

सारी रिपोर्ट को पढ़ जाइये पर आपको कुछ पता नहीं लगता जैसे कोई सारी रामायण पढ़ जाने के बाद पूछे कि सीता रामकी कौन थी या राम सीता के कौन थे । मैं तो टैक्सटाइल वेज बोर्ड को बात कहता हूँ । सीमेंट वेज बोर्ड को बात कहता हूँ और शुगर वेज बोर्ड की बात कहता हूँ । फिर वे कमीशन के सम्बन्ध में ही यह सिद्धांत क्यों ? आज यह हालत नहीं है देश में कि आप बाल की खाल निकालने जाएं । हमने देश में समाज की स्थापना का प्रस्ताव कर डाला है । लेकिन हमारे पंजित जी के पास कोई अला-उद्दीन का चिराग तो नहीं है कि जिसके घिसने ही देश में समानता हो जाएगी । उस तरफ हमने बढ़ना शुरू कर दिया है । हम उस तरफ बढ़ रहे हैं । जिसके लिये हमें कठिन परिश्रम करना है ।

मैं निवेदन करूंगा कि हमारे भरूचा साहब कानूनी पंडित हो सकते हैं लेकिन वह लेबर के पंडित नहीं हैं यह मैं दावा कर सकता हूँ । मैं उनसे पूछता चाहता हूँ कि लेबर पालिसी चीज क्या है । मैं यह निवेदन करना चाहता हूँ कि इण्डियन लेबर पालिसी जितनी शुद्ध और पवित्र है और क्लीयर है वैसे आपको दुनिया के किसी देश में नहीं मिलेगा । यह मान्नी हुई बात है कि इस पालिसी को इम्प्लीमेंट करने के लिये श्री नन्दा जी ने इतने प्रयत्न किये हैं कि डांगे जी ने बार बार मीटिंगों में कहा है कि नन्दा जी ने लेबर पालिसी को बहुत सुन्दर ढंग से चलाया है । श्री एम० एम० जोशी ने और श्री डांगे जी ने नैनीताल कानफरेंस में यह बात भी कही थी कि नन्दा जी को तो मजदूरों का जब झगड़ा हो तो उनमें पंच बनाया जाए । लेकिन बात यह है कि जो अंगूर हाथ नहीं लगे वे खट्टे हैं । आज आपको इण्डियन लेबर पालिसी इतनी गलत दिखायी देने लगी है । इसका कारण यह है कि आपने अपना चेहरा फूटे शोशे में देखा है और इसलिये आपको अपने तरह तरह के रूप दिखायी देते हैं । और आप अब यह सोचने के लिये मजबूर हो रहे हैं कि हड़ताल के सम्बन्ध

में आप वर्कर्स को क्या जवाब दें । आपने हड़ताल करा दी और हड़ताल कराना बहुत आसान है लेकिन हड़ताल को चलाना बहुत कठिन है । और उसके बाद फिर से श्रमिकों के बीच में खड़ा होना और भी कठिन है ।

17:07 hrs.

DISCUSSION RE: RISE IN PRICE OF CLOTH

Mr. Chairman: The House will now continue the discussion on the rise in the price of cloth raised by Shri Rameshwar Tantia on the 5th August, 1960. Time allotted is a hours, time taken 1-05 hours, balance 0-55 minutes.

श्री ब्रजराज सिंह (फिरोजाबाद) : सभापति महोदय, मैंने भी कपड़े की कीमतों के सम्बन्ध में एक प्रस्ताव दिया था । लेकिन क्योंकि यह प्रस्ताव मंजूर हो गया इस लिये उस पर चर्चा न हो सकी कपड़े की कीमतें कैसे बढ़ीं और सरकार का ऐसी सूरत में क्या कर्तव्य है इस पर मैं कुछ निवेदन करना चाहता हूँ ।

कहा जाता है कि कपड़े की कीमतें सिर्फ पांच फीसदी बढ़ी हैं । लेकिन जब यह कपड़ा उपभोक्ताओं के पास पहुंचता है तो किसी किसी जगह तो उसकी कीमत में तीस और चालीस प्रतिशत की वृद्धि हो गयी है । पिछले दो तीन महीने से यह चीज चल रही है । लेकिन सरकार इसके लिये केवल प्रार्थना, अपील और निवेदन भर करती है । वह कोई ऐसी चीज नहीं कर रही जिनकी कि हम यहाँ चर्चा कर रहे हैं । जब मजदूरों का सवाल आता है या सरकारी कर्मचारियों का सवाल आता है तब तो सरकार आर्डिनेन्स लागू करके हड़ताल को दबाने की कोशिश करती है, लेकिन कुछ मिल मालिक सारे देश की जनता को कपड़े के मूल्य बढ़ा कर और इसी तरह से दूसरी आवश्यक चीजों के मूल्य को बढ़ा कर शोषण करते हैं तो सरकार सिर्फ हाथ जोड़ कर उनके सामने निवेदन करती है,

[श्री ब्रजराज सिंह]

प्राथना करती हैं और अपीलें करती हैं, और उससे कुछ नहीं बन पड़ता।

जब इस सदन में इस प्रश्न पर चर्चा हुई तो शायद मिल मालिक संघ ने कहा है कि वह १० फीसदी कपड़े की कीमत कम करने को तैयार है। लेकिन दस फीसदी का क्या सवाल है। मैं तो निवेदन करना चाहता हूँ कि कपड़े की कीमतें जब से बढ़नी शुरू हुई हैं उससे पहले जो कीमतें थीं उसी भाव पर जनता को कपड़ा मिलना चाहिये इस की व्यवस्था की जाए।

