

[Sh. Krishan Dutta Sutanpuri]

Himachal Pradesh had been set up long back and students, from other States, apart from Himachal Pradesh are receiving education here. There are various students; among these students who have been awarded doctorate degrees by the President and the Agriculture Minister of the Government of India and the functions for distributing degrees are organised there. The students were very happy that after getting these degrees, they will be able to get higher posts in forestry. But there are many students, who have not got job till now. The future of some students is becoming dark, due to which discontentment is developing among them. My submission to the Central Government is that they must be provided official posts in the Union Territories of in the Central Government so that their parents who have incurred heavy expenditure on their education may benefit from it.

[English]

MR. DEPUTY SPEAKER: The Houses stands adjourned for lunch to meet again at 2.30 P. M.

13.30 hrs.

The Lok Sabha then Adjourned for Lunch till Thirty Minutes past Fourteen of the Clock.

The Lok Sabha Re-assemble After lunch at Thirty-six Past Fourteen of the Clock.

(MR. DEPUTY SPEAKER *in the Chair*)

DEMANDS FOR GRANTS GENERAL,
1992-93 -CONTD.

(I) **Ministry of Labour—Contd.**

[English]

MR. DEPUTY SPEAKER : Now the House will take up further discussion on the Demands for Grants of the Ministry of

Labour. Now the hon. Minister for Labour will reply.

THE MINISTER OF STATE OF THE MINISTRY OF COAL AND THE THE MINISTRY OF LABOUR (SHRI P. A. SANGMA): Mr. Deputy Speaker, Sir, I am grateful to the hon. Members who have participated in this debate and given many valuable suggestions.

At the outset I must mention that it will not be possible on my part to answer each and every point which has been made by the hon. Members because the subject is so vast and if I have to reply to all the points raised, I think, I will require at least two to three hours. I will try to be very brief. I will try to touch upon the main issues which concerns the working class in our country.

Sir, today according to 1991 Census we have got 316 million workers in our country. Out of that, 66 Million are in the urban areas and 250 million are in the rural areas. Many hon. Members including Prof. Kapsehad very rightly mentioned that we are not paying adequate attention to labour who are in the unorganised sector. It has been pointed out that 90 per cent of our workforce are in the rural areas and only 10 per cent workforce are in the organised sector. In the organised sector we have got 31.6 million workers. And in the unorganised sector we have got 285 million workers. These 285 million workers include agricultural labour, construction labour, women labour, child labour, handloom workers, Powerloom workers, beedi workers, etc. Out of 31.6 Million organised labour, about 25 million are members of the recognised central trade union organisations. And we have over 70,000 Unions in the country trying to advocate the cause of 25 million workers. Since 285 million workers are unorganised, their voices are not heard very much. Therefore, I agree with the hon. Members that we need to pay much more attention to the unorganised section of our working class.

I will deal with the unorganised labour a little later. I will start with the organised labour.

As far as the organised labour is concerned, I must say that industrial relations situation in our country has shown a steady progress in the sense that the number of man-days lost has been steadily coming down. I will not quote many figures. In 1987, the number of Mandays lost was 35.36 million man-days; in 1988 it came down to 33.94 million man-days; in 1989 it further came down to 32.66 million man-day; in 1990 it came down to 24.09 million man-days and in 1991- which is a provisional figure- the figure has come down to 15.73 million man-days. Therefore, I would like to take this opportunity of congratulating our workers, who have substantially contributed to this good industrial relations situation.

Having said so, I must not lose sight of what the hon. Members have cautioned. It is not only inside the House but also outside the House there has been a lot of apprehension that though the industrial relations situation, at the moment, is very good but because of the new Industrial Policy there is an apprehension that industrial relations situation may deteriorate. I personally do not subscribe to this view. The Government of India at various forums, the Finance Minister, the Prime Minister himself has made it very clear that the new Industrial Policy is not going to affect the interests of the working class and Government is prepared to protect the interests of the working class.

Now, on 28. 8. 1991 while replying to the Debate on the Ministry of Industry, which discussed the new Industrial Policy, the Prime Minister made on the floor of this House a very very categorical assurance which reads as follows:-

"I would like to make a very categorical statement that whether it is the Exit Policy or any other Policy, we would not allow the interests of the Workers to suffer in any way. On this there will be no compromise."

I do not think the Prime Minister could have made much more categorical statement than what he had said.

I will come to Finance Minister's Budget speech made on 24 July, 1991, a little later. If we go to the Industrial Policy document itself we find that the Policy of the Government towards the working class has been very very categorically spelt out. I will read the relevant portion. I quote:

"Government will fully protect the interests of labour and hence their welfare and equip them in all respects to deal with the unavailability of technological change. Government believes that no small section of society can corner the gains of the growth leaving workers to bear its pains. Labour will be made an equal partners in the progress and prosperity."

Therefore; it will not be correct to say that the new Industrial Policy aims at harming the working class. I once again want to categorically assure this House and through this House to our working class that we are for the protection and the welfare of the working class.

Because some apprehensions had been expressed in many quarters, The Government decided to constitute a Special Tripartite Committee to go into the effect of the New Industrial Policy on the working class. I met the representatives of the workers on 17.11. 1991 and on that day the trade union leaders committed themselves that their approach to the economic problem of this country is going to be very very positive and it is going to be very very constructive. On that day we had decided that the first meeting of the Special Tripartite Committee should be held some time in November and accordingly we are at Bombay on the 17th of November, 1991. This meeting off Bombay is very important meeting because in that particular meeting we had come to some conclusions which

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pertain to the strength of the working class toward the New Industrial Policy. I shall not read all the minutes and the conclusions of that Special Tripartite Committee meeting; I shall only quote one or two relevant portions. It says, and I quote:

"The Special Tripartite Committee has unanimously agreed that the country is facing a deep economic crisis. The major problems before the country are unemployment, Power and high prices. It would require the concerted efforts of all sections of people, including management, trade unions and workers to pull the nation out of the crisis. The Committee recognises that modernisation of industry is a continuous process. The labour side is agreeable to labour being retrained, their technical skills upgraded and labour being redeployed. The labour should not, however, be thrown out of employment in the name of modernisation."

It is a very very significant decision of the Special Tripartite Committee. Further it says:

"This Committee recognises that something new has to be done to overcome the economic crisis in this country and it calls for the cooperation and active participation of all sections of the people, including the working class and the trade union leaders, and it also recognises that if the country's economy has to grow, modernisation is a must."

Trade union leaders have said that they are not opposed to modernisation. On the other hand, modernisation must be a continuous process. And in the process of modernisation, the trade union leaders also recognised that the existing working force has to be trained or retrained, and after having been trained and retrained, the

workers will have to be redeployed. This is precisely the policy of the Government that we have no intention of throwing out the workers from their Jobs. It has never been the policy of the Government, it cannot be the policy of the Government. No government can afford to undertake any policy which will bring human sufferings, which will bring human distress. So, we have no intention of throwing out the workers. What we are talking about is that our industry has to be modernised and in the process of modernisation, the skill of our workers will have to be upgraded and these people have to be redeployed. I am very grateful to the trade union leadership in this country who have recognised all these aspects and have come to this conclusion.

I must mention that there is an impression that is being created here because some of our friends sometimes speak out of emotion, that friends from West Bengal are very much opposed to this policy. Well, Sir, the facts show to the contrary. I have a letter from the hon. Member Shir Haradhan Roy who has forwarded to me the proceedings of the meeting of West Bengal Government with the trade union leaders where many M. L. As. belonging to many political parties were present and which meeting was chaired by the Chief Minister. In this meeting, as far as the Coal India sector is concerned, they have recognised that in coal sector, there is a surplus manpower and that surplus manpower has to be re-deployed. There was a time when the workers were not willing to go from one table to another table. There was a time when workers could never have imagined of going one place to another place. But, today, that is not the situation. I am bringing this fact just to say that even our workers, today, are mentally ready for adjustment. And by that adjustment, if it brings good to the economy of this country, progress of this nation, our workers are willing to cooperate.

I am very much grateful to the Chief Minister of West Bengal and the leaders of West Bengal who have said that while

recruiting workers for opening up new mines at least 30 per cent should be filled up from amongst local unemployed youth and from the dependents of workmen and the remaining 70 per cent may be filled up by absorption of surplus Eastern Colfields Limited workers. There could not have been a better decision than this.

SHRI BASU DEB ACHARIA (Bankura) I request the hon. Minister to kindly yield for a minute. I want to know whether the decision is being implemented in ECL because ECL is not implementing this decision. They are not aware of the norms that one employment should be given for two acres of land acquired. They are not following it. They are not implementing the formula that 30 per cent should be recruited from the local people and from amongst the land losers. It may be that either these instructions are not sent from your Ministry to the ECL or for any reason. I request that this should be looked into so that this can be implemented while opening new projects because in my constituency I am facing problems. Many new projects have been sanctioned.

SHRI P A SANGMA I will discuss about that separately with you. The point I am making here is not the local employment but the recognition of the surplus manpower in the existing mines, and the problem as to what to do with them. There was a time when the surplus work force were not allowed to be shifted to other mines. It is not the situation today.

SHRI BASU DEB ACHARIA Yes. That situation is not there now.

SHRI P A SANGMA This is the point I am making. The Government of West Bengal has taken a decision that 70 per cent of the surplus manpower can now be re-deployed. This is a welcome decision. I must congratulate them for this. If such cooperation is forthcoming from all sections of the society and from all the governments, and if there is a close understanding between the Central Government and the

respective state Governments, I do not see why we cannot proceed ahead.

No, as far as the other aspects of the special tripartite committee is concerned, the special tripartite committee has laid down certain guidelines and certain principles. Now, to deal with specific sick industries which are in the public sector as well as in the private sector, the special tripartite committee decided that the tripartite industrial committees should be set up and these industrial committees should go into the problems of each unit of the sick public sector units and accordingly we have constituted special industrial tripartite committees for six sectors of economy. They are—engineering chemicals and fertilisers, textiles, jute, electricity boards and road transport corporations. All these committees are headed by me. I have not had enough time to have the meetings of all the industrial committees. But, till today I have had three meetings. I had the meeting on textile industry on 21st February, 1992 and on jute industry on 3rd of this month. With the Chemicals and Fertiliser Industry, I had a meeting on the 21st of this month. I must inform this august House that in all these meetings and in my interactions with the respective trade union leaders, they were very cooperative. In one of the meetings, it was the demand of the trade union leaders that in case in certain areas the Government is not willing to continue to run a particular unit and if the workers themselves want to take over it in the workers' cooperative, whether the Government will be willing to hand over and whether the Government will be willing to write off all the loans and all the liabilities.

SHRI SOMNATH CHATTERJEE (Bolpur) What about the working capital?

SHRI P A SANGMA Certainly we can discuss that also. The Finance Minister was present. So, we have agreed that if the workers are willing to take over any of the sick units on cooperative basis, it should be allowed. They were willing to take over if the past liabilities and all the losses can be

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written off by Government. This experiment of workers' cooperative is proving quite well. In West Bengal, we have got the Central Jute Mill which is being run by the workers' cooperative and from a losing concern, it has now become a profitable concern. So, the workers can run it and this has been proved. I am not saying that it will be forced on them. Then, Sir, some points have been made that if the Government is so keen to revive the sick units then, why are the public sector units now being referred to BIFR? I think, it is a valid point. The condition is such that once a sick unit is referred to the BIFR, it is not entitled to any financial assistance and it is not entitled to loans. This is a point which has been discussed. We formed a Special Tripartite committee and even my personal view as the Labour Minister is, even when the unit is referred to the BIFR, financial assistance should not be stopped, because the BIFR takes quite a long time to come to a conclusion. One impression that is going on the country is that once a unit is referred to the BIFR, then the unit will be automatically closed down. That is not the position. I have figures with me. I think, the Finance Minister had also occasion to inform this House at one point of time.

SHRI BASU DEB ACHARIA : Would you recall the meeting you held with the Members from West Bengal? A decision was taken that before referring to the BIFR, unit-wise discussion will be held with the Members of Parliament from West Bengal. But without that discussion, some of the units have already been referred to the BIFR.

SHRI P. A. SANGMA : The unit-wise analysis is going on. The managements have been asked to give to the workers, the relevant documents within 15 days from the day I attend the meeting and within two-and-a-half months, the workers will come with alternative and viable suggestions. That process is going at unit levels. In fact, in the Consultative Committee of the Ministry of Labour, the members of Parlia-

ment suggested to the Prime Minister that a Parliamentary Sub-Committee of the Consultative Committee should also be constituted and they should also go into this. We have done that. Under the chairmanship of the Deputy Minister of Labour, this Committee had already gone twice. So, that examination at the unit level is going on.

SHRI INDRAJIT GUPTA (Midnapore): I do not think that you want both these processes to go on simultaneously. I am not talking about West Bengal only, I am talking in general. On one side the Process of investigation will be done by the Tripartite Committee and simultaneously it will also be sent to the BIFR. Have the managements been instructed that till the process of this inquiry by the Tripartite Committee is completed, they should not themselves go and refer the cases to the BIFR?

15.00 hrs

If the tripartite committee fails to find a solution, then the other question can come. But many managements are directly sending their cases to the BIFR before the Tripartite Committee has completed its work.

SHRI P. A. SANGMA : Even after the unit has been referred to BIFR, BIFR will not come to a final conclusion until and unless they have heard it from the tripartite committee.

SHRI NIRMAL KANTI CHATTERJEE (Dumplum) In that case, that particular unit would get into short-term credit difficulty.

SHRI P. A. SANGMA : I am fighting for it. Yesterday, Mr. Shahbuddin had said: "You have to fight very hard in the Cabinet with your colleagues". I am doing that.

SHRI SOMATH CHATTERJEE : Instead of creating a problem and then fighting, you do not refer it to BIFR.

SHRI P. A. SANGMA : I can assure you that BIFR will not take a final decision.

SHRI SOMNATH CHATTERJEE: Are you dictating to the BIFR?

SHRI P.A. SANGMA: The main point is, after reference to BIFR, they are not entitled to any funding or any loan. That is we are taking it up.

SHRI INDRAJIT GVPTA (midnapore) BIFR is a statutory body. It is governed by an Act of Parliament. Your tripartite committee has no such statutory sanction behind it. It is an informal arrangement. Therefore, unless BIFR are specifically directed not to take up this case till the tripartite committee has completed it, they will proceed according to the provisions of the Act.

SHRI P.A. SANGMA: This is what we are doing.

SHRI SOMNATH CHATTERJEE: Sir, what I wanted to know is, once a reference is made to BIFR, apart from the question which Comrade Indrajit has raised, how can the business in the mean-time of that unit run because nobody will touch that company for any transaction, no facility would be given and no supply would be made?

SHRI P. A. SANGMA: I agree with you. We are taking up the matter.

15.03 hrs

([RAO RAM SINGH - in the Chair])

SHRI SAIFUDDIN CHOUDHARY (KATWA): Now till the completion of the process in the tripartite committee, will you take a decision to withdraw all the cases from BIFR?

SHRI P.A. SANGMA: I the reference cannot be stopped by law. But the decision is being stopped. The decision will not be taken unless we have a say.

SHRI INDRAJIT GUPTA: Does the Ministry of Industry share the view point of

yours? I have got a letter from the Minister of Industry.

SHRI P.A. SANGMA: The Ministry of Industry is a party to the decision. When the special tripartite committee had such a meeting, this meeting was attended by the Industry Minister, attended by the Finance Minister and attended by the Secretary, Public Enterprises. That is the understanding.

SHRI INDRAJIT GUPTA: I am bringing to your notice that the Minister of Industry, for example, has written to me regarding Breadth-wright prestigious engineering concern. When the process has started there of discussing and finding some other alternative of making the company viable, the Minister writes to me, in the last sentence:

"But, however, this case has to be referred to the BIFR."

SHRI P. A. SANGMA: I think, it has not been referred to so far. The impression that when the unit is referred to BIFR that unit will automatically be closed down is not true. (Interruptions)

MR. CHAIRMAN: Please do not interrupt. Let the hon. Minister reply.

SHRI P. A. SANGMA: If you want clarifications on any aspect,

I am ready to answer later on. But let me answer now. (Interruptions)

MR. CHAIRMAN: No interruptions please.

SHRI SOMNATH CHATTERJEE: There is incongruity in the policy that has been adopted. The hon. Minister said that even if a reference is made to BIFR under statutory provision no final order or decision will be given. Under what provision of law? The hon. Minister has not indicated that. He says that he will fight in the Cabinet. Is that the way to answer? There-

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fore, this incongruity has to be resolved.
(Interruptions)

MR. CHAIRMAN: Mr. Basu Deb Acharia, Mr. Somnath Chatterjee is speaking. Will you not allow even your own leader to speak ?

SHRI P. A. SANGMA : The point is you are not listening to me fully. You are interrupting me half-way. How will you understand my stand?

