

II. A copy (in English and Hindi) of the Ministry of Finance (Department of Revenue and Insurance) Notification S.O. No. 148(E) dated the 6th March, 1974, publishing the Emergency Risks (Undertakings) Insurance (Amendment) Scheme, 1974, under sub-section (7) of section 3 of the Emergency Risks (Undertakings) Insurance Act, 1971. [Placed in Library. See No. LT-6514/74].

REPORT OF THE COMMITTEE ON GOVERNMENT ASSURANCES

SHRI PITAMBER DAS (Uttar Pradesh):- Sir, I beg to present the Fourth Report of the Committee on Government Assurances.

MESSAGES FROM THE LOK SABHA

I. The Appropriation (Railways) Bill, 1974

H. The Gujarat Appropriation Bill, 1974

SECRETARY-GENERAL: Sir, I have to report to the House the following messages received from the Lok Sabha, signed by the Secretary-General of the Lok Sabha:

(I)

"In accordance with the provisions of Rule 96 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to enclose herewith the Appropriation (Railways) Bill, 1974, as passed by Lok Sabha at its sitting held on the 22nd March, 1974.

2. The Speaker has certified that this Bill is a Money Bill within the meaning of article 110 of the Constitution of India.

(ID)

"In accordance with the provisions of Rule 96 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to enclose herewith the Gujarat Appropriation Bill, 3—7 R.S.S./74

1974, as passed by Lok Sabha at its sitting held on the 22nd March, 1974.

2. The Speaker has certified that this Bill is a Money Bill."

Sir, I lay a copy of each of the Bills on the Table.

CALLING ATTENTION TO A MATTER OF URGENT PUBLIC IMPORTANCE

Widespread Unemployment due to Mechanisation in Coir Industry

DR. K. MATHEW KURIAN (Kerala): Sir, I beg to call the attention of the Minister of Industrial Development and Science and Technology to the serious situation which has arisen due to mechanisation in the coir industry of Kerala resulting in widespread unemployment of coir workers and decline in their real wages, and the steps taken by Government to revitalise the industry and stabilise employment.

THE DEPUTY MINISTER IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT (SHRI Z. R. ANSARI): Mr. Chairman, Sir, Government's policy regarding mechanisation in the coir industry has been clarified on more than one occasion in Parliament and elsewhere. In general Government are opposed to the substitution of man by machines merely for speeding up a certain operation or for providing greater returns to the owner. At the same time, the need for productivity improvement, quality enhancement, and export promotion are factors that are relevant in regulating the activities of this, like that of any other, industry.

Government attach very great importance to the need for protecting and promoting the employment component in the coir industry, particularly in the situation prevailing in Kerala. It has been reported that in the retting sector

[Shri Z. R. Ansari.]

of this industry certain units are using mechanical defibring machines for extracting fibre out of coconut husks. These are locally fabricated machines requiring no licence. It is understood that there are about 283 locally fabricated machines in operation in Kerala. While the use of these machines will bring some reduction in cost and accelerate the production process and improve quality it may have a certain impact on the employment situation as well. However there is no reliable estimate of the number of persons rendered surplus as a result. The State Government of Kerala took steps and prohibited introduction of these machines some time back.

In the matting sector a decision was taken as early as 1%1 to mechanise one-third of the production. Government are not aware of any new mechanisation having been introduced in any other sector of this industry. In fact it has been reported that the ban on defibring machines has perhaps had the effect of retarding production and consequent lower employment. The State Government is keeping the situation under constant review and will take all necessary steps to meet any situation that may arise. As a development measure, the State Government have initiated steps to revitalise the cooperative sector in this industry. The Central Government on their part have recently granted an assistance of Rs. 100 lakhs to the State Government over and above the Plan ceiling to implement this programme and it is hoped that the industry will get stabilised in course of time.

DR. K. MATHEW KURIAN: The hon'ble Minister's reply indicates very clearly that the proposal of the Kerala Government for revitalising the coir industry and stabilising unemployment and wages, particularly by strengthening

the co-operative sector based on the Rs. 15 crore project, which the Kerala Government has submitted, has not been accepted by the Government. The Kerala Government back in 1968 submitted a detailed project for revitalising this industry which employs about 10 lakhs of people and lakhs of people depending upon the whole sector.

