

unessential machinery comes in and it raises problems. About a year ago we had to deal a small application from certain industrialist—he certainly does not deserve that name—at least that particular item does not—for machinery for the manufacture of exercise books. It was worth 10 lakhs, if I remember right. Next year he came up with the request : You have allowed the import of exercise book making machines last year and we now need the raw materials with which to feed machines. In terms of foreign exchange this meant six lakhs every year, but the machine is only one. So you see, it is very necessary to screen all applications, and see that we do not involve ourselves in unnecessary commitments. But this is elaborately done, and I have had no complaints from industry as a whole, or from correct public opinion, that we have not in any manner, strengthened our requirements of capital goods. After all, our resources are 600 to 800 crores in foreign exchange. I find that we have been spending no less than 12 to 15 per cent, on machinery alone. Now there are better prospects for machinery imports. These have increased. In 1948-49 I find—in terms of crores, forgetting the lakhs—we imported machinery worth 78 crores, in 1949-50 109 crores, in 1950-51 82 crores ; and in 1951-52 102 crores. So, Sir, regarding consumer goods—capital goods do not touch the ordinary man, the consumer has been able to appreciate that we have been getting food for him for his sustenance. But suddenly you come across goods—some times these take away crores. Requests have been made to us for import of lipsticks, face powders and things like that. Serious complaints were made, I think to my predecessor. They said it was one of the greatest dangers. I am exaggerating this, because wholesome exaggeration is some times good, but it was pointed out that some of the face powders manufactured instead of soothing the skin and making it look brighter, hopelessly shrivel the skin. But we have had to take these into account which are considered to the

extent that essential needs ought not to be castigated.

SHRI M. MANJURAN : Have the Government notified the public that they have found out about this fact ?

SHRI D. P. KARMARKAR : I am very happy Shri Manjuran is very active on such matters. It is quite an important subject, and an interesting one. Coming back to what I had been saying, I want the House to appreciate this, that difficulties in the way of our imports are directly dependent upon our foreign exchange earnings, and it is there that our difficulties have been big. I find for instance. In 1948-49, which we can take as the basic year for the purpose of this subject, our exports were of the tune of 453 crores, forgetting lakhs ; next year they were 506 crores, next year again they were 600 crores, and this year, in 1951-52 they were 732 crores. It is a difficult matter for any country, except for a country like the United States of America, where the foreign exchange resources are very huge, and they are in a position to budget their foreign exchange better. Our resources are limited but our requirements are so many. There are commodities, small items like razor blades, which the consumer enjoys, and which mean, roughly 50 lakhs a year. Supposing these are shut off. Then what happens is this. The consumer immediately complains that he cannot get anything at a reasonable price ; the prices are rising up, the cost has doubled. This is what happens when we cut the imports in respect of commodities which are not manufactured in the country. The Government has a duty to the suffering consumer, in his vicissitude.

So, from 453 crores to 732 crores—that has been the swing—that has been the position of our foreign exchange resources. By and large, I think, this honourable House will agree that as compared with the year 1947-48 and taking an overall view, not a particular view of particular items—taking an overall view over the four years, is it not a fact that

[Shri D. P. Karmarkar] by and large, our capital goods position, our raw material position, has been satisfactory ? Then again, is it a fact or is it not, that as compared with the year 1948, our internal supply position in respect of imported commodities is definitely easier and less subject to scarcity than it was before ? Government are pursuing a steady policy in respect of priorities. I am quite frank in admitting—it is always a good thing to be frank—that in the past there have been a few errors— Mr. Parikh referred to our errors. I think it is fair to be honest, and to be modest also. Sir, in fairness to ourselves and to the country, we have taken all steps to see that these mistakes, these errors are corrected. That is a wholesome method. But you should not however, exaggerate mistakes into blunders and blunders into disasters. There has been nothing at all of that magnitude. I should like to plead with this House, Sir, that the best interests of the country can only prosper in an ideal manner, if there is fullest co-operation between Government efforts and between the efforts of private citizens, fullest co-operation of all the parties concerned.

PROF. G. RANGA : Is it the way of Government getting co-operation, to see that while there are representatives of all parties on the Advisory Council, there is not even a single agricultural representative ?

SHRI D. P. KARMARKAR : It is difficult to limit agriculture representatives to any one particular organisation.

PROF. G. RANGA : " Some of the Members have made complaint to the Prime Minister.

SHRI D. P. KARMARKAR : They can write a letter to the Prime Minister. That is another thing.

SHRI C. P. PARIKH : I would like to know if a quality control machinery will be set up in order that the Government of India protected industries do not abuse their protection and that

the consumers' demands are fairly met ? It is necessary to have this machinery in order that our industries may well develop. If the hon. Minister agrees, then the protection given will be justified.

SHRI D. P. KARMARKAR : I think my hon. friend knows that we have based it on the consequences of the Industrial Development Act. There will be Development Councils and there will be room for scrutiny of these things. I now only just want to elucidate one point, the particular point I was saying—we have still a few minutes before we go for lunch—that if we are to function efficiently, it is not only the industry's efficiency ; not only the Government's efficiency. It is the combined efficiency of all, in the national interests. There are three principal factors for this—One is Government efficiency. The efficiency of the Government machinery, and its policy. Then again, another important factor is, an intelligent public opinion. I am sorry Mr. Reddy is leaving just when I am referring to this.

PROF. G. RANGA : We do not know what you are referring to.

SHRI D. P. KARMARKAR : And thirdly, as I said, concerted co-operation of all in the interests of the country. Whenever you make a material scarce, it is not a good thing, that those who deal in it should raise the prices higher. Recently, I received a deputation from an organisation dealing in imports of certain commodities and they urged that the imports of this commodity should be liberalised during the year. Why, because our sluggishness, our discouraging the imports have raised the prices. Who raised the price ? Did the consumers raise the price ? Did the Government raise the price ? It is precisely the constituents that have raised the price. Therefore it is that I say, that the Government should be vigilant to meet the situation, because ultimately no Government can be omniscient. And in fact, in a democracy we can see that no Government errs or its errors are reduced to