

or not. With the fallibility of technology we cannot allow this to happen. The only answer is to have a dismantling of nuclear weapons, to have nuclear disarmament. And the first step towards nuclear disarmament is stopping of all nuclear testing, because as long as we are developing new weapons, we are improving new weapons, there is no question of actually reducing the weapons and dismantling the weapons. For India, it is important because, as we have seen from the radiation leak, it is not something which remains limited to one country. A leak from Chernobyl affected most of Europe, right from Northern Europe to Southern Europe. Radiation from a nuclear war, whether it is inadvertent or deliberate, will be much worse than the radiation from Chernobyl and it will affect everyone in the world. It will affect all 750 million Indians. The nuclear winter, which is bound to follow such a war, will affect us perhaps even more. Those who survive the radiation will have to face temperatures far below those that they are accustomed to. One report says that temperature on an average in India will drop by approximately 35-40°C. Summer in Delhi will become like winter in Gulmarg. You can imagine what it will do to our people and to our crops, what it will do to our whole system as it is to day. So this struggle for nuclear disarmament is really a struggle for the survival of our own people, for the prosperity of our own people. We have to simultaneously see and try to effect re-deployment of funds, which today are going into nuclear development and into machines of war, into human development, into economic development, for the benefit of mankind.

These two thrusts that we have undertaken in London and Mexico really go home to the heart of our people, go home to the grassroots of India and that is why we give so much importance and time to these two topics.

Thank you.

MR. CHAIRMAN: We now resume discussion on the Calling Attention. Shri Atal Bihari Vajpayee.

[Mr. Deputy Chairman in the Chair.]

**CALLING ATTENTION TO A MATTER OF URGENT PUBLIC IMPORTANCE—  
Reported Crisis in Silk and Cotton Powerloom Industry (Contd.)**

श्री अटल बिहारी वाजपेयी : उपसभा-पति जी कपड़ा मंत्री महोदय ने जो बयान दिया है उससे ऐसा लगता है कि पावर लूम सैक्टर की तसवीर बड़ी सुख है पावर सैक्टर लूम के बाग में सब कुछ हरा-भरा है। पावर लूम सैक्टर कुल कपड़े का पहले 30 प्रतिशत तैयार करता था अब 45 प्रतिशत तैयार कर रहा है। बिजली के करवों को कच्चा माल मिल रहा है पहले से सस्ता मिल रहा है उनके लिए धागे का भी इंतजाम किया गया है, सिल्क धागा विदेशों से भी मंगवाया गया है।

अगर यह बातें सच हैं और बिजली का कच्चा क्षेत्र में कोई संकट नहीं है, तो क्या कारण है कि जहाँ-जहाँ बिजली करवें लगे हुए हैं, वहाँ एक अनिश्चितता है। 11 मार्च को सरकार ने जो आदेश निकाला था उसके खिलाफ कई प्रदेशों में बिजली करवा वालों ने हड़ताल की। काम बंद रहा। उनके संगठन दिल्ली तक दौड़े। स्मृति-पत्र दिए।

उपसभापति जी, हाल में मुझे कर्नाटक में डाडवल पुरम जाने का मौका मिला। वहाँ लगभग 10 हजार पावरलूम हैं। इस धंधे में लगभग 40 हजार लोग लगे हैं। ये चोपर वैयायटीज की सिल्क साड़ियाँ बना रहे हैं। आर्ट सिल्क साड़ियाँ बन रहा है। वे कलर्ड एवं ब्लीचड सिल्क कलाथ आफ लाइट वेट बना रहे हैं। लेकिन सारे शहर में मैंने एक अनिश्चितता देखी। सिल्क-पावर लूम अगर सारे देश में 50 हजार है तो कर्नाटक में 40 हजार है। उनके मन में आशकाएं हैं। मंत्री महोदय ने ठीक कहा कि हैंडलूम का सैक्टर हम से नसबपुरा। परंपरागत सैक्टर है उससे संरक्षण देने की नीति 1950 से चन रही है। हम उस संरक्षण का समर्थन करते रहे हैं। लेकिन मुझे शिकायत है कि जब नई कपड़ा नीति बनी तो उसमें तीनों सैक्टर के बारे में इन्टग्रेड विचार नहीं हुआ।

