evil deeds of the millowners very forcibly I thought he would be with us in fighting these evils He criticises very well, but when it comes to action he is on the other side For example, if somebody were to read his speech to the Indore workers he will feel this gentleman is going to work very hard But this is what the Report says-

"On the other hand, the Madhya Pradesh INTUC has represented that they are not at all opposed to modernisation and rationalisation In fact, they had already accepted a reduction of labour to the extent of 5,000 since 1948"

Of course he might have been congratulated for this But if they are really opposed to rationalisation and modernisation which is likely to lead to unemployment, I would request the INTUC gentlemen to fight this 264(Ai) LSD-5

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श्री रा० कः वसः श्रीमान्, कल जब मैं बोल रहा था तो माननीय सदस्य मौजूद नही थे। मैंने यह भी कहा या कि एक भी मजदूर को बेकार न होने दे।

Shri S A. Dange: Very good

Then there is another important The INTUC Federation told fact the Textile Enquiry Committee in a written memorandum that they are opposed to automatic looms it came to oral evidence they said you can persuade the workers accept them This is a wonderful thing, because a written memorandum may be quoted on a future occasion When it comes to oral evidence they say that a psychology should be created so that the worker would be ready and willing after some time to accept automatic looms

I hope the Congress which inspired the INTUC and my hon friends of the INTUC will stick to one rational policy, so that we can have a common line on this question of protecting the industry, our economy and the workers

Shri K. N Pandey (Hata). The INTUC people are more rational than you My turn will come when I shall let you know what you do and what we do

Shri S A. Dange Now many measures have been suggested I need not go into the whole subject, but somebody was referring to cloth and its flawlessness When the leader of the Textile Delegation returned from abroad he said that he was surpri ed to find that certain countries did not know that we produce printed cloth. It is a fact that we do not produce enough prints, because quick profits, quick production and low wages are available only m greys Therefore, produce greys by automatic looms I may tell the House that automatic looms cannot produce complicated cloth They produce only dhotis and saris-I hope I am correct

The Minister of Commerce (Shri Kanungo): You are correct; but dhotis and saris are not exported.

Shri S. A. Dange: What about the lungi market in Burma and Africa?

Shri Raghunath Singh: That is handloom.

Shri S. A. Dange: Lungi exports are not wholly by the handloom. You study the export market. A good part of the exports are by mills Therefore, we must study this question thoroughly Why are these automatic looms being proposed? In order to give extra profits on greys and chaddars to the millowners who are producing them: only for that reason, not in order to guard our exports and get foreign exchange and to buttress our economy If it is a matter of dollars, certainly greys are not exported to dollar market. America does not take your textiles. When you are importing cotton under P.L 480 there is no clause in the contract with America that she will take so much of our exports. Egypt is prepared to give cotton at a lesser price and take our cloth; Sudan is prepared to give cotton and take cloth. But we cut off those markets and are going for PL. 408 because it suits certain gentlemen to take that cotton. Your contracts on import of cotton are faulty contracts and are injurious to the country.

There is another type of contracts. They make contracts, but do not put in any clause about shipping. example, take the iron ore contract with Japan which does not say who will send that ore from either Vizag. Calcutta or Puri. The ships that will be used will be Japanese ships. We are selling ores; Japan wants ores. Why should not our shipping get the ore contract? There is nothing in the contract about it. When promotion of exports and earning of foreign exchange is talked about, see what kind of contracts are made. They are not contracts with a view to protecting our economy.

This question of automatic looms, again I want to state, is a question only for the benefit of certain millowners and their particular interests. Now I make a suggestion. You want three thousand automatic looms. I would propose to the Government of India to set up a unit in the State sector. Come along, it will give you foreign exchange. You will know where the foreign exchange goes: you will not have to search the private accounts of certain gentlemen. In the State sector management is simple: production is simple; there is uniform yarn; there is uniform kind of cloth. Of these three thousand looms one thousand can be in the north; one thousand in the Centre and one thousand in the South. The foreign exchange earnings of all the units will come right into your own account and solve the problem.

But no You will put the automatic looms m the existing mills, shut up the ordinary mills and throw people out of employment and say we are doing it in the national interest. In fact it is in the interest of the millowners, particular mill-owners against the working classe, against our economy Therefore, I oppose the proposal and suggest that the automatic looms may be installed in the State sector

Mr Speaker: Shri G D. Somani.

Raja Mahendra Pratap (Mathura)

Mr. Speaker: I will allow him an opportunity

Raja Mahendra Pratap: I just want to explain that this trend of discussion is wrong. Production should be for use! This should not be the discussion. We are competing with China, Japan, this and that. Why not make our own home very happy? Let every one get what he wants. I beg to say that this whole thinking is wrong. You want to export. Why do you

want to export? You want to export to make money. I think some intellectuals are conspiring to make themselves very happy and are not thinking of the common man.

Mahatma Gandhi has said that every village should be made self-supporting If every village is made self-supporting, if every town is made self-supporting and if our country is made self-supporting where will be the use of all this talk of export here? So, I say that the whole thinking is wrong Even the discussion is wrong One is speaking of millowners' conspiring, another is speaking of the labourers Why not say that according to our culture the whole society is one? All humanity is one We want good of We want that not one man remains without bread and without I think this should be the work principle Excuse me Do you allow me to speak?

Mr. Speaker: I have already allowed him to speak He only wanted five minutes I wanted to call him after calling one or two hon Members, but he rose and called himself I allowed him to continue Now five minutes are over

Shri Somani: Mr Speaker, Sir, much has been said by the preceding speaker, the hon Leader of the Communist Party, and some other Members also about the so-called misdeeds and inefficient management of the textile industry that I am afraid the real issue that we were discussing in the House has been rather clouded To take some of the insinuations made by my hon friend, Shri Dange, would only like to draw his attention to the achievements of the textile industry in the long period of its existence.

It is all very easy to pick up certain features of the functioning of an industry here and there and to make general accusations which are absolutely uncalled for and unwarranted by facts and figures of the performance of the industry during this long

period There was a time not long ago when this country used to import a very huge quantity of textiles from foreign countries. Our country has now emerged as one of the most important exporters of textiles and I think the textile industry can take credit for the fact that along with the United Kingdom and Japan, India today is one of the three leading countries competing in the international textile trade.

It is all very well to characterise millowners as sharks, exploiters, robbers and expropriators and so on and so forth, but anybody with experience of the ups and downs through which the industry has passed will realise and appreciate the very vital and valuable contribution that the textile industry has made to the economy of the country

Shii Dange made light of the competition that the textile industry is at present faced with from China He quoted certain facts and figures But I would only like to draw his attention to what has been stated by responsible spokesmen of the Japanese textile industry Everybody knows and realises the performance of the Japanese textile industry in competing in the international markets and when the spokesmen of the Japanese textile industry have expressed serious concern about their hold in the textile field due to the acute competition from China, the seriousness can very well be realised.

So far as China is concerned, as the hon Member himself pointed out, it is not a question of economic prices. They give long-term credit facilities for ten years. They charge 2½ per cent interest and they have got a 'fall clause' which enables the importer to claim any reduction which he thinks he is entitled to in view of the variations in the market price. Now those are all factors which have got to be recognised before the Chinese competition is so lightly brushed aside.

[Shri Somani]

Apart from this, the hon Member's assertion about the role of the automatic looms in the export trade is also not quite justified by facts The fact remains that almost all countries including Japan, Lancashire China are producing cloth for export on automatic looms which clearly establishes the need for the Indian textile industry, if they have any long-term programme of maintaining their hold m the export trade, to have automatic looms in their mills It is all very well to suggest that the Government should have these 3,000 automatic looms in the State sector Everybody knows that the State sector's hands are now too full We have already got so much to do m so many fields that it is not for the sake of merely protecting the interest of the millowners that the Government of India are giving all sorts of facilities whenever required to meet the genuine requirements of the situation

I had, sometime ago during a casual remark, made an offer to the hon Member, Shri Dange, to take charge of any closed textile mill There are about 40 textile mills lying idle in the country and if he really feels that the management of a textile mill is so easy and the State can just by his mere suggestion go into the project of establishing 3,000 looms and cater to the export trade and solve all sorts of problems that arise, let him have an experience

Shri S. A. Dange: I am prepared to take over the mills of Shii Naval Wadia and some of his also

Shri Somani: It is a very nice offer, but what I was trying to submit to my hon. friend is to realise the difficulties of an average millowner. It is all very well to talk of taking over Shri Naval Wadia's mill—a mill which enjoys such a high reputation and which has the most modern equipment Certainly it is an attractive proposition. But the efforts that

have gone behind making such a modern mill have certainly been ignored by my hon friend.

Shri S. A. Dange: Sholapur Mills were closed for losses of management. It was taken over m which we are co-operating and the mill has made profits in six months. This is a standing example

Shri Somani: He may not give methe Sholapur example As a matter of fact a representative of my own organisation is in charge of the management of the mill to which he Therefore I need not be told about the working results and about the performance of the mill under Bombay Government's management. We have ourselves co-operated with the Bombay Government by lending the services of one of the representatives of our own organisation and it is his services which have been appreciated by the Government in making that experiment a success

Shri S. A. Dange: That proves my statement

Shri Somani: That again is a tribute to the private sector and does not m any way justify the wild suggestions that have been thrown by the hon Leader of the Communist Party. The time at my disposal is very short, My submission to the House is that there is a picture of positive achievement on the one side Of course, there are certain examples of misdeeds and inefficient management on the other. Let there be an impartial survey of the contribution that the industry has made to the national economy on the one hand and let there also be a scrutiny of this picture of misdeeds about which so much has been said by so many hon Members I have absolutely no doubt m my mind that the positive side will far out-weigh anything coming out of these weaknesses here and there After all. a mill-owner is as good or as bad a citizen as any other class of persons, and ..

Shri S. A. Dange: No, no.

Shri Somani: It is no use making all sorts of accusations about a sector which is making such a contribution to the productive effort of the country. There are so many restrictions and regulations and the Government departments are at present very much alive to see the proper working of the private sector. There is absolutely no justification for making any accusation from which it might be inferred as if the mill-owners are having their own way. Whatever facilities or concessions have been given by the Government have been given to strengthen the national economy. Let it not be forgotten that this question of exports cannot be discussed in such a controversial manner. We have to realise the importance of the position of foreign exchange. So much has been debated in the past two years about the very serious situation with which we are faced and it is absolutely no use creating all sorts of controversies in an endeavour which must be of a national character. If we are to build up our export trade if we are to compete in foreign markets, it is essential that there should be goodwill and there should be sympathetic understanding between the various sections of the community and there should be an appreciation of the very difficult situation under which various industries are functioning and trying to establish their products in foreign markets.

So far as this question of automatic looms is concerned, I may also draw the attention of the Government that the scheme of 18,000 automatic looms proposed and sanctioned by Government more than 2 years ago did not bear any fruit or any result simply because of the fact that so many penal restrictions were placed at that time. The industry even, at that stage, had warned Government that the scheme as it stood then had very little chance of being implemented. If the Government had relaxed those restrictions at that stage, perhaps, the

industry would have already established a major portion of the automatic looms that were sanctioned at that time, and we would have been in a position to keep a hold on our export markets and not lost ground as we did during the current year. However, the fact remains that there can be no doubt, irrespective of what Shri S. A. Dange had to say about the suitability of the plain looms for the manufacture of flawless cloth that if we are compete in the international markets for maintaining and expanding the textile exports, we must have automatic looms in our mills and we must reduce our cost of manufacture to an extent which will enable the mills to market their products in the various countries where our textiles have established themselves during the post-war period.

I would like to draw the attention of the Government to the organisational set up, like the Export Promotion Councils and the various other institutions which are looking after the promotion of the export trade. I find that the annual budget of the eleven Export Promotion Councils constituted so far is of the order of Rs. 15 to 20 lakhs, out of which a major portion gdes to the Export Promotion Council for cotton textiles. It may be pointed out that the Japan Export Trade Recovery Organisation which financed largely by the State is having a budget of as much as Rs. 2 crores per year for export promotion work. As a matter of fact, the Textile Export Promotion Council has already suggested to the Government that if it is to function efficiently, it will require much larger financial resources than now placed at its disposal, so that it can do justice to the promotion textile exports during this difficult period.

Similarly, there are quite a number of factors of an international character which have got to be appreciated. It appears that the recent report entitled "Trends in International

[Shri Somani]

trade" by a penal of G.A.T.T. experts, highlights the problem of underdeveloped countries which, instead of a trade surplus of 1700 million dollars which they had in 1928, which was the last fully prosperous year, had a trade deficit of 3400 million dollars in 1957. It is true that our representatives in the G.A.T.T. have drawn the attention of the other developed and industrialised countries to take certain measures for enabling the under developed countries to expand their trade in the international markets, still, it appears that it is a very hard struggle and we have to appreciate the magnitude of the task that lies ahead.

13.26 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

There is also this danger which may arise from the adverse effects on our exports by the coming into force of the European Common Market from 1st January 1959, when the first round of reduction in tariffs and liberalisation of quotas is scheduled to begin. All these complications have got to be taken note of by the Government.

So far as textile exports and incentives are concerned, I feel that the Government's final scheme that was announced some time ago fell short of the recommendations of the Federation of the Textile mill owners associations. It was recommended that over and above the performance up to 50 per cent of their past exports. the mills should be allowed to import cotton of 100 per cent. of their total exports of cloth. But, the Government, ultimately, when they finalised the scheme, have reduced the 100 per sent only to two-thirds of the exports over the basic period. At a time when the industry is faced with a very difficult market in so many countries of the world it is essential that the Government should realise whether the concessions that they have announced will really be adequate to meet the requirements of the situation. My submission is that the concessions given are inadequate and will not bring any immediate improvement, it will be a long-term process and indeed, it would have been much more advisable if the implications of competition from China and other countries had been properly calculated, and concessions had been announced to an extent which would have enabled the industry to compete against those highly industrialised countries.

I would also like to draw the attention of the Government to simplify the various procedural difficulties. The Export Promotion Council for textiles has suggested a number of points for the consideration of the Government to simplify the various formalities which have to be gone through. I hope the Ministry would examine the representations made by the Export Promotion Councils and take steps to simplify the procedure. There are also certain other matters which have to be decided in time. My submission in this connection is that even so far as the export incentives for the cotton textile industry are concerned, some were announced much later than they were expected. As a matter of fact, this matter was under the consideration of the Government for quite a few months and still they took all this long period at a time when exports were declining in announcing their final decision.

Taking the question of export of cement, about which efforts are being made, I find that the Government have not been able to import or arrange the supply of imported paper bags to an extent which can allow the industry to execute the export orders for immediate shipment. After all, it is not possible to book export orders for long periods and unless this precaution is taken and adequate stocks of such materials as paper bags in which alone cement for export can be sent are available, it really retards business at a moment when certain

good enquiries are coming in. Similarly, there are other kinds of minor procedural difficulties which require to be properly looked into. Especially, I think it should be possible to work out a long term scheme of giving all sorts of incentives which are necessary really to augment the export trade. A number of suggestions have been made by the Export Promotion Committee, whose report is lying with the Ministry. I do not want to go into the various details, but the fact remains that some of the important suggestions of that Committee have still to be looked into and decided. I, therefore, submit that the seriousness of the situation with which we are confronted in the promotion of our export trade should be realised in its proper perspective, and Government's decisions should not be announced piecemeal. They should take a comprehensive review of all the pending points before them, and take such bold steps as will lead to an immediate and rapid improvement in our export trade.

Shri A. C. Gnha: Yesterday the hon. Minister in charge of the Ministry, Shri Lal Bahadur Shastri, made a rather frank speech as regards the position of the textile industry as such and also as regards the prospects of our export trade in general and of textile exports.

In spite of all our efforts, it has not been possible to promote exports this year. I think up to September, the first nine months of this year, our exports will be Rs. 60 to Rs. 65 crores less than last year. If the process goes on in this way, the total reduction in our export earning this year would be near about Rs. 90 to Rs. 100 crores. That is a serious situation particularly in view of the foreign exchange requirements of the remaining two years of our Plan. Certain estimates have been made that so much of foreign exchange-I think Rs. 160 or Rs. 180 crores-would be required in the next two years, in addition to the loans that we have been able to secure. The estimate was made on the basis of the calculation that our exports would be at least on the level of 1957. If the level now goes down, then this gap of Rs. 160 crores would also be a bigger one. I do not know how much it would be.

As far the Third Plan also, we have practically mortgaged ourselves upto 1967-68 to the extent of over Rs. 700 crores. That much we have to repay by way of capital and also interest. I think the total interest would be near about Rs. 160 to Rs. 170 crores to be paid up to 1967-68. The commitment every year will be near about Rs. 50 to Rs. 60 crores, in some years it would be more than Rs. 100 crores. In addition to the commitments under the Third Plan, we will have to repay to the extent of over Rs. 700 crores because of loans taken during the period of the Second Plan. So, it becomes all the more necessary and urgent for the country that we should have a proper export drive.

The position of export of cloth this year is rather gloomy. The hon. Minister has given a figure in which he has lumped the mill and the handloom products together. I think that if you take the mill products, you will find that it is a matter of decline every month. Up to May the export was at of 53 million the rate yards per month. In June it was only 46 million yards. In July it was only 43 million, in August it is only 39 million yards. I have not got the figure for Septem-I am afraid it will be still So, it is a case of a gradual decline month after month.

Not only that. Even the production of textiles has been going down. In fact, the production of all the industries,—i.e. the total industrial production of the country, has been going down. In 1957 we had an industrial production increase of only about 3.5 per cent as against over 8 per cent in 1955 and 1956; but I fear in 1958 our total industrial production will be less than that of 1957. That is what we can get from the reports published in the monthly bulletins of the Reserve

[Shri A. C. Guha]

Bank. I do not want to quote those things. The hon. Minister can compare and see whether our apprehension that the total industrial production this year should be somewhat less than the industrial production of 1957 is correct or not.

With this question of the textile industry is also connected the question of employment Yesterday it was mentioned that about 40,000 workers have been rendered unemployed due to the closure of some of the mills, but I think during June and July the figure was somewhat higher. I am not sure whether even now it is more than 50,000 or it is only 40,000. I think up to the end of June or July it was near about 60,000 rendered unemployed because of the closure or partial closure of some of the mills.

One thing I should say, This enquiry committee has done its job quickly, and Government also have taken their decision quickly But the trouble with the entire textile industry started with the excise duty levied in September 1956. That has been admitted by the report of this enquiry committee That has also been admitted by the Reserve Bank reports It was almost a sort of post-summer madness on the part of Government to inflict such excessive excise duties on an industry which is of vital importance for the entire economy of the country. Moreover, the excise duty was very much discriminatory against coarse and medium cloth. In fact, the increase of excise duty on medium cloth was 100 per cent On coarse cloth I think it was 50 per cent, and on superfine and fine also it was near about that. I feel at least for internal consumption-that is also an important point for the entire textile industry-excise duty should be rationalised. It should not be based on the variety of cloth or the yardage, but it should be ad valorem so that cloth of cheaper price may bear a lower excise duty instead of the prevailing practice under which medium and

coarse cloth are not having a fair deal from Government.

