

mittee had gone into it, it might not have specifically gone into this specific question but it had gone into the package deal of taxation that will be relevant. According to the Committee, that would be the problems of the economy as we face to-day. That package deal it has gone into.

As I indicated earlier, a Special Cell has also been set up in the Finance Ministry to work out a fiscal strategy in relation to the objectives of the Fifth Plan. Now, one of the problems that this Cell will also go into is the question of some aspect of indirect taxation which might become counter-productive. At a certain stage, this matter will have to be gone into. I submit that the question related to the setting up of a Taxation Commission to go into this question. Now, this aspect of the question cannot be separated from the requirements of the needs of the Indian economy as it has grown, its constraints and the fact that the tax-base in India is a narrow tax-base and it is on these realities on which one has to work out a fiscal taxation strategy.

SHRI N. K. P. SALVE: is this an answer?

SHRI DINESH SINGH: Let him say whether it has gone into it or not?

SHRI K. R. GANESH: I said that it has been studied.

MR. SPEAKER: You should not doubt each other's study. Everybody studies!

SHRI G. VISWANATHAN: Sir, I want to know from the hon. Minister whether in the Taxation Seminar at Bangalore, it was pointed out rightly that the golden principle is that the shoulder should bear the heaviest burden. If so, what is the step taken by the Government to rectify the situation?

SHRI K. R. GANESH: The whole strategy of direct tax has been based on this strategy—those who can afford to pay.

SHRI G. VISWANATHAN: I want to know whether it was discussed.

SHRI K. R. GANESH: As far as indirect tax is concerned, the aspect of the indirect tax is to try to minimise it as far as possible.

MR. SPEAKER: S. Q. No. 187—Shri Mohammed Ismail—Not here. Question No. 188—Shri C. K. Chandrappan.

Submission of Report by Task Force on take-over of Sick Tea Gardens

*188. SHRI C. K. CHANDRAPPAN—
SHRI B. K. DASCHOWDHURY:

Will the Minister of COMMERCE be pleased to state:

(a) whether the task force which examined the question of take-over of sick tea-gardens has submitted its recommendations to Government;

(b) if so, what are the main features of the recommendation; and

(c) whether Government have accepted these recommendations and acted upon them?

THE DEPUTY MINISTER IN THE OF COMMERCE (SHRI A. C. GEORGE): (a) The Task Force set up for evolving a viable and long term strategy for the growth of tea industry and promotion of exports has since submitted First Part of its Report.

(b) A statement is laid on the Table of the House.

(c) Government are examining further action to be taken having regard to the Task Force's recommendations

Statement

Closed and sick gardens.

(a) The Tea Act or an appropriate legislation should incorporate provisions empowering the Government to take over and manage sick gardens. These powers should be analogous to those which are at present contained in the Industries (Development and Regulation) Act.

(b) Government should acquire legal powers to order investigation into the working of a tea garden having a factory of its own which is considered sick in terms of the criteria laid down.

(c) A garden may be treated as sick if it has incurred losses in three out of five preceding years, its yield is lower by 25 per cent in three out of the five preceding years than the average yield of the industry in that district and where a garden is habitually defaulting in meeting its statutory obligations.

(d) Government may at its discretion take over for such period as may be recommended by the Committee, but not less than 7 years, a sick or closed garden which is capable of being turned into a viable unit.

(e) The management of the garden taken over may be entrusted to the Tea Trading Corporation of India Limited or a Central or State public corporation or any other appropriate agency which the Government may consider suitable for the task.

SHRI C. K. CHANDRAPPAN: The Government has stated as to what are the criteria by which the Task Force wanted the Government to consider taking over of certain sick plantations.

Taking these criteria into account I want to know whether the Government will be able to say how many tea-gardens in our country, particularly, in Kerala, West Bengal and Assam, are now sick and how many tea plantations are now remaining closed.

On part (b) of the question, I would also like to know from the Government what is the average productivity of our tea gardens in these three States which I have mentioned earlier, namely, Assam, West Bengal and Kerala.

SHRI A. C. GEORGE: With reference to the first of the hon. Member's question, I would like to submit that according to the Tea Board, the num-

ber of gardens above 20 acres which have been reported closed are as follows: 6 in West Bengal, 14 in Assam, 6 in UP, 2 in Tripura and 10 in Kerala. We are fairly hopeful that with the suggestions made by the task force, we shall be able to tackle this problem regarding the sick tea gardens.