The Kerala coir industry is one of the biggest foreign exchange earner industries of India. And almost the entire coastal area of Kerala is depending upon this traditional cottage industry of India. Kerala is virtually having monopoly of coir products, producing about 56 per cent, of the world's total coir products, out of which Kerala alone produced about 95 per cent, of the total production in India. Therefore, this industry is so vital to Kerala's future and for the welfare of the people particularly in the coastal areas of Kerala.

In the retting and husk sectors and for the production of fibre there are about 25,000 retting units functioning. In the hand-spinning sector there are about 2.2 lakhs of workers. Similarly, the spinning yarn sector has about 2 lakhs of workers and the manufacturing sector has about 2200 units employing about 40,000 workers as of date. Even in the manufacturing sector where the organised working class employees were able to get higher wages, there is a pathetic situation. Owners of big factories decentralised the industry and have implemented, what is called, the put out system of the early Industrial Revolution in Britain where the whole industry was shattered by decentralisation, closing the factories and throwing workers to total unemployment instead of revitalising this sector and upgrading the wages and employment of workers. The Government of India has been sleeping over this issue for the last several years.

In 1968 the Kerala Government Planning Board produced a document and

.gave it to the Central Government. The Government has beenp dillydallying on this proposal.

MR. CHAIRMAN: You are repeating. Dr. Kurian. Please put your question.

DR. K. MATHEW KURIAN: I would like to bring forward one or two points before I seek my clarification. In the hand spinning sector alone, 90 per cent, of the workers are women getting j Rs. 1-50 per day. Even in the yarn sector where the minimum wage is supposed to have been implemented, we find a wage of not more than two rupees per day. Sir, even in the beating of husk sector, where husk is beaten up to extract fibre, we find that the wage fixed by the Minimum Wages Committee is not being implemented and there are large-scale difficulties as a result of this. •Government spokesmen very often say that the coir industry is in crisis. But if you look into the figures of production and exports, you will find that the coir industry is not in crisis but it is the workers in the coir industry who are in crisis. Sir, during April-December j 1972, we exported Rs. 11.2 crores worth of coir goods. During April-December 1973, we increased at least marginally the export of coir products and you find that continuously over this period, we have been able to increase our exports. Though the quantum of exports declined, the value increased by Rs. 1.78 lakhs during this period April-December 1973 compared to the earlier period. Sir, all that I am trying to point out is that the coir industry is not in crisis ...

MR. CHAIRMAN: This is the third time you are saying this. I have to call other Members. Kindly put your question.

DR. K. MATHEW KURIAN : Yes, Sir. I wcaM like to know whether it is not a fact that the Kerala Govern-

ment had issued an order prohibiting the working of husk-beating machines in particular in the southern districts of Kerala where there was a serious agitation by the workers, there was police firing and beating up of people by the police and so on. There were serious struggles in the coastal areas against the imroduction of machines in this area. The Coir Board, which is supposed to help in the reorganisation of the industry, is itself helping in the process of mechanisation, as we find in the speech of the Coir Board Chairman at the Coir Board meeting on 21-1-1974 where he openly justified the introduction of mechanisation. Sir, in the Coir Board meet, ing held on ...

MR. CHAIRMAN: Are you going to put your questions?

DR. K. MATHEW KURIAN: Please give me time. This is an important item.

MR. CHAIRMAN: But there are other hon. Members who have got an equal right.

DR. K. MATHEW KURIAN: I am concluding.

MR. CHAIRMAN: If you take up the whole time, then how shall I be able to give time to other Members? Yon have been repeating.

DR. K. METHEW KURIAN: No, Sir. I am not repeating.

MR. CHAIRMAN: Oh, yes, you have repeated three times who is in crisis, the workers or the industry.

DR. K. MATHEW KURIAN: It should be emphasised.

MR. CHAIRMAN: Emphasising does not mean that you take up other Members' time.

DR. K. MATHEW KURIAN: No, Sir, I am concluding.