Medium cloth is used mostly by the middle class people and the lower middle class people, and that is the largest consumption sector of textiles. That variety of cloth had the heaviest excise duty. If a huge stock of medium and coarse cloth accumulates, that will have an adverse effect on the entire industry. So, I suggest that at least for internal consumption—I know it will have no repercussions on our exports—this excise duty should be on the basis of the price, not on the basis of yardage or quality, and it should be ad valorem.

Shri Dange referred to certain matters, and the debate almost degenerated into a tussle between the private sector and the public sector, between the socialist economy and the capitalist economy. He referred to various States like Russia and China. Nowhere has it been suggested, at least in this House, that China has been dumping textiles, but all the same, it is an important factor for India's foreign trade to take cognizance of the competitive capacity of China. China has got a particular type of economy and though we may not like that type, because of that she will have, a better competitive capacity in foreign markets So, we shall have to take cognizance of that, and surely we must take proper care so that our industry may not be beaten by the Chinese or any other competition in foreign markets.

Shri Dange also said that the export of some primary products to Russia has increased. I think he also mentioned China. But he has not mentioned anvthing about manufactured I do not know whether he would suggest that India should continue to be an exporter of only primary products and not of manufactured goods. I do not think we would agree to have such a position where India will

continue to supply only primary goods to other countries, even to these socialist countries, and they will manufacture their goods and export those manufactured goods to India. We are not ready to accept that position. We shall have to export also our manufactured goods.

It is known that even China and Russia, with which countries we have bilateral trade agreements, we are having an adverse balance for the time being. I think Government should take proper care in this matter so that these bilateral agreements may be revised with other countries. Where there are no such bilateral trade agreements, it is difficult to negotiate, but when some trade is conducted on the basis of some agreement between the two countries, we can surely see that goods equivalent in value to what we purchase are purchased by the other country from our country. So, as regards these bilateral trade agreements between China and Russia, Government should see that at least we have a balanced trade with these countries.

Then, there is the question of rationalisation. Apart from the necessity of exporting our textiles, rationalisation is also a thing which we should more or less support; and we should see whether rationalisation could be effected; and Government should give every encouragement to rationalisation. That would mean lowering the cost of production. But with it is involved the question of employment also. Surely, nobody would suggest that so many workers should be rendered unemployed because of rationalisation.

From the report, I find that the textile industry has been making quite good profit for the last few years. I think even in 1956, the dividend distributed was about 10.7 per cent., and there was almost the same amount of undistributed profits. In 1955 also, the dividend distributed was about 10.9 per cent. Almost every year, they

have been declaring dividends to the order of about 8 or 9 or 10 per cent I think this will be recognised as a very high profit to be distributed. They could not down this profit and see if something could be done by way of keeping in employment those workers who may be rendered surplus if the modernised looms are introduced. Government should see to this question, and have a tripartite agreement with labour and management so that rationalisation may be effected, and modern methods of production may be introduced in our industry. It is not merely for the purpose of exports but also for the economic development of our country, that it is necessary that we should have up-to-date methods, up-to-date technigues and up-to-date machinery for production

So far as the export figures are concerned, our export has not been quite good this year. Again, I would like to refer to Chinese competition. Even as regards the export of primary goods, if not just now, at least in the near future, China would be a serious competitor with us. I learn last month in the London market Chinese tea was put on auction. If Chinese tea goes there for auction, that would be a serious menace for Indian tea.

The Textile Enquiry Committee has made certain suggestions, and Government have accepted most of the suggestions. But there are two auggestions which they have not accepted. One is the setting up of a corporation to run the closed mills. I am afraid most of the closed mills may be considered to be almost junks and out of date, and, therefore, it may not be worth the while to reconstruct them or to invest any money and waste our time and energy on them. That is a matter to be considered.

As regards the other point, I expect Government should take it up with the state Governments. When the sales tax on textiles was converted into a Central excise duty, the proceeds of [Shri A. C. Guha]

which would be distributed to the different States according to their previous revenue, most of the States imposed sales tax on raw cotton, yarn or some other materials used by the industry. That was quite fair on the part of the States. The Central Government should take up the matter with the States, for, in this way, they would be killing the industry. For the present, the States may be getting a few lakhs of rupees more, but they will be killing the industry if they go on putting this indiscriminate tax on the industry. The State Governments should be cautioned on this matter. When the Central Government took steps to convert the sales tax on textiles into a Central excise duty to be distributed to the States, they should have seen that the States would not be allowed to impose any sales tax on the raw materials used in this industry.

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

Shri A. C. Guha: I shall conclude in two minutes.

Mr. Deputy-Speaker: Those two minutes are already over.

Shri A. C. Guha: In this connection, I would also like to draw the attention of the hon. Minister to the fact that our export drive should not be only in India or in Delhi, but it should also be in the markets to which we would like to send our articles. There is practically no market research now. We should try to make our products popular, and our sales agents should go and try to study the markets, and the tastes of the prospective purchasing countries.

While I am on this subject, I would like to mention some cases. A university of Cairo purchased a water-cooler of one of our well-known

brands, and within a week of the purchase, the machine started leaking, But there was no arrangement by theseller, that is, the Indian manufacturer, to repair the water cooler, and after some time, they have had to abandon it. I do not think after this anybody would again purchase any water cooler from the Indian manufacturers. Similarly, in regard to table fans, the plugs that are sent with the table fans do not fit into the sockets there. So, these table fans have not been popular in some of the countries. There are similar other cases.

All these small matters should be a proper sales organisation which should recruit local agents. We should not only depend on our men there, but we should recruit local agents in those countries, who can teach us as regards their tastes so that we could manufacture accordingly, and also who can popularise our products there.

The question of credit also should be considered. We could give at least a hire purchase system, though we may not offer a long term as is given by China. Then, the question of shipping freight is there. There are discriminatory shipping freight charges. I think Government should take it up with the Conference lines or whatever it is called, and see that the shipping freights are rationalised. Even the charge from India to Burma is sometimes higher than the freight charge from Burma to UK or USA. So, it is an illogical and abnormal thing Government should take up this matter with the shipping companies. On the railways also, concessional freight rates should be offered.

Lastly, subsidy, if necessary should be given to encourage export.

Mr. Deputy-Speaker: There has already been one 'lastly'.

Now the hon, Member should conclude. Shri Mahanty. Shri Mahanty (Dhenkanal): My observations will be limited only to the question of textiles. I believe the hon. Minister has not been frank with the House in his statement, so far as the export of textiles is concerned.

Yesterday, there was a question in this House, namely starred question No 510, which related to the visit of the British textile mission to India The answers given by Government were very scanty and evasive I would like to take this opportunity to ask the hon Minister why he has maintained a studied silence over the visit of the British textile mission to India and the private negotiations that the textile mill owners had entered with the British textile interests It cannot be said that that agreement was arrived at behind the back of Government Government were m the full know of the matter, and it is really a catastrophe that when we are scrambling for foreign exchange, when we are bemoaning the loss of our export trade, as a result of this agreement which the Indian millowners had with the British textile millowners, the export of our Indian textiles has fallen by a further 9 million yards

The background of this issue is like this The British market was being swamped by textiles from India, Pakistan and Hongkong I remember there was a Commonwealth Economic Relations Conference where it was urged on behalf of the Government of India-and it was also accepted by the Conference—that economically advanced countries should place no limit or ceiling on exports from economically backward countries in view of the fact that the economically backward countries have to import capital goods from these industrially advanced countries That decision was arrived at that Conference in which the British representatives were also present Here in this particular case it is well known how the Lancashire millowners have been agitating for banning or reducing or curtailing export of Indian textiles to UK. What baffles me is why the Government of India should have acceded to the demand of the Lancashire textile mill owners in view of the fact that they themselves had propounded a proposition which was accepted in the Commonwealth Economic Relations Conference

Now, it is well known that the only variety that is exported from India to UK is mostly grey cloth which is reprocessed and re-finished in England and then re-exported to other countries Therefore, it cannot be said that the export of this grey cloth from India in large quantities to UK was affecting in any way the British textile trade Rather the circumstances were quite different, for even though Indian mills have been exporting grey cloth, the British textile industry in Lancashire did not suffer Still there was quite a substantial agitation over this issue The Lancashire mills made any number of representations to the Government of UK Newspapers were publicising spates of letters to editor to curtail the export of cloth from India to UK It is really painful that the Government of India, even though they were fully in the know of the matter, acceded to this demand of the Lancashire millowners

Yesterday in reply to that question, the hon Minister has stated that the Government are not in the know of what has been happening A foreign mission—British textile mission—visits this country

Shri Jadhav (Malegaon): Press reports say that they have arrived at an agreement

Shri Mahanty: They have entered into an agreement. Yet the Government of India in their wisdom say in reply to the question that they are not in the know of the matter. Moreover, details of the agreement have been kept a closed secret, and we have no

[Shri Mahanty]

access to them. This is what the on. Minister says in his reply:

"Two members of the British textile delegation to Hongkong are reported to have had some informal discussions recently with Shri Kasturbhai Lalbhai, Chairman of the Indian Cotton Mills Federation at Bombay".

As regards the reported agreement, he says:

"Government have no definite information as yet. Any arrangement having adverse effect on foreign exchange will have to be considered by the Government at the appropriate time".

The first question, to which I would like to have an answer, is: is it really the contention of Government that they do not know what agreements were arrived at between the Indian textile millowners and the British delegation that came? If so, that is a very sad day for our country. It is a very deplorable commentary on the intelligence of the Government of India that they have no information as to the details of an agreement entered into between the Indian textile mills on the one hand and their Lancashire counterparts on the other.

It will be seen that Hongkong, a small colony, is still resisting the demand of the Lancashire millowners for reducing their reports to UK. The fact has also to be borne in mind that Hongkong is a colony whereas India is a free country. It is a very sad thing that the Commonwealth, of which we are a member now, is growing gradually into a liability for us. We had this painful experience so far as foreign policy was concerned and so far as our defence was concerned. When we come to this sector-the sector of export trade-we also find that this is the kind of treatment we are receiving from the mother of the Commonwealth, namely, UK. Therefore. the hon. Minister owes this country

and this House an answer as to under what circumstances the Government of India had acceded to the demand of the Lancashire textile millowners for placing a limit on the export of Indian textiles to UK. I would further like to know from him what has been the fall in the export of textiles to UK as a result of this agreement.

As I said a little earlier, the economically backward countries—underdeveloped countries—like India have to depend on industrially advanced countries like UK where the incidence of unemployment is 2 per cent. So we had expected that the Government of India would have vigorously pursued the principle which they themselves had advocated in the Montreal Conference. It also really baffles my understanding why the Indian millowners should have accepted this cut in exports, and why the Government of India also accepted the proposition.

In the second place, today a new market is expanding in the Middle East. In the Middle East, there is no dearth of money. In the households of people, even furniture is being imported from France and some other European countries. They do not higgle about the price. What they require is quality material. I would like to ask the hon Minister why the markets of the Middle East are being swamped by exports from countries like USSR and other countries whereas Indian goods do not enjoy a good market there, even though India enjoys quite a good bit of goodwill and reputation in those countries.

The third thing is, as has been said by a number of speaker, our textiles machinery is out of date. We are going to automatise and instal 3000 automatic looms in the sector of our textile industry. The basic question here is whether these automatic looms are going to be installed in the units owned by the private sector or those managed by the public sector? If it is the former, naturally it will have its own consequences. There will be more unemployment and the spiralling of the vitiated economy will follow. I would like to know from the hon. Minister what policy is going to be pursued so far as automatisation of looms is concerned.

I do not wish to take more time. I hope the Minister will answer the questions I have asked.

Shri Ranga: Mr. Deputy-Speaker, Sir, within the short time that is at my disposal, it is difficult for me to try to answer the question of theory that my hon. friend, Shri S. A. Dange, has raised today in regard to with whom we should carry on our export trade and with whom we should be careful about. It is easy to say-and it has been said for more than a century now-that the capitalist countries would always be subject to these ups and downs, booms and depressions, and only in a socialist economy would one never meet with such experience. But, actually, what is the position today? Is India unwilling to trade with the communist countries? Not so. Is India not making heroic efforts to push up her own trade with these communist countries? The reply is in the affirmative. Why is it then that India is obliged to carry on this export trade to a very much larger extent with democratic countries and other countries associated with them than with the communist countries? It is just because the communist countries are more or less also in the same position as India, developing their own economy. Why is it that there is no recessions in Soviet Russia and other countries? The most important reason for that might possibly be that they are also developing countries, and in developing countries there is not so much of a tendency or vulnerability towards these recessions. Therefore. it is not possible to draw any kind of general conclusion that there would be recessions only in these capitalist countries and not in socialist countries.

14 hrs.

Then, there is the undoubted fact. that much of the industrial economy of any country anywhere in the world. is dependent upon the cycle of production in agriculture. The cycle of production in agriculture is subject to a kind of index of variability; and this is now being taken up for serious consideration only in the recent past, in the last two or three years. It has got to be studied much more carefully and at least as carefully as it was sought. to be studied during the last century by several economists. So, when industrial economy has got to be inevitably dependent upon the cycle of production in agriculture, necessarily, whether it is a communist country or a socialist or a capitalist country, there are bound to be ups and downs in total production and also in the demand and supply that would result from all that.

Having said that, I would like to. take up one or two other points that were raised by my hon. friend, Shri Dange, that is, in regard to the textile industry. In this direction, I find myself both in agreement as well as in disagreement with some of things that he has said. If automatisation is absolutely essential in the interests of the country, well, I would like that thought should be given by Government to the suggestion that he has made or the challenge that he has thrown that these 3000 or 4000 looms which are demanded to be established under automatisation should be taken up by the public sector. If you are not prepared to do that, then, what guarantee is there that you are going to give the benefit of this new economy to the workers on the one side and the consumers on the other?

I leave it to the hon. Minister to answer the other point that Shri Dange has made that although we made a reduction in the excise duty in order to benefit the textile industry as well as the consumers, the consumers have not been benefited at all. There has

[Shri Ranga]

not been a corresponding decrease in the price of cloth that has been produced by these people.

I would like to welcome this opposition on the part of Shri Dange and his party to this automatisation. Not so long ago, on the basis of the theory of Maxism and also the practice in Soviet Russia they were ridiculing the very existence of the handloom and handicrafts and all that.

Shri Tangamani: Handloom was never ridiculed by the communists.

Shri Ranga: My hon. friend would only re-read his Marx and the communist manifesto and he will find plenty of ridicule heaped upon not only the handloom but on all sorts of handicrafts and self-employed economy They have also realised that this automatisation is likely to hurt the working classes also. For the very same reason we were opposed to the proposal made by one of the latest committees appointed by the Government of India to enquire into the tex tile industry including handlooms The proposal was that the handloom should be replaced, in course of time, maybe 5 or 10 years, in phases, by powerlooms. We opposed it and at that time we did not find any support from my hon, friends, the communists.

Shri Tangamani: Yes, yes.

Shri Ranga: In the same way they complain now that they did not get sufficient support from the INTUC with regard to their protest against automatisation. Even now, I have a legitimate right to complain that we did not get any support at all from the communist party against the proposal made by the Government of India that handlooms should be replaced by power-looms.

Shri Tangamani: It is contradicted by facts.

Shri Ranga: If my friend is prepared to support us even now, I am prepared to welcome that irrespective of what has happened in the past.

In regard to the promotion of exports, I am glad that my hon. friend, Shri Dange has admitted that the bon. Minister has been very frank with us. The fact is that every incumbent of that office has had to be frank to this House, whether it is this House, or the previous Lok Sabha or even the previous Provisional Parliament and the Constituent Assembly (Legislative). All the time they had not very much to hide and they had to go on with the promotion of exports. They were up against difficulties and were not being able to push the exports up as much as they would desire.

My hon friend, Shri Shastri said yesterday that the first steps were much into history. But, I would like to remind him of what is known as the report of a committee appointed by the British Government in 1941-42 to promote our exports to US.A., to mention only one This has had a long history; but what we are now concerned with is whether the present Ministry is really seized of the question so seriously as to push up our exports There are so many bottlenecks, some personal, some administrative, some ministerial and some merely organisational which are now clogging the wheels of the ministerial support that we should get in order to push up our exports.

Only recently, the President of the All India Handloom Fabrics Marketing Society happened to be in Delhi for the sixth time in order to get financial accommodation through the good offices of the Government of India from the Reserve Bank and the State Bank Six times he was obliged to come over here at his own cost—and his expenses were not being borne by his society—in order to persuade these great people here, and I had also to intervene. With very

great difficulty it became possible for us to get some support. Is it because the Government had any doubts about the capacity of this particular society? After this gentleman became the President of the society, he was able to raise the exports and sales from Rs 30 lakhs to Rs 130 lakhs is now offering to push up the sales abroad to the tune of Rs 1 crore within the next two years provided the Government of India is willing to place the necessary financial assistance at their disposal What was wrong then? What was responsible for this criminal delay, as I would call it, in not acceding to his request? It is an organisation set up by the Government of India to promote national interests Yet, something has been happening here m the Secretariat and at the ministerial level in order to cause such criminal delays

There is also another difficulty Sir, the difficulty of what is known as rheumatism clogging the wheels of this Ministry This Ministry insisted upon imposing an export duty on the export of oilseeds and oils also We went on, in season and out of season here asking the Government of India for God's sake to remove those things or otherwise we would be disabled in competition with several South American and African countries Minister after Minister of this particular Ministry as well as of the Finance Ministry only tred to smile at us and then say, 'We are not going to do it for 101 reasons' Then they tried to remove these duties by slabs end, my friend. Shri Shastri now comes to show this olive branch and say that he has at last removed these duties It has taken so many years for this bit of wisdom to dawn upon the Ministry

I would like the Ministry and the present Minister also to see—I do not know how long he is going to be associated with this Ministry (Shri Bimal Ghose—Why?), I would like this Ministry, irrespective of whoever occupies this office, to see that no such impediments are placed in the export of our

essential exportable commodities. It has been estimated that more than 75 per cent of our exports is due to the co-operation of our agriculturists who placed agricultural produce at the disposal of the country and yet very little attention has been paid to the promotion of their exports

I come to the State Trading Corporation It has already been suggested-I would like to second the suggestion-that the activities of the STC should be studied carefully and probed into and then brought up here tor discussion so that it can take advantage of whatever suggestions the House might be able to make in order to enable it to further strengthen its efficiency and lesson its weakness One of its weaknesses is the failure to implement the very policy of my hon friend, Shri Shastri removal of the middle-men Instead of removing them, it has only been encouraging them who have so little to do with actual production of such an important and valuable tem of export as the iron ore and thus discouraging a large number of actual mnne-owners who are obliged to take all the risks incidental to iron-ore mining

A suggestion has been made that China is not such a big competitor to our Indian textiles I am not able to agree with that My information is based upon a Japanese journal Oriental Economist There is a very able and instructive article in regard China's competition with Japan herself We have been anxious to push up our exports of textiles to the tune of 800 million yards China has been able to export more than 400 million square vards of textiles shows that it has grown to be one of the strongest competitors not only of Japan but of India also Secondly, Japan herself is a competitor Both of them are competing with each other and also with us Therefore, we should be able to set our house m order m so far as the textile industry is concerned so as to be able to compete with these two great powerful

[Shri Ranga]

producers to retain our markets and also to improve upon it.

