

the lunch hour. But if we have to decide to do away with the lunch-hour, then, of course we will have to settle it once for all.

SHRI SHYAMNANDAN MISHRA (Begusarai): Why should there be a decision to do away with the lunch hour?

MR. SPEAKER: That is what I am saying. I am conveying your view about it.

SHRI PILOO MODY (Godhra): I would like to convey my view about it now. We have made several suggestions in this regard in order to help the Government in carrying out its business. Now, if the Government ever come back to us and say, we have not been able to finish our legislative business and that is why, let us cut out the lunch-hour, I want to give notice to the House that under no circumstances will we agree to the lunch hour being cut out in future even for a day.

SHRI SHYAMNANDAN MISHRA: If it is for tiding over the food crisis we can consider it.

MR. SPEAKER: There are many reasons other than tiding over food crisis. I think it is much better if we all do not eat during the lunch hour and only speak.

SHRI PILOO MODY: It suits those who are in the habit of speaking to an empty House.

श्री अटल बिहारी वाजपेयी (ग्वालियर) :
यह चीज नोट कर ली जाए कि हम लोग तो बंज चाहते हैं लेकिन ये स्टेटस को वाले हैं ।

श्री : जीत यादव (आजमगढ़) : ये जल्दी जरा ज्यादा करते हैं ।

हम लोग सोच विचार कर काम करते हैं लेकिन ये वगैर सोचे विचार करते हैं ।

श्री हुकम चन्द कछाय (मुरेना) : इत्तका ननूना महंगाई है ।

SHRI PILOO MODY: Shri Chandrajit Yadav is preparing for a Minister-ship by saying that the matter is under consideration.

MR. SPEAKER: I do not think that it will go to that extent. Please don't worry about the change of time. If at all any change is to come about, we will give at least one week or ten days' notice to the Members. They may keep their programme as it is and they need not ask me again and again.

SHRI PILOO MODY: Kindly inform the Minister of Parliamentary Affairs about what I have said.

MR. SPEAKER: He knows it all right.

Now, Calling Attention.

12.06 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

ACUTE SHORTAGE OF NEWSPRINT IN THE COUNTRY

SHRI G. VISWANATHAN (Wandiwash): I call the attention of the Minister of Information and Broadcasting to the following matter of urgent public importance and I request that he may make a statement thereon:

The acute shortage of newsprint in the country resulting in closure of some newspapers and cutting down of pages by all newspapers.

THE DEPUTY MINISTER IN THE MINISTRY OF INFORMATION AND BROADCASTING (SHRI DHARAM BIR SINHA) : Government had occasion during the last session of Parliament to place before the honourable Members facts and figures to show how, because of a world shortage, it

[Shri Dharam Bir Sinha]

had not been possible to procure enough newsprint to meet the requirement of newspapers in the country for 1973-74 based on their performance in the previous year by utilisation of newsprint authorised for that period. The quantity of newsprint, both imported and indigenous, available for distribution to existing newspapers was at that time estimated at 1,57,100 tonnes, as against a requirement of 2,30,000 tonnes. The actual shortfall in availability was thus 31.70 per cent. Government had, therefore, to impose on all newspapers a cut in newsprint quota of 30 per cent. Newspapers with a circulation of 15,000 copies and a page-level of 8 were enabled to seek exemption from the cut by having recourse to a provision for new newspapers made in the Newsprint Allocation Policy.

As against the estimated availability of 1,57,100 tonnes, it was expected that 1,26,700 tonnes would become available through imports from abroad—64,000 tonnes from Canada, 18,000 tonnes from Scandinavia, 10,000 tonnes from Bangladesh, 28,000 tonnes from the Soviet Union, 1,000 tonnes from Poland and 5,700 tonnes from Czechoslovakia.

An already difficult situation has, however, been made more difficult by a strike in some Canadian Newsprint Mills and by some supplies with whom contracts had been entered into not adhering to delivery schedules. In accordance with the delivery schedules under the various contracts, a quantity of 71,000 tonnes should have moved into the country by the end of December 1973. As against this expected quantity, actual arrivals so far has amounted to 9,560 tonnes from the Soviet Union. A 383 tonnes from Scandinavia, 1,451 tonnes from Bangladesh and 6,206 tonnes from the Soviet Union. A quantity of 17,566 tonnes is on the high seas, 4,192 tonnes from Canada, 147 tonnes from Scandinavia, 903 tonnes from Bangladesh, 11,536 tonnes

from the Soviet Union and 698 tonnes from Poland. A further 25,354 tonnes is expected to be received by year end, 10,808 tonnes from Canada, 1,703 tonnes from Scandinavia, 1,283 tonnes from Bangladesh, 10,258 tonnes from the Soviet Union, 302 tonnes from Poland and 1,000 tonnes from Czechoslovakia. Thus, there will be a gap of 18,500 tonnes between expected shipments and actual arrivals. This shortfall in supplies has resulted in the newsprint shortage becoming more acute. Vigorous efforts are being made to persuade the suppliers to speed up shipments of contracted quantities.

As a result of the world shortage and the consequent cut in newsprint quota, newspapers in the country have had to limit their performance by cutting down the number of pages they publish. Some are voluntarily regulating publication in order to balance newsprint consumption and availability. No newspaper in receipt of newsprint quota is so far known to have closed down for want of newsprint. Four newspapers missed publication for short durations. While there is a general shortage of newsprint, this has been accentuated in the case of some newspapers because of consumption in excess of entitlement. In view of the acute shortage and delay in import of contracted quantities, it is all the more necessary for all newspapers in the country to exercise the utmost economy in the consumption of newsprint.

SHRI G. VISWANATHAN: We the Members of the Opposition are the worst sufferers, apart from the newspapers, due to this newsprint shortage. A number of small papers, have already closed down, and almost all the newspapers in this country have cut down their pages. For the last few days, most of the papers are also increasing their prices. The colossal failure of the STC which is the most mismanaged public sector organisation of this country has led to this paper famine in our country.