यह प्रश्न बहुत पेचीदा है। एक साल के अन्दर हम तृतीय पंचवर्षीय योजना को शुरू करने जा रहे हैं पर आप खाद्यान्न की कीमत को ठीक नहीं रख सकते, कपड़ा जो जीवन के लिये दूसरी जरूरी चीज है, उसकी कीमत को आप ठीक नहीं रख सकते। किस तरह मे इस हालत में हम इन योजनाओं को सफल बना सकते हैं। मैं निवेदन करना चाहता हूँ कि अगर हमको अपनी तृतीय पंचवर्षीय योजना को सफल बनाना है तो इसके लिये सिवा कोई चारा नहीं है कि जो वस्तुएं जीवन के लिये आवश्यक हैं उनका कीमत को ठीक स्तर पर कायम रखा जाए। कपड़े की जो कीमत बढ़ गयी है उसको अगर हम ठीक स्तर पर नहीं ला पायेंगे तो हमारी पंचवर्षीय योजना सफल नहीं हो सकती। इसलिये मैं निवेदन करता हूँ कि यदि सरकार आर्डिनेंस पास कर के कपड़े की कीमतों को ठीक स्तर पर नहीं ला सकती तो कम से कम उसे यह करना चाहिये कि जिन मिल मालिकों ने पिछले दिनों जब से कपड़े की कीमते बढ़नी शुरू हुई हैं नाजायज फायदा उठाया है उन की जांच पड़ताल के लिये एक कमेटी बिठाई जाये और यह देखा जाय कि इस बीच में उन्होंने कितना नाजायज मुनाफा कमाया है। मैं तो कहना चाहता हूँ कि अब वह समय आ गया है कि जब

सरकार इस पर विचार करने के लिये तैयार हो कि जिन उद्योगों ने बहुत मुनाफा कमा लिया है और जितनी पूंजी लगी थी उस से कहीं ज्यादा मुनाफा किया जा चुका है उन उद्योगों का राष्ट्रीयकरण क्यों न कर दिया जाय। मैं कहना चाहता हूँ कि जो उद्योग आये दिन जनता का शोषण किया करते हैं उन को निश्चित रूप से सरकार को अपने कब्जे में ले लेना चाहिये, और अगर सरकार उन को स्वयं न चलाना चाहे तो कोआपरेटिव संस्थाओं से उन को चलवाया जाय। आजकल सरकार को कोआपरेटिव संस्थाओं से विशेष प्रेम भी है। आप कह सकते हैं कि राष्ट्रीयकरण करने में कड़ा मिलों को हमें मुआवजा देना पड़ेगा और उस के लिये सरकार के पास इतना पैसा नहीं है। मैं निवेदन करना चाहता हूँ कि अब ऐसा समय आ गया है कि सरकार विचार करे कि क्या उन उद्योगों को, जिन्होंने अपनी पूंजी से बहुत ज्यादा मुनाफा कमा लिया है, बिना मुआवजा दिये राष्ट्रीयकरण नहीं किया जा सकता। मैं मानता हूँ कि इस के लिये हमें संविधान में संशोधन करना पड़ेगा। लेकिन जनता के हित के लिये तो हम संविधान में कई परिवर्तन कर चुके हैं। इसलिये इस विषय में भी संशोधन किया जा सकता है। यह कहा जा सकता है कि ऐसा करने से पूंजी का निर्माण नहीं होगा और जनता को विश्वास नहीं रहेगा और इस में सरकार को लोगों का सहयोग नहीं मिलेगा। मैं कहता हूँ कि इस तरह की बातों का आज कोई महत्व नहीं है। आप को जनता का सहयोग इस काम में अधिकाधिक मिलेगा। अगर सरकार यह कदम उठाये तो उस को अवश्य जनता का सहयोग मिलेगा। इसलिये मैं कहता हूँ कि सरकार कड़ाई बरते और जो स्तर सरकार मुनाफा समझे उस पर कपड़े की कीमत को स्थिरकरे। ताज्जुब तो यह है कि जो कपड़ा मोटे किस्म का है और जिस को किसान और गरीब आदमी पहनते हैं उस की कीमत में

३०-५० प्रतिशत की वृद्धि हुई है और फाइन और सुपर फाइन में ५ पर सट से १० या १२ पर सट ही कीमत बढ़ी है। मोटे कपड़े की कीमत में ३०-४० प्रतिशत की वृद्धि हुई है और इस तरह से फिर उन्हीं लोगों का शोषण किया जा रहा है जिन का हमेशा से शोषण होता आ रहा है। मैं कहूंगा कि उद्योग और व्यापार मंत्रालय इस विषय पर गम्भीरता से विचार करे और फिर से उस जाल में न फंस जाय जिस जाल में कपड़े का उद्योग उस को फंसाना चाहता है। पहले उन्हीं ने कहा कि ५ फीसदी कमी कर दी जायगी लेकिन जब इस प्रश्न पर इस सदन में चर्चा हुई तो उन्हीं ने कहा कि दस फीसदी कमी कर दी जायगी। मैं कहता हूँ कि कपड़े की कीमत उसी स्तर पर फिर से पहुँचनी चाहिये जिस स्तर से कि वह बढ़नी शुरू हुई है और इस बीच में जितना नाजायज मुनाफा किया गया है उस को पंचवर्षीय योजना के लिये सरकार को उद्योगपतियों से ले लेना चाहिये। सरकार को यह नहीं करना चाहिये कि जिन गरीब लोगों पर पहले से ही काफी टैक्स लगा हुआ है उन पर और टैक्स लगाये। सरकार को चाहिये कि कपड़े के स्तर को ठीक करे और जिन मिल-मालिकों ने नाजायज मुनाफा कमाया है उन से वह रुपया ले लिया जाय। इसलिये इस में ढिलामिल यकीनी से काम नहीं चलेगा। आप कपड़ा मिल मालिकों और पूँजीपतियों से हाथ जाँड़ कर अपील और निवेदन करते रह कि वे कपड़े की कीमत में जो इधर काफी बढ़ोतरी हुई है उस को कम करें तो उस का कोई खास फल निकलने वाला नहीं है। निवेदन के साथ साथ आप को वह सक्ती भी बर्तनी होगी जिस को कि उन के प्रति अनजाने की जरूरत है जोकि समाज का और आम जनता का शोषण करते हैं। मैं आशा करता हूँ कि सरकार की तरफ से कपड़े की कीमतों में बढ़ोतरी होने वाली समस्या की कोई इस तरीके की व्याख्या नहीं की जायगी और इस को यह कह कर