हैंडलूम सैक्टर सब से अधिक लोगों को रोजगार देता है। लेकिन पावरलूम सैक्टर की रोजगार देने की क्षमता काफी बड़ गई है। 20 लाख लोग पावरलूमों में लगे हुए हैं और 80 लाख व्यक्ति उस पर निर्भर करते हैं। तीसरी, चौथी योजना में हैंडलूम को पावरलूम में बदलने की बार स्वयं ही सरकार ने कही थी, क्योंकि सरकार का इरादा था कि इंटरमीडिएट टेक्नोलॉजी का वहां उपयोग किया जाय हैंडलूम पर कम करने व लों की आमदनी कम होती है। अगर वे पावरलूम लगा सकें तो अच्छा है। पावरलूम बिजली से चलेंगे प्रदूषण भी नहीं होगा तथा आमदनी को बढ़ाने का एक जरिया खुल जाएगा इसलिए हैंडलूम की जगह पावरलूम लगे।

पावरलूमों की स्थिति पर विचार करने के लिए अशोक मेहता कमेटी 1964 में बनी थी। मैं आशा करता था कि जब नई टेक्सटाइल्स पालिसी बनेगी तो तीनों क्षेत्रों के बारे में गहराई से विचार किया जाएगा। हथकरघा को बचाना जरूरी है, लेकिन पावरलूम की समस्याओं पर भी गहराई के साथ, सहानुभूति से विचार होना चाहिए। सरकार का सारा जोर मिल सैक्टर पर है। टेक्सटाइल पालिसी बनाते समय न हैंडलूम पर विचार हुआ और न पावरलूम पर विचार हुआ। हैंडलूम को मदद देने के लिए तो सरकार बाद में आयी। लेकिन जो पावरलूम की समस्याएँ हैं उनके बारे में और उनको हल करने के बारे में सरकार ने कोई फैसला नहीं किया।

वित्त मंत्री ने जब बजट पेश किया तो ग्रे-क्लाथ के उत्पादन पर अगर वह मिल सैक्टर में बनता है तो ड्यूटी नहीं रहेगी। लेकिन अगर पावरलूम सैक्टर में बनता है तो, उपसभापति जी, मेरे पास एक मैमोरेण्डम है, और एक बैठक हुई थी, जिसमें श्री कुलकर्णी मौजूद थे, उसमें यह मामला उठाया गया था। आपने हैंडलूम को जो संरक्षण दिया है, उसमें भी ग्रे-क्लाथ छोड़ा है। लेकिन सवाल यह है कि ग्रे-क्लाथ अगर पावरलूम पर बनेगा और वही ग्रे-क्लाथ टेक्सटाइल मिल में बनेगा, तो क्या दोनों पर समान बोझ पड़ेगा? अगर समान बोझ

पड़ेगा तो पावरलूम की कोई शिकायत नहीं होगी ऐसा नहीं है।

दूसरी बात यह है कि अभी हैंडलूम सैक्टर को संरक्षण देने के लिए जो आपने आदेश दिया है, उसके अंतर्गत साड़ियों के बारे में, यह आइटम 18 हैं और यह 11 मार्च, 1986 का आदेश है। इसका पहला आइटम है साड़ी और दूसरा एटो सिल्क, मैं इसको उद्धृत करना चाहता हूँ:-

"All pure silk fabrics or woven with any percentage of silk combination with other fibres except..."

कुछ एक्सेप्शनस हैं इसमें, जैसे ग्रे, ब्लिचड, लेन, फ्रेन्क्स, सेफान, क्रीम, जार्जेट अब मुझे पावरलूम सैक्टर के लोग मिले हैं। उनका कहना है कि हम सस्ती सिल्क तैयार कर रहे हैं, ऐसी सिल्क तैयार कर रहे हैं, जिसमें एम्ब्रायडरी नहीं होती, ऊपर से काम किया जाता है। अब हमें डर है कि यह काम भी रोक दिया जाएगा क्योंकि टेक्सटाइल कमिशनर कह रहे हैं कि आप अपना लाइसेंस रिन्यू कराइए, अपना लाइसेंस वापस लाइए। मैं मंत्री महोदय से जानना चाहता हूँ कि क्या ऐसी नीति का विकास संभव है, जिसमें हथकरघा को संरक्षण मिलना चाहिए, वह मिले। लेकिन पावरलूम के सामने कोई संकट खड़ा न किया जाय।

