

[Shri Krishna Chandra Halder]

foreign airlines, are operating from the Calcutta Airport and they are taking interest to operate from there for the good performance of the left front government of West Bengal.

13.00 hrs.

Sir, through you, I want to know from the hon. Minister, Mr. Kaushik, who is sitting here, why this step-motherly treatment is being meted out to the Calcutta Airport and West Bengal. I would request him to make a statement on the floor of the House and assure us that, as early as possible, this will be done.

MR. SPEAKER: Is it the pleasure of the House to sit for 5 minutes more to enable the two more hon. Members to make their statements under rule 377?

SOME HON. MEMBERS: Yes.

- (1V) REPORTED DECISION TO DO AWAY WITH TEN PER CENT PRICE PREFERENCE TO PUBLIC SECTOR IN THE MATTER OF PURCHASES

SHRI BEDABRATA BARUA (Kaliabor): Mr Speaker, Sir, under rule 377, I beg to raise the matter of the extraordinarily reactionary decision of the Government to dispense with the 10 per cent price preference to the public sector in the matter of Government purchases. This matter was more or less in the air since the Janata Government took over but the decision has now been very clearly stated in Parliament, last Friday, by the Finance Minister, Shri H. M. Patel, in reply to an Unstarred Question.

The Minister stated that the Government has decided to do away with the price preferences so long enjoyed by the public sector and that the decision would be implemented. It is only a half truth to say, as the Minister has said, that the price preference was given to the public sector to enable full utilisation of capacity.

Even assuming that this was the only aim, in 1971, the Government would be totally wrong to assume that there has been full capacity utilisation in the public sector today. In fact, most of the public sector units are suffering from unutilised capacity more than ever before. All these are the direct outcome of Government policies in various spheres aimed at creating unutilised capacity in the public sector. The Government's declared decision to import Super Thermal Plants for various projects is one such example. This decision has caused extraordinary crisis to the Bharat Heavy Electricals Limited in which huge public investments have been made since its order books are going to be all but empty....

MR. SPEAKER: Mr. Barua, you are also not confining yourself to the statement given. The rule is that you must confine yourself to the statement.

SHRI BEDABRATA BARUA: I am not adding; there are only some minor changes here and there.

The Government itself has contributed to a major way towards the on-coming crises of the public sector.

The public sector has failed to compete even with the price preferences not because of the lesser efficiency but primarily because when it comes to Government purchases, few Departments would do so unless some under-the-table payments are made. Now that even this insufficient protection has been removed, the public sector is likely to be completely starved of Government orders. This act of dispensing with the price preferences is one of the various measures of the overall multi-thronged attacks on the public sector by a collusion of the Janata Government with the bureaucrats and big business and must be resisted with full force before the Government succeed in dismantling the public

sector built up with so much effort by the nation under the leadership of late Shri Jawaharlal Nehru.

(v) REPORTED FUNCTIONING OF TEXTILE EXPORT PROMOTION COUNCIL

**SHRI K. LAKKAPPA (Tumkur):** Mr. Speaker, Sir, I am glad, that the hon. Minister, Shri Mohan Dharis, is present in the House. I am raising a very important issue, with your permission.

The Textile Export Promotion Council with its unhelpful attitude is leading to the devastation of the whole garment industry in India. It is a well known fact that a large part of the garment industry is coming under the small scale sector while, unfortunately, a few of them are in the grip of the monopoly houses, like, Binnys, Shaw Wallace, etc.

To look at the prospects of garments exports from India to other parts of the world, one has to go the very root of the raw material, viz. various types of fabrics used by the garment industry. Major items are prepared from the fabrics manufactured from the handloom sector and we may even say that the 'Bleeding Madras' variety has given way to crepe and other Madras checks. The export of garments as such naturally leads to the prosperity of the handloom sector, more so, in the way of giving employment to innumerable people.

The Textile Export Promotion Council which has been assigned the role of looking into the welfare of the small sector has turned into a profit making body; one of the leading papers published some time back an article on the misuse of Texprocil, buying the properties on the market value and selling them to their own people at the book value. Perhaps no action whatsoever has been taken on this mispractice.

Many unhealthy practices adopted by the Texprocil have come to light through the ready-made garment manufacturers/exporters when the misuse of quota was brought to the notice of the authorities concerned. The quota has been cornered by the big business exporters with the result those people who had orders were unable to execute. This led to losing the image of some of the well known manufacturers/exporters of ready-made garments. The mere announcement by the Commerce Minister that an enquiry will take place into these dealing led to the resignation of the two top officials of the Texprocil and the Government has not taken any step to enquire into the matter. In one of the letters written to the Editor of Economic Times dated May 28, 1977 it has been pointed out that the Indian shippers have been unethical in sending the garments under false declaration as handloom. If proper care was taken by Texprocil and the inspecting authorities to check the origin of the fabrics before necessary certificates were issued, such a pitiable state of affairs would have been avoided. Texprocil naturally failed to play its role by not giving proper definitions with regard to the fabrics/garments to be exported.

Adding to the above, one is much annoyed with the further developments that have taken place. The Indo-U.S. Agreement accorded a special status to handloom fabrics. But once again the misinterpretation of the Agreement's provisions by the Texprocil has led to the piling of stocks in U.S. As stated in the Economic Times of July 24, 1978, "The U.S. Customs impounded the 14 million yards shipments on the ground that India had already exhausted its quota limit in the first five months of this year." It is indeed a serious lapse on the part of the Texprocil to have given such misinterpretations which led to the decrease in export; since the time of "impounding" no further