After all, the per capita consumption of paper in our country is very very low. It is 1.5 k.g. as compared to 257 k.g. in the USA. Our total newsprint requirement is 2.45 lakh tonnes. It is just equal to the annual consumption of one paper namely, the *New York Times*. As against this, for 1973-74, according to my information, which the hon. Minister has also corroborated, the STC has entered into a contract only for 1.68 lakh tonnes.

So, even after taking into consideration the indigenous production from NEPA, we shall still have a shortfall of about 82,000 tonnes for 1973-74.

The STC used to be a good purchaser when it was a buyers' market they used to go and purchase very well, and that was all very well. But now it is a sellers' market, and the STC has miserably failed, because it does not know how to do business. It has no marketing intelligence, and, therefore, it is not able to assess the supply, the world shortage and the price variation in various countries and it has no permanent arrangement with any foreign countries for continuous supply of newsprint just as the old individual newspapers used to have to get a continuous supply. That system is not available now. The STC is following a blind policy of spot purchase and has no long-term contracts at all.

That is why now we are facing this newspaper crisis in the country. It has failed to anticipate the world shortage and enter into a contract with foreign companies.

As early as September, 1972, the IENS brought to the notice of the STC that there was going to be a world shortage and we must enter into contracts very soon. They reminded the STC four times, but this biggest white elephant did not move at all. But it sent a delegation as late as May 1973. We do not know

what the delegation did, but the result of their efforts is nil, nothing. When all the other countries have concluded agreements, we were the last to enter the market. It was like locking the stable after the horse had belted. We could not get anything.

Our High Commissioner in Canada sent two proposals as early as August 1973. But so far no action has been taken upon them. He sent two proposals from two companies. One is the Krugar Pulp and Paper Limited, Montreal. It offered 50,000 tonnes per year over a period of ten years as against a loan of 20 million dollars. The Government have done nothing about it. Another offer was made by Macmillan Bloedel Ltd. They offered 10,000 tonnes over a period of five years. The Ministry has not taken any action on it. The Ministry is sleeping over the proposal.

Now the Minister has said in an interview that it is not economically feasible. I want the Minister to lay on the Table the study report made by the Ministry. We want to go through the report of the Ministry. I am sure they have not studied anything on the economic feasibility of the project. I want to know from the Minister whether they approached any foreign bank a loan for this purpose. I am told by the IENS that the Bank of America and the First National City Bank of New York are willing to give loan. In fact, they have written to the IENS. They have contacted the STC, but the STC is not doing anything. It has not furnished any details to the banks which are willing to give us loans.

The STC has entered into contract with some of the foreign companies. But at what price? When Krugar offered us at \$240 per tonne, the STC has entered into a contract at \$300 per tonne c.i.f. This is definitely a financial loss which could have been avoided if the Ministry and STC had taken the decision earlier.

[Shri G. Viswanathan.]

It is now eight months since the beginning of 1973 and only four months remain. Even out of the contracted quantity, only 7 per cent has arrived. There are only four months to go. What is the Minister's answer to this? In the next four months, how are you going to overcome this crisis? Due to its inactive policy, due to the sluggishness of the STC, the newsprint has not reached this country. That is why pages are being cut down and newspapers are being closed. I want the Minister to take action against the erring officials. Because of their inactiveness and sluggishness, now we are suffering.

Let us take the indigenous production. NEPA is the only one plant which produces newsprint. It has been producing for the last 15 years. Now they say that they are going to expand. I ask: what were you doing in the last five or six years, since 1969?

Not only this. There is another interesting feature. Is it true that the paper plant is already installed first without having a pulp plant and the paper machinery is lying idle? The Minister must be knowing about it and must tell us about it.

Again, instead of producing newsprint, now they are adopting a technique whereby from chemical pulp they produce what they call white printing paper. There is no control on the price. They give it to their agents instead of giving it to the newspapers. The result is that though Rs. 1,500 is the controlled price, the newspapers have to pay a black market price for it of Rs. 4,000 to Rs. 4,200. I want to know from the Minister why Government itself is encouraging black market in this.

Again they have declared a number of total quantities of paper as defective or reject. It is being given to

agents and is being again sold to newspapers at black market price. I will show a sample of this paper which is offered. It is a black paper on which no coloured printing can be done.—I am not able to show it because I have left it. This paper is being sold for Rs. 4,000 in the black market. What happens to the Government policy as well as to the cultural and industrial paper? I do not think we are surplus in cultural and industrial paper also. I am told that all the newspaper mills in this country or the paper mills are exporting to foreign countries. I want to know what is your policy. When there is so much shortage inside the country, why are you allowing export?

The Press Commission was appointed in 1954 and they have submitted their recommendations. What happened to those recommendations? It is almost 15 years back. They have said that the Himalayan resources can supply 1,80,000 tonnes of pulp per annum. What are you doing about it? They have also recommended that instead of these trees which we are raising at present, mulberry and wattle trees can be planted and they can be used. They have also suggested that bagasse can be used and that two tonnes of bagasse will give one tone of paper. What have you done all these years to implement the recommendations of the Press Commission?

Now, Russia is one of these countries which is exporting paper. The Minister must take this opportunity, when the Russian Communist chief, Mr. Brezhnev, is arriving here, and the Government should take up the question with the Government of the USSR and try to get as much quantity as possible.

Since the STC has completely failed to get us the quantity of paper which we require in this country, I want the

Government to see that newsprint is taken away from the STC and entrusted to an independent organisation, where both the Government and the private industries will be in it.

The Minister is there in this particular Ministry for the last five years. There is the Press Commission's recommendation which has not been implemented. The IENS should have taken it up with the STC. They were sleeping over it. The IB Ministry has done nothing on it. The Minister must be held responsible for the newsprint shortage in this country and for the muddle which we are in, the Minister should resign.