In the second part of his question, the hon. Member had raised a point regarding the productivity of the tea gardens. I shall not be able to give the productivity figures State-wise, but I shall be able to give it zone-wise. In 1960, the all-India productivity was 971 k.g. per hectare; in 1971, it had gone up to 1215 k.g. per hectare. But since the hon. Member was raising a point regarding West Bengal, Assam and Kerala, since Kerala is a part of the south zone, I may say, in 1960, the productivity was 1051 k.g. per hectare and it has gone up now to 1385 k.g. per hectare a very good record indeed. In the north-eastern zone, in 1960, it was 947 k.g. per hectare and now it has gone up to 1171 k.g. per hectare.

SHRI C. K. CHANDRAPPAN: While answering the question, the hon. Minister did not answer the first part of my question. He only mentioned the number of tea gardens closed. But I wanted to know how many were considered to be sick according to the criteria. After he answers this question, I shall put my second supplementary question.

SHRI A. C. GEORGE: According to the information of the Tea Board, who had sent out a questionnaire about the economic situation of the different tea gardens, 125 gardens are considered to be uneconomic; they may not strictly be sick, and the percentage estimates is 7.92 per cent of the total tea gardens, and the total acreage is 28,033 hectares.

SHRI C. K. CHANDRAPPAN: The task force has recommended long-term programmes to remedy the present bad situation of the tea plan-

tations. May I know whether the State Governments of West Bengal and Kerala had recommended to the Government of India that they would like the tea plantations to be taken over, and the Kerala Government had recommended the nationalisation of the foreign owned tea plantations. In view of those recommendations, and and to order to find a permanent remedy to the problems that we are facing, will Government consider seriously the take-over of the foreign-owned plantations and the sick plantations immediately?

SHRI A. C. GEORGE: Regarding the sick plantations, we are fast progressing with the proposals made by the task force. As for the question of general take-over, right now, the Government of India do not have any proposal for take-over of the tea gardens.

SHRI K. P. UNNIKRISHNAN: What about take-over of the foreignowned tea plantations?

SHRI A. C. GEORGE: Even for foreign plantations, the Government do not have active proposals now.

SHRI B. K. DASCHOWDHURY: I heard the hon. Minister's reply very patiently. The hon. Minister of Commerce toured the tea areas of the Darjeeling and Jalpaiguri districts and made a press statement in which it was declared that according to physical investigation inspection and further talks with knowledgeable persons in this industry, about 25 per cent of the gardens were to be termed as sick gardens in that area. But here according to the criteria laid down by the Task Force set up by the Ministry the sick gardens or the closed or uneconomic gardens are much less. First, I would like to know whether the Task Force has gone into the problems of this industry, as stated by the hon. Minister, for evolving a viable and long-term strategy for the growth of the industry. Secondly, what are the specific suggestions made by the

Task Force, apart from those regarding the sick and closed tea gardens for the growth of the tea industry—either by the Task Force or the Tea Board? Thirdly, according to para (d) of the statement laid on the Table, Government may at its discretion take over for such period, as may be recommended by the Committee, but not less than 7 years a sick or closed garden. What will happen after that? Suppose a tea garden is taken over; after 7 or 10 years, will the property of the tea estate be given back to the owners? What is Government's policy in this matter? Or is takeover the first stage of nationalisation?

THE MINISTER OF COMMERCE (PROF. D. P. CHATTOPADHYAYA): It is a fact that I have toured the area to see and study for myself problems obtaining there. But I have not made some such statement as my hon. friend referred to.

SHRI B. K. DASCHOWDHURY: It has appeared in the papers.

PROF. D. P. CHATTOPADHYAYA: That is an incorrect report.

As for the other question the criteria have been clearly laid down. So which units will be considered sick or uneconomic can be easily determined in terms thereof.

His third question was about long-term strategy. I would like to inform him that our Ministry, in pursuance of the suggestions of the National Agricultural Commission, want to expand the tea plantation area in a substantive way; particularly in the Assam area, it may be expanded—we will try for that—as much as one lakh hectares to bring up new plantations so that production rises significantly.

SHRI B. K. DASCHOWDHURY: What will happen after seven ears are over?

PROF. D. P. CHATTOPADHYAYA: That is an open question. That will be considered thereafter.