

"That I leave be granted to introduce a Bill further to amend the High Court Judges (Conditions of Service) Act, 1954 and the Supreme Court Judges (Conditions of Service) Act, 1958.

The motion was adopted.

SHRI A.K. SEN : I introduce* the Bill.

12.13 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

Situation arising out of the closure of a number of Jute Mills in West Bengal

SHRIMATI GEETA MUKHERJEE (Panskura) : Sir, I call the attention of the Minister of Supply and Textiles to the following matter of urgent public importance and request that the may make a statement thereon :

"Situation arising out of the closure of a number of jute mills in West Bengal and the steps taken by the Government in regard thereto."

THE MINISTER OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : Sir, The Motion seeks to draw the attention to the fact of closure of a number of jute mills in West Bengal resulting in unemployment of workers and the action taken by the Government in this regard. At present, 15 jute mills with a total complement of 54,400 workers are lying closed. (This is besides the 3 permanently closed units involving 6,900 workers). The details of the units involved are given in a list which is placed on the Table of the House.

Sir, the reason put forward by the mills generally for recent closure of jute mills is industrial dispute. Under the Industrial Dispute Act, the State Government is the appropriate authority for dealing with industrial disputes. The Labour Minister, Government of West Bengal has already held tripartite meeting on 26-2-1985 involving the industry, labour unions and the State Government.

The shortage of raw jute coupled with its high prices and financial stringencies of mills are reported to be contributory factors

for such closures. As a result four successive short jute crops, there is a shortage of raw jute in the country with accompanying price rise. There is indeed global shortage of raw jute at present. In order to tackle the situation, the Government have regulated the stock holdings by mills of raw jute under the Jute (Control and Licensing) Order, 1961 to bring about more equitable distribution of raw jute, particularly among weaker mills. The Government have also arranged imports of raw jute from abroad. A package for financial rehabilitation of jute industry has also been worked out by the Reserve Bank of India.

The Central Government has been taking various steps from time to time to improve the working of the jute industry. I proceed to enumerates the important steps taken by the Central Government for improving the viability of the jute industry and encouraging exports.

- (i) Purchase of jute goods by Government (DGS and D) from Jute Industry on cost plus basis;
- (ii) Introduction of compulsory use of 100% new jute bags by cement industry;
- (iii) Setting up of a Standing Committee under the auspices of RBI to study viability of jute mills and to suggest a package of financial measures for the rehabilitation of potentially viable units;
- (iv) Providing higher cash compensatory support to the dynamic sectors of jute goods;
- (v) Involving STC in assisting the exports of carpet backing cloth to North American markets by forming STC—Jute Industry Consortium on 50 : 50 loss sharing basis;
- (vi) Constitution a new Jute Development Council and a Jute Fund out of the proceeds of Cess to give boost to R and D efforts and export promotion;
- (vii) Encouraging development of exportable products through intensification of R and D efforts.

*Introduced with the recommendation of the President.

Sl. No.	Name of Mills	Closed from	Approx. No. of workers	Remarks
1.	Shree Gouri Shanker	9-12-81	2000	
2.	North Brook	27-1-82	3500	
3.	Hasimara (Waverly)	19-8-84	2300	
4.	Agarpara Co.	14-1-85	3600	
5.	Delta	5-2-85	5000	
6.	Shree Ambica	14-2-85	3500	
7.	Empire	2-2-85	3000	
8.	New Central (Albion)	11-2-85	4500	
9.	Kanaknarrah	8-2-85	4100	
10.	Fort William	8-3-85	3200	
11.	Eastern Mfg. Co.	7-3-85	1900	
12.	Victoria	14-3-85	3800	
13.	New Central (Lothian)	13-3-85	6000	
14.	Shri Hanuman	19-3-85	3800	
15.	Gondalpara	27-3-85	4200	
			54,400	

The following three jute mills are permanently closed.

16.	Naskarpara	17-4-81	2300
17.	Premchand	6-4-77	3100
18.	Sri Ram	6-8-81	1500
			6900

SHRIMATI GEETA MUKHERJEE : Sir, with a very heavy heart I read the statement made by our newly appointed Minister for Textiles and Supply. Unfortunately, this whole statement does not have even one line of sympathy towards the workers of jute mills of West Bengal. The hon. Minister has surprised me, particularly because the largest percentage of them come from Bihar. That being the case, it is actually surprising that you do not have even one word of sympathy for them.

MR. SPEAKER : May be he was afraid that he might be accused of nepotism.

SHRIMATI GEETA MUKHERJEE : He may be having sympathy very very deeply inside or underground that I did not feel it. Anyway, Sir, about the figures given by him

now, it says that along with the three jute mills mentioned, it works out to 61,300 workers. According to my information it is nearly 70,000 workers. If you take four and a half units per family, then three crores of people are affected by this. I would like to register this magnitude in the mind of the Minister.

Secondly, I really expected something. This, I am not saying out of spite, but with a very heavy heart. All the members from West Bengal are here. I would like to inform our friends on the other side from West Bengal with regard to these closures and lock-outs that actually out of these 18 jute mills, 13 were locked out after the Parliamentary elections. I am saying this and let them all remember that one of the big promises made

by the ruling party here, while winning some of the seats in the election in West Bengal was that the ruling party will effectively intervene into this lock-out and closure of mills.

SHRI PRIYA RANJAN DAS MUNSI (Howrah) : Which is the ruling party in West Bengal ?

SRIMATI GEETA MUKHERJEE : It is not a ruling party's question. I did not say ruling party in West Bengal. I said hon. Members from West Bengal on the other side. I said about the ruling party's promise in Parliamentary elections. Who were the ruling party in Parliament ? That is what I said.

SHRI PRIYA RANJAN DAS MUNSI : The responsibility lies with the State Government. You do not try to twist politics in this manner. It is absolutely wrong.

*(Interruptions)**

MR. SPEAKER : Mr. Munsu, the Minister will reply to that. It is for the Minister to reply.

*(Interruptions)**

MR. SPEAKER : Do not record whatever they are saying. If you are going to have a match, go outside and have it. I cannot allow you to have it here. Take your seats. Sit down.

Mr. Munsu, when your turn comes, you can say something, but not like this.

SHRI PRIYA RANJAN DAS MUNSI : I should not have said it; I am sorry. I apologize to you, Sir.

MR. SPEAKER : The onus lies not on you. The Minister will reply.

SHRIMATI GEETA MUKHERJEE : I still insist that the fact that such assurances were given on behalf of the Congress (I) makes it incumbent on them to take a greater responsibility; and that is what I expected, on behalf of the people of West Bengal, whether they had voted for Congress (I) or for us. That was my precise question.

MR. SPEAKER : Ask the question please...

SHRIMATI GEETA MUKHERJEE : In the statement it is said :

"...the reason put forward by the mills generally for recent closure of jute mills is industrial dispute."