MR. CHAIRMAN: Please put your question.

DR. K. MATHEW KURIAN: In the Coir Board meeting on 29-9-1973 the Minister of Industrial Development, Mr. C. Subramaniam had stated that he was against any indiscriminate mechanisation as it would involve displacement of labour. He was of the view that technological improvements should be such as not to displace labour but to step up productivity or product quality. I would like to know whether the Government will, first of all, accept the Rs. 15 crore project prepared by the Kerala Government and secondly whether introduction of machines not only in the spinning sector but also in sectors where fibre is extracted will be totally banned and product quality will be improved by finding new uses for coir and new markets abroad. Also difficulties in exports such as difficulties in getting shipping space, difficulties in getting freight subsidy for export and so on should be avoided. These are the areas in which the Government should act rather than introduce machines which displace labour. Lastly, I would like to know whether the Government is aware that the Minimum Wages Act even in the spinning sector has not been implemented. May I also know whether the Government will introduce a scheme by which the minimum wages are implemented in all the three or four sectors of the industry, particularly in the primary sector where there is abject poverty? I would also like to know whether the Government will sanction the entire money sought by the Kerala Government for re-vitalising the industry and strengthen the co-operative base of yarn production and whether in the extraction of fibre this scheme will be fully accepted and justice will be done to this industry at least from now on.

SHRI Z. R. ANSARI: Many points have been raised by the honourable

Member. On the one which deals with the labour's wages, I think, the honourable Member will agree that the wages are fixed by the State Government, and the State Government is taking steps to see that the labourers get proper wages, that is, those who are engaged in the coir industry get proper wages. As far as revitalisation is concerned, it is true that in 1968 a scheme for the development of coir industry in Kerala was sent by the State Government. The scheme was examined at different levels. The Government of Kerala needed about Rs. 14 crores. And it is under that scheme the Government of India provided Rs. 1 crore in the Budget of 1973-74. For revitalisation of the cooperative societies it has included Rs. 1 crore in the Budget of 1974-75. The Government of India also proposes to take further steps if the Government of Kerala takes steps in the direction of the revitalisation scheme.

SHRI N. G. GORAY (Maharashtra): From the point of view of Kerala as well as from the point of view of export trade, the whole country must feel concerned about what is happening in the country. This is one of the industries which gives ample opportunities for employment, because so far there were very few machines and now it seems the machines are making their appearance, and! nobody in the House will oppose introduction of mechanisation. But care will¹ have to be taken to see that mechanisation does not lead to unemployment. This question had risen before in connection with the life insurance companies and other companies which were trying to introduce computers and there the employees were assured that in spite of the fact that computers would be introduced, there would be no unemployment, and employment was guaranteed to those who were already working then. Cannot

the Government of Kerala, with the assistance of the Central Government, assure the workers who are already employed there that in spite of mechanisation the Government will see to it that there is no unemployment? That is one. Number two: The coir industry is likely to have more exports because of the very tight position in the West-Asian countries. And many of the products which depend upon petroleum and other subsidiaries of petrol are now out of market because they are getting costlier and costlier. Now here is a chance when the Kerala Government could export more products of coir. Is the Government making any efforts to see to it that the export of coir goods is pushed up and that diversification of coir products is achieved? What steps is the Government taking in that direction?

SHRI Z. R. ANSARI: I have already stated that our basic policy is quite clear on the point, that we do not want to introduce mechanisation indiscriminately if it were to increase unemployment. So the Government of Kerala has already banned the use of these machines which were used in the retting sector of the industry under the DIR.

Because of that ban itself, now there is some problem. Most of the persons who were using these machines could not boost up production and could not employ more workers to get the same production as they used to get by using the machines. So, sir, because of that fact, the production and unemployment at different levels decreased.

With regard to mechanisation to boost up export to foreign countries, the Commerce Ministry had taken a view that because of some coir products which are in great demand in foreign countries we should produce some sophisticated coir

products for purposes of export alone with the help of some mechanised units so that export may be boosted up. In spite of the fact that 70 per cent of these products would be exported, the Kerala Government took objection to it by saying that if mechanisation is introduced, (there will be more and more unemployment and because of these strains, the Ministry of Commerce dropped that proposal for the time being till the matter is discussed with the Kerala Government.

