

मैं समझता हूँ कि अगर देश की बेरोज़गारी को, देश की बकारी को खत्म करना है तो फिर हर हालत में इस संकल्प को स्वीकार आपको करना ही होगा। अगर इस मुल्क के भन्दर काम में तेज़ी, फुर्ती और चुस्ती लानी है, तो उसके लिए भी यह आवश्यक है कि इस प्रस्ताव को स्वीकार कर लिया जाये। राष्ट्र के निर्माण की बात माननीय मंत्री जी ने कही है। मैं समझता हूँ कि अगर राष्ट्र के निर्माण का जज़बा उनके मस्तिष्क में है तो उससे कहीं अधिक मात्रा में वह हिन्दुस्तान के हर इन्सान के मस्तिष्क में है। हर हिन्दुस्तान का इन्सान इस देश को एक नया रूप देना चाहता है और हिन्दुस्तान को नये ढंग पर बनाना और बसाना चाहता है। इस वास्ते अगर हिन्दुस्तान को नये ढंग पर बनाना और बसाना है तो मेरे इस संकल्प के समर्थन में, मैं चाहूँगा, सभी माननीय सदस्य मत दें और इसे पास करें।

Mr. Deputy-Speaker: The question is:

"This House is of opinion that Government should bring forward suitable legislation to debar retired Government employees from being re-employed in any Government or private service."

The Resolution was negatived

15.14 hrs.

RESOLUTION RE: FIXATION OF PRICE OF JUTE AND DISCUSSION RE: SCARCITY OF RAW JUTE*

Mr. Deputy-Speaker: Shri Venkateswar Rao. He is absent. Shri Indrajit Gupta.

Shri Indrajit Gupta (Calcutta—South West): Mr. Deputy-Speaker, this resolution was allotted to the Food and Agriculture Ministry. But I do not see anybody here from that Ministry.

The Minister of Commerce (Shri Kanungo): I am looking after this.

Shri Indrajit Gupta: I am very happy. I beg to move:

"This House is of opinion that minimum and maximum prices of raw jute should be statutorily fixed and enforced."

Happily, as circumstances have it, this debate becomes rather in the nature of a continuation of a similar debate which took place yesterday and which is still unfinished on a very similar and allied subject. Therefore, my task is made somewhat easier, because the same Minister also is here and it is not necessary for me to repeat many of the things said yesterday.

Mr. Deputy-Speaker: Then he should be brief.

Shri Indrajit Gupta: I shall be as brief as I can. Today there is a specific issue in this resolution—the question of fixation of price of raw jute. As far as we are able to learn, at this very moment perhaps today there is a conference taking place between the Central Government and representatives of the IJMA in Delhi to discuss this very question. Therefore, the debate in this House has a very significant bearing upon what the possible future outcome of this discussion on price fixation is going to be.

The problem, as we see it, is this. I do not think there is anybody who on principle theoretically disputes the case for the fixation of a floor or minimum price. As I had mentioned yesterday, the Chief Minister of my State, Dr. B. C. Roy has only a couple of days ago emphasised this point in a public statement and made it quite clear that unless some arrangement is made for the fixation of a floor price, neither will the jute cultivator be guaranteed any sort of protection against the interests which are trying to fleece him, viz., the middlemen and the jute mills and the big jute dealers

*The Chair later decided that the discussion re: Scarcity of Raw Jute may be taken up together with that on the Resolution re: Fixation of Price of Jute (Vide Cols 250-60).

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against whom he is helpless according to Dr. Roy, nor will the future of jute cultivation be put on any kind of stable or reliable basis if the cultivator is not assured of a future in which he can be sure that by expanding the acreage under raw jute, he will be assured of an economic price.

I do not wish to quote other official sources, but I shall give one example. In 1954, very leading and prominent officials of the Government—Food and Agriculture Ministry—and the Indian Central Jute Committee gave evidence before the Jute Enquiry Commission, in which they said that they were of opinion that without the fixation of minimum price, it would not be possible to protect the raw jute cultivator. So, I take it that there is no dispute on principle on this question.

If we study the trend of raw jute prices over the last few years, the thing that strikes us most is not that the price is low every year, but the sharp fluctuations in price from season to season. If the index figures of prices of raw jute are looked at, it will be found that with a base of 1914 equal to 100, the index moved up to 188, which was the average for the four years from 1944-45. From 188, it went up to 322 and in 1954 it came down to 248. Then it went up to 283 and then to 350 and from 350 in 1958 it came down to 331 and so on. These sharp fluctuations are there.

Within these sharp fluctuations, we also find another pattern which does not fluctuate so much. At a particular time of the year, when the time is approaching for the new raw jute crop to come into the market, when the time comes for the peasant to go to the market with his raw jute, the prices always tend to go down. This year is no exception to that. As I said earlier, the raw jute prices have fallen in the Calcutta Market over the last two months from Rs. 62 per maund to about Rs. 31 or Rs. 32 per maund, which is the prevailing price. A

catastrophic fall has taken place, has been engineered, with this end in view. This year the jute crop is going to be a very big crop, a bumper crop perhaps. When the jute crop comes into the market, by putting pressure on the cultivators, the price can be lowered and jute can be got cheaply from the peasants, who have got no holding power whatsoever. We find this pattern every year. I do not have time to go into details. It happened in 1958 and this pattern has been repeated every time. Once the jute goes out of the cultivators' hands into the hands of middlemen, we find the opposite tendency beginning. The price begins to rise again. This year in 1961 and also towards the end of 1960, we saw how after the raw jute had gone completely out of the hands of the cultivator, the price was pushed up by middlemen and the speculators in the Calcutta market up to the unprecedented level of Rs. 60 or Rs. 62. The cultivator had not got any benefit out of them. Those prices were manoeuvred by the speculators and the jute mills have said that they would not be able to buy Indian jute.

Pandit J. P. Jyotishi (Sagar): That happens with every agricultural commodity.

Shri Indrajit Gupta: But all agricultural commodities do not amass Rs. 140 crores of foreign exchange. All agricultural commodities are not used for making goods in which we enjoy a near monopoly position in foreign markets. At one time it was almost a total monopoly. Even today despite competition, about 88 per cent. of the market is still controlled by Indian jute goods. That is why this particular commodity, unlike others, has a particular importance and significance for our country.

So, Sir, the position is this, that up to date Government has never made any attempt whatsoever to regulate or control the prices. Raw jute market has been left completely at the mercy of those forces which are naturally

considerably stronger than the poor cultivator—the middleman, the jute dealer, the agents of the mills. I would stress on this point, that latterly, over the last few years, the jute mills themselves have been directly coming into the market much more than they used to previously; that is to say, the mill companies have appointed their own agents and dealers over many many areas and are trying to buy direct from the jute grower, in that sense, beating down the prices.

The position is this. This year no minimum jute price or anything of that kind was fixed before the sowing season began. A very big crop has come. That is good. We are pleased about it. Now, when the market is beginning to receive this new jute crop, once again the prices are being forced down by a number of measures which have taken place during the last two or three months in an organised conspiracy, I should say, by the Indian Jute Mills Association. The artificial reduction of production in the mills by reducing the working hours, sealing of looms, block closures and so on, has produced an atmosphere where the peasants, the cultivators are probably made to understand that the industry is in a bad position, it is not able to run to full capacity, the mills would not operate for normal hours, and if they do not get rid of their jute just now by selling it at any price later on they would be saddled with it and they would not know what to do with it. Therefore, a pressure is created, as it has been created in the past so many times. Again it has been created now.

Therefore, Sir, the urgency of this question has arisen and because of that these conference are taking place. A number of public statements have been made. Dr. Roy has made one statement. I find from the papers today that our Food and Agriculture Minister has made a statement in Calcutta only two days ago. The heading given is: "The Union Govern-

ment will shortly do something, says Patil". In the course of that he says:

"The Government of India would shortly do something so that the minimum price for jute get fixed as has been done in the case of sugar cane."

He has said many other things also. So this topic seems to be very much on the agenda. Therefore, we are pressing now for this very strongly, that after proper consultations with the West Bengal Government and the other State Governments who are interested in the production of raw jute, in consultation with the various other interests that are connected with this trade and industry, in consultation, I will say, also with the representatives of the cultivators and the jute mill workers who are the indirect sufferers from this constant fluctuation of the market, the Government should as speedily as possible take a decision on this matter and fix a minimum price.

How is this price to be fixed? The only formula which can be suggested at this stage is, naturally, that the actual cost of production to the cultivator—it may vary from State to State or region to region, I grant that—should be assessed. It is not a very difficult thing to do, because the elements in entering into cost of production in raw jute are comparatively simple. There is the question of cost of his seeds, the cost of the fertiliser which he might be able to procure, water for which he does not pay any cost, and the rest of it his own labour and the transport involved in his taking the jute crop from his field to the market. If after this assessment is made and on the basis of that assessment a price is fixed which returns to him the cost which he has incurred and also gives him a slight margin of profit, it will act as an incentive to him to go ahead in the next sowing season also so that he does not reduce the acreage or transfer it to paddy or some other crop. The cost of production can be assessed and a price fixed. My information is that the cost of pro-

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duction of the cultivator this year in Bengal, at any rate, has been in the neighbourhood of Rs. 35 to Rs. 40. It is quite likely, the cost of production is also going up.

I would state here, the Government has failed in its duty in other respects too. Everybody knows that the yield per acre in our country is very low. Quite a lot has been done since partition to develop jute acreage, out of necessity because we have been deprived of the original source of our raw jute supply. But the position still is, the yield per acre in India is round about 2.85 to 3 bales per acre whereas in Pakistan it is 4 or over 4 and in some other countries it is higher.

The yield per acre depends on the assistance the Government is going to give to jute cultivators in the form of fertilisers, proper and cheap supply of fertilisers, seeds, retting facilities and so on. It is not being provided in an adequate measure. Therefore, his cost of production has gone up. He has to buy fertilisers, seeds etc. at his own cost. Then there are the labour charges. The transport charges have also gone up. That is why I say that the cost of production must be taken into account.

If this is not done, Sir, we will again become victims of the same cycle which has taken place from year to year. If he does not get an economic and profitable price, again next year the acreage under jute will be reduced. He will divert that to some other crop. Again there will be a shortage and the IJMA will come forward and say that they will have to restrict production and they will put the burden of it on the shoulders of the workers. Once again we will start losing our markets abroad.

Therefore, as Dr. Roy has very correctly pointed out, if a reliable and stable basis has to be provided for

this industry and this trade on which the entire economy of West Bengal depends, then this policy must be given up, this policy of doing nothing, of giving a free reign to the Jute Mills Association, to the big dealers and speculators. The Government must intervene and fix this price. I would, therefore, suggest—this is a personal suggestion—that the price should be fixed somewhere in the neighbourhood of Rs. 40 to Rs. 45—of course it will vary from region to region depending on local variation in the cost of production.

Sir, my resolution, as you will have noticed, also refers to the fixation of a maximum price. That is not the burning issue at this moment, but because the House may not get a chance to debate on this issue for some time that comes in. That comes in at a subsequent stage. At this stage when crop is being purchased from the cultivator, the question of minimum price is of immediate importance. The other thing may arise tomorrow or two months or three months hence when the crop has passed into the hands of the middlemen and it has gone to the Calcutta market where these speculative forces are very powerful. We have seen what happened this year. The prices were rocketed up to Rs. 62 per maund. At that stage Government does not intervene. Here is a speculative market. In the name of future trading, hedge trading, bulls and bears and all sorts of things, the prices are manoeuvred up in this fashion doing immense damage to the industry.

Therefore, my second suggestion is that they should regulate the minimum price to protect the cultivator and also the maximum price at a subsequent stage so that—I am not saying this in the interest of anybody except the mills, the mills should be interested in that—when the maximum price will be regulated the mills do not have to buy beyond that price.

This is in the interest of the industry itself.

But here we find the Government as usual refusing to intervene on any point whatsoever. The whole market has been left to the play and interplay of these forces which are interested in making, naturally, their own profits. Therefore, a very serious situation has developed. We are in danger of losing a good part of our foreign market due to sharp fluctuations and variation in prices. Our foreign customers are disgusted and fed up. They do not want to purchase from a market which is so unstable. They do not know from month to month what is going to happen. Therefore, if the hon. Minister like the IJMA wants to raise before us—I hope he does not—this bogey of substitutes and competition, let him remember that if any bogey of substitutes has arisen it is they who have created it, it is they who have brought it about like the Frankenstein monster, according to their own designs, but actually for the sake of making quicker profits and to damage the future interests, the long term interests of this industry.

There is one other point I wish to deal with. If the cultivator is to be strengthened and encouraged he should be assisted by Government. This is not something which I hope is terribly revolutionary. This is a simple thing. It should have been done long ago. He must be assisted by the Government, educated and assisted to grade his raw jute. No grading of raw jute is done by the cultivator. He brings his jute in one bundle, in a heap to the market. Nowadays there are certain specifications laid down by the industry and trade. Jute is classified as top, middle, bottom and so on. The jute cultivator is totally ignorant of all this. He brings all his raw jute in one heap to the mandi or the dealers' organisation. The middle man buys from him at as low a price as possible and he does the grading before he takes it to the jute mill, and

that extra profit which he is able to get by grading and assorting the jute and taking it to the gate of the jute mill goes to the pocket of the middleman. If the jute cultivators were assisted by the Government by its various organisations and machinery of the Indian Central Jute Committee and the State Government, and educated on how to grade and assort raw jute before he sells it to the middleman, then he would be able legitimately to claim a higher price, and he would get it too. But, unfortunately, even that is not being done, apart from the question of not supplying proper seeds and fertilizers.