And so, it is left to the West Bengal Government to do whatever it can. This means passing the buck. I would like first to tell the House...

MR. SPEAKER : Please ask the Minister...

SHRIMATI GEETA MUKHERJEE : Thereafter, I will ask the Minister. The fact remains that whatever demands were made by the workers of jute mills generally were not made by CITU or AITUC alone. I would also like to thank INTUC since they were equal partners in making all these demands. There are certain demands of the West Bengal workers. But Industrial disputes are not, really speaking, at the heart on this jute industry crisis. This is what you must please understand.

The Minister was saying in the statement :

"The shortage of raw jute coupled with its high prices and financial stringencies of mills are reported to be the contributory factors for such closures."

About this question of shortage of raw jute, it is true that it is there generally; but I would like to quote the relevant portion relating to the production of raw jute, from the Economic Survey of the West Bengal Government. I quote :

"Against the average of about 40 to 45 lakh bales of raw jute production, in 1982-83 the production was 37.82 lakh bales, and in 1983-84 it was 39.77 lakh bales. In 1984-85, the raw jute production at 43.33 lakh bales was still below the average production in the State."

It is true that it is still below the average, but the point to note here is that as against 44 to 45 lakh bales, in the year 1984, the production actually increased, compared to the production of 1983-84. As against 33.77 lakh bales, it is 42.33 lakh bales. This

information is there at paragraph 4.6 of the Economic Survey of the West Bengal Government. That being the case, this year it was not a question particularly of shortage. Extreme shortage was there last year; but how is it that this year there is such a concentration ?

Secondly, what is really happening in respect of high prices ? During this year, who were responsible for pushing up the prices of raw jute to such an extent that it went up to between Rs. 800 and Rs. 900 a quintal, when we had been clamouring in earlier years for a price of Rs. 400 at the most for the peasant ? Is it not true that when the peasants had sold this year had gone up to Rs. 400 to Rs. 500 ?

It was the big houses which corner the raw jute stock; and it is they who push up the prices among themselves; and actually the weaker mills suffered because of that evil. What was the Government of India doing at that time ? what was JCI doing at that time ? If it is a question of financial stringency, if it is a question of market, sure this may be a contributory factor, but this is not the decisive factor because I quote the experience of the nationalised jute mills. The nationalised jute mills who were given jute by the JCI are running all right; there is no problem; it is not like that. There are certain management problems. If workers' cooperation is ensured, it will do even better. They are also producing jute goods. What was the JCI doing, what was the Government of India doing, when jute barons were cornering the entire raw jute stock ?

You say in your own statement that you took certain measures by an executive order and all that. I do not know what were actually those measures and what was the result of those measures. We saw a huge raw jute stock being cornered by big industrialists. Where from did they get money ? Surely they got bank advances. What was actually done to prevent cornering of raw jute by big houses ?

Actually, these mills want to reduce the number of shifts so that they can take more work by running only 10-15 shifts. This is the reality. They want the workers to do more work without paying more to the workers, reducing their number. They are trying to introduce nationalisation not without tears as the government committed to

but with great tears. Jute item comes under the central subject. What was the Government of India doing in this context ? Here they have mentioned that the Government of India wants to give a large number of concessions to the jute industry and their type. I charge that the jute industry has created an artificial crisis this year. It not have been like that because the production has not gone down as such. Through this method, they have increased production this very year. Generally 10-12 lakh tonnes of jute is manufactured in the whole of the year.

In December 1984, it was one lakh and seven tonnes. So was it in January 1985. That being the case, the production which the workers have given, is not less. If there is some market trouble, workers are not responsible for that. So this is the creation of jute barons. What was the Ministry doing for canalization of the entire raw jute trade through JCI ? Without that, this problem cannot be solved. In view of this fact, the jute barons have always been looking after their own interest and profit. What would the Government of India do about taking over these jute mills and through that process about the nationalisation of the jute industry.

SHRI CHANDRA SHEKHAR SINGH : I must make it clear to the hon. member and the House that we share the concern of the House and the workers and the people of West Bengal. We have been taking steps to remedy the situation. This is problem the magnitude of which we are fully aware of and the State Governments have to take certain initiatives.

We have also to make right responses and I would like to assure her that as before we shall not be lagging in coming forward to help the jute industry and the jute workers at the moment. I would not like to reply to her charge with a countercharge but I would like to explain the situation to the hon. Member.

The hon. Member has been referring to production figures of raw jute in West Bengal not the whole of India. For the entire country the production figures are as follows :

1980-81	82 lakh bales
1981-82	74 lakh bales
1982-83	63 lakh bales

1983-84	66 lakh bales
1984-85	73 lakh bales

The availability position is like this: We started this year 1984-85 with a carryover stock of 9.50 lakh bales. The estimated production this year is 73 lakh bales, and imports are envisaged at 3 lakh bales this year. This makes a total of 85.50 lakhs. The requirement for mill consumption is 75 lakh bales and for rural consumption it is 4 lakh bales, which makes a total of 79 lakh bales, which really means that for the next season the carryover stock would be 50 lakh bales which is roughly one month's requirement of the mills. So, the critical shortage is only of 3 to 4 lakh bales this year. We are looking into the question, not from the angle whether it is the CPM Government that is functioning in West Bengal or whether it is the Congress Government that is functioning. We look at it from the angle that we are deeply involved in the welfare of the people of West Bengal and we wanted to assure them that the Government of India would take every step to see that corrective measures are undertaken in time.

The reasons for this situation are not only just shortage of or availability of jute. It is also due to increase in jute prices because of so many factors. The 1980-81 crop was a good crop, but for the last four years we are faced with adverse weather conditions and jute production was not of the required level. Flooding took place in Bangladesh also and there is a global shortage of raw jute in the year 1984-85. It is because of this that jute prices have leapt up and we feel that the hon. Member was referring to cornering of stocks by the big houses. Not that we are not aware of this situation. We have undertaken, as I have tried to explain, regulatory measures so that jute mills are required to reduce their stocks and orders were passed on 17-10-1984, later on 1-4-1985 to reduce their stocks from six weeks to five weeks; and to four weeks. But the workers themselves have suggested at the tripartite meeting that there might be some stock lying hoarded with some of the big farmers. That may be the situation or one of the reasons that prices have gone up so high. The support price has been only Rs. 275 per quintal. But prices went up in January to Rs. 1000 per quintal. There is a declining trend during the last two months.

But it is still as high as Rs. 840 or something like that.

So far as the functioning of JCI is concerned, it is saddled with the responsibility of ensuring support price to the farmers. This year the situation was just opposite. The support price was Rs. 275 while the market prices were two to three times higher than the support price. The JCI entered into the market. They made some purchases on behalf of certain organisations.

12.36 hrs.

