

[श्री अशुल रानी (पंजाब) : अखबारों के जरिए से पता चला हमारे भारत के नये प्रधान मन्त्री शास्त्री जी पहली बार इंग्लैण्ड गये और उनको रिस्वीव करने के लिए इंग्लैण्ड के डिगनाट्रीज नहीं थे। क्या प्रधान मन्त्री ने भारत की इम्बत को पेशे नंबर रखते हुए प्रोटेस्ट किया कि न प्राइम मिनिस्टर आया न कोई और जिम्मेदार आया ?]

श्री लाल बहादुर : इन चीजों में कोई प्रोटेस्ट नहीं किया जाता और मैं प्रोटेस्ट करूँ तो वह कोई बड़ी बात नहीं होगी। लेकिन हर मुल्क का अपना कामदा होता है और कोई जरूरी बात नहीं है, जहाँ तक मैं जानता हूँ, वहाँ के प्रधान मन्त्री हमेशा कोई प्रधान मन्त्री का स्वागत करें। यह जरूरी बात वहाँ के लिए नहीं है।

SHRI P. N. SAPRU: May I, Madam Deputy Chairman, say that the practice or the convention in Britain, so far as the Commonwealth countries are concerned, is for the Dominion Secretary of State to receive the Commonwealth Prime Ministers? Occasionally, it has been departed from. If the Prime Minister of a Commonwealth country happens to be the senior most Commonwealth Prime Minister, well, the Prime Minister might go to receive him but there has been no breach of convention in this case on the part of the Labour Government and the friends who are suggesting that there has been a breach of etiquette do not know what the convention is in regard to these matters in the United Kingdom.

SHRI G. MURAHARI: When the late Prime Minister had gon» Io HngJand . . .

(Interruptions). f] Hindi

transliteration.

SHRI LAL BAHADUR: I am thankful to Mr. Sapru for what he said. It was embarrassing for me to explain the position in such detail. I am very glad that he has put the correct position before the House.

SHRI M. RUTHNASWAMY (Madras): May I just ask one question from this side? May I take it therefore that besides reference to the United Nations and the Disarmament Committee orthodox, ordinary diplomatic conversations with individual powers are not excluded?

SHRI LAL BAHADUR: No, they are not excluded.

(Several hon. Mem'bers rose)

THE DEPUTY CHAIRMAN: I think we have had enough on this.

SHRI R. S. KHANDEKAR (Madhya Pradesh): Madam, . . .

THE DEPUTY CHAIRMAN: I do not think anyone else need put questions. Otherwise, a dozen Members will stand. Mr. Bhagat will reply to the debate.

MOTION RE THE ANNUAL REPORT ON THE WORKING OF THE INDUSTRIAL AND COMMERCIAL UNDERTAKINGS OF THE CENTRAL GOVERNMENT FOR THE YEAR 1962-63—
Continu

THE DEPUTY CHAIRMAN: Now, Mr. Bhngat will reply.

SHRI A. D. MANI: Has he concluded, Madam?

THE DEPUTY CHAIRMAN: He has concluded.

THE MINISTER OF PLANNING (SHRI B. R. BHAGAT) : Madam Deputy Chairman, I am glad the House chose to debate this annual report on the

[Shri B. R. Bhagat.] working of the Industrial and Commercial Undertakings, although in the very nature of things this report is rather old, it is a report concerning 1962-63.

SHRI M. RUTHNASWAMY: That is the latest report.

SHRI B. R. BHAGAT: Already we have under preparation a more current report that is, the report for 1963-64. That will be laid on the Table of the House in the next Budget Session. But even so, some of the points that have been raised are very pertinent and it will help in clearing some of the important points connected with the public sector undertakings.

The hon. Member who moved this Motion said that this report does not contain certain vital information like the foreign exchange saved or the machinery required for replacement or how much is the fabrication locally, etc. We will try to make the report as relevant as possible but it is not possible in an omnibus report of this nature unless we publish a very big volume.

SHRI A. D. MANI: It is worth doing that.

SHRI B. R. BHAGAT: It may be worth while but nobody will read it.

SHRI ARJUN ARORA: Those interested will.