There is no policy as far as this Government is concerned on paper, and if there is any policy it is only on paper. I think there is no other alternative for this Minister except to resign.

THE MINISTER OF INFORMATION AND BROADCASTING (SHRI I. K. GUJRAL): My friend Shri Viswanathan has made a very interesting case, but unfortunately, his sources of information are very limited. He has been briefed by some friends who have not been trying to put before him all aspect of the problem as such. It is not for me here to defend or not to defend the STC because, as you know, that is the charge of another Ministry, and so far as the functions of the STC are concerned, my friend may take another opportunity to address the Minister of Commerce and he perhaps will be in a position to give him more details about the functioning of the STC.

So far as newsprint is concerned, I hope I will be able to satisfy my friend if he is keen to understand the facts as they stand. It is unfortunate that the world over today there is an acute shortage of newsprint. One index of that shortage is that the prices are shooting up very fast. My friend himself has mentioned that last year when we were buying news-

print at approximately about 190 dollars, this year the prices have gone up to 300 dollars. This is a world process which is going on. The result of it is that, unfortunately, those who claim to have very high business ethics, even those who have been entering into long term contracts, have chosen to back out of them whenever there is a price rise. So, even if you leave the past out for a minute, even in today's context, the situation is somewhat very difficult. Even the contracts signed by us four or five months ago have gone on the rocks, because, as the prices go up, these gentlemen back out. My friend must have been told that the delegations which went out had only one or two Government officials they were dominated by the leading newspaper men themselves; their managers and their proprietors. The delegations have gone everywhere; and these delegations have come to unanimous conclusions, and there is no difference of opinion because of the observations they have made.

The figures have been given in the first statement made by my colleague. Now, there is even now going to be an additional likely shortage of another 18,000 tonnes after the announcement of the policy, because one of the mills from whom we agreed to buy has entered into a contract; although they have backed out of their earlier contract, we re-negotiated the agreement because they asked for a price; after that even, they backed out on the pretext that their mills were closed down; they have put forward a reason that there is in the agreement a clause which is called *force majeure*, that is, since the mills were closed for more than 90 days they would not like to supply at the price given.

Therefore, my friend should appreciate that it is not a good habit every time to blame ourselves. Sometimes we should know that people outside are also to blame for things happen-

[Shri I. K. Gujral]

ing to us. When a manufacturer in Canada or Scandinavia does not live up to his commitments, he might turn the guns to that side also. He should realise that it is not the STC or the private sector that is responsible. The difficulty in the world position is being taken advantage of by some manufacturers and they are using every excuse to try to step up the price.

SHRI PILOO MODY (Godhra): What about the Soviets?

SHRI I. K. GUJRAL: The Soviets fortunately, in spite of my friend Mr. Pilo Mody's earlier advice, have lived up to their commitments. The price we are paying them is the world price. We are paying everybody the same price. Today the price has become irrelevant. Even my friend says, don't talk of price; talk of supplies. Even when the delegation was sent four months ago to the Soviet Union, an important sector of the IENS came back and told us, "Don't buy from them because they are asking for a high price". Later on, of course, they changed their mind. If we had listened to them at that time, the crisis would have been far deeper today. Some people who yesterday were advising us not even to enter into an initial agreement with the Soviet Union are now speaking through Mr. Viswanathan to tell us that we should request Mr. Brezhnev to give us more supplies irrespective of the price! There should be some sort of a consistency in a policy when it is pleaded.

He said some loans are being offered by some US Banks. I am not aware of it, unless some private negotiations are going on.

SHRI G. VISWANATHAN: The STC is aware of it.

SHRI I. K. GUJRAL: The issue at the moment is not availability of

foreign exchange. The issue is availability of newsprint. We are not shirking in the allocation of foreign exchange. Fortunately the Finance Ministry has been very liberal and has placed at our disposal the foreign exchange we ask for. But if supplies are not available, what can foreign exchange do?

My friend has brought to my notice the offer made by Krugers. This offer has been under our consideration. But may I tell him the terms? The offer is, we should agree to give to this firm an advance loan of 1 million dollars per 2500 tonnes of newsprint, which they will reimburse us in 10 years. You can imagine the fantastic dimensions of the problem. You keep on multiplying 2500 tonnes by any number you like and so many million dollars must be given to them in advance! Even then we are trying to check up their financial viability, what is their set-up, whether they can be given so much loan or not etc. Their financial reports have been asked for and we will take a final decision after the financial reports are made available to us.

He has talked about another offer from McClean and Brodel. The delegation which went to Canada about a week ago met them, checked up from various sources and had come back. But no concrete offer has been made to us. Therefore, my friend should not fly with every rumour he hears. He has ready in the newspapers the statement of the IENS Secretary that only 7 per cent of the goods have arrived. The situation is bad, but not that bad. The figures in respect of newsprint arrivals and quantities on the high seas are not correct. The actual position is, 9580 tonnes, i.e. 7.56 per cent has been received while 17,566 tonnes, i.e. 13.86 per cent is on the high seas. This totals up to 21.42 per cent of the total contracted quantity of 1,26,700 tonnes for 1973-74. and not 13

per cent, as reported. A further quantity of 25,354 tonnes, that is, approximately 20.02 per cent, is expected to be shipped before the end of this year.

Therefore, the position is, as my colleague just now said, we are at the moment facing a gap of approximately 185,000 tonnes. We have our apprehensions about our Scandinavian supplies too, because in spite of the contracts made they have made no shipments so far. They are supposed to supply us 13,000 tonnes. I hope wisdom will prevail on them and they will ship 13,000 tonnes for which they have committed. But, God forbid, if that does not happen, then the gap is likely to be of the order of 31,000 tonnes. I would agree that the situation is indeed very sad and grave. I am only hoping that newspapers will appreciate the difficulties that we are facing, and they will try to effect the utmost economy in the use of newsprint.