[Mr. Deputy Speaker in the Chair]

But its main role in this sector to ensure support price to the farmers was not called for. Even this year JCI has not much role to play except when certain proposals come up. I would like to tell the hon. Member that we have undertaken certain measures like regulating stock holdings of the jute mills to effect more equitable distribution of raw jute. Then we have imported raw jute. Government has authorised import of five lakh bales of raw jute of which 2.9 lakh bales have contracted from Bangla Desh. Out of this 1.6 lakh bales have already arrived. We have also decided to release one lakh bales of jute from the mill sector of NJMC to the weak or closed units so that they may start functioning. We have also taken certain steps to see that demand is stimulated and the jute mills start functioning. We consider that the next season is going to be much better for the jute industry and the jute growers. For the last two months the prices have shown a declining trend. We expect that this would be further strengthened. Since the first consignment of raw jute from Bangla Desh would start arriving in Calcutta by June we envisage that we have only two more months to tide over. The situation might ease after that. We also expect that production next year would be much better and prices will certainly come down. So with the measures we have adopted like import of raw jute, regulation of stock holdings, release of one lakh bales of raw jute from the stocks of the Government mills and the expected decline in prices and expected rise in availability of raw jute during the next season, we think that after two months the situation would be much better and in the coming months the prices also will decline.

[Translation]

SHRI LALIT MAKEN (South Delhi): Mr. Deputy Speaker, Sir, this problem, which has rendered one lakh workers jobless is a very serious problem. I want that all the Members of the House, whether they belong to the ruling party or the Opposition, should take this matter seriously. So far as shortage of jute is concerned, I think that it is mainly man-made. The owners of these jute mills deliberately create shortage of jute and create such conditions in which mills could hardly be operated for four or six months and would remain closed for 6 months in a year. Not only that, they also resort to hoarding of jute goods or jute products and whenever there is shortage of jute products, they earn maximum profits by selling their hoarded jute products at high prices. Also, the profits to the tune of lakhs and crores of rupees earned through jute mills is being diverted to other factories and the money is not being utilised for modernizing jute mills and other such purposes.

Of all the jute mills in West Bengal, four are being run under the Government's control and the rest of the mills are being run by private mill-owners. The jute mills under the Government's control are being run properly, but the condition of the mills under private mill-owners is not satisfactory. Now the question arises what is the reason why the mills under the Government's control are operating properly these mills are not closed. There is no shortage of jute goods, but in the private jute mills, there is shortage of jute goods and they work only for 4 or 6 months in a year. The main reason for this situation is that the mill-owners deliberately create artificial shortage so that jute goods and jute products could be hoarded so as to earn maximum profit by selling the hoarded stock at the highest price at the time of shortage and also by avoiding the payment of wages to the workers during the closure period.

The question of equitable distribution of jute was also raised here. It has also been mentioned in the statement of the hon. Minister that the international and domestic market for jute is also being developed. I would like to say in this connection that there is no marketing problem before the jute industry at present. The problem of

marketing would arise only when jute would be available with us. When raw jute is not available and jute goods are not available in the market, the problem of marketing does not arise. Mr. Speaker, Sir, the biggest problem before the jute industry is the steep rise in the prices of raw jute. The increase in the prices of raw jute last year was 200 per cent and according to the figures of the last year, consequent on 200 per cent increase in the prices of raw jute, the prices of jute goods increased by 80 per cent. As a result, nobody is prepared to purchase jute goods in the market today. I am sure if prices are reduced, there will be no problem of marketing.

The hon. Minister has mentioned in his statement that certain steps would be taken. I would urge him to fix the prices of raw jute, in the first instance, so that the prices of raw jute and jute goods could be stabilised. So long as the Government do not fix the prices of raw jute, the shortage would persist in the market and the capitalists would hoard it and earn huge profits by selling it at the time of shortage. Due to increase in the prices of jute goods, people prefer to purchase synthetic goods. If you compare the prices of synthetic goods and jute goods, you would find that the prices of jute goods are 40 per cent higher than those of the synthetic goods. It is a matter of great regret that despite all this. High Density Polypropylene worth Rs. 100 crores is being imported, which we do not require. Nobody is prepared to purchase jute products due to lower price of synthetic products which are prepared by using High Density Polypropylene, because the prices of jute products are 40 per cent higher. I, therefore, demand that Government should stop the import of High Density Polypropylene worth Rs. 100 crores and synthetic production should be produced by using the H. D. P. produced within the country so that it would not adversely affect jute products and the consumption of the jute products in the market could be increased.

I would also suggest that with a view to reduce the prices, not only should the prices be fixed, but the excise duty on jute products should also be abolished. If the prices are reduced, all the problems would automatically be solved.

The Finance Minister had announced

in his Budget speech that the bad management would be thrown out. I want to know how many such managements have been thrown out? I would also like to know the number of companies whose net worth after deduction of arrears is zero. Would the management of such companies be thrown out and are Government prepared to nationalize such companies? Are Government prepared to take over the three companies which are lying closed for the last three years?

It is quite necessary to lay down as to how much of the imported raw jute would be used in the domestic market and how much in the international market.

Our report of jute goods in the international market has been going down. The report of jute goods, which was 3,26,000 tonnes in 1982-83, had gone down to 2,64,000 tonnes in 1983-84. The main reason for this is that the imported jute is sold in the domestic market and is not used for the manufacture of jute goods. I would, therefore, urge the hon. Minister that the quota for this purpose be fixed.

Now I would like to ask two or three questions. First of all, I would like to know the number of companies where net worth after deduction of arrears is zero. Would Government nationalize the companies which have been lying closed for the last many years and which have been mentioned by the Minister in his statement?

Secondly, will the Minister fix the prices of raw jute and fix the quota of raw jute for the domestic and the international markets?

I had just now referred to the import of Polypropylene worth Rs. 100 crores. Will the hon. Minister assure us that its import would be stopped so that it will not have any adverse effect on our domestic market?

In the end, I would like to know whether it is a fact that the five Government mills are running properly and there is no shortage, whereas the private mills have been closed down? What are you doing about man-made shortages?

SHRI CHANDRA SHEKHAR SINGH :
Mr. Deputy Speaker, Sir, the hon. Member

has mentioned many things here. I do not consider it necessary to refer to all of them, because this matter is limited to the jute mills in West Bengal only and we are discussing the immediate issues which have emerged before us. To describe the financial condition of so many companies would be a very lengthy statement.

SHRI LALIT MAKEN : I have asked about West Bengal.

SHRI CHANDRA SHEKHAR SINGH :
It is not possible to give the details here.

AN HON. MEMBER : It is confidential?

SHRI CHANDRA SHEKHAR SINGH :
It is not confidential, but the entire information is not available here and I do not know if it is available in the Department also. There is no question of secrecy in it. The hon. Member has presented a correct picture in the House. Until the prices of jute are stabilised, the economy of this industry would remain unstable. Any industry, which does not have definite and assured supply of raw materials and is not sure about prices and the availability of raw materials and other resources, would always face difficulty.