It is not going to be so easy. The question of friendship on this side or friendship on that side does not come into the trade. All are friends and yet are interested in competing with one another. So far as international trade is concerned, we do not mind China competing with us. But there is the charge that China is trying to dump her textiles in various other countries. I am not able to agree with our own capitalists when they make this charge because this journal itself-Oriental Economist_admits that there is no such thing as dumping from China. Yet, we do not know what the cost of production is in China and nobody knows. Therefore, it is not possible for anybody to come to any kind of judgment. In these circumstances, we have to treat China as a very serious competitor to our textile industry. That is all the more reason why the Government, the textile industry and the organised labour in textiles will have to agree to cooperate with each other in order to sustain our exports and push them up in South-East European countries.

I would like to make a suggestion to the Government to this Ministry as well as other Ministries. They should try to explore the possibilities of having a conference among all the under-developed countries whose exports are so much dependent upon agricultural commodities just as they are trying in Europe to bring about a kind of a free trade area and co-operation among those western European countries in order to protect their own agricultural economy. We should also try to bring about some co-operation and some co-ordination as between the Latin American countries. African countries and ourselves so that it might be possible for us to press or oblige the rest of the world to change the terms of trade. It is well known that the terms of trade are very much against agricultural countries and very much in favour of industrialised countries or developed countries. So, these terms of trade have got to be changed. Our Finance Minister had put in a strong plea on our behalf at Montreal and the Montreal Conference agreed in principle that the under-developed countries can best be helped by altering these terms of trade in favour of agricultural commodities. So, I hope the Government will take the earliest possible steps in exploring the possibilities of convening a conference in this direction.

Shri Bimal Ghose (Barrackpore):. Sir, this discussion would have probably been more helpful if the hon. Minister had circulated to the hon. Members figures of exports of the main commodities as also the overall exports for the last few months because then we would have known whether the optimistic picture which the Minister sought to draw or the arguments which the Leader of the Communist Party wanted to build up over some of the purported statements of the hon. Minister, were justified.

One finds that the export receipts were Rs. 40 crores less in 1957-58 as compared to 1956-57. The exports in the present year are running at an annual rate of about Rs. 570 crores only. That means that it is still further going down. This is so in spite of all the export promotion measures that we have undertaken.

The question arises as to why this should have been so. The hon. Minister has stated-it was supported by the Leader of the Communist Partythat the recession was pr marily responsible for this—recession in America particularly. But it so happens that the Reserve Bank of India in its report on currency and finance for the year 1957-58 suggests that this decline was not due to recresion; if it had at all any effect, it was very mild. So, causes other than recession have to be looked for, particularly in regard to the decline of our exports to the Sterling Area. Of course, the Reserve Bank report did not refer to 编码

the causes. So, it happens that recession is not primarily the cause. If we have to believe the Reserve Bank of India, the arguments built up by the Leader of the Communist Party do not hold good. Of course, the Leader of the Communist Party may say that it is a civil war between the Reserve Bank of India and the Minister of Commerce and Industry. But we should know the facts.

Secondly, if we look at the direction of the trade, we find that our exports have been going down with the Sterling Area and the OEEC countries. Our trade with the dollar area and with other countries have not gone down in 1957-58, as compared to 1956-57. It has also to be looked into as to why only in the OEEC area and the Sterling Area, our exports have particularly declined.

Shri Ranga: They have been purchasing a high percentage of our exports.

Shri Bimal Ghose: But if you take the balance of payments position, the exports to the dollar area and also to other areas had been increasing but exports to OEEC area and the Sterling Area had been declining. It is not a question of percentage; these are absolute figures. The percentage of course is there.

Then, a lot has been said about our carrying on the export trade with what are called capitalist countries, to which the Leader of the Communist Party referred. I submit, Sir, that that argument is irrelevant. It so happens that 95 per cent. of our exports are with the capitalist democratic countries. We cannot today build up with our export trade with the communist countries the whole of our export earnings. That is impossible. We have to take the present situation. It is not that we shall not try to expand our trade with communist countries. I believe we are doing that. But the fact remains that our exports are primarily with the 264(Ai) L.S.D.

capitalist democratic countries. As to whether a capitalist country can never be free from recession or whether a socialist country is always free from recession is an argument into which I do not want to enter today because I have not got the time, and that is also not relevant to our present discussion.

But there are capitalist countries, we are told, for example, Norway and Sweden. There is Yugoslavia. I do not know whether the Communist Party would call it a capitalist country or a socialist country.

An Hon. Member: Socialist.

Shri Bimal Ghose: If it is a socialist country, then there is also no unemployment. But Yugoslavia carries on some trade with capitalist countries as well. To a very large extent, they accept foreign assistance from foreign capitalist countries. Yet there is no unemployment. It does not follow that because you are carrying on trade with capitalist countries or accept aid from capitalist countries you are subject to recession.

The position of our external trade' is really very unsatisfactory and the prospects are also not good. The prospects are not good because there are world factors. Firstly, there is the factor to which my hon, friend, Shri Ranga, referred, namely the terms of trade. Whenever there is, what you call, a falling off in world demand, the countries exporting primarily agricultural commodities suffer. That is not a new problem. That has been discussed in international conferences during the last 10 or 15 years. Resolutions have been passed as have been passed in Montreal or GATT. at the recent GATT Conference a resolution was passed. I am sure nothing is going to come out of these resolutions, because if you refer to an observation in the Economist of last week you will see that even in capitalist countries-progressive capitalist countries-there are protectionist tendencies. Therefore, it will never be

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that that they will agree to give us better prices during all periods through recession through depressions and booms for our agricultural commodities. We have to accept that fact.

Apart from that, industries are coming up in many of these countries to which we used to export. Their tariffs are also going up; for example, East African countries have increased the tariff against textiles. Then, the 'common market' is coming, probably next year. Our exports to 'common market' is about 7 to 8 per cent. Then, if Great Britain comes to join it in a free trade area and the textile-grey cotton cloth-that we export to Great Britain for being processed there and re-exported is considered to be of Indian origin instead of British origin. our exports are going to suffer even more.

Let us take our staple exports. secause we have not yet been able to mlarge or diversify our export trade to any very large extent al'hough an attempt is being made that way. For example, engineering goods can give us two, three or four crores more. Other things can give us two, three or four crores more. But tea, jute and textiles constitute about 60 or 70 per cent. of our exports.

What is happening to that? In regard to tea, it is not true that exports have gone down during 1957-58-I mean world exports. But exports of Indian tea has declined. Exports of Indonesian, Ceylonese and East African tea have increased. Take textiles. It is not true that world exports have gone down in 1957-58 compared to 1956-57. Other competitors have come in. Compared to what little we have expanded, Japan has expanded very much more than that. Japan's expansion in 1957-58 compared to 1956-57 is of the order of 14 per cent. while our increase may be of the order of 6 per cent., and it appears we are going to lose even that this rear.

Therefore, we have to examine the causes and see what can be done about these staple commodities. have, Sir. maintained, and I have said on previous occasions also, that we cannot expect that we shall be able to maintain our export markets in our staple commodities however much we may try, particularly textiles. It is a consumer goods industry. Every new country is going to put up its textile mill and put up its tariff duties. With regard to tea, unless we can come to some sort of an international agreement-and East Africa also comes in-I do not think we shall be able to maintain our position Fortunately for jute, the position is not so bad; but that also can be due to an adventitious factor, namely, that raw jute prices are very low this year. It may not be a very good thing when we take consideration future because if there should be a setback in the production of raw jute in future vears the jute industry may suffer. There is also another factor, namely, that there has been more modernisation effected in jute industry than in any other industry in India.

Sir, that brings us to the question of modernisation in the textile mill industry. The views in that regard differ very greatly in this House. As far as I can understand, the leader of the Communist Party stated that he is not opposed in principle to automatisation. Then what is he opposed to? Is he opposed to automatisation in capitalist countries but not in socialist countries? I do not understand. If you are not opposed to automatisation in principle, then it is necessary to tell us as to what you are opposed to. I can understand that it is a question of employment associated with the introduction of automatisation. But even in this respect, the Textile Committee Report has stated that a psychological climate should be built that automatisation can up so proceed.

Now, Sir, I find it difficult to accept this proposition. We come to this diagnosis that textile industry is in a bad state, that it cannot export and it may not be able to export unless we take recourse to automatisation. At the same time, we temporise and say that automatisation should not be undertaken unless a psychological atmosphere is created. Now, if that psychological atmosphere is not there, what is going to happen? Of course, there was a suggestion that the automatic loom may be set up in the State sector. If the Government feels competent, I have no objection. That is a very good suggestion. But if Government do not feel competentwe may criticise Government for that-what happens? Will there be no automatisation? Shall we be continuing to lose our export market because we are priced out? Let us understand what our difficulties are.

Shri Morarka said that there is the cost factor. But the cost factor should be taken for granted today. We are wedded to certain soc alist ideas. Our rosts cannot be so low. I would not be in favour of lowering wages or cutting down facilities which the workers get We have to realise that other countries when they industrialised had no labour laws, as some of the countries which are now industrial'sing-East Africa-have labour laws But it is not that, therefore. we are not going to take these advantages away from labour. But, if as a result of that our costs are higher, then what is to be done?

Here I come to the question of solutions. What are the solutions in this situation? The Government have to realise and have to come to a decision as to what they want, because some of the concessions that they are giving are really half-hearted. Take, for instance, the railway fares. They will not help our major export industries. There is the revenue consideration attached to it. Government will have to make up their mind as to whether they are prepared to lose some revenue with a view to expand our exports. That is a very basic matter.

You have to choose as to what you want to do.

As far as I can see, two things would be necessary. One is that we must be prepared to undergo certain sacrifices internally. That means that even in respect of commodities for which there is smple demand at home—in the inflationary situation, as Shri Morarka said, there would be no incentive to export—but even under those conditions, there should be some forcible export; that is, some quantity of commodities that we can export should be set apart for export, if we really want to export.

Shri Ranga: They are making it easier to sell here.

Shri Bimal Ghose: Whether it be sugar, iron and steel, cement, power alcohol or other things which can probably be exported, provided we can arrange storing facilities at the ports, we have to make up our mind to export a certain quantity through existing organisations, if necessary, or through the State Trading Corporation. But we have to suffer some losses on such exports. We will have to make up our minds whether we are prepared to suffer those losses.

Secondly, if we are trying only the existing channels, then, we have to give certain concessions, primarily in railway rates or shipping freights. I understand that so far as our Japanese exports are concerned they get a lot of concessions in regard to shipping freights. I should like to know what our shipping industry is doing because, whenever the problem of the shipping industry has come before this House, this House has been very generous and has always been willing to give the shipping industry some concessions. Is the shipping industry in turn willing to offer concessions in regard to the export of our products? Similarly, with regard to the raflway freights, concessions will have to be given in regard to our major exports. Otherwise, I do not think we can build up our exports.

[Shri Bimal Ghose]

In retrospect we can probably say that the structure of industrial development in the second plan was not happy in this respect, namely, a lot; of attenion was given to the expansion of consumer goods industry which requires a lot of imported raw material. If the position today is that if we do not import those raw materials there would be not only less production but also unemployment, then, if that concession was given, we would at least ask this of the consumer goods industry, namely, that a certain quantum of the production should be set apart for export even at a foss or even at a sacrifice, if we want exports to expand.

The third thing that I want to say is this. It is about the question of organisation. I do not know exactly what the Government organization now is. I am not really very competent to say very much on it. As an outsider, it appears to me that the present organization is a sort of sprawling organization. For example, for export promotion, we have the Commodity Boards, Export Advisory Committees in three port towns, Export Promotion Councils, the Director of Export Promotion, the Director-General of Foreign Trade and then Export and Import Advisory Councils. I am told that there is also a proposal for a sub-committee for export promotion and all that. I do know what it is. At the same time, it is unfortunate that we have not one Minister solely and only in charge of our export trade. Even the Minister of Commerce is looking after plantations, textiles and probably also the cottage industries. So, I do not know if in the Government there is somebody who is giving his undivided attention to this problem, and whether we could not simplify our promotion organization and activities and set up one body with which may be attached an advisory body to promote exports.

Mr. Deputy-Speaker: The hon. Member's time is up. Shri Rimal Ghose: I am finishing. I am the only Member speaking from my side, and I may be given three or four minutes more.

There is also the question of having inter-departmental co-ordination on a much larger scale, because export promotion cannot be effected merely by the Commerce and Industry Ministry. For example, if it is a question of giving concessions in regard to duues such as export duties and excise duties, the Finance Ministry comes in; for railway concessions the Railway Ministry comes in; for promoting the export of, let us say, oil cakes or molasses, the Agriculture Ministry comes in, and it may object to something. If it is a question of giving advantage in regard to shipping freights, the Transport and Communications Ministry comes in. I do not know if there is that awareness in the Government, and if there is. to what extent that awareness exists to the effect that we must at any cost develop our exports, and the costs may be heavy. It is necessary that not only there should be co-ordination between all these Ministries but there should be one single organization devoted to the promotion of our exports. The problems are known. Everybody knows them. I am sure that the Government and the officials know everything about the difficulties of our exports and what is to be done. The question is one of implementation. There is no lack of knowledge or lack of information about the problems. Everybody knows what is wrong, but do we really know what we want and are we decided about the policy? If we are decided about the policy are we determined that it should be implemented? These are the problems which I should like the Minister to look into, if really he wants determinedly to develop our export trade.

Shri Manubhai Shak: Mr. Deputy-Speaker, Sir, we are all very grateful for the very high level of debate and the constructive points which 3227

Members have placed many bon. before the Government for consideration. I am also very happy at the very good reception which the statement of my senior colleague has received in the press, in this House and in the country. That shows that the entire thinking in this country cluding this House and the Government is completely seized of the gravity of this problem and the great importance that it has in the economic development of this country.

As the House is aware, the twin solution of the Indian economic problem is increased agricultural production and massive industrial development. Here, I would not deal with the importance that agricultural production holds for this country, because. if I may say so, it is the kingpin of the entire economic orbit of development of our nation. Next only to agricultural production comes question of massive industrial development, and it is in this sphere that this Ministry is charged with the responsibility by the country.

As all of us know, no developed country in the world can expand its industries without active assistance of foreign trade. As a matter of fact, the contribution of industrial development and trade in the gross domestic producer-national product from all origins, i.e., to the national income is almost one-third, if we can say, including the agricultural products which play their part in the export and import trade. Therefore, it is but right that the House should attach such a high importance to this subject.

As far as export promotion drive are concerned, my hon. friend Shri S. A. Dange was referring to certain aspects of this problem. But I am glad that my hon, friends Shri Ranga and Shri Bimal Ghose have points more or less answered the raised by Shri Dange. The policy of Government on foreign trade and particularly export trade has been one of increase in trade, particularly a drive in regard to export trade wherever possible without diversion from exist. ing trading partners. The proof of this policy in execution is visible. Recently, our Director-General Foreign Trade headed a delegation which went to several countries and the house is aware of the great benefits that will be derived by both the trading partners through all these agreements. That shows that country is free and prepared and ready to do trading wherever it benefits mutually for the expansion of foreign trade.

As I said earlier, without the expansion of foreign trade, no industrial or economic development is possible any. where and much more so in India. Therefore, it is very heartening, as my senior colleague pointed out yesterday, that we have been able to halt the declination of export trade, thanks somewhat to the revival which has already taken place from the world recession which was of a temporary nature, and to the various efforts that the trade, industry and the Government have been making in this country.

But that is not enough, because it is not as if the economy in this country is going to remain static for a very long time. We want that not only should we be able to halt the declination in export trade but every year, as Shastriji was pointing out the other day when discussing export promotion, we must be able to increase our export trade by at least Rs. 50 crores to Rs. 100 crores if we have to keep up with the tempo of development that we have envisaged in the second and the third Plans.

It is true that there are three aspects of development, and having the problem of balance of payment solved. But the battle of balance of payment cannot be fought by anything other than increase in trade. Trade, foreign assistance and foreign capital are the three most important ingredients to fight any battle on the front of the balance of payments. But, of these,

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the most important or the single constituent factor which is of the highest priority and which counts the most is increase in trade. Therefore, at the Montreal Conference, the ECAFE Conference, the Geneva Conference, wherever our delegations have gone, we have pleaded strongly for increasing the world trade and participation of under-developed countries of Asia, particularly of India with her very massive population, in the growing world trade. I hope that the entire sympathy of the House and also the people outside will be with the Government in activising the export trade.

Coming to the second part of the industrial development, I would like to urge on my friends in the industry that even though today the country depends upon the staple exports of primary produce and plantation crops—and it will remain our sustaining interest for a very very long time, for a few decades-unless we diversify the pattern of export trade, the present staple exports will not be enough to give us more foreign exchange earnings, so that we can import more and more the necessary capital goods, in spite of our increasing industrial production. So, I have to urge upon the industry in a much more concerned way that our industry has not been export-minded. I was speaking the other day in Bombay Indo-German Chamber of to the Commerce and I said that because of their tradition of the past, our industrialists are import-minded. some extent, in the last ten years, when we have been able to incubate a climate of industrial development, they have become somewhat industrially-minded, but not sufficiently export-minded. So, I would urge on every industry-big, medium or small -that it is a necessary duty and obligation to the nation that a part of their production is exported, so as to take away at least the burden of that part of the import of raw materials, on which their industrial production is based. This should be

the minimum that the nation can expect of the industries in different parts of the country, whether they are big, medium or small. I would, therefore, urge that all the industrial associations must forge some social and organisational sanctions. This is done all over the world. It is not as if legal and executive sanctions alone can help to promote the export trade. If it is necessary, this Government will not hesitate even to enforce some legal and executive sanctions to see that every producer exports at least a portion-maybe, 10, 15 or 20 per cent.—of what he is ducing so as to defray his moral duty for the debt which is accumulating for the country by way of importing raw materials or capital goods.

