

are very much conscious that the present jail system has to be reformed. The present Act was enacted in the last century. The Jail Manual needs reform and we will very seriously take up all these things and try to set things as well as we can. So, we do not think that inducting a committee of enquiry under a Judge at this moment would be necessary because as I said this inquiry is only of a limited administrative nature. And other aspects, other ramifications of this by way of collusion, conspiracy, etc. will be taken care of in the future, we registered and which we propose to follow very urgently. Shri Arun Nehru visited it more than once as was mentioned. He suspended the people on the spot. LG is a very alert person and he also visited it on a number of occasions. But it seems the problems are so vast in Bihar that we will have to take many more serious steps to see that this type of thing does not recur far from recurring, we will see that even minor incidents of contravention about drugs, induction of drugs there and breaches of the Jail Manual do not take place. Obviously the Jail Manual has been contravened in many respects. Now did the car go inside? How did the sweets go inside? Under the rules they could not have gone. On Sundays you cannot have visitors. How did the visitors go inside? All these things are of an administrative nature and after the administrative inquiry and investigations, we will pursue the things seriously and see that everyone concerned with this ghastly and dastardly crime will be brought to book. (Interruptions).

SHRI LAL K. ADVANI: Now, you have not said anything as to why the A.I.R. and the Doordarshan did not give out this news. (Interruptions)

इंटरपोल को बता सकते हैं, दुनिया को बता सकते हैं लेकिन दिल्ली के नगरिक को सचेत नहीं कर सकते हैं। मान लो गलती हो गया कह दो फिर से गलती नहीं होगी।

MR. CHAIRMAN: I will allow only one question to be answered. Why was not this information put on the media, so that the people might have been able to apprehend them immediately?

SHRI RAM NIWAS MIRDHA: Well, Sir, we will look into this.

PAPERS LAID ON THE TABLE—contd.

Notification of the Ministry of Finance (Department of Revenue) and related paper

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): Sir, I beg to lay on the Table, under section 10 of the Customs Tariff Act, 1975, a copy (in English and Hindi) of the Ministry of Finance (Department of Revenue) Notification No. 210/86-Customs, dated the 17th March, 1986, amending Notification No. 110-Customs, dated the 17th February, 1986, relating to notified Projects under Heading No. 98.01 of the said Act, by including 'Gateway Telephone Exchange Project' for the purpose of concessional rate of customs duty under the aforesaid Heading, together with an explanatory memorandum thereon. [Placed in Library. See No. LT-2259/86]

MR. CHAIRMAN: Shri Deshmukh will continue his speech.

THE BUDGET (GENERAL) 1986-87— GENERAL DISCUSSION—contd.

SHRI SHANKARRAO NARAYAN-RAO DESHMUKH: Sir, I just brought to the notice of this august House two aspects of the Budget. One for the urban areas and one for the rural areas.

[Shri Shankarrao Narayanrao Deshmukh]

[Mr. Deputy Chairman in the Chair]

Sir, what is technically possible, may not be socially feasible.

Sir, what has happened to the farmers under the Urban Land Ceiling Act? Though it was technically possible to define the land, to include the land in the urbanisation, but socially what has been done is the other way about. The farmers have been driven out of their lands. The farmers have not been paid the market price of land and they have been put to so many other disadvantages which I have just before mentioned. Sir, the principle is this that the law must protect a person equally and punish a person equally. This is not done. You are discriminating. For one person there is one law and for another person there is another law. For farmers, whose lands fall within the agglomeration area, you have another law. This is not allowed in the Constitution. The provisions which I will show are article 14 and article 46 of the Constitution. *(Time bell rings)*.

Sir, I would like to submit one thing more regarding the farmers who produce sugarcane. Regarding the first part. I am not pleading the case of those farmers who do not cultivate their lands personally. I am pleading the case of those farmers who cultivate their lands personally. I am not pleading the case of those farmers who have divided their lands for plots, for hoarding and for exploiting the people. I am not pleading their case. *(Time bell rings)*.