Then, I think the hon. Minister is perhaps a bit sceptical about what I say about speculation. I think everybody knows, including the Indian Jute Mills Association, how speculation is pushing up the price or pulling down the price so much. But they do not seem to worry about it, and I do not know why. Perhaps, there is one reason for it. I was looking into the answer which Shri Manubhai Shah gave on the floor of this House in reply to a question which he answered on the 13th March of this year. I am now quoting from his reply, which says:

"The operators and the mills in most cases in the Calcutta market are common and, therefore, the speculative tendency is prevalent both among the mills and the operators."

This is the secret of the whole thing actually. These very people who are running the mills, quite a number of them, under different names, or in the names of different companies, are also speculators in raw jute in Phatka bazaar. Therefore, when it is profitable, they pay more attention to the production in the mills. When it is not so profitable, they enter the speculative market, if it is more profitable to do so, even at the cost of the production in the mills. Most of the mill-owners are doing it, and that is the reason why they go on shouting about the scarcity of raw jute, but not

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very much about the prices. Mr. Pilkington, the Chairman of the IJMA, did make this admission in the last annual general meeting of the IJMA on the 17th March when he said—I am quoting:—

“There is speculation, and sometimes excessive speculation in the Calcutta jute trade. No one would attempt to deny that speculation is a feature of all commodity markets, and the jute market suffers from it more than most..”

This is an admission, a confession I must say, which he made to the members of his own association who are responsible for it.

Therefore, it is not simply a question of supply and demand that if there is a good raw jute crop, the prices will go down and if there is scarcity the prices will go up. That is the basic economic law. But we have seen here that the opposite of this is happening, contrary to all normal economic laws. There is a shouting about the scarcity of raw jute and the price crashes from Rs. 62 to Rs. 30. If there is scarcity, how does this happen? Nevertheless, apart from that, the other major factor that operates is the question of speculation. I would like to know from the hon. Minister what steps, if any, Government intends to take to curb this kind of unhealthy speculation. Many powers have been laid down on paper and the Jute Commissioner was invested a few months ago with all sorts of powers. But, as far as I know, hardly any action has been taken by him in spite of their power. I do not know if there is any machinery even at the disposal of the Jute Commissioner. Therefore, these are things which play a vital role on the question of prices, and I hope they will be properly considered by the Government.

I now come to my final point, and I refer to that because I am anticipating the Minister raising that argument. His argument will be that our

industry is functioning in a competitive world market and, therefore, we must see that raw jute prices do not go too high as, in that case, the prices of our products would rise and we will lose the market. Now, nobody denies that raw jute prices should be lower and should not go too high. That is why I have sought in my Resolution that we must fix not only the minimum price but also the maximum price. But if you take this isolated factor of the price of raw jute and say that the whole future of jute markets depends on this, I will say it is wrong. There must be an integrated study of the whole industry as such, and, I am afraid, in that other Ministries also are concerned.

15.34 hrs.

[SHRI HEDA in the Chair]

Let me just mention a few factors which, if I may say so, counter-balance the other factors. That is to say, on the argument that raw jute prices should not be fixed at a minimum, there should be no floor, against that I am putting forward the following arguments, which paint a much rosier picture of the prospects of the industry and which you must also take into consideration. First of all, is it not a fact that in the past the home market, our domestic market, our own Indian market, the market within our own country for these jute goods was very, very small indeed? Only about 7 to 8 per cent of the total production of our mills used to be consumed internally. Now, it is a very good thing that our Five Year Plans, our industrialisation, our economic activity etc. are going up and the consumption has risen from 7 to 8 per cent to nearly 25 per cent. Almost one-fourth of the total production of our mills is now being consumed in India. This is likely to go up. So the question of competition there does not arise. That part which is consumed internally has got no competitors. That is our own market.

Secondly, this is a very important thing, even if the prices of raw jute are pegged a little higher than the IJMA would like to have them pegged, what about the other side of the picture? What about labour productivity? In 1948 there were employed in this industry a little over 3,20,000 workers, but in 1948 the production was a total of 1.48 million tons of jute goods in the whole year. In 1959 production went up from 1.48 million tons to 1.52 million tons, whereas the number of workers employed in the industry in the mean time has gone down from 3.2 lakhs to 2.1 lakhs. Nearly one lakh workers in these last 8 to 9 years have been thrown out. The labour complement has been reduced by one lakh. That money has been saved by the employers in labour costs.

According to the Central Statistical Organisation of the Government itself labour productivity index in the jute industry has gone up to 131.1 in 1956 taking 1946 as equal to 100. I want to know this. Has the Government got any machinery or means of finding out whether the benefit of this cheaper labour cost has been transferred to the customer or the consumer at all? We are told that if raw jute is kept cheap, jute goods will also be cheap and that it will be good for the consumer. It is a good argument. I want to know how much benefit of the money that has been saved on labour costs has been transferred to the customer. I will say nothing has been transferred. The whole of that has been pocketed by the mills. Has the Government got no machinery or means of finding out, of checking, assessing or calculating where this reduction of the cost price is going? Rather the NIDC has given loans of nearly Rs. 4 crores to these mills to carry out modernisation. But let me remind the hon. Minister that this reduction in the number of workers and the growth in labour productivity is not being carried out entirely by modernising the machines in the mills. A very big part of it has been carried out simply by reducing the number of workers even on the old

machines which have not been modernised. It is no use at all saying that if raw jute is kept cheap, the hessian and sacking will also be cheap. It does not follow automatically at all. We were told that if labour is cheaper, jute goods will be cheaper. It is not so. Huge savings have been made by the mills on their labour or wages bill. Has the benefit of it gone to the foreign consumer? Not at all.

Then I want to know what is being done to make these mill-owners diversify their lines of production. They are saying that they are also doing something. They are businessmen. They are also realising that they cannot go on in the way they used to 100 years ago in the good old days, when you just went on producing the old standard hessian and sacking fabric and it was sold throughout the world. Those days have gone. You have to have a modern outlook. In this industry you have to diversify your types of production. But the mentality of these old conservative people, with the old outlook, although the ownership of the mills is changing, has not changed at all. What is being done by the Government to develop more non-traditional markets? We are still pegged to the North American and Latin American markets and the Australian market. If anything goes wrong there, if recession takes place or if trade depression takes place, in North America or in Argentina or in Australia, our industry is finished. What about alternative markets? What about non-traditional markets? It is very good that some trade has developed with the socialist countries through the S.T.C. As a matter of fact, even Mr. Pilkington admits that in 1959, if China had not bought 50,000 tons more than they normally buy, our export position would have become bad. We should develop alternative markets. There are African markets; there are Middle East markets; there are South-East Asian markets. All this development is being left to the IJMA. Where is the Government? What is it doing? My submission is that unless all these factors

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are taken into account, it is totally wrong to pick out only the element of raw jute, and say, you must allow this to be as cheap as possible, otherwise, the industry has no future.

These are my submissions. I would plead with the Government to remember that this golden fibre is still capable of bringing much gold to our country. Please allow it to do that to enable the cultivators and others to get a proper return for their labour. Do not allow this golden fibre merely to be converted into sack cloth for the mill-owners and into ashes of the hopes of millions of cultivators and poor people.

Mr. Chairman: Motion moved:

"This House is of opinion that minimum and maximum prices of raw jute should be statutorily fixed and enforced."

Shri Aurobindo Ghosal (Uluberia):
Mr. Chairman, I wholeheartedly support the Resolution that has been moved by Shri Indrajit Gupta. The whole economy of Bengal once was based on jute production and the jute industry, because jute was used to be grown on the one side of undivided Bengal and the jute industry was situated on the other side of West Bengal. But, unfortunately, after Partition, 75 per cent of the jute-growing areas went to Pakistan and the jute industrial area remained with us in West Bengal. Naturally, after the Partition, there was shortage of jute for being provided to the jute mills. The annual requirements of the jute mills is about 60 lakh bales. Of course, in these years, some improvement has been made both in the case of acreage under jute cultivation and also in production. In 1947-48, the acreage was about 2.66 lakh acres and the quantity of production was about 0.48 lakhs bales. In 1959-60, the acreage came to 8.24 lakh acres and the production has come to 21.70 lakh bales. This is the production in West Bengal. The balance of the shortage used to be met

from production of jute in Assam, Orissa and Bihar and the remaining portion from imports from Pakistan.

It has been stated by Shri Indrajit Gupta that jute price is fluctuating all along. But, it is fluctuating very greatly since Independence because the pattern of the raw jute market has changed to a great extent. Previously, there was a category of people who were called jute brokers, who used to go to the jute growers, give them advances before the season and after the season is over, they used to collect the jute, store it in their godowns and they used to sell the jute to the mill-owners who were mostly Europeans. At the present moment, most of the jute mills are owned by Indians. Most of the jute mill-owners have brought the jute industry in the share market. They appoint their collectors of jute in the rural areas. So, raw jute has come under the control of the jute manufacturers. The middle-men who were previously called jute brokers have been mostly eliminated and the jute manufacturers are identified with the jute brokers or middlemen. For that reason, they have been able to bring down the prices of raw jute during the season when jute is brought to the market and price is raised at the end of the season when jute is not available to the jute mills. On account of this manipulation, such fluctuations in jute prices are taking place. In the first week of July, the price of jute was about Rs. 60 per maund, but within these few days, it has come down to Rs. 30 per maund. So, there has been such a sharp fall from Rs. 60 to Rs. 32 or 30 per maund. The jute owners themselves are responsible for this. They have themselves created this scarcity of jute. On the one hand, they have deprived the workers by reducing their working hours, by sealing looms and by closing mills, of their legitimate wages. On the other hand, they have got the benefit of the low price also, and they are now reaping the benefit of low price for the mar-

ket arrivals of raw jute just during this season.

In *The Capital*, they have admitted that there was heavy speculative buying by merchants and others keen to secure a quick profit. Now, who are these buyers and merchants? They are the mill-owners themselves, or the manufacturers themselves. In raw jute, they have made a profit; in the industry, they have made profits by closing the mills, by reducing the working hours and by sealing looms. Now, when the jute season has come, they are going to make profit by purchasing jute at a reduced rate. That is the reason why even the Chief Minister of West Bengal has pleaded for fixing the minimum price of jute.

Shri Indrajit Gupta has suggested that a minimum price may be fixed at Rs. 40 or Rs. 45. That is, of course, subject to some conditions, because the price of any cash crop is related to the price of the food crop. If the price of paddy, which is the food crop in West Bengal, goes high, then, of course, it will be very difficult to maintain this ceiling for the cash crop namely jute. Naturally, the prices of all these cash crops are related to the prices of the food crops. Therefore, there cannot be any strict rule for price fixation, but Rs. 40 to Rs. 45 would be the normal price at the present moment in Bengal, per maund of jute.

Regarding grading, I would like to submit that it has been stated rightly,—and I have myself seen in my area what these jute mills are doing—the jute mills are purchasing the jute in heaps without any grading. They purchase it in a lump, and then grade it, and then they get a huge profit due to the difference in prices for the different grades.

The West Bengal Government have appointed some jute officers in different areas; but the jute officers, instead of looking after jute cultivation, are engaged in other work, such as relief operations or other Government works, with the result that there is

nobody to look after jute cultivation or the production of jute.

We find that the production of jute per acre has come down. In 1948-49, the jute production was 6.48 lakh bales in 2.66 lakh acres; in 1959-60, after these twelve years, the production has come down, because we are now producing 21.70 lakh bales in 8.24 lakh acres.

A Jute Commissioner has also been appointed, and he has been armed with great many powers, but we have seen during the last few months how helpless he is, because he does not exercise his influence or his powers. As a result of this speculation, Government thought that jute should be taken out of the forward share market, but he could not do anything. He could only suspend the forward market in jute for about fifteen to twenty days, but again, jute began to figure in the forward market, or it was taken into the forward share market again.

It was also stated that without the Jute Commissioner's permission, no jute products would be allowed to be exported. But we find in the papers that jute products worth several lakhs of rupees were exported without his permission, but they were detected in the precincts of the port and attached by Government. But ultimately the Jute Commissioner had to accede to the order of the IJMA, with the result that though they had not taken permission, these were allowed to be exported. I mention this only because the Jute Commissioner is there only in name. He has got no powers though he is invested with so many powers.

My suggestion is that there should be set up co-operatives of jute growers so that they could sell the jute through them and the middle men—who are the manufacturers now and who manipulate both the jute industry as well as the production of raw jute—could be eliminated from the scene. In 1959 the price was very

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much low. When the growers did not get even the cost of production, they switched on to some other crops. Naturally, there was a shortage in the acreage. For that reason, there was some shortage in the supply. The shortage was to the extent of 2 lakh bales only because as against the overall shortage of 4 lakh bales, 2 lakh bales were permitted to be imported from Pakistan. So the shortage was not of such an extent as to justify the steps that the millowners took of closing down the mills, reducing the working hours and so on.

Then I suggest that the jute growers should be supplied with fertilisers and better seeds. Fertilisers are required for intensive cultivation, because the per acre yield is going down. As I have already said, the co-operative system should be introduced for the sale of jute. The Jute Commissioner should be asked to exercise his powers properly so that both the growers and the jute workers can get relief.

With these remarks, I would request the hon. Minister to see that the selling price of jute should be fixed. As has been stated by our Chief Minister also, it is the crying need in our State to fix the ceiling as well as the floor price, or at least the floor, price of jute.

