

MR. CHAIRMAN : Next question.

SHRI ABDUL GHANI : Sir, my third question.

MR. CHAIRMAN : Third question is not necessary.

*646. [The questioner (Shri V. M. Chordia) was absent. For answer, vide col. 4002 infra.]

*647. [The questioner (Shri Chitta Basu) was absent. For answer, vide col. 4003 infra.]

IMPORT OF ELECTRONIC COMPUTERS

*648. SHRI NIREN GHOSH : Will the Minister of COMMERCE be pleased to state :

(a) the number of electronic computers that have been imported so far and by whom;

(b) the number of import licences granted along with the number of electronic computers to be imported under those licences; and

(c) the amount of foreign exchange that has so far been spent for this purpose ?

THE MINISTER OF COMMERCE (SHRI MANUBHAI SHAH) : (a) 13 electronic computers were imported by M/s. International Business Machines (I.B.M.) and International Computers & Tabulators India (Private) Ltd. (I.C.T.) during 1965-66.

(b) No import licence was granted for import of electronic computers from 1-1-1966 to 31-7-1966.

(c) The total value of 13 electronic computers referred to in part (a) is Rs. 94.80 lakhs, but no foreign exchange remittance will be made for a period of ten years.

SHRI NIREN GHOSH : May I know Sir, whether it is a fact that electronic computers are not sold by originating concerns; they give it on a rental basis ? All those machines have been imported on a rental basis. If so, may I know,

Sir, how many crores of rupees worth would this perennial foreign exchange drain amount to ?

SHRI MANUBHAI SHAH : I have given all the figures. I have said that the total amount of money involved is Rs. 94.80 lakhs and no foreign exchange remittance will be made for a period of ten years. So there is no drain about it.

SHRI NIREN GHOSH : May I know, Sir, whether it is a fact that this installation of electronic computers has created great discontent amongst the working people and whether it is a fact that the L.I.C. Association has protested against this saying that it will create terrible unemployment there . . .

MR. CHAIRMAN : This question has been dealt with several times and assurances have been given that there will be no unemployment.

SHRI NIREN GHOSH : Then there is another question. May I know, Sir, whether they have given any licence to a foreign firm to manufacture electronic computers here in India ? If it is so whether they will manufacture the complete plant or they will import parts and then assemble the thing here ? -

SHRI MANUBHAI SHAH : These are all complete machines. Some of the part might be available locally. But what we have allowed is computers not possible to be manufactured yet in India to be imported by the Life Insurance Corporation and others.

SHRI BHUPESH GUPTA : You have said, Sir, that the question has been dealt with. But the sentiments and views expressed do not seem to have created an impression on this Government, and hence I am returning to the theme again. May I know, Sir, why the Government is allowing the imposition of these computer machines when they have very serious social and economic implications in our country especially when the employees concerned are either getting retrenched or made to voluntarily retire and so on as in the case of oil companies ? In view of this, may I know, Sir, why the Government is not

putting a stop to the import of such things instead of still allowing this thing to come? We can handle our matters with the labour at home.

SHRI MANUBHAI SHAH : That question has been answered, Sir. In order to have efficient insurance calculations which involve so many multipliers it is being done. There is no question of employment being directly related to the use of computers. It is a question of keeping everything modern so that the whole management of the L.I.C. and others can be kept up to date. The human aspect has already been taken into account.

SHRI R. S. KHANDEKAR : Is the Government aware that many organisations, particularly, the L.I.C. employees' organisations have decided to resist physically the installation of electronic computers in various parts of States like Bengal, Bombay and Madhya Pradesh? In view of the strong resentment among the employees, may I know, Sir, what action Government is going to take?

SHRI MANUBHAI SHAH : Government action is known to the hon'ble House. After a very careful consideration of all the pros and cons of the situation this import has been allowed.

SHRI BANKA BEHARY DAS : Sir, the Labour and the Commerce Departments are the two wings of the same Government. May I know, Sir, from the Minister whether the Commerce Department consults the Labour Department before issuing import licence for computers?

SHRI MANUBHAI SHAH : Well, Sir, motivation is done by the L.I.C. which is under the Finance Ministry. After this scrutiny they send the application to us. All the aspects of the problem, what is likely to cause unemployment, all these are properly taken into account. In the light of that this is being done. Every time we do not go on consulting every other Ministry for issuing something. That is done according to the national policy.