SHRI B. R. BHAGAT: Well, Madam, those informations are not totally unavailable; they are available. If you go into the working of the projects, it is possible to collect the information, but to get information in a document of this kind, I said it has its own difficulties.

SHRI M. N. GOVINDAN NAIR: Since you are the Finance Minister you should be in the know of things. You can say these are the estimates, these are the actuals. That kind of

report can be given. It will not take much time. Do not say that it would be voluminous.

SHRI B. R. BHAGAT: I am sorry. Probably he has not caught the point. I said if he wants information for each project, how much local fabrication is made, how much foreign exchange it saved, all that cannot come in a balance sheet. I think the two things are different. Now I think the hon. Member has understood the point that I am making. We have progressively every year tried to improve upon it and we have benefited by the discussions in the House. I can assure the hon. Members that I have a gist of the discussions and the points made in the last year's debate and we have benefited in the preparation of this report or in the working of it. We have benefited by the points made last year. We will try to make the report as up to date or as relevant as possible. But I was only explaining the difficulties in making it too voluminous.

Then, Madam, he made certain remarks about some of these individual projects and he wanted me to explain about some of them. For example, the Asoka Hotel. He said so much crockery is wasted there. I have tried to gather the information. The crockery that is broken, the value of it is about Rs. 13,000 while the total value of it is Rs. 9 lakhs.

SHRI A. D. MANI: May I just intervene for a moment? The new Continental Hotel which is coming up has ordered crockery to the extent of Rs. 3 lakhs. Nine lakhs seems to be a very large figure.

SHRI B. R. BHAGAT: The stock is worth Rs. 9.4 lakhs in 1963-64 or Rs. 9.6 lakhs in 1962-63 which is the relevant period. The breakages in that year are worth Rs. 11,842 while last year *i.e.* 1963-64 they are Rs. 13,376.

Then, Madam, the hon. Member said that rooms are booked by the Ministries or the public sector undertakings. I think the factual position is not like that. No rooms are reserved for the departments of the Government except that the External Affairs Ministry can be made available up to ten rooms because they have sometimes foreign guests. But in their case also they have to give advance notice of one month. Then, and then only up to ten rooms can be made available, otherwise there is no prior reservation for; any department or anybody.

(Interruptions)

RAJENDRA PRATAP SINHA
(Bihar): Even the foreign tourists

THE DEPUTY CHAIRMAN: I do link so many interruptions are necessary when the Minister is giving a detailed account.

SHRI B. R. BHAGAT: Then the hon. Member said about the Nahan Foundry. This enterprise now has been transferred to Himachal Pradesh. Actually it is concerned with the manufacture of cane crushers. That is the main product and the demand for that has gone down. So an attempt is being made to diversify the production. For this a lot of re-designing or retooling or other things may be necessary. That is being undertaken.

Then the hon. Member said about the Nepa Mills, his favourite subject. I think progressively the position of this newsprint Mills has improved a good deal and now it has reached the rated capacity production of 30,000 tonnes per year, and at this stage the price differential between the imported newsprint and the indigenous production per ton is Rs. 150. This is in spite of the rising costs.

Whereas during the last six years costs of everything, labour costs, material costs and every other thing have gone up, this mill has been maintaining the price at Rs. 1,050 per ton. It has a differential of Rs. 150 per ton

in spite of the fact that the capacity production is smaller as compared to the foreign production whereas the capacity of the unit is about 600 to 1,000 tonnes a day. The capacity of this unit, according to the present capacity, is 100 tonnes. In spite of such a vast difference the price differential is only Rs. 150 - per ton, and I think that is not unreasonable keeping in view the basic difference in the unit capacity production of the two, foreign and the indigenous one.

Then he said something about the number of foreign technicians in the various steel plants. The largest number is in Rourkela and in Bhilai it is 27. Twenty-seven are there now. About Durgapur I do not have the figure. The figure is little more than that but the largest is in Rourkela which is 160 or so.