I would say that Government is very much concerned about the situation. We are very keen that we should try to get the maximum possible quantity of newsprint. I have again called a meeting of the IENS and the Newsprint Advisory Committee. Government would do everything that is within our means to try to get the maximum possible newsprint.

Naturally, there are no substitutes to the imports available at the moment except Nepa. Fortunately, Nepa is performing according to its commitment and we are getting the supplies as scheduled. On the long-term basis some schemes have been worked out. It is expected that by the end of next year Nepa will be able to step up its production to about 70,000 tonnes. Then, another plant is being built in Kerala, which will be ready by 1975-76. I am also told by my colleague, the Minister of Industries, that they are now thinking of setting up a Newsprint Corporation

to set up at least two additional plants in our country, because the need for newsprint is increasing and we must do something to meet it.

So far as general paper is concerned, which is quite different from newsprint, I am personally of the view that there is no shortage. I have requested the Minister of Industries to carry out a study and evolve a policy which I hope he will do very soon.

SHRI G. VISWANATHAN: Why are you allowing export of paper?

SHRI I. K. GUJRAL: That I cannot answer; he should ask the Minister of Industries.

SHRI G. VISWANATHAN: Ultimately it is the Government.

SHRI I. K. GUJRAL: I am not sure of the exports. I have already brought this to the notice of the Minister of Industries. Kindly keep one thing in mind. Paper is not part of newsprint. Newsprint is not being exported. I am dealing only with newsprint. So far as general paper is concerned, he is well-advised to direct his question to the Minister of Industries.

So far as the recommendations of the Press Commission are concerned I do not know if my hon. friend has read the Press Commission Report itself. The basic recommendation of the Press Commission is that more factories should be set up for manufacture of newsprint. At the same time, the Commission has also said that those who consume newsprint most and those who are big industrial houses, they should also invest in newsprint, which they have not done during the last 20 years, even though I have invited them to do it many times.

SHRI SHYAM SUNDER MOHA-PATRA (Balasore): I cannot agree with Shri Viswanathan who said

[Shri Shyam Sunder Mohapatra]

that the Minister should resign. The hon. Minister, Shri Gujral, is a wizard in the Information Ministry. When I was reading through the facts submitted by him, I was reminded of one British Prime Minister, William Pitt the Younger, in the history of England, who was faced with a potato crisis in Ireland. During that crisis the whole House of Commons rose in revolt against the Prime Minister. Like Shri Gujral, the wizard in the information Ministry, Pitt the Younger submitted a paper which was full of statistics and figures. The Members stumbled and fumbled over those figures and, later on, went home, satisfied.

I want to bring to the notice of the Minister one fact. In our country there are hundreds of cinema magazines. No one is interested in seeing the photographs of Saira Banu or Dimple Kapadia... (*Interruptions*) If the hon. Minister makes a cut in the newsprint quota granted to such cinema magazines, I think, the daily newspapers will be very much benefited by it, so also the readers.

I want to bring another suggestion before the hon. Minister. Most of our newspapers which are run by the vested interests, the tycoons, are giving more space to advertisement and less space to news material. It is very difficult to get news items in newspapers. Everything is covered by the advertisements. So, I suggest, why not impose some restriction on the space given to advertisements so that at least the poor reader will be benefited by it?

Then, there was a Conference at Tokyo between 7th and 9th of this month where nine countries including India, were represented. They somehow or other wanted to arrive at a conclusion and moved a resolution which reads thus:

"It is clear that even the most modest restraint on consumption and avoidance of waste by the rich countries cannot solve the situation."

I want to draw the attention of the hon. Minister to one thing. Why not we request the newspapers in foreign countries—Mr. G. Viswanathan mentioned about those newspapers—to reduce their pages so that newspapers of our poor country are benefited by it. This is a practical suggestion that I am making.

Since the hon. Minister has said that it is a world-wide crisis, and if it is a world-wide crisis, then bigger countries, more developed countries, like, America and England should try to see that we in a poor country are able to develop our newspapers.

I want to pose another question to the hon. Minister. I want to know whether the Ministry of Information and Broadcasting gave their requirement to the S.T.C. before and, if it was so, the S.T.C. has failed in its duty. It was the duty of the S.T.C. to find out from somewhere the requirements of India. If they have not done so and, if we have a very poor opinion about them, I would say, let the charming Minister go around Europe, America and Canada, wherefrom newsprint is available and bring to us the newsprint quota.

I know that in Maharashtra, in Kolhapur, they wanted to manufacture newsprint from paper and straw-board. I want to know what has happened to that.

There was a Maharashtra cooperative also which wanted to develop technology in this. What has happened to that? Why not we become self-reliant? Why not we try to have our own industry since the raw material is available in the country? Why should we look to foreign countries for such a help?

I hope, the hon. Minister will kindly consider the points that I have made and give some pertinent answers to them.

SHRI I. K. GUJRAL: My hon. friend has raised two or three points which I will try to meet.

As regards the Tokyo Conference about which no mention, the Asian Press met and India was also represented, I am told, by one of the leading papers in India. The unanimous decision as I read about it was that they appreciated the world shortage and, naturally, they also felt that some world-wide solution should also be found.

In conformity with that, I am taking up the issue with the UNESCO because one of the purposes of the UNESCO is regarding free flow of information. I think, some sort of an international discipline should be imposed so that the countries of Asia which are suffering most get some relief. I may tell my hon. friend that, unfortunately, some countries of Asia are even suffering more than India.

AN HON. MEMBER: Which countries?

SHRI I. K. GUJRAL: For instance, Korea; for instance, our neighbours, like, Thailand, etc. Therefore, it is very important for us to try to create some sort of an international discipline. I hope, the UNESCO may be able to intervene in this matter.

