

† MISUSE OF FREE TRADE FACILITIES BY
NEPAL

391. SHRI Z. A. AHMAD :
SHRI M. K. MOHTA :

Will the Minister of FINANCE be pleased to state :

(a) whether any instances of misuse of free trade facilities between India and Nepal by some unscrupulous elements in Nepal have come to the notice of the Government of India ;

(b) if so, whether these unscrupulous elements are resorting to large scale smuggling of goods to India by taking advantage of the free trade facilities ; and

(c) if so, what steps Government propose to take to prevent the misuse of these facilities ?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI R. DESAI) : (a) and (b) In accordance with the Treaty of Trade and Transit of 1960 between India and Nepal, goods originating in Nepal and intended for consumption in India are free of customs duties and quantitative restrictions, but import of goods of third country origin from Nepal into India is prohibited. There is, however, some smuggling of consumer goods of third country origin into India from Nepal.

(c) Additional staff have been made available for prevention of smuggling across the Indo-Nepal border and preventive measures have been intensified. The co-operation of His Majesty's Government of Nepal has also been sought

‡ FOREIGN INTERESTS IN FERTILIZER PLANTS

619. DR. BHAI MAHAVIR : Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether it is a fact that foreign interest in fertilizer plants in India has decreased ;

(b) if so, the reasons therefor ; and

(c) the steps proposed to be taken by Government to meet the demand for fertilizers ?

† Transferred from the 25th November, 1968.

‡ Transferred from the 29th November, 1968.

THE MINISTER OF STATE IN
THE MINISTRY OF PETROLEUM
AND CHEMICALS (SHRI K. RAGHU-
RAMAIAH) : (a) Yes, Sir.

(b) No specific reasons can be given

(c) To the extent that such proposals or proposals from Indian enterprises are not forthcoming, it is the intention that the public sector should step in to fill the gap as far as practicable.

† CENTRAL TEAM ON DROUGHT SITUATION
IN ANDHRA PRADESH

654. SHRI SANDA NARAYANAP-
PA : Will the Minister of FINANCE be pleased to state :

(a) whether any special Central team has been sent to Andhra Pradesh to study and suggest measures to meet the drought situation in certain areas of the State ;

(b) the names of the members of the team ;

(c) the names of the places visited by them ;

(d) what are their recommendations ; and

(e) the action taken by Government on their report ?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI R. DESAI) : (a) to (c) A Central Team of officers visited Andhra Pradesh in September 1968 to make an assessment of the drought situation and the requirement of funds for relief and rehabilitation measures.

The Team consisted of the following members :

(i) Shri D. D. Sathe, Adviser (Programme Adviser), Planning Commission—Leader.

(ii) Shri D. V. Reddy, Extension Commissioner, Department of Agriculture.

(iii) Shri S. D. Srivastava, Deputy Secretary, Ministry of Finance

The Team visited drought affected areas in the districts of Anantapur, Kurnool, Hyderabad, Nalgonda, Warangal and Vishakhapatnam. Shri S. Dutt, Joint

† Transferred from the 29th November, 1968.

Secretary, Ministry of Finance joined the Team for discussions with the State Government at Hyderabad.

(d) The Team recommended an expenditure of Rs. 6.05 crores on various relief measures during the period November 1968—March 1969, for purposes of sharing by the Centre in accordance with the prescribed policy.

(e) The Team's recommendations have been accepted and the State Government informed that Central assistance could be made available accordingly.

12 NOON

CALLING ATTENTION TO A MATTER OF URGENT PUBLIC IMPORTANCE

THREATENED STRIKE OF EMPLOYEES OF THE LIFE INSURANCE CORPORATION OF INDIA

SHRI BANKA BEHARY DAS (Orissa) : Mr. Chairman, Sir, I call the attention of the Minister of Finance to the threatened strike of the employees of the Life Insurance Corporation of India.

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI R. DESAI) : Mr. Chairman, Sir, on 7-11-68, the All-India Insurance Employees' Association served a notice on the Life Insurance Corporation that it would call upon the employees of the Life Insurance Corporation of India to go on strike for an indefinite period from 5-12-68. That Association was at that time the recognised Union of Class III and Class IV employees but later on, about 21-11-68, on account of established breaches of the Code of Discipline, the Corporation derecognised the Association. The derecognition was authorised in terms of the conclusions reached at the meeting of the Central Implementation and Evaluation Committee of the Ministry of Labour, Employment and Rehabilitation, held on 16-11-68.

The Association gave in the resolution accompanying the strike notice, the following grounds for the strike :

- (i) Automation, including installation of the second computer system in Calcutta ;

- (ii) refusal to come to a settlement on the Charter of Demands submitted by it ;
- (iii) alleged victimisation against the leaders of the Association.

As the Honourable Members may be aware the decision of the Life Insurance Corporation to instal two electronic computers, one at Bombay and the other at Calcutta, was taken as long ago as 1964 and this matter has been discussed in this House in one way or the other a number of times. The Life insurance Corporation of India as well as the Government have given repeated assurances that there will be no retrenchment or loss of remuneration to employees or even transfers out of station. Even the loss of employment potential was expected to be small. Switching over to computers would entail disappearance of 383 jobs, but the very process of computerisation will create 225 new jobs. The net reduction in the number of jobs was, therefore, expected to be only 158, that is about 50 per year, an insignificant figure compared to the 1500 or so new jobs created every year in the Life Insurance Corporation. The figures of actual net displacement on account of the introduction of the computer at Bombay, which is already functioning, have been found to be even less. There has in fact been no retrenchment whatsoever nor transfer out of station nor loss of emoluments in this case.

In January, 1967, the Association presented the Life Insurance Corporation with a "Charter of Demands" listing 42 demands. These demands would have involved an additional expenditure of Rs. 52 crores per annum increasing the present renewal expenditure ratio of 16 per cent, which is already in excess of the statutory limit of 15 per cent., to about 45 per cent. Discussions on the Charter followed. The Corporation was willing to an additional outlay of Rs. 1.20 crores. Later, the Chairman indicated that he would be agreeable to increase this figure by about 10 per cent. This was not acceptable to the Association whose revised demands would still have involved an outlay of Rs. 11 crores per annum, a figure which was well beyond the Corporation's means.

On the 5th April, 1968, in response to a call from the Association, many Class III and Class IV employees went on an one day strike to protest against automation