It has been said that the prices which prevailed in the market were a bit higher than the support price, but the price had gone very high due to certain reasons and it had gone higher than Rs. 1000. The mills did not corner any stock and if these mills had cornered any stock, we would have been informed of it and in that case, we would have forced them.

(Interruptions)

Even if they had kept it at other places, it would have been under their control. If jute had been available with them, it would have been in their own interest to use it and to run the mills. But the greatest bundle, as reported by them, is the non-availability of jute and the prices in the market are so high that goods produced with such a costly jute could not be sold at a reasonable price.

The Government mills are operating because these mills have maintained sufficient buffer stock in time and the Government mills will not have any difficulty in

their operation. This is the situation. The surplus stock with Government mills is one lakh bales which is more than their requirement. Government have decided to sell that stock to the weak mills or the closed mills and this decision would be implemented within one or two days.

So far as the question of regulating H. D. P. is concerned, a steering committee is considering this question as to how long would it be necessary to utilise it here and whether any limit should be fixed for this purpose so far as allocation and import of jute is concerned, it is also utilised for the production of jute products. As I have already said, efforts are being made to increase the production of jute.

An the hon. Member just now intervened to ask a question. The question is not one of allowing this situation to continue for the next two months. As I have said, during the next two months, by regulating jute stock and by making available more jute, efforts would be made to restart the mills. We hope that the West Bengal Government would be able to find out a solution by having consultations with the representatives of the mills and the workers.

I had mentioned two months, because if anybody is holding stock in the hope that the price would increase further and then the stock could be sold, I think it necessary to make it clear to them that in the coming days the prices would go down due to various reasons. It is, therefore, in their interest also that if anybody is holding jute stock, it should be brought into the market so that the mills could have an opportunity to utilise it.

SHRI LALIT MAKEN : Mr. Speaker, Sir, I want to ask a very important question. I am speaking about West Bengal only and not about the entire country. It is a matter of principle, you have figures with you or not, as a matter of principle I want to know if you would take over these three mills which have been closed and other mills, whose net worth is zero after deduction of arrears ?

SHRI CHANDRA SHEKHAR SINGH : Take-over can not be resorted to on this basis alone. The first basis necessary for take-over is the viability of the unit and whether it could be operated or not. It has

to be examined from various points of view and if any such question is raised by the State Government, the Government of India would consider the issue.

[English]

SHRI LALIT MAKEN : Sir, it is a very simple question. The Finance Minister had made a statement when he was presenting the Budget that any management which was bad management would be thrown out. I want to know, in what manner the bad management would be thrown out. When its net worth is zero, is it not a bad management ? How are you throwing them out ?

MR. DEPUTY SPEAKER : You asked the question, whether the Government is interested to take over that mill or not. For that, the Minister has replied that he has to consider many factors.

SHRI LALIT MAKEN : If the Government is not intending to take over the mill, then in what manner is the Government going to over-throw the management.

MR. DEPUTY SPEAKER : For that, he has already replied.

SHRI INDRAJIT GUPTA (Barishat) : He has asked a relevant question.

MR. DEPUTY SPEAKER : You can put the same question in your speech.

SHRI LALIT MAKEN : Let him reply. It is a very important question. Mr. Deputy Speaker, what is the use of discussing it in the calling-attention, if the reply is not given ? This is the most important question which has been left unreplyed. I will make a request to the Minister to reply to this question because the Finance Minister has made a statement and has already made a commitment that the bad management would be thrown out. My question is, if you are not going to take over the mill or take over the management, then in what manner are you going to throw out the management ?

SHRI CHANDRA SHEKHAR SINGH : I make it amply clear. This is not specifically relating to these jute mills. But the principle is this. If an undertaking is closed just because of the factor of mis-management, then the Government would

intervene and take action. But as explained to you, this cannot be just one factor leading to such a situation.

SHRI LALIT MAKEN : You are not going on the basis of facts. I am asking the question, on the basis of principle. My question is very simple.

SHRI CHANDRA SHEKHAR SINGH : The answer is very simple. The answer is equally simple. Wherever a single factor of mismanagement will be there, the Government would certainly consider intervention. But if there are many factors, the Government will take into consideration all the factors leading to such a situation. *(Interruptions)*

SHRI INDRAJIT GUPTA (Basirhat) : From the overall attitude of the Government, it seems to me—I would like the Minister to either confirm or deny what I am saying—that in keeping with the present fashionable talk about Calcutta being a dying city, do you consider the jute industry to be a dying industry also? I would like to know what is the view of the Government? The whole attitude is not at all one which shows any sign of urgency to get these closed mills reopened. No concrete measure has been taken or is being suggested now as to how these mills which have been closed down are to be re-started, reopened and brought back into production.

The hon. Minister while replying a little while ago said that, it is not within their knowledge that any of the big companies or mills hoard stocks of jutes. I think, you ought to know that anybody who knows anything about the jute industry over the past years, knows that they do not hold their stocks in the mill godowns. The stocks are held outside the mills and they are held in *banami* and false names.

13.00 hrs.

So, you are not in a position to identify this at all.

I can tell you that one of your nationalised mills which was the biggest jute mill not only in India but in the whole of Asia, that is, the National Jute Mill, when it was in private hands, at that time they were once given a loan of about Rs. 30 lakhs or Rs. 40 lakhs by the State Bank of India against the security claimed by them of a certain amount

of raw jute lying in their stocks, in their godowns. After the loan had been sanctioned it was discovered that there was no stock lying in the godowns at all. Yet the State Bank of India gave them about Rs. 30 lakhs or Rs. 40 lakhs against that.

So, I am saying that the machinery of the Government and the will of the Government to ascertain actually the various types of malpractices which go on in the jute industry do not exist at all. Neither the machinery nor the will exists at all over the years. If they consider this to be a dying industry and let it die peacefully, that is a different matter.

I am really amazed that after all these prolonged closures, nobody on behalf of the Central Government has thought is necessary even today to call a meeting a high level conference either in Delhi or in Calcutta, where the State Government, the jute mill owners and the representatives of workers working in those mills are called together to try to devise through a discussion some early solution for this crisis. Nobody is bothering; nobody is taking the initiative.

I am thankful to him that he at least has not trotted out that excuse that due to labour troubles these mills have closed down. He at least did not say that. The labour disputes have nothing to do with these closures at all. As Mrs. Geeta Mukherjee correctly pointed out, it is a strange thing that the majority of mills have closed down only after the Lok Sabha elections, that is, in January, February and March. The mills closed down are: Agarpara Co., Delta, Shree Ambica, Empire, New Central (Albion), Kanaknarrah, Fort William, Eastern Mfg. Co., Victoria, New Central (Lothian), Shri Hanuman and Gondalpara. All these mills have closed down only after the Lok Sabha elections were over.