I would, in a brief manner, touch on the most important point for which I have got up to speak, viz., the textile the industry. In the field of textile industry, several committees have gone into this matter for a long time. For many years from ,1931 and even before that, the Tariff Board and subsequently so many committees and commissions have gone into this matter. After analysing the various reports, I have culled out six factors which really have come to play their part both in expansion and declination of this industry. The first factor is the outmoded machinery, to which several hon. Members have referred. In some cases, the situation is heartrending. As one who has participated in the textile industry, I found that machinery as old as 1858 and 1898 is still being used in our country. One feels ashamed and even shocked at this. I would urge the industry to take a lesson from the industrial history of the rest of the world and to change and modernise possible. No industry wherever should have machinery older than 20 years. Today the obsolescence is so fast growing that even machinery 10 vears old is considered outmoded. So, having machinery which is 80

or 70 years old is something which cannot be understood nor tolerated by any section of the society. I would go into the detailed part of modernisation a little later.

An Hon. Member: Why does not the Government help in this?

Shri Manubhai Shah: I am just narrating the steps we are taking. We are trying to give loans through the National Industrial Development Corporation. The Industrial Finance Corporation of India is also helping. We are helping through export promotion incentives this process Many modernisation. millowners have with their own resources also modernised in several cases. Today in this debate, we make a further urge on the entire industry to step up their modernisation programme still more, so that in the course of the next decade, old machinery becomes a thing of the past.

The second point which I would urge is on my friends on the labour side. There are certain units, several or them in different pares of the country, particularly that part from wnich my friend, Shri S. M. Banerjee, who gave so many facts and figures yesterday, comes, in there is an excess of labour strength. This is a matter of great concern. It is not that anyone in this Ministry or elsewhere lacks in understanding and sympathy towards labour problems. We are all one in seeing that there is retreachment in any industry, either for modernisation or rationalisation. The code evolved at the Fifteenth Labour Conference has clearly laid down-and it has been reiterated in Nainital—that all our measures. whether in the textile, sugar or engineering industry—are all subject to what is known as "modernisation or rationalisation without tears". having granted that and also that the benefit of productivity must shared between the employer and the labour, we must come to this conclusion. My hon. friend, Ramsinhii Varma, was mentioning it

and also yesterday, Kashinathji was mentioning it while giving a repartee to my friends on the other side. Our labour friends are aware of it. Even though it may be a bit of bitter pill to swallow for the moment, although it may lead to a certain temporarily unpopular measure, leadership labour will have to take a bold step with the sympathy and support of the Government and the industry to see that these units which are permanently sick are rationalised. Twenty men or 15 men per thousand spindles is unheard of anywhere in the world. This unnecessary drag on several units should be reduced at the earliest possible moment and they should be · rationalised consistent with labour codes and ethics.

The third point is management, To my mind, proper management is the central fulcrum of the revival of this industry and making it as strong as necessary to compete with the rest of the world. We are asking for no sympathy or quarters from any part of the world. Our textile industry is not one in which we will have to go to anybody and say thatwe are worried about competition in this or that field. But management is the kingpin of the entire industry, whether it is textile or anything else. I do not want to enter into an argument with Shri Somani whether the cost of production of cloth today is lower than in 1955 or higher than in 1956. In some sorts, the prices may be somewhat lower, but, by and large, the indications are that the prices are not lower. But what want to urge on Mr. Somani and through him on other friends in the industry is that we will have to put our house in order. These units which are called sometimes junk, sometimes marginal and sometimes uneconomic, are not all such that they cannot be run properly. Yesterday out of sheer desperation I spoke of the misdeeds of many of my friends in the industry which have made it impossible for some units to run properly. So, it will be the duty of millowners' associations 4170

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different parts of the country to see that this kingpin . . .

Shri Naushir Bharucha (East Khandesh): It is the villain of the piece.

Shri Manubhai Shah: I would not call it the villain of the piece, because I know it is the greatest single cotton textile industry in the world-13 million spindles-which is bigger than the Japanese industry by 40 per cent. It is much bigger than the Lancashire textile industry; it is an industry on which the prosperity of several sections of industries-chemicals, engineering, machinery manufacture, cotton growers, agricultural producers and so many tradersdepends. I would not call it by any other name than the name it deserves. It is the kingpin; it is the queen of Indian industries. So, it is necessary for the textile mills to see that the management houses are put in order.

Shri Dasappa (Bangalore): What about the amalgamation of uneconomic units recommended by Kanungo Committee?

Shri Manubhai Shah: It is not like land where one piece is attached to another. Unless you shift it Indore to Bombay or from Bhopal to Bombay, amalgamations are possible. Uneconomic units can be expanded so as to make them economic. We have for the current policy decided that 12,000 spindles and 300 looms should be the minimum economic unit. In other countries it is 25,000 spindles and 600 looms that is a minimum economic unit. This kind of combination or amalgamation is possible in Agra, Kanpur, Ahmedabad or Bombay where there are many mills. In those places this combination is possible.

The fourth point which I was urging was the production programme. What has happened? If you analyse

the present drag of six lakh bales on the trade, what is the drag due to? A majority component of this carryover is either coarse unwanted or defective cloth or very lower medium cloth. Because, there was a slight, perhaps not very accurate scientific working in our excise schedule; because, our industry was not scientifically-minded to produce what sells. What is the use of that? To get the temporary benefit of excise most of them ran towards coarse production. From 9 per cent, which was the average coarse production in the last 5-10 years, in one single year they went to 22 5 per cent of coarse cloth. The consumer preference and consumer taste, which has undergone considerable change in the last years, could not all of a sudden absorb such a high percentage of coarse cloth. That is the main reason. In the resolution which we have published on the Joshi Committee report it is mentioned that the Textile Commissioner is going to take power to see that production is to some extent regulated. But that cannot be done by statute alone. It is high pressure salesmanship, management that is necessary to see that they produce what sells, produce what the customer wants, because the customer is always right. It is not the producer who is right. The consumer trend in the country has to be watched. When I went to New York and Chicago I found now in the American market business is carried. They even consider what colour the exterior of a car should have to have more sales. Everywhere psychological tests of the consumer preference are available, and they are taken in a scientific manner. Of course, that is a much highly developed country. They can afford market surveys, market researches and so on. But we are also developing. Further, this industry is not a new industry to this country. Therefore, my friends in the industry must see to it that proper market researches are done. They must also see that the production is so regulated without too much of intervention from Government. Government is prepared to intervene when necessary. But it is for the industry to so regulate its production that it is in keeping with the demands. They must produce such things as the consumer demands, and the consumer preference is continually changing.

The fifth point which I wanted to urge is about quality and reduction m cost. This is a very important point, and I am very glad that inv friends from the communist side, from the socialist side and from my own party have stressed this point repeatedly. The question of quality is a very very important matter. In this connection I would like to bring in the question of automatic looms. It is true that while discussing, not trade but politics, my hon. friend, Shri Dange, tried to interpret automatic looms with something like an economic philosophy, whether it was capitalism or socialism or communism; but automatic looms has no connection with that. It has common relationship with all these three different types of political ideologies. Whether you go to China or Japan or UK or even America, automatic looms today has become one of the "musts". And I will give the House a few statistics te show what a big gap there is between where we stand today when compared to Japan or China or other countries in the field of automatic looms. In Japan, as I said earlier, they have 9 million spindles, less than three-fourths of our spindles. When we have 2 lakh (200,000) looms, they have about 81,000 looms in the organised industry. They have reached a figure of 68 per cent. of automatic looms. Out of the entire industry, 68 per cent of the loomage in Japan is automatic and we have only 6 per cent. automatic looms out of our 2 lakh looms. If my hon. friend on the other side wants to know about China, he will find that in China also, all the new installations as far as possible, for all these flawless cloth, are automatic looms.

Therefore, I would urge that this is not a matter of politics. This is not a matter of trade unionism. This is not a matter in which political ideologies or philosophies different. What we want is that our country should get a good name in the international market, our country should get a foothold for its products and we should produce the best of cloth for our traditional markets in our spinning and weaving mills. The Dacca muslim and the Dacca mulmul were known throughout the world for the last 1,000 years. Therefore, we have got to retain that highest glory in the field of textile production in the whole world. So, I would urge that this matter of introduction of automatic looms should not be lost in the controversy of either trade union or industry and other disputes or one approach of the Government or the other.

Over and above the 3,000 automatic looms that we have announced in the Export Promotion Scheme, I am glad to say that our friends in all the three labour unions at the top. Shrı Khandubhaı Desai, Shri S. R. Vasavada, Shri Asoka Mehta and Shri Dange have agreed to meet very shortly to consider the question of introduction for the first three years, as a pilot project, 2,500 automatic looms every year in 1959, 1960 and 1981. Of course, this introduction will be subject to the code of the Indian Labour Conference-modernisation or this type of replacement without any retrenchment. All that can take place without any retrenchbe done ment That can the case of natural or de-casualisation in the course of time. So, whatever reduction takes place will not be as a result of introduction of automatic looms. I hope that this Conference will succeed. Because, after what I heard from Shri Dange, today in the House, I was in two minds whether we were on sure grounds, considering what he said only a few hours

[Shri Manubhai Shah]

back. Again, I confirmed on telephone. He said that whatever he
spoke does not matter, as I ar as
modernisation by automatic looms is
convenied, he had pointed out that
inclian industrialists are at fault and
it was not his idea to oppose introduction of automatic looms as such.
That was the approach that he put
forward.

Shri Tangamani: There was a question wherever you are having 3,000 iooms in the public sector.

Shri Manubhai Shah: I have clarified this, because this is the first time we heard of having automatic looms in the public sector, for in the entire textile industry there is not a single unit in the public sector. So, that question does not arise.

I am grateful to all the three leading labour leaders for naving agreed in principle to have a scheme for the introduction of automatic looms in however small a way, a pilot way. There will be hardly 7,500 looms. As a matter of fact, some of us were much more ambitious and wanted that at least in ten years 50 percent of the loomage in India should be converted to automatic, that is, 10,000 looms per year. We are making a beginning; and learning by experience, profiting by experience, we want to proceed farther.

That is what I wanted to emphasize on automatic looms. It is not so much of increased productivity, even though it is there. Nobody can deny there is greater productivity paloom in automatic looms. But I am not urging it for that reason. It is true that the cost of production through automatic looms is somewhat smaller than its counterpart, the ordinary loom. But I am not urging that also. I am only urging the quality aspect in the automatic looms. If we want flawless cloth and if we want to stand in competi-

tion, both for internal and external markers, men we will have to graduatly introduce this without any discress or any hardship or any type of discress or any hardship or any type of discress or any hardship or any type of discressing benefits of the introduction of automatic looms, as per accepted codes of the labour agreements, we would like to go forward in this matter as early and as fast as possible.

For the rest of the improvements in spinning, carding, and blow room we are already taking steps. I am glad to say that in the introduction of spinning and preparatory stages we have the most advanced class of machinery installation from high draft casablanca system to 7 to 84 inches lift.

While talking of the improvement in quality, automatically the reduction in cost comes in. Here, theretore, I want to enter in o me last point, the sixth point, and that is about increased productivity. All these hve factors, it they are properly looked into, increased productivity by beiter technique on the one hand, better management on the other, and appropriate production programme controlled by the industralists, it will lead to increased productivity in the textile industry. It all the six points, which are the remedial measures, are properly looked into by the industry, on the one hand, by the labour on the other and a so by Government then there will not be any problem. Of course, Government has got to be in any scheme of things, and I can assure you that our Ministry and the Government of India and the State Governments are today very much alive to this problem and will give all the assistance, co-operation and help, legal, moral and sociological. So the industry and the labour front will have to see that the kingpin of Indian industry retains its title to that name for many many decades to come.

Then finally I just wanted to urge one more point and that is with respect to various industries, other than the textile industry, particularly the engineering and chemical industries. After the textile industry, which consumes about Rs. 40 crores worth of foreign exchange for import of long staple cotton, if any other industry really consumes foreign exchange for the import of raw materials, i.e., nonferrous metal and steel, they are engineering and the chemical and various other industries. I would say, with the blessings and support of all the sections of the House, that these industries should be enabled to be in a position to export, through various intensive schemes or export promotion, our cycles, fans, sewing machines, meters, transformers and various other products of the engineering and chemical industries.

15.00 hrs.

I may once more say that I am very grateful to the House for the very warm and constructive suggestions that have been placed before us and I can assure you that they will receive consideration to the extent that is possible within the competence of our Ministry. There are also delays. I would say that one of my friends, Shri Ranga, used the word rheumatism. Some of us may not have liked that but it may not be wrong to suggest that. There is the possibility of reducing many delays which normally occur in the execution of the work of Government in one Ministry or the other or within the same Ministry and other departments.

The other day, Shastriji, in one of his inaugural speeches to the Cotton Consultative Committee made a very striking point on this. We are all very much alive to that and wherever possible we will try to reduce delays. We will try to delegate more powers and see to it that export promotion is tackled on a national emergency basis.

Shri C. D. Pande: Mr. Deputy-Speaker, Sir, it is indeed a great paradox that in the developmental economy we have come to a stage where things are not moving as we had planned. The hon speaker just before me gave a very lucid picture of what is envisaged and what policy is being followed by the Government and what co-operation he is expecting from friends on all sides. I hope that his hones will be fulfilled. But I have something to suggest to the Government about which he himself naturally could not have said anything.

We are, in fact, suffering from a conflict of ideologies. If we rationaluse and modernise factories and introduce modern looms then our friends on this side feel that it is a capitalist move and it is only for the sake of profits that that is being done. This point has been largely and wholly answered by all the speakers lately by Shri Shah, but I want to tell these friends and particularly to Shi Banerjee, who spoke yesterday, and Shri Dange, who spoke this morning, though they thought that they were making a good point, that in 1951 we were exporting 1,100 million yards and today we have come down to 500 million yards. The thing is that the year 1951 was a year or those were the years just after the war. There was no competition whatsoever.

Shri V. P. Nayar (Quilon): War was over much earlier.

Shri C. D. Pande: I know that. The after effects of war continued till even 1953 or 1954 in many countries. Lancashire had not that capacity to devote itself to further production of cotton textiles. Germany was not in picture. Industrial China was the same as the situation in 1951. I recovery from the disasters of war. Therefore the situation in 1958 is not born at all. Japan was struggling for Want to emphasise that the situation is serious. It is not enough if I say that it was a different situation—and the situation is different. We have to meet the present situation. If we [Shri C. D. Pande]

have fatien down from 1,000 million yards to ow million yards, we must search as to What can be done to renabilitate ourselves. We should not be salemed to sup at our mutua yards because according to our Pian, we nad contemplated a very high production of cloth and a very high figure of export of cloth. Nothing has been realised so far.

Motion re

In this connection I would also like to tell the Government that in our Plan itself there has been some conflict. I think the Plan in a way has been wrongly planned because it is more or ress a programme of things that we want to achieve rather than a Plan. Had it been a Plan, today after seven years of two Plans we would have achieved the targets that we aimed at and the targets that we thought should be aimed at for the country. We were even thinking at one time of having 20 yards of consumption of cloth per capita. Later on we reconciled ourselves to 17a yards and now the situation is such that we might not go beyond 16 yards.

An Hon. Member: 14 yards.

Shri C. D. Pande: 16 yards, I remember it because according to present day figures it works out to 16 yards. Even if it is 16 yards and it does not go to 18 yards I am sorry for it. Then what should be done?

I think our Plan has been in a way lopsided. We have devoted too much attention to two or three items. Of course, those items are absolutely necessary. They are all things of national pride and if they are successful that will rejuvenate this country. But that means that the three huge steel plants and a few valley projects have taken our attention from everything else. We have neglected the consumer industry altogether. We thought that it does not matter if our production of cotton cloth falls. Today the result is that

instead of rising we are going downward. We had come to a stage when we thought that we were going to succeed highly and that we will go from strength to strength but 1956 happened to be a year when things came to a plateau. We wanted to rise further and further but now we worried as to how to maintain at that ievel From 5,500 million yards cloth, this year the production has come down to 4,800 million yards. It is not only shortage in the export trade but it is shortage in the entire internal production itself.

This shortage is not confined texuie production atone. Even cement where our target was minion with and we have already succeeded in establishing a capacity 7 million tons, i.e., 70 lake tons of cement is being manufactured today. till last year or two years ago a great deal of scarcity of cement had been there. Today the capacity to produce cement which is half the capacity that we wanted to have is not being utilised. That means that there is something wrong. Either the capacity to produce is not rising according to the production or we have planned too high. Whatever may be the reason this points out to the fact that we have not co-ordinated targets on the one side and the possibility of achieving those targets on the other. If they are not co-ordinated, a time may come when if you produce even 10 million tons of cement there will be a glut in the cement market and if you produce 6,000 milhon yards of cloth there may be glut in the cloth market. As it is cloth is not being lifted. Then what should be done?

There are two ways of solving this question. One is that we should adopt immediate measures. As far as the long-term measure is concerned, nothing can be better than what Shri Shah has suggested. He has appealed to the workers and in case it comes to that he should force the indigenous industry also to minimise their profits at least in that part of the production which goes for export.

Shri Braj Raj Singh: That will not be done.

Sarl C. D. Fande: That will be done and that is being done. You do not see that. Even today we are having harsh measures. We are harsh according to democratic standards but we are having these things and the country is supporting the Government for those things. If need comes we will go further.

Shri Ranga agreed with Shri Dange and he thought that this is a very socialistic s.ep that all the mills and automatic looms should be in the public sector and run by the State. It is known that the State is already too full in its work and cannot take this work. This is not in our programme. That can be rectified. If the entire production of the automatic looms is stipulated to be taken from the industry and sold through the State Trading organisation or any private organisation, if it goes to the export market, what is the harm? You can also have a close scrutiny of the cost of production in that type of cloth that is exported You have to limit the profits even if it comes to that. If today the margin of profit is 10 per cent in textiles, limit it to 3 per cent or 3 per cent. At the same time, I ask Shri Nagi Reddy and others sho are there, why don't you agree to this question. When he says that it is possible to modernise and rationalise and introduce automatic looms without retrenchment, yet, you do not agree because you feel that any succres of the Plan or the success of the Government will not be to your advantage. Otherwise, I find no reason whateoever, if no retrenchment takes place, why they should not . . . (Interruptions).

Mr. Deputy-Speaker: Is the hon. Member sure that he will be able to persuade them to his view? Shri C. D. Pande: When the Communist Party comes to the Parliament I take it they have an open mind. If they have not got it, we are sorry for that.

Mr. Deputy-Speaker: Then, he should address the Chair.

Shri C. D. Pande: The other question is, how can we put through the long term programme as adumbrated by Shri Manubhai Shah. That would succeed. There is another programme. We cannot wait for two or three years, because Shri Manubhai's remedy will take three years to bear fruit. have done in the past one thing, that is, we tried to export about 50,000 tons of sugar. I accept that there should be this effort to export. But, the cost at which it was exported was too . high. In getting Rs. 2 crores foreign exchange, we spent or Government left out or gave up a sum of Rs 14 crores. That is, 75 per cent was given up to secure Rs. 2 crores of foreign exchange. Of course, we are in need of foreign exchange. We must have it. But. I think we purchased foreign exchange at an exceedingly high premium. (Interruptions).