SHRI N. R. CHOUDHURY: The Minister, while replying to other Members, agreed that certain amount of unemployment has taken place because of this mechanisation. He also agrees that real wages of workers have declined ...

SHRI Z. R. ANSARI: I have no knowledge about that.

SHRI N. R. CHOUDHURY: To a certain extent.

SHRI Z. R. ANSARI: That I do not know.

DR. K. MATHEW KURIAN: You are the Minister in charge.

MR. CHAIRMAN: You are not in charge of the question.

SHRI N. R. CHOUDHURY: No one in this House will oppose mechanisation in the case of export-oriented industries. The question is that in our country we are not merely concerned with production alone. Our production must be related to employment. Today our country is facing a very acute problem of unemployment and if any action at this stage leads to further unemployment, then it has to be taken note of. We are discussing coir industry today. But this mechanisation and related unemployment are not the problems of coir industry alone. The same

[Shri N. R. Choudhury.]

thing is taking place in the case of all cottage industries in this country. Some people find capital and enter to the field of cottage industries. But as a result of mechanisation, workers are going out of employment. Therefore, it is high time that there is a declared policy on mechanisation in regard to cottage industries. In the case of coir which we are discussing today, the Minister agrees that though the export is going up, unemployment is also going up. Something should be done to rectify it. In view of this, I would like to know from the Minister whether Kerala Government has submitted a plan of Rs. 15 crores for revitalising their coir industry. But the Central Government grants only one crore of rupees. Merely making a statement that they are seized of the situation and that they are taking all the necessary steps will not do, because there is unemployment because of this mechanisation and a specific pro-*feci* has been taken up by the Kerala Government and they seek the Central Government's assistance. I would like to know from the honourable Minister whether they are going to help the Kerala Government face the situation substantially and I hope they will not stop just by granting only one crore of rupees in the place of fifteen crores asked for.

SHRI Z. R. ANSARI: Sir, as I have already stated, with regard to the question of mechanisation, we have to take a very balanced view. In the opening sentence of my statement I have said that the Government is opposed to indiscriminate mechanisation at the cost of employment of the people. But, at the same time, the Government cannot lag behind as far as the questions of productivity improvement, quality enhancement and export promotion are

concerned. So, Sir, the Government always takes a balanced view with regard to the implementation of these schemes and its policy is that of for modernisation. Therefore, Sir, the Government of Kerala has rightly taken the step to ban those machines which were engaged in the process of extracting fibres from the husks under the DIR in order to save the workers from unemployment.

Now, as far as the Rs. 15-crore project is concerned, Sir, it was for the re-vitalisation of the coir industry in Kerala and you know. Sir, as far as this amount is concerned, the financial institutions, the banking institutions, the Kerala Government and the Government of India will have to play their role and also in the development of the coir industry in Kerala. In view of this, the Government of India helped the Kerala Government to the tune of Rs. 1 crore in the current budget and it has estimates of one crore of rupees included in the next budget, that is, for 1974-75 and it shall also have to look forward to further allocations provided the scheme, you see, Sir, is successfully taken up.

SHRI T. V. ANANDAN (Tamil Nadu): Mr. Chairman, Sir, this car industry is a cottage industry in South India, especially in Kerala and it gives employment for not less than eight lakh workers who constitute the sweated labour. Sir, after 25 years of independence, we have still got sweated labour. Sir, sweated labour was common when the country was under the foreign yoke. But today it is a great shame on our part to exploit the poor workers. Even in West Bengal this industry is developing and in the Kanyakumari, Ramnad and Salem districts of Tamil Nadu this industry is there from where the people export the fibre to Kerala and Kerala

manufacturers items out of this fibre and guarantees to the Centre not less than Rs. 17 crores worth of exports. The ;iarn pom! is thai you are benefiting to the tune of Rs. 17 crores in exports. So, is it not your duty, the duty of the Central Government, to dictate terms to the State Government that the workers should not be exploited. I was told. Sir, thai a worker in this industry does not j draw even Rs. 25 a month! Docs il suit the introduction of democracy in this country? What I now say is that the State Government or the private capitalists want to introduce mechanisation. Sir. the Centre should give a gua- ! rantee. We have forgotten Mahatma Gandhi and his philosophy. So also we have forgotten the first President of India who said here in this House that any rationalization in this country shall not be at the cost of workers. Sir, we are seeing in this country that unemployment is growing and as a result so many things are happening...