So far as the space allocated to advertisement is concerned, there are two aspects of it. You will recall, in various debates in the House, the Government has put across this point that there should be some norm fixed. The Press Commission had recommended one. For instance, they said that there should be 40 per cent advertisement and 60 per cent reading material. But, unfortunately, some leading newspapers never accepted it. Even before the cut was applied, some papers had reversed this ratio—60 per cent advertisement and 40 per cent reading material. Since the cut of 30 per cent, this proportion has further been introverted in the sense that in some papers the advertisement space has been as much as even 70 per cent

sometimes. That problem is there. We have the difficulty because of the Supreme Court judgment. The Supreme Court judgment has said that Government should not intervene in this and it is for the papers to decide how much advertisement space they allocate. Even then, the I.E.N.S.—my will allocate. Even then, the I.E.N.S.—my friend, Mr. Viswanathan, who seems to be having a good deal of influence with them may persuade them—or somebody can evolve a voluntary code of conduct and thereby they should be in a position to say 60 per cent for the reading material (*Interruptions*). I can assure Mr. Viswanathan one thing. After today's pleading, his name will appear in bold words on the front page, I am certain of that and if he wanted to earn it, it is alright.

So far as film magazines are concerned, again it is not a question as to what magazines we like or do not like. We in this country have given an assurance to everybody regarding freedom of expression, and if some people want to print and if some people want to read film magazines, then naturally we have to allow that. I also sometimes feel that, if there were no film magazines, my friends in the DMK would be very unhappy about it.

So far as the Maharashtra cooperative venture is concerned they have submitted a scheme to the Ministry of Industry to use bagasse as the base for the manufacture of newsprint. Of course, it has many implications because bagasse is mostly used by many sugar mills as a fuel. That aspect, perhaps, the Ministry of Industry will look into. But I was told by the Ministry of Industry that this is being considered very favourably. Bamboo is already available to Madhya Pradesh and they are using it in Nepa. Therefore, the raw material shortage is not there. The question, basically, is to set up more mills.

SHRI HARI KISHORE SINGH (Pupri): We are grateful to the Government for the statistics which they have provided and for the clear-cut

[Shri I. K. Gujral]

exposition of this problem. Unfortunately, in this country the newsprint shortage is linked by the rightist section of the politicians and the monopolists in the press with Government's intention of curtailment of freedom of speech and expression, which is totally unfounded. The tycoon press, from its executive agent like Mr. Irani to its able pleader in the highest court of justice, Mr. Palkhiwala, have made insinuation on this point, and I would request the hon. Minister to make it clear that the newsprint shortage and any rationing of it which the Government intend to introduce because of this has nothing to do with curtailment of freedom of speech and expression.

The newspaper industry which is controlled and owned by the tycons in the country have advised the Government and the country on every possible issue under the sun, but they have never advised themselves regarding setting up of newsprint industry. The American and Japanese papers have done this. American papers like the *New York Times* have established newsprint industry in Canada and the Japanese have established newsprint industry in Scandinavia. I would like to ask the hon. Minister whether there is any policy in the Government on this issue. Whether the Government is going to advise the newspaper industry in this country not only to establish newsprint industry in this country but also to explore the possibilities of setting it up in other countries, particularly in Canada, Scandinavia and some of the countries of Asia and Africa. I also want to know whether Government will give substantial financial aid to any venture in this regard as it is doing in respect of other essential industries.

There is another problem. Mr. Gujral has rightly said that the Government is going to take up this issue with the UNESCO. I would like to request him that the Government should make a specific request

to the UNESCO to convene a world-conference on this issue because it is a part of the Scheme and the objectives of the UNESCO and the UNESCO should convene a world conference on this issue and try to create public opinion for introducing an international rationing system regarding consumption of newsprint. I understand that if only 1 per cent curtailment of newsprint consumption is made in the United States, it will meet substantially the shortage of newsprint in the developing countries of the world.

Now in this country also, I have to taken away from the STC and the "Hindustan Times and the Times of India" Group of Newspapers have developed paper technology. As they own newspaper industry, why should they not be asked to use their own paper technology which is widely developed for manufacturing newsprint itself? In this regard, I would like to request the Minister to prevail upon the *Times of India* Group which has a paper industry in Bihar and is exploiting the Bihar forests for their own paper mills, to establish a newsprint factory in the District of Palanrau in Bihar where bamboo is available in abundance.

Finally, join Mr. Viswanathan in asking the Government to make a request to the Government of USSR to supply newsprint at least to the tune of 50,000 tonnes because, as the Minister has already pointed out, it is the one country which is keeping its commitments and contracts in supplying the newsprint to our country.

Thank you.

SHRI I. K. GUJRAL: So far as setting up newsprint industries is concerned, I have already indicated....

SHRI PILOO MODY: I should answer him, not you. He has been supporting you.

SHRI I. K. GUJRAL: You are welcome to answer him, but, naturally like your paper, you will again mislead.

So far as the newsprint industry is concerned, as I said just now, in the public sector one factory is being set up. I am given to understand that the proposed Newsprint Corporation may examine the possibility of setting up two additional factories.

So far as the ventures in the private sector are concerned, it is unfortunate that one or two letters of intent which were issued years and years ago—one letter of intent was given 12 years ago for setting up a factory, but, unfortunately, that has not reached the floatation stage even—did not fructify and I think, the private sector if it wants to come into this sector will not only be encouraged but I think they will be welcome, particularly, those who are consuming newsprint because 40 per cent of the newsprint are consumed by four or five top groups. I think they should try to come and make investment in these spheres in their own interest and I hope they will heed the suggestion of the hon. Member.

Regarding taking up the matter with the UNESCO, it is a welcome suggestion and I intend taking it up.

So far as the USSR is concerned, under the current agreement, they are giving us 50,000 tonnes—28,000 tonnes this year and the balance next year. We will try to persuade them if they can increase the quantity.