Mr. Deputy-Speaker: Hon. Members on this side should not get disappointed yet.

Shri C. D. Pande: What we should do, is this. Of course, I support it and we did well in exporting 50,000 tons of sugar. If instead of sugar we had taken this step even for tea in time, for jute in time and for textiles in time, perhaps, we would have got Rs. 20 or 20 or 40 crores of exchange for a far less sum proportionately. Because, technical here, we purchased, in terms, foreign exchange at a premium of 75 per cent. I think if we spend 10 per cent in tea or textiles or anything else which is exported, we can get a higher return as far as foreign exchange is concerned. Therefore, I would suggest to the Government to do away with all the restrictions that

[Shri C. D. Pande]

they have imposed on exports. Even, today, if a man wants to export, whether the article is in the export list or not, he has to get permission. Now you see in the papers that permission is granted without much difficulty. But, there is the question of shippers. You ask, are you a regular shipper, in the list of people who are general exporters. I say, you make it free and free so that everybody who has got the capacity to enter into the market, should get into that and do his best as the hon. Minister appealed. Every manufacturer in this country should also be an exporter to some extent at least. If that is so, under the present rules you cannot do that, because there are restrictions. The restrictions should be removed. There should be encouragement.

The labour people should also forego as far as possible their demand for bonus, etc. on such portion of the earnings where there is no profit allowed to the industrialists. I tell even the States have to contribute something for the success of this Plan. I was surprised the other day when the hon. Minister of Agriculture said in this House that Assam cannot give up one anna per pound on tea because it is the producing State. If it passes through Assam, it must pay one anna per pound. The Bengal Government cannot give un one anna because it also passes through Calcutta. If a commodity passes through two or three States and every State thinks in this way, it is to the detriment of the national interests. We must get some foreign exchange by selling tea at competitive prices in the foreign markets. Our Assam friends scramble for one anna and our Bengal friends get one anna or even two annas. export duty of 25 naya paise or 26 Government also still maintain nava paise. A time will come when even the States will have to make some sacrifice.

Shri V. P. Nayar: What is the dividend of the Tea companies? Shri C. D. Pande: They also; I never support that the tea companies should be making enormous profits. They should cut down their profits.

Mr. Deputy-Speaker: It should not mature into a conversation.

Shri C. D. Pande: The States also have to make a sacrifice. It is a matter for everybody. I say, even consumer has to make some sacrifice, because if we want to subsidise for exports to foreign countries, somebody must bear it. In sugar, we have willingly taken upon ourselves to pay one rupee or eight annas more. In the same manner, we should be willing to pay more for the textiles consumed in this country, so that we may export more textiles, more tea, more jute. These are the three things on which we can concentrate. Today our level of export trade is Rs. 590 crores. It was Rs 700 crores two or three years ago. We can go to Rs. 800 crores in two or three years I hope the co-operation of all the people in this country and all the Members in this House will be forthcoming to the appeal made by Shri Manubhai Shah

Shri P. R. Patel (Mehsana): Mr. Deputy-Speaker, our foreign has fallen this year by Rs. 100 crores. It has been a matter of great distress to all of us. It is only natural. we see the figures, in 1951, our export trade was to the tune of Rs. 761.6 crores In 1957, it came down Rs 600.1 crores I would like to ask the Government how is it that before our First Five Year Plan, our export trade was much more than what it is after the First Plan? During those five verre we imported new machinerv and new things How is it that our export trade has gone down? What are the reasons? That is matter, I submit, for the consideration of the Government Undoubtedly, in the year 1957, we imported goods to the tune of Rs. 900 crores. To meet our balance of trade, if we do not export our goods outside, perhaps we will be pauper. For this, every individual in this country, labour, millowners, and factory owners, should put their heads together and make some sacrifice for the country. I remember, some years ago, in England, labour came forward to put in one hour more. The textile and other factory owners also sacrificed their profits. But, what do we find in our country? Every labour union, whether it be a congress-minded union or s communist-minded union or a socialist-party-minded union, is only asking one thing: more pay, more dearness allowance and other facilities. They never say that they should put in a certain amount of work. Unless labour puts in the minimum or standard amount of work in industry, I do not think we shall be able to compete in foreign markets.

Much has been said about the textile industry on both sides. the millowners' and the extreme Communist viewpoints have been put forward, but I would like to place certain figures for the consideration of this House. In 1939 the average monthly wage for 26 days was Rs. 35-6-0. In 1956 it came to Rs. 118-10-0. So, we see that there is an increase in the earning of labour. In 1940, 4 90,815 workers were engaged in the textile industry and the output was 1.276 million lbs. of yarn and 4,092 million yards of cloth. In 1956 labour had increased 8.06,702—nearly double—but the yield did not increase proportionately. It was 1.671 million lbs. of yarn and 5.306 million yards of cloth. This shows only one thing, that there has been an increase in the expenses of production, production has not increased to that extent.

We have to increase our production and reduce our cost. I do not say that fair wages should not be paid to labour. but I do say that a fair amount of work must be put in by labour, and the labour unions must look to that matter as is done in Russia, China and other places. There,

if a labourer does not put in a certain amount of work, he is lashed. In our country, the only encouragement given by the labour unions is: less work, more pay and more strikes. I think this way we cannot progress.

Shri Jadhav: What about the margin of profit to the millowners?

Shri P. R. Patel: That is not out of my mind. The millowners do not deserve the credit of the independent country of India. In 1955 they imported Rs. 53.50 crores worth of raw cotton from foreign countries, and exported cotton piecegoods worth Rs. 57.78 crores. It means that the import of raw cotton was more or less equal to the export of piecegoods. In 1956 our import of raw cotton was Rs. 53.59 crores and our Rs. 57.32 crores. So in relation to the import of cotton from countries, our export is meagre, and if our millowners are allowed to import foreign cotton to the detriment of the Indian agriculturist and yet are not able to export much, what is the good of allowing them to foreign cotton? Why should they not be asked to use Indian cotton? If at all they want foreign cotton for the production of fine and superfine cloth, the condition must be laid down that the goods produced out of it should be exported and not allowed to be sold in the country.

Our export has been mostly in medium and coarse varieties. In 1956 cotton piecegoods were exported to the tune of 747 million yards out of which medium was 517 million yards, coarse was 191 million yards, while fine 22 million yards and superfine only 17 million yards. This shows that our export is not much of fine and superfine varieties. Then, way should we allow import of foreign cotton?

There are reasons for so much export of coarse and medium piece-goods. Some days back, the hon. Minister must be aware of it, the All-India Millowners' Federation

[Shri P. R. Patel]

submitted a memorandum in Bombay to the Wage Committee in which they said that the reason why they were able to export coarse and medium cloth was that they got local cotton at a very cheap rate. They could not export fine and superfine varieties because foreign cotton was not cheap. So, these people were able to export coarse and medium varieties at the cost of the agriculturists of the country, and the Government which boasts of doing much good to the cultivators does much harm to them and looks to the interests of the millowners. Government must look into the matter and if possible restrict the import of foreign cotton.

Today what do we find? In my constituency, which is a Kalyan cotton growing area, the millowners have got the monopoly and they are the only buyers. We cannot export outside. Government is not pleased to allow us exports. The result is that bales in thousands are lying in the godowns unsold. The millowners do not buy. The next season is coming very near and the prospects of the next season are very bright. If the millowners do not buy and if it cannot be exported, who will be the sufferers? But the policy of the Government is only to appease the millowners or rather to see that they are in a better position. A policy must be accepted by Government that at the beginning of the season the millowners must be asked to buy a certain number of bales, and if they do not buy within a month, export must be allowed. Let them close their mills if they like. If they do not buy our Indian cotton in time, why should the farmers suffer? I do not understand.

There is one thing that the hon. Minister has said, which I could not understand. I have referred to it already. He said that facilities for importing foreign cotton have also been provided subsequently on the recommendation of the cotton textile mills' federation. It is for export that

these facilities have been given. But I do say that these facilities are used not for export, but for fine and superfine cloth to be sold in the Indian market at higher rates, and thus to make more money.

Shri Jadhav: They create conditions of scarcity also.

Shri P. R. Patel: The policy of the Governments requires to be changed. Government have also stated that if we are able to export more of our agricultural goods, we can increase our exports. Naturally, it is true. I would say that even after the Second Plan, even after our steel plants go into production, we would not be able to export our manufactured goods outside the country, because China will be a competitor, and other countries also would be there to compete with us. It will be the consumers in our own country who will keep these new plants working.

So I would submit that let us concentrate our attention on increase in agricultural production. And how can it be done? Will it be done by speeches? Will it be done by re-olutions? Will it be done by giving high days back, some hopes? Some fifteen-man committee of the decided that incentive floor price should be guaranteed to the farmers, but nothing has been done. Our Government do not become wise even after the advice given to them by the experts coming from the World Bank. The World Bank experts also advised Government in the same way. I would just read out one line from their report. They have stated, in regard to agriculture:

"It is difficult to believe that agricultural production in India is not generally responsive to price incentive, and recent experience certainly suggests that the sharp fall in foodgrain prices after the record harvest in 1953-54 almost certainly had something to do with the poor production in the two subsequent years."

So, when the prices of foodgrains went down, the production also went down. When the prices go up, there is incentive, and the farmers produce more. They have also stated:

"Specific price supports operate at present only for sugar and cotton, and production of both these crops has risen during the past five years at a rate well above the average for the agricultural production as a whole."

So, the advice given is that the agriculturist should be guaranteed an incentive floor price. Are Government prepared to do that at the earliest possible moment? Without doing it, I do not think a thousand and one speeches, or I would say, even much more, would yield more fruit and more production in agriculture.

Shri Osa (Zalawad): It was time that both the country and the House were taken into confidence by Government about the recent trends in the export trade, because we are rightly concerned over the drop in our export trade. Criticisms were advanced in this House, and observations were made even outside, about our export trade; and one was worried, and sometimes vaguely irritated that Government was not taking appropriate steps to see that our export trade looked up.

After having heard the speeches of the hon. Minister and his junior colleague, I agree with him and the whole position has been aptly summarised in these words in the statement that was circulated to us:

"True, we cannot afford to be complacent, but I would also like to suggest that we need not at the same time feel unduly depressed by the disheartening experience of the nine months ending June, 1988."

One feels assured, particularly when these words are coming from the mouth of Shri Lal Bahadur Shastri whom we hold in high esteem for his characteristic modesty and transparent sincerity.

Shri S. A. Dange, the leader of the Communist group, chastised Government for linking up the economy of this country with what he styled as countries with capitalist economy. My hon. friends Shri Ghose and Shri Manubhai Shah have appropriately replied to this contention of his. But, as we all know, we did send a trade delegation both to USSR and to the Eastern European countries, and we tried to adopt what trade we could undertake with them also. As was pointed out, if we were to benefit by our external trade, it must be of a diversified character. We must indulge in these trades with as many countries as may be possible for us. Therefore, I do not think we have done anything wrong; particularly, since we are an under-developed country and we want to develop our country, and we want aid from all quarters and from all sources, cannot afford to shut doors to particular blocs or particular types of countries which my hon. friend characterises as having capitalist economy.

ls it that this situation has develops ed all of a sudden? Were we quite unaware of this situation arising. when we undertook such a heavy programme of industrialisation when framed our Second Five Year Plan? If we look at the Second Five Year Plan, we shall find that that was not at all the case; on the contrary, we were fully aware that, after all, these things would be highly uncertain and a time might come when we might have to face such a situation. This is what the Second Plan has to say in this matter.

"Estimates of foreign exchange earnings and requirements over a period of five years cannot be made with any great precision. There are many uncertainties in the situation. Several of India's important export commodities, such as tea, jute goods and manganese ore are subject to sharp fluctuation in demands."

[Shri Oza]

So, we were quite aware that we might have to face such adverse turns during the Second Five Year Plan period. While assessing the trends in the export trade at a particular period, I think that we have always to keep in our minds certain developments, both internal and external, of that particular period. We should not get depressed because in rupees our export trade goes down at a particular time, and I do not think that by comparing figures we can criticise Government, that when the export figures are high we could claim credit but when the figures go down we have to criticise Government for not taking appropriate steps. On the contrary, it may happen that when the export has reached a peak figure of Rs. 1,000 crores. Government may not justifiably take credit for it, but when it is a low figure, it can take credit for having taken all appropriate steps to maintain it and to step it up further.

When we talk of export trade we have always to keep in mind two things. The State has to play a particular role and private enterprise has also to play a particular role. All the commodities we export are produced in the private sector. The State can only play a promotional role in giving all facilities, institutional, procedural and others, to see that export trade is streamlined and does not experience any difficulties. Judging from this standard, can we find any fault with the Government for not having taken steps to see that all the impediments in the way of export trade are removed. As has been revealed in the statement circulated to us and the speech made by the hon. Minister yesterday, we find that all possible steps have been devised by Government to see that export trade does not suffer from any hindrance, on the contrary feels encouraged to undertake even certain risks. We have devised as many as 7 or 8 institutions to see that the export trade of the country goes up and I think we should congretulate Government on

having taken all these appropriate steps.

While on this point, I would refer to the Export Risks Insurance Corporation. I have not yet come across any report about the activities of this Corporation and I do not know what role it is playing in promoting the export trade of the country. I do not know what percentage of export trade is covered by this Corporation, what premium they charge and whether these facilities are properly utilised by private entrepreneurs. We shall be thankful to Government if they take us into confidence about the activities of the Corporation.

We have heard various views on the floor of the House about labour not playing their role properly and about the need for rapid rationalisation to bring down the cost of production. We have also heard criticisms from friends who take part in trade union activities that the private sector or the entrepreneur is not playing his role patriotically. But the truth lies somewhere in between. As has been pointed out by the Minister of Industry, rationalisation without tears has got to be accepted. If we want to compete in foreign markets, we cannot get along with obsolescence in machinery. We have got to make it as modern as possible, but since our country is also facing a huge problem of unemployment, it should be without retrenchment and after taking labour into confidence on certain terms and conditions, namely, the profits which would result from rationalisation are shared between management and labour. If this policy is accepted, I think both sides will have little to grudge. We are very happy to learn from the Minister of Industry that an agreement has been arrived at between all the important trade unions and Government and employers that there will be no difficulty in installing the most modern machinery the textile industry.

There was a suggestion made about exporting groundnut—and its products to foreign countries.

15.44 hrs.

[SHRIMATI RENU CHARRAVARTY in the Chair]

Fundamentally, I have little objection to that. But I would urge Government to always keep in mind and see that the internal prices do not go up, because after all, this is the only oil which is available to the poor people for the fat content in their diet. If the prices go up due to export policy, the poor people will be deprived of what fat they get from this item. So I think Government should always keep in mind the necessity to see that when they allow export of groundnut and its products, it should be only upto a particular limit and not beyond.

With our heavy past commitments and an ambitious Plan ahead, we have got to remain export-conscious, as has been pointed out by so many friends here Countries like UK and Japan which have very little home market are trying to push up their exports by all devices. Also since we have taken to a huge development programme, we shall have to import heavy machinery and equipment and we have got to pay back for them by pushing up our exports. So we have got to enter into the export market. But I do not know whether we can adopt the same aggressive policies adopted by other countries. References were made to the policy of China. I have also heard that in a particular country China has submitted a tender '16 per cent less than the lowest bid' Whatever may be the lowest bid, they will charge 10 per cent less. That 'way' they are trying to enter the world market. When criticism levelled here that we are asking our people to pay higher prices for sugar and selling sugar at a very low rate in foreign markets, I think we should also bear in mind that if we want to step up our exports we shall also have, with certain safeguards, to adopt a policy somewhat on these lines. The two safeguards that have to be kept in view are that we should see

that inflationary trends are not further developed. If we do not keep proper checks and balances under this policy, inflation will be further accentuated and our poor people will stand to suffer. The second safeguard is that we should see that it may not lead to consumer resistance. If consumer resistance takes place, I am afraid so many of our mills will be closed and there will be widespread unemployment. With these two safeguards, I think we should adopt all methods for promoting our export trade in whatever countries possible.

Export Trade

The Minister of Industry has urged industrialists in this country to shake off their old notions and play their role properly. Let us hope that at this critical juncture of our country, they will also rise to the occasion and see that the management is in the interest of the industry, that the profit motive is subordinated and all steps are taken to see that the country is out of its troubles. So also labour should play its role in this spirit. This should be done if we want to step up our exports and see that our developmental activities are not hampered.

So I think the hon. Ministers deserve congratulations on having taken us into confidence and allayed some of our apprehensions. As I said in the beginning, every now and then when questions were asked on the floor of the House and observations made in the country, one was feeling rather depressed and getting irritated that the Government had not played their role properly. But now I am convinced that there is no room for depression or irritation. We need not be complacent; at the same time, we need not feel depressed. Things are looking up and we will turn the corner and again our export trade will assume the position it had in the past.

Kumari M. Vedakumari (Eliffu): While discussing export tradecitives

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[Kumari M. Vedakumari]

necessary to remember that it is intimately connected with Indian economy also. A favourable balance of trade is always an impetus to development plans while an adverse balance of payments position always an impediment to the progress of the country which ultimately suffocates the economy with inhibitions and limitations.

All our people were discussing about 'isms' and ideologies, leaving the ground on which we stand and for which we have come here. Some people speak about recession in capitalist countries and are telling why not go to the socialist countries and export our commodities to them? That is very good to hear. But when we actually go into the problem, we find that the salient question we are discussing is how to promote our export trade. The hon, leader of the Communist Group, when he was speaking, mentioned that we, were exporting almost all the textiles in 1950, so why not export them now? I do not see any reason at all behind that argument. The conditions in the world market are changing and we are facing competitors in every commodity, tobacco, textiles, tea or jute. The whole thing is changing now. Bringing all our past experiences and putting them together here in the discussions, we do not see any reason behind that argument.

While speaking about promotion of export trade the hon. Member was saying why not we export to socialist countries. That is very good. We ao not have any bias or prejudice towards countries to which we are exare trying whatever porting. We means are available to diversify our export trade. We are exploring the possible ways to find new markets and to establish connections with new countries.

Recently, we had an agreement with Russia also for 5 years. I would like to know from the hon. Minister why textiles were not included in that list. Textiles are very conspicuous by their absence. Because Russia is also importing from Egypt and other countries and because we are having controlled demand for it, I think, if this item also were included in the agreement with Russia some of our problems may be lessened. He was mentioning about the recession in capitalist countries. We know what socialist economy is; we know what capitalist economy is and he need not tell us all the fundamentals about economy. We have approached the people with a particular economy and they have given us their votes. We have told them that we are following a mixed economy. Now, the hon. Member is asking for the isms and ideologies and the reasons behind. Whatever our isms may be the problem before us is how to promote our export trade, how to establish new markets.