MR. CHAIRMAN: All right. Kindly do not go on expanding...

SHRI T. V. ANANDAN: The people of India should understand how the minds of the Members of Parliament are working, as also of the Minister. Sir, I wanted a guarantee from the Minister that there will not be retrenchment on iccount of this introduction of mechanisation in the coir industry. Also, Sir, will he guarantee that the minimum wage will also be applied immediately, without any loss of time?

SHRI Z. R. ANSARI: Sir, as far as wages are concerned, this is purely a State subject. Anyway, the minimum wages notification was first introduced in 1954, and on the recommendation of the Minimum Wages Committee for the manufacture of coir in 1953, a Coir Advisory Committee was appointed in

1954. Based on their recommendations, a revised notification was issued in 1956, Minimum wages were revised from 1964 as per the recommendation of the Minimum Wages Committee in 1964. This has been further revised from 1st January, 1972. So steps with regard to the minimum wages of the workers engaged in coir industry have already been taken...

DR. K. MATHEW KURIAN: Only on paper...

MR. CHAIRMAN: Mr. Abu Abraham.

SHRI ABU ABRAHAM (Nominal ed): Sir, I grew up in the town of Qui-lon on the west coast of Kerala, which is an important centre of the coir industry, and that alone has given me a special interest in the community of coir workers. Sir, in the past this industry used to be managed by the British Government. These workers were a greatly exploited lot. It is important to note that most of these people belong to the depressed classes, the Harijans and others, and there has been a slight improvement in their living standards— but very slight. But now it looks as if they are going to be depressed once again. Sir, there are a million of such people in this industry, which covers hundreds of villages and thousands of households, li is a cottage industry. They are vulnerable, because their bargaining capacity is limited. Sir, this problem is very similar to the one we discussed recently in this House at question time. In the name of exports, livelihood of the people is taken away. One wants to know, for the foreign exchange that this is supposed to bring in, why one lot of people should suffer for the sake of another lot. Sir. mechanisation in itself is not the same thini: modernisation. Swiss watches are still

[Shri Abu Abraham]

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a cottage industry and they are the best watches that we have. It is foolish to go in for mechanisation without thinking of the labour problems and the humanitarian problems that are involved. One is reminded of what Gandhiji has often said that machines must serve man and man must not serve machines. Sir, I speak as a Gandhian on this occasion. And to the extent Dr. Mathew Kurian, a Marxist, in this instance follows Gandhian principles, I give him my full support.

SHRI Z. R. ANSARI : I do not think any question has been asked.

SHRI SANAT KUMAR RAHA

(West Bengal): Sir, the purpose of the calling attention is to have some clarification and information from the Minister regarding the coir industry as a whole. Kerala alone produces 90 per cent of industrial product from coir. In this regard this calling attention is very important because it is export-oriented and naturally the Central Government should have some responsibility to develop and revitalise the industry in order to keep the employment potential assured and to make it more standardised so that export promotion cannot be affected. Now it is found that a part of the industry has been mechanised to diversify the product and from the answer of the Minister I am not able to follow what has been the effect of this diversification and mechanisation on employment, on quality and on the development of this industry. I want to know whether the revitalisation process has actually started. These are the things to be clarified. The estimated production of coir yarn per year is 1 • 38 lakh tonnes and 90 per cent of this is from Kerala alone. The production of coir fibre is 1,60,000 tonnes, coir products 25,000 tonnes and coir rope 20,000 tonnes. The Coir Board is there in Kerala;

the National Training Centre is there; the Design Centre is there. I want to know from the Minister in spite of all these things what development has been achieved up till now of this coir 'industry, what is the effect of mechanisation on employment potential and whether the minimum wages for labourer given by the Board is being implemented by the State Government. In fact it is the Central Government's responsibility to implement the entire policy; the Central Government must accept full responsibility for the development of this industry which exports to the tune of Rs. 15 crores. From Rs. 9 crores it has risen to Rs. 15 crores within 10 years and I think the Minister should take a serious note of this so that the industry can be revitalised on the basis of cooperatives and so that the employment potential is kept in tact and no man is thrown out of job due to mechanisation or diversification.