टालने की कोशिश नहीं की जायगी कि कुछ किस्म के कपड़ों की कीमत नहीं बढ़ी है या कपास की कमी उस की वजह है। अब अगर आँकड़ों में जाये तो पता चलेगा कि जितनी कपास में कमी आई है उस से ज्यादा कपड़े की कमी आई है। जब मिल के कपड़े की कीमत इतनी बढ़ी है तो उसी हिसाब से जो हैंडलूम का कपड़ा है उस की कीमत क्या नहीं बढ़ी है? इन चीजों से साफ पता चलता है कि कपड़ा मिल मालिक नाजायज मुनाफा कमा रहे हैं और उस में आम जनता का कोई हिस्सा नहीं है। जनता की गाढ़ी कमाई का जो हिस्सा है वह पैसा अगर आप जनता को वापिस नहीं कर सकते तो कम से कम उस का उपयोग जनता के हित में इस पंचवर्षीय योजना को चलाने में जरूर कर लीजिये।

Shrimati Parvathi Krishnan (Coimbatore): I have been listening very carefully to this debate and was also carefully attentive when the hon. Minister was replying to questions with regard to the rise in cloth prices, and I fear that Government, unfortunately, are helping the millowners to mislead the mind of the public in this matter.

17.15 hrs.

[PANDIT THAKUR DAS BHARGAVA in the Chair].

There has been a very serious rise in prices. As soon as one opened the morning papers today, just on the eve of the conclusion of this discussion on cloth prices, the first thing one saw was a 10 per cent slash in the prices of cloth. What is this great slash that is now tried to be put over by the millowners? Just a mere 10 per cent which has absolutely no relation to the phenomenal rise that has already taken place.

So what I would like to point out in this discussion is that the rise that has taken place in the prices of cloth

[Shrimati Parvathi Krishnan]

is absolutely out of all proportion to the rise that took place in the price of yarn and of cotton. When Government in their statement stated that the shortage of cotton was one of the contributory factors to the rise in prices, I would like to draw the attention of the House and of the Minister to one or two facts that are absolutely incontrovertible. In Coimbatore at the beginning of this year, when there was a serious shortage of yarn, when yarn prices shot up throughout the south, representations were made to the Government and to the South India Millowners' Association pointing out that this rise in the prices of yarn was hitting the handloom weaver and also the hosiery industry. At that time, while on the one hand, the industry maintained that the rise was due—mark you—not to the shortage of cotton in spite of the fact that already it was known what the prospective crop of cotton was going to be, they tried to make out that it was due to the "trouble" given by labour, "trouble", as they termed it, in the Harvey belt in the extreme south; it was maintained that for this reason, the price of yarn shot up and sooner or later, it would come down again when production regained its normal figure. This was the excuse that was put forward at that time. Now that is forgotten, and in order to mislead the public once again, we are told that it is shortage of crop that is responsible for the rise in prices. In fact, never are the millowners in the wrong! Never are the cotton brokers or speculators in the wrong! It is always either the workers or the consume or poor nature that is put in the wrong, and for this the common man is asked to pay.

Again, at the time when this yarn shortage was there, when the hosiery industry said that because of the very limited capital that they have, they could only buy stocks from month to month of yarn, what did the South India Millowners' Association say? They said: 'If at this increased

price you are willing to take yarn, if you are willing to place firm orders for a period of six months, we will certainly be able to provide you with the yarn that is required'. Where is the shortage of cotton in that case? This is a pertinent question that will have to be put to the industry. I think Government have been really very dilatory in taking any action against the big cotton brokers, cotton merchants and the millowners and that is why we find that today in the south a crisis has hit not only the consumer on the one hand, but on the other the vast masses of handloom weavers who are facing a crisis because of the increased price of yarn.

So it is necessary that the Government and the millowners should answer us. Why is it that while the handloom prices, as my hon. friend, Shri Nagi Reddy, pointed out, have increased only to the extent of 7 per cent in the twelve months from May 1959 to May 1960—according to Government figures—the prices of mill goods have gone up so phenomenally, wherein there is a paltry decrease of 10 per cent? Capital itself of July 28 pointed out this factor, that it is not handloom that has gone up in price, but it is the mill goods that have gone up in price; and this is because the millowners are in a position to dictate prices to the market, to the Government and to the consumer.