I think ours is the only which is having trade with other countries without any prejudice wards other countries. The hon. Memhimself, while speaking mentioning that there is no demand at all in Russia for tea. When we export anything to any country commodity should be in demand that country. One cannot go on exporting a commodity to a socialist country which is not at all needed there. Isms and ideologies won't come in our way-in the way of our export trade.

There are so many problems we have to take into account in our international trade. Increased competition is coming and the quality the commodity is also coming in. We are facing in our country increased cost of production. We are having a developing economy and we have to face a lot of things. They are only obsessed with automatisation. accept it in principle but when practical application comes they differ.

Whatever may be mismanegement in the mills, the exploitation by the mill owners, we are doing our best to develop our export trade and we are giving so many concessions. Our Government have done all that they can do to promote export.

I would like to bring one thing to the notice of the hon. Minister. When we are talking of export, the think of cost of must production of the commodity Let us take the three major commodities, tea, jute and textiles. In Assam some of the tea gardens closing and what is the step Government is taking to prevent that? What is the scientific approach they made? They must find out other alternatives to open the tea gardens. Whether some gentleman is managing here and some other gentleman must come and manage it or whether should be in the public sector or in the private sector is not the problem. We have accepted mixed economy. Whatever we suggest here should be constructive.

talking about We have been ideologies here. When we think of the export trade one thing to which we should give serious attention is the European common market. How far our exports will be affected by formation of the European common market has also to be considered. We will be very much affected with regard to our export to European countries because 55 per cent of our export trade is to the so-called countries, that is, European common markets. The Export Promotion Committee also recommended that this should be considered seriously and discussed. Government should give serious consideration to the effect on our export trade by the formation of common markets.

In dealing with the several aspects of export trade the Promotion Committee also recommended the study of the price level of commodities as a very important item for consideration.

Unless we attach much value and lay great emphasis on production values also, we are not going to be benefited by the reduction in some excise duty or sales tax or railway freight or anything like that.

We are going to develop our country; we are going to have so many projects and plans in the future. Whatever may be our Plans we have to import capital goods and industrial raw material. Whatever may be the extent of raw material available in our country we are going to develop to such an extent that we may still have to import some raw material. So, when we take into consideration our export trade, we have to take into consideration also our costs of production.

In jute we see the farmers facing so many troubles. A maund is selling at about Rs. 25/-. Then, how can the farmer have an incentive? We have to go deep into the root of the problem, and see what are the fundamental impediments. If we see what are the impediments to our foreign trade we have to go into the cost of the commodity. After all we have to process. In processing we have the automatisation, the mill owners and all that. We have to take account the cost of production. Ours is a developmental economy and we have resorted to deficit financing. has got inflationary tendencies also. We have to combat that also. Unless the farmer produces a commodity we cannot export it. So, the root of the matter should be tackled.

The Export Promotion Committee recommending about the export of tobacco said that in Andhra Pradesh we have the largest producers of Virginia tobacco. So a cigarette factory should also be established in our country because cigarettes will have a good market in foreign countries. Government should take this into consideration and the processing should be done in Andhra Pradesh and a factory should be established there.

[Kumari M. Vedakumari]

thing I would like Another mention is about the pooling of quotas. I entirely agree with the recommendation made by the Promotion Committee. We are giving some quotas to displaced persons and to cooperative socieites. These people are giving their quotas to some established shippers on commission basis. According to law, these people should not have such transactions. But, in order to promote export trade, if needed, we should amend the law and encourage the co-operative societies and displaced persons also to have this commission basis in the export commodities.

We have to look to the productivity aspect also. Our production should be successful. I think productive schemes can be introduced. Whenever we speak about wages, unemployment, mismanagement or exploitation mill owners etc. we have to look the productivity aspect of the problem also. Everybody is arguing only for the vested interests. Some people are arguing for the producers; some are for the consumers; some for the employees and some for the employers. But what is the result? We have to see that productivity rises Unless labour increases its productivity, there is no other alternative or solution for our economy. We have to lay emphasis on the aspect of productivity also.

16. hrs.

I would like to mention one thing more—it is about the discount rate. It should always be below the bank rate. Some people may misunderstand me sand say that I am supporting the private sector or something like that. Whatever it may be, we have to forget the sectors when it is a question of export trade and we have to see what ears the ways of promoting the export trade, whatever may be the vested or group interests behind the export trade. If the discount rate is kept below the bank with, it will give an impetus to the export trade.

श्री सवराज सिंह : सभापति महोदय, मैं माननीय मंत्री महोदय द्वारा रक्के गये प्रस्ताव पर भपना यह स्थानापन्न प्रस्ताव पेश कर रहा हूं :

That for the original motion, the following be substituted, namely:-

"This House, having considered the present trends in the export trade of India, and the state of the textile industry which contributes materially to that trade, expresses its very deep concern at the declining trend in our export trade and the shrinkage of our traditional export market in textiles, tea and other goods.

This House is of the definite opinion that the Government have miserably failed to take adequate steps to maintain the volume of our export trade in tact. This House recommends to the Government that a Committee of Members of Parliament belonging to both Houses of Parliament assisted by technical experts be appointed immediately to go into the matter thoroughly and suggest ways and means by which the situation could be set right."

कल से इस विषय पर जो वादिवबाद चल रहा है, उससे स्पष्ट हो गया है कि निर्मात का जो काम है उसमें न सिर्फ सरकार की ही लापरवाही रही एक तरह से बल्क उन हिजों का भी बहुत स्वाब रहा जो हमेशा यह प्यान रखते हैं कि उन को लाम हो । रहे । मुझे बहुत प्रफाशेस के साथ कहना पड़ 11 है कि इस समस्या की सरफ सदन का जितना प्यान जाना चाहिये था, उतना ध्यान ग्रमी नहीं जा रहा है । जो टेक्सटाइल के मालिक हैं, जो एक तरह से बस्त्र उद्योग के संवालक हैं, उनकी तरफ से बस्त्र के उद्योग पर कितना चार है होता है, इस है, न देश के लोग ही इस बात की जानते

Export Trade उठाये जायें, यह विचारणीय विचय है कि क्या यह सम्भव है कि इस निर्यात को इस रेट पर हमेशा कायम रखा जा सके क्योंकि बस्त्र है वह हमारे कज्यमर भाता है, सामान में प्राता है, भौर हर मुल्क जो पिछड़ा हुआ रहता है, चाहता है कि वह अपने यहां इस उद्योग को कायम करे । इस लिये निकट भविष्य में ही हमें इस के श्रतिरिक्त भीर भी समस्याची का सामना करना पढेगा । हो सकता है कि भ्रभी बहुत ज्यादा कमी न हो, लेकिन दस बीस साल में इस तरह की बात हो सक्ती है कि कही इस तरह से एक्स्पोर्ट हो ही न मके। तब क्या होगा ? इस लिये सब से मुख्य समस्या यह है कि वस्त्र उद्योग की तरफ तो ध्यान दिया ही जाय, बल्कि पुरा ध्यान जाय कि हम प्रपनी निर्यात को कैसे कायम रख सकते हैं। जो पुरानी चीजें था रही है, जैसे वस्त्र है, चाय है, जुट है, उन की तरफ तो पूरा ध्यान रखा ही जाय। लेकिन इस के झलावा भीर भी चीज हो सकती है जिन का निर्यात कर के हम देश के लिये नैसा इन्ड्रा कर सकते है, विदेशी विनिमय पैदा कर सकते है । लेकिन इवर भी सरकार" का घ्यान नहीं जा रहा है। मैं यह नहीं कहता कि बिल्कुल प्यान नहीं जा रहा है, प्यान जा रहा है और जाना ही चाहिये। लेकिन यह देखना चाहिये कि जितना निर्यात हमारा होना रहा है उतना कायम ही न रहे बहिक उस से प्रविक हो तो पच्छा है। लेकिन मेरा कहना यह

हैं कि देक्सटाइल उद्योग की तरह से जितना बुनाका दिखाया का रहा है, उनको उतना ही मुनाका होता है या उससे कही ज्यादा मृनाका उनकी तरक से कर लिया जाता है। एक मान-नीय मित्र ने सदन का ब्यान इस तरफ धाक-वित किया कि टेब्सटाइल उद्योग के जो संचालक है वह अपने नानेदारो और रिक्ते-बारों की उन में रख कर उनको भारी मारी तनस्वाहें दिया करने हैं। यह सही है, लेकिन इससे भी आगे बढ़ कर एक बात है और वह यह है कि सभी तक सरकार को पूरी तर ीर नहीं मान्म है कि किस तरह से इन मुनाको में ब्नैकमेलिंग हो शि है। कुछ इस तरह भे मुनाके कर लि जा। है जो कागज पर पूरी तरह से नहीं भारे हैं, भीर उन का बहुन बड़ा हाथ एक्सपोर्ट ट्रेड के कम होने में रहता है। हमारा म्नाफा जिस तरह से बढ़ना है उसके हिसाब से जितना निर्यात बढना चाहिये वह उतना नहीं बढ पाया है। इसलिये इबर सरकार को विशेष रूप से घ्यान देना चाहिये और यह प्रयत्न करना चाहिये कि किस प्रकार से वस्त्र उद्योग मे, दस्य उद्योग के सचालक कितना मनाफा कर रहे हैं, इस की पूरी जाच पडताल हो। र झे श्रफ पोस नेः साय कहना पडना है कि वस्य उद्योग जाच ममिति ने इस बारे में विशेष ध्यान नहीं दिया है। इसको बेज बोर्ड पर खोड दिया गया कि वह इस को देख लेगा लेकिन मैं समझता ह कि ज बोर्ड भी इस बात की तरफ उत्। ब्यान नहीं दे पाया है जितना कि देना चा हिये था। इस बारे में पूरी वांच पड़ताल की जानी चाहिये कि वस्त्र उद्योग किस तरह से मुनाफा किया जा रहा है, भीर क्या वह मुनाफा जायज है ? धगर वह जायज नहीं हैं नो उसको कम करने की कोशिश की जानी चाहिये।

हम भाम तौर से इस उद्योग के नियात से ६५ करोड़ इपया विवेधी विनियोग नैदा कर खें हैं जो कि हमारी कुल निर्यात का करीब १२ प्रासेंट होता है। लेकिन कितने ही कहन

नई बीजो सा निर्यात हथा है लेकिन वह निर्यात भी जाना चाहिये पब्लिक सेक्टर में । बह न हो कर उसे प्राइवेट सेक्टर को दे विया जाता है। प्रागरा से जूते का बहुत निर्यात हुआ। जनता यह सोच रही है कि जूते का निर्यात प्राइवेट व्यक्तियों के हाथों में दे ब्रिया गया और प्राइवेट व्यक्तियों के दारा तिर्मात

है कि निकट मविष्य में जब यह निर्यात इस

गति से कायम नहीं रह सकेगा तब क्या होगा।

इस बारे में हमें सोचना चाहिये।

[बी बजराज सिंह]

होने की बजह से बहत सा माल इस तरह का चला गया जो सराव था। उस के सराव होने की बज्र से न सिर्फ हमारी बदनामी हुई बल्कि हमारी निर्यात की प्रतिष्ठा भी गिरी । कछ और भी नये काम है जो यह देश आगे बढा सकता है। एक चडी का उद्योग है। इस देश के बाहर भी कुछ इस तरह के लोग है जिन के लिये हम इस का निर्यात कर सकते हैं। लेकिन इस पर कोई ध्यान नही दिया गया । मै मानता हं कि इस से शायद करोड, दो करोड़ रुपये की ही बिदेशी मुद्रा का प्रजन होगा, लेकिन इस से बाप बपने निर्यात में डाइवर्सिफिकेशन कर सकते है । इन मब बातों को हमें ठीक मे देखना पडेगा । हम सिर्फ एक्सपोर्ट प्रमोशन कौंसिल को ही न कायम कर दें भीर उम से काम चलाने की कोशिश करें, बल्कि इन सारी चीजों को ठीक से कर के हम धपने काम को और धारे बढा सकते है ।

टेक्स्टाइल इंडस्ट्री की ही तरफ धगर में ध्यान दिलाऊं तो यह जान कर धाप को धारुवयं होगा कि इस उद्योग में कितना घोटाला होता है। अब भी इस तरह की मावाज उद्योग की तरफ से बाती है कि इस का कास्ट ग्राफ प्रोडकान बढ रहा है, इस का उत्पादन व्यय बढ रहा है, या किसी तरह से इतनी कीमत हो रही है कि उद्योग उसे बरदाश्त नहीं कर सकता तो सरकार की तरफ से रिबेट दिया जाता है. एक्साइज इष्टी कम कर दी जानी है। भगर यह करना इतना भावध्यक हो कि उस के बिना काम न चल सकता हो तो वह निर्यात को कायम रखने के लिये जरूर किया जाय लेकिन देखना पहेंगा कि क्या इस की वास्तव में मावश्यकता भी है। जैसा भाज सुबह इस सदन में कहा गया कि हमें देखना चाहिये कि एक्साइज इयटी कम करने से क्या उपभोक्ता तक उसका लाभ पहुंचता है। यह भी देखने की बात है। मै समझता हुं कि चूंकि इस तरफ ध्यान नहीं बिया बाता तभी वह स्विति वैदा कर दी बाबी है कि एक न एक निस क्य एसरी है।

ऐसी स्थिति पैदा कर दी जाती है कि मिल बन्द हो, मजदूर बेकार हों, उत्पादन घटे, निर्वात में कमी बाये । लेकिन ऐसी स्थिति पैदा करने वालों को मजबूर किया जाना चाहिये कि उनकी मिल बन्द न रहे । मै चाहंगा कि उद्योग मत्री श्री मनुभाई शाह ने जो घपने विचार व्यक्त किये, उन को वाकई में धमल में लाया जाय । जब कभी हमारे मिनिस्टर भाषण देते है तो ऐसा लगना है कि वे घपोजीशन बेचेज से बोल रहे हैं, लेकिन जब काम करने का सवाल ग्राता है तो जो रेड टेप चला ग्रा रहा है वह उस में फस जाते है. भीर साल दो साल तक उस की कोई सुनवाई नही हो पाती है। में चाहंगा कि जिस गति से भौर जिस प्रकार से यहा विचार व्यक्त किये जाते है मिनिस्टरो की नरफ से, उस पर तुरन्त ध्यान दिया जाय जिस से यह घहम समस्या हल हो सके । जहां तक टंक्सटाइल के एक्स्पोर्ट का मवाल है इस समय बहत सी टेक्स्टाइल मिल्स है जिन के लिये मुझाव रखा गया कि उन में रैशनलाइजेशन किया जाय । यह मुझाव बुरा नहीं है, लेकिन मझें लगता है कि मैने जमेंट जो है, उस में कही घोटाला हुआ है और उस घोटाले की नरफ एन्ववायरी कमेटी का जितना ध्यान जाना चाहिये था उतना नही गया, और न मरकार का ही उस की तरफ उतना ध्यान है। इस मैनेजमेंट के घोटाले की तरफ भी अच्छी तरह से ध्यान जाना चाहिये जिस से कि बहुत मा रुपया जो कि न श्रेश्वरहोल्डर के पास पहुंच पाना है भीर न मरकार के पास पहुंच पाता है धीर मैनेजमेट के नाम पर वह सारा इपया इघर उघर हो जाता है उस को कम करने की कोशिश की जाय । इसलिये जहां तक रैशन-लाइजेंबान का सवाल है, नवीन करण का सवाल है, उस से कोई इनकार नहीं करता. रैशनलाइजेशन से धगर हम उत्पादन की बढ़ा सकते हैं तो उसे जरूर बढ़ाया जाना चाहिये. लेकिन एक बात हमेशा. ज्यान में रक्षने की है कि रैसनलाइबेसन के नाम पर सनए रिट्रेंबवेंट होता है, बहवी होती है

मजदूरों की, तो उस से बाप उस काम को कमी पूरा नहीं कर सकेंगे जो कि उस का उद्देश है।

योजनार्ये बनीं। बड़ी घाशायें दिलाई गई कि हमारा उत्पादन बढ़ेगा तो महक के लोगों की प्रार्थिक क्षमता बढ़ेगी प्रौर ऋग शक्ति बढ़ेगी लेकिन जो परिणाम निकल रहा है उस को देख कर प्रारुषयं होता है। सन् १६३६-४० में जहां इस देश में प्रति व्यक्ति १५ ७५ भर्षात् पीने सोलह गन्न कपड़ा खर्च होता या या उत्पादन होता था, इतना लोग केते थे वहां सन् १६५७ में जाकर यह सिर्फ़ १६ - हो पाया है यानी सिर्फ़ १ गज से यह बुद्ध ही ज्यादा बन पाया है। मै नहीं समझ पाया कि इसका क्या कारण है जब कि हमारे यहां कपड़े का स्टाक भरा पड़ा है। मुझे लगता है कि हमारी इस पंचवर्षीय योजना में कुछ मुलभूत गलतियां हैं। धाप यह कहते हैं कि उत्पादन बढ़ने से कय शक्ति भी बढ़ेगी लेकिन हम देख रहे हैं कि जनता की क्रय शक्ति घटी ही है उत्पादन भले ही भापका भ्रधिक रहा हो। कपड़ा मिलों में कपड़े की गांठें पड़ी रहती है भीर उनको कोई उठाने वाला नहीं रहता है। १८ धगस्त, १९५८ को ३३० मिलियन गज कपड़ा ऐसा था जो बिका हुआ था लेकिन मिलों से वह उठाया नहीं गया था क्या इसके यह माने नहीं होते हैं कि मुल्क की जनता की कय शक्ति घट रही है भीर जब कय शक्ति जनता की घट रही है तो इस सारे मसले पर विचार करते समय हमें यह भी देखना पहेगा कि भासिर हमारी योजना में कुछ ऐसी मुलभूत गलतियां है जिनके कि कारण एक बास छोटे से तबके की तो भामदनी बढ़ रही है धौर धन्य तमाम लोगों की क्य खन्ति घट रही है भीर उनकी इतनी सामर्थ्य नहीं है कि बहु १६ गज कपड़ा भी खरीद सकें। इसलिये हुमें जनता की कय शक्ति को बढ़ाने के लिए योजना में कुछ मूलमूठ परिवर्तन करने पहेंचे जिससे कि यह योजना धाम लोगों की योजना वन सकें भीर भाग नोगों की भागदनी बढ़ सके और वायवंदी वहां कर ही वाय यो एह रिसेसेशन हो रहा है और कपड़े का स्टाक बिना बिका पढ़ा हुआ है, वह उठ सकता है। इसलिए जहां हमें कपड़े का काफ़ी मात्रा में निर्यात करने के नियं ध्यान देना चाहिये वहीं निर्यात करने के साथ साथ हमें घपने मुल्क में भी देखना चाहिये कि धाज क्या हालत हो गई है कि १६ गवा भीर साढे १६ गवा प्रति व्यक्ति कपड़ा पहिनने की बात हो रही है। योजना में कहा गया कि १८ गत एक व्यक्ति को मिल सकेगा भौर उतना उत्पादन हम कर सकेंग भौर भव साढ़े १७ गज की बात कही जाय तो इस तरह तो हम भौर पीखें की भोर हट रहे हैं धौर पीछे की घोर इसलिये हट रहे हैं क्योंकि जनता की कय शक्ति निरन्तर घटती जा रही है। जनता की क्रम धक्ति को बढाने की तरफ कोई व्यान नहीं दिया जाता है।