SHRI Z. R. ANSARI: Sir, I could not actually follow the question put by the hon. Member.

AN HON. MEMBER: And he will not be able to follow the answer also.

SHRI SANAT KUMAR RAHA : The question is whether this mechanisation has affected the industry and whether it has also affected the employment potential.

SHRI Z. R. ANSARI: As I have already said, there are three sectors in this coir industry. One is the retting sector, one is the spinning sector and the third is the manufacturing sector. In the retting sector 283 machines were in use for defibring the coconut husks and it is true that a lot of unemployment was created because of the use of these machines which are locally fabricated

machines. It was in view of this increase in unemployment that the Government of Kerala took steps by way of banning the use of such machines under the DIR. In addition the Coir Board has taken some steps for the promotion of export of coir goods it has carried out intensive propaganda for this purpose! and regulated the production of coir and coir goods. All these are being done to develop the industry and to capture foreign markets for the coir products of India.

DR. K. MATHEW KURIAN : Sir, the Minister cannot get away by saying that the Coir Board has done it. . .

MR. CHAIRMAN: Dr. Kurian, I have not called you. You should have taken my permission. • •

DR. K. MATHEW KURIAN: In a Resolution passed on. . .

MR. CHAIRMAN : I am not permitting it. It shall not be taken down. (*Dr. K. Mathew Kurian Continued to speak*)

MR. CHAIRMAN: You must act according to the rules.

DR. K. MATHEW KURIAN : Under the rules, the Minister should also reply properly, Sir.

MR. CHAIRMAN: Shri Kunjachen.

SHRI P. K. KUNJACHEN (Kerala): Sir, from his replies, it is evident that the Minister has not understood the seriousness of the problem. I would like to bring to the notice of the Minister the seriousness of this matter.

{Mr. Deputy Chairman in the Chair}

Sir, according to the Report of the Coir Board, in 1972-73, the workers employed were—50,000 in the retting sector, 1,19,000 workers in spinning,

97,000 workers in spindle spinning, 1,32,000 workers in beating of husk and cleaning of fibres. In the manufacturing sector, 15,000 were employed. In the matting sector, 4,700 were employed. And 2,700 were employed in rehandling of coir yarn; 1,100 in rubberized coir goods, 12,000 in roll-making and 11,000 in allied things, were employed. Altogether, 4,45,000 workers are employed in this industry at present. That means. 15 to 20 lakhs of people are dependent on this industry. This is a very serious problem which affects the whole sea-coast of Kerala from Kasargode to Parasala. The Minister has not understood the seriousness of this problem. Now, the Minister has stated that 283 machines are brought into this field. Sir, one machine does the work of 120 persons. That means, if 1,266 machines are imported, then 1,32,000 workers who are employed in the beating sector alone will be thrown out of their employment.

Similarly, there are three powerlooms, one in the public sector and two in the private sector. If you allow power-looms, in the spinning sector and also some machines in the manufacturing sector, the workers in the industry will be very much affected. That is why we are bringing this problem to the notice of the Government. Sir, in 1971-72, 1 foreign exchange to the tune of Rs. 15 I crores was earned by this industry. It was Rs. 17 crores in 1971-73. (*Time bell rings.*) Sir, the Kerala Government has submitted a scheme taking the value of the period 1970-71. At that time, the price of one thousand-husk was only Rs. 60/-. Now the price has gone up to Rs. 125. That is the present position. After the introduction of control; the price has increased. The capitalists in the retting sector hold about 70 per cent of the retting. They are selling the retting

[Shri P. K. Kunjachan.]
cofrs lo the manufacturers at a huge profit. They are dictating the price for the coir. In between the workers and the small manufacturers are very much affected. So, the Government must consider this matter. They have sanctioned only Rs. 1 crore to the Kerala Government. Rs. 1 crore is nothing. Government must be in a position to start some retting in the retting field. Government must also be in a position to purchase coir. The co-operative sector should be strengthened. That is the only way in which this industry can be stabilised. I wish to know whether the Government of India is prepared to do something to stabilise the industry and also see to it that the employment of workers is not stopped in this field. This is what I want to know.