SHRI NIRMAL KANTI CHATTERJEE: Please carry on. Now we will not interrupt.

SHRI P. A. SANGMA: The number of cases referred to BIFR since its inception is 1,596.

Of these, the units which have been registered are 1,158.

The number of cases under process is 438. The number of cases in which schemes for revival have been sanctioned by the BIFR is 235. Those brought in for sanction of revival are 49. The Number of cases where companies themselves have been asked to revive their units is 129. The number of cases wound up is 165.
(Interruptions)

MR. CHAIRMAN : Gentlemen, no running commentary please. I think it is most unfair to the hon. Minister that a running commentary is on while he is speaking .

SHRI P. A. SANGMA : A revival scheme has been sanctioned by the BIFR to 413 units. Therefore, the argument that when a sick unit is referred to BIFR, it will be closed totally does not show like that. Therefore, we do not have to worry.

I will strictly go through some of the points which have been made by the hon. Members. There has been lot of criticism about delay in bringing changes in the

Industrial Disputes Act. I think the history of Industrial Disputes Act Amendment is very much well-known to all the hon. Members, the last one being Ramanujam Committee report. On February 6, 1992. A meeting of the Labour Minister was convened to discuss the Ramanujam Committee report and it was decided to set up a sub-committee of Labour Ministers . The Sub -Committee met on April 25, 1992. There were points of agreement and there were points of disagreement. I do not think it is going to be easy. But I hope that the views of the Government will be finalised very soon after consultation with various state Governments, particularly after taking the views of the Ministers Sub-Committee. Another point which has been hotly debated here is about workers participation in management. Shri Ram Vilas Paswan is not here. He is very fond of the subject. (Interruptions)

It was in 1976 when Congress was in power that Congress party brought an amendment to the Constitution and inserted Article 43A to the Directive Principles. Therefore, you cannot say that we are against the participation of workers in the management . We are for the workers participation in management.

SHRI BASU DEB ACHARIA: It is in the Directive Principles of State Policy which are not enforceable and binding .

SHRI P. A. SANGMA : In the Industrial Policy itself, it is mentioned that workers participation in the management will be promoted . This is our policy. When shri Somnath Chatterjee my younger brother, intervened while Prime Minister was speaking here, the Prime Minister said : -

"There will be full encouragement to the participation of workers in the management."

Therefore, we are very very clear in our mind that we are for workers participation.
(Interruptions)

SHRI BASU DEB ACHARIA: Why are you not bringing Bill ?

SHRI P. A. SANGMA : I am telling you why we are not. It is not a question of why we are not. The Bill was introduced in Rajya Sabha on the 30 th May, 1990 I think by Shri Ram Vilas Paswan. There are as many as 89 amendments to this Bill and the opinions are so divided among the hon. Members of Parliament of the other House that it is taking time. I must admit that. It is taking time. But it does not mean that we are not coming up with the Bill. But then we will have to see certain things. Some amendments say that it should go to the joint Committee; it should go to the Select Committee; some say that it should be withdrawn and a new comprehensive Bill should be brought forward. All these ideas are there. We are examining those things.

SHRI BASU DEB ACHARIA: How much time will you take?

MR. CHAIRMAN : Shri Basu Deb Acharia, please do not interrupt. Even if you want to interrupt, you address the House through the Chair.

(Interruptions)

SHRI P. A. SANGMA: Another important point was make.

SHRI BASU DEB ACHARIA : Since you have said that through the Chair I have to address, I want to make a point.

MR. CHAIRMAN : Shri Basu Deb Acharia, I must comment that you are incorrigible. I have said that if you want to interrupt, against the Chair's ruling, you address the House through the Chair and do not have direct chitchat. I request you to cooperate.

(Interruptions)

SHRI P. A. SAYEED (Lakshadweep): Mr. Chairman, let the Minister give the full reply. If there is any clarification which the

hon. Members want to seek they can seek the clarification.

MR. CHAIRMAN : Kindly give him a chance. Be fair to him. I feel his flow of thought is being interrupted by you, gentlemen, every thirty -seconds.

SHRI SOMANATH CHATTER JEE: What is interrupted is because of the Policy of the Government. He is feeling unhappy himself.

SHRI P. A. SANGMA: I am not feeling unhappy about it. I am feeling unhappy with your interruption.

Another point which was very vehemently made was regarding the pension scheme for the working journalists. I am aware of the commitment given by the then Finance Minister Shri Narayan Dutt Tiwari in his budget Speech. Now, we have more or less finalised the pension scheme for Provident -Fund subscribers including the working journalists. It is in the final stage. But before reaching a final decision, I propose to convene a meeting of the various associations of the working journalists. I want to do that before we take a final decision. But a scheme has already been worked out. This much I would like to say as far as the organised sector is concerned. The debate has mainly confined to the conditions of the unorganised labour whose number is 285 million.

Sir, the Government of India constitutes a National Commission on Rural Labour. Questions have been raised saying that this report was submitted to the Government on the 31st of July and till today nothing has been done about that. This report of the National Commission is a very very exhaustive report. It covers the entire sector of the unorganised labour. It also covers the entire area of the whole country. The recommendations that have been given in this Commission number more than 300. So, it is not easy to scrutinise the recommendations which are numbering 300. Here, there are areas where the

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Central Government will have to take action-various Departments including the Labour Ministry have to take action; there are areas where the the State Governments will have to take action; there are areas where the State and the Central Government will have to take action. So, it really takes time to scrutinise more than 300 recommendations. But, in the mean time, I must say that some of the recommendations of the National Commission on Rural Labour pertain to issues which have already been debated in the country, where the Ministry of Labour and the Government of India have already made up their mind. Therefore, there are areas and I will briefly mention that.

For example, the National Commission on Rural Labour has said that the Minimum Wage of the rural labour should be Rs. 20 and it should be linked to the VDA; it should be revised every two-three years and the increase in the wages should be there every six months on the basis of the Consumer Price Index. All these things were discussed in the Labour Ministers Conference held on the 6th of February 1992 and we have more or less accepted the recommendations of the National Commission on Rural Labour and we have decided...

MR. CHAIRMAN: I am sorry to say that there are some contradictory things in what you said. Will it be revised every two to three years or in every six months? You made to statements. I would like to know whether the minimum wage will be revised every two to three years or in every five years.

SHRI P.A. SANGMA: The basic wage will be revised in every three years. Now it is being revised every five years. On the basis of the basic revision, every six months, it will be linked to the consumer price index. That is the position. And as for as the Central Government is concerned, we have already notified it. This Commission also has recommended that the Workmen's Compensation Act should be amended. An hon. Member said that people who go by air-

conditioned planes get much more compensation than what an ordinary worker gets. We are going to amend the Workmen's Compensation Act and the amount of compensation that we are contemplating will, in some cases, be 100 per cent or in some cases even slightly more than 100 per cent. It will not be below 100 per cent. For example, for deaths, as of now, the compensation is Rs. 96,000 and we are going to raise it to Rs. 2,20,000; and for a permanent disability, we are raising it to Rs. 2,74,000 from Rs. 96,000. As far as recommendations of the National Commission on Rural Labour is concerned, Workmen's Compensation Act will be amended and I think, it is going to be quite a good one.

One important recommendation of this Commission is that there should be a central legislation for the agricultural workers. There are two opinions on this:— We agree on one point that as far as welfare, safety and the social security of the agricultural worker is concerned, there is no dispute. It is more or less unanimous. Opinion is coming that we must have a central legislation which will regulate the welfare and social security of the agricultural workers. I hope to finalise this and by Monsoon Session of Parliament, we should be able to come with a central legislation for the social security and the welfare of the agricultural workers.

SHRIBASU DEB ACHARIA: Do you mean a comprehensive Bill?

SHRI P.A. SANGMA: Well, we are taking a model. There are two Bills available as of now one is the Tripura Bill and the other one is the Kerala Bill. We will take some portions from it. As of now it will confine to the welfare and social security.

SHRIBASU DEB ACHARIA: What about the construction workers?

SHRI P.A. SANGMA: We are bringing in a Bill on the construction workers. We are also going to amend the Central Contract Labour (Regulation and Abolition) Act.

The Minimum Wages Act will, in any case, be amended because of the revision in every two or three years instead of five years

Lot of reference has been made about the bidi workers I have got an announcement to make in this regard Government has come out with a group insurance scheme for the bidi workers who are not covered by the provident fund scheme Under this new scheme which has come into operation from the 1st of April this year, 14 lakh workers will be covered This cover will be of Rs 3000 in the case of normal death and Rs 6000 in the case of accidental deaths Workers will not be required to pay premium The premium will be paid fifty per cent by the Government and fifty per cent by the LIC This is a new scheme which we have launched (*Interruptions*)

SHRI BASU DEB ACHARIA This Scheme will cover whom?

SHRI P A SANGMA This scheme will cover those bidi workers who have got identity cards issued either by the Central Government or State Government or by others and not covered by the Provident fund Scheme And the number is 14 lakhs

I can pass on a copy of the full scheme to the hon Member, so that it will give him a better understanding

Lot of points have been made about the Child Labour Child Labour is of immense concern In fact, in 1986-87, when I was the Union Minister for Labour, I had taken up this problem of Child Labour on top most priority basis I have myself visited so many places I have gone half a dozen times to Sivakasi, I have gone to Varanasi, I have gone to Firozabad, I have gone to Fandabad, I have gone to Surat and practically, I have gone to all the areas where child concentration is there And on the basis of which, we have brought a Bill and I introduced the Bill Also, a National Policy on Child Labour was formulated But I must admit that in the implementation of this Act, a lot more requires to be done

MR CHAIRMAN Mr Minister, just a minute Yes, Shri Saifuddin

SHRI SAIFUDDIN CHOUDHURY Sir, it has come in the press and we hear from time to time and we feel ashamed that we have not yet signed the Convention on Children's Rights that has been formulated by the United Nations I do not know who is responsible for taking a decision on this matter But our name is being slurred in the international community

SHRI P A SANGMA ILO Convention!

SHRI SAIFUDDIN CHOUDHURY The U N Covenant implementing Children's Rights and all that This is very important Have you taken any decision on this?

SHRI P A SANGMA I will look into that

SHRI RAM KAPSE (Thane) I had made a reference about the Child Labour and the contradiction which exists in performance Budget and Demand for Grants I had referred to some pages and that there is a contradiction in your performance Budget and Demand for Grants I had referred to page number 1507 and page 43 of the performance Budget, at length, which is about the child labour

SHRI P A SANGMA I do not know about the Demand number But at page 53, it is about Rs 2 44 crores for the child labour

Most of our child labour project are also funded by other agencies like ILO, UNDP

SHRI RAM KAPSE Even in 1990 91, there is a different type of reference and in 1991-92, there is different type of reference And this time, there is only one Demand as far as the Child labour is concerned and everywhere, the book is totally silent about the demands

SHRI P. A. SANGMA: I can assure the hon. Members that as far as the child labour is concerned, it will receive my highest personal attention because this is my pet subject and to be very frank, I take a lot of interest in this subject.

[Translation]

SHRI BHOGENDRA JHA (Madhubani): Everyone speaks against child labour. I am speaking my own experience that it cannot be banned in my area. I have tried many times, the children gathered around me and stated weeping that their parents have spoiled them, there is no other way out to feed them. If they want to do hypocrisy, they may do it otherwise they should think over it seriously.

MR. CHAIRMAN: If you want any clarification, Please ask after the speech of the hon. Minister.

SHRI BHOGENDRA JHA: Bring forth the scheme and we will enforce that, if they feel that imposition of ban is possible, they should introduce a scheme, we would implement it.

[English]

SHRI P. A. SANGMA: In view of what I have talked about, I should inform the hon. House about one area which is about the retraining and redeployment of workers and also to generate self-employment. Lot of points have been made regarding the employment opportunities for women. We have undertaken massive programme for craftsmen training and also apprenticeship training. We have a World Bank project being executed at the cost of more than Rs.400 crores where we are modernizing 400 ITIs all over the country. In this Eighth Five Year Plan we are going to establish one hundred new ITIs exclusively for women. We are also going to have three regional vocational training exclusively for women. Like that we have got many programmes of training and retraining the workers under the craftsmen's training and also appren-

ticeship programme. I would not like to waste the time of the House.

MR. CHAIRMAN: Will the ITI for the women be funded by the Center or the States?

SHRI P. A. SANGMA: It is funded by the Worlds Bank. It is a World Bank Project.

The last point that I would like to touch upon is about the employment. Quite a number of hon. Members have stressed this problem. Unemployment problem is a very big national problem. I do not think there is any easy solution for that. The Government is very much aware of this problem. The Prime Minister has constituted a Cabinet Sub-Committee to boost employment for the educated unemployed under the Chairmanship of the Deputy Chairman, Planning Commission where the Finance Minister and I also are Members. This Committee had its first meeting on the 6th of January 1992. It constituted a Committee of Officers with the Secretary, Planning Commission as its Chairman. They had sittings on 30.1.1992, 24.2.1992 and 3.3.1992. Their report has been submitted to the Cabinet Sub-Committee. This was discussed on the 27th of this month. I must say that the group of officers have produced an excellent document on boosting employment for educated unemployed.

As far as the other aspect of unemployment in the other areas is concerned, the Planning Commission has constituted another Committee with Shri Hiteshwar Saikia, the Chief Minister of Assam, as its Chairman and there also I happen to be a Member. That Committee is going into the unemployment problem in general and the other Committee is going specifically into this.

Points have been made that in our manifesto we have promised ten million jobs in a year and how we are going to achieve this. This point has been made repeatedly

earlier in other debates, particularly during the debate on the President's Address. Many hon. Members have made this point. The Prime Minister in his reply has already answered this. I would only like to repeat what the Prime Minister has said because it answers practically the whole question. (Interruptions)

"The Railway Minister has announced that over 6000 kms. of meter-gauge will be converted into broad-gauge. This is a labour intensive programme. Each kilometre is calculated to generate an employment potential of 18 to 20 thousands mandays. At this rate if we take up six thousand Kilometer, one can calculate how much this will be. The planning Commission has given us the figures of employment. Agriculture 4.16 million, mining and quarrying 0.13 million, manufacturing 1.36 million, construction 0.59 million, electricity 0.03 million, transport and communication 0.29 million and other services, totalling up to 8.89 million per year. This is what we have promised more or less in the manifesto."

This point has been adequately answered by the Prime Minister. I can only assure the hon. Members that this is the problem which is receiving the highest attention of the Government because unless we are able to solve the problem of unemployment in this country, we will not be able to solve other problems.

With these words, I would like to thank once again, all the hon. Members for having given their suggestions and request them to withdraw all their cut motions. (Interruptions)

MR. CHAIRMAN: I would request Shri Sangma to call Shri Basu Deb Acharia to his Office and have a heart to heart chat with him and to sort out all his problems. Meanwhile, I allow him to ask one clarification. If the hon. Minister would like to reply, he can reply.

(Interruptions)

SHRI BASU DEB ACHARIA: The Labour Minister has stated that 6,000 Kms of metre gauge or narrow gauge railway line will be converted into broad gauge. This is within the Eighth Five Year Plan. How this will generate ten million jobs within one year? (Interruptions)

SHRI P.A. SANGMA: When I answering, You were standing up and interrupting; and you did not listen. (Interruptions)

MR. CHAIRMAN: He gave a very detailed reply to that—about the power sector and other sectors.

SHRI P.A SANGMA: One paragraph of my reply gives that. For your benefit I will read it again. (Interruptions) Sir, I will read again from the Prime Minister's reply. He said:

"The Planning Commission has given us a figure of employment. Agriculture: 4.16 million, Mining and Quarrying: 0.13 million, Manufacturing: 1.36 million, Construction: 0.59 million, Electricity: 0.03 million, Transport and Communication: 0.28 million and other services, to tallying up to 8.89 million per year. It is not Coming to ten. This is What we have promised, more or less, in the manifesto."

The Prime Minister has already announced. That is Why, I said that I need not go into the details. This is the answer. (interruptions)

MR. CHAIRMAN: Mr. Ram Naik can ask one clarification.

SHRI RAM NAIK (Bombay North): When shri Ram Kapse was elaborating his point on unfair labour practices which are being carried on, he had given a specific complaint about the Ta Hotel, where a dummy Labour was given recognition in preference to the genuine union. The

[Sh. Ram Naik]

Government has allowed prosecution there; but instead of allowing the prosecution of the Chairman or the Director, a Junior Mahager has been allowed to be prosecuted. In such cases where there are genuine cases of unfair labour practices/ it is binding on the Government that it directs them to prosecute the Chairman or the Director.

MR. CHAIRMAN: Shri Ram Naik, I do not think that it is a fair question. He is giving a reply to the general debate on the Labour Ministry. But, you are putting a specific case.

SHRI P. A. SANGMA: I have said right in the beginning that it would not be possible for me to answer to all the Specific questions raised by the hon. Members. I had also said that I would look into all the specific points made by every hon. Member. As far this case is concerned, I have no knowledge about it. I will certainly call for the reports.