मंत्री महोदय स्वीकार करेंगे, पावरलूम जिस तरह का कपड़ा तैयार कर रहा है, वह सारा कपड़ा हैंडलूम पर नहीं बन सकता पावरलूम से तैयार किया हुआ कपड़ा जो हम बाहर भेज रहे हैं, उससे देश के निर्यात में भी सहायता मिल रही है। वह निर्यात बढ़ते रहना चाहिए, यह तो मंत्री महोदय स्वयं स्वीकार करेंगे। हथकरघा और बिजली-करघे के बीच में उत्पादन के क्षेत्रों का निर्धारण कर दिया जाय, इसमें कोई आपत्ति नहीं है। लेकिन यह निर्धारण इस तरह से होना चाहिए कि हाथ-करघा क्षेत्र भी फूले-फले और बिजली-करघे के लिए भी संकट पैदा न हो। इसके लिए जो मिल-सैक्टर है, इस पर कुछ अंकुश लगाना पड़ेगा। बजट के अलावा सरकार के रिजर्वेशन के आदेश के कारण जो कठिनाई हुई है, मैं चाहता हूँ कि उन

[श्री अटल बिहारी वाजपेयी]  
कठिनाइयों का निराकरण किया जाय।  
नौनों क्षेत्रों के बारे में एक समन्वित,  
संतुलित नीति का विकास किया जाय।  
एक की कीमत पर दूसरे को बढ़ावा देना  
उचित नहीं होगा। जहां तक सरकारी  
संरक्षण का सवाल है, हैंडलूम पहले आना  
चाहिए, पावरलूम के साथ भी न्याय होना  
चाहिए। मिल सेक्टर जो बड़ा शक्तिशाली  
है, बड़े प्रभावशाली लोगों के हाथ में है,  
जो बीमार है और सरकार की जरूरत  
का सबसे ज्यादा तलबगार है, उसको  
पैसा चाहिए, उसको बीमारी के लिए  
दवा चाहिए, उसे संरक्षण चाहिए, उसका  
भी आधुनिकीकरण हो। मंत्री महोदय  
को मैं कहना चाहूंगा कि जो पावरलूम  
लगे, उसमें प्रारंभ में ऐसे पावरलूम लगे  
थे, जिसे मिल-सेक्टर में डिस्कार्ड कर  
दिया था। क्योंकि मिलवाले नये पावरलूम  
लगाना चाहते थे। हैंडलूम की जगह पावर-  
लूम लगा कर जिन्होंने अपनी घर-गृहस्थी  
बसाई है, अपनी समृद्धि का ढांचा खड़ा  
किया है, अगर वे आज मुम्बत में पड़ते  
हैं और मंत्री महोदय, जैसा उन्होंने अपने  
बयान में कहा है, जवाब मे कहने वाले  
हैं कि कोई तकलीफ नहीं है, पावर-लूम  
फल-फूल रहे हैं, पावरलूम वाले बेकार  
मे चिल्ला रहे हैं और विरोध पक्ष वाले  
उनकी हां में हां मिला रहे हैं—मैं स्वयं  
अपनी आँख से देखकर आया हूँ। मंत्री  
महोदय को मालूम है कि परिस्थिति के  
के बारे में मैंने उनसे दो बार चर्चा की  
है। जब मैं कर्नाटक गया और बंगलौर  
जिले में डोडावालपुरम मे लोगों से मिला  
और अपनी आख से देखकर आया अगर  
उनके मन मे आशकाएँ है तो उनका  
निराकरण होना चाहिए यदि सरकार ने नोटी-  
फिकेशन निकाला है तो मंत्री महोदय उसका  
उल्लेख करें, स्पष्टीकरण करें, लेकिन पावरलूम  
सेक्टर को आश्वासन करने की जरूरत है  
कि उसके उचित हितों की रक्षा की  
जाएगी, उसके भविष्य के विकास के लिए  
रास्ता खोलकर रखा जाएगा। इसी दृष्टि से  
हमने यह ध्यानाकर्षण प्रस्ताव उपस्थित किया  
है और मैं चाहता हूँ कि मंत्री- महोदय इस  
अवसर का लाभ लेकर दक्षिण के चार राज्यों  
मे विशेषकर जो समस्याएँ पैदा हो गई है उनके  
निराकरण करने का आश्वासन दे।