SHRI Z. R. ANSARI : Sir, in connection with the employment of workers in this industry, I may state that after the use of these 283 machines in the retting sector only three thousand workers were employed. While for retting of the same quantity of material by hand before these machines were put in use, 42,000 workers could be employed. It is true that after the use of these indigenously fabricated machines the unemployment problem has been created. It was because of this fact that the Government of Kerala has already imposed a ban under the D.I.R. in respect of these machines in the matting sector.

Sir, as far as the production level and the manufacturing level is concerned, a decision as long ago as 1961, was taken to mechanise one-third of the total coir products. It was under that decision that three mechanised units were established—one under Cofr Board and two by private entrepreneurs.

Sir, the hon. Member has given figures regarding the number of workers

] engaged in this manufacturing industry ; The hon. Member would see that these figures are not so high. This decision has been taken in 1961 and from then these three mechanised units have been set up in this coir industry sector.

Sir, according to the information that we have, there is not mechanisation in spinning or any other sector.

DR. V. A. SEYID MUHAMMAD
(Kerala): Sir, it has been estimated that if there is an increase of 15 per cent in exports and 20 per cent in the internal consumption, the present crisis which is faced by the Kerala coir industry can be solved. Now, examining the policy of the Central Government as well as the State Government, one sees a conflicting situation. There is miserliness on the part of the Central Government to extend financial help to this industry. even though Kerala is earning 15 to 18 crores foreign exchange on coir and coir products. There was a Committee appointed by the Central Government to go into this question. That Committee recommended that there must be increase in production for export by mechanisation. The Kerala Government, on the other hand, found that because of mechanisation there is unemployment.

They passed a notification prohibiting mechanisation which was challenged in the Kerala High Court and it has gone in appeal to the Supreme Court now. Now where do we stand exactly?— whether it is necessary to introduce me ;hanisation for exports or whether it is necessary to prohibit mechanisation to prevent unemployment. My submission is Sir, that both ends can be achieved if the Central Government as well as the Kerala Government follow a sensible policy. Now there was a proposal—as I suggested—that by increasing internal

consumption by 20%, and exports by 15%, the problem can be solved. There was a scheme for 600 co-operative societies to be established to look after the coir industry. Another proposal was to establish a Central Marketing Society. Rs. 15 crores was the target for the scheme. The Central Government gave a very niggardly sum of Rs. 1 crore only. I suppose the Central Government should have the same enthusiasm for coir as they have for tea and jute. Simply because the Kerala people have not a coir lobby here you should not neglect it.

DR. K. MATHEW KURIAN : There is a coir lobby operating here; the coir lobby of Ravi Karunakaran is very much here.

MR. V. A. SEYID MUHAMMAD: Unless we improve in various ways— not only in quantity but also in quality— it will not help. There will be competition and we should be able to meet the competition. The Ceylon Government, for example, is for mechanisation and they have got the market.

There are some difficulties in the matter of export: freight charges, export quotas, external competition and quality of stuff exported. I would like to ask the hon Minister the following question :

1. Whether the Central Government will be prepared to give substantial help to the Kerala Government out of the 15 crores of rupees instead of this niggardly sum of one crore? 2. Is the Central Government prepared to establish a Central Marketing Board to increase internal consumption by 20% or 15% so that that will help the industry? 3. Whether the Central Government will have a co-ordinated policy with the State Government? First of all, you decide whether mechanisation should be introduced or prohibited. As I have submitted

ed, mechanisation can be introduced provided you have a co-ordinated policy 4. What are the steps you are going to take in order to improve the exports?