टेक्सटाइल इनक्वायरी कमेटी की बात कही गई है कि गल्ले की कीमत बढ़ रही है इसिनये लोगों की कय शक्ति घट रही है। ऋय शक्ति घटने से कपड़े की खरीद में कमी हो सकती है। गल्ला और कपडा दोनों ही चीजें धावश्यक है। सब जहा तक गल्ले का सवाल है तो हमारे देश में करोड़ों लोग ऐसे रहते हैं जो कि एक समय और भाषा पेट ही भोजन करके रह जाते हैं। दरप्रसल योजना में कुछ ऐसी मुलमूत गलतियां है जिनकी कि वजह से भाम जनता की भामदनी घट रही है भलबत्ता एक माइनारिटी १ या हेढ फीसदी ऐसी है जिसकी कि भागदनी जरूर बढ़ रही है। इस टेक्सटाइल उद्योग को यदि हमें अच्छे तरीके से चलाना है तो हुमें पूरे मसले पर घच्छी तरह से विचार करना चाहिये घौर योजना में जो कुछ मुलभूत गलतिया यह गई है उनको सुधारना होगा ताकि लोगों की धामतीर पर धामदनी बढ़ सके घीर समाजी-करण हो सके और भाज जो जनता की क्य शक्त घट रही है वह घटे नहीं।

वहां तक लूम्स भीर करवों के रेशन-बाह्येशन भीर साटोवेटाइक्रेशन का सवास है

[बी बबराज सिंह]

उसके सम्बन्ध में मेरा निवेदन यह है कि बाज के प्रयतिशील युग में नदीकरण का इस तरह की बीजों से इंकार नहीं किया जा सकता लेकिन इन सब का भी उद्देश्य यही होना चाहिये कि कहीं पर भी कोई बादमी जहां भी नबीकरण या रेशनलाइजेशन होता है. उसमें घगर हमारे यहां का कोई भी व्यक्ति बेकार होता है तो हमारी योजना का उद्देश्य पूरा नहीं होता है। जहां एक तरफ यह द ाल रखें कि नवीकरण भी हो भाष्तिककरण भी हो बहां साथ ही साथ यह खयाल भी रहे कि कोई भी घादमी बेकार न हो। जब इन दोनों चीओं को घ्यान में रख कर हम घागे बढ़ेंगे तभी हम भपने उद्देश्य को पूरा करने में समर्थ हो सकेंगे। हमें अपने इस उद्देश्य को पूरा करने के लिये जी जान से जूट जाना चाहिए और दोनों तरफ़ हमारा ध्यान जाना चाहिये।

इसी तरह जूट और चाय उद्योग के बारे में भी भावश्यक ध्यान दिया जाना चाहिये क्योंकि वह भी निर्वात के बहुत बड़े उद्योग है।

यह वो बाइवरसिफिकेशन की बात कही वाती है तो उसके लिये मेरा कहना है कि यह बाइवरसिफिकेशन न सिर्फ़ मुल्कों में हो बिल्क कमीडिटींड में भी हो ताकि नई नई बीज पैदा करके उनका बाहर निर्यात कर सकें और बाहिर है कि जब निर्यात हमारा बड़ेगा तब बिदेशी विनिमय हमें प्राप्त होगा। माज नहीं तो कल हमारा टेक्सटाइल माकट खत्म होगा। १०, १५ या २० साल में वह खत्म होगा। इसलिये हमें तैयार रहना चाहिये कि हम मन्य नई नई बीज अपने देश में तैयार कर सकें और उनको बाहर निर्यात करके विदेशी मुद्रा प्राप्त कर सकें और व्यवसायिक दृष्टि से हमारा देश मन्य देशों के मुकाबले पिख़ड़ा हुमा देश न' रहे।

Shri Rameshwar Tantla (Sikar): Madam, I have heard the speeches of the hor. Members who preceded me, and more or less all the points which I am going to say have been dealt with by them. Probably they are more wiser and experienced than me, but still I have to say something on some of the points which have not been dealt with by them. I think if my suggestions are considered by the hon. Minister for industries they will improve, to some extent, the trade in general and also exports.

The textile industry is the biggest in the country. The Ministry of Commerce and Industry have recently taken some steps in regard to the textile industry and also tea industry. Tea industry is also one of our big industries, a big earner of foreign exchange. They have saved the textile industry. They have also saved the tea gardens which were in trouble. Still there are some things which can be done to improve further those mills which are partially closed or are closing.

While making the statement the hon. Minister has not discussed anything about the labour cost that increasing every month. Last year the total dearness allowance amounted to Rs. 68, whereas it is now Rs. 82; that is, Rs. 14 per head more. now the textile industry is not in a position to bear this increasing labour cost Something should be done this respect, otherwise the will close down completely and the labour force attached to it will be in trouble. Therefore, something should be done about the increasing labour wages, so that the people who running the mills will have the surety about what they will have to pay to the labourers and they will count that for purposes of profit and loss.

Shri Tangamani: Bengal pays the lowest dearness allowance.

Shri Rameshwar Tantla: There is another thing. The new automatic looms are to be installed, but I have to point out that there are so many powerlooms which are not registered, which is a big handleap to the industry. On one side we are putting in new

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automatic looms, and on the other side powerlooms are increasing every month without any record. The result is that one will kill the other. There are unauthorised powerlooms. Sometimes 100 powerlooms are divided into four, 25 in each row. Account will have to be taken of that. I think that practice should be stopped.

Then, although our export of cloth has gone down, still we export grey cloth and the same cloth is re-exported from Lancashire or Manchester after printing. I do not know what is the snag there. I wonder why Misister of Commerce and Industry should not consider the installation of new plants for producing printed cloth in the existing textile mills where there is not much facility otherwire. Of course, I do not know whether such plants are manufactured in our country or not, but even if they are not manufactured here, a small amount of foreign exchange can be made available for this purpose, so that ultimately we can export printed cloth similar material instead of grey cloth, and get foreign exchange through such export.

As regards export trade, our exports have gone down, but we should not forget that the gap between export and import is less than what it was two years back. Every country is trying to increase its export and minimize the imports. So, we cannot judge by the export figures only, but we have to consider this fact, namely, if the gap is growing less, that is a healthy sign and a healthy factor.

I would also say this. Some mistakes have been made in the past and I think we have to suffer on account of those mistakes. On jute, the duty was almost Rs. 1,500 per ton in 1952 or 1953. The effect of that imposition was that the jute mills were erected in such countries as Iran, Egypt, Burma, China and indeed everywhere. Of course, we have reduced the duty to a minimum, about Rs. 80 or something like that. Those mills had to close

sometime ago and we are suffering on account of the former heavy duty.

Some hon, Members were speaking about export duty on tea. Athouga it has been reduced by two annas recently, and although it has reduced the difficulty to some extent, still, I would request the Minister to consider the enhancement of the export of tes in such a way that more tea could oe grown in our tea gardens in India. While a duty of even four annas or six annas may be put on the export of our tea, it must be remembered that on the tea grown in East Africa, Indo-China and Ceylon, there is no such duty, and so in future, there will be a bigger competition from those countries and we will have the fear losing the market in those countries. So, may I suggest that the export duty on our common tea should be lifted? There is no justification for such duty as we levy at present. Already, we have lost Rs. 1,50,00,000 crores on tea and about Rs. 2 crores on sugar. While on the one hand, we have lost so much amount, on the other hand, we will have to protect our exports by levying smaller export duties. So, if we will not protect our exports and forego a small export duty, we will lose the whole market.

The hon. Member, Shri S. A. Dange. said something about the capitalist countries. I have to say that we nave made mustakes. Men make mistakes. That is natural. But then, I would say this. There was a debate on the steel plants only some two or three days ago. Mistakes have been made regard to these plants. But. mistakes had been made_I do not know whether there were mistakes or not really-the Minister of Steel, Mines and Fuel took the responsibility boldly on himself at that time. I was proud to listen to him and I was glad of it. That is our heritage; our Indian heritage, Even if the other colleagues make mistakes, the new oncoming Ministers take the responsibility themselves. I do not know from Shri Dange gets, his inspiration. If he meant some countries in the

[Shri Rameshwar Tantia]

west, I have to say that in those countries, if former Ministers make some mistakes, some of them are either killed or are sought after by the police or something like that. The new Ministers do consider those not actions of the former Ministers mistakes. It happens like that in those countries. I wish Shri Dange were here.

But mistakes are there. But in other countries, at least in some countries, the new Ministers do not take the responsibility for those mistakes. The Ministers concerned are condemned. But I am glad of heritage. Some mistakes have been definitely made by the Ministry of Commerce and Industry. But they have agreed that there have been collective mistakes. They are now. trying to do good, and I think they have done something good. For example, if they had not taken a quick and immediate decision in regard to the duty on common tea, the 105 tea gardens or at least 50 of them in Cachar would have closed. The Government have lost about Rs. 1 crore which of course they may get back by way of income-tax; at least half of that may be got back. By their quick and immediate decision, they have safeguarded the interests of the tes gardens.

Similarly, in regard to the textile industry, although the Government could not do much, there is scope for doing good. I think that with the watch they are keeping over it, and the alertness with which they are proceeding, there is no big fear as regards the textile industry.

Another thing I would like to say. Some of the Members of Parliament who take interest in foreign affairs and in these industries have been formerly going to foreign countries to see things and learn. They were astonished to see, learn and study things in foreign countries. Now, I do not know how the foreign exchange which has been stopped totality for such

available for rich men, business men and Rajahs who go out to foreign countries along with their wives. sisters and daughters-in-law. I do not know how they get their foreign exchange. Some of them stay out with some friends as their guests. Well, I do not get a chance. I have been associated with business about 32 years, but nobody calls me. Nobody invites me to be his guest. I have seen many rich men with their wives and even with their sons-in-law and daughters-in-law going abroad and staying as guests of somebody an America or Switzerland.

Something should be done in regard. I would request the Government to see that some chance is given to the Members also, if it can be arranged. It will be helpful to the country, because we are watching the here and it may trends helpful for us to do so in other countries also. We can be helpful in that way. As regards the foreign exchange involved_not much of it will be involved-perhaps some of the countries will be so good that they might spend on us also.

Shri Ajit Singh Sarhadi (Ludiana): Madam Chairman,—

Mr. Chairman: There is such a pressure on the Chair that time has to be limited. There are several Members wishing to speak and are waiting. So, I would be very much obliged if the hon. Member confines his remarks to the most essential points.

Shri Ajit Singh Sarhadi: I shall be very brief. I see the difficulty in contributing much to this debate at the fag-end of the day. But I should like to make a few suggestions and submit them for the consideration of the Ministry. There is no doubt that there is a shrinkage in exports, but I believe the picture is not so dark and dismal as some have sought to depict.

There are certain factors in the consideration of exports and these are firstly, the increased production in all sectors; secondly, austerity and

economy in the matter of internal consumption of articles that can be exported, and thirdly, tapping of foreign markets for our export, and putting them at the disposal of the exporters.

Much emphasis has been laid on textiles and correctly too, because they constitute the major item of our exports. But, as the hon. Minister knows very well, we need to increase productivity and export in all sectors, particularly in the smaller sectors. The Minister has himself been pleased to say that a certain portion of our production in each sector must exported. Here, I would say that not much attention has been paid, inadvertently, to a course important sector, that is, the smallscale industries sector. I would draw his attention to the hosiery industry and a few others of this category. Let us see the hosiery industry first. The export of hosiery in 1951 was to the value of Rs. 2-13 crores. The industry is concentrated mainly in Punjab and there are about 1,200 small units working it as the Minister knows very well. The export in 1951, as 1 said just now, was of the value of Rs. 2-13 crores. It dwindled to Rs. 1.67 crores in 1953-54. In 1957, it has come down lakhs. 60 You can imagine the loss to smaller units. It is certainly a small item in the export of the country, but we have to look at the small items also. What are the reasons for this fall in export as a result of the lessening of productivity? It is lack of support from the Government side.

The hon, Member who preceded me said that the Government of India must have supervision of the State policies pertaining to industries. That is the correct position. This hosiery industry is practically liquidated in Punjab, simply because of the State policy. They have put in all kinds of taxes—purchase tax, sales tax, etc.—which have practically liquidated the industry. Also, when the textiles are having a sort of rebate in the matter of railway transport, in the case of

hosiery industry also a rebate or concession is necessary in Postal Rates and Railway freight when it is exported outside. The fall is certainly due to competition from Japan in South-east Asian countries, but yet there is no reason why it cannot be encouraged if proper support is given.

Similarly, in the case of sewing machine industry also, it is suffering. I am glad the hon. Minister pleased to say in his note that we are earning quite a substantial amount through this industry. But in Punjab especially, the industry is suffering for two reasons, firstly lack of materials and secondly lack of assistance in the matter of standardisation. Not much raw material is needed for the purpose of giving encouragement to this industry. Yet the quota given to Punjab is very much less.

Shri Manubhai Shah: For the information of the hon. Member, we are very proud that Punjab consumes the maximum amount of steel per capita in small industry

Shri Ajit Singh Sarhadi: I know it; I am grateful that the hon. Minister is very much alive and he has been once or twice to Punjab, doing his best. But we need more of sympathy. In regard to the cycle industry, he knows the position very well. What is needed is austerity and economy in the matter of internal consumption to increase exports. I submit that in the case of cycle and sewing machine industries, which belong to small-scale sector, it is necessary that we give more sympathy.

Coming to textiles, out of the 13 million spindles in the country, Punjab has got about 1 lakh. Out of 400 mills and more Punjab has got four. Punjab is a cotton producing area and labour too is quite strong and available in plenty. Of course, it is in the private sector, but there is no reason why we should not take it the public sector or at least have it on a co-operative basis. From the hands of the private sector, several

[Shri Ajit Singh Sarhadi]

sugar mills have been recently started and they are running on a cooperative basis in Punjab. I am not an expert in the matter of industries, but I would certainly say that Punjab, which is a cotton-producing area, needs a developing economy as other States. Government itself contemplating to have automatic looms and it has been suggested from certain quarters that it should be in the public sector. Why not them on a co-operative basis in Punjab, something in the north, something in the south and so on? It is quite feasible economically. point is, why should you allow State to depend entirely on agricultural economy? Of course, this subject to expert advice and I hope the hon. Minister who has got sympathy with all quarters will give some attention to it.

16.35 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

For the purpose of increasing exports, austerity and economy consumption of exportable art cles is very necessary, even if we have got to resort to controlled economy for that purpose. It was gratifying for me to see that the hon. Minister in his speech admitted, Or rather confessed, if I may use that word, that:

"As regards agricultural products, however, the position is somewhat different; our agricultural products, notably cotton, oil seeds, oils, oil cakes, spices, tobacco, fruits and vegetables are well-known throughout the world. But because of the rising level of demand at home, we have been unable to release sufficient surpluses for sale in overseas markets."

When we are so much short of foreign exchange, when we have got to pay for our planning, we can only pay when we earn. We can earn only when we work hard and we can work

hard only on an austerity basis. Why should not the internal consumption in the country be controlled, if we want to export more, Here too, it is necessary that we should save as much as possible in order to export more. There are certain factors. The production here is not as high as in other countries. The labour produces much less here. I would draw the attention of the House to a statement made by the International Labour Organisation in one of its publications entitled General Report: Rerent Trends and Developments in the Textile Industry:

"In the Indian textile industry, the work load and the number operatives tending a given number of machines, as also the production tigures, show wide variations between different centres and mills. As against an average of four to six ordinary looms handled by operative in the United Kingdom and 32 automatic looms in United States, the Indian operative handles a minimum of one ordinary loom and a maximum of four ordinary looms. S milarly, the maximum and minimum number of ring frame spindles handled by an Indian operative is 440 and 120 respectively as compared to an average of 800 in the United Kingdom and 1,200 in the United States."

If that is the condition of productivity of labour, we have to see how we can improve it further.

The third point relates to planning in tapping the foreign markets and providing facilities to the exporters. This is very necessary. Particularly in the small-scale industry sector, there should be advisory bodies which should tour outside for the purpose of finding markets. It should not be left to individuals, but it should be taken at the governmental level. So, I would submit that in the matter of



small-scale industries, it is very necessary that markets should be found and exports should be facilitated. These are the few observations which I wanted to make.

Shri Tangamasi: Mr. Deputy-Speaker, I shall refer to one of the items of export which has not been referred to in detail by any hon. Member who preceded me, although Mr. Ranga touched upon it. I mean the handloom sector of the textile industry. Hon. Members have dealt with the mill sector in great detail.

The importance of the handloom export must be viewed not only in terms of earning of foreign exchange, but also in relation to the place that the handloom industry enjoys in the employment position of the country. has got tremendous employment putential, and that is inherent in the very nature of it. There are 21 m.llion handlooms today-that is the estimate and it employs nearly 7 million people. In the mill sector, according to the figures suplied to us, nearly 800,000 workers are employed and they produce 1,600 million yards of cloth. In the Second Plan the handloom sector has to produce more than 2,000 million yards. India has an ancient tradition of trade in handlooms. There trade with European has been countres, Egypt, Far East and other countries even during the middle ages. The names of certain patterns have become traditional names, and they have got some special trade names nafa.

In the 20th century the area of operation has been restricted mainly to countries in the Middle East, S.W. Asia, Burma, Ceylon, Malaya and Nigeria. The value of exports to the traditional markets in the year 1956, according to the figure supplied by the Government, is Rs.9 crores. During the year 1957 it has dropped to Rs. 5.5 crores, and this drop is visible

particularly in the case of Ceylon, Malaya and Nigeria. Regarding Burma and Ceylon, may I inform the hon. Minister that it is a matter which has to be settled between Government and Government? Because of certain import restrictions imposed by the Governments of Ceylon and Burms we are not having the desired exports to these countries. Nigeria also traditionally used to import a certain type of lung's, and they are mostly produced in South India. This trade is nearly 100 years old. The restriction in the export of this kind of lungis to Nigeria may be due to competition from other countries. That is also a matter that will have to be gone into.

The All-India Handloom **Fabrics** Marketing Co-operative Bombay-that is the central marketing society-has got a marketing scheme for the traditional markets. It has got its emporia. But what is required is more publicity in the markets particularly in East Africa. They must also search for new markets. This House was told on several occasions that there is an increasing interest in the United States and the East European countries for these products. One survey team has also presented a very encouraging report that we will be able to expand markets in add tion to the traditional markets. So, the All-India Handloom Board must give very serious thought to this aspect of the matter.