MR. CHAIRMAN: I shall now put all the cut motions moved to the Demands for Grants relating to the Ministry of Labkour, to the vote of the House, together, unless any hon. Member desires that any of his cut motions may be separately put.

SHRI AJOY MUKHOPADYAY (Kishnagar): Sir, I request that my cut motions no. 1, 2 and 3 may be put to the vote of the House separately.

SHRI BASU DEB ACHARIA: I request that my cut motion no. 4 may be put to the House separately.

Please also put my cut motion No. 14 separately.

MR. CHAIRMAN: I shall now put cut motion Nos. 1 to 3, moved by Shri Aoy Mukhopadyay to the vote of the House.

Those against will please say 'No'.

SEVERAL HON. MEMBERS: 'No'.

MR. CHAIRMAN: Those in favour will please say 'yes'.

SOME HON. MEMBERS: "Yes".

MR. CHAIRMAN: I think the 'Noes' have it. The 'Noes' have it.

SOME HON. MEMBERS: The 'Ayes' have it.

SHRIBASU DEB ACHARIA: The 'Ayes' have it.

MR. CHAIRMAN: Let the Lobbies be cleared-

Lobbies have been cleared.

The question is:

"That the demand under the head Ministry of labour (Page 57) be reduced to Re. 1."

[Failure to take measures for workers' participation in management]. (i)

"That the demand under the head Ministry of labour (Page 57) be reduced to Re. 1."

[Failure to formulate National Wage Policy]. (2)

"That the demand under the head Ministry of labour (Page 57) be reduced to Re. 1."

[Failure to take effective measures to solve the growing problem of unemployment amongst the youth of the country.] (3)

15.43 hrs.

[Division No. 15]

AYES

Acharia, Shri Basu Deb

Bala, Dr. Asim

Barman, Shri Uddhab

Basu, Shri Anil

Bhattacharaya, Shrimati Malini

Chakraborty, Prof. Susanta

Chatterjee, Shri Nirmal Kanti

Chatterjee, Shri Somnath

Chauhan, Shri Chetan P.S.

Choudhary, Shri Ram Tahal

Choudhury, Shri Saifuddin

Das, Shri Anadi Charan

Deshmukh, Shri Ashok Anandrao

Dhumal, Prof. Prem

Dome, Dr. Ram Chandra

Dubey, Shrimati Saroj

Fernandes, Shri George

Ghangare, Shri Ramchandra Marotrao

Gupta, Shri Indrajit

Hossain, Shri Syed Masudal

Jaswant Singh, Shri

Jha, Shri Bhogendra

Kamal, Shri Shyam Lal

Kapse, Shri Ram

Khanduri Shri Bhuwan Chandra

Khanoria, Shri D.D.

Kumar, Shri Nitish

Mahajan, Shrimati Sumitra

Malik, Shri Purna Chandra

Manjay Lal, Shri

Mishra, Shri Satyagopal

Mollah, Shri Hannan

Mukherjee, Shri Subrata

Mukhopadhyay, Shri Ajoy

Munda, Shri Kariya

Oraon, Shri Lalit

Pal, Shri Rupchand

Pandeya, Dr. Laxminarayan

Patidar, Shri Rameshwar

Patnaik, Shri Sivaji

Prasad, Shri Radhika Ranjan

Prasad, Shri Hari Kewal

Rai, Shri M. Ramanna

Rana, Shri Kashiram

Rawat, Shri Bhagwan Shankar

Ray, Dr. Sudhir

Raychaudhuri Shri Sudarsan

Sarode, Dr. Gunvant Rambhau

Shastri, Shri Vishwanath

Singh, Shri Pratap

Singh, Shri Ram

Syed Shahabuddin, Shri

Tripathy, Shri Braja Kishore

Ummareddy Venkateswarlu, Prof.

*Verma, Shri Bhawani Lal

Verma, Shrimati Rita

Verma, Shri Upendra Nath

Yadav, Shri Chun Prasad

Yadav, Dr S P

Zainal Abedin, Shri

NOES

Ahamed, Shri E

Ahmed, Shri Kamaluddin

Akber Pasha, Shri B

Anthoy, Shri Frank

Arunachalam, Shri M

Bansal, Shri Pawan Kumar

Bhadana, Shri Avtar Singh

Bhatia, Shri Raghunandan Lal

Bhonsle, Shri Prataprao B

Bhuna, Shri Dileep Singh

Chandrakar, Shri Chandulal

Chandrasekhar, Shrimati Maragatham

Charles, Shri A

Chauri, Shri Babu Hari

Chavan, Shri Prithviraj D.

Chidambaram, Shri P.

Chowdary, Dr. K.V.R.

Dadahoor, Shri Gurcharan Singh

Damor, Shri Somjibhai

Deka, Shri Probin

Dennis, Shri N

Deshmukh, Shri Anantrao

Dev, Shri Sontosh Mohan

Dev, Shri Shrimati Bibhu Kumari

Dighe, Shri Sharad

Farook, Shri M O H

Gamit, Shri Chhitubhai

Gavit, Shri Manikrao Hodliya

Gehlot, Shri Ashok

Ghatowar, Shri Paban Singh

Gundewar, Shri Vilasrao Nagnathrao

Handique, Shri Bijoy Krishna

Hooda, Shri Bhupinder Singh

Imchalemba, Shri

Inderjit, Shri

Islam Shri Nurul

Jeevarathinam, Shri R.

Jhikram, Shri Mohanlal

Kairo, Shri Surinder Singh	Patel, Shri Shravan Kumar
Kale, Shri Shankarrao D.	Patel, Shri Uttambhai Harjibhai
Kaliaperumal, Shri P. P.	Patil, Shrimati Surya Kanta
Kamble, Shri Arvind Tulshiram	Patil, Shri Vijay Naval
Kanithi , Dr. Viswanatham	Pawar, Shri Sharad
Kaul, Shrimati Sheila	Potdukhe, Shri Shantaram
Kewall Singh, Shri	Prabhu Zantye, Shri Harish Narayan
Khan, Shri Ayub	Pradhani Shri K.
Khursheed, Shri Salman	Rahi, Shri Ram Lai
Konathala, Shri Rama Krishna	Rajeswari, Shrimati Basava
Kuli, Shri Balin	Ram Babu, Shri A. G. S.
Kumaramangalam, Shri Rangarajan	Rawat, Shri Prabhu Lai
Mallikarjun, Shri	Reddy, Shri M. G.
Mallu, Dr. R.	Reddy, Shri R. Surender
Marbaniang Shri Peter G.	Sahi, Shrimati Krishna
Meena, Shri Bheru Lai	Sai , Shri A. Prateap
Meghe, Shri Data	Sangma, Shri Purno A.
Naik, Shri G. Devaraya	Sayeed, Shri P.M.
Nandi, Shri Yellalh	Shankaranand, Shri B.
Narayanan, Shri K.R.	Sharma, Shri Satish Kumar
Narayanam , Shri P. G.	Singda, Shri Damu Barku
Nikam, Shri Govindrao	Singh , Shri Khelsai
Nyamagouda, Shri S.B.	Singh, Shri Motilal
Palacholla, Shri Venkata Rangayya Naidu	Singh , Shri S. B.
Panigrahi, Shri Sriballav	Sodi, Shri Manku Ram
Patel, Shri Harilal Nanji	Solanki, Shri Surajbhanu

Sridharan, Dr. Rajagopalan

Acharia to the vote of the House

Sultanpuri, Shri Krishan Dutt

*Cut motion No. 14 was put and nega-
tived.*

Sundararaj, Shri N.

Thangakabalu. Shri K. V.

MR. CHAIRMAN : I shall now put all the other cut motions moved to the Demands for Grants relating to the Ministry of Labour to vote together.

Thomas, Prof. K. V.

Thorat, Shri Sandipan Bhagwan

Cut motions No. 4 to 8,15,16,23,61 to 79 and 97 to 114

Upadhyay, Shri Swarup

Verma, Kumari Vimla

MR. CHAIRMAN : I shall now put the Demands for Grants relating to the ministry of Labour to the vote of the house.

Vijayaranghavan, Shri V.S.

The question is:

Wasnik, Shri Mukul Balkrishna

"That the respective sums not exceeding the amounts on Revenue Account and Capital Account shown in the forth Column of the Order Paper be granted to the President out of the Consolidated Fund of India, to complete the sums necessary to defray the charges that will come in course of payment during the year ending the 31st day of March 1993, in respect of the Heads of Demands entered in the serial Column there of against Demand No. 57 relating to the Ministry of labour. "

Williams, Shri R. G.

Yashpal, Shri

MR. CHAIRMAN: Subject to correction, the result of the division is:

Ayes: 60

Noes: 102

The motion was negatived

MR. CHAIRMAN : I shall now put Cut Motion No. 14 moved by Shri Basu Deb

The motion was adopted

*The following Members also recorded their votes:—

Ayes: S/Shri G.M.C. Balayogi, Simon Morand, Ram Naik and Dwarka Nath Das.

Noes: S/Shri Bhagey Gobardhan, Kirip Chaliha, Bhawani Lal Verma, Ashok Anandrao Desmukh, K. Thulasiah Vandayar, Bh. Vijay Kumar Raju, Dr. Falayazal Azam.

Demand for grant in respect of the Ministry of Labour for the year 1992-93 noted by Lok Sabha

No. of Demand	Name of Demand	Amount of Demand for Grant on Account voted by the House on 26th March 1992		Amount Demands for Grant Voted by the House	
		Revenue Rs	Capital Rs	Revenue Rs.	Capital Rs
1	2	3	4	5	6
1	Ministry of Labour				
	57 Ministry of Labour	6991,00,000	12,00,000	34954,00,000	61,00,000

(II) Ministry of Commerce

MR. CHAIRMAN : The House will now take up discussion and voting on Demand Nos. 11 and 12 relating to Ministry of Commerce which may be discussed up to P.M. when the guillotine will be applied.

Hon. Members present in the House whose cut motions to the Ministry of Commerce have been circulated, may, if they desire to move their cut motions, send slips to the Table within 15 minutes indicating the serial numbers of the cut motions they would like to move. Those cut motions only will be move.

Motion moved:

"That the respective sums not exceeding the amounts on Revenue Account and Capital Account shown in the Fourth column of the Order Paper be granted to the President, out of the Consolidated Fund of India, to complete the sums necessary to defray the charges that will come in course of payment during the year ending the 31st day of March, 1993, in respect of the heads of Demands entered in the second column thereof against demand Nos. 11 and 12 relating to the Ministry of Commerce."

Demand for grants in respect of the Ministry of Commerce for the year 1992-93 submitted to the vote of Lok Sabha

No of Demand	Name of Demand	Amount of Demand for Grant on Account voted by the House on 26th March 1992		Amount of Demands for grants submitted to the voted the House	
		Revenue Rs	Capital Rs	Revenue Rs	Capital Rs
1	2	3	4	5	6
1	Ministry of Commerce				
	11 Department of Commerce	50193,00,000	4532,00,000	14266,00,000	22666,00,000
	12 Department of Supply	463,00 00		4532 00,000	

[Translation]

DR. LAXMINARAYAN PANDEYA

(Mandsaur): Mr. Chairman, Sir, we are going to discuss demands of the Commerce Ministry. A new policy on export and import has been presented by the Government for the first time and it is said that the new policy will give a new direction to our trade as it has a new philosophy and it has been thought over, under new perspectives. Leaving aside all the policies of the past, as the case has been with all the previous policies that the duration of some policy was two years and of the other three years and sometimes the policy for three years lasted only for two years but now this new policy has been formulated for five years. As it has been mentioned in the documents related to this policy that:

[English]

" Having regard to the need for stable policies, the duration of the new policy will be five years, that is, the whole of the Eighth plan period."

[Translation]

Further it is said in it that

[English]

" The fundamental feature of the new policy is freedom. It substantially eliminates licensing, quantitative restrictions and other regulatory and discretionary controls. All goods may be freely imported and exported, save for two Negative Lists. The Negative List of Imports and the Negative List of Exports place restrictions on the import or export of certain goods."

[Translation]

My submission regarding this policy is that, there are certain things in this policy, for which we have ourselves been making demands. But there are many other things in it which can not be accepted easily and which are not appropriate today.

The Bhartiya Janta Party is of the opinion that licence, quota and permit system should be abolished and as much facilities as can be given should be given and this policy is framed accordingly. I would like to submit that first of all the hon. Minister should assure the House that this policy will last for 5 years and it will be implemented properly for 5 years and will not meet the fate the earlier policies have met. I feel that the hon. Members of the House might be knowing that once the Government had said that it was going to effect devaluation of the rupee. It might have been the compulsion of the Government. There might have been some economic difficulties but devaluation of the rupee was once again effected after some time. I could not understand the reason, for it, the economic compulsions were not so severe but devaluation of the rupee was effected for the third time, therefore, I would like to know that whatever has been said in this policy / document, will be implemented till its full term.

Now there are certain things involved in it. Till now our foreign trade was dependent directly on the U.S.S.R. Still we are not fully free from it and as such I want to know that our business terms and contracts with that country which have been signed by the Government or by the exporters are applicable in the same condition, since there is a big gap between the exchange rate of rouble and rupee. The business contracts have also suffered due to that. I want to know the extent of its effect on our exports and what is our position today? We used to export leather goods and other goods to that country and an easy market was available to us but I would like to know whether we have discovered some new market or entered in it just to fill up the gap? What can be the new markets? As I have said just now as to what is the present position of the contracts signed by exporters.

Since the Government has said here many times during discussions that our policies should be open and the openness will be of such kind that every one will reap

benefit from it. I want to know whether it is possible that in order to implement this policy the Government may give so much priority to the import of consumer goods falling under the category of luxury items that our own production is affected adversely. This doubt is not baseless. I would like to know from the hon. Minister in the context of openness of this policy as to what are his arguments to allay the fears? What is the position of export of tea, coffee, spices, jewellery, engineering goods and leather goods? I can understand if we have to import technology of other other such items which we cannot produce but import of luxury items is certainly not good for us. The import and export should be of the order from which we can derive some benefits.

[English]

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): Consumers goods are under restraint. Consumers goods are prohibited under the new Export-import policy. The factual position is that they have been placed under restraint. Since you said it twice, I thought I should interrupt. Consumers goods are under restraint; we are not allowing consumers goods to come.

[Translation]

DR. LAXMINARAYAN PANDEYA : In this very context, I would also like to know as to what role is left now for the M.M.T.C. and S.T.C. as the Government has fixed limits of various canalised items under this new policy? The items which the Government used to import through M.M.T.C. and S.T.C. or receive or exchange have virtually been decanalised.

The Government had also said that it would reduce expenditure. To what extent that reduction has been made? What is the impact of this reduction? Is it the only work left for the S.T.C., as is generally said that no work is left for the S.T.C. now and the only work left for it is to go to the embassies here buy their vehicles and again sell them in the

market? If so, I understand that a rethinking should be given to its formation and utility.

It is true, just now the hon. Minister has said about the consumer goods. But I know that there are still a number of items which may certainly not come under the category of consumer goods but today these are used as luxury items and even today those items are being imported, the Government can not deny it. The policy, is being called export-import policy but main thrust is given to export only. In fact, it should be the approach. But I would like to know whether the Government has ever taken the State Governments into confidence on the export issue? Various State Governments want to extend help to the centre in export promotion. The position of foreign exchange is almost nil with State Governments. Is the Centre creating a situation under which the State Governments which come forward to make export will be provided hundred per cent assistance to boost their export. This will not only benefit the Central Government but also help the State Governments to improve their condition. As per the present practice, the State Governments do not make any contribution to export. If the State Governments are taken into confidence, the export will definitely increase. It will help increase our foreign exchange reserve and lessen the foreign debt burden. The Government should think over it, and set up Export Promotion Council in each State. Policy and documents are administrative matters and there are also policy directives. These papers have been published by the Chief Controller of Exports and Imports. They take a decision on this policy. The Government knows better about the legal validity of the rights granted under the policy. But doubts have been raised on it on several occasions. I would like to know whether the Government would provide security to exporters who had signed contracts on this ground. The export houses made export after receiving certificates. As per situation prevailing earlier the export limit was fixed at Rs. 2.5 crore and later it was raised to Rs. 3 crore. How will the exporters cope up with the increase? Will some relaxation be given to them on this

[Dr. Laxminarayan Pandeya]

contract? What is its present position? What are the future prospectus of export of Indian products? What the development council is doing in this regard? I would like to know about all this. While discussing this policy, reference have also been made to Dunkel's proposals, on several occasions. I do not want to go in to their details but those will certainly have some impact on our trade policy. Earlier also, it has been discussed many times. What is the position in regard to Dunkel's proposals? What are we going to do with them? What are we thinking about them? How far have we discussed them? Have we formed a definite view about them or not? I have a newsitem of 14th April of Reuter, which I would like to read out :

[English]

" Geneva- Would trade negotiators gave a glum assessment on Monday of the Uruguay Round of trade talks, still paralyzed by differences over farm subsidies 16 months after they were meant to end.