PROF. MADHU DANDAVATE (Rajapur) : A massive mandate.

SHRI INDRAJIT GUPTA : Why was it so? I will tell you why. It is because these big business houses feel that the present new Government—it has been confirmed now by the Budget—is interested in giving the private sector more benefits, more concessions and a push. One object of closing down the mills is to use this as a sort of pressure on the Government also to get more concessions,

more subsidy for export and more tax relief and, incidentally, to reduce the working force and to make fewer workers to do more work.

Now, if the Government is really interested in finding out what is going on, how is it that to Minister of Commerce, no Minister of the Central Government, cared to go to Calcutta even once. It is less than 2 hours flight from here. You can go there and call the State Government, the IJMA and the representatives of workers, sit together and try to devise not some means of re-opening the mills. You have just not bothered about it. Therefore, I say, you consider it to be a dying industry, though it is one of the major exporting industries and one of the major foreign exchange earning industries. It was always so in the Past. You now want to call it as a dying industry. Remember that neither the owners are Bengalis nor the majority of workers are Bengalis. We are not pleading any case from a narrow chauvinistic point of view...

SHRI CHANDRA SHEKHAR SINGH : Why are you obsessed with that ?

SHRI INDRAJIT GUPTA : I am not obsessed with that. You do not bother about those poor landless people from the eastern districts of U.P. and Bihar who have got no other means of livelihood except to go to work in jute mills in West Bengal as *badli* workers...

SHRI CHANDRA SHEKHAR SINGH : We love Bengalis much more than anybody else.

SHRI INDRAJIT GUPTA : Please show your love a little instead of talking about dying city and dying industry.

PROF. MADHU DANDAVATE : You will have to pay for that love.

SHRI INDRAJIT GUPTA : Now, I come to my question. What has been said already is enough to prove that there is not at present an equitable distribution of raw jute. It is proved by three things, and one of them is the statement itself which refers at page 2 to the necessity to bring about more equitable distribution of raw jute particularly among weaker mills. That means that at present there is not an equitable distribution.

In the recent annual meeting of the

Indian Jute Mills Association which was held last month in Calcutta, the Chairman Mr. K. K. Bajoree is quoted as having said :

"He urged the Government should evolve a Scheme to consume the available stocks of raw jute on an equitable basis."

So, even the Chairman of the IJMA is also admitting that there is no equitable distribution of the raw jute stocks.

The hon. Minister has said that there is so much surplus raw jute stock with the nationalised mills that they are even in a position now to give one lakh bales out of that to the weaker mills.

What is the proof ? It proves what I am saying that some mills have got stocks. We need not go into the question of how they got them and how they cornered them.

There are a number of other mills which are described as weaker mills and which are in a very difficult position.

Whose job is it to regulate the supply of raw jute ? I want to know what is your Jute Commissioner doing in Calcutta. Your Jute Commissioner, the Jute Corporation of India and your Ministry of Commerce are the authorities which are responsible for seeing that there is some regulated supply and stock of raw jute which can be equitably shared between all the mills. Why have you not done it ? You have totally failed in this task. Now you are saying that you are very much concerned and all that. All these years we used to hear from the jute mill-owners—you will excuse me I have been associated in one way or the other with this industry for the last 30 years—always we used to hear about competition from Bangladesh, competition from substitute fabrics, substitute material and synthetic material. This was the main problem, according to the mill-owners. This is the first time after so many years that we are told of scarcity of raw jute and high price of raw jute has created a crisis. No doubt, there is high price of jute this year.

I will tell you why there has been so much high price this year. Even after the jute had passed out of the hands of the peasants, out of the hands of the farmers, into the hands of the middlemen, the price went up still higher. Anybody who knows

anything about the jute trade and industry knows that it is one of the most speculative businesses in the world. Terrific speculation takes place. The Fatka market, the futures market in this industry and trade, is absolutely unregulated and uncontrolled. And that is why prices have pushed up to speculative heights by the people who corner these stocks.

Over the past few years, raw jute prices have been depressed. They are always depressed. At the time when the crop comes, the mill-owners say "We are not going to buy." The prices fall. And then they buy stocks at a depressed rate from the peasants and over the years the peasants have begun to fell that now it is better we divert some of our land to other crops. Instead of growing jute, why not we grow paddy and other commercial crops? It is better than growing raw jute crops. It is because there is no mechanism by which any minimum price can be ensured. It is also a contributory cause.

Therefore, I would like to say that now something has to be done on urgent footing. These mills have got to be opened. 60-70,000 people with their families cannot be left to starve on the streets like this. Please bestir yourself a bit and come to Calcutta. If you are afraid to go to Calcutta, then call all concerned people here. We are quite prepared to come and give you our suggestions and our advice on what is to be done.

The NJMC nationalised mills have also bought jute at the same price. How did they manage it? They did not buy jute at any lower price or cheaper price. They have bought in this prevailing market. The JCI has bought at prevailing market and given them the jute and they are managing all right. It is these private owners who deliberately create artificial conditions which, in the long run, will profit them or help them to get more concessions out of the Government. You have gone to the extent of allowing them to share their losses with the S.T.C. on carpet-backing when they make loss, 50 per cent of the loss is to be borne by the State Trading Corporation of India. What greater benefit or facility could you give to any group of industrialists, I do not know. Still they are not satisfied.

May I also ask why all these years they have not taken advantage of the loans which were offered to them at very concessional

rates for modernisation? Always we are told that this industry must be modernised. Who prevented them from doing it? The JDBI was offering them loans year after year at concessional rates for modernisation purposes. But these mill-owners never took those loans, never took advantage of those loans, because it pays them more to carry on with their old and ancient machinery, make profits and take those profits out of the State and invest them in other enterprises in other places. These jute mills have started cement units, chemical units and so many other units outside West Bengal, draining these mills dry. No wonder, Mr. Maken is saying repeatedly that there are a number of mills whose net worth has gone down to zero. We cannot leave this where it is because, after all, the hon. Finance Minister has won much applause in the country by making such a bold statement that the present managements of those companies whose net worth is found to have gone down to zero will not be allowed to handle those units any more and that they will be changed. That is why, he has legitimately been asking as to what you propose to do about them. I can give you a list of those mills whose net worth has gone down to either zero or 50 per cent. If that has gone down to 50 per cent, the Finance Minister says, they have to get a fresh mandate from the Board of shareholders. But those whose net worth has gone down absolutely to zero, why are you allowing them to carry on? Why don't you appoint an immediate inquiry and have these managements turned out from here? Then you have to decide where you will get the new management from or whether you will incorporate them in the NJMC or what you will do. But certainly they cannot be allowed to go on like this playing ducks and drakes with this industry.