Then he said about over staffing in our public sector plants. It is true that as compared to the comparable units, for example 1.6 million ton steel plant in Japan employing about 6 to 7 thousand workers, a million ton plant here employs about 13,000 workers. So there is an element of over-staffing but knowing the conditions in India and the stage of the condition of employment, to some extent it is unavoidable. You cannot go in for that automation or labour-saving devices in all respects except that the plants have to be very modern, they must be up-to-date and technically the most economical but in regard to other services, in the conditions that obtain in this country, we cannot go in for any large programme of automation. Only this morning in the Question Hour a lot of concern was expressed by Members for introducing computers in the L.I.C, without which its servicing efficiency will go down but that is a very reasonable anxiety expressed but I am only giving this as an illustration to show that there is a bit of overstaffing in some of these projects and to that extent the costs are

[Shri B. R. Bhagat.] higher as compared to the technically more advanced countries but in the conditions of India they are unavoidable.

SHRI AKBAR ALI KHAN: But efforts are being made to adjust them.

SHRI B. R. BHAGAT: Efforts are always being made.

SHRI AKBAR ALI KHAN: Regarding overstaffing.

SHRI B. R. BHAGAT: In certain services it is not desirable to introduce all the labour-saving device but in plants or technical units where high level of technical efficiency and economy is concerned, certainly we have to go in for the latest, the most modern giants. That is true but the overstaffing is in certain other ancillary services where it may not be possible to introduce labour-saving devices.

Shri Arora regretted that the public sector is not conforming to the labour laws or practices accepted in the Tripartite Conference. So far as the labour policy of the public sector is concerned, in the Third Plan it has been very well spelt out and they have to be model employers. It is not as if that we have to seek any immunity from the labour laws or certain exceptions should be made to the public sector. In this matter the public and private sectors must conform to certain practices and the Government and the public sector have to go ahead to be model employers in the treatment of labour, in associating them in the management and in all other aspects they must go forward in building up good and co-operative labour relations. I do not have the details. I do not know what he means. Does he mean that—in all the tripartite decisions the public sector undertakings are also a party—in the implementation of the decisions, they do not implement it?

SHRI ARJUN ARORA: On a point of personal explanation. My submission was that even in the matter of implementation of labour laws or factory legislations passed by the Parliament, the implementation in the public sector leaves much to be desired.

SHRI B. R. BHAGAT: I am sorry to hear that because I am one of those who believe that public sector has a big role to play in this country.

SHRI A. D. MANI: It is not playing the role.

SHRI B. R. BHAGAT: Then I will draw the attention of the Labour Minister in this respect.

SHRI ARJUN ARORA: It is not necessary to draw the attention of the Labour Minister. It is necessary to draw the attention of the employing Ministries. The efforts of the Labour Ministry have failed.

SHRI B. R. BHAGAT: I am sure he will take it up with zeal and enthusiasm with all the employing Ministries and I am absolutely one with the Members that the public sector undertakings must conform to the labour practices or policies adopted at the Tripartite Conference and the labour legislations passed by the Parliament. There are no two opinions about that.

A point was made about internal resources. The hon. Member who spoke last said that the Third Plan took into account certain resources from these public undertakings, and asked whether they have been fulfilled. That is true. The Third Plan made an allowance for Rs. 300 crores as surplus from the Central Government concerns, mainly from Iron and Steel or Fertilizer, Oil and P. and T. Of that, in 1961-62 the internal resources generated by running concerns was Rs. 29 crores, in 1962-63 about Rs. 36 crores and then in the third year there is a big jump to Rs. 61 crores. P. and T. is Rs. 43 crores.

but in the three years it will come to I Rs. 169 crores. I hope in the few years of the Plan, in the next few years— because the trend indicates that once the teething troubles are over, or ce the internal difficulties of these running concerns are over they just start generating a good surplus and so if the trend is any indication from Rs. 36 to Rs. 61 crores, I hope next year it will go up. Then it will come somewhere near the Rs. 300 crores. But certainly in the future we expect that they will generate the surplus that is expected.

Then it was said: "What control the Government has over these undertakings?" The Member opposite raised this and asked whether in regard to audit and other matters what control is there. It is always a question of where to draw the line. The control should not be such as to kill all the initiative in these enterprises and again the question of ultimate accountability of these undertakings to the Parliament is there. Therefore it has always been a more difficult problem as to where to draw the line and a number of Committees went into this question in recent months. The Parliament also has debated this and we have now set up also a Joint Committee of the Houses on Public Undertakings. We will go into these bigger questions. Only this morning we gave information to the House that in the Government itself we are setting up a Bureau of Public Sector Undertakings which will go into these questions and decide in what manner to exercise these controls.