MR. DEPUTY CHAIRMAN: Please come to the last point.

SHRI SHANKARRAO NARAYAN-
RAO DESHMUKH: Another serious aspect for the sugarcane producer is that the sugarcane producers supply their sugarcane to the factories and rate of sugarcane is dependent upon the recovery of sugar that the factory

gets. But the byproduct of sugar, which is molasses, is turned into industrial alcohol and the accounts of this industrial alcohol are kept separate. Therefore, my suggestion is that whatever moneys are received by the factory from the industrial alcohol by the production of industrial alcohol should be added to the price of sugarcane because it is from the same sugarcane; it is from the same factory and molasses. Therefore, they are entitled to the profit. Suppose a company start manufacturing a certain kind of cloth—white, and after some time they paint it and produce it in a different colour. So, all the company shareholders are entitled to whole of the profit. Therefore, my suggestion is, profits on acetone factory, industrial alcohol produced by sugarcane factory, should also be shared by the producers and the farmers.

Last point is about the enforcement department under the Customs. Recently, we have seen in the papers that huge amount of black money and gold have been unearthed. But what is the condition of the enforcement department? In Bombay, a company may have its office on the ground floor; it may have another part of its office on the sixth floor and still another part of its office on the eighteenth floor. What can the poor inadequately staffed enforcement department do and how can they search and seize all these three offices? To the best of my knowledge, the enforcement department does not have adequate staff and there are so many posts which have not been filled up, for instance the post of Legal Adviser, the police officers, and such other posts are lying unfilled.

Therefore, I have three suggestions to make. Firstly, you have amended so many Acts for the urban people, like gift tax, wealth tax, income tax Acts and given relief to the urban people. Accordingly you amend this Act; either you remove it from the Statute Book because it is not work-

able or I would suggest, market price may be given to farmers under that Act. My second suggestion is that prices received for alcohol produced may be linked up with the prices of sugarcane and my third suggestion would be that the Enforcement Department under Customs may be strengthened.

Thank you.

SHRI JAGESH DESAI (Maharashtra): I rise to support the Budget the proposals made by the Finance Minister. In this House and elsewhere this Budget is being criticised and it is said that our economy is in a bad shape and that our public sector is making losses and also that the Budget imposes burden on the common man. I would give my views on these points.

I would not repeat what has been said by hon. Members from this side but I would like to review the working of the Janata Government. When they criticise that our economy is in doldrums, I would like to give some facts and figures as to what the economic situation was when Janata Government came to power and also what the situation was when they left and what has been done in the last five years by the Government headed by our late Prime Minister Shrimati Indira Gandhi and young Prime Minister Shri Rajiv Gandhi.

The per capita availability of items of mass consumption in the year 1978-79 when Janata Government was ruling, was in respect of edible oil, 3.8 kilos. In the case of sugar, the per capita availability was 9.7 kg. Electricity for domestic purpose—it was 11.9 kwh. per capita. In 1978-79, the per capita availability of edible oil, was 3.8 kg. and it went down to 3.7kg. in 1979-80, the last year of the Janata raj. What happened afterwards? Sir, today, the per capita availability of edible oil is 5.5 kg. The per capita availability in the case of sugar which was 9.7 kg. in 1978-79, went down

to 8kg. in 1979-80, when Janata Government went out of power. Now, in 1984-85, it has gone up to 10.6 kg. Similarly, electricity for domestic purpose it was 11.9 kwh. in 1978-79; has gone up to 20.1 now. This means, in the last five years, it has been doubled. This is what this Government has done.