SHRI A. G. GULKARNI (Maharash-  
tra): Mr. Deputy Chairman, Sir I am  
thankful to you as well as to the Chair-  
man and my friend, Shri Vajpayee, who  
raised this Call Attention. Sir, this is a  
very important subject. There are eight  
lakh power loom giving employment to  
twenty lakh employees and the livelihood  
of about one crore people is dependent  
upon the powerloom sector.

I do not want to take much time of  
the House and I would only like to  
draw the attention of the hon. Minister  
to only three aspects.

Sir, the Prime Minister was very kind  
to call us and arrange a meeting with his  
Special Secretary, Mrs. Grewal, Dr.  
Ahluwalia, Mr. Shiromani Sharma and  
Mr. Venkatesan. They heard our griev-  
ances.

SHRI ATAL BIHARI VAJPAYEE:  
What came out of the meeting?

SHRI A.G. KULKARNI: Nothing has  
come out.

Then a second meeting was held with  
Shri Shiromani Sharma. We dis-  
cussed the problem with him and a  
statement containing the grievances of  
the handloom sector was handed over to  
him. Whole emphasis is on the handicaps  
that have been created since 1985. Unless  
those handicaps are removed the health  
of the powerloom sector is not going  
to improve. The powerloom sector at  
present is in such a situation where it  
is not able to sustain itself. This sector  
has taken loans in order to be able to  
sustain itself. But this can be done only  
if the Government and the bureaucracy  
appreciates the problems this sector has  
been facing. I have personally drawn the  
attention of the hon. Minister towards  
these problems. I have also written a  
letter to the Secretary, Textiles, but I  
am very sorry to say that my letter has  
not been acknowledged by him. While  
Mrs. Grewal has acknowledged my letter  
to her, the Secretary, Textiles has not  
felt it necessary to do so. I have been  
assured by the hon. Minister that it  
might not be the fault of the Secretary.  
Textiles, but it might be because of  
some other reasons.

Sir, the Ashok Mehta Committee made an extensive study about it in 1964 and now we are in 1986. The basic plea on which the ICMF was able to persuade your bureaucrats and your Ministry was that the powerlooms are producing cloth at cheaper prices. They don't pay wages. They surreptitiously produce cloth. Mr. Minister, may I tell you that I have already handed over to Your Secretary, wages statement, sales-tax statement, octroi statement, electricity statement and marketing disadvantage statement, enumerating all these handicaps. In this connection, I also met the Finance Minister and he told me that it is the Textile Ministry which has recommended equating tax. He said that he has nothing to do with the equating tax on the composite mills and powerloom cloth. I am thankful to the Minister for giving me another chance; and take this opportunity to suggest that handicapped powerlooms should be updated. For the information of the Minister, I wish to tell him that I have discussed this matter with SITRA and ATIRA. I have suggested to our Prime Minister that three Secretaries' Committee should be appointed to update all the handicapped powerlooms. If there are no handicapped powerlooms I am prepared to accept it. But if there are any handicapped powerlooms, then, the Government must do justice. Sir, I can go on elaborating my argument, but the time is very short and I am unable to do so.