Arthur Dunkel, the head of the General Agreement on Tariffs and Trade, told delegates to the 108 - nation talks that there was a " wide spread perception" that the discussions on lowering tariffs and bringing services under free-trade rules were " losing momentum".

[Translation]

What is its present position. Doubts have been raised here that we accept them without any consideration. Our domestic trade will be affected. The arrival of multinational companies will also effect our trade.

Which are the countries which have opposed the Dunkel 's proposals? I would like to know as to how far India is prepared to accept or deny the special provisions of DDP while almost all the countries differ on them. What will be the situation if trade is done

directly with other countries? As a member of G.A.T.T., where do we stand?

The parts of Dunkel's TRIPS provisions which deal with protection of copy right system are more simpler. In this context, the present Indian Copyright Act and Trade Mark Act are quite different from Dunkel's proposals. But the controversial part of TRIPS is in regard to protection of patents. Under the existing Indian laws, only procedural patents exist. Production patents are not included. I would like to know from the hon. Minister if these two points will be included while signing Dunkel's proposals. Our trade policy should be long term and stable. The Government is not showing as much concern to those Dunkel's proposals as it should have. These points should be pondered over seriously. The Bhartiya Janata Party is always giving importance to it that the quota permit system should be abolished and there should be a system of free trade. Export oriented units should be provided basic infrastructure. Besides, the import should be streamlined in such a way that only those goods should be imported from foreign countries which are most essential. If the commercial production of the business sector is import oriented, then it will have to bear the extra burden. There is a need to prepare the balance of trade on the basis of individual units. Quality should be given special recognition in export. One crore 20 lakh Indians living in 100 other countries save nearly ten billion American dollars per annum. Every effort should be made to fetch 10 per cent of this amount through attractive schemes. Besides, the Government should make all out efforts to set up industrial units by N.R.I 's. The Government should meet the requirements of non-resident Indians so that they can invest money here. Such an atmosphere should be created.

As regards the basis on which I have supported it, I would like to say that it is a new policy and a new experiment. If it is implemented honestly then definitely it will be successful to some extent. The hon. Minister should give answer to the doubts I have expressed and the questions I have put

about B.O.P. trade with other countries and the Dunkel's proposals.

With these words I support the cut motions given notice by me. These are very important, practical and should be accepted by the hon. Minister.

SHRI MADAN LAL KHURANA (South Delhi): Mr. Chairman, Sir, I have just come from the site of bomb blast which occurred at Naya Bazar today morning. The casualty figure is expected to be 40-50 and many people are still buried under the debris. I had accompanied the minister of Home Affairs. Will he make a statement on that today? I had raised this matter in the morning, also and I had demanded a statement from him. I, therefore, request you to find out from the Government whether a statement would be made today or not, as the situation there is very serious. The dead bodies are being taken in handcarts used by sweepers. No relief is being provided, other wise many precious lives could have been saved. Till now such a serious tragedy has never occurred in Delhi and I had demanded a statement on that. I request you to just ask him whether he will make a statement today or not?

[English]

Mr. CHAIRMAN: I am sure, if you had raised the point in the morning, the Government must be seized of the matter and as soon as the situation clarifies, I am sure, the Minister will make a statement. But as you yourself said, Shri Khurana, the situation is still confused. So, they must be seized of the matter and they must be taking appropriate action and as soon as the situation clarifies, I will bring it to the notice of the Government and the hon. Speaker, that a statement should be made on this issue, as soon as the Government is ready.

Now Shri B. Akber Pasha.

SHRI B. AKBER PASHA (Vellore) : I have come forward to support the progressive economic measures of the Commerce

Ministry as also the balanced Budget. Though the Budget is related to the Ministry of Finance, there is a close link, and cooperation with the Commerce Ministry.

For two dreadful years December—1989 to June 1991 when Shri V.P. Singh was in power the foreign exchange reserves dropped from Rs. 6000 crores in Shri Rajiv Gandhi's days to under Rs. 2500 crores and that too after a massive assistance from the International Monetary Fund. It is this Government headed by Shri P.V. Narasimha Rao assisted by a band of efficient Ministers like Dr. Manmohan Singh that saved us from humiliation and disaster. The foreign exchange reserves have now exceeded Rs. 18000 crores after redeeming the gold pledged by Shri Chandra Shekhar's Government. The Government of Shri Narasimha Rao deserves all appreciation and abrobations.

I would like to bring forth a few points and observations for the kind consideration of the hon. Minister of Commerce:

While a liberal export policy has been talked about, two items, namely, rough granite and finished leather were singled out and a duty of 10 per cent was imposed on the export of these items. Both these items are produced in the South, from where I come as also the hon. Minister.

Talking of rough granite, 20,000 cubic feet of rough granite is exported from our country every month. If these things have to be fully finished, the industry will have to invest Rs. 10,000 crores as fresh capital. It will require 440 Megawatts of power and an enormous amount of water also. The handling of polished granite will also require sophisticated machines like vacuum machines, etc. If the idea is to earn more foreign exchange than the import, infrastructure need is not yet in place. Dropping or reduction of export duty on this item may be considered.

Coming to finished leather, I know fully the prevailing conditions in this industry as I happen to be the President of the Tanners'

[Sh. B. Akber Pasha]

Association and as I am also, a leather technologist.

The Tanners especially in Tamil Nadu were mainly exporting crust leathers like E.I. leathers and wet blue leathers. As the policy of the Government changed in early 1970s They diversified their production to fully finished leather in the course of fifteen years. This involved huge capital investments in machines machines mostly imported. The Government later adopted a policy of encouraging value added items like shoes, shoe uppers, gloves, garments, etc. and gradually withdrew the incentives given to finished leather exports. I should say the results were commendable and remarkable. In five years' time the export of finished leather have come down from 71 per cent to 29 per cent and correspondingly, the export of leather products have increased from 29 per cent to 71 per cent. All this had happened in a short span of five years, which I should say is very remarkable. There had been, consequently, a steep increase in export value also. In the year 1990-91 the export earning of leather and leather products reached Rs. 2, 600 crores. This figure is before devaluation. Last year, it exceeded Rs. 3,000 crores.

The small tanners have the difficulty for further capital investments required to convert their finished leather into value added items, but they are in the process of conversion and require time to do that. The export duty of ten per cent will be a burden on the small tanners who are already experiencing a stiff competition from the product manufacturers in the raw market. The proposed duty of 10 per cent may be given up so that the small tanners also exist as otherwise the big giants, I mean the big tanners and the multi-nationals, who have come into this line of business, alone will survive and the smaller tanners will disappear.

I have been receiving representations from people exporting to East Europe to take up the matter here, Sir, that the exports to

RRA are receiving a stepmotherly treatment compared with GCA.

In the last year Budget the devaluation in two dozes on 1st and 3rd July 1991 and simultaneous withdrawal of Cash Compensatory Support and Rep. Licence were compensated well for the GCA exports. The RPA exports have to forego the CCS and the Rep. Licence which they were getting till then, and did not get the devaluation benefit. For both GCA and RPA the raw material is same; the price of procurement of the raw material is the same; the cost of labour is the same; the cost of chemicals are the same; the overheads are the same and they work under identical conditions.

Again in this year's Budget, the partial convertibility of the export proceeds -40 per cent on official exchange rate and 60 per cent on market determined rate are affecting the RPA exports. I read in "The Economic Times" some time back, in as much as, now the contracts with Russian Republics were signed on 22nd February 1992, that negotiation of prices and raising of invoices by both sides will be in U.S. dollars, the benefit of partial convertibility will be passed on to East European also.

I welcome any progressive policy and measures by the Government but there should not be any discriminations.

I presume this discrimination was created in order to compress the Rupee exports. In the last meeting of the Constitutive Committee of the Commerce Ministry where in I happens to be a Member, the hon. Minister said that he wanted to compress Rupee exports to the extent of 25 per cent but somehow the compression has taken place to the extent of 50 per cent. He had given the figures month-wise. It had been 50 per cent and more for the last nine month. This had put the Tanner-shippers and product manufacturers in RPA to great difficulties. They cannot change over to West immediately. It requires one or two years for marketing. This period is enough to make the companies sick. This is a labour oriented

industry and they are mostly Scheduled Castes and scheduled Tribes and depressed classes working in the factories and as far as shoe factories are concerned, perhaps 80 to 90 per cent of them are ladies, mostly harjans. I humbly submit that the hon. Minister has the power to compress the RPA exports to 50 per cent and more overnight but it is not possible to create a production worth Rs. 600 to Rs. 700 crores overnight. Any policy or measure should not be aimed to kill the existing industry.

I request the following for your kind consideration :

1) Interest on delayed reimbursement : Payment from erstwhile USSR, though advised to the Banks of the exporters, were not released to the exporters from 27 th December, 1991. Consequently the exporters had to suffer heavy financial losses including payments of penal interest. It is requested that the Government kindly consider reimbursing this interest amounts to the exporters. It is no fault of theirs. The money had come to India. It was not credited to the has respective account of the exporters for some days.

2) The Government had allowed exporters to retain 15 per cent of FOREX. I request the Government that it should allow exporters to retain 30 per cent of foreign exchange earned by them for their own use instead of 15 per cent.

3) I also request the Government to do away with 15 per cent foreign exchange tax. This will help wipe out the havala or unofficial foreign exchange net work once and for all.

With these few words, I support the progressive economic measures adopted by the Ministry of commerce.

SHRI BASUDEB ACHARIA (Bankura) : I beg to move:-

" That the demand under the Head Department of Commerce be reduced to Re. 1/-"

[Failure to stop the process of winding up of different departments under the Ministry.] (1)

" That the demand under the Head Department of commerce be reduced to Re. 1/-"

[Failure to reject the Dunkel Draft on trade negotiations.] (20)

SHRI HANNAN MOLLAH (Uluberia) : I beg to move :-

" That the demand under the Head Department of Commerce be reduced to 1/-"

[Failure to reject Dunkel proposal entirely.] (3) " That the demand under the Head Department of Commerce be reduced to Re. 1/-"

[Import of wheat from U.S.A. / (4)

SHRI BHOGONDRA JHA (MADHUBANI) I beg to move:-

" That the demand under the Head department of Commerce be reduced by Rs. 100."

[Need to reject the Dunkel proposals which will adversely affect agriculture, research and foreign trade.] (13)

" That the demand under the Head Department of commerce be reduced by Rs. 100."

[Need for completely stopping the import of luxury goods and machines.] (14)

" That the demand under the Head Department of Commerce be reduced by Rs. 100."

[Need to ban the imports of good and machines which India is producing or is producing or is capable of producing.] (15)

SHRI KASHIAM RANA (Surat) : I beg to move :-

" That the demand under the Head Depart-

[Sh. Kashi Ram Rana]

ment of Commerce be reduced by Rs.100."

[Need to establish office of Deputy Chief Controller of Imports and Exports at Surat as early as possible.] (20)

Dr. LAXMINARAYAN PANDEYA (Mand-
sour) I beg to move:-

" That the demand under the Head Depart-
ment of Commerce be reduced by Rs. 100."

[Need to ensure participation of State
Governments in the Implementation of
Export policy.] (26)

" That the demand under the Head Depart-
ment of Commerce be reduced by Rs. 100."

[Need to issue a White Paper on Export
Policy.] (27)

" That the demand under the Head Depart-
ment of Commerce be reduced by
Rs. 100"

[Need to give a specific assurance to
implement the import-export policy.]
(28)

" That the demand under the Head Depart-
ment of Commerce be reduced by Rs.100. "

[Need to take concrete steps for boost-
ing of exports.] (29)

"That the demand under the Head Depart-
ment of Commerce be reduced by Rs. 100.
"

[Need to adopt price-based competitive
measures in our import and export pol-
icy.] (30)

SHRI HANNAN MOLLAH : Mr. Chair-
man, Sir, as you know, the world Bank have
advised to the other countries that reform
should begin from the trade policy. So, the
Budget, at a stroke, slashed about Rs. 2000
crores import duty, about ten per cent cut in

our national exchequer and this is a begin-
ning. But the question is could our industry
stand the fall out of this reform?

Raja Chellaiah Report indicated that
there will be 50 percent reduction of general
tariff in coming two or three years and an-
other 25 per cent by 1999. Now, what is the
capability of our industry? About forty per
cent of the total domestic product of our
country gets highly effective, that is, about
70 per cent protection at present, while 56
per cent gets medium protection. About 53
per cent of our gross fixed capital investment
falls in highly protected category. About 33
per cent of our industries would be in jeop-
ardy if we fail to restructure the chemicals
and petrochemicals industries, immediately.

In the above background, if we examine
our export import policy, we will understand
the difficulties that we may face in the com-
ing days. In July, 1991, when the Commerce
Minister took over, he announced the new
Import- export policy framework. He abol-
ished Cash Compensatory Scheme and
introduced Exim scrips with high premium,
which would be tradable, with 30 per cent
Exim Scrips F.O.B. value. You simplified
procedures, such as, advance licensing,
easy procurement of imports and exports,
etc. You also declared that by this policy
framework, India's total exports would go up
by 13 per cent and there would be nine per
cent growth in dollar terms. You did it in spite
of the trouble in Eastern European Market
and later on the disintegration of the Govien
Union and the entire region, in spite of the
unprecedented recessionary trend in the
world trade and very high rate of domestic
inflation. These pictures were before you but
in spite of that, you announced thirteen per
cent growth and nine per cent growth in
dollar terms. The Minister has said that India
is a small player in the world trade, with only
0.4 per cent share in trade. so, these factors
will not affect much of our trade. Therefore,
you expected nine per cent growth by liber-
alised trade policy, despite all these distur-
bing developments in the international trade.

But now what is your performance? For

the first time, the Commerce Ministry's Report does not talk about total exports. You have cleverly split the GCA and RPA exports to mislead the people and the country. You said: Due to serious problems in Eastern Europe, we have serious set back in our trade. But in spite of the disturbances beginning to show their head in the region, you were sleeping. You did not initiate any alternative measures. When the disaster came, you are taking shelter behind it now. What steps you should have contemplated at that time and why you failed to judge and take precautionary measures, you have to explain now.

Secondly, you are talking of six per cent growth in dollar terms in GCA export. But there are over 47 per cent losses in RPA export. If you combine both, there is a big deficit. Why are you concealing this by giving ambiguous argument's? Your claim of six per cent growth is also a misleading story. Can you give the figures of such supply these figures. In the Report you have said that there is six per cent growth in dollar terms in GCA in 1991-92 over 1990-91. But I want to know what was the rate in dollar terms in GCA exports in 1990-91 over 1989-90 or 1989-90 over 1988-89 and so on for the last five years. My information is that there was about ten per cent growth in dollar terms earlier but now you are talking of six per cent growth and you are talking of very great achievement. So these are all misleading jugglery of figures. This is one question I put before you.

Now I come to the Major commodities for export. Gems and jewellery and diamonds and the dominant export items for India. But this also has registered a negative growth last year in dollar terms. As the main takers of this commodity are U.S.A., Japan and E.C. countries, the recession in these countries is responsible for our loss of earning by export of gems and jewellery. As there is no bright sign of recovery in those countries, I have every doubt that we may not have much growth in the export of these articles. If the major exporting commodity fails to earn more, what impact would it have

on our total growth of trade? It is not difficult to imagine.

India lost its position as the largest supplier of unfinished shoes to U.S.A., to the Dominican Republic. There is a campaign that the Indian shoes contained some danger of cancer for the users. If it is not met, we may lose our market further. We also lost to Sri Lanka our tea export and earning on that count has gone down. These are some areas of grave concern.

Here again you have concealed one thing. Behind the 6 per cent growth in G.C.A. as we have seen negative growth in gems and jewellery trade, the main contribution to that growth is of export of agricultural commodities. In the Economic Review and also in your Report, you have mentioned about the 'zero' growth of agricultural products and - 0.89 per cent - a negative growth - in industry last year. But in spite of zero growth in agriculture, there was 15 per cent increase in agricultural export. Due to severe drought, the agricultural growth was - 0.89 per cent in 1987-88 and - 4 per cent in 1988-89. But in spite of that, the export of agricultural commodities was between 15 and 24 per cent of total export if I am correct. So, your income in dollar terms in G.C.A. export that year was not for your traditional export, but to some extent, for agricultural export. When you are insensitive to the needs of common people and fail to supply agricultural products to your domestic market you are selling it abroad, instead of increasing the industrial export. This is also a dictate of the I.M.F. The developed capitalist countries want us to remain perpetually raw-material supplier to them. They still take some agricultural products and force on us their industrial products. This is the policy of U.S. and E.E.C. countries to keep us backward, and we are pursuing the policy which is detrimental to our advancement. So your trade policy was faulty and is on a weak wicket.