As far as per capita income is concerned, in 1977-78, when the Janata was ruling this country, it was Rs. 695 at 1970-71 prices. In 1984-85, it has gone up to Rs. 772. The index of gross national product was 149 in 1977-78, when the Janata Government was there. Now, it has gone up to 166. This is what has been done by this Government. As regards the wholesale price when the Janata Government was in power in 1978-79, as compared to 1977-78, it went up by 21.4 per cent. But under Shri Rajiv Gandhi's Government, in 1984-85, it has gone up by only 3.1 per cent. The prices are under control. They say, because of the deficit Budget, the prices will go up skyhigh. But on the contrary, this Government has been able to check the prices by effective monetary policies. The result is there for all to see. There has been an increase of only 3.1 per cent. What is the latest figure. After the Budget is announced, prices always go up. But this year, as on 1st March, 1986, the wholesale price index which was 358.2 has gone up by only one point there has been only a .3 per cent rise. This is because of the action taken by the Government to see that the prices do not go up.

As far as foodgrains production is concerned, in 1977, when we gave the reins to the Janata Party, when the Janata Government was voted to power, at that time, it was 121.3 million tonnes. But when the Janata Government left, in 1979-80, it came down to 109.7 million tonnes. This is the performance of the Janata Government. Now, they say that this Government is not working and that economy is in shambles. These are the

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figures which will open their eyes. You can tell some lies for sometime. But you cannot fool the people all the time. Sir, in 1984-85, the food-grains production has gone up to 150 million tonnes. In the case of sugarcane, in 1975-76, when we handed over power, it was 140.1 million tonnes. When the Janata Government left, it came down to 128.83 million tonnes.

Now it has gone up to 173.57 million tonnes. This is how our economy is at present.

They say that the States are not given their due share. As regards financial assistance to the States on account of share in taxes and duties, in 1984-85 the States' share was Rs. 5777 crores and in 1986-87 it will be Rs. 8687 crores. That is 43 per cent more than what it was in 1984-85. Coming to loans against small savings, in 1984-85 it was Rs. 1935 crores and in 1986-87 it will be 3200 crores, i.e. an increase of 60 per cent. As regards Central assistance for States and Union Territories for plans in 1984-85 it was Rs. 4554 crores and in 1986-87 it will be Rs. 6464, a rise by 42 per cent.

Sir, in a socialist economy we have to see from whom the taxes are collected. It is from those persons who can afford. It is all the more important to see how this money so collected from taxes is spent, on what programmes. If you raise the resources from rich people and spend the same for the rich people, then it is not socialism. (*Time bell rings*). If you have a look in this Budget, you will see that we have provided Rs. 1509 crores for rural development. In the Seventh Plan, for integrated rural development programme we have provided a total of Rs. 4902 crores, but in the first two years we have provided more than 52 per cent of the total Plan outlay. This shows that we want to do something for those who need development. That is why these scheme like NREP, WRDP, RLGP are there.

Coming to energy, in the Seventh Five Year Plan the total allocation is Rs. 31492 crores. We have provided Rs. 6405 for the year 1985-86, Rs. 7481 crores for the year 1986-87. That means 41 per cent of the total Seventh Five Year Plan allocation will be spent in these two years.

Coming to public sector, day in and day out they are criticising that the public sector is not working efficiently, it is making losses. But I am one of those persons who believe that public sector must be given all help and must be encouraged. I would, therefore, like to enlighten the House with facts and figures. When the Janata raj was there, in 1977-78 the total sales were of the order of Rs. 14911 crores and now in 1984-85 the total sales have gone to Rs. 54668 crores. Percentage of sales to the capital employed shows the efficiency. In Janata raj it was Rs. 143.93 per cent whereas in 1984-85 it has gone to Rs. 150.28 per cent. Coming to profits, it is not correct to say that the public sector is in losses. Yes, there is scope for improvement, but to put the record straight I would like to mention the facts and figures here. In 1976-77 when Janata raj was there, pre-tax profit was Rs. 421 crores in public sector after squaring the losses. After-tax profit was Rs. 184 crores. In 1979-80 when Janata raj left and this Government took over, the pre-tax profit came down to Rs. 225 crores and after tax profit came to Rs. 74 crores. In 1984-85, the total profit earned by the public sector is Rs. 2,119 crores and after paying corporation tax, it is Rs. 929 crores. So far as losses are concerned, how are we to see whether the public sector is run efficiently or not? That you can see from these figures. The loss in 1983-84 in public sector was Rs. 1536 crores. It has come down in 1984-85 to Rs. 1094 crores. That is the losses are reduced by Rs. 442 crores in one year. How has this happened? Our Prime Minister is very keen that the public sector should be run efficiently. So the public sector has done something so far as efficiency is concerned in the last one year. I will give some more figures to show that the public sector is actually efficient. Crores of rupees are put in inventory maintenance. What is the total value of inventory? It is goods