Mr. Chairman: Before I call on the next speaker, I would like to ask the Mover of the Resolution if he would have any objection to this Resolution and the discussion he raised yesterday being taken together because the subject-matter is the same and the speakers are also, more or less, the same?

Shri Indrajit Gupta: I think it would probably be more convenient for the Minister also to reply to both together. So I have no objection.

Mr. Chairman: So I suggest that those hon. Members who wanted to speak during yesterday's discussion may take part in this debate now.

Shri Aurobindo Ghosal: In that case, I may be allowed to say something more.

Mr. Chairman: Yes.

Shri Aurobindo Ghosal: It has already been said yesterday by Shri Indrajit Gupta and other speakers that even the Central Government is helpless in taking action against the IJMA. The West Bengal State Minister has written a short article in the Indian Worker at page 60—Independence Day Number under the caption 'Plea for a high priority for Jute Workers' problems'. I quote:

"The main reason for low wages in the State is the condition of the jute workers. Wages of jute workers influence wages in other industries even today. The jute industry is practically West Bengal's monopoly and enjoys a peculiar position in our industrial field. In the pre-Independence period, the entire jute industry was in the hands of foreigners and the wage policy in the industry used to be determined keeping in view the interests of foreign capital. More than one decade has passed since Independence and many foreign jute firms have been sold to India. But the basic pattern of industry is the same thing today.... If we analyse the wages of different industries in West Bengal we will find that special care has been taken to see that the wages of jute workers may not rise as a result of wage increase in other fields.

Jute is one of the important industries which earn foreign exchange and in view of this, interests of the capital get uppermost

consideration from the Union Commerce and Industry Ministry. The interests of the jute workers who comprise one-fourth of the industrial workers in West Bengal receive very little consideration from them. The jute workers are asked to bear the strain and stress of the industry in the name of national interest and economy....

Industrial peace is essential for industrial progress and prosperity in the neighbouring States of West Bengal too. To achieve this a satisfactory solution of the problems of jute workers deserved high priority...."

The last sentence is:

"But how can it be achieved without the co-operation of the Indian Jute Mills Association and the Union Ministry of Commerce and Industry."

Shri Kanungo: Where is the quotation from?

Shri Aurobindo Ghosal: This is from a short article written by the West Bengal Minister in *Indian Worker—Independence Day Number*, a magazine published by the INTUC. This is a sorry state of affairs. The Labour Minister of West Bengal has said that the jute workers of West Bengal cannot live if they do not get the sympathy from the Union Ministry of Commerce and Industry.

I would make some suggestions as regards the other side. The jute workers say that there was no real shortage of jute so that the mills should reduce the working hours from 48 to 45 hours and again from 45 to 42½ hours. There is no such shortage. But still 12½ per cent of the looms are not working. There is no shortage to result in the block closure for two months, June and July. Again, the mill-owners were demanding another block closure. This is not due to shortage but there is an attempt to create a make-believe scarcity so that they can raise the price of jute goods

and also deprive the workers of their due.

I would suggest some points for the future. Fixation of the price of raw jute has already been supported by me. It is also necessary to build up buffer stock because towards the end of the season, just before the arrival of the new jute in the market, the price may go up. At that time, if there is a buffer stock it will neutralise this rise. So, the creation of a buffer stock is also necessary. These two points have also been put forward by the Chief Minister of West Bengal. The third point is about the abolition of the middlemen in raw jute. I have also stated how the middle men are manipulating the price of raw jute. Naturally, these middlemen should be eliminated. The abolition of the forward marketing and the removal of jute industry from the scope of the share market by legislation should be attended to. The fifth point is that Government must have control over the stock position of both raw jute and jute products. If they do not have any control over the stock position, it is useless. This time the IJMA had been refusing to disclose the stock in its hands. Naturally, even the Ministers were thinking about it: they were wondering whether there was really a jute shortage. They did not know because it was in the hands of the IJMA. It might be concealed, so that the Government may not know the real position. Naturally, the Government must have control over the stock position, both of raw jute and jute products.

16 hrs.

Lastly as has already been referred to by Shri Indrajit Gupta, the export trade in jute should be handled by the STC or by any other Government agency so that not only the traditional but the non-traditional market may also be explored to export our jute which is a foreign exchange earner and especially when we are in need of foreign exchange at the present moment for the development of our country.

Shri S. M. Banerjee (Kanpur): Yesterday's motion and this resolution have both been combined. This resolution is a non-official resolution. I want to know whether the House is sitting up to 6 O'clock, because we were to resume discussion of yesterday's motion at 5 O'clock. That has to be discussed for one more hour.

Mr. Chairman: The House will sit till 6 O'clock unless the discussion of both the things is finished before then. If the discussion of both the things finishes before 6 O'clock, we may adjourn. Otherwise, we shall sit till 6 O'clock.

Shri S. M. Banerjee: The next resolution is there.

Shri Kanungo: It is not difficult. I find that two hours have been allotted for the resolution. We started at 3.15. We can close the discussion at 4.45. I shall try to be as brief as possible in my reply, but I may be given 20 minutes or so. With luck, we can close at 5.30 or earlier. Only, I would like to know when you will call me.

Shri Surendranath Dwivedy: There is a fourth resolution on the agenda. This is a non-official day. The Mover of the second resolution did not turn up. So, the third resolution was taken up. And we have taken both the third resolution and the unfinished motion of yesterday together. If that had not been done, then probably my hon. friend Dr. K. B. Menon would have got a chance at least to move his resolution.

Mr. Chairman: The point is this. Two hours have been allotted to this resolution which means that this can go on from 3.15 to 5.15. At 5 O'clock the discussion on the motion moved yesterday is to be taken. So, the time to move the second resolution is not there in any case. Therefore, the only question is, whether we should ask the hon. Minister to reply to this debate and then take up the discussion on the other unfinished motion and then ask him to reply to it a second time. There will be many points which are common

to both. That is why I thought it would be better to take the two subjects together and then call on the hon. Minister to reply to both.

Shri Kanungo: I think I will have to reply at 5 O'clock.

Mr. Chairman: At the latest by 5.30. If the hon. Members finish by 5, then I will call on the hon. Minister at 5. In any case, the speeches will have to be over by 5.30.

Shri Muhammed Elias (Howrah): Mr. Chairman, the jute industry is the biggest and oldest industry in our country, of which we are very proud.

Dr. M. S. Aney (Nagpur): There is no quorum.

Shri S. M. Banerjee: It is the convention in this House not to raise the point regarding quorum on non-official days. I am really sorry a senior Member of the House should have raised it now.

Mr. Chairman: So long as nobody raised it, we can go on. But if somebody raises it, I have to take note of it. The bell is being run. Now there is quorum. The hon. Member may continue.

Shri Muhammed Elias: As I was saying, we are proud of this industry because it earns more than Rs. 125 crores to Rs. 130 crores of foreign exchange. But the workers who are employed in this industry are totally exploited. The workers and cultivators rose time and again against the brutal exploitation of the Jute monopolists, but their movements were brutally suppressed by the employers with the support of the Government. Such a wonderful industry is entirely left in the hands of a handful of monopolists, who control the foreign trade, the raw jute market, etc. The Government has nothing to do with the control of foreign trade and other aspects of this industry.

In this industry, we find that although the employers earn a huge

amount of profit, the workers are very much illpaid compared to the conditions of workers in other organised industries. You know the history of the crisis which is being told by the employers about the shortage of raw jute. They are saying so and raising the bogey of the shortage of raw jute to fulfil a four-fold purpose.

We find from the various statements made by the Chief Minister of West Bengal and others that there is not at all any shortage of raw jute. Here is a statement made by the Chief Minister of West Bengal. He says:

"We met the representatives of the labour as well as the IJMA. We also brought to bear on this question our personal observation. We are satisfied that jute is now coming in larger quantities in the market and there is no reason why the jute mills should not be opened and worked as they did before the month of May. The question as to whether the jute mills should not work full 48 hours, whether they should not unseal some of the looms already sealed should also be investigated and decided upon as quickly as possible."

So the Chief Minister of West Bengal himself, after making detailed enquiries, has admitted that there is no shortage of raw jute.

But why do they still say that there is shortage of raw jute. It is only to sabotage the work of the Wage Board which has been constituted by the Government of India. The history of the movement of jute workers is known to this House very well. They have been struggling for a minimum wage since a long time. After their long struggle, even after going on strike in one region of West Bengal of two lakh jute workers, the Central Government decided last year to set up a Wage Board to decide upon the increase in wages of the low paid

workers in the jute industry. As soon as this Wage Board started functioning, as soon as this Wage Board increased Rs. 3.42 Np. in their wages as an interim relife, the employers started a campaign to close down the mills for a week in a month. They knew very well that if the mills run properly there would be no difficulty for the Wage Board to come to a decision about the increase to be given to the jute workers in their wages. That is why they took this decisions to close down the mills for a week every month.

Sir, it has been explained just now by my friend Shri Indrajit Gupta how they wanted to kill the jute growers. They knew very well that this year there would be a bumper crop and the jute growers will have some money. That is why they have started a campaign saying that there is shortage of jute, there is not enough jute for the mills and so on. If there is not enough jute, there will certainly be an increase in the price of raw jute. What is happening in the market? The price of raw jute is going down. It has come down already from Rs. 61 per maund to Rs. 30 to Rs. 35.

In this connection, I would like to bring to your notice what is happening in the fish market in Calcutta. Two days ago the hon. Minister for Food and Agriculture, Shri Patil, was there and he assured the Bengali people about the supply of fish. There is shortage of fish in the market. The price of fish has gone up from Rs. 3 a seer to Rs. 8 a seer. Fish is the favourite food of Bengali people. That has now gone out of the hands of the Bengali people. Shortage of fish has caused the price to go high. The Food and Agriculture Minister himself has assured the Bengali people that he realises the difficulty and he would try his best from the Central Government to increase the supply of fish so that the price of fish comes down and the Bengali people can have their favourite fish within their reach. So, here we find a different pic-

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ture. The jute mill owners are saying that there is a shortage of raw jute, but the price of raw jute is coming down. So, it is only the intrigue of the jute mill owners to kill our poor jute growers of our country. I do not want to make any detailed reference to this, because it has been very elaborately dealt with by my hon. friend, Shri Indrajit Gupta and Shri Aurobindo Ghosal. So, I am coming to the other aspect of this question, the conspiracy of the jute mills, the hyena of finished goods; if there is low production and if there is no large supply to the market there will be a terrific increase in the price of the finished goods. This is another reason why they are closing down the jute mills and creating such a type of crisis.

Then they want to reduce the number of workers in the jute industry. Just now, my hon. friend, Shri Indrajit Gupta, has quoted figures from the bulletin of the jute mills to show how they have reduced the number of workers employed in the jute mill industry. A few years ago, the number was more than three lakhs, but now it has been reduced to two lakhs. Even among the two lakhs workers, there are 70,000 workers who do not enjoy any amenities, because they are kept as temporary workers. Even the tribunal award said that one-third of the badli workers must be taken as permanent workers, but the mills are flouting the decision of the Tribunal and keeping nearly 70,000 workers as temporary. In this way, the jute mills are trying to reduce the number of workers in that industry. They want to make more and more profits with a smaller number of workers. They know very well that unless they create such a grave crisis, they will not be able to reduce the number of workers. We all know very well how our country is suffering from the unemployment problem. Now, if this crisis is allowed to go on, the army of the unemployed will increase by the ad-

ditional of unemployed workers of the jute industry.

It is a very dangerous situation that has been created by the jute mills in our country. So, Government must take a firm stand to deal with this matter. They should not be afraid of dealing with the jute mills. This is a noble industry and it should not be allowed to be run by these monopolists, who are not in the interests of our country. Neither are they in the interests of the poor cultivators of the jute industry. They are only after profit and their greed will take this industry to the verge of ruin. Now the time is in our hands and if the Government stand firmly they will be able to tackle this complicated situation by taking some firm stand in this matter.

A suggestion has already been put forward for fixing the price of raw jute. Secondly, the Chief Minister of West Bengal has written to the Central Government to buy raw jute. The Central Government must create a buffer stock. Either through the STC or some other organisation, they must buy all the raw jute so that the mill owners cannot get any opportunity to dupe the poor jute growers. Thirdly, there should be control of the export trade. The export trade of the jute industry must be in the hands of the Government. At the same time, Government must think about the nationalisation of this vital industry. Even the INTUC has demanded the nationalisation of this industry. This important industry should not be left in the hands of a few handful of monopolists, because this is a vital industry. So, this industry must be nationalised.

I cannot understand why the Government is afraid. A small country like Cuba with a population of 72 lakhs only has been able to nationalise all big industries. They have even been able to nationalise the American business standing on the nose of the powerful American Government. They have been able to nationalise all the important industries in Cuba. We being a very big country and a very

powerful Government, why have we not been able to nationalise all the important industries? The Government must think over it and must nationalise the jute industry without delay.