Shri Rameshwar Tantia was, of course, very eloquent blaming the working class, blaming the trade unions, blaming the Textile Wage Board and saying that it is precisely for this reason that prices have gone up. But the fact remains that till today in very many areas privately-managed mills have certainly not implemented the decisions of the Textile Wage Board. And this particular phenomenon of rise in prices of yarn and finished goods took place long before the implementation of the recommendations of the Textile Wage Board took place. And, to bring forward this argument—for the mill-

owners to bring forward this—is really fantastic because we know further what can be now regarded as a fact, that next year a large number of mills in this country declared very large profits. Therefore, certainly, the wage increase suggested by the Wage Board was justifiable and, it is, certainly, not the workers or the trade unions that are responsible for the large number of mismanaged mills in this country. Whether it is a case of mismanagement or internal management quarrel it is the worker and the consumer that will suffer.

The hon. Minister himself knows very well the case I brought to his notice more than two years ago, the Kaliswar Mills in Coimbatore where the mills were closed down for no other reason except that they were in a management quarrel at that time. I requested the Government to step in and take over the mills and run the mills which the Textile Commissioner himself had declared at that time would be an economic proposition. We were told then that the provisions of the Industrial (Development and Regulation) Act did not give Government sufficient power to take over the mills in a very short time. We were promised in Parliament in reply to discussions and in reply to questions that this Act would be amended as early as possible in order to give powers to Government to intervene as urgently as possible in such cases where mismanagement and inner management quarrels existed. This action has also not been forthcoming from Government. I want to know why this soft-peddling continues

17.23 hrs.

[SHRIMATI RENU CHAKRAVARTY in the Chair].

with regard to this section of industries in our country—the textile industry—because this industry holds the pride of place. It is certainly one of the oldest industries in our country. At that time when India was not yet free, certainly, many of those industrial magnates made their thousands,

their lakhs and their millions because there was the sentiment of patriotism and because they traded on national sentiment. But today it is exactly that section which continues to be most unpatriotic and anti-patriotic, because, in getting these profits and in passing the burden of the profits they are making on to the consumer and in seeing that they get sweated labour from the working classes, the only thing that can be said is that they are anti-patriotic. They are not interested in increasing production; they are not interested in seeing to the development and the improvement of the handloom industry and our mill industry. On the other hand, they are only interested in the narrow sphere of their own profits. It is for this reason that we demand that very early and very stringent action should be taken by Government. We should not, time and again, be told that the industry has been facing difficulties, that there has been this shortage and that shortage and all that. I am sure that if Government take matters into their hands and see to it that the industry is prevented from continuing in the manner in which is has done in the past, then, certainly, the cloth prices should also be controlled. The prices of cloth and yarn should not be left to the tender mercies of big mill magnates of this country. It is Government that should have full control over it to see that the interests of the consumers and the interests of the working classes and the interests of the handloom industry in our country are safeguarded.

Mr. Chairman: Shrimati Renuka Ray. But I would request the hon. Member to finish her speech in 5 minutes or 6 minutes because I think the hon. Minister wants 25 minutes.

This is only a discussion and I do not think there is the right of reply. It is not a motion.

Shrimati Renuka Ray (Malda): Madam Chairman, I will try to be as brief as possible. It is very interesting to note that since the discussion

[Shrimati Renuka Ray]

here on last Friday on this subject, the mills have announced that they have reduced the cloth price by ten per cent.

We are very anxious to hold the price line in regard to certain essential commodities of which food and textiles are the most important. It is very difficult in the sphere of food where a large number of units operate but in the sphere of textiles with a limited number of units, it is something which we must see and control in the proper manner. It is rather astounding that the chairman of the Cotton Mills Federation makes this announcement today and acknowledges that the coarse and medium varieties of clothes' prices had gone up by 46 per cent. He also makes another remark which brings to light some of the things. For instance he says 24 per cent rise in the cost of manufacture has taken place of which 2.5 per cent is due to rise in the cotton prices and 2 per cent due to the wages. Now what are the other components of this 20 per cent? I would like the hon. Minister to take this into account as I think the hon. Members will not be satisfied with this announcement of a 10 per cent reduction of price after the matter comes up for discussion in this House.

It is a very sad thing that the textile industry which has received perhaps the greatest help from the Government as compared to any other industry is not playing the game. The encouragement of the textile Trade as the previous speaker pointed out was held as an integral part of the national movement. When freedom came, the result was that we put a blanket ban on foreign imports as a result of which the textile industry had greater protection, perhaps, than any other industry. When it is essential to hold the price line in regard to textiles essential to the common man, and when the industry is not playing the game, it is time that the Govern-

ment took the power, which has been given by this House, and used it. The law that is there on essential commodities should be brought into operation in this respect and this House will only be too glad to welcome any such measures that the Government may take. This is the feeling of almost everyone in this House who has no particular axe to grind.

Shri H. N. Mukerjee (Calcutta—Central): Madam Chairman, I shall be very brief. My only intention in participating in the debate is to have a timely assurance, if I may, from the Minister that something really will be done here and now to see that the prices do not continue to rise as they are rising and they are checked and that the line is held. I say this because even on capitalist computation, the cotton industry has recently revived from its depression: since 1959 it is no longer in depression. Besides, it has been pointed out that in the old flourishing days they have made such fantastic profits that if they have a shred of patriotism left in the industry they can see that the prices do not rise.

Now, I have only one appeal to make to the Minister, and that is this. In States like West Bengal the Pujas are coming. In less than a month and a half's time it would be time for everybody, rich and poor, to buy clothes for their children. I have seen the industry is sending out circulars to the Press in rather pseudo-patriotic fashion requesting postponement of purchases by the people. My submission to the House is, and my request to the Minister is, to remember that certain purchases cannot be postponed. The Pujas are there, with Dusshera and Diwali to follow. All over North India people have to make purchases, specially the poorer section of the people too have to make purchases. That is why I make a very special appeal to the Minister to make sure that he takes some very definite steps, he tells the country that he is taking some very tangible steps in order to hold the price-line to make

it possible for our people to buy textiles which are absolutely essential for the Puja purposes.