and processes, spare-parts and stores. That is called inventory. What is normally sold, what is required for the purpose of manufacturing—that is all called inventory. In the year 1983-84, it was 11,165 crores. At that time the sales were Rs. 42051 crores. In the year ended 31-3-85, the value of inventory was 12630 crores. Sales have gone up to Rs. 49,506 crores. As regards inventory, we have to see the ratio as to for how many days it has been kept. The lesser the days it is kept for, the better the working. If it is kept for more days, you have to lose interest. The number of days in the year ended 31-3-80 when the Janata raj was there, was 113. In 1983-84, it came down to 94 and in 1984-85 it came down to 93. That means in these four years, it is reduced by 20 days. This is efficiency. If you have it for lesser number of days, you will have better results. Your interest will be saved, your storage charges will be saved, your wear and tear will be saved. This is what the public sector has done in these years. As regards inventory held, in 1983-84 the power was 193 days. Now it has come down to 143 days. Steel, it is 187 against 151; heavy engineering—221 against 241 petroleum 50 against 62. Transport equipment 441...

MR. DEPUTY CHAIRMAN: Now please try to conclude.

SHRI JAGESH DESAI: This shows that we have improved our capacity utilization and this has resulted in profit in the public sector.

SHRI KALPNATH RAI (Uttar Pradesh): But public sector is not only for profit.

SHRI JAGESH DESAI: I mean so far as efficiency part is concerned, they attack that the public sector is not working efficiently, but I say that after our Prime Minister, Rajivji, took over this Government, he has been very keen and the efficiency in the public sector has increased and we are seeing that in the results. The losses have been reduced by 400 crores of rupees. It was 1500 crores; it has come down to 1000 crores. I am sure in one or two years, the losses of the public sector will be wiped out and they will all be working at profit. Now 115 units are

working on profit. The number was 109. As regards the other aspects, hon. Finance Minister has said that seasonal factors may increase the prices. We have now not to import a single ounce of sugar or edible oil. We have to tighten our belts but, at the same time, in the name of seasonal factors if some hoarders are taking undue advantage, that should not be allowed. Seasonal factors do not mean that farmers are getting more prices. If farmers get more prices I will be happy.

MR. DEPUTY CHAIRMAN: Please conclude because there are more speakers.

SHRI JAGESH DESAI: Please give me some more time.

MR. DEPUTY CHAIRMAN: There is no time. That is the trouble. Please try to conclude.

SHRI JAGESH DESAI: Seasonal factors do not mean that hoarders and black-marketeers and those who have got money can buy the goods and store them and create artificial scarcity. That is why even about seasonal factors also the Minister must come out with a policy. If the prices are more and if the farmers are getting more, I can understand. But because the hoarders and blackmarketeers are storing the goods and do not bring them into the market and for that reason if the prices are going up, in that case should take action. Last time also I had spoken that the prices should be based on the cost of production plus a fair margin of profit and not on seasonal factors. That should be the basis and that is why I would like the Finance Minister to see that undue advantage is not taken by wholesalers and others.