My second point is, the Indian Cotton Federation has suggested that their sickness is due to the powerlooms. Sir, it is crying 'wolf' that sickness is due to the powerlooms. All the major mill-owners have swallowed funds from the textiles mills and leaving them to be rursed by Mr. Khurshid Alam Khan and his Ministry. There was a policy statement made by the Prime Minister and the concerned Ministers that no sick mill will be nationalised. I feel it is a right policy, because sickness cannot be removed overnight. The main reason is machines have become obsolete. They cannot stand in the competition. Sir, in this House we have demanded for caus-

ing a unit sick, the penalty should be imposed on the Managing Directors or the employers and on their assets. On the other hand, the workers should be compensated for that. On no account these sick mills should be nationalised, because it has become a grand scheme for various industrialists to make an industry—whether it is textile, chemical or any other industry—sick and hand it over to the Government. They simply walk away. The Indian Cotton Mill Federation is using their high cost publicity and cosmetics to convince the Government that powerlooms and handlooms sectors are responsible for their woes. Nobody is held responsible. They themselves have to be blamed.

I have to leave by 3 O'clock and I will not be in the House to listen to the Minister's reply. The Minister has shown me some samples of dhoties. I will apply my mind. If the Minister can give me these samples and if they really serve the purpose I will convince the powerloom weavers to adopt this technique. I am not against it. I would not like to apply 'The dog in the manger' policy. Regarding handicapped powerlooms I am very firm that they should be updated. I have the hon. Minister will take a quick decision in the matter and convey it to the Ministry of Finance. Thank you.

**SHRI G. VARADARAJ** (Tamil Nadu): Mr. Deputy Chairman, Sir, at the very outset I would like to thank you for giving me this opportunity to speak on the Calling Attention Notice given by hon. Member, Shri Vajpayee regarding the reported crisis in the Silk and Cotton Powerloom Industry in the country. The senior colleagues of mine, they expressed their views and I am glad that our elder statesman here, Mr. A. G. Kulkarni has expressed in many words about the problems now facing the powerloom sector. Sir, many of the States and many societies in South India, have gone to courts and lot of litigation is going on. I would like to say that if we categorise the spinning industry as cotton spinning mills the composite mills and the mills which are having blended fibres, it is the cotton

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spinning mills which are is mostly affected by this Act that has been brought. The 22 items which has been reserved for the handloom sector, if you go in depth and see that if they take up everything, there won't be any material available for the powerloom sector to have their operations going on without any hurdles. Under these circumstances, unless some urgent remedial measures are taken by the Government, it will be very difficult for the survival of the powerloom sector and because of which the spinning industry will completely go down and particularly the industries in the Southern States, Karnataka, Tamil Nadu and Kerala will be in big problem. I would appeal to the Minister through you, Sir,

that immediately the Act has to be reviewed and some redress has to be given to the powerloom sector and at the same time, I would like to say that the criticism made by Mr. Kulkarni about the ICMF. While I agree that I am also having a spinning mill but unfortunately, I happen to be a Parliamentarian and also the Vice-President of the Indian Cotton Mills Federation. So, that accusation is not correct. What ICMF means is that the spinning sector, particularly, the cotton spinning sector is very much affected because of the reservation policy for the handloom sector. So, I request the hon. Minister to immediately consult the scientists of all the Textile Research Association, South India Textile Research Association, Government Textile Research Association, Ahmedabad Textile Research Association and also have a Committee appointed with the representatives of all the powerlooms so that they will be in a position to give you right type of advice and clarify you all the mills in the industry. Secondly, Sir, instead of having reservation policy for handloom, I would request the hon. Minister to consider what items could be reserved for powerloom. At least, then, there will be some sort of a benefit to the powerloom industry. (Interruptions) Thank you.

**SHRI B. SATYANARAYAN REDDY (Andhra Pradesh):** Mr. Deputy Chairman, Sir, in the statement the Minister said that powerloom contributed about 40 per cent loth production in the country. At present it has increased to 45 per cent of the total cloth production. He has given a very rosy picture of the powerloom industry. Of course, I will not dispute the figures because the Minister might have collected them with great difficulty but at the same time, I would like to draw the attention of the Minister that so far as these two industries are concerned, powerloom and handloom industries, both of them are very important. Thousands of lakhs of people are engaged in these industries. So far as handloom industry is concerned, the poorer sections of the people are wholly dependent on this industry. Of course, the powerloom industry is managed by industrialists and they engage labourers, but the major share of the income goes to the industrialists.

AN HON'BLE MEMBER: No, no, not in all cases.

