

from the newspaper report—"slackening of production activity as a result of the cumulative impact of several factors such as food shortage, shortage of agricultural raw materials etc." May I know whether particularly during 1974 and 1975, these shortages and these constraints have been overcome by the Government, so that production can rise at a faster speed?

SHRI T. A. PAI: All the constraints that were there in 1973 as a result of the Reserve Bank Bulletin Report, are no longer there. The position of power supply has improved. Industrial relations are better and raw materials are available in plenty. I think the only complaint is that whatever is being produced is not being sold quickly. Except this, all the constraints have been removed and we will have to see that conditions are created where even the demand catches up.

SHRI SOMNATH CHATTERJEE

May I know from the hon. Minister what is the utility of having a study in September 1975 of the potential industrial production in the country in 1973, that is, more than two years after? I take it that the results of this study should be for use in future. I would like to know, even after two years, whether it has been ascertained what was the potential industrial production. What steps have been taken to find out whether the potential industrial production capacity was reached or not, if I understand your potential industrial production correctly?

SHRI T. A. PAI: This is not the information which the Government is collecting. The Statistics Department of the Reserve Bank has been collecting it and is publishing it. As I said, it is mostly an exercise for satisfying their intellectual curiosity. But, so far as the Government is concerned, we do not go by these figures, though they may give an indication of what

was achieved in this country and what we are capable of achieving. This does not take into consideration the fresh capacity whose potential is not taken into account.

MR. SPEAKER: Next question.

SHRI SOMNATH CHATTERJEE: May I know, if he has any intellect, by exercising that intellect, whether the Government has tried to find out what is the result of that study made by the Reserve Bank of India?

(Interruptions)

MR. SPEAKER: I do not want them to enter into an argument and discussion.

(Interruptions)

MR. SPEAKER: Next question.

Consumer Goods Industries in Public Sector

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*31. SHRI C. K. CHANDRAPPAN;
SHRI N. K. SANGHI:

Will the Minister of INDUSTRY AND CIVIL SUPPLIES be pleased to state:

(a) whether the Bureau of Public Enterprises made a recommendation to his Ministry to bring a number of consumer goods industries under the public sector;

(b) whether the Department of Civil Supplies and Cooperation is reported to have come out with a plan which has hardly any resemblance with the original recommendation of the Bureau; and

(c) the salient features of the plan?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND CIVIL SUPPLIES (SHRI A. C. GEORGE): (a) No, Sir.

(b) and (c). The programme drawn up by the Department of Civil Supplies and Cooperation is on its own initiative. This programme envisages consumer cooperatives undertaking manufacture of selected consumer articles of mass consumption either independently or in collaboration with existing public sector/private sector undertakings having un-utilised capacity.

SHRI C. K. CHANDRAPPAN: According to my information, it seems that the information of the Minister in regard to part (c) of the answer is not very correct. So, I do not want to enter into an argument with him. The Minister said that the co-operatives are now asked to participate in the production of various consumer articles with public sector and private sector. Sir, if I understood correctly, the Government has decided that the co-operatives should participate in the production of bread, woollen hosiery, cotton, washing soap, detergent, electric bulbs and toothpaste, etc. with the public sector and the private sector. I would like to know whether it is not a fact that only in the production of bread the public sector is involved and in all other productions, the co-operatives will have to co-operate or participate with the private sector for the production of these things?

THE MINISTER OF INDUSTRY AND CIVIL SUPPLIES (SHRI T. A. PAI): In response to the Estimates Committee's Report, the Bureau has been trying to get into an exercise as to what things are to be made in the public sector, so far as the consumer articles are concerned. But even before that, I would like to point out that sugar, for instance, is increasingly produced in the co-operative sector. In the 5th Five Year Plan, most of the production is coming from the co-operative sector. So far as cement is concerned, if the scheme approved in the 5th Plan for

the Cement Corporation goes through, the public sector will have 50 per cent of the share of the cement production in this country. If the paper scheme of the Hindustan Paper and also other States' units goes through, I think, before long, we should be able to achieve 20 per cent of the share. With the setting up of the National Textile Corporation, we are already having 20 per cent of the share in the textile. So, it is not as if we have not worked out a plan, so far as mass consumption articles are concerned. These are items which we find would be required by the common people and it would be possible through the network of co-operatives, if they can utilise their unutilised capacity or if they have the capacity to produce, to provide these items throughout the country so that there is one common brand of article of everyday consumption and could be made available to those with an income of Rs. 500 and below.

SHRI C. K. CHANDRAPPAN: There are so many ifs and buts in regard to the Five Year Plan. I wish him well. Let all those wishes come true.

I want to know whether it is a fact that the Bureau of Public Enterprises have suggested to the Ministry that it should take over 14 industries which are producing these items of mass consumption and, if so, whether that has been accepted and, if not, why it has not been accepted. Also, I want to know whether it is a fact that the Government have received a memorandum from the FICCI saying that certain incentive schemes should be proposed so that the private sector can help the Government in producing the items of mass consumption and whether it is a fact that the present policy of the Government would indirectly meet the FICCI's suggestion to put through the incentive schemes.

SHRI T. A. PAI: It is not true at all to say that the Bureau of Public Enterprises has ever suggested our taking over all these industries. In fact, they are still looking into the problem of what are the industries and all that. We do not know what the Bureau is doing. So far as the suggestion from FICCI is concerned, I do not remember having received any such suggestion. They have a right to submit any memorandum as anybody else in the country. But the decisions are not being taken because it is submitted by somebody. The decision will be taken entirely on the merits of the case.

SHRI N. K. SANGHI: May I know whether the Government have received any recommendations in regard to this matter from the Bureau of Public Enterprises?

SHRI T. A. PAI: Not yet

SHRI VASANT SATHE: May I know from the Government whether, while considering the production of essential items in the public sector, through cooperative, the Government will consider the needs of the vast masses who do not have the purchasing power instead of limiting the production both through cooperatives as well as through the existing public sector only to the class which has the purchasing power? What is the plan of the Government to have the production of essential commodities for the masses?

SHRI T. A. PAI: It all depends up on what we classify as essential commodities. So far as essential commodities are concerned, the plan is to increase their production through the existing capacity in the private sector and also through a larger share of production in the public sector or the cooperative sector. About the articles that are mentioned, like, toothpaste, etc., they are not of mass consumption. But these items go in computing the

cost of living index. It would be prudent to see that these articles are also made available at reasonable prices so that in computing the cost of living index, we do not inflate their prices unnecessarily.

SHRI K. LAKKAPPA: About the articles like tooth-paste, etc., the hon. Minister has said that only a particular section of people are using them. I would like to know whether Government would discriminate people from people—because all the mass consumption goods are being produced on a large scale not by Indian Companies but by foreign companies. I would like to know whether the entire money is not going there. Therefore, I would like the Government to Indianise all the consumption goods and free them from the foreign tangle. What steps have been taken in this regard? I would like to know the concrete steps taken, through cooperatives and the public sector.

SHRI T. A. PAI: So far as all these mass consumption goods or even other articles are concerned, as passed by Parliament, the Bureau is looking into the problems of remittances and the large profits likely to be made on account of the large turnover of some commodities of foreign dominated companies, and appropriate action is being taken.

Licence for manufacturing Malt Extract

*32. SARDAR SWARAN SINGH SOKHI: Will the Minister of INDUSTRY AND CIVIL SUPPLIES be pleased to state:

(a) whether Cadbury Fry or any other foreign owned company have applied for restoration or fresh licence to manufacture Malt Extract; and

(b) if so, whether it would not adversely affect the indigenous manufacturers?