Sir, in this budget, so far as the middle class families and poor persons are concerned, we have given them solace. Increase in standard deduction for salaried employees is done at the right time and in the right direction. By that, 3.5 lakhs of employees will get some solace. As regards increase in the rate of interest by two per cent for General Provident Fund, the Government employees who have saved their money for a long time will get the

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benefit. As regards the Public Sector Bonds that the Minister contemplates to float, this will help the public sector to get resources and I am sure the resources will be generated by the public sector and the public sector will be able to finance the Seventh Five-Year Plan. In the Sixth Plan the public sector was asked to raise Rs. 5,600 crores and they generated Rs. 11,000 crores. So, I am sure the public sector can show the result. Now, after seeing the picture which is emerging this year, in 1985-86, for the first nine months the losses are only 15 crores while last year, up to September 1985 it was Rs. 240 crores. They are improving, and I am sure that if that trend continues...

MR. DEPUTY CHAIRMAN: Please come to the last point.

SHRI JAGESH DESAI: Only one point. The capacity to pay income tax is very important. I am very happy that you have increased the standard deduction, but one point you have missed. If a person is married and has two children, he also has to pay the same tax as an unmarried person has to pay. This is inequality. It was there earlier and an allowance was given for married persons, of Rs. 2,000 per year. Up to two children you can consider in the case of a married man because of your family planning policy.

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH): I think we should reverse it and bachelors should be given more concessions because of the population problem.

SHRI JAGESH DESAI: It is a question of capacity to pay. A married person having a wife and two children and getting an income of Rs. 34,000 and an unmarried person having an income of Rs. 24,000 do not have the same capacity to pay. That is why I would again request you to ponder over this question and I think this inequality must be removed.

So far as the problems of Maharashtra are concerned...

MR. DEPUTY CHAIRMAN: One point and two problems?

SHRI JAGESH DESAI: I am very happy that Rs. 100 crores have been given for the city of Bombay. I am thankful to the Prime Minister and also the Finance Minister. But, Sir, we had asked you Rs. 1,000 crores, but you have given Rs. 100 crores only.

At the same time, I would like to pose two problems. About the railway transport in Bombay, last time also I had spoken. Again I would repeat. Sir, now you cannot increase the frequency of the suburban trains in Bombay.

MR. DEPUTY CHAIRMAN: Mr. Desai, don't expand your points because there are many speakers yet to speak.

SHRI JAGESH DESAI: Sir, the Railway Reforms Committee had suggested for 12 carriages instead of nine carriages. So, you have to change the infrastructure. By doing that one-third more passengers will be able to travel by the trains. I had last time also said that you should do something for giving some funds for the purpose so that instead of nine carriages there can be 12 carriages so that one-third more capacity can be created and utilised.

Regarding the hutments on the Central Government land, there are about 156 colonies in Bombay, in which 43,870 hutments are there on the Central Government land. On the State Government land whatever amenities had to be given have been given. On the corporate land they have given the amenities. Even on private land also, the hutment dwellers have been given the amenities. But only on the Central Government land the amenities have not been given. I had talked even to the Prime Minister, Sir. What we want is no-objection certificates from the different departments of the Central Government, the Defence, the Railways, the Port Trust and the Civil Aviation. Sir, after discussions, discussions for ever, only in the case of one they have given a no-objection certificate out of 156 cases. Sir, if this is given, then, those who are staying in the hut-

ments on the Central Government land in Bombay, will also get the same amenities which have been given to other hutment dwellers. This is the problem of Maharashtra.

As regards the drought situation, I am sorry that while we asked for Rs. 533 crores, you gave us only Rs. 58 crores. You have to step it up.

With these words, I support the Budget.

SHRI V. NARAYANASAMY (Pondicherry): Thank you, Sir, for having given me this opportunity to speak on this General Budget for 1986-87. I rise to support the Budget presented by the hon. Finance Minister.

Sir, the Budget has taken a new shape, a path different from the original which was being continued in earlier years. I would like to say that the Finance Minister, about three months back, announced a long-term fiscal policy, and on the basis of that he gave newspaper advertisement, he called the traders, businessmen, industrialists, journalists and also the consumers to get their opinion on how the Budget had to be formulated. For that, Sir, I would like to congratulate the Finance Minister who came with an open mind to find out the problems and difficulties of the people and to find out a solution for that.