SHRI B. SATYANARAYAN REDDY: Not in all cases, but some of them. But so far as industry is concerned, the majority of them are from the weaker sections. We have to protect the both. We should not encourage work at the cost of others. So, we have to take into consideration while formulating our policy that these two industries, powerloom and handloom industry should go side by side and they must progress because the vast population of our country. 80 per cent of the people of our country live in villages and most of them belong to weaker sections, scheduled tribes. They need cloth at cheaper rates. We have to see that the majority of the people get their requirements at reasonable prices.

**[The Vice-Chairman (Dr. Bapu Kaldate) in the Chair]**

Until and unless the Government formulate a reasonable policy to protect these industries, the people cannot get cloth at reasonable prices.

Since this Calling Attention also speaks about the silk industry, I would like to throw some light on this aspect. Sir, silk, the queen of fabrics is gaining popularity in the West. The most important countries which produce silk are China, Japan, Brazil and India. There is a great demand for silk in the West. Sir, in India, the silk industry which has an agricultural base and an industrial superstructure, is spread across 50,000 villages in the country and at present provides employment to 4.4 million people in the rural/forest areas. More than 30 per cent of the labour is drawn from the backward sections of society such as the Scheduled Castes and Scheduled Tribes. India's total annual raw silk production during the early eighties was around 5.7 million Kg. and mulberry alone contributed 5.2 million Kg. Mulberry silk production is mainly confined to Karnataka which produces nearly 65 per cent of the total mulberry silk.

The centres of tasar silk are Madhya Pradesh, Orissa, Maharashtra, Andhra Pradesh, West Bengal and Manipur. The bulk of eri silk is produced in Assam, Bihar, West Bengal, Orissa, Manipur and Meghalaya. Systematic development of the Indian sericulture industry began only in 1949 when the Central Silk Board was set up. A vast population of our country is engaged one way or the other in this industry. So the Government must make all efforts to encourage the silk industry because there is a vast demand for it in the Western countries. Japan was the most important country to export silk, but at present Japan is not in a position to export this type of silk to other countries. Now China is competing. So the Government of India must take all steps to see that this industry is encouraged. The people should be given incentives and all steps should be taken to see that the silk industry improves. The Western countries, particularly the USA and other countries, are wholly looking towards India for this silk. So India must be in the forefront to export silk to other countries. I would like to know from the hon. Minis-

ter what concrete steps the Government of India is taking to encourage the silk industry and also sericulture and to help those weaker sections who are engaged in this industry. Thank you.

SHRI N. E. BALARAM (Kerala): Sir, I would like to draw the attention of the hon. Minister only to a particular sector of powerlooms. I am not speaking about powerlooms in general. I have gone through the statement. That is why I am speaking about one sector of powerlooms. In Kerala, we have got a number of powerloom cooperative societies. Their condition is very pitiable. For the last four or five years, they were having a good market. But now the market conditions are not encouraging. They find it difficult to sell their goods. I am not speaking about powerlooms which are under the control of big factories. I know that there are certain powerlooms which are working as captive units of textile mills. I am not speaking about them nor am I against reservation of 22 items for the handloom sector. I am talking only about a Particular sector. Small workers have organised themselves in a cooperative society and they have started working on the powerlooms. Now they have got two or three problems. One: Though the Minister has said that the price of yarn has become a little lower than last year, but still they find that the prices are higher. They are working as an organised sector in cooperative societies. Second: The prices of chemicals are also higher. Every year they are going higher and higher. Because of these two factors, they find it very difficult to meet the expenditure. As far as handloom is concerned, that sector has got some help from the Government. But the powerloom sector, the powerloom cooperative society, has not help either from the Government or from the cooperative banks. It is a peculiar position. Government must realise that there are cooperatives of this type. I am not arguing the case of powerlooms in general. They have many other problems and I do not want to enter into them now. I am making particular

[Shri B. Satyanarayana Reddy]