SHRI A. D. MANI : Sir, the hon'ble Minister is aware that the I.B.M. has

got an office in Delhi. Am I to understand that the I.B.M. is not prepared to manufacture these computers in India with local talent and they insist on computers being imported from America and assembled here? I would like to know whether any effort has been made to explore the possibility of starting a local industry which will manufacture these computers?

SHRI MANUBHAI SHAH : Computer is a multifarious term. There are so many types of computers which are manufactured in the country. If anything cannot be manufactured so easily then it should be imported.

SHRI M. M. DHARIA : Sir, I would like the Minister to clarify several misunderstandings. May we know, Sir, from the hon'ble Minister whether the Government has resolved any policy in connection with the import and installation of electronic computers in this country, and if so, what are the main features of such a policy?

SHRI MANUBHAI SHAH : That policy is to rationalise wherever complex calculations are concerned in a manner which will keep the whole apparatus modernised. Yet we have taken care to see that no such heavy import should take place which will replace labour by machinery or reduce labour. Modernisation without tears has been the general policy.

SHRI D. THENGARI : May I know, Sir, if the Government is aware that at the present stage of our industrial development it is not possible for us to utilise to the fullest extent the capacity of computers? Therefore, may I know, Sir, at whose instance this deal was entered into? Was it their need to export or our need to import?

SHRI MANUBHAI SHAH : Our need to import.

SHRI B. K. P. SINHA : In view of the fact that every sophisticated machinery which is imported from outside reduces the need for the employment of labour, may I know, Sir, if the Government would henceforth ban the import of all such machineries so that this

country remains permanently at the pastoral stage :

SHRI MANUBHAI SHAH : No pastoral stage is involved in international inter-dependence of technology. Technology has no frontiers, racial, geographical, political or continental. Wherever technology is superior it will be exported. India will export its superior technology to Africa and superior technology will be brought here from America and Russia.

SHRI A. P. CHATTERJEE : Will the hon. Minister say that if the import of these sophisticated machines does not really add to any efficiency, then why actually it is being imported sacrificing the other constructive programmes that the L.I.C. should have adopted, namely introduction of equity policy, introduction of long-term assurances ? Instead of introducing all those things, why is the Government really spending foreign exchange on the introduction of a machine which is being resisted by the employees ?

SHRI MANUBHAI SHAH : I completely dissociate myself with the assumptions made by the hon'ble Member. It increases the normal efficiency. It improves the consumers' service for which the L.I.C. has to function, and yet we have taken into account the social aspect of the problem and ordered minimum imports.

SHRI ARJUN ARORA : May I know if the Government will consider the advisability of stipulating a condition for the grant of permission to instal computers that the installation of computers will not reduce the employment potential in the industry concerned ? Let the industries expand.

SHRI MANUBHAI SHAH : No import licence can stipulate that. That is a part of the overall national policy which we enforce from unit to unit.

MR. CHAIRMAN : I would like to point out that we have taken 30 minutes over two questions. It is my duty to look at the watch and I hope that Members also would do that.

DR. D. R. GADGIL : In view of the very considerable public interest in this question and in view of the assurance that the Minister has given us that he has conducted elaborate studies in the employment and other aspects of this import, will it be possible for the Government to put out a paper for the education of the public so that we understand the manner in which all these studies have been made and the manner in which the employment consequences have been properly looked after ?

SHRI MANUBHAI SHAH : I can give the assurance that we are looking into that. No paper can be submitted nor is it possible for every small items of import to say what is the policy. Broadly I can give the assurance that every industry, before it is allowed to modernise, whether it is rice mill or textile mill or computer, comes under the general cover of the national policy and no individual paper is possible to be submitted.

DELHI FOOTWEAR MANUFACTURERS DEMAND TO RAISE PRICE OF SHOES EXPORTED TO RUSSIA

*649. **SHRI D. THENGARI :** Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Delhi footwear manufacturers have threatened to close down their factories and stop supply of shoes for export to the Union of Soviet Socialist Republics if the rates were not increased;

(b) if so, the details of the other facilities being demanded by the manufacturers; and

(c) whether this has been demanded after devaluation or before it; and the reaction of the Government in the matter ?

THE MINISTER OF COMMERCE (SHRI MANUBHAI SHAH) : (a) and (b) The Delhi Footwear Manufacturers made representations to the STC to the effect that in view of the increase in the price of raw material the procurement prices should be revised.