Shri Damani (Jalore): Madam Chairman, I have heard the views expressed by many hon. Members both on last Friday and also today. They have tried to throw all the responsibility on the millowners. I am not here to defend or criticise them. I want to confine myself to the reasons, whatever the reasons may be, that have led to the rise in the price of cloth, and how it can be checked.

The main reason for the rise in the price of cloth is failure of crop in this season. Against an expectation of 50 lakh bales we have been able to get only 38 lakh bales. Due to that the rise in the price of cotton is about 50 per cent. Last year the price was about Rs. 600 to Rs. 650 per candy or about 12 annas to 13 annas per pound. This season the price of cotton has gone up to Rs. 1-2-0 to Rs. 1-3-0 per pound. The second reason is, production of coarse count and medium count on account of shortage of cotton has been considerably reduced. In the first half of 1959 the production of coarse and medium count cloth was of the order of 1302 million yards. As against that during this season in six months the production is only 1188 million yards. That means the production of coarse and medium count cloth is about 140 million yards less. The third reason for rise in the cost of production is increased wages and increased prices of other stores which the mills are consuming.

The Government have now decided to import six lakh bales of cotton from the United States of America and other countries. I think that after getting this cotton the production will improve and automatically the prices of cloth will start declining.

Anyhow, if this import had been arranged earlier the position would have improved earlier. But the Gov-

ernment have their own difficulties in regard to foreign exchange. Therefore, it requires time to adjust everything and arrange for the imports. I am sure after getting this cotton from abroad the difficulty will be removed and production will increase. Naturally the prices of cloth will then go down.

The production of cloth in our country is not able to meet the expanding demand of the country. In 1955 the production of organised textile industry was 4950 million yards and in 1960 it has remained the same. That means the production has not increased in about four or five years whereas our population has increased, our consumption has increased. Therefore, it is most essential that the Government should see that the production in the country is increased so that we are able to meet the requirements of the people. There are two ways of increasing production. The first way is to allot more looms and spindles to increase production. The second way is to utilise the idle capacity lying at present in the country. In the first and second shifts, an average of 11.40 million spindles are working, but in the third shift, only 5.5 million spindles are working. As regards looms, in the first and second shifts, 172,000 looms are working on an average whereas in the third shift only 40,000 looms are working. So, if proper facilities are given for running the third shift to full capacity, extra production can be achieved to meet the expanded demand.

In doing so there are so many difficulties in starting the third shift. Therefore, it will be advisable for the Government, for labour and for the millowners to sit together and solve the difficulties so that the capacity of the third shift can be utilised fully and properly in order that cloth can be produced in greater quantities. I think that at present this will be the best possible thing to achieve the best production.

[Shri Damani]

Here, I would also invite the attention of the House to the fact that the stock of cloth in January, 1959 was 535,000 bales; in June, 1959, it was 399,000 bales and in June, 1960, it has been 284,000 bales. So, the stock of cloth with the mills has also gone down by 50 per cent.

These are the major reasons for the present difficulties. If the problem about the third shift is solved and adjustments made, production of cloth will go up and I think that would help the country to reduce the prices.

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): Mr. Chairman, I fully share the grave concern expressed by hon. Members on the increase in the price of cloth. Hon. Members have tried to allocate the blame to different parties concerned—partly to the industry and partly to Government also. I shall try to deal with the matter objectively and would request the House to consider how far Government is responsible for the existing situation and what part the industry or trade has played in this regard.

I must first say that a special situation did arise in the year 1959-60. As I said the other day in the House during the Question Hour, it would not be correct to deny the fact that there has been lesser production of cotton during 1959-60. I gave the figures to the effect that whereas it used to be, a year or two before, about 48 lakh bales, it came down in 1959-60 to roundabout 37 lakh or 38 lakh bales. This resulted in the rise of cotton prices; it has been a very high increase. Never before during the last six or seven years had cotton prices even reached the ceiling. There is a floor and ceiling of cotton prices. The price had ranged between the floor and the ceiling. But this year the prices of cotton had pierced the ceiling. The prices have gone up by Rs. 100 to Rs. 200 per

candy. When I say this, I merely want to place the facts as they are before the House.

Shri Nagi Reddy is not here. He said that the supply of cotton has been more or less as it was during the last year, 1958-59. He is partly correct, but he forgets the fact that there has been a shortage of supply of the special variety of cotton—the short staple cotton—which is used for the manufacture of coarse and medium variety of cloth. Shri Nagi Reddy was somewhat misinformed when he said that there has been no reduction in the manufacture of coarse and medium cloth. Rather he said that there was some reduction in the coarse variety. But I have to tell the House that between January and June, 1959 and January and June, 1960, there has been a reduction of a little over 100 million yards in the production of both coarse and medium variety of cloth.

It was but natural that this situation would have created a scare and a psychology of scarcity. As the market functions, if those who are concerned either with the industry or with the trade wanted, they could exploit the situation. I must accept that the industry has taken advantage of the situation. Sometime back—about six months back—I had said, when the price had gone up then, that the wholesale trade was responsible for indulging in speculation. I must frankly tell the House that this time, it is the other way round. I am not prepared to accuse the wholesale trader, but it is the mills who are responsible for this unwarranted increase in prices.