SHRI SHYAMNANDAN MISHRA (Begusarai): It seems that every difficulty the country faces is a worldwide phenomenon. The Prime Minister was pleased to say, and she has been repeating it very often, that the price-rise is a world phenomenon; and as a very loyal follower of the Prime Minister not only in the policies but also in terminology the hon. Minister for Information and Broadcasting, has Characterised it as 'a global phenomenon'. So, it would be perhaps less than democratic if we do not create or at least face that kind of

difficulty! That seems to be the approach of the Government. It is quite clear that the present unprecedented situation has been created, in the first instance, by no planning or if there has been any planning at all bad planning, on the part of the Government. I would like to know as to who had been responsible for such a bad planning or no planning at all. Whether the Planning Commission has been responsible for it? And, even if the Planning Commission is responsible, it is the Government which has been responsible ultimately. We would like to know the exact position. In order to meet this particular situation why did we not plan for self reliance, complete self reliance I would say, in the matter of fulfilment of our domestic demands. And then, it has been established that the STC has thrown away of the opportunities for securing newsprint from abroad. If that is so, why was no action taken against the officers or the STC?

The Hon. Member Mr. Viswanathan asked whether the Government proposed to institute an independent corporation because the STC has been found to be lacking in vigilance and alertness in this matter. That question remains unanswered.

There is also a suspicion that some of the newsprint has been cornered for the election campaign in U.P. The Government would probably try to contradict it but the suspicion is bound to persist that some of the newsprint is also being concerned for the election campaign of the ruling party.

There are a few further questions which have got to be answered and not evaded.

What is it that the hon. Minister has done in respect of the urgent demands and what are the prospects for the next year? Let him give us full details about prices and about availability. About the coming few years, I would like to know whether he is planning in advance and whether timely forward contracts are being en-

[Shri Shyamnandan Mishra]

tered into for the next year. The hon. Minister has used a peculiar word. He has said that some newspaper missed publication for short durations. The point made is that some newspapers went out of circulation; they had ceased publication. But he has used another term which is euphemism for the same—missed publication for short duration.

Therefore, what I would like to know is this: how many newspapers have reduced size, that is, number of pages; how many have reduced circulation, that is to say, if they had 15,000, now it has been reduced to 10,000 or so? Thirdly, how many newspapers have increased prices?

The House would recall that last time when I raised this question the hon. Minister was pleased to say that newspapers would not be allowed to increase prices. That was the sort of commitment made on the floor of the House. Let the hon. Minister tell us whether some newspapers have already increased prices and if they have done so, whether they have done that, with the approval of the Government.

Will he tell us whether some newspapers have given notices also for closure? Is it a fact whether some important national newspapers particularly have given notices for closure?

I would also like to know how many applications have been made, and how many projects have already been formulated for the manufacture of newsprint either in the private or in the public sector, and how many feasibility reports and so on have already been prepared in this connection.

I would also like to know whether Government are now being forced to increase the controlled prices of newspapers, because of the increase in the price of petrol which would increase the price of circulation or

transport newspapers, and also whether Government are under pressure for increasing the controlled price of newsprint.

Lastly, I would like to know whether Government are thinking of setting up an independent corporation in place of the paper corporation, as they had earlier been thinking of.

There are a few questions which I would like the hon. Minister to answer.

SHRI I. K. GUJRAL: My hon. friend has asked me some worthwhile queries which I shall try to met in my own way.

So far as the problem being of world-wide dimension is concerned, I think that my hon. friend should have appreciated today's context more than anybody else, because he is one of those few Members in this House who are not only exceedingly well read but also keep themselves informed about the various world-trends, and I am sure he was not telling us out of his knowledge but out of his prejudice when he said that the world-wide phenomenon was not there, because his knowledge is definitely different and I am sure he knows it that the world-wide phenomenon is there. It is none of our creation.

SHRI SHYAMNANDAN MISHRA: He could have contracted earlier; he could have contracted in time.

SHRI I. K. GUJRAL: As I have said already, we did contract, and I am willing to place on the Table of the House copies of the contracts that we had entered into.

SHRI SHYAMNANDAN MISHRA: What is true of food is true of newsprint also. He had never contracted in time for newsprint.

SHRI I. K. GUJRAL: I would only suggest to my hon. friend that for everything happening elsewhere and for all the misbehaviours of some of the contracting parties, we should not beat our chest all the time. It is not that we always were at a mistake; if we make an agreement in time but the supplier does not live up to it, how are we to be blamed for it? Even today, in respect of the contracts which are now effective and which have been re-negotiated and in respect of which the price has been increased by the suppliers, there are difficulties being felt. Therefore, I would suggest that my hon. friend should take a non-partisan attitude on this and not any partisan attitude, because it is an issue which concerns all of us.

SHRI ATAL BIHARI VAJPAYEE: Let him kindly reply in the Pordicherry spirit. This sort of reply would not do any more.

SHRI I. K. GUJRAL: This is what, I think, my hon. friend must explain to him.

So far as planning for self-reliance is concerned, my hon. friend Shri Shyamnandan Mishra has himself been a Minister of Planning, and he is one of those who can be blamed or not blamed for whatever may be happening now. For, he is one of those politicians and thinkers who have always said that the plans which are formulated today have a far-reaching effect. If my hon. friend wants us to believe that whatever he did do or did not do does not have any effect on us today, I think he is trying to negate himself.

SHRI SHYAMNANDAN MISHRA: I left planning twelve years back.

SHRI I. K. GUJRAL: We are paying for it today. Posterity will be happy over what we are doing today, but we are today unhappy over what he did.

13 hrs.

So far as an independent corporation is concerned, as I have already said, a newsprint corporation is being set up. The idea is that it should look after the manufacturing programme and also look after the import, distribution etc.

So far as the prospects for next year are concerned I can only say with a great deal of pain and anguish that they are not bright. The agreements which are being signed today are at higher prices. The prices are very difficult for our medium and small papers. They cannot afford them. Even today the price being demanded is of the order of \$ 300 per tonne. I do not know how much will it be by the time all the agreements are finalised.