At the same time I must tell the Government that if they do not take a firm decision regarding this the situation will go out of hand. The workers have already started a movement. I am coming from Calcutta. I have been there for over a week and had also to address a number of meetings where thousands of workers gathered. I have seen how the workers are being faced with misery and how they are aggrieved with the attitude of the mill-owners and at the same time with the attitude of the Government. They are seeing by their own eyes how a handful of the monopolists are flouting the instructions of the Government and are running the industry according to their own whims. That is why the workers have decided that if the Government do not take adequate measures to give them proper relief they will take further measures. They are going to hold another conference on the 27th of this month. This conference will be held together with the jute growers. After that a State-wide movement will be started. That movement will be started by all the democratic organisations of West Bengal. I can tell this House that if now some sort of a decision is not taken, there will be a general strike not only in the jute industry but in all the industries of West Bengal, because it is not only a menace to the workers of the jute industry but it is a menace to the workers of all the industries. It is not only the problem of the worker but it is the problem of the jute growers and of the people of our country. This is the problem of our national economy. If this thing is not checked, our national economy will be ruined. It is in the interest of the country, in the interest of our cultivator and in the interest of our workers that the workers of West Bengal have decided to go fur-

ther if the Government does not take any firm decision to deal with this handful of monopolists who want to play with the lives of lakhs of poor workers and with the lives of the cultivators. They should not be allowed to play with the lives of our national economy. That is why I will urge upon the Government to take a firm decision without further delay.

Shri A. C. Guha (Barasat): Madam Chairman, yesterday also a similar subject was discussed and I think all the speakers more or less pressed for three points, namely, for the fixation of a minimum price for raw jute, for the abolition of intermediaries in the purchase of raw jute who are actually speculators and agents of the mill-owners and for the export trade of raw jute to be taken over by the State Trading Corporation. Today the debate is particularly about the fixation of minimum and maximum prices of raw jute. Several times this matter came up before this House and the Government's plea was that jute goods being an export commodity it will be very difficult for the Government to fix a minimum price of raw jute. Their argument on this point has almost gone so far as to say that it will ruin our export market and we shall lose the entire foreign exchange we have been getting. That is a wrong apprehension of the Government. Last year's experience has shown us that even at the rate of Rs. 60 or 65 per maund of raw jute, the jute industry has been able to maintain itself. Another apprehension of the Government is Pakistan has not only raw jute, but it has also started the manufacture of jute goods; we have always to compete with Pakistan and if we fix any minimum prices for raw jute, that may give undue advantage to Pakistan.

I think the Government know that Pakistan, several years ago, established a sort of government monopoly. I think jute Board or something like that is the name of the institution which controls the purchase of raw

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jute and also the export of jute goods. I think they have also fixed some minimum price and maximum price for raw jute. If Pakistan could have done this and yet maintain—not only maintain, but develop their export market—in manufactures of jute goods I do not know how Pakistan competition can prevent us from fixing prices for raw jute. The experience of the last two years should have made the Government somewhat wiser. In 1959, the price of raw jute was as low as Rs. 20 per maund. In 1960, it went up to Rs. 60 and 65 per maund. Yet the industry and export of jute goods went on. But no industry can survive with such a rapid and sharp variation in the price of raw materials.

In 1947, after the Partition, the position of raw jute supply was very precarious. Bengal, Assam and some other States were particularly asked to switch over their agricultural production from paddy and other things to jute. Bengal did it at the sacrifice of her production of paddy. For that, Bengal has had to suffer all these years. They have had always to pay a higher price for rice which is the main or practically the only food for for Bengalis. The cultivators of Bengal, Assam, Bihar and Orissa have produced raw jute in sufficient quantity. It is the obligation of the Government to protect the interests of these cultivators who have produced raw jute which is of strategic value for the Government. Now, if the Government fail to give protection to the cultivators, they should realise that the cultivators won't grow raw jute as actually they did last year. If this year also the cultivators are let down and their interests are sacrificed to the interests of the jute millowners, next year also, they won't grow raw jute. The Indian export trade will suffer and India will have to depend on the mercy of Pakistan for the supply of raw jute at whatever price Pakistan Government may fix.

This is the position with which we are faced now. We must ensure a proper and adequate production of raw jute in this country. If that is the policy of the Government, that adequate raw jute has to be produced in the country, there is no other alternative but to ensure a fair and economic price for the cultivators. This is the simple proposition before the Government and before the country. I can understand that in view of the fact that jute goods are mostly export commodities, though there have been some recent increase in the internal consumption, there may be some difficulty in having a rigid formula about fixation of prices. Prices may vary according to market conditions and also according to the cost of production for the growers. But, as in the case of the cane growers, if necessary, the Government should subsidise the jute growers. In 1959, I made a proposal that the Government should give some price support to the jute growers. In that, at the maximum, they might have to incur a loss of not more than Rs. 2 crores, but they might have made some profit also. Nobody was sure of that. But Government ultimately took up the proposal half-heartedly and gave it at the last moment to the STC, which could not do much at that late stage.

The question of creating a buffer stock has also been raised by the Chief Minister of West Bengal. He has suggested that the trade and the mill-owners should create a buffer stock. I would not support that proposal. The buffer stock is to be created by Government. Our Chief Minister's argument is that in certain cases, the mills or the intermediaries may decline to buy this stock, and the cultivators are not in a position to hold this stock also. Therefore, he suggests that the mills and the trade, that is, the intermediaries who purchase raw jute should combine to take the buffer stock from the jute growers. I would suggest that this function should be taken over by

Government. Only Government should take over the buffer stock. If the taking over of the buffer stock is left to the mill-owners or the intermediaries, then the jute growers cannot get a fair price.

If at this stage any rigid price fixation is not possible, I think at least a price support policy can be immediately initiated to ensure that the jute growers will get a fair and an economic price. We are not going to accept the proposal that to ensure a fair and economic price to the jute growers would mean the ruination of the jute industry and the ruination of our jute export trade; I think the House cannot accept that argument, and the country cannot accept that argument. If necessary, the jute growers will have to be subsidised, as we are subsidising in a sense the sugarcane growers of the country and we are also subsidising the export of sugar to other countries. In what way Government will do it is not my concern, but Government must ensure that the jute growers will get a fair price; they may do it by fixing a minimum floor price or by giving price support or by the taking over of the entire produce of raw jute by the STC or by some other Government machinery and then selling the raw jute to the mill-owners at a price which may be economic for the industry; and if there is any loss, then Government will have to suffer that loss. That the jute growers should be asked to produce jute and then their interests should be let down or should be sacrificed, is a position which I think no Government can accept and which this Government cannot accept.

Another question that I should like to raise in this connection is this. All along, in the rural economy of Bengal, there have been two main crops, namely jute and paddy. But in the rural areas, they always used to maintain some sort of parity between jute and paddy price. But that parity

is not being maintained now. I think the ratio was that the price of one maund of jute should give two maunds of rice. I think that that was the ratio that was prevalent in the rural areas.

But what is the position now? In 1951, one maund of jute would give to the jute growers about Rs. 20, but rice was selling at Rs. 30 even in the rural areas. Now, the price of jute is about Rs. 30. I am not sure if Rs. 30 is the price in the rural market; I think in the rural market, the price is somewhat lower than Rs. 30; the cultivators are getting not more than Rs. 25 or 27 per maund. And the price of rice is also about Rs. 27 per maund. So according to the standard of the rural economy, the cultivators of jute are suffering. If they go on suffering, then during the next year, they would not produce any jute. The parity between jute and paddy or rice price should be maintained, and that should be the standard for the fixation of the price for jute, if they decide something on these lines.

Another bane of the jute industry is speculation. The Forward Market Commission have failed to deal with this malady in the Calcutta trade. This speculation exists right from the bottom up to the top, that is, from the purchase of raw jute up to the export of jute goods. The only way to stop this is for the State to intervene and take over the purchase of raw jute as well as the export of jute goods. This speculation is harming our national economy. It is also harming the jute growers. As for the workers in the jute mills, I think they are not very much affected by this speculation, except that the millowners in different forms make huge profits but do not give proper remuneration to the workers. But that is another point.

There is always a gap between the rural market price and the mill-gate price. The gap should not be more than Rs. 2 or Rs. 3. Generally, now

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the gap is between Rs. 7 and Rs. 8. This is due to the undue profit of the intermediaries. This also should be stopped. That can be done only by the State Trading Corporation or some other government machinery stepping in and taking over the function of supply of raw jute to the mills.

Yesterday, the question was raised about the block closure of jute mills. I do not know if Government have made any assessment of the stock position before they decided that the jute mills might be closed en bloc for two weeks. They were demanding closure for the third week also. 12½ per looms have already been sealed. They are asking for the sealing of another 18 per cent. The working hours were reduced from 48 to 45 to 40 and then to 35 per week. The question is whether the stock position would justify such reduction in production.

I think last year—if I remember aright—when we tried to make an assessment it was estimated that the production and carryover of the year before would be nearly three or four lakh maunds less than the requirements of the industry. Then there was some import from Pakistan so the shortage was too small to justify all these—block closure, reduction in working hours and sealing of looms. I am not sure if Government have made any correct assessment of the stock position before they agreed to all these measures tending to reduction in the production of jute goods.

The quantity of jute goods produced last year was fairly less, but the price was high and so the manufacturers had not to suffer. They had their full quota of profit. I think it was larger because they have not to pay so much for labourers and they have not to pay for so many other things. So by producing less, they have not suffered in profit. They have had their full quota of profit. This position should also be taken into consideration. By reduction in

the production of jute goods, the national economy might have suffered, but not the millowners.

Another thing which Government should consider at this stage is the question of proper cost accounting in jute mills. The NIDC has given huge amounts to loans to the industry. Shri Indrajit Gupta mentioned the figure of Rs. 4 crores, that also I think at a concessional rate of interest. When Government have advanced so much money to the industry, they are entitled to have a correct cost accounting of the manufacturing process. I am afraid that has not been done. The industry has always been avoiding a correct costing of the process of manufacture. Seeing all these things, I feel that the Government should immediately initiate some policy to give price support to the raw jute. They may do it by fixing the minimum price or by purchasing the raw jute through the STC or through some other Government machinery at a fair price fixed by the Government. That is for them to decide. If there are administrative difficulties, they should be looked into. We, Members of the House sitting in this side or that side, may be accused of having some political games and not being able to understand the intricacies of the administration. But the Chief Minister of West Bengal is a responsible person and he has also advocated fixation of minimum price of raw jute. The demand is logical and consistent with the principles of economics and the Government should take it up. It has further been strengthened by the support of a man like Dr. Roy. This is the time for the Government to make up their mind about policy as to how they will protect the interest of the jute grower. They may fix a minimum price; the price may vary according to the circumstances. At the time the raw jute comes to the market, the millowners have always been able to get them at a cheaper price. In August and September, they will not

show any eagerness to purchase raw jute so that the price may go down abnormally. These tactics are adopted by them every year. This year there is not much carry over from the last year and there will be some demand from the mill owners for the purchase of raw jute. So they have taken to sealing the looms and reducing the working hours and also block closure. Government should realise the significance of these tactics and take some steps to ensure the interest of the growers. How they should do it, I am not going to enunciate; nor am I going to mention any specific formula. It is for the Government to decide and to ensure to the growers so that they can get a fair price. Only then they can grow jute; otherwise they will not grow jute.

Shri Surendranath Dwivedy (Kendrapara): I am glad that the House has an opportunity to discuss this very important problem. Several times before I have myself given notice of resolution like this but unfortunately it never came in the ballot.

I will confine myself to the Resolution before us—not the motion that was discussed yesterday. In this resolution there is a demand for minimum and maximum prices. I do not know whether it is feasible or possible at this moment to fix a maximum price. Probably my friend the Mover of this resolution has already indicated that that is not the immediate issue. The problem is, since jute is one of the important money crops, we want its production to increase in this country. It earns us good foreign exchange and all sorts of encouragement are given by the Government to see that the acreage under jute is increased. In view of this, is it not high time that we considered this aspect, namely, how it is that the jute growers are not very much interested in growing jute to the extent that we need? It cannot be complained now that we suffer very much in respect of the quality of jute as it was several years back. The quality has very greatly im-

proved in the last three years. But the jute growers in this country have been really given a raw deal by the Government. The question of fixation of minimum price has been gone into very many times. A committee was specifically appointed for the purpose and it had taken into account all the points which my hon. friend mentioned. The cost also was taken into account and they made out a case showing the names of the State and the cost per maund in the matter of the production of jute in each State. I think after that, it was necessary that the Government should have fixed a minimum price—not a uniform price for all the States which produce jute—taking into consideration the cost of production as worked out by the committee. I think it was the S. R. Sen committee.

We find hesitancy. It is known that in 1959 the jute growers did not get a price which would encourage them at all to take to jute cultivation, and as has been pointed out, because of that the jute acreage actually decreased. The people diverted their cultivation to other crops. The Government at that time came to the aid of the growers in the sense that the State Trading Corporation came in to purchase the jute. But at what time? It was at a time when the jute had already gone from the hands of the jute growers to the middlemen. Practically wherever they have tried to purchase jute, it is a very insignificant quantity that they could get, and the growers actually did not get the benefit. It was expected that the same policy would be extended next year. But that was not done. In reply to a question of mine in that respect, we were told that since the jute price is quite profitable, as it is in the market now, they do not think that it is necessary to extend that facility. That is, the Government do not want to follow a policy to give a stable price in which jute growers would feel encouraged to stick to the production of this very important crop. Government leaves it to the sweet will and mercy of the mili-

[Shri Surendranath Dwivedy]

owners who manoeuvre the market according to their convenience.

Even now, in the *Jute Bulletin* published by the Indian Central Jute Committee in June last, it has been said that the mills were not keen to take up quotas of raw jute which they hoped would sell cheaper as the time for the new crop arrivals drew nearer. That is the real point. The mill-owners, since they are the only purchasers, manoeuvre to see that, at a time when jute growers are anxious to part with their jute, either there is no wagon supply or they have not the capacity to buy it or they resort to so many means—I think that is part of their game now—such as the block closure of the mills to prevent the jute growers to get fair prices. So, the whole question arises as to whether we want to sacrifice the interests of the growers for the sake of a few millowners.