SHRI M. RUTHNASWAMY: Will that refer also to undertakings in which the Government invested money but takes no further interest in those undertakings? There are eleven of those undertakings mentioned in the report. The Government only invests the money.

SHRI B. R. BHAGAT: Yes, as equity capital. That is true. Again I say that these are not only autonomous concerns but these are public limited

companies and they have to function on commercial principles and therefore while on the one hand the overall control and guidance on principles should be there—and it will be decided by the Joint Committee on Public Undertakings regarding the issues—but day-to-day control from the Government will stifle all initiative but there are questions like appointments, annual budgeting, questions as to how much funds are to be provided including the working capital, appointment of senior manager and others, etc. On the other hand there has been a demand in the House itself as to the extent decentralisation has taken place. We have given information to this House, by way of a statement, showing the extent to which we have introduced decentralisation. The appointments of officers up to a particular salary, very fairly senior officers, can be made by these concerns themselves, so that they may not have to come for each such appointment to the departments. There are various other delegations, one to the floor managers at the field level, where they can take decisions, so that they . . .

5 P.M.

PROF. M. B. LAL: We desire that in the annual reports these things are reported, so that we may be able to know what actually is being done in these matters.

SHRI B. R. BHAGAT: Well, to the extent possible we will try to do that, but I was only saying that these things have been reported to the House otherwise also, as a separate question; the House was concerned about streamlining the management of these public sector undertakings, to what extent delays are avoided, to what extent decision-making power is given to the persons who are in charge of management, all these questions of management came. The House was concerned with them and debated all this and the Government went into it in great detail. They came to certain decisions and the House, otherwise too—it need not be

[Shri B. R. Bhagat.] in this annual report; it can be otherwise too—and otherwise too these decisions have been given to this House, So they are not unknown.

PROF. M. B. LAL: We are interested to know whether the decisions were implemented or not, and the annual report should contain an account of the implementation of those decisions.

SHRI B. R. BHAGAT: They are being implemented. They are Government decisions; they are being implemented every day. For example, if the Hindustan Steel wants to appoint an officer on two thousand rupees a month, it does not come to the Government; it appoints itself. So the decisions taken are being implemented and there should not be any doubt about it.

Then I come to the question of recruitment, to the question that there should be a policy for recruitment, to the question whether there should be centralised recruitment, or each undertaking should have its own arrangement. All these questions are at present under the consideration of Government. Even labour relations that question also is under the consideration of Government, and very soon a decision will be taken in this matter and the House will be duly informed of it.

With these words, Madam, I conclude.

SHRI ABDUL GHANI: You have not mentioned about the quality of the steel, whether it is up to the mark or not, or whether it is better than Tata or not,

SHRI B. R. BHAGAT: The quality of steel is very good, There is complaint.

SHRI A. D. MANI: I will just take three minutes in winding up this debate. May I express my obligation to all the Members and the Minister who had taken part in this discussion and made valuable contribution? I should like to say, Madam, that this kind of a two and a half hour debate is thoroughly unsatisfactory, because quite a large number of problems about individual public undertakings we would like to place before Government in a debate of this character, and I hope that next year Government would give one full day for a discussion of this report, so that we may come forward with suggestions. I would like to say only this in regard to the Minister's observations on the labour policy of public sector undertakings that the recommendations of the Ministry of Labour have been set aside by the public sector undertakings. The recommendations of the Ministry of Labour have been set aside by the public sector undertakings and the public sector undertakings are getting a bad name over the country as being among the worst employers. I want this situation to be remedied. I can quote any number of documents but the time at my disposal is limited. I can quote the Estimates Committee, for example. I would like the Government to look into the matter because we want the public sector undertakings to prosper and be also model employers.

THE DEPUTY CHAIRMAN: The House stands adjourned till 11 A.M. tomorrow.

The House then adjourned at five minutes past five of the clock till eleven of the clock on Thursday, the 10th December, 1964.