I have already told the House about the difficulties of the mills, about the shortage of cotton—specially of short staple cotton—and about the rise in prices of cotton. Yet, I cannot justify the increase of 40 per cent in the price of cloth; it is very much on the high side. I am prepared to give a margin of 18 to 20 per cent. I shall

even go further up to 25 per cent, because the market does not cut so fine. On account of the increase in the price of cotton and the increase in the wage bill, the price of cloth may go up to 18 or 20 per cent. Of course, I do not want to do that, but I would be a bit liberal and say, even 25 per cent. But where is the justification in making this high increase of 40 per cent? No calculation can justify that amount of increase. Therefore, when I met the representatives of the Cotton Mills Federation on the 29th of last month, I expressed my views unequivocally on this matter. I told them—in fact, I gave the detailed figures though I do not want to take the time of the House in going into the detailed figures—the exact figures as to what has been the increase on account of cotton prices, increase on account of wage bill or increase on account of increase in railway freight, coal prices etc. and I told them very frankly that they must reconsider the whole matter and immediately think of bringing about a reduction in the price of cloth, and besides that they should take the responsibility of proper distribution through wholesalers and through the retail shops and their own agents. Most of the mills have got their own agents, wholesalers and sub-wholesalers and they can exercise great influence over them, I have no doubt.

17.46 hrs.

[MR. SPEAKER in the Chair]

So, I said they have to take the responsibility of adequate supply of cloth to the market, proper distribution of cloth, indication of prices at every shop, publicising the prices and also bringing about a change in the pattern of production. That is to say, they should produce more of coarse and medium varieties rather than higher medium or fine and super-fine. I also said that as Government will be able to supply cotton in greater quantity they should consider running a third shift also so that there should be greater production.

Some mechanical device or some action on our part will bring down the prices to a certain extent, no doubt, but the real solution, of course, is increased production and adequate production both for internal consumption as well as for exports.

I am rather worried—of course, I do not want to bring in the question of export at the moment but export is very vital and last year we had done very well—so far as the export of cloth is concerned. My fear is that if the prices go up and if there is not enough production our people will suffer as well as our exports will go down. Therefore, every effort has to be made to increase the present production and with a view to help the needs of the consumers of our country it is essential that the mills should produce more of coarse and lower medium varieties of cloth.

Hon. Members have seen in the papers the decision of the Federation about the prices. It is not perhaps a formal decision but they have made an announcement, and I take it to be a formal decision of the Federation. When they were here they told me that they will be able to have an informal consultation in the first week of this month and they will hold their formal meeting of the Federation on the 11th. That formal meeting is yet to take place on the 11th. But the result of that informal consultation has been announced in the press.

Well, in so far as other matters are concerned, as I said, about the pattern of production, or the retail shops, or the exhibiting the list of prices, or exercising adequate control over the wholesalers and retailers for selling cloth at the fixed prices, I welcome their decision. In fact, it was on these lines I had myself made certain suggestions. But, as regards reduction in price, I must say that I am not satisfied with ten per cent reduction. In any case, I welcome the fact that they have thought of bringing about some reduction.

[Shri Lal Bahadur Shastri]

In a way, I must not minimise it also, ten per cent. is from their point of view perhaps a substantial reduction. But I would very much like that when the formal meeting of the Federation takes place on the 11th the Federation will reconsider the whole matter and try to bring down the prices further. I say so specially because there are some mills whose prices have not gone up as compared to the prices of other mills. I know of two mills. They may be very good and efficient mills, but the increase they have made is wholly reasonable. If I place those figures before the House every hon. Member will agree with me that those increases are justified. I do not quite see the justification of this general decision taken by the Indian Mills Federation, namely, that there should be *pro rata* reduction. What about those mills which have not increased their prices beyond 16 or 18 per cent.? How will the Mills Federation justify ten per cent reduction in their case? I do not know.

Shri Braj Raj Singh: They will, I think, exempt them.

Shri Lal Bahadur Shastri: I do not know that. But what I want to say is that the prices of those mills which have increased their prices much higher than these two or three mills whom I am not naming just at present should come down much below 30 per cent. If they are 40 per cent., the reduction will bring them down to 30 per cent. I think in their case it should be lower than 30 per cent. So in this context I would like to suggest to the Federation to reconsider the matter and come to an early decision.

I entirely agree with Shri Mukerjee. I had that fear in my mind about Deepawali and Dussehra. I might tell him that even in the meeting which was held on the 29th, I had told them that Diwali and Dussehra were fast approaching and that these were festivals during which

naturally cloth was consumed in large quantities. I entirely agree with him that any kind of patriotic appeal to the consumer not to purchase cloth during this festival period is something which I cannot appreciate. After all the poor man waits for these months and makes his purchases during these months. So to prevent him from making the necessary purchases during Dussehra and Deepwali could hardly be justified.

I do not think there should be any special difficulty because I am told that the retail shops are almost full of cloth. Maybe, supplies of certain varieties are less. Yet, the supplies which have been made to the wholesalers as well as to the retailers are fairly adequate and at the present moment the shops are not in short supply. In the circumstances it should be possible for the Mills to arrange for proper and adequate sale of cloth specially during the Deepawali and Dussehra festivals.

Even on the 29th I had said that my fear was that during Dussehra and Deepawali they would raise the prices still further by saying that the demand was very high and that they had not enough. Again the psychology of scarcity might be taken advantage of and the prices may be raised. So, I said that it would be a crime if prices were raised during the Deepawali and Dussehra festivals. The question of a rise is of course not there. But the supply should be enough and we should see that the supplies are made at the reduced rates. And what is essential is that the Indian Mills Federation should take immediate steps to see that the cloth is sold at the reduced prices. What I mean is, they may enter into a contract tomorrow or the day after with wholesalers and others. I would like that in all the contracts entered into, say, from tomorrow or two or three days later with the wholesalers it should be seen that the cloth supplied to them is at the re-

duced prices, so that the consumer also may get them at the reduced prices.