Sir, I would like to say that the agricultural sector has been given more importance in this Budget. A sum of Rs. 2,828 crores has been allocated for the ensuing financial year for agriculture and allied sector. Sir, in the past they have been concentrating on the irrigated sector. That is about 20 per cent of the cultivable area, and for that planning was done, and the entire amount which was spent by the Government was taken by the rich landlords, and the persons who have been concentrating on dry-land farming have been neglected. Therefore, we could not get the oilseed production in our country, and we had to import for the purpose of local consumption. The hon. Finance Minister found that the dry-land farming should be given importance, and, therefore, he has given remunerative pri-

ces for those items, and the Budget allocation has been made for that. Sir, I would like to submit that in this area there should be a scientific approach. The scientists should be given the importance to get new methods looking into the weather conditions in different parts of this country, and they should also educate the people who are living in the rural areas for the purpose of cultivation of oilseeds, and also they should be given education for that purpose. I would like to submit that our hon. Prime Minister and also the Finance Minister found that the rural population is poverty-stricken and is suffering very much and that only through the 20-point programme's implementation their standard of living can be improved. Therefore, a Budget allocation of Rs. 22,300 crores has been made for this purpose. It is a substantial amount and is more than 65 per cent of the last year's budgetary allocation. I would like to say that this amount which has been given this year will definitely bring more than 20 per cent of the people above the poverty line. In this connection I would like to say one more thing. The minimum family employment scheme may be formulated for the purpose of giving employment to one member of a family for supporting his family if other Members of his family are not employed. That scheme may be implemented. If that is done by the next financial year in every family at least one member will be employed.

The hon. Finance Minister announced Rs. 500 crores as subsidy for the persons living in the tribal areas. I request you that he may also consider the people belonging to the Scheduled Castes under this scheme. During drought and flood conditions they suffer very much. They have either to migrate to towns for jobs or die of starvation. Though we have got lot of foodgrains yet we are not in a position to get food to the common man living in the rural areas. Therefore, I urge upon the Finance Minister to consider providing foodgrains at subsidised rates to these people also.

We have provided drinking water facilities for the people in the rural areas. It is a welcome measure. But while the

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water supply is made available, it is not ensured whether that is maintained or not. We make allocations for the scheme, but do not monitor how far it is reaching them. That is why the poor people in the villages are not able to get potable drinking water. Therefore, this aspect may be given due consideration.

Now, I come to the public distribution system in our country. More than 2.5 lakh villages have not been provided with ration shops. Though we are reaching the 21st century, the rural people are still not in a position to get items of their daily consumption at a rate fixed by the Government. Therefore, ration shops at the remote corner of the country should also be opened for their benefit.

About Rs. 125 crores have been allocated for housing the people who are living in rural areas. I would like to submit that the persons who are migrating to the towns and are living on the pavements or in small hutments comprise about fifty per cent of the town population. They should be provided with housing facilities. If that is done these people will have a shelter to live in.

I would congratulate the hon. Finance Minister for having given bank loans at subsidised rates to rickshaw pullers, cobblers, washermen and cart-pullers. I would like to submit that fishermen should also be considered under this scheme, because they have to strive hard for their livelihood. Those persons should also be considered by the Finance Minister in this project.

Regarding self-employment for the educated unemployed, the Finance Minister has given Rs. 103 crores to enable persons who are unemployed to get self-employment. I would like to submit that through this scheme and also through the Khadi and Village Industries Board Scheme, most of the rural population can be covered. I find that here a target of 50 lakh persons has been fixed. I would like to submit that it should be put as one crore persons to be given this benefit. This will be a real benefit which you will

be giving to the rural population for the purpose of getting self-employment through starting their own business and through the Khadi and Village Industries Board scheme.