It is a question of principle. In the Five Year Plans, the rural sector is being neglected. Are we going to introduce a policy in which we will only produce for the interest of the industry or really we want to give a stable basis to the agriculturist in our economy? It has been argued, because, so far as know, the Ministry of Food and Agriculture is in favour of a minimum price. The Minister of Food and Agriculture himself has been quoted. He is reported to have said—of course specifically he has not said it—that they are going to fix a minimum price here and now. I think that in 1957 or thereabouts, it was decided that a minimum price for agricultural commodities would be fixed. A minimum price for cotton has been fixed, with the result that the cotton-growers have been benefited and cotton cultivation has been encouraged. So, the Agriculture Ministry is in favour of it, who is coming in the way? Probably the Commerce Ministry, which looks after the interests of the traders, the businessmen, the profiteers, would

like to sacrifice the growers. Therefore, if you take the overall planning into consideration and want that the jute growers should play their part as well, it is highly essential that this policy should be fixed once and for all.

I would also suggest that if this is not possible this year, even now the Government can immediately come to the aid of the growers in the sense that they can take over the purchase of jute. The respective State Governments may be asked to purchase jute from the growers and the STC should take the responsibility of supplying it to the mills. I would go so far as to suggest that if the only hindrance is our export market, then let the STC take up the export market also. If that is done, I think probably the growers would get some relief.

In Orissa we suffer most on account of such a policy because there is no jute mill in Orissa, although the production of jute is sufficient for the establishment of a jute mill in Orissa. As far as I know, demands have been made by the Orissa Government. We were given the assurance in a conference which was held in Bhubaneswar last year when we were discussing the State's Plan, that the State Government is advocating and has asked the Central Government assistance for setting up a jute mill in Orissa. Setting up of a mill in Orissa would give the growers about Rs. 5 or Rs. 6 more per maund than what the growers are getting today, because there is always a variation between the Calcutta market rate and the rate at which jute is purchased from the Orissa growers. That is also not done. Several times this question has been raised. One does not know; I was told that when the reference was made to the Government of India, they have sent a communication giving their views to the Orissa Government. I would like to know what is the position about it,

whether the Government or Orissa are ready to accept their proposals or is any attempt being made to see that one of the concerns in Calcutta is transferred to Orissa or a new mill will be set up. If at least that is done, the Orissa growers would get some relief from this existing horrible state of affairs.

I do not want to repeat the arguments already advanced, because from all sides a very reasonable case has been made out for the fixation of a fair minimum price to the jute growers. I would, therefore, urge that it is not too late. It is the first year of our Third Plan. In two Plans, we have neglected this important problem. I would appeal to the Commerce Ministry not to stand in the way, but accept the suggestions of the Agriculture Ministry; and, the State Governments to fix a minimum price for jute.

Shri Prabhat Kar (Hooghly): Madam Chairman, the other day, the Chairman of the Indian Jute Mills Association while delivering his Chairman's speech before the shareholders stated that the prospects for the jute goods in the Third Five Year Plan appeared promising, and it was a real key ensuring adequate supply and economic price both to the grower and the mills. He stated also that as regards the industry it must ensure that prices do not in future fall to a level that makes the growing of jute non-attractive to the cultivators which did occur in 1958-59. This is what the Chairman of the IJMA stated. In the statement issued by the Ministry of Commerce and Industry we are told that the decision for the block closure was taken to tide over a period of difficulty caused by the acute shortage of raw jute and designed to result in further economy in the use of raw jute pending arrival of the new jute crop.

Madam, I place before the hon. Minister the report of the market during the last few days. On the 8th August raw jute was quoted at Rs. 48.

On the 9th, the report says: "Jute market is quiet—some business is reported for ready delivery goods but buyers are generally reserved". On the 16th August the price was Rs. 37. The market report says: "The Jute market is very quiet—more and more sellers are in evidence particularly in new crop jute, but mills reserved and very little business is passing." On 23rd August the price quoted was Rs. 34. The report says: "Market is very quiet—sellers continue to be keen for business but only small scattered ready delivery jute is passing." Yesterday the quotation in Calcutta Market was Rs. 32.

Here is a statement of the Ministry that the block closures were necessitated by the shortage of raw jute, and here is the market report which says that the sellers are in the market and the buyers are not buying. If there is a shortage for which there has been a block closure, why is it that in the market today there is no buyer in spite of the fact that sellers with the new crop are coming into the market? I have quoted the Calcutta prices from 8th August when it was Rs. 48 to 24th August when it was Rs. 32. These are Calcutta prices. There must be a gap of at least Rs. 2 to Rs. 3 if not more between the prices in the villages and the prices in Calcutta. It is more, as Shri Gupta says, generally.

So all this situation that was created in the jute industry was done with a purpose to bring down the prices of jute. The Jute Mills Association says that it must ensure that the prices do not in future fall to a level that makes the growing of jute less attractive to the cultivator and here is the action of the same Jute Mills Association in not purchasing the jute when it comes to the market with a view to force the price to go down every day. Why is it so? Because, the poor cultivators have no holding power. When the jute is ready, unless they sell it, it will be difficult for them to start working again in their fields, because they will have to start the next showing sea-

[Shri Prabhat Kar]

son, and unless they get the money, it is not possible to do that. Therefore, today they are being forced to take the raw jute to the market and try their level best to sell it. They can hold for 6 or 7 days, and not beyond that. It is impossible for them to hold on and they will not be able not only to carry on the work for the next season but even to live. Therefore, they have got to sell at any price to the buyers. Here is a news item from the *Statesman* that the sellers are insisting on the sale but the buyers are not. I want to know whether any explanation has been obtained from the Indian Jute Mills Association. I do not say that it is with the connivance of the Government that they have ordered the block closure, but I do say that they were intelligent enough and they had the ingenuity to confuse the Central Government and to get their permission for the block closure. If that is not so, I want to know whether any enquiry has been made as to why if there was really a shortage they are not purchasing jute from the market. As I said earlier, it was with a view to pull down the price of jute that the block closure was ordered.

17 hrs.

Today we find we are in a somewhat better position because, all of a sudden, all the high-ups in the Government, both Central and State, have started thinking that it is time that we thought of fixing the minimum price of jute. It is a good sign, no doubt, but it was done because of the force of the movement that has been launched in West Bengal. In West Bengal jute is not only one of the most important cash crops, it is one of the most important industries which brings us about Rs. 150 crores to 160 crores of foreign exchange. If there is any trouble in that industry, the whole economy of West Bengal will find itself in a difficult position. That is why today starting from the Chief Minister of West Bengal every one started mak-

ing statements—I think Shri S. K. Patil has also made a statement—that the time has come when it is necessary that we should fix the minimum price for raw jute.

I would suggest how the price of raw jute has to be fixed. We have got to remember that before partition we had roughly about 6 lakhs bales of cultivation. After all our efforts, I think now 20 lakhs to 25 lakhs of bales of jute are being cultivated. Since we enjoy a monopoly on jute, it is necessary that more acreage should come under cultivation of jute. But that can be done only if a fair price is assured to the peasant, to the cultivator. But no effort has been made in that direction.

In 1958-59 the price went down to Rs. 20 per maund, and the Central Government, the powerful Central Government, and the State Government sitting over us, never bothered whether within Rs. 20 it was possible for the cultivator to produce this one maund of jute and yet continue to grow more. Rs. 20 per maund was the Calcutta market price. In the village it was probably sold at Rs. 13 or 14 a maund. But nobody bothered about it, because of the strong forces of the IJMA, which were the deciding factor. Everybody submitted to them. I had pointed out that it has now gone down to Rs. 32 in Calcutta according to reports and no business is taking place. So, in the villages the price may be Rs. 25 or 26. I do not know what is the price today. It might have gone down even further. That means that it is going to that stage which existed in the year 1958-59 and, according to the Chairman of the IJMA, that situation should not be created.

I find that on principle they are accepting that the minimum price should be fixed. If the price has to be fixed, we have got to take into consideration exactly how we are going to fix the minimum price. So far as the cultivators are concerned, this

agricultural produce has got a very queer situation to face.

17.06 hrs.

[MR. SPEAKER in the Chair]

So far as industrial production is concerned, Government always allow not only a certain amount of profit but a big profit in the hands of the industrialists. Whenever they fix the price they see that this price fixation enables the industrialists to earn a huge amount of profit. Whenever the question of fixation of price of agricultural produce comes up they always try to look to the interests of those mill-owners who buy the agricultural produce, whether it is the question of sugar or of cotton. It will be seen so far as the question of jute is concerned. That means that it is the Jute Mills Association which will decide what is to be the minimum price of jute. I would only request the hon. Minister that when they decide about fixing the minimum price and when they fix the minimum price the most important thing that they have got to take into consideration is the cost of production. Here the question is not of raw materials as such by which you can find out exactly how much raw materials are required and what is the cost of production. Here the most important thing is the labour that is employed by the cultivator and also the difficulties that they face. I hope the hon. Minister has seen the process of retting of raw jute and what difficulties they face. Also, they have got to take into consideration the general commodities' price and the price of foodstuffs which the cultivators have got to use while deciding the minimum price for jute. Today the IJMA also agrees that there should be a minimum price. But what it has suggested is: Let the IJMA decide whatever the minimum price is and they will accordingly direct their units that they shall not purchase it at less than that price. I am opposed to allowing the IJMA to decide the minimum price. The minimum price will have to be fixed by the Government. The mini-

mum price which will be fixed by the Government will have to be adhered to by the IJMA. This is the first thing.

The second thing is the question of the buffer stocks. It has been suggested that the buffer stock also will be in the hands and management of IJMA. I am against that. The buffer stock will have to be maintained by the Government and will have to be created by the Government.

These two things will have to be remembered. While fixing the minimum price, as I have said, the most important factor is the cost of production which is not the cost of production of raw jute. That will have to be taken into consideration. During this season I had been in the districts and have seen how the cultivators with the expectation of a good price were trying to save their crop from the attack of insects. During this period there was an attack of the insects on jute. So many cultivators have faced difficulties. I know of one or two cases where the cultivators have died because of using insecticides where no directions were given as to how exactly to use them. In order to save the crop so that they may get some money they have given their lives. The love that they have got for their produce, the difficulties that they face in sowing the crop and in taking it to the market should be taken into consideration, which cannot be decided by the price of the raw materials while fixing the minimum price of jute. I wish that this matter should be decided here and now. No time should be allowed to go because, as I have pointed out, daily from the 8th August the price is going down. On the 8th August it was Rs. 48½- a maund. By the 24th August it has come down to Rs. 32½- a maund in the Calcutta market. I do not know how much less it is in the village where the money is actually being given to the producer. I would request that the hon. Minister take cognisance of these factors while deciding a minimum price for jute production.

Shri Bibhuti Mishra (Bagaha):
rose—

Mr. Speaker: I thought the hon. Minister is likely to speak. Shri Bibhuti Mishra has not spoken so far?

Shri Bibhuti Mishra: No. Yesterday, you told us that one hour more will be given and we will be given an opportunity.

Mr. Speaker: I have no objection. I understand there was a Resolution relating to jute and they agreed that that Resolution and this may be taken up together for discussion. The hon. Member was not present here when those proceedings were conducted. Anyhow, I will call upon him. He may speak.

Shri Tangamani: I wanted to speak the other day.

Mr. Speaker: I know. He must have come earlier. Hon. Members cannot dictate to the House. Let the hon. Member go on.

Dr. M. S. Aney: May I know whether the debate is on the Resolution or the Motion?

Mr. Speaker: Both were taken together.

Dr. M. S. Aney: That motion is an altogether different thing. The Resolution that was moved today is for fixing of minimum prices.

Mr. Speaker: Very well.

Shri S. M. Banerjee: These are connected matters. The shortage was due to the price factor. These are all combined.

Mr. Speaker: Both relate to the same matter whatever may be the wording. Further discussion on the statement laid by the Minister regarding the block closure observed by the Indian Jute Mills Association owing to scarcity of raw jute raised by Shri Indrajit Gupta on the 24th August, 1961.

The same thing; what is the difference between the two?

Dr. M. S. Aney: The Resolution deals with the fixing of minimum and maximum prices of raw jute. That motion arises out of some statement made by the Minister as regards block closure of the mills.

Mr. Speaker: It is on that now. He made a statement about the closing of mills. The discussion is about that matter. The Resolution is:

"This House is of opinion that minimum and maximum prices of raw jute should be statutorily fixed and enforced."

I thought it was only a motion to fix maximum and minimum prices, yesterday.

Shri Surendranath Dwivedy: These are connected matters; all these were referred to.

Shri Kanungo: Both the motions cannot be separated. As a matter of fact, the subject matter cannot be separated. It is a coincidence that this has come up today.

Mr. Speaker: The Resolution is over. I will put the Resolution to the vote of the House after hearing the hon. Minister. With regard to both the Resolution and the discussion, I am putting it off. No more discussion on the Resolution. I will allow Shri Bibhuti Mishra to speak on the matter of urgent public importance and call upon the hon. Minister to reply both to the Resolution and the discussion. Then, I will put both these matters to the House. On the discussion, there is no question of voting. I will put the Resolution to the vote of the House.

Shri Prabhat Kar: In that case, Shri Indrajit Gupta has a right of reply.