You have now announced your new trade policy and exim policy. We find that the objectives have been changed. Now self-reliance is not your prime object - it has been

[Sh. Hannan Mollah]

relegated to the fifth place and that too with certain conditions such as 'under de-regulated frame - work for foreign trade'. Self-reliance is not your first objective. It is your fifth objective. You are now vomiting the terminology of the World Bank and I.M.F. Your new-found love for the so-called 'globalization', 'integration with world market' and 'market friendliness' etc. are spread in every page of your documents. These new 'jargons', dictated by external agencies.

Dunkels and Hills, are your new 'mantras' of trade. this is the situation you are leading to.

Now the question is why the government scrapped the earlier scheme. I want to know the reason. With much fanfare you have announced the scheme of exim scrips. It was to increase exports. Even three days before placing at General Budget you in Consultative Committee scrips meeting emphatically told that exim scrips is very success full and it will continue. But after three days your Finance Minister scrapped it in the Budget. Why? You scrapped it as it did not yield the desired results. You have now announced partial convertibility, which gradually would lead to full convertibility and also announced host of negative or restructured export-import policy. But how do you expect that your export would grow in GCA when one of your main importer, USA is implementing severe protectionist policy? Due to their policy, even major industrial countries are facing trouble. In your textile export to USA, how would you take the full advantage of export? In USA election campaign, the main issue is protection for US economy. Even Japan is restricting import of textiles. So, your expectation is based on hypothetical desire which may prove bleak in the end of the year. I hope your attention has been drawn to Human Development Report of this Year. HDR 1992 published for United Nations Development Programme points out that when developing countries are liberalising and opening their economies, the industrial countries are increasingly

closing theirs. twenty out of twenty four such countries are more protective today than 10 years ago. The report also accounted for the potential cost of denial of global market opportunities to developing countries which is ten times the amount of foreign aid.—

In this context, I want to know what is your strategic trade policy. You are going on with adhocism. While USA declared that they should identify their exportable and importable commodities and locate the present and probable market and gear up policies to expand their trade and implement strict protectionism, they call it strategic trade policy. Have you got any strategy in this regard? The idea of liberalisation of trade was borrowed by you from the USA while they are throwing it away and going in for protectionism.

So, your liberalisation will prove disastrous. India is an 'import-hungry' economy. Whenever you have liberalised, in eighties you can remember, only import grew up and trade deficit increased. Now by this policy of giving up restriction and squeezing of negative list, you will invite only dumping of foreign garbage in our market and eventually our import bill would shoot up further and all our expectations would be belied. Already the Commerce Secretary said that it would not be easy to check dumping. So, what we expect?

I want one clarification. You are talking of import for export. One of your main aim of 'import liberalisation' is to give boost to our exports. But facts speak otherwise. There is very little relationship between private sector import and export. The Customs house report says that many big importers are foreign exchange losers. A study on the basis of Delhi Trade Register shows that the top 4, 455 importers accounted for 87 per cent of Indian imports by the private sector like Birla, Tata, JK, Singhania etc. But the list of export shows that small size consignments held a relatively larger share in the overall export. Many of the big companies do not figure in the exporter list. Major export comes from low technology sectors like diamond, gar-

ments, leather etc. Machinery is much less, even jute and textiles are also not in huge quantity. So, increasing imports for the purpose of stimulating exports is not a valid proposition as you are arguing today. 85 per cent of Tata's export is leather goods and not machinery. Then, automobile sector is allowed heavy imports, but what is their export? The electronic industry is allowed massive import, but their export is negligible. Videocon imported goods worth Rs. 88 crores but exported only Rs. 5.5 crores of goods. This is the reality.

The export of our country for the last several decades could meet only 70 per cent or less of our import bill. Our share in the world trade is continuously decreasing. In 1950, India ranked 16th exporter-country but today we are 43rd place. This shows that our import bill always eats up our export earning causing serious trade deficit and BoP problem. On the other hand, the import-compression is shown as the cause of a fall in export, thereby export earnings causing again the trade deficit. So, this vicious circle is always there due to the wrong understanding of the Government in regard to their trade policy itself.

I come to edible oil import, We occasionally go for huge edible oil import. I want to know from the hon. Minister the policy in this regard. In 1989-90, we imported only about 70,000 tonnes of edible oil and that met our requirement. No complaint of shortage was raised. But the officials claim that we have a shortfall of one million tonnes of edible oil. If that is so, how had we managed in 1989? It shows that the inflated shortfall is reported and it has the consequences in the internal market. I want to know from the Minister whether there is some things fishy about unnecessary edible oil import and damage to our foreign exchange reserve.

Devaluation and partial convertibility will also create further devaluation. The Finance Minister has announced the liberalised exchange rate mechanism system in phases and partial convertibility is a step towards that which would eventually lead to full con-

vertibility. But in essence it is devaluation. I think, while replying the Minister may clarify the position.

Regarding GATT, the correct policy should be taken. I request the Government that while dealing with GATT, the economic sovereignty of the country should be kept intact and should not be surrendered before the advanced capitalist countries, especially in the GATT negotiation. They should not do in any way which would endanger the national interest in the international trade.

With these words, I may say that the policy which the Government is following is not the correct policy. It is following a wrong policy on many accounts. Therefore, I oppose the export-import policy, the trade policy and the Budget proposals also.

SHRI SYED SHAHABUDDIN (Kishanganj): Mr. Chairman, Sir, the highlight of the year is what has been called the Trade Policy Reform. To the extent it is a procedural reform with simplification of the trade procedures, delicensing of the system and unshackling of the trade process I am sure all of us would welcome it. Therefore I begin with a word of welcome.

I still await the report of the High level committee on the subject constituted by the Government I would like to know from the hon. Minister, when the report is expected.

I have been dealing with trade in my career. I have been a Commercial Representative abroad. I must state that it is rather easy to juggle with trade figures and play with the statistics and more so, when you have an evolving situation, with devaluation and re-valuation and changes in the entire trade pattern. It is very easy to produce a picture and create an illusion which is quiet distinct from reality. But I am also conscious of the fact that many changes that have taken place on the global scale were certainly not within the competence of the hon. Commerce Minister to control. Therefore, for the adverse impact received by the Indian trade, certainly I cannot hold the Minister

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responsible I certainly believe that he would protect our interests as vigilantly as he can.

I hope that with the liberalisation that we are talking about, India shall not become a dumping ground for nonessential consumer goods, and for second grade goods. I am sure that the Government shall see to it that there is some degree of continuing control on the quality and on the need for particular imports

We have taken a few steps for promotion of exports I am not one of those who plead for subsidy for exports I am fully aware of the fact how export subsidy has been mis-utilised But I would certainly plead for something that in any case the exporters must have the full support of the banking system and it is the duty of the Commerce Ministry to ensure that due credit facilities are ensured for the exporter, not only for those who are already established into the stream He can persuade his Finance colleague to do the needful

There is another item on which he needs to speak to the Finance Minister and that is the question of export duty I am told that our potential for export in a number of important fields is likely to suffer because of enhancement of export duty I am not in a position to go into the details But I would like the hon Minister to review each case for enhancement of duty in consultation with the Ministry of Finance and see to it that our competitiveness in the world market does not suffer on account of imposition of the export duty

There is also the other possibility that arises out of the unshackling of the trade There are many gaps in the trade There have always been Trade has been a conventional playground for crooks I am aware of the system of under invoicing the exports and over pricing the imports This is something, I hope, the hon Minister shall be conscious of and he shall see to it that some machinery is involved either at the FERA level or in consultation with the Reserve

Bank of India, to ensure that every trade consignment either import or export, does not involve any under-invoicing or overpricing.

I also welcome de-canalisation particularly about the exports of some of the items which are not really consumer items I always wondered why the newsprint was canalised. If newsprint was available in good quality and sufficient quantity within the country, it will automatically control the market I am sorry to inform you that despite canalisation and oft-repeated promises that the price will be brought under control, in fact, the market has shown no impact at all and the price of the newsprint in the country today is as high as it was a year ago

I would therefore like the hon Minister to see to it that the benefit of these liberalisation measures really go to the consumer particularly to the small consumer who is not getting it

There is also one thing about the statistical system of the DGCIS I am happy to know that the system is being computerised Once upon a time I used to believe that if there was one Department in the Government of India which needed to be abolished altogether, that was the Directorate General of Commercial Intelligence and Statistics The reports you got from them were at least a year or two late and, therefore, they serve no useful purpose at all except perhaps a historical purpose Therefore, I hope the once they are computerised, the statistics of foreign trade shall be available to the Ministry as well as to the academicians as well as to the trade and to the public at least one month to month basis and shall not be more than two months delayed under any circumstances Sir, the Ministry of Commerce has to ponder over a fact that was just mentioned by an hon colleague Why is our ranking going down in terms of world trade? That means that the expansion of our trade is not keeping in a step with the expansion of the world trade In fact, at one time, if I recall the figure, the Indian trade used to constitute roughly one per cent Then, there came a time when it became 0.5 per cent Now, I

believe, for a certain number of years, it has even touched the lower figure of 0.3 per cent.

MR. CHAIRMAN : How much? Is it 0.2 per cent?

SHRI SYED SHAHABUDDIN: It is 0.3 per cent of the total world trade . It is 0.3 per cent now, I think.

MR. CHAIRMAN: I am only asking for information.

SHRI SYED SHAHABUDDIN: My information is that it is around 0.3 per cent of the total world trade . Therefore, it is a matter of concern. It is a matter of concern for more than one reason the important reason being that a country which commands only 0.5 per cent or 0.3 per cent of the total world trade is not in a position to have any meaningful impact on the course of international trade negotiations. That brings down our weight. That constrict down the role that we can play in the world affairs, which we have been playing for quite some time.

There is another aspect that I would like to mention here very briefly. The question is: What is the content of our exports? There have been figures. I do not have the time to share the figures with you. But we export agricultural commodities; we export non-renewable raw-materials like ores and minerals; we export semi-manufactured and manufactured items. That being so, we had expected that the share in export of our manufactured and semi-manufactured items would be continuously rising. Unfortunately, of late, there has been a reversion which means a reversion to the colonial period, to the colonial pattern of trade, that is to say, India is once again going back to the era when our major role on world trade would be as suppliers of raw-materials and primary commodities. This should not be so. I think that needs to be checked from year to year and we must ensure that our share, and the share of semi-manufactured and manufactured items in our trade go up and the latter does not go down as our trade increases.

Then there is this problem about the trade gap. The hon. Minister will explain to us about the reason for bifurcating the system of information in to Rupee-Payment Area and the General Currency Area . I will leave it to him to explain. But I am aware of the special problem created by the barter trade or what has been called the Rupee Trade which has collapsed. Of course, of late, the Government have taken steps to revive that trade. I am absolutely certain that it is not going to reach the same level because with special problems there were also special facilities. I am not sure whether we are going to continue to enjoy those special facilities. Therefore, I would like the hon. Minister to tell us what is his panacea for the switch-over from the Rupee Payment Area to the General Currency Area .

I fully recall his explanation in this House about the need for a compression of imports and expansion of exports. I am aware of the fact that compression of imports has its limits because if we look at our import bill, you will find that there are certain essential things which we simply cannot do without. Whatever is payable in the international market, we have got to pay. Therefore , that emphasises that we have got to work out our trade strategy in a manner that those countries with whom we can build up our exports, the commodities is which we can, perhaps, have a better exports performance , receive special, we must fully attention. That means that there has to be an item-wise analysis of the potential of those items in which the trade shows a fall and of those markets in which our exports show a fall. Special attention we must be given to find out the reasons for deterioration in the exports of those items and in our share of those export markets. Something must be done immediately to see to it that the trend in our favour goes up.

I would like to say a word about the direction of our trade. We always pay lip-service to the concept of solidarity of the Third World and more so to the need for expanding our economic relations with our immediate neighbours in South Asia . But

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unfortunately when we look at the figures here, we seem to follow the old established pattern. I wish that the hon. Minister in his report had given us a clear picture about how our trade in the SAARC region is faring. And how our trade with the third world, whose interest we share, with which we identify ourselves, and whose battles we are supposed to fight, is faring. We speak of South Cooperation. We have signed many a declaration. But my general feeling is that the share of our trade, the place of the South in our trade, place of our immediate neighbours, in our trade, is extremely low. There may be very objective reasons for it. But I would like to know from the hon. Minister whether the problem has received his due consideration and whether anything is being done to raise the level of our trade in the SAARC region, with other countries in the South Asian region and with the countries of the South.

I would like to come to the terms of trade. I do not understand the chart on page 124 of the Report which speaks about the unit value but perhaps gives us the total value. There is something to be said about the unit value of exports. We must ensure that whatever be the fluctuations of the currency the real unit value does not fall. And that, in fact, has not been brought out in that chart, if I may say so. And at the same time, we have got to see that the unit cost of our imports is not going up, that is to say, the other countries who are our trade partners who had export things to India, for whom now we have laid down a red carpet and opened the front doors, do not take us for a ride that the unit cost does not go up by reasons of some sort of an understanding among the major suppliers of those items. That sort of monopoly approach we have got to resist. Therefore, both these items must come out very clearly in the report and I hope in the reply of the hon. Minister, the unit value of export whether it is going up or going down in the case of major items of exports, and the unit cost of import, in the case of major terms of imports.

I have one or two more points. There is something said about the joint ventures. 245 units are said to be operating abroad - 161 operational and 84 still non-operational, but in the various stages of implementation. We are not told how many became operational during the current year; we are not told how many became operational during the current year; we are not told how many were initiated during the current year; how many new proposals with which we came into the year 1991-92 and how many of the old proposals with which we came into the year 1991-92 have become operational. Nor have we been told about the state of health of those 161 units which are operating - how much are they earning for us; what is our total level of investment in these operational units and what is our annual income, the resultant flow of profits and dividends into the country? I wish the hon. Minister would enlighten us on those aspects.

Similar questions can be asked both about the project reports and about the consultancy services. We cannot really bank on the cumulative picture. We have got to justify our existence from year to year and we have got to see to it every year that we make fresh efforts and achieve good results. Before I finish, I must come to the GATT negotiations. I reserve my detailed observations to the discussion that the hon. Minister has promised to the House before he finally signs on the dotted line, if he so chooses - which I hope he will not. We have all made. The basic points very clearly, there are one or two points that I would like to make. First, we should reject this idea of inter linking everything so as to ensure that cross retaliation measures must go. Trade is trade, patents are patents, investments are investments and they all follow their own logic. If any nations are pressing us on a global scale to have a global liberalisation, we have the right to ask: Then why not have liberalisation for the flow of technology, why not have liberalisation for the flow of manpower. After all, economic activities finally consist in the utilisation of raw materials, utilisation of capital, utilisation of technology and manpower. They are very clever. What they want

to export they say, "open your doors", and where we have the potential for doing something for the world economy, they adopt the shut door policy. Is that fair, Mr. Chairman? Therefore, our counter argument must be very clear. Either you delink all these aspect from each other or you really adopt a global policy in which everything becomes free. If the flow of capital is free, the flow of manpower should also be free and the flow of technology should also be free. In This context I would also like the hon. Minister to enlighten us a little about his discussions in UNCTAD and in Group of 77. These have been pillars of our economic diplomacy. And through these , we have been trying to hammer certain common platform which we design, which we have to design, for the rest of the third world.

And therefore, a time has come, that we must again take UNCTAD and Group - 77 more seriously and try to mobilise must public opinion. For example, on the Dunkel draft, you must try to see that the entire third world speaks with one voice that is shall not be led up to the garden path that it shall not be forced into mortgaging its economic sovereignty.

Since I mentioned to you that I have been a Trade Representative abroad, I know that our trade missions play a very useful role. And I do hope that the hon. Minister shall review not only their location but their strength from time to time, according to the needs of the situation. And if necessary, I am sure, the entire Parliament would be prepared to back him up in his negotiations with the Minister of External Affairs in trying to achieve a more effective, a more resourceful and a more productive economic and trade service that this country needs.

I am sorry that we have no indication of all these matters that I have talked about here in this report. And, therefore, with the report that we have, although I have the greatest respect for the hon. Ministers, who are in -charge of our Trade Relations, I have no option but to oppose the Demands for Grants.

SHRI PRITHVIRAJ D. CHAVAN
(Karad): Mr. Chairman, Sir, I rise to support the Demands for Grants of the Ministry of Commerce. The Trade Policy Reforms which have come in the form of three statements—the July statement, the August statement and the recent 1st of April statement—They are an integral part of the new economic policy package. In this policy, there is a change of orientation from an inward-looking substitution culture to an outward-looking export oriented culture. A policy of export led growth is to be followed.

The Trade Policy has substantially liberalised and simplified the procedures. It is evident that the policy is now a simple book of less than hundred pages as against what we used to have earlier three or four huge volumes of import and export rules. It is a very simple document. And it has been welcomed by everybody, cutting across the party lines.