Coming to the industrial sector, the Long Term Fiscal policy and also the MODVAT scheme announced by the Finance Minister will definitely give good results. The MODVAT scheme is a good scheme by which the finished product alone is taxed. The accessories which have been purchased paying taxes are exempted and the finished product alone is taxed. This system increases revenue to the Government and also reduces the cost of production. Therefore, this scheme will definitely do good to the industrialists and also to the consumers.

Regarding the Funding Scheme which has been introduced, 20 per cent of the amount which has been utilised for the purpose of purchasing plant and machinery or which is put in IRDB is exempt from tax. I would like to say that there are two categories of industries. One is heavy capital investment industries and the other is low capital investment industries. This scheme will definitely benefit the low capital investment industries alone. The high capital investment industries will not get this benefit. Therefore, this scheme may be good. Another additional scheme which was abolished by the hon. Finance Minister, that is the investment allowance scheme, may also be considered because heavy investment industries will have to invest more and they will not get quick returns, but industries with less capital will give quick returns and they will be able to pay the amount. Therefore, both the schemes may be continued at least for three years, though the hon. Finance Minister has stated earlier that it will be continued only for one year.

Regarding the fertiliser subsidy and the foodgrains subsidy, the Finance Minister has stated that though it is not economically possible for the Government to continue the subsidy system, they have to continue the system. I would like to submit that this subsidy system which has

been continued may be divided into parts—developed area and backward area. In the developed area, the persons who have been enjoying this benefit should be deprived of it. In the backward areas, the benefit should be given to the marginal and small farmers, not to persons who are big landlords, who have been enjoying the benefits of the “green revolution” and amassing wealth, whereas the poor man still remains poor in the agricultural sector. Therefore, the Finance Minister may adopt a category system and give more benefits to the under-developed areas and consider withholding the subsidy in the developed areas. *(Time bell rings)*

MR. DEPUTY CHAIRMAN: Please conclude.

SHRI V. NARAYANASAMY: I am concluding. Only three minutes.

SHRI VISHWANATH PRATAP SINGH: Sir, he is giving some finance to me. You can give him some time.

MR. DEPUTY CHAIRMAN: All right, three minutes sanctioned, as a special case.

SHRI V. NARAYANASAMY: Sir, the Finance Minister had stated that he would introduce a dual pricing system. I thought that it would figure in this budget. The dual pricing system will definitely benefit the poor class. The richer class will definitely be deprived of the benefit. I humbly submit to the Finance Minister that a dual pricing system for certain essential commodities may be followed for the purpose of giving benefit to the rural poor and also to the urban poor.

Sir, the hon. Member, Mr. K.K. Birla was commenting on the raids which have been conducted on big business houses.

In our country there are thousands of industrialists. Government officials are not going to all the houses. They get information, they get particulars of the accounts concealed. There are two kinds of accounts, A account and B account. The industrialists are minting money. Government is catching only those who are main-

taining duplicate accounts and who are tax-evaders, who are a real menace to the society, who are creating black money in this country. I appreciate and welcome the move taken by the Finance Minister. I support the honourable Minister in his move. I submit that industrialists who are not hiding any accounts, who do not have concealed income, should not fear. The honourable Member said that when he was visiting foreign countries he was asked that Indian industrialists are black-marketeers and smugglers. No; all are not blackmarketeers and smugglers. All are not concealing their income. All are not having concealed accounts. Only a select few are there who are not paying their taxes to the Government, who are enjoying all the benefits of the Government, who are cheating the exchequer, who are driving the economy to a desperate condition. Only those persons should be taken to task. The Finance Minister's stand is very correct and we stand by him.

As regards Pondicherry, he has provided Rs. 38 crores this year. Last year he gave Rs. 37 crores. We have no industry in Pondicherry. The Finance Minister and the Prime Minister have taken the initiative. One Ronier Mill was closed. They have sanctioned Rs. 12 crores. We have started the mill. We have no major mill in our State. Our State comprises four regions. In Karaikal there is no major mill. Ten mills have been provided in this VII Five Year Plan. I would request the Finance Minister to consider giving four mills in this Budget in our State for the purpose of development of Pondicherry. There are 70,000 unemployed educated youth there... *(Time-bell rings)* Since you have rung the bell I conclude with the request to the Finance Minister to provide more funds to Pondicherry.