Shri Indrajit Gupta: Five minutes to reply to the Resolution.

Mr. Speaker: All right.

श्री बिभूति मिश्र (बगहा) : अध्यक्ष महोदय, हमारे डिप्टी मिनिस्टर साहब ने जो १६ अगस्त को अपना बयान दिया उसके मुताबिक जूट मिलों का बर्ड क्लोजर होता है और उसके फल-स्वरूप १ लाख ८५ हजार मजदूर बेकार हो गये हैं, और इनमें से हमारे बिहार के मजदूर एक लाख से ज्यादा हैं। उनके अलावा उत्तर प्रदेश, उड़ीसा और दूसरी जगहों के थोड़े से मजदूर होंगे।

मैं पूछना चाहता हूँ कि इस क्लोजर की क्या जरूरत थी। हमारे मिनिस्टर साहब ने कहा कि क्लोजर की जरूरत है। अभी मैं आपको पढ़कर सुनाता हूँ यह जुलाई का जूट का बुलेटिन, जिसमें नन्दाजी ने कहा है

"Earlier, the Union Minister Mr. Gulzarilal Nanda, discountenanced the idea of a third block closure of the mills in August suggested by the IJMA. With the new crop so close, he said, every effort should be made to avert a third closure."

मैं आपको बतलाना चाहता हूँ कि अगस्त का महीना है, नई क्राप आ रही है, बरमान भी चारों तरफ अच्छी हो रही है और पानी की वजह से जूट का मड़ाना भी आसान है। ऐसी हालत में मैं नहीं समझ पाया कि थर्ड क्लोजर की जरूरत कैसे पड़ी। हमारे मामले जूट की फसल आ रही है और जूट की कमी नहीं है, फिर कैसे हमको मिलों को बन्द करने की जरूरत पड़ी।

पारसाल देश में ६८.६० लाख जूट की बैल्स की अपन हुई थी। हमारे यहां पारसाल से इस साल जूट की खेती अच्छी है यह मैं आपको जूट की बुलेटिन पढ़ कर बतलाना चाहता हूँ। जुलाई के जूट बुलेटिन के पेज १५५ पर लिखा है :

1000(ai) LSD—10.

"The State representatives present reported a general increase in the acreage under jute this season over that in 1960-61. The percentage increase was roughly estimated at 25% in West Bengal, over 50% in Bihar, 35% in Assam, 30% in Orissa, almost 100% in Uttar Pradesh and 66% in Tripura."

इसमें मालूम होता है कि इस साल पारसाल से जूट की खेती अच्छी हुई है। मुझे जहां तक पता चला है, पहले एक एकड़ में १५ मन जूट होता था, पर अब ऐसे भी किसान हैं जो एक एकड़ में २०-२२ मन जूट पैदा कर रहे हैं। जब ऐसी स्थिति है तो मेरी समझ में नहीं आता कि थर्ड क्लोजर की क्या जरूरत है। हमारे मंत्री जी ने १६ तारीख को स्टेटमेंट दिया। आज मैंने आर्यावर्त में जो पटना से निकलता है, परसों को पुनिया का यह समाचार पढ़ा कि कलकत्ता में जूट का भाव ३२ रुपये मन हो गया है। जब कलकत्ता में जूट का भाव ३२ रुपये मन है तो हमको जो उत्तर बिहारवा है जूट का दाम २०, २२, २४ में २५ रुपये मन से ज्यादा नहीं मिलेगा। इसका मतलब यह है कि जो कीमत पारसाल थी उसमें इस साल जूट की कीमत २०-२५ रुपये मन कम हो गयी। इसका नतीजा यह हुआ कि किसान बेचारा बहाल हो गया और उसको बड़ी दिक्कत हो रही है।

जूट के सम्बन्ध में जूट एम्बेडायरी कमेटी की मन् १९५७ की रिपोर्ट में लिखा है कि सरकार को जूट की कीमत ठीक रखनी चाहिए ताकि आगे चल कर जूट की पैदावार बढ़े। उसमें उन्होंने बतलाया है कि कौन कौन सी चीजों को ध्यान में रखना चाहिए। उन्होंने पेज ५१ पर कहा है :

"We feel that the problem of jute prices is fundamental to the

[श्री विभूति मिश्र]

question of increasing the production and improving the quality of raw jute produced in the country."

फिर पैरा ३६ में लिखा है :

"For the fixation of minimum price of jute, all the three criteria, viz. the cost of production of jute, the parity between prices of jute and paddy, and the relationship between the prices of jute and jute goods need to be considered."

इससे पता चलता है कि जूट एन्क्वायरी कमेटी की राय है कि सरकार को जूट की कीमतों को ठीक रखने के बारे में ध्यान रखना चाहिए।

मैं तो धन्यवाद देता हूँ बंगाल के भाइयों को कि उन्होंने इस साल जूट के मामले में ऐसा रख अपनाया है जैसा कि पिछले दस साल में कभी नहीं अपनाया था। यही नहीं बंगाल के चीफ मिनिस्टर ने भी कहा है कि जूट के कारखाने बन्द नहीं होने चाहिए और जूट की प्राइस फिक्स करनी चाहिए। मैं चाहता हूँ कि काटन और शुगर की तरह जूट की भी पलोर और सीलिंग प्राइमेज फिक्स की जानी चाहिए।

हमारे कानूनगो जी उस प्रान्त में आते हैं जहां जूट की खेती होती है। वह समझते हैं कि जूट की खेती किस तरह से होती है। अध्यक्ष महोदय, आप चल कर देखें कि इस समय किसान जूट को पानी में सड़ाते हैं और कड़ी धूप में उस जूट को साफ करते हैं, और नतीजा यह होता है कि जो जूट को साफ करते हैं उनको मलेरिया की बीमारी हो जाती है, और केवल उनको ही नहीं सारे गांव को जूट को पानी में सड़ाने के कारण यह बीमारी हो जाती है। रिपोर्ट में लिखा है कि जूट को सड़ाने से जो पानी बराब हो जाता है उसको कैसे साफ किया जाये। और यह तो भलग बात है। लेकिन किसान

को उचित कीमत नहीं मिलती।

मैं इसके खिलाफ हूँ कि जूट को मिलों को बन्द किया जाये। मंत्री जी ने जो स्टेटमेंट दिया है उसका नतीजा यह हुआ है कि हमारे यहां जूट की कीमत १३-१४ रुपये मन कम हो गयी। अभी तो जूट का सीजन है और जूट मिलों को जा रहा है। मैं नहीं समझता कि अगस्त के महीने में थर्ड ब्लोजर की बया जरूरत थी। यह तो ऐसी बात हुई कि खाना न मने रखा है लेकिन आप कहें कि खाया मन।

कलकत्ते में थोड़े से परिवार हैं जो कि जूट का बिजनेस करते हैं। बंगाल, बिहार, आसाम, उत्तर प्रदेश और उड़ीसा के प्रान्तों में ही जूट पैदा होता है। और जब जूट की फल्ल आती है तो ये परिवार ऐसी तरीकब करते हैं कि उसकी कीमत कम कर दी जाए। उनके इस प्रयत्न का ही यह नतीजा है कि आज हमारे यहां जूट की कीमत १३-१४ रुपये मन कम हो गयी है।

मैं इस सम्बन्ध में एक बात यह कहना चाहता हूँ कि सरकार रुक्रेला और भिलाई के कारखाने चला रही है और इनके मालावा उसने और भी बहुत सी चीजों को पबलिक सेक्टर में ले लिया है तो मैं नहीं समझता हूँ कि सरकार इस जूट इंडस्ट्री का नेशनलाइजेशन क्यों न करे। मैं चाहता हूँ कि सरकार जूट व्यवसाय का राष्ट्रीयकरण करे और चाहे इसे स्टेट ट्रेडिंग को दे दे। अगर सरकार जूट को डाइरेक्ट परचेज करे तो मेरी समझ में सरकार को ज्यादा पैसा मिलेगा। अब अध्यक्ष महोदय कल आपने कहा था कि कोओपरेटिक्स को बनाया जाये और उनके द्वारा इसको चलाया जाये। यह तो सही बात है कि कोओपरेटिक्स से अगर हम यह काम करेंगे तो हमको कोई ठग नहीं पायेगा लेकिन दिक्कत यह है और आपको श्री एक कांग्रेस के पुराने कार्यकर्ता होने के नाते पता होगा कि कोओपरेटिक्स के चलाने

में क्या क्या कठिनाइयों और दिक्कतों का सामना करना पड़ता है। इससे तो बेहतर यह है कि हमारी सरकार खुद जूट खरीदे और उसको आवश्यकतानुसार छोटे छोटे मिल वालों के हाथ बेच दे। सरकार यदि किसानों से डाइरेक्ट जूट खरीदेगी तो किसानों को संतोष होगा और उनका वाजिब पैसा मिलेगा। इसलिए मैं चाहता हूँ कि जूट की खरीद फरोस्त का काम सरकार खुद करे।

अब मैं यह बतलाना चाहता हूँ कि जूट के बारे में यहाँ हमारी सरकार क्या कर रही है? यह सरकार तो यही करती है कि इंडियन जूट मिल्स एसोसियेशन की तरफ से जो फैसला होता है और चूँकि मारे कारखाने कलकत्ते में लगे हुए हैं इसलिए बंगाल गवर्नमेंट जो वहाँ से सिफारिश करती है, मेट्रल गवर्नमेंट उस पर अपनी स्वीकृति की मुहर लगा देती है। सरकार इस पर ध्यान नहीं देती है कि जूट में कौन कौन लोग हैं और उनको क्या मिलता है और क्या नहीं मिलता है। सरकार को इन सब बातों का ध्यान रखना चाहिये। मैं समझता हूँ कि इस समय तो सरकार जरूर खयाल करेगी क्योंकि इस मामले में हमारे कम्प्यूनिस्ट भाई और कांग्रेस वाले सब एकमत हैं और सरकार भी इसको चाहेगी कि हमारे किसान भाई सन्तुष्ट रहे और उनको उनकी जूट की पैदावार के वाजिब दाम मिलें क्योंकि अगले साल आम चुनाव आने वाले हैं।

अभी जूट के दाम ४५ रुपये मन में घट कर ३० रुपये मन हो गये हैं अर्थात् जूट की कीमत १३ रुपये प्रति मन कम हो गयी है। मैं समझता हूँ कि समय आ गया है जब कि सब लोग इस मामले में दिलचस्पी लें और जूट की कीमत को सरकार न गिराये। जूट के दाम गिरने का एक कारण यह हो गया है कि हमारे मंत्री जी ने यह स्टेटमेंट दिया है कि अगस्त के महीने में बर्फ जल्दी कमोबर हो और उनके डारंग इस बर्फ जल्दी कमोबर की बात करने से जूट के दाम गिर

गये। सरकार को इस ओर ध्यान देना चाहिए और वह यह देखे कि जूट के दाम न गिरे। सरकार को किसानों के हित को ध्यान में रखते हुए जूट के दाम न गिरने देने चाहिए।

अध्यक्ष महोदय, मैं एक बात बतलाना चाहता हूँ कि जिस हैसियत से दाम ४० रुपये होते हैं उस ४० रुपये में से किसान को १८ रुपये मिलते हैं और २२ रुपये हैसियत के बनाने में मिल वाले ले लेते हैं और इस २० रुपये में मिल वालों का मुनाफा और खर्चा सब शामिल होता है। ४० रुपये की जो हैसियत बनती है उसमें १८ रुपये किसान को मिलते हैं और २२ रुपये मिल वालों को मिलते हैं और मैं आपको बतलाना चाहता हूँ कि किसान को यह १८ रुपये मिलने में बड़ी कठिनाई होती है और वह किसान जो कि स्टेशन में दूरी पर रहते हैं उनको १५ या १६ रुपये ही मिल पाते हैं। अब यह भादों और आश्विन के ऐसे महीने होते हैं जब कि किसान के पास पैसा नहीं होता है और जो हमारे भाई किसान होंगे उनसे यह बात छिपी हुई नहीं होगी कि बंगाल, बिहार और उड़ीसा आदि राज्यों में जो किसान रहते हैं उनके पास पैसे की दिक्कत होती है और होता यह है कि जूट जब उनके पास जमा हो जाता है तो चूँकि उनको पैसा चाहिए इसलिए जो भी भाव मिलता है उस पर बेच डालते हैं। हमारे बड़े फाइव डायर प्लान में कहा गया है कि वह इलाक़े जो पिछड़े हुए हैं कमबोर और गरीब हैं ऐसे पिछड़े इलाक़ों के लोगों को हम ग़रत देनी चाहिए और उनका एकोनामिक अपलिफ्ट करना चाहिए। उन गरीब और पिछड़े इलाक़ों के लोगों को हम इस काबिल बनायें ताकि वह अपने पैरों पर खड़े हो सकें। इसको देखते हुए मैं अपनी सरकार व मंत्री महोदय से कहूँगा कि जूट की कीमत को आप कभी न गिरावें। किसानों की जूट की कीमत गिरने नहीं देनी चाहिए और उनकी मदद करनी चाहिए।

अब हुआ यह कि दो साल पहले जब जूट

[श्री विभूति मिश्र]