Similarly, supplies for next year are not promising. The delegation which went to Canada have been able to sign up to only 53,000 tonnes for next year, whereas normally we have been importing from Canada a quantity of the order of 80,000 tonnes on the average. This gap is still being kept there.

So far as timeliness of the contracts is concerned, timely contracts are being made everywhere, but I do not know what the term 'timely' in this context means because the situation

is very difficult.

So far as some papers missing publication is concerned, I would say that it happened only in the case of four papers. This is so far as I know. For instance, the *Madhya Pradesh Chronicle* missed only for one day. The *Navbharat* (Hindi), Bhopal, missed for two days. The *Rajasthan Patrika* missed for 11 days. In some of these cases, it was not as if newsprint was not available. They had their own internal management problems also. I would not like to dis-

[Shri I. K. Gujral]

cuss them here because they are individual cases which it may not be fair on my part to discuss on the floor of the House.

As for the point raised by Shri Shyamnandan Mishra regarding increase in price by some papers, there is a Bill passed by this House regarding the prices of newspapers. The IENS had approached me last month with the suggestion that a price increase should be made. I made it clear to them that it would not be possible for me to agree to an increase straightway, to say how much price should be increased. A study was called for. A group of experts representing the IENS and Government was constituted. A detailed study was made. I would mention two or three salient features of the study. One is that the mere fact that newsprint is reduced by 30 per cent does not by itself contribute to a rise in the cost, because if you use less newsprint, naturally the cost of production also goes down. But so far as the increase in the price of newsprint is concerned, if you spread it over other cost factors also, then it contributes to about 9 per cent increase in the cost of production—I am talking in terms of averages. Therefore, we suggested to them: if you are keen to increase it by 9 per cent plus some other factors counted, it comes to approximately 13 per cent net, which in gross would mean approximately a 20 per cent increase in cost of production. That is the sale price could go up by about 20 per cent.

Then two or three days ago—I think it was last week—the IENS met me again because they had approached the Ministry for an increase in the price as well as an increase in the rates of advertisement. Advertisement rates are a matter for mutual negotiation with individual papers and no general principles can be laid down. But so far as the prices

are concerned, our conclusion was that in no way should it be more than 20 per cent. But in the meantime, we also appreciated that other factors were coming in which were contributing to an increase in price. For instance, the factor of increase in the petrol price or, for instance, the future situation as it looks. They said that it would be impossible for them to lay down a slab rate for every body because—there I agree with them—the cost factor varies from region to region paper. Then there is, of course, the paper. Then there is, of course, the consumer resistance factor also.

Some papers have gone ahead with an increase in price. I have not taken any attitude on this for a different reason, because I do feel there are some newspapers which have problems, there are some problems which newspapers are facing.

It is not a question of big paper or small paper. I think every paper in the country is facing the difficulty. and I hope my friend Shri Shyamnandan Mishra will agree with me that if the Government is sympathetic towards their problem, he also joins me in this.

So far as any notice of closure is concerned, we have not received any notice of closure, so far as I am aware, unless there is something in transit. But up till today, I have not received any notice of closure from any paper (*Interruptions*).

SHRI SHYAMNANDAN MISHRA:
Circulation?

SHRI I. K. GUJRAL: It is their internal situation. Generally speaking, they have generally reduced the size but not the circulation. I say broadly, but it is difficult for me to make a categorical statement because there is such a vast number of papers published in this country.

So far as the projects are concerned, as I said just now, the NEPA is being stepped up towards doubling its production by next year. The Kerala project is already being built; two private sector projects have promised to move; I hope they will. To the public sector projects, two more are likely to be added.

SHRI SHYAMNANDAN MISHRA: Do you propose to attain self-reliance in the fifth five year Plan?

SHRI I. K. GUJRAL: No, because today our total need is of the order of approximately 2,30,000 tonnes. It is likely that it will go up to 3½ lakh tonnes by the end of the fifth five year Plan. If all the projects go through, the production will go up from about 40,000 tonnes today to about 150,000 tonnes.

SHRI PILOO MODY (Gadhra): Mr. Speaker, Sir, the hon. Minister has been so sympathetic with all of us who run newspapers that I feel that I must reciprocate that sympathy by disagreeing with what my friend Shri Viswanathan said when he asked the Minister to quit or to resign. I think the Minister should be promoted to Cabinet rank and therefore greater responsibility for the present mess should be cast on his shoulders.

When I listened to the Minister's reply and particularly when I found that couple of Members from his own side talking on this subject, I felt it was not serious. It was not serious because they were trying to apologise on behalf of the Minister, which is not the purpose of the Calling Attention Notice. Therefore, I would appeal to you; in future you restrict these Calling Attention Notices only to the Opposition and not allow this sort of pollution of ideas to take place in this House where you do not know what the Minister is talking when somebody is asking questions and when somebody is replying to them.

The Minister has said—and this is something that I have now become tired of hearing about—that there is a world shortage. In everything there is a world shortage. The population of the world is going up, and the commodities are not catching up as fast. So, let us say that all shortages are a world phenomenon and this world phenomenon has been going on since the beginning of time and there is nothing that has happened which is very spectacular. Sometimes, a particular shortage is a little enhanced than others. But the dimension of the problem has to be understood before the cock-and-bull excuses like world shortage could be accepted and digested by us.