I do not want to take up more time. Some concrete assurance must be given to the House as to what steps they are going to take within the next few weeks to see that these mills are opened, are restarted. For that, are they willing to convene a conference of all the concerned interests, sit together, put their heads together and devise some way-out or are they just going to allow things to go on in this way, drifting away? What is the position, I want to know.

SHRI CHANDRA SHEKHAR SINGH :
Sir, we do not consider, as I explained a few

minutes earlier, that the jute industry is a dying industry. Repeated references to this would made me wonder whether the particular political party is still seized with the death-wish; they are all the time referring to the word 'dying'. We do not consider it a dying industry.

SHRI INDRAJIT GUPTA : Say it with some conviction.

SHRI CHANDRA SHEKHAR SINGH : I have just now explained that the situation, even as it is today, is going to improve, and for the next two-three months we are taking these steps to relieve the situation. He has referred to so many things about which there is not much dispute. I fully agree, as I explained, as I admitted, there is inequitable distribution of jute stocks between the different mills. The NJMC mills will be able to work throughout the season without any hindrance. In fact, they have been able to off-load something to relieve the present closed-mills-condition and give them raw jute for their consumption. I would like to explain that, even earlier, we took certain steps to regulate the jute stocks under the Jute Control and Licensing Order, 1961.

The order issued by the Jute Commissioner on 17-10-84 directed the mills to reduce their stocks to 6 weeks' consumption by 31-12-84. Subsequently, orders have been issued on 1-4-85 advising the jute mills to limit their stocks to 5 weeks' consumption requirements by 30-4-85 and 4 weeks' consumption requirements by 31-5-85.

Regarding stocks lying benami or otherwise with either the big farmers or the jute mills, the State Government have declared jute as an essential commodity under the Essential Commodities Act and we hope that the State Government would take steps to unearth those stocks and if necessary, the Jute Corporation of India shall be able to intervene and help them in making purchases of the unearthed stocks at the moment. But I also feel that all these steps that we have taken are not fully adequate to meet the situation. They may relieve the pressure a bit but under the present circumstances the coming three months are going to be months of distress for the workers and those engaged in the jute industry. So I fully agree and we are prepared to take the initiative in the matter and discuss with the representatives

of the State Governments, the Association and the Workers.

SHRI INDRAJIT GUPTA : Why have you not done it all this time ?

SHRI CHANDRA SHEKHAR SINGH : I must tell you. There is no question of throwing blame. In fact I must tell you. That is the issue. I would like to make it very clear that the State Government convened a tripartite conference on 26-2-85, but they did not do anything on that. They did not take any follow up measures there after and did not evolve any package of measures to ease the present situation.

SHRI INDRAJIT GUPTA : Then why didn't you step in ?

SHRI CHANDRA SHEKHAR SINGH : This is a matter primarily concerned with the State Government because it relates to so many workers engaged in West Bengal. So the State Government had to take the initiative. But since they have not taken the initiative in the matter in an adequate measure ...*(Interruptions)*.

SHRI INDRAJIT GUPTA : What initiative did you take ?

MR. DEPUTY SPEAKER : I do not want anybody to interfere. Let the Minister reply. I request the members to be silent.

SHRIMATI GEETA MUKHERJEE : The jute mill-owners are not at all listening either to the State Government or the united demands of INTUC, CITU, AITUC, etc.

SHRI CHANDRA SHEKHAR SINGH : I must explain to the hon. Lady Member. You have also referred to hoarded stocks. Mr. Gupta also referred to hoarded stocks. What steps did the State Government take to unearth those stocks ? They did not move in the matter and we have not received any reports from them. On many other points we have not received any concrete proposal from the State Government. But this is not an occasion where we want to blame either the State Government or some other organisation. We have to come forward to help the workers and the people in this industry. So I happily agree with the suggestion that we shall try to convene a meeting with the representatives of the State Government, the Association and the workers and try to see if any other measure can be agreed upon by

all of them so that necessary action can be taken in time to fulfil our promise of giving all help to the workers of West Bengal.

SHRI NARAYAN CHOUBEY (Midnapore) : Convene it soon.

SHRI CHINTAMANI JENA (Balasore) : Sir, I fully agree with my hon. friend, Shri Indrajit Gupta, that this industry is a great foreign exchange earner. You will be surprised to know that the foreign exchange earnings of jute industry are getting reduced day by day. In 1978-79 the foreign exchange earned was to the tune of Rs. 337.4 crores whereas in 1983-84 it came down to Rs. 163.7 crores and in 1984 it may be even less than that. In this industry about 40 lakh families including farmers and about 2.5 lakh labour families are engaged. So, this is a very burning problem before us and we have to find an amicable solution to this problem, otherwise this huge mass of people will be put to lot of difficulties.

Shri Indrajit Gupta has said that after Lok Sabha elections all these mills were closed to obtain some facilities or concessions etc from the new Government. I fully disagree with him. I even contradict him. One of the most important reason is that in the Tandon Committee report it has been laid down that the credit for keeping stocks should be for a minimum of 10 weeks but because of credit stringency the mills are holding stocks only for a fortnight or even less than that. Further the present credit limit was fixed in the year 1982-83 when the price of raw jute was only Rs. 240 per quintal whereas now the price has gone up to Rs. 900 to Rs. 1000 per quintal. That is one of the most important reasons why many small industries who are dealing in jute have been compelled to close down their industry apart from labour disputes and other reasons.

Sir, another reason for closure of these mills is stiff competition and low grade of fibre. India was the biggest jute exporting country to Japan but the other day the Japanese have told us that they will not import jute products from our country because of higher rate and low grade. I shall give some figures. They are importing more products from Bangladesh and Thailand than India. In 1983 Japan had imported about 5040 MT of jute products from Bangladesh whereas in 1984 they have increased it to

13,200 MT. Similarly, in case of Thailand the figures are that in 1983 they had imported 2218 MT whereas in 1984 they have increased it to 2384 MT.

MR. DEPUTY SPEAKER : You put only questions because we have already discussed at length, You put only questions which you want him to reply.

SHRI CHINTAMANI JENA : Is it one of the reasons for closure of the mills ? Is it because of high competition and low grade ? Is it due to poor quality and less durability of jute products of our country that packagings of cement and fertilizers in synthetic bags are available at lower cost; is it one of the reasons why the price of gunny bags etc, is going down day by day ? Is it one of the reasons why others are not agreeing to procure jute products from us ? If so, what is the Government's reaction ? What action do they propose to take so that necessary subsidy may be granted to them for this purpose ? I must congratulate the Government that, they have abolished export duty on carpet. Even then, Indian carpets are not able to compete in international market. What is the Government's reaction on this issue also ?