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SHRI THANGABAALU (Tamil Nadu): I would like to draw the attention of the honourable Minister and seek clarification on one or two important points. Our honourable colleague has, of course, already raised some points, particularly regarding Tamil Nadu. The effect of the order is to create more employment in the rural sector. I do not know whether the Minister and the Department are aware of the reality as it exists. Whether in the handloom or in the powerloom, mostly it is the rural people who are involved. There is no doubt about it. People are having one or two looms and they cannot be considered as multinational companies or big companies. In a majority of the places, in Salem, Dharmapuri, Coimbatore, Erode and other areas in Tamil Nadu, every house is having one or two powerlooms. The honourable Minister said that powerlooms are crushing handlooms. It is not true. Handloom weavers are changing over

day after day to powerlooms. This is a fact. In the note the honourable Minister said there are about 38.55 lakh handlooms are existing in the country. My apprehension is that it is not so true. The honourable Minister, at the time of the Bill, had categorically stated that powerlooms and handlooms will be equally protected. This was the commitment made by the honourable Minister in this very House and in the other House. To my knowledge, in the Act itself they have categorically stated that powerlooms have to enroll themselves with the Government for which the State Governments have notified. But the same is not done for handlooms. In fact in many of the handloom societies the members are inflated.

The persons who are in one society are also in the other societies. So, they get the benefit of the rebate. I do not want to go too much into detail as our honourable friends have already elaborated. Now you have given 15 to 22 items. We are not objecting to that. What about the powerloom sector? About twelve lakhs of looms are existing in the country today and you are not interested in safeguarding these looms which are owned by people in the rural areas. One or two or three or maximum four looms, it may be, and in certain cases, the number of looms may be twenty or thirty or fifty. Then, Sir, there is another thing. The South India Textile Research Association had, in 1978, stated and reported categorically to the Government of India that in Tamil Nadu, with 5.5 lakh handlooms which are there only 45 per cent of the people are working for the full year and the rest of the people are not employed throughout the year. It is not correct because the handloom sector people, those who are in the co-operatives, never wanted to give the actual figures to the Government and that is what is going on now.

Now, Sir, you have given the handloom sector about 650 million metres to produce. We welcome it and we are not objecting. Due to this reservation something has happened particularly in Tamil

Nadu, Maharashtra, Gujarat, Karnataka and Andhra Pradesh where last month—I have seen it with my own eyes—lakhs and lakhs of powerloom workers, those who are in the weaving and spinning and other small subsidiary activities of the powerloom business came to Madras in large numbers and hold demonstrations. It was something to be witnessed. But I would like to inform the honourable House and the honourable Members that those who are making a hue and cry always get the benefit from the Ministry. In fact, Sir on the 5th of August last, the Government gave another order giving certain exemptions for silk only. It is unfortunate that the cotton industry which is a major industry has not been treated properly. Not only that, As our honourable friend, Mr. G. Varadaraj, has pointed out the mills in South India, around 500 small mills which are engaged in production to cater to the needs of the powerlooms in those areas, are on the verge of closure. This is a very unfortunate situation. This statement of the honourable Minister states that the small mills, power looms and the handlooms would be treated equally. But they are not treated like that today. Help is given only to the handloom. So, it is in this background that I would like to draw the attention of the honourable Minister to the fact that during the Seventh Five Year Plan, the total amount of subsidy will be Rs. 1,045 crores. We are not objecting to the subsidy to the handlooms. But, at the same time, we want protection to the powerlooms in general and the small looms in particular.

I request the honourable Minister to come to conclusion and find a real solution to this problem. I would like to suggest that the Government must come forward to appoint a committee to go into the whole thing and find out and verify the reality in the handloom sector as well as the powerloom sector. It must also find out and identify the real powerlooms and handlooms. Then only the idea of helping either of the sectors, powerloom or handloom, will come into the picture.

If you identify the actual persons who are involved in these sectors, you can solve the problem. Once again I request the hon. Minister to appoint a high-level committee including the Members of Parliament, the handloom and powerloom workers as well as small weavers. That committee must go into details verifying real facts. Only after that, a policy must be evolved. That policy will help the people at large and particularly the 12 lakh powerloom workers. More than one crore workers are involved. These workers will be safeguarded. I will request the hon. Minister to reconsider his position and to help the people who are involved in the rural areas and also the 12 lakh powerloom workers. He should maintain what he has said on the floor of the House.