की कीमत गिर गई तो किसानों ने जूट बोना कम कर दिया और परिणामस्वरूप जूट की पैदावार कम हुई और चूंकि जूट की मांग ज्यादा हो गयी तो सरकार को पिछले वर्ष पाकिस्तान और बहुत सी जगहों से जूट मंगानी पड़ी और ज्यादा कीमत देनी पड़ी। अब जब कि इस साल जूट की खेती अच्छी हुई है और उसकी खेती करने में किसानों ने अपना पैसा और श्रम लगाया है तब आप कहते हैं कि जूट का थर्ड ब्लीक क्लोजर हो। अब आपके इस तरह का स्टेटमेंट देने का नतीजा यह हुआ है कि जूट के दाम कम हो गये। १३ रुपये प्रति मन जूट के दाम कम हो गये हैं। आपने तय कर लिया है कि थर्ड ब्लीक क्लोजर अगस्त के महीने में हो जायेगा तो उसका लाजिमी नतीजा जूट के दाम गिरना था। इसलिए मैं सरकार से अनुरोध करता हूँ कि सरकार जूट की कीमत को कभी न गिराये और जूट की सीलिंग और फ्लोर प्राइस को ठीक करे।

२४ अगस्त के स्टेट्समैन अखबार में आउट लुक इन जूट नामक आर्टिकल निकला है। अखबार ने उसमें लिखा है कि अगर जूट की प्राइस ठीक कर दी जायेगी तो कम्प्लीकेशन बढ़ जायेगा। अब मैं तो यह चीज साफ तौर से कह देना चाहता हूँ कि यह स्टेट्समैन अखबार पूँजीपतियों का अखबार है और इसलिए उसे गरीब लोगों को कोई फिक्र नहीं होती है और जब भी गरीब लोगों को कुछ राहत देने की बात आती है तो इस अखबार को परेशानी होने लगती है और कहा जाता है कि इसमें तो बहुत कम्प्लीकेशन बढ़ जायेगा। अब मेरा कहना है कि अगर फर्ज कर लीजिये कम्प्लीकेशन बढ़ता भी है तो उसके लिए डाक्टर और वैद्य मौजूद हैं। सरकार मौजूद है और वह जल्दतर पड़े पर उस कम्प्लीकेशन का इलाज कर सकती है और यह इन्तजाम कर सकती है जिसमें कि वह कम्प्लीकेशन दूर हो सके लेकिन यह तो कोई बात नहीं हुई कि इसकी

आड़ लेकर गरीब किसान को मार दिया जाय। स्टेट्समैन अखबार ने अपने २४ अगस्त के अंक में जो यह लिखा है कि जूट की सीलिंग और फ्लोर प्राइस ठीक करने से कम्प्लीकेशन बढ़ जायेगा तो यह बिल्कुल गलत बात है और उसने यह चीज इसलिए लिखी है कि वह अखबार पूँजीपतियों का है। पूँजीपति उसको सपोर्ट करते हैं और जाहिर है कि वह गरीबों की क्यों परवाह करने लगा। मैं तो उस अखबार के सम्पादक महोदय से यह कहना चाहूँगा कि तुम हमारी बैलगाड़ी पर लदी हुई जूट जो कि आज पानी में सड़ायी जा रही है उसे चले कर साफ कर दो तो तुम हमें १० रुपये मन से ही जूट के दाम दे दो। सम्पादक महोदय अगर इसको करने का जिम्मा लें तो उन्हें मान्यता दी जायेगी कि जूट को साफ करने में कितनी कठिनाई पेश आती है और तब वे शायद ऐसा न लिखेंगे।

मैं अपने मंत्री जी से यही कहूँगा कि आप कोई ऐसी बात न करें जिसमें कि गरीब किसानों का नुकसान हो। मुझे तो उनसे यही कहना है कि सरकार जूट की कीमत को कभी न घटाये, उसकी सीलिंग और फ्लोर प्राइस ठीक करे और जूट के कारखाने कभी बन्द न हों।

मैं एक बात और बतलाना चाहता हूँ और वह यह है कि मेरे पूँजिया ज़िने में एक जूट फैक्टरी है। आज से दो साल पहले जूट के मालिकों ने अपनी फैक्टरी बन्द कर दी। कनकते के जूट बानों ने कहा कि भाई तुम अपना जूट का कारखाना बन्द कर दो और हम वहाँ से मसले दाम पर जूट लेने दो और तुम्हारा जो कुछ घाटा होगा वह हम लोग तुम्हारा पूरा कर देंगे। इस पर मेने शास्त्री जी से सवाल किया तो शास्त्री जी ने कहा कि वहाँ पर सरकार को अपैरेटिक्स से जूट खरीदने का इन्तजाम कर रही है। सरकार ने उनके जरिये वहाँ जूट खरीदी

और किसानों को २ रुपये मन अधिक जूट के दाम मिले ।

अन्त में मैं अधिक न कहते हुए आपकी मार्फत सरकार से पुनः इस बात के लिए अनुरोध करूंगा कि वह जूट की कीमत कभी न घटाये । जूट की सीलिंग और फ्लोर प्राइस ठीक करे और जूट के व्यवसाय के ऊपर सरकार विशेष ध्यान दे और दिलचस्पी ले ।

Shri Kanungo: Sir, I am very grateful to you and the hon. Mover of both the motions for agreeing to enable me to reply to them together. I am at a disadvantage because both the motions have been moved by Shri Indrajit Gupta whose speeches on both the occasions have been suave, eloquent and persuasive. In fact he has been so persuasive yesterday that I almost felt guilty of the serious accusations which he was making against the Government. Fortunately, I have had a night to sleep over and recover my balance. I also will be failing in my duty if I do not pay a compliment to him that he has been very fair and objective in his analysis of the situation as it obtains today or in the projection of the future, barring one point which I will deal with later.

I shall deal with this question in three parts: first, I shall deal with the problem of fixing a minimum and a maximum price for raw jute; second, with the justification of the two closures in June and July; and third,—which is not at all important at the moment—with the proposed closure in August. I entirely agree with the broad outline of the jute situation as mentioned to the House by Shri Indrajit Gupta. The fact of the matter remains that in spite of an increase in the internal consumption, the bulk of jute manufactures is sold in the export market. In a competitive export market, it is just impossible to forecast what is going to be the demand and supply and what is going to be the prices. We have to remember that those halcyon days when undivided India used to

have a monopoly of Jute manufacture are gone for ever.

I shall merely quote a few figures to show how Pakistan which has better natural facilities in the matter of obtaining the highest quality of jute and which is manufacturing all jute goods and is progressing in the export trade. The export of Pakistan in 1955 was 543,000 tons. In 1960, it had gone up to 1,878,000 tons. We have also to remember that in the matter of availability of better quality of jute and also in quality, Pakistan has a natural advantage. We have also to remember that the manufacturing capacity for jute goods is established in Europe: in Italy, France, and I believe in Germany and Spain also. Raw jute is now being grown in various other countries, though the quantity may be small at the beginning, but it is natural to expect that the availability will be higher. The manufacturing capacity is also being established in countries like Thailand, Burma, etc.

Therefore, we have to remember that we have to adjust ourselves to the conditions of the world forces in trade and supply and demand, both in the matter of raw material and the finished goods, and we cannot take any unilateral action which is sure to hurt us in the long run. Assuming that we get a bumper crop of 70 lakh bales, even then, we have to import a certain quantity of jute and jute cuttings from Pakistan of the necessary quality for giving the required finish to the jute bags and hessian. I hope that sooner than later, the quality of jute in India will be improved and the best quality of fibres may be available here. I am optimistic in this respect, because I have seen the wonderful progress in the improvement of quality of raw jute in U.P. in the last five years. In Orissa also, there has been a little improvement, but it has been of a very slow and uneven order. I fail to understand why the same improvement in quality and grades has not been achieved in West Bengal. Perhaps one of the factors is that Bengal

[Shri Kanungo]

growers always get a premium price than the growers at longer distances.

Granted that our minimum requirement of raw jute would be of the order of 70 lakh bales, we were faced with a situation where we have two consecutive years of bad crop. Let us remember that like every agricultural commodity, the biggest factor in the availability of agricultural product is weather and climatic condition. We know it to our cost how the availability of foodgrains, sugar and other crops is largely conditioned by the weather condition as it happens every year.

The House also knows in the case of cotton, which is another staple industrial raw material in our country, for two consecutive years, we had a very bad crop. The result was that we had crisis ranging between 1960 and 1961. In the case of jute, in 1959-60 the crop was 57 lakh bales. In 1960-61, the crop was 52 lakh bales. When we get two consecutive bad years, the important point I want to stress is that the carry-over is reduced. Assuming the crop to be 70 lakh bales, the carry over used to be 10 to 16 lakh bales. It was reduced to 1 lakh last year. The carry-over is important because between one crop and another, the carry-over provides a cushion on which the prices are conditioned.

So, leaving aside other conditions, I will concede straightaway that there was a scramble for the jute when there was shortage. There was speculation, a certain amount of cornering and other undesirable things. In spite of all that, the basic factor remains that there was a shortage of a very high order. Whether the Government was able to meet the situation or not ought to be judged by the actions that have been taken. I would like the House to realise the conditions between September 1960 and the present time. Now the conditions are known and it is public property. I would very humbly submit that any other step could have been taken which would have produced better results.

It was said by one of the speakers that speculation has run rampant. It did. But I believe the action the Forward Markets Commission took had immediate effect. And, all the time I wish that the IJMA was half as strong or as influential as has been made by the various speakers. I would welcome a particular organisation, an industrial organisation which can carry its members along with it without reservation. The very fact that IJMA is spoken of as a well-knit and efficient organisation which can command the obedience of its members by the crack of its whip is not correct to my mind.

Shri Indrajit Gupta: It can't control them.

Shri Kanungo: That is exactly what I say. Therefore, it is no efficient. I would welcome any organisation of any industry which could be depended upon for speaking on behalf of its members. Therefore, I would submit that the accusations that have been made that the IJMA is a devil incarnate and the Government of India has been the willing tools of the devil is not correct (*Interruption*). This shows the eloquence of Shri Gupta—where I am poor.

The question is whether, as Shri Gupta has said, there cannot be any difference of opinion about the theoretical necessity of having a minimum price of any particular commodity. But the important point is how and what should be the machine by which this should be achieved. I must straightaway say, Sir, to you, that we have been considering the subject from 1951 onwards when the Jute Committee's report was given. The main difficulty has been to arrive at a figure which would be considered as the minimum floor price. I would like the House to remember that in the case of cotton we have a minimum and maximum price. It has been difficult to maintain the maximum price throughout last year. In many areas there was no necessity for taking any operation for maintenance of the floor price.

श्री बिभूति मिश्र : अध्यक्ष महोदय, काटन की सीलिंग इस से कभी भी किसी किसान को ज्यादा नहीं मिला, जब मिली नीचे की प्राइस मिली ।

Shri Kanungo: I definitely say that we had to go in for rationing, import of large quantities of cotton and compelling the mills to buy a particular cotton at a particular price because the ceiling was pierced.

Shri Bibhuti Mishra: But the growers have never gone up to the ceiling price.

Shri Kanungo: I have no time to enter into its details, but I do believe that even if all the growers have not got it the organisation of growers in cotton has been so much strengthened that today they have got a definite pressure on the price in the market. The point I am trying to make is that it is easier to regulate the price of cotton, because a large quantity of it—in fact, almost the whole of it barring a few lakhs of bales—is consumed in the country. Therefore, in coming to a price for jute, the rational method would be, and here I would differ from Shri Gupta, to work back from the export price, which again is uncertain. To base our calculations on cost of production will be the most dangerous thing that can happen. Firstly, I have yet to find even any theoretical discussion of arriving at a price on the cost of production of an agricultural commodity. We have tried it in India, and I am told on competent authority that it has been tried elsewhere for crops and all that, and, barring a few areas where agriculture has become fully commercialised and more or less industrialised, it is not possible to come to costing of any agricultural crop. Here I am merely repeating the difficulties. These difficulties should not hinder us from trying, and we are trying. The 1967 Jute Enquiry Commission also felt that when the price of 100 yards was Rs. 44 to 46, the price of raw jute was Rs. 24 to 26. So, when we see

the events of the last few years, it is completely out of joint.

Shri Surendranath Dwivedy: What was it two years ago?

Shri Kanungo: This ration has been found to be inoperative. It does not operate because of various factors. It has been quoted very freely by Shri Gupta and, particularly, by Shri Kar that when the raw jute prices have been quoted at Rs. 32 where was the necessity to feel that there was shortage.

Shri Prabhat Kar: I said the buyers are not buying.

Shri Kanungo: Yes, Shri Kar's contention was there was adequate supply of raw jute but because of the buyers holding back from the market the prices sagged.

Shri Indrajit Gupta: That is the contention of Dr. Roy also.

Shri Kanungo: I beg to differ. I have figures to show that on the 5th August 1961 the arrivals in Kasipur and Shambazar were 3,400 maunds and 37,300 maunds respectively as against 11,400 and 81,750 maunds respectively on the same day in August 1960. To take another date, 11th August, one week after that, the arrival in 1961 was 4,800 maunds and the total stock available is 38,200 maunds. On the same day in 1960, the figures are 16,400 maunds and 76,200 maunds. At a given date, what is the total stock available?

The daily consumption of mills, I told, is of the order of 62,000 tons. Out of that the total stock position is this. Therefore if the quotation is there, I can only explain it by saying that there has been a small quantity offered at that price. Somebody has taken or has not taken it, but there were no goods available at that price or at any other higher price. It will be difficult to dogmatize on the position today but after a while it will be known. Today on the figures avail-

[Shri Kanungo]

able of arrivals and of the stock position I cannot conceive that there was a shortage, particularly in view of the fact that the proposal of the IJMA for a closure in August was not acceded to by the Government of India and by the West Bengal Government. So there is no chance of a block closure.