Sir, a few months back, China has announced financial assistance of 50,000 U.S. Dollars for improvement of technology, for enforcement of quality control, for carrying out of research and development activities resulting in improvement of productivity and quality. Now my question is this. What action has the Government of India taken to get this finance from China ? The Jute Mills Association has decided to buy machinery from China to have knowledge about know-how, about improved technologies, etc. What is the Government's action on this issue ? The survival of jute industry depends upon modernisation of jute mills. The credit limit of jute mills should be increased in consideration of the prices of raw jute. They have to keep the stocks to run the industry for at least 2 months. The strategy for export of jute goods need to be fixed, which will be helpful to the jute mills. The STC, as the Minister has stated, were asked to assist in the export of carpets but unless the STC comes to the rescue of all exportable goods these mills cannot survive. The Minister, in his statement, has told us that Government have also arranged for the import of raw

jute from abroad. The import of raw jute is costing Rs. 740 per quintal; indigenous production is costing Rs. 900 to Rs. 1,000 per quintal. If we encourage the import of raw jute, the farmers who are engaged in jute growing may not be encouraged to grow more jute. So, our country will not become self-sufficient in raw jute. So, in view of all these considerations, what is the reaction of the Government? May I know whether the closure of jute mills is due to frequent strikes in the Calcutta ports? These strikes are going on very frequently, they come within a month, within a week and so on. May I know whether that is one of the reasons?

The hon. Minister has already stated in his statement that the Labour Minister of West Bengal Government had a tripartite meeting on 26th February 1985. But what is the outcome of that meeting? May I know from the hon. Minister the outcome of this meeting? The other day, the hon. Labour Minister had stated in the Rajya Sabha that they cannot close down the jute mills without the knowledge of the Government. But before closing the mills, may I know from the hon. Minister whether they have taken permission or have they given any information to the Labour Ministry for the closure of the mills? In case they have not done so, what is the action to be taken against them for not informing the Union Government? These are the questions which may kindly be replied to by the hon. Minister.

SHRI CHANDRA SHEKHAR SINGH : There is absolutely no doubt that jute industry occupies a very significant position in our national economy, particularly in the Eastern region. There are some 40 lakh families of jute growers and 2.50 lakh industrial workers are sustained by this industry. This is very much in our view and we have taken steps to see that the crisis is adequately met. The hon. Member has raised so many valid points and given so much information to which no reply is needed. I am thankful to him for those points.

As for imports, we have been contemplating this year which is a one-time operation, that imports shall have to be undertaken when there is shortage of raw material in any industry or raw jute here and in view of this situation, we took a decision to import

raw jute from abroad. This will not and cannot affect the local production. In fact, the prices are so high that local production of raw jute is going to get a good boost in the coming year.

As for the outcome of the tripartite meeting held by the Labour Minister of West Bengal Government on 26-2-1985, I have already explained that no concrete decision emerged out of that meeting and the State Government found itself unable to take any effective concrete measure to meet the situation. I have already explained that the Government of India have undertaken certain measures like evaluation of stock holdings, imports of raw jute from Bangladesh and the release of raw jute from the NJMC mill stocks which would go to some extent to relieve the situation. But we shall engage ourselves and consider what other measures can be undertaken with the consent of all, the groups and the parties involved in the industry so that something can be done effectively to ease the situation in the coming months.

[*Translation*]

SHRI ZAINUL BASHER (Ghazipur) : Mr. Deputy Speaker, Sir, In my view, this Calling Attention notice should have been addressed to the Labour Ministry, because the main reason for the closure of mills, which has been mentioned in the statement, is industrial dispute.

SHRI INDRAJIT GUPTA (Basirhat) : Where has it been mentioned?

SHRI ZAINUL BASHER : If you have not read the statement, you please go through it first. It has been mentioned therein that the reason for the closure of jute mills is the industrial dispute.....(*Interruptions*).

SHRI INDRAJIT GUPTA : It is the mill owners who have said so...

SHRI ZAINUL BASHER : The mill-owners might have said, but Government say that there is industrial dispute. That is the reason. I think that the first and the foremost reason for it is what has been mentioned in the statement. Government have said that the first reason is industrial dispute and the second reason is less production of jute and rise in the prices of jute. All these things

have been discussed here just now, but I would like to say that if all the jute mills there have been closed down due to industrial dispute, the entire responsibility lies in the West Bengal Government and effort, have been made to side track this responsibility by both the sides in a nice way. One side is interested in disowning its responsibility and on the other side, I think our Minister is taking too much responsibility. On himself and relieving the West Bengal Government of their responsibility. When the entire matter pertains to industrial dispute, then why and how is he owning the responsibility? Even if you increase the availability of jute or take all those measures which you have mentioned for the promotion of the jute industry, would the strike in the jute mills be called off? Would you take the responsibility of ending the strike there, because the main reason of the strike is industrial dispute?

SHRIMATI GEETA MUKHERJEE : There is no strike, there is lock-out...

SHRI ZAINUL BASHER : I am sorry. I wanted to refer to the lock-out and not the strike. How is it that State Government allowed the industrialists to declare a lock-out?

SHRI INDRAJIT GUPTA : No permission is required for declaring a lock-out...

SHRI ZAINUL BASHER : Is there any such law...

SHRI INDRAJIT GUPTA : It is not in the law, and laws have been framed by you...

SHRI ZAINUL BASHER : If there was no provision in the law, why did you not take action? Have the West Bengal Government even sent any proposal to the Central Government recommending nationalisation of jute mills?

SHRIMATI GEETA MUKHERJEE : Wonderful!

[*Translation*]

SHRI ZAINUL BASHER : If the West Bengal Government have sent a proposal to the Central Government asking it to nationalise all the jute mills, you should inform the House about such a proposal. I would like to know when such a proposal was received and what your reaction there to is? What action was taken by you after the declaration of lock-out?

Mr. Deputy Speaker, Sir, this matter is entirely related to industrial dispute and the West Bengal Government have totally failed to solve this problem. The West Bengal Government are a very strange Government. On the one hand, the State Government the members incite the workers to go on strike and call Bengal Bandh and stop trains, and on the other hand, it they ask the industrialists to declare lock-outs and create an atmosphere for the declaration of lock-outs.

SHRI INDRAJIT GUPTA : Your Government also is a very competent Government...

SHRI ZAINUL BASHER : Ours is, of course, a competent Government, because the people have elected. People have sent us here.

13.35 hrs.

[*Mr. Vakkom Purushothaman in the Chair*]

I do not want to say anything else except that if there jute mills are nationalised, the West Bengal Government would fall... (*Interruptions*)... the Government would be thrown out. It has to be seen now that cannot deceived the people of West Bengal. The people of Bengal cannot be deceived for long. Elections are at hand and the fraud being perpetrated by them against the people will be exposed. I am surprised to know how efficiently you are owning this responsibility. The fact is that the Government of West Bengal have totally failed in this matter.