This is a long term policy. It will be in place for a period of five years. We also have brought in a legislation in the form of Foreign Trade (Development and Regulation) Act which will replace the Import and Export Control Act, 1947. There is a clear shift of emphasis now. It is for the development of foreign trade rather than control of trade.

There are many innovative features in the policy. All goods except a small negative list of consumer items of conspicuous consumption, except these items, anything can be freely imported. Specially , the import of capital goods including second hand capital goods is now easy. There are special schemes for exporters. The imports under duty exemption scheme and the advanced licences schemes have been strengthened. We also have been promised that there will be fewer changes in the policy. The policy promises that there will be a quarterly statement of notifications as against hundreds of notifications which we have been used to getting earlier.

There is a substantial decanalisation Virtually, it has been done away with. Over

[Sh Prithvira] D. Chavan]

the last two years, starting with the previous Government, there have been some new features which have now been strengthened by this government. The new Board of Trade has been reconstituted. There is a cabinet Committee on Trade and Investment which is looking after all trade aspects. We have adopted fully the International Harmonised Trade classification which helps us to integrate ourselves into the global economy.

In reviewing the last year's performance, the trade gap was reduced primarily on account of severe import compression. The import compression was of the order of 25 per cent after this Government came in. The fact that there was a reduction of the trade with the RPA area. The export to RPA area was down by 42 per cent. A lot of people expected that there will be no increase in the export to CGA area. But the export to CGA area did go up even though by 6 per cent. It is not a very high figure, but there are indications that they will be at much higher levels in the coming years. Due to the severe import compression we had to pay a price and that price was the form of slowing down the rate of industrial growth. It had virtually come to zero per cent. The trade gap is now 1.5 billion dollars as compared to 1.62 billion dollars from April 90 to January 1991. This, in view of the disturbed economic, social and political circumstances prevailing in the previous two years before this Government took over, has to be considered a remarkable achievement. The most important policy reform of the trade and economic policy has been the elimination of export subsidies and their replacement by an instrument of EXIM scrip which themselves now have been replaced further by a system of partial convertibility of rupee. The liberalised exchange rate mechanism is in fact a dual exchange rate mechanism which will eventually lead to a full convertibility of rupee. This scheme is self balancing because imports are paid for and are regulated to the extent of exports.

For the first time there is a tremendous incentive for exports. There is an incentive to develop of world view, to improve our quality and to compete in a highly competitive global market as compared to the earlier era of a protected monopoly market created by an antiquated system of industrial licensing.

The EXIM scrip had a major lacuna. It did not cover trade in service remittances from Indian workers abroad, tourism income and the consultancy income. The system of partial convertibility has now covered that.

There have been some misgivings about the partial convertibility aspect among the exporters. Some people felt that the system of EXIM scrip should have been allowed to work for a year or so. The main advantage of this PCR system is that it removes a major impediment to the inflow of foreign investment.

17.03 hrs.

(MR DEPUTY SPEAKER *in the Chair*)

It sends signals to the international community about the seriousness of India integrate with the world.

global economy. On the PCR issue, I have a suggestion. The August 1991 trade policy statement which introduced EXIM instruments, had recognised that certain categories of items needed additional EXIM entitlement and these items were, marine product, agricultural items, electronic goods, drugs and high technology engineering items. The entitlement of these items was 10 per cent higher at forty per cent. The PCR regime does away with this distinction altogether. If in August we considered that higher entitlement was required for these items, how come in April next year we do not think it is necessary? I request the Government that the retention amount for the export of these items be increased from 60 per cent to 75 per cent.

In order to globalise and to increase our

export, we have to pay special attention to the infrastructure. In infrastructure we have to look at the modernisation of our ports. There is a tremendous congestion in the ports. We need to modernise them. We have taken some step; but we have to go to the international standards. The ships are held up at ports for inordinately time -two to three weeks. We have to speed up the containerisation of cargo; we have to improve our warehousing and storage; we have also to pay a special attention to market development and market survey abroad we have also to pay a special attention to the improvement of export packaging, to the technology of holding exhibitions and trade shows in India and abroad.

Trade Fair Authority of India and the Trade Development Authority are doing good work. But, it needs to be improved. TFAI has a very good complex in Pragati Maidan for holding exhibitions in Delhi. There is a need to have a similar complex in Bombay, which is the industrial and financial capital of India; and another complex is needed in South India in Bangalore.

Indian Institute of Packaging is doing a good job in creating export packaging. There is a need to have a branch of IIP in North India, particularly in Delhi.

The previous speaker has said a lot about the collection of data. I entirely agree with him. The collection of statistics and trade data is very important in today's fast moving economy. There is a tremendous divergence in the data from DGCIS and the figures that the RBI gives. One can understand if there is a little divergence, which is because of the delays for some data items to come in time. But, this divergence is increasing rapidly. This has to be looked into. Another area of concern is the delay in obtaining various sectoral trade data. Monthly trade notes still takes 30 days to come. The break up of commodities and countries nine weeks to come and the detailed volume takes more than eight months to a year. The Daily Trade Returns are computerised; but there is a need to inter-connect all the major

customs ports on a computerised data network so that the information is available instantaneously at Calcutta. I know that a large main-frame computer is being installed at Calcutta; but there is a need to have even the small land customs, E.P.Z.s and others to be computerised so that physical transmittal of these DTR data tapes is avoided and it really becomes a modern system.

Regarding trading blocks, India has to make an effort to create our own trading blocks. We have the SAARC; We have to try to create some sort of a common market within the SAARC. I know that there are difficulties. We do not trust each other; there are political differences with our neighbours and try to create regional groupings a sort of a common market. As a first step, we will have to explore the possibility of setting up joint ventures and counter-trade; we have to work for normalisation of relations with our neighbours including Pakistan Bangladesh. There is a need to enhance South-south trade.

The Government must resort to counter-trade in a big way. Today, 20 to 25 per cent of world trade is in the form of counter-trade. This is a highly specialised area for which expertise may not be there with us. But, we will have to create a specialised agency to work in the area of counter-trade.

The Government could even explore the possibility of collaboration with the leading western counter-trading agencies. This has to be explored to push and promote non-traditional items in the new market.

There are fears about dumping. We have to look at our anti-dumping protection, which our Customs Law gives us. New and fool-proof legislation will have to be considered.

There is no denying the fact that as a nation, we have done poorly in the world trade. Our total volume of trade is less than 0.5 per cent today. World power groupings are now based on economic trading blocks. The weapons of world domination have now

[Sh. Prithviraj D. Chavan]

become trade quotas, tariff barriers, cross-retaliation, dumping, countervailing duties, and voluntary export restraint. India can either choose to integrate with the global economy or we can decide to insulate our economy and isolate ourself. I would humbly submit that it is no longer possible to cut off from the world economy and become an economic island. The information revolution which is sweeping the world has made the world into a global village, and as the Prime Minister commented the other day, where can we hide in this global village? United States is no longer talking of free trade, but fair trade. Fair trade means a different thing to different people. U.S. are today the only military super-power and are using this unipolar reality to overcome their \$ 400 billion trade deficit. US and the capitalistic financial and trade organisations are exerting pressure on all the Third World countries including India to conform to their rules of the game.

The only way to protect our self-interest is to strengthen our economy, to have a positive trade balance. This can be achieved only through expansion of exports and certainly not through import compression.

Unfortunately in view of large agricultural subsidies in the Western world and ever-decreasing commodity prices, export of manufactured goods and services is the only way out.

There is a big question of debt versus equity. We have been looking for equity in the form of foreign investment and these steps are very very essential if we want to invite foreign investment, foreign technology, or to get into foreign market, which will come through foreign investment.

In conclusion, the main objectives of the trade policy are: to establish a framework for globalisation of foreign trade; to achieve international standards of quality; to streamline procedures, and reduce controls. This policy achieves all this.

We must remember that liberalisation is necessary but not sufficient for growth. Strict enforcement of these liberal policies is a must.

Sufficient attention will have to be paid to infrastructure development.

With these words, I support the policies of this Government and commend the demands to the House.

[Translation]

SHRI BHOGENDRA JHA: Mr. Deputy Speaker, Sir, we are discussing the Demands for Grants of the Ministry of Commerce. Today, the demand for liberalisation of our foreign trade policy and imports and exports procedures is being raised from all sides including the members of ruling party major opposition parties and prominent newspapers. They want his country to be an integral part of the global economy, of the international trade and commerce. And as one of the Members put it we should not remain isolated. All these factors are true to some extent. Even since independence, nobody has demanded that India should remain isolated, cut-off from the rest of the world. At the same time, there are ground realities on the basis of which the Commerce Ministry and the Union Government should formulate its policy decisions. Mr. Deputy Speaker, Sir, while taking policy decisions, we should not forget the fact that India is developing country and not a fully developed country and atleast it may be called a semi-developed country. Under the circumstances, foreign trade can either benefit us or harm us. What policy shall we adopt to accelerate the industrial development of the country, to earn valuable foreign exchange and what policy will help us in overcoming the crises being faced by the global market? This is a million dollar question.

Mr. Deputy Speaker, Sir, today the U.S. Trade Representative Ms. Carla Hills added a new dimension to its trade war with Japan by openly threatening it to open its market and also foreign companies to sell their

produce to the Japanese consumers. The situation has come to such a pass that U.S. President George Bush fell unconscious upon realising that the Japanese were not going to respond his appeal. Under the circumstances, one-sided demands for opening the market are being raised. The Indian market has always been open to foreign companies. But the conditionalities being imposed are causing alarm. We should be care fol lest we put at stake our national policy of self - reliance and things get detrimental for our developed and developing industries and they are relegated to the background. Through you, I would like to warn against the danger of adopting retrograde policies. Today, the would market is facing a depression. There is a crisis in the international market and on many issues there are differences between U.S.A. and Japan, between Japan and the European Community and of course differences persist between the developed and developing countries. We should therefore adopt such a trade policy under which we shall import only those items which will give a boost to our industries and export only those items which will accelerate our growth. At present, it is not the case. Even now, we are exporting iron ore to Japan and other countries. Why can't we develop the capacity to make steel and then export it? Will the Government gather courage to stop the export of iron ore and export the finished product (steel) in its place.

Similarly, Mica is found in abundance in Bihar and we export it worldwide. Mica cannot be the basis of heavy industry, as is the case with steel, but as a matter of policy, is the Government in a position to declare that instead of exporting raw mica, henceforth it would be exporting only finished mica products? There are certain things which are within our competence, which we can do, but don't do and we are yet to overcome our colonial market syndrome.

Similarly, it is being said that we have thrown open our doors to imports. Is it necessary to waste valuable foreign exchange on luxury items, which are dispensable? We

are proudly proclaiming about import liberalisation, a matter about which we should be ashamed of. Even now, I would like the Union Government and the Ministry of Commerce to reconsider its policies. Last year, we didn't have the trust and goodwill of the international market so much so that we had to mortgage our gold reserves abroad to overcome the foreign exchange crisis. Keeping the economic aspect apart, I am referring to the blow that our self-respect suffered. Will the Government therefore gather enough courage to take a decision to the effect that we won't import unnecessary items? We would not import those machinery and industrial goods, which are being produced in the country and which can be produced in the country. We will promote indigenous production and we would not export those raw materials, which are capable of being turned into finished products. We would export items to earn valuable foreign exchange and import items to accelerate indigenous production, thus there is a need to have a basic policy for the country in relation to the world. Our neighbouring countries are also backward in this respect and we can assist them in overcoming it.

Nepal is a friendly country. We have a free trade agreement with that country in many items, but recently during August-September, cloth manufactured in India, which is sent to Nepal with the permission of Octroi Officials, was impounded by the Bihar Police and the traders arrested because they didn't grease the palm of the police, yet the Government of India didn't take any corrective measures. I would like the hon. Minister of Commerce to take some steps in this regard.

Similarly, the Dunkel Proposals have sounded the warning bells. While on the one hand, GATT negotiation are taking place, on the other, the Dunkel Proposals, which the newspapers have termed as compromise with our national interests, are going to make an adverse and serious impact on our economy. The patent Laws were passed in 1970. At that time also, I was a Member of this House and the process of manufacture was

[Sh. Bhogendra Jha]

patented, but now we are being pressurised to patent finished products. This will result in deliberate restriction on the progress we have made in the scientific field whether it is in biology, medicine, agriculture, development of new seeds new plants and new germs etc. Thus the danger of slavery in the field of science looms large over our head. The Union Minister of Commerce has given an assurance that the Dunkel Proposals won't be accepted without the consent of Parliament, but it is my impression that our Foreign Secretary on his visit to the United States gave an assurance to Ms Carla Hills that India has started implementing the proposals. Without signing any formal agreement the Government has already started implementing their conditionalities, under which all subsidies in the field of agriculture, including seeds, fertilizers, would be withdrawn. They want Indian agriculture to be subservient to American agriculture. In the U.S.A. even today, grants and compensations are provided to farmers to destroy standing crops and here we are not prepared to provide grants to increase agricultural production. We are not willing to provide subsidised goods to our rural folk though the public Distribution System. Thus, we have started implementing those proposals slowly and steadily. I would like the hon. Minister to clarify whether he is prepared to resist the Dunkel proposals or not?

Mr. Deputy Speaker, Sir, the present day monopolists won't allow a repetition of the great depression of 1929. They will curtail their production as well as sales and sell their products at a premium and they will put the entire burden of inflation and depression on our shoulders. With this liberalisation, they will go for imports by bringing about stagflationary conditions in the name of open market policy. The anti-people policy of stagflation devised by the international monopolists envisages a situation where in inflation and stagnation go hand in hand, production is decreased and then prices are hiked to get more profit. This policy seems to stare us in our face. Therefore, I would like to

say that we used to have rupee trade with some countries but now it is on a decline. The Soviet Union has collapsed. Is the Union Government especially the Committee Ministry prepared to ponder over this matter? The contagious foreign exchange crunch will entangle us in such a manner that we won't be able to overcome it. Nobody bothers about the rupee. Bangladesh too has rupee as currency. We would like to have rupee trade, but is the Government prepared to make maximum possible effort in this direction, as a matter of policy or will we remain slaves to the dollar or pound? I would like the hon. Minister to give a thoughtful reply. Whether our currency is simply paper or is, it too which supports our economic policy. Gandhiji had said that with a few countries we could have barter system. Though every thing old may not hold good but some words are relevant even today. We need petrol from the middle east countries and they need foodgrains from us. Would efforts not be made to introduce barter system with them so as to avoid the pressure of Dunkel proposals and they threat of 301 which America is giving us and thereby making us captive

MR. SPEAKER: Mr. Jha, you have already taken enough time. Two more speakers have to speak and they are feeling unrest. You may please conclude.

[Translation]

SHRI BHOGENDRA JHA: In such a situation the pressure which America has put should be met as a challenge and trade with China which has assumed great value as a result thereof should be treated as a backbone of our commerce. If trade being carried on through different routes—mountain and sea—develops and trade ties between India and China strengthens the problem which is going to befall 125 under developed countries of the world in the shape of Dunkel, can be faced by us. In the common interest we can strengthen trade ties with America, Europe and Japan. By doing so we can increase the trade and become a vital part of the international trade and thereby save

ourselves from economic slavery.

With this a warning, I hope that the hon. Minister will give a satisfactory reply to my points on these policy matters.

SHRI KASHIRAM RANA (Surat): Mr. Deputy Speaker, Sir, my fellow members have said a lot about the Dunkel draft proposals and the hon. Minister has also given this assurance in the House that without taking the country into confidence, no further action would be taken.

This is such a proposal, such a draft which can have a serious effect upon the economic sovereignty of the country, and that is why the House can expect an assurance from the hon. Minister now that we are having discussion on the demands for grants of the Ministry of Commerce. We apprehend that the question of taking the House into confidence may be a farce and further action would be taken on this draft. Through you, I would request the hon. Minister to dispel the fears of people regarding this proposal.

A lot has been said about our new export-import policy and the trade policy. As far as simplification or liberalisation policy is concerned, we agree to this, but there should be a definite policy in this regard.

We adopted a policy then withdraw after a few months. As a result there is confusion in our economy. The result which we want to achieve are not achieved. Before the trade policy was declared we implemented the exim scrips, but in the Budget the Government withdraw them. Even today in the commerce Ministry proposals worth crores of rupees are pending. Repeated requests were made to provide guidelines for the exim-scrips but those guidelines have not been given till now. I therefore request that a definite trade policy should be made in this regard. The question of giving guidelines has not been decided yet, and if the backlog is not filled there can be a heavy economic loss to the nation.

Mr. Deputy Speaker, Sir, same is the

case with the issue of exports and imports. The country is madely rushing to earn foreign exchange. We are ready to accept everything. There are so many industries in this country, and they have so much potentiality but we do not pay attention to them. The diamond industry earned foreign exchange worth Rs. 6,300 crore during 1991-92. If the Government makes a suitable policy, gives incentives, then crores of rupees can be earned. The frequent changes in the policies by the Government and the interference of the R.B.I. makes the things difficult. I come from that region and that is why I possess complete information of that region. This industry has to suffer immense loss. I want to request that keeping in view the potential of this industry, we should benefit from it.