What are the dimensions of the problem? India uses, in its sum total, 0.6 per cent of the world's production of paper, of which newsprint is about a third. That means India uses 0.2 per cent of the world's production of paper in newsprint. From this 0.2 per cent, we find that now comes a cut of 30 per cent, so that we have to reduce that 0.2 per cent by another 0.18 per cent, which means that the cut is of the extent of 0.06 per cent. This is the dimension of the problem about which the Lok Sabha in the Parliament of India is very agitated, and as a result of which we find that all the newspapers in this country including the article of the Constitution dealing with freedom of speech and expression, have been threatened by a shortfall of 0.06 per cent of world's production. The minister has expressed his inability to procure this .06 per cent of world production. Therefore we find this admission of incompetence not on his part, he does not know how to buy and sell and that is why he is being put in I. & B. but on the part of the man who is in a position to buy and sell and he is new to the job. The man who was in a position to buy and sell in the past knew the job too well. It is that man's fault. If

[Shri Pilo Mody]

is because of the various agencies that he controls that we have not been able to procure this .06 per cent. If the minister thinks we should all sympathise with him, we are prepared to do so. I know it is not his fault. But where his fault begins is where the other man's fault ends. His fault begins in how he can exploit to the best advantage this .06 per cent of the shortfall. In that we know from past experience that he is a past master. He has been exploiting situations like this for at least the last three years, sometimes to his own detriment. He has given us this long list of ideas that 37 tonnes are on the south seas, 22 tonnes on the north seas, 11 tonnes on the Indian Ocean with a Russian convoy, another 22 on the Indian Ocean with an American convoy, another 55 tonnes coming tomorrow, another 72 in the pipeline—a whole page full of it, nothing but padding the reply. He should have given a simple reply saying, "I am sorry there is shortage. I do not import it. Why don't you accuse the man who is responsible for importing it?" Then perhaps we might with greater wisdom change the line of attack from the Minister of Information & Broadcasting to those responsible for procurement abroad. But since we have him in hand now, we should accuse him on how he has utilised this shortage for his benefit. Certain accusations have been made here and there are others I can add. There are then some allegations that can be made. But the simple fact of the matter is that in spite of the great tycoonery which we display—we had a man who talked only about tycoons as if tycoons were responsible for this shortage—big newspapers get their quota of newsprint at the official price and small papers have to fend for themselves in the open market. This is in fact what is happening, irrespective of what the minister says, the assurances he may give and the laws he may quote. He

himself was very audacious enough to say that 4 or 5 big houses consuming 50 to 60 per cent of the newsprint get their supply at the official price while the small papers have to fend for themselves. When the small papers make a plea to the minister, the minister quotes a whole lot of books saying how far he has been kind to them. But the fact of the matter is, still they have to purchase their paper in the open market.

When such a shortfall does come about in a country, how is it dealt with? How do people in America deal with the world phenomenon of shortage? Do they deal with it in the same fashion as this Government? Because they do not deal with it in this fashion, the stresses and strains of the shortage do not fall so inequitably on the people of the country there. There is shortage in Canada, United States and all over the world, but the inequality of such shortage is not exaggerated as it is in India, because those Governments have the sense not to go on interfering with everything.

The Minister is just now talking at great length, discussing whether a price increase should be allowed or not. I ask him: who the hell is he to decide whether a price increase should be allowed or not? What does he understand of the laws of economics? This is the precise reason why these stresses and strains occur in the economy because somebody is fixing the price while another person is producing. And when the two are combined in the public sector there are no results. How can you fix the price of something if you do not understand what goes into its product?

Therefore, the most sensible thing which this Government should have done because of the shortage was to flood the stock on the market. That would mean that everybody would

get newsprint at the same time. Of course, I know the socialist argument too well "Oh! this would be cornered and while the big papers can afford it, the smaller papers cannot afford it". But the position is that even now the smaller papers are buying it at a higher price and the big-papers at a smaller price. So, even now it is not too late. Flood your stock on the market. Let the market find out the price. You will have the automatic mechanism of adjustment of price and supply. Do not interfere with the supply. With every interference there is greater hardship, particularly for the smaller papers, in whose name you swear.

SHRI I. K. GUJRAL: Sir, my hon. friend, Shri Piloo Mody has many quotes. One of his quotes is, he is also a journalist.

SHRI PILOO MODY: I did not say that.

SHRI I. K. GUJRAL: I am saying it.

SHRI PILOO MODY: I do not claim it.

SHRI I. K. GUJRAL: You may not, but I am assigning it to you.

SHRI PILOO MODY: Even the "Who's Who" does not say it.

SHRI I. K. GUJRAL: So far as his own paper is concerned, he does not know how to fill the form to get allocation of newsprint.

SHRI PILOO MODY: You know, I am against all forms.

SHRI I. K. GUJRAL: I had to go out of my way, while helping smaller papers, to fill up his forms also to get newsprint and he got it. Therefore, for him to say that the smaller papers are not getting their dues is very unfair.

So far as his preposterous, if I may use that word, suggestion that

the stock should be flooded is concerned, I am sure even Shri Vajpayee would not agree to that.

SHRI PILOO MODY: They are all socialists!

SHRI I. K. GUJRAL: Therefore, I will not even deal with this suggestion, because the people who are going to suffer are going to be the people who cannot really afford to purchase at the high market price. Even now the prices have gone up and they are finding it difficult.

So far as his general enunciation of making an arithmetical calculation of the world consumption etc. is concerned, I would only say that mathematics has never been his forte and he should not indulge in it.

13.19 hrs.

**PAPERS LAID ON THE TABLE
DELIMITATION COMMISSION'S ORDERS
RE. ORISSA STATE**

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI NITIRAJ SINGH CHAUDHARY): I beg to lay on the Table a copy of Notification No. S.O. 553(E) (Hindi and English versions) published in Gazette of India dated the 20th October, 1973 containing Order No. 6 of the Delimitation Commission in respect of the State of Orissa, under sub-section (3) of section 10 of the Delimitation Act, 1972. [Placed in Library. See No. LT-5738/73.]

**NOTIFICATIONS RE. FIXATION OF CEILING
PRICES OF KEROSENE AND DIESEL**

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS (SHRI SHAHNAWAZ KHAN): I beg to lay on the Table a copy each of the following Notifications (Hindi and English versions)