I remember when the textile workers had gone on strike in Bombay, the entire blame was thrust upon us and the Maharashtra Government by Shri Indrajit Gupta and others. But now when lock-out has been declared and the mills have been closed down in Bengal, we are being blamed and not the West Bengal Government.

[*English*]

The West Bengal Legislative Assembly has several times unanimously passed this resolution and forwarded it to the Central Government.

SHRI INDRAJIT GUPTA : Three times.

SHRI INDRAJIT GUPTA : We did not say so. We said that it should be solved through mutual consultations.

SHRI ZAINUL BASHER : It should be settled there.

SHRI INDRAJIT GUPTA : Let us go there. The persons rendered unemployed include persons from Ghazipur also.

SHRI ZAINUL BASHER : Please tell them that I am very much concerned about them.

Mr. Chairman, Sir, I am very much concerned about them. It is a question of the livelihood of 60,000 of 65,000 people and the West Bengal Government are not serious about it. I intend go there and tell them this thing. You need not tell them. I would myself go there and tell them. The question is how it should be settled.

Our hon. Minister has agreed to go there. I thank him that he has agreed to your proposal. He would call their representatives and other interested people, whether they are in Delhi and Calcutta and have consultations with them, but the most important thing is to reopen these mills and how soon these people numbering 60 or 65 thousand could be re-employed. No clear reply has been given as to what is being done for them.

In my view, the permanent solution of this problem is the nationalisation of these jute mills. When you are incurring a loss of Rs. 1,20,00,000 in the National Textile Corporation simply to provide employment to the workers and five mills which have been nationalised are running properly, then there mills could also be operated properly.

The Finance Minister is reported to have said that when assets of these mills would come down to zero, these mills would be taken over and the management of these companies would be removed and that is the policy of the Government. To say that a decision would be taken in the totality of things is not clear to me. Government should take a decision to nationalise these mills.

You can also ask the West Bengal Government to find a solution to the industrial dispute. You should take some action, if the West Bengal Government are unable to find a solution.

[English]

MR. CHAIRMAN : Please wind up now.

SHRI ZAINUL BASHER : I have taken very little time, Sir. The previous speakers have taken so much of time. You are not doing justice to me. You just sat on the Chair and started ringing the bell. It is not fair, Sir.

SHRI INDRAJIT GUPTA : Yes. I sympathise with you.

MR. CHAIRMAN : Okay. Please conclude now.

[Translation]

SHRI ZAINUL BASHER : Mr. Chairman, Sir, it is a question of the livelihood of 60,000 to 65,000 thousand people. I again say that it should not be brushed aside after a discussion on it. Many questions were asked and the reply was that it should be nationalised. I want to know when the West Bengal Government requested you to nationalise these mills and what your reaction in regard thereto is? Secondly, when do you propose to re-open these mills, as this matter relates to the livelihood of 60,000 to 65,000 workers?

SHRI CHANDRA SHEKHAR SINGH : Mr. Chairman, Sir, the hon. Member has raised a number of issues, but in particular, he has sought information about the role of the West Bengal Government in the matter. I have already stated that the Labour Minister of West Bengal had called a tripartite meeting on 26th February, 1985 in which this issue was discussed. The representatives of the Association were of the view that there should be a 5-day week because there was no stock of jute. The representatives of the workers were of the view that the argument of shortage of jute was baseless. According to them Jute is available and it has been hoarded by big farmers and some mill-owners, which should be brought into the market. But no consensus emerged at that meeting. After that, we could not take any step as a result of which the situation became more serious during the last two months. So far as the question of bringing out the stock or giving some concrete suggestion is concerned, no proposal was received by the Central Government from the

West Bengal Government. We did not receive any proposal for nationalisation after declaration of the lock-out. Earlier, on 25-6-83, a Resolution was passed in the West Bengal Legislative Assembly. No proposal was received from the West Bengal Government in the context of the present situation.

I have made it clear that it is not the approach of the Government of India to this question to see how far the West Bengal Government have discharged their duty. I feel it is the responsibility of all of us to find a solution to this problem.

The hon. Member has suggested nationalisation. As I have said earlier also, there are different aspects of the problem and I do not consider myself competent to express my views off-hand. Whether, the present calling Attention Motion relates to the immediate aspect of the situation. Its long-term aspect also deserves attention. Government have that aspect also under consideration and would finalise their viewpoint before formulating their jute policy so that this industry may become viable in the years to come and make progress. But the immediate problem before us has to be tackled first. That is why I had agreed that if with the initiative of the Government of India, the problem could be solved, I am ready to take the initiative.

I want to assure this House, the workers engaged in this industry and the people of West Bengal that I do not view this problem as relating to Bihar workers, Ghazipur workers or Bengal workers. I consider it my responsibility to help all the workers and we shall not spare any efforts to fulfil this responsibility.

13.52 hrs.

MATTERS UNDER RULE 377

[*Translation*]

- (1) **Non-payment of wages prescribed under the Minimum Wages Act to Industrial Workers in the Country**

DR. CHANDRA SHEKHAR TRIPATHI (Khalilabad) : Complaints are being received that all the workers working in the industries of the country are not getting their

wages as per the provisions of the Minimum Wages Act and they are being exploited by their employers. In certain industries, 90 per cent of the total workers engaged are still being forced to work as daily wage workers. The facilities provided under the Industrial Act are also not available to them. In this connection, I want to draw the attention of the hon. Labour Minister particularly to the Printing Mill and Sanjay Paper Mill of Khalilabad in district Basti, U.P. where large scale exploitation of workers is going on. I want to submit to the Government that a strict watch should be kept on such anti-worker industries in the country and defaulter industries should be punished.

[*English*]

- (ii) **Drought conditions in Warangal and other districts of Andhra Pradesh and need to provide lift irrigation scheme on Kakatiya Canal**

SHRI C. JANGA REDDY (Hanamkonda) : In Warangal district, Jangaon, Cheryal, Gharipur a part of Suryapettah in Nalgonda district and a part of Karimnagar district, Husnabad and Huzanabad (Bheemuvelrapatty) have been affected by a chronic drought condition. People who are living in those areas are not getting even drinking water. Day by day, the above places are becoming a desert.

The only way to solve this problem is by providing lift irrigation scheme on Kakatiya Canal.

Our late Prime Minister Shrimati Indira Gandhi also visited the above places in the month of October 1984 to see the drought conditions, and she declared then and there to provide water from Kakatiya Canal, by lift irrigation. She promised to include the scheme in Seventh Five Year Plan.

Hence I request hon. Prime Minister to get the report from State Government and to include it in Seventh Five Year Plan, and to provide sufficient funds to complete the Lift Irrigation Scheme on Kakatiya Canal.

The above scheme is a long-cherished desire of the people, and it will fulfil the last promise of Shrimati Indira Gandhi also.

If the scheme is not taken up, the people who are living in these areas may be engulfed by desert.