I find that some of the countries like Jamaica have prohibited coir import altogether. Some countries import 60% duty. France, for example, has established a quota system. So, what exactly will be your policy regarding these.

Will the Central Government negotiate for lower freight charges? Will the Central Government negotiate with countries like Jamaica for lifting the ban on the import of coir? Will the Central Government negotiate with France about the quota system? Here I have to make one point: The French quota system is based on *ad valorem*. The difficulty is that figures for last year show an increase of 0.5% in the value but the actual decrease for us was 0.5%. With the present tendency of international inflation if you depend upon the value, that won't help you very much if the quota is based on *ad valorem*. We must negotiate with those countries not on the *ad valorem* basis but on the basis of quantity. (*Time hell rings*) Is the Central Government prepared to consider the various questions?

SHRI Z. R. ANSARI : Sir, I do appreciate the concern of the hon. Member with regard to the coir industry and the Government of India is trying to assist the industry of course keeping in view the financial position and constraints in the country. The Rs. 15 crore scheme which was submitted by the Government of Kerala was for the development of the coir industry. As I have already said it does not mean that all those Rs. 15 crores will come from the Central Government. The Central Government is assisting the Government of

[Shri Z. R. Ansari.] Kerala for developing this industry and I have already given you the figures to show to what extent it is assisting. As far as the problem of export is concerned, that is the concern of the Commerce Ministry.

DR. K. MATHEW KURIAN: How can you say that? How can the Minister say that? The Coir Board is under the Ministry of Industrial Development. The Coir Board passes a Resolution that the export of coir should be nationalised and how. . .

MR. DEPUTY CHAIRMAN: He is answering another Member and you cannot be putting words in his mouth.

SHRI Z. R. ANSARI: As a matter of fact the development of coir industry comes under the Ministry of Industrial Development and the Coir Board in order to capture international and internal markets takes certain steps so that the industry may grow and production is boosted up. As far as export is concerned, export is primarily the concern of the Ministry of Commerce. Of course, the Coir Board does take steps regarding quality control and other things so that our coir-products may compete in the international market.

DR. K. MATHEW KURIAN : that is export promotion.

MR. DEPUTY CHAIRMAN : Let the Minister answer; you seem to be answering the question.

SHRI Z. R. ANSARI : Sir, I have already said in my reply to certain supplementary questions that the Commerce Ministry had a programme for setting up certain mechanised units so that 75% of the product of the mechanised units may be exported to sophisticated countries but because of the opposition of the State Government, probably due to the increase in unemployment, the proposal

was dropped till the Ministry of Commerce discussed the matter with the State Government.

RE DETENTION OF SHRI JAGDISH PRASAD MATHUR

MR. DEPUTY CHAIRMAN: I have to inform Members that I have received the following telegram dated the 24th March, 1974, from S.H.O., Government Railway Police Station, Jaipur :—

•SHRI JAGDISH PRASAD MATHUR, M.P. (BJS) RAJYA SABHA DETAINED ON 24TH MARCH 74 AT 11.45 AM AND RELEASED AT 12.25 PM UNDER SECTION 128 CR. P.C.".

REPORT OF THE COMMITTEE ON PUBLIC UNDERTAKINGS

SHRI U. N. MAHIDA (Gujarat): Sir, I beg to lay on the Table, a copy of the following papers :

- (i) Forty-seventh Report of the Committee on Public Undertakings (1973-74) on Modern Bakeries (India) Limited.
- (ii) Minutes of the sittings of the Committee relating to the above Report.

REFERENCE TO UNIVERSITY AND COLLEGE TEACHERS' DEMANDS FOR UNIFORM PAY SCALE, SERVICE CONDITIONS, ETC.

SHRI BHUPESH GUPTA (West Bengal): Sir, I have taken permission to raise the matter relating to the university and college teachers. I wish the hon. the Education Minister were here in the House. I wanted to raise the matter by way of a Calling-Attention notice but I have not been allowed. Many of us have tabled a Short Notice Question which I hope the Minister will answer. Today, a large number of university and college teachers from all