Here, I want to refute the suggestion made by Shri Gupta that there were certain instructions by the IJMA to its members to reduce the working hours or seal looms other than those which were public property. I have it on the authority of the Chief Minister, West Bengal, that he has made enquiries and has found that there were no such instructions.

Shri Indrajit Gupta: I did not say that there were instructions. I said that after the Central Government and the State Government had disapproved of their proposal, they allowed individual mills to do whatever they chose.

Shri Kanungo: This was done in consultation with the West Bengal Government.

Shri Indrajit Gupta: Not the Central Government?

Shri Kanungo: No.

Shri A. C. Guha: I do not think the West Bengal Government permitted individual mills to close.

Shri Kanungo: There was no question of permission. There were no alternatives. What to do in the situation? IJMA proposed that they should have block closure for one week in August. The other alternative before the West Bengal Government when they said that they would not agree to this proposal was that whenever there was no stock in an individual mill that has got to close down. There was no other alternative. It conceded that.

Shri A. C. Guha: I do not think the West Bengal Government conceded that because the Labour Minister, West Bengal, made a public statement against this.

Shri Kanungo: I do not know what public statement he made. That is my information from the Government of West Bengal. In any case it is rational. How can a particular mill work when it has no stocks?

Shri Indrajit Gupta: By borrowing jute from other mills.

Shri Kanungo: There you are.

Shri Indrajit Gupta: Others had enough stocks.

Shri Kanungo: No, they had not enough stocks. That point is clear. There were not enough stocks for running a day's shift for all the mills with a 12 per cent closure of looms. There were not the physical stocks available there.

Shri Indrajit Gupta: Had those stocks been inspected ever by the Government?

Shri Kanungo: Yes, Sir. Since the order under the Essential Commodities Act was passed on the 10th March, 1961, the Jute Commissioner has been receiving statements of stocks and is verifying them.

Shri S. M. Banerjee: What is the position now? We are feeling more confused by the statement. Have the IJMA agreed not to have block closure any more? Have they given an undertaking?

Shri Kanungo: The month of August is nearly over and the West Bengal Government and the Central Government did not agree to their proposal. So there is no question of a block closure now. Inevitably, the damage has been done which will be very difficult to restore later on because individual mills were compelled to close

down or to reduce hours. Naturally, there are weak units and strong units and various other units. If the association was strong enough to carry all the units together with them, for the future it would have been better for all concerned, for Government, for growers, for labour, for everybody because an organised industry is a necessity.

Shri Indrajit Gupta: That means the Government gave them wrong advice. You should not have disapproved of their proposal in that case. You are saying it led to worse results now.

Shri Kanungo: No, I do not mean to say that. I never conceded that there was a case for block closure. Particularly, in August. After consultations between the West Bengal Government and the Government of India, it was decided that there were no strong reasons for a block closure in August. Inevitably, it has happened. Therefore, as far as the Resolution is concerned, I only beg to say this. I agree with the contention of the Mover of the Resolution that it would be a desirable thing to have a fixed price—may be a variable fixed price, depending on circumstances. The mechanics, how it has to be operated, the quantum and the operation have got to be decided. With marginal operation in the market by the Government or by an agency of the Government, it may be possible to hold a floor price. It has been possible in the case of cotton. The only occasion when we had to operate for maintaining the floor price was operating through trade. It was fairly successful. This matter is under active consideration. We hope in a very short time to take a decision. We have not taken a decision because we are going to discuss the matter with the West Bengal Government. We are *au fait* of the whole matter.

About minor matters flowing out of it, I plead guilty that we did not consult the U.P. Government before we agreed to the block closure of the jute mills in the U.P. We had to take a

decision very quickly. We did not have.....

Shri S. M. Banerjee: Are you going to consult now about the fixing of floor price?

Shri Kanungo: I think I would. Anyway, Shri S. M. Banerjee must concede that the total production of jute and jute goods is infinitesimal, in the U.P.

Shri S. M. Banerjee: We have just said that we have improved our production.

Shri Kanungo: That is all to your credit. Vitally the West Bengal Government is concerned about it, because a large labour force is involved in it. It is a trade on which the resources of India are vitally concerned.

Shri Indrajit Gupta mentioned that there should be accurate costing of the manufacturing process. I believe in the course of the last 3 or 4 years, at least some of the jute mills have installed cost accounting systems. I believe we have now fair data where the costing can be judged.

Shri A. C. Guha: Will their accounts have to be examined by the Government cost accountants?

Shri Kanungo: Of course, when occasion arises, the Tariff Commission is fully equipped to do it.

Shri Indrajit Gupta: May I know whether the Government have, even today, correct information about the cost of production of a jute mill, per ton? Have you got verified information? My own information is, within 100 years, they have never divulged it to anybody, including some of their own members.

Shri Kanungo: Naturally, you cannot expect competitors to divulge. I do have information, though not full information, by my own costing of several establishments.

Shri Indrajit Gupta: They won't allow your man to go into the mills, as far as I know.

Shri Kanungo: Some of the establishments are co-operating. It is not all. On their rights they can stand. They can refuse inspection. They have rights. Because, untill I put on an enquiry by the Tariff Commission and they are governed by the Tariff Commission rules, I have no right to ask them to disclose information. But I must say to the credit of....

Shri A. C. Guha: Is that the position even under the Industrial Development and Regulation Act that the Government cannot examine their accounts?

Shri Narasimhan: We are not able to follow the hon. Minister.

Mr. Speaker: Interruptions add to knowledge. Therefore, I would humbly submit that the question of fixing a minimum price for jute bristles with many difficulties, and though theoretically we might agree on that, we have to do serious thinking about it. For the current year, I do not see any danger that the prices will sag down too low. At least, we are fully aware of the position.

In regard to another point which I had mentioned. When I paid complaints so Shri Indrajit Gupta, I am only sorry that Shri Indrajit Gupta and several Members on this side frankly admitted that this debate on the resolution and the discussion on a matter of urgent public importance has been actuated by political motives on account of the coming elections.

16-00 hrs.

Shri Indrajit Gupta: The hon. Minister has got it upside down.

Shri Prabhat Kar: It was not said that this discussion was with any political motive, but the point that was raised was about the statement of Dr. B. C. Roy.

Shri Kanungo: I have already conceded my incapacity to meet all the finer points of logic raised by Shri Prabhat Kar and Shri Indrajit Gupta, but anyway, my hon. friend

Shri Guha also has conceded that.

श्री किशूति मिश्र : एक बात मैं जानना चाहता हूँ । ५० रुपये से ३२ रुपये इस समय जूट की कीमत हो गई है । जूट की कीमत गिरती जा रही है । इसके लिये सरकार की तरफ से क्या इन्तजाम किया जा रहा है ?

Shri Kanungo: I have already stated that I hope that the price will not be allowed to go down very much now, and we shall take steps to that effect. But the declaration of a floor price and a ceiling price will require careful examination, on which we are engaged at the moment. I hope the House will bear with me and will agree with me that that should be done, without any eye upon the elections.

I would request my hon. friend not to press his resolution. As for the other discussion of course there is no voting on that.

Shri Indrajit Gupta: At the end of two day's discussion. I am very sorry that we are still left completely in the dark as to what Government are proposing to do. At least I have not been able to understand. The whole thing has been left in the air. I regret very much that not a single word was said by the hon. Minister in appreciation of the real difficulties, the human and social difficulties of the jute growers. I did not hear a word of sympathy from him.

He only said that during the last two years, the jute crop had been a bit smaller, namely 57 lakh bales and 52 lakh bales, and he was trying to convince us that Government had taken certain action, which was very good; but he did not tell us, for example, what Government did in the previous year, namely 1958-59, when the crop was 66 lakh bales.

Shri Kanungo: I thought it was fairly known. In any case, Shri

Indrajit Gupta was not in the House when I answered that point.

Shri Indrajit Gupta: I may not have been in the House, but I was there when the jute growers got Rs. 12 and Rs. 14 for their jute.

Shri Kanungo: It is there on the record of the debates of the House.

Shri Indrajit Gupta: Anyway, I only wish to reply to one point. The question of Pakistan competition has been raised, and also of the advantages which the Pakistan industry is supposed to have. Well, they certainly have got an advantage in that they are having a better quality of raw Jute. There is no doubt about that. But I would just point out that this is a very favourite argument used by the IJMA also. And it is always exaggerated. There is no doubt that competition is growing, because Pakistan has set up its own industries, and it is bound to. But the point is that there are certain other counter-acting advantages which the Indian industry enjoys and which Pakistan does not enjoy. If these are not taken into account, then a completely one-sided picture is presented before the country.

We must remember that our industry has a start of nearly 100 years, because the Pakistani industry started only after Partition. I would just like to say two things in this connection. This is what Mr. Jalil, Vice-President of the Pakistan Jute Mills Association, the body corresponding to our IJMA, says. He says that the capital cost of these Pakistan mills, that is, the new mills which are being set up, is much higher than the capital cost of the Indian mills. Actually, he has calculated the capital cost in Pakistan at Rs. 27,000 per loom, as compared to Rs. 6285 per loom in India. Whose advantage is this?

Mr. Jalil further says that depreciation costs in Pakistan are Rs. 106 per ton, whereas in India, it works out

on an average to Rs. 21 per ton. Again, whose advantage is that? He has further said that labour costs in Pakistan work out at Rs. 70 per ton more than in India, that is because in the modernised mills in India, the number of workers per loom now has gone down to below 3 per loom—at one time, it was five or six—whereas in Pakistan, it is still 3.5 workers per loom. These are Mr. Jalil's statements, not mine.

And this is what the chairman of the Pakistan Central Jute, Mr. Islam, says in a public statement on the 12th June of this year:

"He made it clear, however, that the Government was not happy on the fact that Pakistan's increased foreign exchange earnings had resulted from higher price levels and not from an actual increase in exports which in raw jute was one-third below normal and in jute goods substantially below the 1959-60 level."

So though they have some advantages, there are other disadvantages which they suffer from. Take, for instance, coal. All their coal has to be taken from India. They have no coal of their own. Their position regarding electric power is much worse than ours. We are in a much stronger position. The port facilities that our jute industry enjoys through Calcutta, which has been built up and developed over so many years, are not there in Pakistan because no Pakistani port has reached yet that stage of development. Then there is the question of mill stores which are very important—all manner of stores, shuttles, bobbins, baling hoops and even batching oil. These things are manufactured in India for our mills whereas there is no manufacturing capacity for these stores in Pakistan. These things should be remembered. As far as contacts with foreign countries are concerned, business research, and network of shippers and dealers, which are a very important part of the

5C47 Resolution re:
Fixation of Price of Jute
and discussion re: Scarcity
of raw Jute

AUGUST 25, 1961

Re: Summons Issued
to Shri Karanjia

5048

[Shri Indrajit Gupta]

trade, do not virtually exist in Pakistan. Even the labour force here is much more experienced than the labour force which is growing in Pakistan.

Therefore, it is not correct always just to bring up this question of raw jute and say that Pakistan is now so favourably placed that we cannot compete with them. I think this is a very sad counsel of despair that we are sounding when our industry has been in existence for a hundred years and they have started only a few years ago and their production is still a long long way behind ours. We are crying and complaining as though it is impossible for us to stand up before them even when we are enjoying all these advantages. If some further steps are taken, which we have already suggested in this debate, that is to say, if our mills diversify their production and diversify their markets, if the export trade is properly canalised, if this instability of the raw jute market position is rectified and if the speculation is checked, what is there to be afraid of? We are much stronger than anybody else. If you read the reports from the European manufacturing countries which the Minister referred to, you will find that they are trying somehow or other to protect their jute industry from being rendered extinct by the competition from India. Of course, after Britain's entry into the ECM, I do not know what will happen. But that is a different question.

I do not wish to take up any more time of the House. I am totally unconvinced by what the Minister has said. I am in the dark as to what Government propose to do about the fixation of prices. All the same, I am very gratified indeed that my Resolution has got the unanimous support of everybody from all sides of the House who has spoken, I commend my Resolution to the acceptance of the House. I do not propose to withdraw it.

श्री विजयलक्ष्मी मिश्र: अध्यक्ष महोदय पिछले
साल जूट ७५ ६० के हिसाब से पाकिस्तान

में त्रिका और हमारे यहां ६० रु० के हिसाब से त्रिका।

श्री इन्द्रजीत गुप्त : यहां स्मंगल हो गया।

Mr. Speaker: The question is:

"This House is of opinion that minimum and maximum prices of raw Jute should be statutorily fixed and enforced".

The motion was negatived.

So far as the discussion is concerned, there is no motion to be put to the House.

18.08 hrs.

RESOLUTION RE: CONTRIBUTORY
HEALTH SERVICE SCHEME

Mr. Speaker: Dr. K. B. Menon.

Dr. K. B. Menon (Badagra): Mr. Speaker, Sir, I am very thankful to you for this opportunity. It is a great pleasure for me to avail of it, because I never thought that this would be taken up today.

I beg to move the following Resolution:

"This House is of opinion that the Contributory Health Service Scheme for Central Government servants and members of their families in Delhi and New Delhi may be extended to other cities".

Mr. Speaker: He may continue on the next day.

18.10 hrs.

RE: SUMMONS ISSUED TO SHRI
KARANJIA

Mr. Speaker: After the Resolution that was passed here adopting the report of the Privileges Committee about the Editor of the Blitz and its