Shri Harish Chandra Mathur was good enough to launch a strong criticism. I am not as good a prophet as he is. He might foresee things in a better way. But I might tell him this. He said that cotton imports and all these steps should have been taken much earlier. I might tell him that we had authorised the import of cotton to the tune of 11·8 lakh bales, which was a much higher figure than our normal annual import figure. Generally the annual import is to the tune of 6 lakh bales, whereas we had, because of the difficult conditions prevailing in the cotton field and the cotton market, authorised an import of 11·8 lakh bales, almost double the normal annual import.

Besides that we had introduced control measures for equitable distribution of cotton to mills. We had even taken powers to requisition cotton, if necessary. The control, to the extent we had got the power, was put into effect and it did help the mills to a large extent in so far as the supply of cotton was concerned.

It is true that recently we have decided to import an additional 6 lakh bales. Well, I must admit that it was not an easy matter for us to decide to import 6 lakh of bales a few months earlier. There are two reasons for it. In the first place, it was never expected that the cotton production will go down to that degree, that is to 38 lakh bales. Because, whatever information we got from the Ministries concerned generally stated that it would be slightly less than the average production; but it was never conceived that it would go down to the figure of 38 lakh bales. So we were hoping that there would be, if not a fairly good crop, at least an average crop which would prevent us from importing cotton from abroad.

And what does even an import of 2 lakh bales of cotton mean? It means Rs. 10 crores. It means that we should have imported Rs. 50 crores worth of cotton from abroad

I entirely agree that we were till the last moment trying to avoid this in view of the difficult foreign exchange situation and we tried to manage as much as possible within the indigenous resources as well as through imports, as I said, of about 12 lakh bales of cotton.

18 hrs.

So it is not quite justified to say that we had not foreseen these things and that we were not taking the necessary steps. But as I said, in respect of the recent step, namely the import of 6 lakh bales, it was indeed difficult to get the foreign exchange from the Finance Ministry. Anyway, P.L. 480 came to our rescue, and we got four lakh bales from the U.S.A. and two lakh bales from other countries. So, we were faced with, as I said, enormous difficulties in so far as import of cotton and the required foreign exchange were concerned. Yet, we have tried to do our best, and at the present moment I do not think there will be shortage of cotton, at least the psychology of shortage should not be there.

Shri Rameshwar Tantia (Sikar): He may say something about the closed mills.

Shri Lal Bahadur Shastri: I have merely to add one or two things more.

Shri Braj Raj Singh said that we had passed ordinances etc. I am not here to deal with that. Anyhow, issuing of ordinances will not produce additional cotton. I agree with him that Government should, when necessary, take effective action in this regard, but one thing has to be made clear. There is no control, no rationing. If you want equitable, proper distribu-

[Shri Lal Bahadur Shastri]

tion and at fixed prices, you will have to introduce control and rationing. The evils, defects and shortcomings of rationing and control are obvious, but Government may have to resort to that in case the industry or the trade does not play the game. But, at the present moment there is no control and no rationing. The only other course for us is to have mutual discussions and to an extent exercise some pressure, and I might tell the hon. Member that Government's advice cannot be easily ignored by these people.

Shri Braj Raj Singh: Let only ten persons from among the mill magistrates be detained under the Preventive Detention Act, and matters will be settled.

Shri Lal Bahadur Shastri: How to do that? We will have to look into cases, and then issue some notifications under the Essential Commodities Act. It will become some kind of an ordinance. Then you might take action, but at the present moment we cannot do it.

Shri Harish Chandra Mathur (Pali): In the Preventive Detention Act we have a provision.

Shrimati Renuka Ray: If persuasion fails, will you bring in controls or act under the Essential Commodities Act?

Shri Lal Bahadur Shastri: It will be not only for Government, but for Parliament also to consider and decide. It is not such an easy matter, it is a vital policy matter, and naturally Parliament will also be interested in expressing its opinion on that.

However, I do not think we should, at the present moment, think in terms of rationing and control. My idea is that, as there will be large supplies of cotton to the mills during the coming months and the new crops will

also start coming in, both the indigenous production as well as increase in import of cotton should help the mills to produce enough quantity of cloth, and if they take other measures like the third shift etc., there should be no shortage of cloth. If there is no shortage of cloth, prices will come down. In fact, I welcome this reduction of ten per cent because this ten per cent plus more on account of adequate cotton and other steps being taken will result, I have no doubt, in the trend being reversed.

श्री विभूति मिश्र (बगहा): मैं शास्त्री जी से जानना चाहता हूँ कि आपने मिल-वालों को कोई निर्देश दिया है कि वे सूती कपड़ों की कीमतों में इतने फीसदी की कमी करें? जब तक आप इस तरह का कोई निश्चित निर्देश मिलमालिकों को नहीं दगे तब तक वे सूती कपड़ों की कीमत नहीं घटावेंगे।

Shri Lal Bahadur Shastri: If any direction is given, it must be enforced; there must be a sanction behind it, and unless that sanction is there, there is hardly much meaning in giving any directions. But I have indicated to the House that our advice even cannot be easily ignored. I would tell the House that in case we find that there is no proper response, Government will not demur from taking any other effective action that they think proper.

I am sorry some hon. Members have referred to the excise duty etc. I did not want to refer to that, but I am surprised that anyone should suggest a reduction in excise duty. It should be the other way round. In fact, if necessary, Government should think in terms of increasing the excise duty in order to mop up the profits of the mills.

Shri Harish Chandra Mathur: It is passed on always to the consumer.