Similarly, the 1991-92 annual report on Handicrafts reflects that the growth has been 4-6 percent. Lakhs of people get employment through the handicrafts industry but, the Government is not paying any attention to it. We do not earn as much foreign exchange from this industry, as desired. The foreign exchange earnings have risen from Rs. 600 to 750 crore from the carpet handicraft industry. Imitation Jewellery and jari work industry are such industries that if goods are exported, we can earn a lot of foreign exchange. We have never thought about this. The implication of this is that there are such industries in this country, whether they are handicrafts industries, small industries, medium industries, if we exploit the potential of these industries, the country can earn a lot of foreign exchange. I would like to say that there is no use of accepting the Dunkel proposal thereby pawning economic sovereignty of the country.

Mr. Deputy Speaker Sir, you have given me very little time to speak, but I would like to say one more thing. Regarding Viscose Yarn the Government has said that it can be exported. As a result the price of Viscose yarn increased so much that today lakhs of workers working on looms have been thrown out of jobs. Instead of that if cloth was exported to foreign countries or if Viscose yarn

[Sh. Kashi Ram Rana]

was made then all these workers would have got employment and a lot of foreign exchange could be earned. Mr. Deputy Speaker, Sir, I would conclude after submitting one more point. I come from Surat and a major part of South Gujarat is a business Centre. There is a long standing demand for a Chief controller of Imports and Exports over the years. The Commerce Minister of the previous Government without making any announcement, opened an office in Baroda and started the work, but the staff sits in Ahmedabad. In this way the office of Deputy Controller of Imports and Exports which was to be opened the Surat, was opened in Baroda under some pressure. No work is done there. That is why I would request the hon. Minister to examine the case, find out how old is this demand and try to fulfil it. I would like him to give an assurance in this regard or take some action. With these words, I conclude

[English]

SHRI E. AHAMED (Manjeri): I want to speak.

MR. DEPUTY SPEAKER: Will you kindly excuse because it was scheduled upto.....

(Interruptions)

SHRI E AHAMED: I will take three minutes. (Interruptions) I have been called by the Deputy Speaker. I will take only three minutes. The other hon. Members have taken more time what has been allotted to them.

MR. DEPUTY SPEAKER: I am also a witness. The whole House is also a witness.

SHRI E AHAMED: I do not want to go into all these things. In view of the paucity of time, I will take only three minutes.

I support the Demands for Grants of this Ministry. I also congratulate the hon. Minister who is very efficiently dealing with the subject.

There are certain industries, export industries which are to be given some support. As far as rubber industry is concerned, more assistance to the rubber of the old rubber plants planters for replantation of the old rubber plants should be given by the Ministry. Better sapling should also be distributed. Remunerative floor price for the rubber price should be fixed.

As far as sea food is concerned, more incentives should be given to the marine products manufactured and hundred per cent convertibility should be granted to that industry.

Cashew industry is another foreign exchange earner for the country and export of kernel should be increased for which the Government should also allow hundred per cent convertibility.

The fourth point is that Government should also make use of the other untapped export resources like Gulf area. Many of our industrialists especially guided by the Government may or may not be going over to Europe and America. Of course, that is a very important area for export. But, unfortunately, the Government has not provided all those facilities and opportunities in the Gulf area with which we will be able to do much better; the Government has neglected them. We do not have the good salesmanship. Even now, in the engineering industry, they are mainly dependent on our country, India. But, unfortunately, the Ministry has not come upto the expectation.

I do not want to take valuable time of the House. But one more point is that whatever we may liberalise in the field of import, it is, of course, good for the country; but, overliberalisation is disastrous especially for the small scale industry.

With these words, I, once again, take this opportunity to congratulate the hon. Minister for increasing our export in a modest growth of 6 per cent in spite of the fact that the rupee payment areas- Soviet Union and

other communist countries have been very much below.

I again congratulate the hon Minister for having guided the export of the country in much better and effective way Thank of you

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI CHIDAMBARAM). Mr Deputy Speaker, Sir, I know that a number of Members are dissatisfied that we could not really have a debate on the Demands of the Ministry of Commerce I share this dissatisfaction I think that having regard to the sweeping changes in the trade policy that have been made in the last ten months, next only to the Finance Ministry, the Demands of the Commerce Ministry should have been discussed at greater length But our passion and concern for non-issues from Eleven O'Clock in the morning to about three O' Clock in the afternoon exceeds

SHRI SAIFUDDIN CHOUDHURY (Katwa) Not eleven, twelve O'Clock

SHRI CHIDAMBARAM Sometimes even at eleven O'Clock— Shri Basu Ram Deb Acharya starts even at 10 45 A M — I am afraid one can hardly do justice in a matter of ten or twelve minutes which is all, I believe, I have got

In fact, I was looking to this opportunity to hear at great length the front bench speakers of the BJP, the Janata Dal, the CPI and the CPI (M) Because, I know they have very important views on trade policy

Sir, barely ten days after we assumed office, it was my privilege to announce major changes in trade policy I want to emphasise one fact Our policy and policy changes are not opportunistic, nor are they dictated by anyone outside India If hon Members wanted carefully read the manifesto of the Congress Party, they will find we had outlined the direction of economic policy and that includes the trade policy Therefore, it was not difficult, even though we had been in office for only ten days, it was not difficult for

us to seize the opportunity that was presented and announce changes in trade policy And the opportunity came out of a crisis The crisis was caused by the gross neglect — I would even say the criminal neglect — in mismanagement of the Indian economy for 16 months We had a BOP problem, we had a liquidity problem and we were on the verge of default

The Government responded to the crisis with courage, with determination and with wisdom We devalued the Indian rupee and I thought that the opportunity presented by this devaluation should not be lost and I announced changes on the very next day All that we have done in the last ten months is to implement the direction set in the beginning of July, 1991 A comprehensive statement on trade policy was laid on the Table of this House on the 13th of August Unfortunately time was not found even to debate that

Today, Sir, I would like to respond to all the issued but I have to confine myself to five or six heads which have been raised by hon Members and hope that there will be another day, another time when I can speak at greater length on trade policy

17.44 hrs

[MR SPEAKER in the Chair]

Firstly, I am grateful to the political parties of this country that they have not seriously questioned the basis on which the changes in the trade policy have been announced There is, whether we like it or not, and I have never hesitated to say this when I have travelled abroad, a consensus among the three major political parties of India, that trade can flourish only in a regime of freedom

I recognise that the CPI and CPI (M) have a different point of view I am willing to hear that point of view but the fact that you hold a different point of view and we hold a different point of view does not mean that we need to suspect each other's it lices bona fides All that I need point out is that the

[Sh. P. Chidambaram]

policy that is advocated by the Communist Parties has not brought prosperity, has not brought increased trade, not brought economic strength to several countries in Eastern Europe or to the erstwhile Soviet Union. It is true that at one point of time, we believed that model will work in India. State trading will work in India. But experiences have taught us that State trading is not the most efficient way to do trade. We can continue to debate. But I want to acknowledge publicly that there is a broad consensus, although it is never stated quite openly, there is a broad consensus among the BJP, large sections of the Janata Dal - clearly at least the responsible sections of the Janata Dal - and the Congress Party that trade can only flourish in a regime of freedom.... (Interruptions)

SHRI SYED SHAHABUDDIN: You are dividing the Janta Dal into two fronts... (Interruptions)

SHRI P. CHIDAMBARAM: What does this mean? This means that we have to dismantle the systems of licences and controls, which shackle trade. This means that we have to dismantle the bureaucracy, which we have built over the last forty years to control trade. This means that we have to abolish regulation. And it is not sufficient to abolish regulation because it is easy to abolish regulations, but what do we do with the regulators? We have to replace the regulators. We have to deploy them elsewhere. We have to find better and more productive work for our regulators. This is what we have done in the last ten months.

Now what are the results? Now, Sir, it is established in the trade data of every country including India that there is a crucial nexus between imports and exports. In an interdependent world, there is no such thing as self-sufficiency in every commodity. The proposition has to be stated to be rejected. No country can be self-sufficient in every commodity. You have to produce what you can produce efficiently. And if you cannot produce something efficiently, unless it is in

a strategic area or dealing with national security, the best way is to get it from wherever it is produced most efficiently. Therefore, unless there is growth in both imports and exports, trade will not grow. For too long we have harboured an illusion here that import substitution and self-sufficiency are the routes to growth. I think, that illusion has now been shattered. We must give up this export pessimism. We must be confident that if we can import more, we can export more. I have never tired of saying and I want to say that again, the more we buy the more we can sell. Take China for example. Eight, nine years ago, India and China had the same level of exports. Today, India's exports are 18 billion dollars and China's exports are 60 billion dollars. In the next five year period, the Planning Commission projects that India's exports will grow by 13.6 per cent a year, compounded over five years our exports will perhaps grow from 18 billion dollars to about 35 billion dollars. China hopes to raise its exports from 60 billion dollars to 300 billion dollars. How? It is by raising its imports also to 300 billion dollars. I am convinced in my mind, our Government is convinced, that imports and exports together as a proportion of GDP need not be at the present low level of approximately of 13 or 14 per cent. We ought to move to a level of 20 per cent and even beyond to a level of 25 per cent or 30 per cent. Therefore, we have removed most controls, we have abolished most licences and we have made trade free. And I believe that this is the right policy. If we persist on this road, it will yield results.

What are the results of 1991-92? Sir, decline in industrial production in this country began in August of 1990. Decline in export growth began in March 1991. Sir, I need not point out who was in the management of this country in August 1990 and March 1991. As our inventories were depleted, as our reserves dwindled, it affected industrial growth as well as export growth. And the economy that we inherited in June, 1991 was an economy where industrial deceleration had taken place and export deceleration had taken place. There was no option but to resort to savage import com-

pression. I used the word 'savage' advisedly. Never in India's history, never perhaps in the history of any developing country has a nation had to compress its imports by 21 per cent in dollar terms.

During the last four years of Shri Rajiv Gandhi administration, imports grew by an average of 11 per cent in dollar terms; exports grew by an average of 17 per cent in dollar terms. In 1990-91, imports grew at 13 per cent in dollar terms, exports grew only at 9 per cent in dollar terms and that itself tells the story. But in the year that has just concluded, imports were compressed by 21 per cent in dollar terms and, therefore, by any measure, by any principle of trade economics, there should have been no export growth this year at all. That is why, I believe, my predecessor did not set any export targets and the one thing that I followed him in was I did not set any export targets either. It is not possible to set export targets in a year where import compression is 21 per cent and there is no assurance that foreign exchange will be made available at all for imports. Nevertheless, in the first eleven months of the year for which we have figures, exports to General Currency Areas have increased by 6.86 per cent. World trade in 1991 grew only by 1.5 per cent. Germany's exports declined by 4.5 per cent. US is in a recession; UK is in a recession; Japan is in a recession; Germany, France and Italy have all slowed down. These are our major trading partners, yet India's export growth was 6.86 per cent in dollar terms in the first 11 months to G.C. Areas. In volume terms, our exports have increased by one thousand million dollars or a billion dollars to the GCA countries. To the RPA countries, for reasons which I need not dwell upon, everybody is aware, if only my friends in the Communist Parties had helped their colleagues in the Soviet Union to hold that country together, we would not have been greatly affected. Our exports are dependent upon on Soviet Union whether it is good or bad. I am not going to comment on it now, but that is a fact of history, a fact of life, we had become dependent on Soviet Union for our exports. RPA exports have decline by 44 per cent in

dollar terms or about 24 per cent in rupee terms. In volume terms, I believe, the year will end with Rs. 1000 crore less of exports to RPA countries. So, what do we have, Sir? A thousand million dollars plus to GCA; a thousand crore rupees less to RPA and I think on a balance this is a record of which we cannot be excited about but we can be satisfied about. I have advisedly used the word, this is a modest growth, this is not a spectacular growth. I want to take this opportunity to congratulate Indian business, Indian industry, Indian trade particularly Indian exporters for the resilience they have shown; for the pluck and courage they have shown in diverting exports from rupee payment areas to GC areas and maintaining a modest growth of 6.86 per cent to the General Currency Areas.

We place great emphasis on trade with the neighbouring countries. The SAARC countries are convening a meeting in the next few days and I have already spoken to my counterparts and it is our hope that whatever the political differences among the SAARC countries, the SAARC will become a powerful economic union and tariff barriers among SAARC countries will be dismantled every quickly. If the tariff barriers are dismantled among the seven countries, if these seven countries import and export to each other...

SHRI JASWANT SINGH(Chittorgarh):
Sir, I do wish to place on record that the hon. Minister's reply is the most candid and possibly the most lucid exposition of the requirements, the imperatives of trade policy in the country. I have said so earlier in the House that I compliment and commend the hon. Minister for the efficiency and the openness with which he is approaching his responsibility. But when he is talking about breaking trade barriers internationally, even within the SAARC I find a great imbalance because whereas you are talking about breaking trade barriers internationally or within SAARC, there are barriers of movement of goods within the country. What are you doing to address yourself to that because it is no good talking about what you are doing inter-

[Sh. Jaswant Singh]

nationally or even within the SAARC if all these barriers within the country are not addressed?

SHRI P. CHIDAMBARAM: I entirely agree. Octroi must go. I have said octroi is an obnoxious duty. It was a late nineteenth century duty imposed under the British colonial regime. Article 301 of the Constitution declares that trade and commerce shall be free throughout the country but which State Government will listen to me when I say octroi should be abolished? I have said that octroi is an obnoxious duty and I am convinced that all trade barriers for movement within the country must be removed. But that is a separate subject which we should discuss in the Inter-State Council or in the NDC..... (Interruptions). Octroi, I said, is an obnoxious duty. Entry tax is an obnoxious duty. I am not saying all taxes are bad but octroi, every Report and every economist has clearly said, is an obnoxious duty. It owes its origin to the Municipalities Act of 1920 and 1910. What has that got to do with the 1990? Well? that is a different subject.

We place great emphasis on SAARC and it is my appeal to the SAARC countries that we can all get together, remove the trade barriers among the countries so that the mutual prosperity and progress of these seven nations can be assured by free trade.

I have a five-point agenda for 1991-93. For 1991-92, my agenda was to set policy. We have done that.

Exim policy is only one part of trade policy. Trade policy, according to me, deals with investment, technology, employment and production. Exim policy is one but vital part of trade policy. I have no time to elaborate upon trade policy or Exim policy. The statements are there. I hope there will be another opportunity. But in 1992-93, apart from the things that we will do, we will fine-tune the policy, make very very few changes as dictated by emergencies which may arise but only once in every quarter, maintain the

stability and durability of the policy. On the 1st of May, we will announce the new handbook of procedure and you will find that I have kept my word that the procedures are simplified, transparent, easy of compliance and administration.

I have a five-point agenda for 1992-93 and I invite the hon. Members to write to me no how I should implement this five-point agenda.

Firstly, we have identified thirty-four commodities as commodities for special attention, what we call, extreme focus among the fifteen thrust sectors. It is my intention to present to Parliament and to the nation, by July, a national plan for export promotion in these thirty-four commodities where we hope that we can achieve a volume or value increase of 30 per cent every year.

The second point in my agenda is to launch in the third week of May, a National Quality Awareness programme which will take this message of quality to every State, to every district and to every factory and plant which employs two hundred or three hundred workers. Without quality, Indian products cannot enter Europe, cannot enter America, cannot enter Japan. We must place great emphasis on quality and we cannot compromise on quality. A National Quality Awareness Campaign, is being launched in the third week of May and I invite all hon. Members to join the campaign when the campaign goes to their constituencies.

Thirdly, I intend to hold a dialogue with export houses and leading industrial houses. Many of the industrial houses today are not net foreign exchange. We must put an end to this practice. I have already written to them and asked them to meet with me. We intend to hold one to one meeting because we believe that export houses, trading houses and industrial houses are the engine of export growth.

18.00 hrs.

Fourthly, we have re-organised T.D.A.

and T.F.A.I. The merged organisation is now known as I.T.P.O. in collaboration with the Ministry of External Affairs, we hope to launch a world-wide effort to completely revamp our external commercial representation, improve external publicity and do external promotion for our products, in at least 40 or 50 countries which are our major markets.

Finally, the Office of Chief Controller of Imports and Exports is being re-organised. We do not need a Controller of Imports. We do not need a Controller of Exports. What we need is one who promotes foreign trade. He is going to be re-designated as the D.G.F.T. I intend to appoint a State Export Promotion Officer for each State to work with the State Governments and through Export Commissioners and the D.G.F.T. we intend to re-organise the entire functions and change it from control to promotion.

On Dunkel there will be a separate debate. Therefore, I do not wish to take time on Dunkel.