**\*SHRI DEBENDRA NATH BARMAN** (West Bengal): Hon. Mr. Vice-Chairman, the powerloom sector in our country is facing various problems. That sector is in crisis today. But the Hon. Minister has said in his statement that the powerloom sector is free from any crisis. According to me, the silk industry and cotton powerloom industries are afflicted with many problems. Those problems have, I feel, arisen due to the wrong policy of the central Government.

As you know, Sir, there is no shortage of raw materials in our country. There is record production of cotton in our country. Even our cotton is being exported to foreign countries. But, unfortunately, the farmers are not being paid remunerative prices for their good quality cotton.

In Andhra, Tamil Nadu, Kerala, Maharashtra and Gujarat powerloom and handloom industries have come up in large numbers. In those industries lakhs of workers are employed. It is the duty of the Central Government to develop and protect these small-scale and cottage industries. But, instead of fulfilling that duty, the Central Government is rather pushing these industries to ruination.

According to the present textile policy, the Central Government have issued open

*\*English translation of the original speech in Bengali.*



[Shri Debendra Nath Barman]

licences to big textile mill owners to produce cloth from artificial fibre, namely, synthetic fibre. As a result of this policy, the powerloom sector and handloom sector are facing stiff competition from the mill sector. Due to this unequal competition they are loosing domestic and international markets.

I would like to know from the Hon. Minister how many big capitalists and textile mill magnates are owners of cotton powerloom industries? I would like to know further why the Central Government has not yet framed a suitable legislation to safeguard the interests of workers who are employed in powerloom industries?

As perent, in Maharashtra, thousands of powerloom industries have closed down. As a result of that closure, lakhs of workers are now without employment. In our country many poor people are employed in these small-scale industries. We are already facing acute unemployment situation in this country. Due to the closure of these industries, the unemployment situation has aggravated further. I would request the Hon. Minister to frame a suitable legislation for the preservation and development of powerloom sector as he has already done in the case of handloom sector. Such a legislation should not only secure the jobs of workers in powerloom sector and but also safeguard their other interests. I would, therefore, like to know what steps the Government have already taken to bring such a legislation? With these words, I conclude.

THE VICE-CHAIRMAN (DR. BAPU KALDATE): Now, the Finance Minister will make a statement on simplification and rationalisation of Direct Tax Laws.

#### STATEMENT BY MINISTERS—

##### Re. Simplification and rationalisation of Direct Tax Laws

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH): Sir, the Honourable Members will recall that in my Budget Speech I had indicated that

an exercise towards simplifying the direct tax laws has been undertaken with a view to bring out a new simplified Direct Taxes Code. In pursuance of this objective, a group of experts of the Central Board of Direct Taxes help extensive deliberations and came out with a number of proposals for simplifying and rationalising the existing provisions of the three direct taxes Acts. These suggestions were considered in the Ministry and tentative proposals have been formulated. Since these proposals are likely to have far-reaching effects, I consider it necessary to publish the same for eliciting public opinion before a final view is taken.

2. I lay a copy of the Discussion paper, which I propose to issue for public opinion, on the Table of the House.

3. The Government hopes that the proposals contained in this paper based on trust in the taxpayer will be subjected to wide discussion and generate a healthy national debate not only in the House but also outside by the public and the experts. This debate will help the Government in rationalising the provisions and simplifying the procedures and to come up with proposals that will encourage voluntary compliance which is so essential for the fiscal system in a country like ours. After a careful consideration of the suggestion and comments received by 30th September, 1986, the Government proposes to come forward with a comprehensive Amendment Bill in the next Budget Session of the Parliament and with a common Direct Taxes Code within the Financial Year 1987-88. Sir, I may add that on page 8 of the paper, in para 8.4, sub-para (c) should read as follows and not as already printed:

“8.4 (C) The onus of providing all elements of the offence except culpable mental state will remain with the Income-Tax Department. The onus of proving the absence of the existence of culpable mental state will now be with the assessee.”

SHRI ATAL BIHARI VAJPAYEE (Madhya Pradesh): We don't have the