

Agreement

of the employees and the like would be most sympathetically considered.

Action taken

Conveyance Allowance :

The Trade Fair Authority of India being a grantee institution of the Government, the proposal was not acceptable and was rejected by the Board of Directors.

Medical Reimbursement :

Medical Rules were revised.

Creation of Welfare Funds :

A scheme of TFAI Benevolent Fund has been drawn up and is under active consideration. Welfare Schemes like Group Insurance Scheme have been introduced.

Sponsorship for Training Programme :

This would be considered at appropriate time on merit of the case (s).

Restrictive textile quota system with E.E.C.

957. DR. (SHRIMATI) NAJMA HEPTULLA: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have taken up the question of restrictive textile quota system with European Economic Community collectively and member countries individually; and

(b) if so, what are the details in this regard and results achieved in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KHURSHED ALAM KHAN):

(a) and (b) India's trade in textile and clothing with the European Economic Community is regulated by a bilateral agreement with the Community under the aegis of the Multi-Fibre Arrangement. The bilateral agreement with the EEC is for a period of 5 years, i.e. from 1978 to 1982.

The protocol extending the MFA for the second term i.e. 1978 to 1981 enabled the Community to introduce certain restrictive elements in the existing bilateral agreement with India. These elements relate to pro-

duct coverage under quotas, growth rates, special mechanism for bringing fresh products under restraint, management of quota system, etc. Some of these issues were taken up with the European Community at the time of review of the working of the agreement in February, 1981. Specific problems relating to operation of the agreement have been taken up with the European Community as well as the concerned member countries from time to time. Whereas it has not been found feasible to change the substantive provisions of the agreement containing restrictive elements, which would involve re-negotiations of the agreement, many operational problems have been resolved.

National Income

958. SHRI MURLIDHAR CHANDRAKANT BHANDARE: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank has lately assessed the national income registered during 1980-81;

(b) if so, how the national income registered during 1980-81 compared with that during 1979-80; and

(c) how far it represents an increase in the real national income?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): (a) to (c) According to the assessment presented in the Annual Report of Reserve Bank of India for 1980-81, GNP which had declined by 4.5 per cent in real terms in 1979-80 (fiscal year) is expected to rise by about 7 per cent in 1980-81.

Trial of Hijackers of Indian Airlines Boeing 737

959. SHRI N. K. P. SALVE: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether Government had agreed to the trial of the hijackers of the Indian Airlines Boeing 737 to Lahore on 29th September, 1981 to be held in Pakistan; and

(b) if so, what was the outcome of their trial?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI A. P. SHARMA): (a) No, Sir. The Government have approached the Pakistan Government for the return of the hijackers. The Pakistan Government have said that the hijackers would be returned to India after the interrogations were over.

(b) The question does not arise.

Relief on price front and inflation

960. SHRIMATI MARGARET ALVA:

SHRI NARASINGHA PRASAD NANDA:

Will the Minister of FINANCE be pleased to state:

(a) whether he has seen the news item captioned 'No Relief yet on price Front' published in "Indian Express" dated 6th/7th November, 1981 on his announcing that inflation has come down to 7.8 per cent and whether the prices mentioned in the news item have been varified; and

(b) whether Government propose to evolve a policy of procuring 30 per

cent production of the wage goods or essential consumption items from the manufacturers and make it available through public distribution system at fair prices?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): (a) The statement that the annual rate of inflation has come down to 7.8 per cent as on week ended October 3, 1981, is based on the Wholesale Price Index prepared by the office of the Economic Adviser, Government of India. The over-all price situation as indicated by the Wholesale Price Index has shown improvement, as the annual rate in the corresponding week last year was 18.5 per cent. In the current financial year also, (i.e. between 28-3-81 and 14-11-1981) the Wholesale Price Index has recorded a smaller increase of 3.8 per cent as against 11.8 per cent in the corresponding period of 1980-81. However, government is aware of the continued inflationary pressures, particularly prices of certain essential commodities. There is no complacency in this respect and government continues to give high priority to further moderating the rate of inflation in the country.

(b) There is no such proposal under the consideration of the government at present. However, it should be noted that certain essential commodities such as sugar, wheat, rice are being procured and made available to consumers at fixed prices through the Public Distribution System at fair price shops throughout the country.

12 Noon

STATEMENT BY MINISTER

Correcting the reply given in the Rajya Sabha on 15th September, 1981 to Unstarred Question 2559 regarding dearness allowance instalments of Government employees

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA): Sir, in the written answer to the Rajya