I think we have done reasonably well this year. The policy is right. The direction is right. I ask your support. I ask your cooperation.

MR. SPEAKER: I shall now put all the Cut Motions moved to the Demands for Grants relating to the Ministry of Commerce to vote together unless any hon. Member desires that any of his Cut Motions may be put separately.

SHRI BHOGENDRA JHA : Please put my Cut Motions 13, 14 and 15 separately to vote.

SHRI HANNAN MOLLAH: Please put my Cut Motion 3 separately to vote.

SHRI BASU DEB ACHARIA :Please put my Cut Motions 1 and 2 separately to vote.

SHRI KASHIRAM RANA:Please put my Cut Motion 20 separately to vote.

MR. SPEAKER: I shall now put Cut Motions 1 and 2, moved by Shri Basu Deb Acharia to the vote of the House.

Cut Motions No. 1 and 2 were put and negatived.

MR. SPEAKER: I shall now put Cut Motion 3, moved by Shri Hannan Mollah to the vote of the House.

Cut Motion No. 3 was put and negatived.

MR. SPEAKER: I shall now put Cut Motions 13, 14 and 15, moved by Shri Bhogendra Jha to the vote of the House.

Cut Motions No. 13, 14 and 15 were put and negatived

MR. SPEAKER: I shall now put Cut Motion 20 moved by Shri Kashiram Rana to the vote of the House.

Cut Motion No. 20 was put and negatived.

MR. SPEAKER: I shall now put all the other Cut Motions to the vote of the House.

Cut Motions No. 4 and 26 to 30 were put and negatived.

MR. SPEAKER: I shall now put the Demands for Grants relating to the Ministry of Commerce to vote.

The question is:

"That the respective sums not exceeding the amounts on Revenue Account and Capital Account shown in the Fourth column of the Order Paper be granted to the President, out of the Consolidated Fund of India, to complete the sums necessary to defray the charges that will come in course of payment during the year ending the 31st day of March, 1993, in respect of the heads of demands entered in the second column thereof against Demand Nos. 11 and 12 relating to

the Ministry of Commerce".

The motion was adopted.

(III) **Ministry of Chemicals and Fertilizers, Ministry of Civil Aviation and Tourism, Ministry of Coal, etc. etc.**

MR. SPEAKER: I shall now put the outstanding Demands for Grants relating to the Ministries/Departments to vote.

The question is:

"The the respective sums not exceeding the amounts on Revenue Account and Capital Account shown in the Sixth column of the Order Paper be granted to the President, out of the Consolidated Fund of India, to complete the sums necessary to defray the charges that will come in course of payment during the year ending the 31st day of March, 1993, in respect of the heads of Demands entered in the Fourth column thereof against:-

- (1) Demand Nos. 5 and 6 relating to Ministry of Chemicals and Fertilizers.
- (2) Demand Nos. 7 and 8 relating to the Ministry of Civil Aviation and Tourism.
- (3) Demand Nos. 10 relating to Ministry of Coal.
- (4) Demand Nos. 13 to 15 relating to Ministry of Communications.
- (5) Demand Nos. 16 to 22 relating to Ministry of Defence.
- (6) Demand Nos. 23 relating to Ministry of Environment and Forests.
- (7) Demand Nos. 25 to 27, 29, 30, 32,

to 37 relating to Ministry of Finance.

- (8) Demand Nos. 39 relating to Ministry of Food Processing Industries.
- (9) Demand Nos. 40 and 41 relating to Ministry of Health and Family Welfare.
- (10) Demand Nos. 42 to 46 relating to Ministry of Home Affairs.
- (11) Demand Nos. 51 to 54 relating to Ministry of Industry.
- (12) Demand Nos. 55 and 56 relating to Ministry of Information and Broadcasting.
- (13) Demand Nos. 58 and 59 relating to Ministry of Law, Justice and Company Affairs.
- (14) Demand Nos. 60 relating to Ministry of Mines.
- (15) Demand Nos. 61 relating to Ministry of Parliamentary Affairs.
- (16) Demand Nos. 62 relating to Ministry of Personnel, Public Grievances and Pensions.
- (17) Demand Nos. 63 relating to Ministry of Petroleum and Natural Gas.
- (18) Demand Nos. 64 to 66 relating to Ministry of Planning and Programme Implementation.
- (19) Demand Nos. 67 and 68 relating to Ministry of Power and Non-conventional Energy Sources.
- (20) Demand Nos. 70 to 72 relating to Ministry of Science and Technology.
- (21) Demand Nos. 73 relating to Ministry of Steel.
- (22) Demand Nos. 74 to 76 relating to

545 <i>Demands for Grants</i> (<i>Gen.</i>), 1992-93 <i>Ministries of</i> <i>Ministry of Surface Transport.</i>	APRIL 29, 1992	<i>Chemicals & Fertilisers,</i> 546 <i>Civil Aviation & Tourism, etc. etc.</i>
		(32) Demand No. 89 relating to Rajya Sabha.
(23) Demand Nos. 77 relating to Ministry of Textiles.		(33) Demand No. 91 relating to the Secretariat of the Vice-President.
(24) Demand Nos. 78 to 80 relating to Ministry of Urban Development.		(34) Demand No. 93 relating to Union Territory of Delhi.
(25) Demand No. 81 relating to Ministry of Water Resources.		(35) Demand No. 94 relating to Union Territory of Andaman and Nicobar Islands.
(26) Demand No. 82 relating to Ministry of Welfare.		(36) Demand No. 95 relating to Union Territory of Dadra and Nagar Haveli.
(27) Demand Nos. 83 and 84 relating to Department of Atomic Energy.		(37) Demand No. 96 relating to Union Territory of Lakshadweep.
(28) Demand No. 85 relating to Department of Electronics.		(38) Demand No. 97 relating to Union Territory of Chandigarh.
(29) Demand No. 86 relating Department of Ocean Development.		(39) Demand No. 98 relating to Union Territory of Daman and Diu.
(30) Demand No. 87 relating to Department of Space.		
(31) Demand No. 88 relating to Lok Sabha.		

The motion was adopted.

Demands for grants in respect of Ministry of Chemical and Fertilisers, Ministry of Civil Aviation and Tourism, Ministry of Coal etc. etc. for the year 1992-93 noted by Lok Sabha.

No. of Demand	Name of Demand	Amount of Demands for Grants on Account voted by the House on 26th March 1992		Amount of Demands for Grants voted by the House	
		Revenue Rs.	Capital Rs.	Revenue Rs.	Capital Rs.
Ministry of Chemicals and Fertilizers					
5	Department of Chemicals and Petrochemicals	341,00,000	402,00,000	1705,00,000	2010,00,000
6	Department of Fertilizers	159870,00,000	2144,00,000	549352,00,000	10721,00,000
Ministry of Civil Aviation and Tourism					
7	Department of Civil Aviation	957,00,000	47,00,000	4786,00,000	2355,00,000
8	Department of Tourism	1298,00,000	276,00,000	6493,00,000	1380,00,000
Ministry of Coal					
10	Ministry of Coal	2833,00,000	1200,00,000	14164,00,000	60000,00,000

No. of Demand	Name of Demand	Amount of Demands for Grants on Account voted by the House on 26th March 1992		Amount of Demands for Grants voted by the House	
		Revenue Rs.	Capital Rs.	Revenue Rs.	Capital Rs.
Ministry of Communications					
13	Min of Communication	156,00,000	...	778,00,000	..
14	Postal Service	25978,00,000	1146,00,00	129894,00,000	5731,00,000
15	Telecommunication Services	88075,00,000	66983,00,000	440374,00,000	334916,00,000
Ministry of Defence					
16	Ministry of Defence	25046,00,000	1896,08,000	125230,00,000	9480,00,000
17	Defence Pension	35328,00,000	...	176639,00,000	...
18	Defence Services-Army	148954,00,000	...	744769,00,000	...
19	Defence Services-Navy	17001,00,000	...	85004,00,000	...
20	Defence Services-Air Force	42108,00,000	...	210542,00,000	...

No. of Demand	Name of Demand	Amount of Demands for Grants on Account voted by the House on 26th March 1992		Amount of Demands for Grants voted by the House	
		Revenue Rs.	Capital Rs.	Revenue Rs.	Capital Rs.
21	Defence Ordnance Factories	35281,00,000	...	4331,00,000	...
22	Capital Outlay on Defence Services	...	192614,00,000	...	341475,00,000
Ministry of Environment and Forests					
23	Ministry of Environment and Forests	5196,00,000	95,00,000	26162,00,000	474,00,000
Ministry of Finance					
25	Department of Economic Affairs	7366,00,000	2332,00,000	36831,00,000	11663,00,000
26	Currency Coinage and Stamps	6651,00,000	3006,00,000	33254,00,000	15035,00,000
27	Payments of Financial Institutions	10208,00,000	543581,66,000	51978,00,000	355735,00,000
29	Transfers to State Governments	94589,00,000	2416,00,000	472950,00,000	12084,00,000
30	Loans to Government Servants Etc.	...	3876,00,000	...	19382,00,000

No. of Demand	Name of Demand	Amount of Demands for Grants on Account voted by the House on 26th March 1992		Amount of Demands for Grants voted by the House	
		Revenue Rs.	Capital Rs.	Revenue Rs.	Capital Rs.
32	Department of Expenditure	7630,00,000	55,00,000	38152,00,000	276,00,000
33	Pensions	1002,00,000	..	50013,00,000	..
34	Audit	4860,00,000	..	24297,00,000	..
35	Department of Revenue	2426,00,000	25,00,000	5516,00,000	126,00,000
36	Direct Taxes	4575,00,000	1500,00,000	2287300,000	7500,00,000
37	Indirect Taxes	730000,000	2331,00,000	36500,00,000	11659,00,000
Ministry of Food Processing Industries					
39	Ministry of Food Processing Industries	552,00,000	111,00,000	322000,000	556,00,000
Ministry of Health and Family Welfare					
40	Department of Health	9537,00,000	2888,00,000	47685,00,000	14443,00,000

No. of Demand	Name of Demand	Amount of Demands for Grants on Account voted by the House on 26th March 1992		Amount of Demands for Grants voted by the House	
		Revenue Rs.	Capital Rs.	Revenue Rs.	Capital Rs.
41	Department of Family Welfare	18329,00,000	3,00,000	91647,00,000	12,00,000
Ministry of Home Affairs					
42	Min of Home Affairs	5277,00,000	216,00,000	26387,00,000	1084,00,000
43	Cabinet	204,00,000	...	1020,00,000	..
44	Police	33788,00,000	4573,00,000	168841,68,000	22864,00,000
45	Other Expenditure of the Min. of Home Affairs	5219,00,000	2071,00,000	26096,00,000	10358,00,000
46	Transfers to Union Territory Government	1654,00,000	971,00,000	8270,00,000	4858,00,000
Ministry of Industry					
51	Department of Industrial Development	5272,00,000	32,00,000	26358,00,000	160,00,000
52	Department of Heavy Industry	622,00,000	4831,00,000	3109,00,000	24157,00,000

No. of Demand	Name of Demand	Amount of Demands for Grants on Account voted by the House on 26th March 1992		Amount of Demands for Grants voted by the House	
		Revenue Rs.	Capital Rs.	Revenue Rs.	Capital Rs.
53	Department of Public Enterprises	24,00,000	...	120,00,000	...
54	Department of Small Scale Ind. & Agro and Rural Industries	5365,00,000	3226,00,000	26822,00,000	16132,00,000
Ministry of Information and Broadcasting					
55	Ministry of Information and Broadcasting	1720,00,000	445,00,000	8598,00,000	2227,00,000
56	Broadcasting Services	15871,00,000	5959,00,000	79354,00,000	29753,00,000
Ministry of Law Justice and Company Affairs					
58	Law and Justice	2383,00,000	...	11916,60,000	...
59	Department of Company Affairs	183,00,000	1,00,000	912,00,000	...
Ministry of Mines					
60	Ministry of Mines	2184,00,000	713,00,000	10924,00,000	3587,00,000

No. of Demand	Name of Demand	Amount of Demands for Grants on Account voted by the House on 26th March 1992		Amount of Demands for Grants voted by the House	
		Revenue Rs.	Capitas Rs.	Revenue Rs.	Capital Rs.
Ministry of Parliamentary Affairs					
61	Ministry of Parliamentary Affairs	20 00,000		104,00,000	..
Ministry of Personnel, Public Grievances and Pensions					
62	Ministry of Personnel, Public Grievances and Pensions	886,00,000	38,00,000	4430,00,000	187,00,000
Ministry of Petroleum and Natural Gas					
63	Ministry of Petroleum and natural Gas	870,00,000	5000,00,000	4348,00,000	25000,00,000
Ministry of Planning & Programme Implementation					
64	Planning	1457,00,000	167,00,000	7287,00,000	893,00,000
65	Department of Statistics	854,00,000	15,00,000	5146,00,000	75,00,000
66	Department of Programme Implementation	14,00,000	...	69,00,000	...
Ministry of Power & Non-Conventional Energy Sources					
67	Department of Power	7962,00,000	32766,00,000	39911,00,000	167428,00,000

of mand	Name of Demand	Amount of Demands for Grants on Account voted by the House on 26th March 1992		Amount of Demands for Grants voted by the House	
		Revenue Rs.	Capital Rs.	Revenue Rs.	Capital Rs.
68	Department of Non-Conventional Energy Sources	2074,00,000	76,00,000	10365,00,000	380,00,000
Ministry of Science and Technology					
70	Department of Science and Technology	4245,00,000	508,00,000	21292,00,000	2542,00,000
71	Department of Scientific and Industrial Research	4558,00,000	68,00,000	23058,00,000	342,00,000
72	Department of Biotechnology	1280,00,000	..	6561,00,000	...
Ministry of Steel					
73	Ministry of Steel	69,00,000	214668,00,000	342,00,000	13237,00,000
Ministry of Surface Transport					
74	Surface Transport	531,00,000	950,00,000	2654,00,000	4751,00,000
75	Roads	6912,00,000	8809,00,000	34559,00,000	44045,00,000
76	Ports Lighthouses and Shipping	2182,00,000	3973,00,000	10909,00,000	19863,00,000

No. of Demand	Name of Demand	Amount of Demands for Grants on Account voted by the House on 26th March 1992		Amount of Demands for Grants voted by the House	
		Revenue Rs	Capital Rs	Revenue Rs	Capital Rs
Ministry of Textiles					
77	Ministry of Textiles	12211,00,000	2764,00,000	61053,00,000	13820,00,000
Ministry of Urban Development					
78	Urban Development and Housing	3735,00,000	3611,00,000	18672,00,000	18056,00,000
79	Public Works	4461,00,000	1652,00,000	22305,00,000	8262,00,000
80	Statuonery and Printing	1990,00,000	35,00,000	9950,00,000	175,00,000
Ministry of Water resources					
81	Ministry of Water Resources	5056,00,000	302,00,000	25280,00,000	1512,80,000
Ministry of Welfare					
82	Ministry of Welfare	7750,00,000	715,00,000	41668,00,000	3576,00,000
Department of Atomic Energy					
83	Atomic Energy	8566,00,000	8234,00,000	42827,00,000	41169,00,000

No. of Demand	Name of Demand	Amount of Demands for Grants on Account voted by the House on 26th March 1992		Amount of Demands for Grants voted by the House	
		Revenue Rs.	Capital Rs.	Revenue Rs.	Capital Rs.
84	Nuclear Power Schemes	q6592,00,000	2567,00,000	32958,00,000	12833,00,000
Department of Electronics					
85	Department of Electronics	1314,00,000	128,00,000	8382,00,000	637,00,000
Department of Ocean Development					
86	Department of Ocean Development	677,00,000	126,00,000	3384,00,000	630,00,000
Department of Space					
87	Department of Space	7186,00,000	1314,00,000	35927,00,000	6569,00,000
Parliament Secretariats of President and Vice-President Union Public Service Commission					
88	Lok Sabha	454,00,000	...	2272,00,000	...
89	Rajya Sabha	161,00,000	.	803,00,000	...
91	Secretariat of Vice-President	5,00,000	..	25,00,000	...

No of Demand	Name of Demand	Amount of Demands for Grants on Account voted by the House on 26th March 1992		Amount of Demands for Grants voted by the House	
		Revenue Rs	Capital Rs	Revenue Rs	Capital Rs
(Union Territories without Legislature)					
93	Delhi	18833,00,000	14040,00,000	94166,00 000	70202,00,000
94	Andaman and Nicobar Islands	3058,00,000	2583,00,000	15287 00,000	12912,00,000
95	Dadra and Nagar haveli	607,00,000	235,00,000	3035,00 000	1173,00,000
96	Lakshadweep	838,00,000	215,00,000	4188,00,000	1076,00,000
97	Chandigarh	3610 00 000	9094,00 000	1847,00,000	4518,00,00
98	Daman and Diu	437,00 000	206,00,000	2185,00 000	1028,00,000