The design centres, which are now being organised by the board, and the sample products must be made more popular. Then, India is also very rich in the consciousness of colour. So, an export corporation must be set up. This was referred to by Shri Ranga also. That corporation can act as an agency for exports to European countries, United States, USSR and other countries.

We are happy to learn that some show rooms would be set up in [Shri Tangamani]

18aF

New York and West Germany. Some more show rooms must be set up in east European countries and also other countries where we would like to have sale of handloom fabrics.

Then I would like to say that the handloom industry will not be able to thrive unless the protection which has been extended by the Government of India, is continued. I would only refer to a particular aspect, namely, the question of rebate which was extended to handloom goods. Previously, the rebate was given at the rate of 9 nP. Then it was reduced to 6nP. in December, 1957. There was protest from various handidom weavers' organisations and then for some time it was increased to 12 nP. New # has again gone back to 6 nP. In this connection, I would like mention what the Textile Enquiry has been Committee Report, which discussed threadbare in this connertion, has to say about handlooms. I am quoting from page 18.

"In making our recommendations with regard to the spinning indus-, try we have assumed that the present policy of Government of according adequate incentives to the handloom sector will continue. We have recommended for the Textile Mill Industry that no changes should ordinarily be effected in the level of excise duties during middle of the financial year. Similarly, for the handloom industry the extent of assistance available by way of rebate should be placed on a fairly stable basis and not subjected to fluctuations at short notice. The stability of the rebate tem will then enable all persons engaged in the handloom industry as also in a way in the spinning section of the Textile Industry to plan production in an adequate We recommend to the measure. Government that subject to major policy decision in this respect and after examining the data, they should necessary the announce meesure

assistance by way of rebate on an annual basis as far as possible. The Committee is informed that the All India Handloom Boards has already set up a Committee for the purpose of working out the relative competitive position of handloom vis-avis, other sectors of the Textile Industry. This investigation would help in planning the protection the handloom industry and assisting them."

So, my point is that there should not be this fluctuation in the amount of rebate. Now, as I have already stated during the Second Plan period out of the target of 8,400 million yards the deficit of 1,700 million yards has got to be made up by this item. In this context I must say that the mill sector has not been very sympathetic towards the handloom rector. House has passed a legislation restricting or prohibiting the manufacture of coloured saries and also bordered dhoties. What is it that find? We find that this has been more or less bypassed by the textile industry. In the South particularly, wilere we have got a large number of spinning mills only, this could not come in but in Ahmedabad, Kanpur and Bombay we are told that devices are adopted to bypass this measure of legislation, viz., instead of having these bordered dhoties ordinary dhotics are manufactured and then border is put after its manufacture. The real purpose is to defeat the intention of the legislation. I hope the Government also will take up this matter eriously.

South Zone including Mysore contains more than 50 per cent of the All India loomage. My submission is that the Zonal Council should discuss his. State Governments also should enter into the market as the biggest purchaser of handloom goods made specific standards thus relieving the underemployment in the co-operatives at least by 50 per cent.

If capital is a bottleneck we must draw the entire loomage into COwith operatives. Market weavers their resources can bring the whole



rated capacity into production. Government can take over 30 per cont of it.

Now, today the rebate or the concossion that is given is only to those handlooms which are in the co-operative sector. About the co-operative sector and also about the textile industry I want to make an observation. I am informed at several particularly in Ramnad District Madras State, that in certain operatives bogus transactions place whereby neither the yarn is produced nor the cloth is produced but somehow for the purpose of getting this rebate some method is adopted. I would like the hon. Minister also to see and check up how this fraud is being committed in many of these co-operatives.

In the same way in the mill sector what we find is that in the name of rehabilitation although there has not been any attempt to moderaise machinery this thing is being claimed. One Labour Appellate Tribunal has rightly pointed out that the textile millowners are now becoming more rehabilitation conscious. even when the rehabilitation according to the Bombay formula is given to them we find that they take case to the Supreme Court I would request that particular interest to see that those cases which have been taken to the Supreme Court are withdrawn. I can refer....

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

Shri Tangamani: I want only one minute more. I can refer to one mill in Madura and the South Indian Millowners who have taken these cases to the Supreme Court.

The other point that I would like to mention is that now the mills are granted import licences for dyes and chemicals against their export of textiles under the new scheme The new scheme is the scheme for the import of artificial silk. Because of the agitation that has been taken up, we find that there has been a modification but in this modification what we suggest, without going into details, because of these bottlenecks, e.g., the negative certificate from the Excise Controller, certificate by a chartered accountant with regard to the number of looms, heavy membership fee, all these things really do not benefit them.

Shri Manubhai Shah: As far as the export promotion scheme for cotton textiles is concerned, it is only dyestuffs, chemicals, imported cotton and machinery modernisation. It is not rayon at all.

Shri Tangamani: I will refer to the question of artificial silk

Shri Manubhai Shah: It is for the; silk industry and rayon industry: not for cotton textiles.

Shri Tangamani: On the import of artificial silk....

Mr. Deputy-Speaker: There is some difference. That might be resolved by mutual discussion privately.

Shri Tangamani: I would like to submit that even though it is extended to the handloom sector, because of the restriction which has been imposed, the benefit is not going to the handloom sector.

बी रवुनाब सिंह : उपा यक्ष महोदय
में शाम्त्री जी को घन्यबाद देना चाहता हूं कि
उन्होंने घपनी स्पीच में शिपिंग का भी खिक
किया है। किमी भी चीख की एक्सपोर्ट के बास्ते
एक तो रास्ता ममान होना चाहिये और दूमने
जो फेट है वह भी कम होना चाहिये और दूमने
जो फेट है वह भी कम होना चाहिये । अगर
फेट कम होगा तो स्वभावतः मामान भी सस्ता
होंगा। इस सदन में चार पांच बार यह सवान
उठा है कि शिपिंग का जो फेट है उसमें साम्यता
नहीं है और इसका ननीजा यह होता है कि
मारत का जो सामान बाहर जाना है वह बहुत
महंगा पड़ता है। इसलिए अगर शिपंग के
फेट में साम्यता होगी तो हमारा सामान बाहर
के मस्कों में सस्ता हो सकता है।

264(Ai) LED_8.

[बी रचुनाथ तिह]

Motion re:

डांबे साहब ने बाज बैस्टर्न बीर ईस्टर्न देशों का जिन्न किया। हम को यह विचार करना चाहिये कि जो हमारा एक्सपोर्ट कम हो रहा है, उसका क्या कारण है । में तो समझता हं कि इसका कारण बाहर का संघर्ष भी है। संचर्ष किस प्रकार से है यह मै भापको बतलाना चाहता हं। एक बात तो यह है कि पविचम के जो राष्ट्र यद में व्यस्त हो गये थे उनके यहां धव फैक्टियां तैयार हो गई है तथा उन फैक्टरियों में तथा जापान में भी उत्पादन बहुत प्रधिक होने लगा है। साथ ही साथ वैस्टनं कंटीज भीर जापान का जहां मार्किट या वह साउव ईस्ट एशिया, हिन्दुस्तान भीर मिडिल ईस्ट में बा। धव इन क्षेत्रों में संघाकर्ता देश पैदा हो गये हैं, वैस्ट की जो नेशंस है वे भी पैदा हो गई है भीर जो सोशलिस्ट ने गंस है जैसा कि हांगे जी ने कहा वे भी पैदा हो गई है। सोश-लिस्टों को तो इस तरह से फायदा हो गया है कि साउच ईस्ट एशिया की जो पापूलेशन है उस में ३० परमेंट पापुलेशन बाइनीज है और उसको इयुग्रल सिटिजनिशप मिली हुई है, मेरा मतलब है कि वहा की और चाइना की। दक्षिण पूर्व एशिया के देशों में 1, पापुलेशन चाइनीख है। मैं वहा पर स्वय गया हं भीर खः देशों में मैं घमा हं। बहां पर मैने हिन्दस्तानियों से वात की है और उन से पूछा है कि ग्रान्तिरकार हिन्दस्तान का जो व्यापार है वह क्यो कम हो रहा है। इसका उत्तर मझे यह दिया गया कि को चाइना की एम्बेमीज है उसका सम्बन्ध प्रत्येक बाइनीज सिटिजन मे होता है। वह एम्बेसी देखती है कि उसके व्यापार की श्रीभ-वित कैसे हो सकती है भीर जितनी सहायता हो सकती है प्रदान करती है। इसके म्काबने में हमारे हिन्द्स्तान की जो एम्बेनीज है उनमें इस तरह की कोई बात नहीं है। धगर कोई हिन्द्रस्तानी बाहता है कि उसके सामने जो विकात होती है उसको दूर करने में वह उसकी मदद करे तो उसकी मदद नहीं होती । वह

कही पर भी जा करके नहीं कह सकता है कि
यह विकात है और इसको दूर किया जाना
चाहिये। यही नहीं में भी एक एम० पी० की
हैसियत से अपनी एम्बेसीज में नया लेकिन मुझे
आक्यें हुआ कि वे हम लोगों के साथ भी
ठीक से बात करना नहीं चाहते थे। जब
ऐसी बात है तो किस तरह से हमारे ब्यापार
में वृद्धि हो मकनी है।

में ग्रापको बतलाना चाहता ह कि माउथ ईन्ट एशिया में घब भी हिन्दुस्तानियों की जो पापूलेशन है वह बहुत अधिक है । यलाया में हिन्दस्तानियों की पापुलेशन १८ सैकडा है, बर्मा में करीब १२ सैकडा है। इसी तरह से जिनने भी देश हैं बहा हमारे लोगों की काफी पापुलेशन है। धब जो चीन वालों ने किया वह यह किया कि चीन वालों को उन्होंने अपने कानफिडेंस में लिया और उनकी सहायता करके ग्रपने व्यापार को उन्होंने माउथ ईस्ट एशिया में बढाया । हम लोगो ने वहा रहने वाले हिन्द्स्तानियों को ग्रपने कानफिडेंस में ले करके हिन्दस्तान के व्यापार को बढाने के लिए कोई कोशिश नहीं की है। इसका फल यह हुआ है कि हिन्दस्तान का जो व्यापार है वह सत्म हो गया है और खद हिन्दुस्तानी लोग, हिन्दुस्तानी व्यापारी जापान मे सामान लेते हैं, बीन वालों से सामान लेते है । इन हिन्दुस्तानियों को, इन हिन्दुस्तानी व्यापारियों को बहां पर चीन की एम्बेमी तक में सहलियन मिलनी है, जापान की एम्बेसी तक से महलियन प्राप्त होती है, श्रमेरिकन एम्बेमी मे सहलियत प्राप्त होती है, नेकिन प्रपने मल्क की एम्बेमी से सहसियत प्राप्त नहीं है। लिहाजा माउच ईस्ट एशिया में कपड़े का जितना भी व्यापार वा वह हिन्दस्तान के हाथ से निकल गया । बर्मा में कपडे का व्यापार, सिंगापर में, मलाया मे, याईलंड में तथा दूसरे देशों में कपड़े का व्यापार हिन्दस्तानियों के हाथ में भाज नहीं है। वह गाज बीन के हाथ में चला गया है और

हिन्दुस्तानी भोग चीन वालों से, जापान वालों से समझौता करने को बाध्य हो गये भीर अब, वे चीन तथा जापान वालों का सामान लेकर बेचते हैं। हमारा सामान लेकर वे हिन्दुस्तानी लोग भव नहीं बेचते हैं। यह तो भापके साउथ ईस्ट एशिया की बात हुई।

मं प्रफगानिस्तान, ईरान इत्यादि मिडिल ईस्ट की कंट्रीब की तरफ बाता हुं। इन देशों में ज्यादातर व्यापारी जो हं वे मिल है, तिथी है, पंजाबी हैं। धफगानस्तान में घाज भी जितना कपड़े का व्यापार है वह हिन्दुस्तानियों के हाथ में है। ईरान में थोड़ा व्यापार हिन्द-स्तानियों के हाथ में है। वहां भी सात घाठ महीने हर में गया था। में ने उन लं.गों से पूछा कि क्या हालत है। उन्होंने कहा कि बाबा हम हिन्दुस्तान मे सामान नही मंगायेंगे। मैंने उन से कहा कि क्या बात है, क्यों नहीं मंगामंगे, भाष ता हिन्दुस्तान में तीर्थ यात्रा करने माते हैं ? उन्होंने जवाब दिया कि माज से दो बरस पहले हिन्दुस्तान का हम लेग सामान मंगाते ये ग्रीर हिन्दुस्तान का ही सामान वे वन बे, लेकिन धब वह सामान नही मंगायेंगे भीर इस सामान को न मंगाने के उन्होंने दो कारण दिये। एक तो यह था कि अगर हम मार्कीन के थान या मलमल के थान का भाडंर देते हैं तो उसमें जहां ४० घागा होना चाहिये, वहा पर ३६ धागा दे करके मिल वाले हमें माल भेज देते हैं। मतलब यह कि स्पेसिकि केशन के धनुसार सामान नहीं भेजा जाता है। जब ऐसी बात है ता क्या कृते ने हमें काटा है कि हम ज्यादा पैसा भी दें भीर सामान भी षटिया मंगायें? ईरान और ग्रफगानिस्तान में व्यापार रूस के हाथ में नहीं गया, वहां का व्यापार जहां तक काटन क्लाय है, जापान के हाथ में गया है, धमरीका के हाथ वें गया है। इसका कारण यह है कि उनका माल स्नेसिकिकेशन के धनुसार भाता है। साथ ही साथ वह सामान सस्ता भी होता है। दूसरा कारण यह भी है कि जो बाहक है वह उसी बकान पर जायेगा जहां पर उसको भच्छा सामान प्राप्त होगा भीर उस दुकान पर नहीं जायेगा जहां उसको प्रच्छा सामान प्राप्त नहीं होगा । वे कहते ये कि च्कि उनको ग्राहकों को ग्रच्छा सामान देना होता है इसलिये वे वही माल खरीदते हैं जो अच्छा होता है। इसका नतीजा यह हुआ है कि अफगानिस्तान और ईरान में भी कपडे का व्यापार हमारे हाथ से बहुत कुछ निकल गया है। वहां पर जब मैंने एम्बेसेडर साहब से इस बारे में पूछा तो उनसे मुझे कोई तसल्लीबस्या उत्तर नहीं मिला। उनको मालम ही नहीं या भौर न उनका कोई सम्पक्त इन लंगों के साथ था । में यह समझते ये कि ये कोई बाखाद भादमी हैं भीर कोई ताल्लक इनका हिन्दस्तान से नहीं है, भपना ब्यापार करते हैं ऐसी सुरत में जब तक भापकी सिम्मबी उनके साथ नहीं हांगी, श्रापकी सहानुभृति उनके साथ नहीं हागी और जब तक भाप यह नहीं समझेंगे कि वे हिन्दुस्तानी है भौर हम उनकी मदद करें भीर जा पालिसी चीन ते भपनाई है, उस पालिसी को हम नहीं भपनायें, तब तक हमारा व्यापार नहीं बढ सकता है।

में अपनी कांस्टिट्य्एंसी की भोर भाता हूं। मेरी कंस्टिट्यू रंपी से बाठ करोड़ रुपये का एक्नपोटं होता है एक साज में । सन जिस को कि व्हाइट हैम्प कहते हैं, बार करोड रुपये का एक्सपें.र्ट हे.ता है और कालीन, यानी बुलन कारपेट तीन करें, इ रुपये के होते हैं। साथ ही साय बनारस सिल्क का जो सामान होता है वह भी करीब एक करोड रुपये से लेकर दो करें 'इ दाये का एक्सपे.टं होता है। इस तरह से करीब करीब भाठ करोड रुपये का सामान बनारस से एक्सपं टं होता है। ग्रव हम भी डिफिहल्टी फील कर रहे हैं। बूलन कारपेट धाज तक हिन्दुस्तान का सब से सस्ता था लेकिन ग्रम भीनी कारपेट सस्ता पड़ता है। इसका नतीजा यह हुआ है कि जिन देखों में हिन्दुस्तान का काररेट जाता था माज उन देशों में चीन का कारपेट जाता है।

संसब्-कार्य अंत्री (श्री सस्य नारायण सिंह): डांगे माहब इमको नहीं मानते हैं।

श्री रघुनाय सिंह : साय साय में यह भी कहना चाहता हूं कि जो काश्मीर का कारपेट् होता है वह पतला होता है । इन कारपेट्स का जो एक्सपेट है वह बहुत ही कम हो गया है । इसका कारण यह है कि श्रगर हम कहते हैं कि हमको सस्ता वूल मिले, चाहे हिन्दुस्तान से चाहे बाहर में, तो गवनंमेंट इम पालिसी का समर्थन नहीं करती है । वह नहीं चाहती है कि सस्ता रा-मंटीरियल बाहर में ले करके हिन्दुस्तान के व्यापारियों को दे । मं चाहता हूं कि श्रपनी इम पालिमी को वह बदले । बं समझता हूं कि श्रगर श्राप हम को सस्ता चूल ले कर के दें, नो कारपेट का जा रोजगार है वह श्रापकों नीन करोड़ में लेकर छ: करोड तक फारेन एक्सचेंज दे सकता है।

17 hrs.

म बनारशी सित्क के बारे में कुछ कहना बाहता हूं। जैसा मैंने कहा करीब एक करोड़ रुपये का बनारसी सिन्क एकसपेट हाना है। लेकिन इस में में एक पैसे का सित्क हमारे हिन्दुस्तान में नहीं बनता। बनारस को बीन या जापान का सित्क सिनता है लेकिन झापकी जो पानिसी है उसमें हम को सिन्क भिनने में दिक्कन होती है। में कहता हूं कि धाप हमें रा-मैटीरियल वें, भाप हमें कारेन सिल्क वें भीर , हम भाप को फारेन एक्सचेंब कमा करके वे सकते हैं। हमारा मिल्क भमरीका में जाता है भीर धमरीका वाले फाइन बीज बाहते हैं और जापानी भीर बाइनीज सिल्क के सामने वें हमारा सिल्क लेना नापसन्द करते हैं। इसिलये आप हमें जापानी भीर चाइनीज मिल्क दें भीर हम भापको इतना मामान में कि रुपये से भापका घर भर जायेगा।

सन्त में में इतना ही कहना चाहता हूं कि जो दो तीन मुझाब में ने दिये हैं उन पर मंत्री महोदय ध्यान दे स्रीत में साला करता हूं कि जैसा ।क शास्त्री जी ने शिपिंग में एक नया चंप्टर खंग्ना है, उसी तरह में उद्योग के क्षेत्र में भी वह एक नया चंप्टर खंग्नेंगे स्रीत हमारे देश के ब्यापार में काफी बृद्धि हागी ।

The Minister of Commerce and Industry (Shri Lai Bahadur Shastri): I am grateful to the hon. Members for the way they have discussed the various aspects of the export problem.

Mr. Deputy-Speaker: He can say the rest tomorrow.

17.02 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Friday, the 5th December, 1958.