Shri Nath Pai (Rajapur): Usually what happens is that the burden is passed on to the consumer.

Shri Lal Bahadur Shastri: I was just going to say that. Therefore, one has to take care of that also.

Of course, some Members will feel very happy if the excise duty is increased. But if it is passed on to the consumer, it will be meaningless and fruitless. But in a general way I said that a suggestion for reduction in excise duty could hardly be justified. I personally think that it is not at all a correct suggestion.

I shall not deal with some of the other points raised by Shri Damani or Shri Rameshwar Tantia, because they are not the immediate issues which we are considering just now; those points relate to additional capacity, providing more spindleage, more loomage etc., modernisation of the mills, the problem of closed mills and so on. At present, we are not considering those issues; the immediate issue which we are considering now is reduction in the high prices, and supply of adequate cotton and maintaining the price level. All the other factors are already being considered by Government. But I would like merely to point out that it is just a short-range policy. What we are doing at the present moment is short-range, in order to bring about a change in the existing situation immediately. We shall also have to consider the long-term policies. For, whenever there is short production of cotton, the price of cotton goes up, and the prices of cloth go up; that has to be prevented. And we are thinking as to what other measures should be taken in that regard; but I do not want to go into them now.

About closed mills also, we are taking steps. As Shri Nath Pai has rightly said, I have no doubt that most of the mills which are closed—excepting for a few—have been closed mostly due to mismanagement. Shrimati Parvathi Krishnan rightly

pointed to the case of the Coimbatore mill, which is another example of bad management. Of course, she is critical of what we did, but I tried to do my best whenever she brought up that matter pertaining to that mill.

Shrimati Parvathi Krishnan: I said that Government were delaying the amendment of the Act.

Shri Lal Bahadur Shastri: Anyhow, she knows much better than I about the matters concerning that mill; the court was seized of that case and it was not so easy for us to proceed with it further.

Shrimati Parvathi Krishnan: It was not the mill that I was referring to. I was merely asking why there was delay in bringing forward the amendment to the Industries (Development and Regulation) Act, which was referred to at that time. It was not the handling of the mill that I was referring to.

Shri Lal Bahadur Shastri: Anyhow, that is also a larger question—the amendment of the Industries (Development and Regulation) Act. I was merely saying that most of these mills which were closed were closed due to mismanagement, and whenever Government have taken over some of these mills, they have improved matters within a very short period; their losses have come down, and in fact, some of the mills are making some profit; they have paid up the arrears to the workers and cleared up their liabilities. So there is no doubt that mismanagement is one of the principal causes of these mills being closed down, and to ask Government to help them to put them on a sound footing is not always justified. Anyway, when we see that from the workers' point of view, from the production point of view, a good mill is suffering, we take it over and try to run it, and run it well.

Mr. Speaker: Has any attempt been made at any time by Government to organise co-operative societies to run

[Mr. Speaker]

the closed mills—co-operative societies consisting of the workers and the shareholders?

Shri Lal Bahadur Shastri: The formation of co-operatives is, in a way, the responsibility of the State Governments. We have encouraged it and an effort was made in one or two cases, but I do not think it literally materialised. But there is suggestion made by one of the Committees appointed for this that there should be a Corporation formed in order to take over and reopen these mills. That matter is under examination and we have not come to any decision.

I have nothing further to add except to say that I am sure the situation will improve, and we will remain as watchful as possible. As I said, I have also no doubt that in case there is no adequate response from the industry or the trade, the Government will take effective action to bring about an improvement in the situation.

Shri Braj Raj Singh: The Minister said towards the close of his speech that there was no justification for the mills to raise prices more than 18—20 per cent. He has admitted that they have raised the prices by 40 per cent. He also said that they have expressed a wish to reduce prices by 10 per cent. He perhaps means that they should reduce the prices by 20 per cent. May I know whether Government will take any steps to get the prices of cloth reduced by 20 per cent?

Shri Lal Bahadur Shastri: I have already said that the reduction will have to be all round. Of course, there are different ratios. As I said, there are some mills which have put up the rates higher than others; there are some which have not raised the price so much. Different ratios will have to be applied. We will certainly bear that in mind.

Shri Sinhasan Singh (Gorakhpur): Have Government got any figure as

to what will be the total amount of profit that these millowners have taken? On the basis of the calculation of 40 per cent., leaving out 18 per cent., what is the total amount of the 22 per cent. profit that they have taken, and what steps are Government going to take to give it back to the nation?

Shri Lal Bahadur Shastri: Well, we will have to see the balance-sheets etc. I cannot say on the spur of the moment what the amount of profit is. Then there is the income-tax department who should watch this and realise the taxes from them.

Shri Palaniyandy (Perambalur): May I know whether the price of yarn will go down correspondingly?

Shri Lal Bahadur Shastri: I am sorry I did not mention about yarn. The same steps, more or less, will be taken by the spinning mills. Shri Venkataswami Naidu, the representative of the spinning mills, was also present in Bombay when this discussion took place. He has said that. Of course, I do not exactly remember the percentage of reduction, but I think it should be as reasonable as possible—may be the same 10 per cent.

But the prices may come down further. I might also say that they are willing to supply yarn direct to the handloom co-operatives and other co-operatives, instead of middlemen being there to supply the yarn.

Shri Rameshwar Tantia: Sir, we are discussing the rise in cloth prices for the last two days....

Mr. Speaker: There is no right of reply. If he want any clarification he may ask. I have only fixed this time for discussion.

The House will now stand adjourned till 11 a.m. tomorrow.

The Lok Sabha then adjourned till Eleven of the Clock on Tuesday, August, 9, 1960/Sravana 18, 1882 (Saka).