श्री राम चन्द्र विकल (उत्तर प्रदेश):
उपसभापति महोदय, मैं माननीय वित्त मंत्री जी द्वारा प्रस्तुत बजट का समर्थन करने के लिए तथा अपने कुछ सुझाव देने के लिए खड़ा हुआ हूँ। मैं समझता हूँ हरित क्रांति और मफेद क्रांति करने वाला जो इस देश का किसान है उसके सम्बन्ध में कुछ दोहरी नीति अपनाई जा रही है।

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[श्री राम चन्द्र विदाल]

उद्योगों के साथ जो व्यवहार और बर्ताव है वह खेती और किसान के साथ भी होना चाहिये। चाहे सूद की दरें हों चाहे और चीजे हों उन सब में किसान और उद्योगों के साथ थोड़ा भेद है उसको मिटाना चाहिये। इस बजट ने खेती को बढ़ावा देने मात्र की चीजे कम है कनिस्वत उद्योगों के ऐसा उनके आकड़ों से भी सिद्ध होता है। मेरे पास इतना समय नहीं है इसलिए मैं आकड़ों में नहीं जाना चाहता हूँ। किसान का गेहूँ का दाम पांच रूपया बढ़ाया गया है लेकिन खाद पर जो बढ़ा दिया गया है उसकी किसानों में कोई अच्छी प्रतिक्रिया नहीं हुई है। (व्यवधान) यह कहना कि किसानों की गेहूँ पर पांच रूपया बढ़ाया है लेकिन खाद पर उससे दूगना, तिगुना और चौगुना बढ़ा दिया गया है। गेहूँ का बढ़ा हुआ दाम किसान को फसल आने पर मिलेगा लेकिन खाद का अभी से उनको देना पड़ता है। यह दो तीन ऐसी प्रतिक्रियाएँ हैं किसान जिन्से परेशान हैं। बहुत से बजटों में पहले भी सुधार हुए हैं सुझाव आए हैं बाद में भी, इसलिए किसान के इस खाद के सवाल पर आप अवश्य पुनर्विचार करें। मुझे मालूम है किसानों से आपको हमदर्दी किसी से कम नहीं है लेकिन यह खाद का जो दाम बढ़ाया गया है इस सवाल से किसान में बहुत बेचैनी पैदा होती है। आप इस सवाल पर जरूर सोचें किसान इस देश की आर्थिक रीढ़ भी है इस बात को आप हम से भी ज्यादा जानते हैं। देश का आर्थिक विकास भी किसान की खेती पर ही निर्भर है। देश 6 P.M. की रक्षा का भार भी किसानों के कंधों पर ही है। किसानों के बच्चे सीमाओं पर बैठे हुए हैं हमारी फाँजे सीमा की रक्षा करती हैं लिहाजा किसानों के मामले पर आप पुनर्विचार करें और खासकर खाद के मामले में। बिजली की दरें हैं। बिजली और उसकी किश्तों पर बड़ा भारी भेद किसान के साथ होता है। कोई भी ऐसा आदमी हमें बताये जिसका समान उधार जाता हो, बाजार से या उद्योगों में कहीं भी किसान है जिसका गन्ना चला जायेगा मगर उसके दाम कई कई साल

के बकाया हैं। यू.पी. के आकड़े मुझे मालूम हैं। पिछली बार एक दफे सवाल किया था 20 करोड़ 50 यू०पी० के किसानों का अभी भी मिल मालिकों पर बकाया है। किसान का माल ही उधार जाता है बाकी किसी का नहीं जाता है, उनको नगद नहीं मिलता और किसान का रुपया कहीं रहे, उद्योगों में रहे चाहे कहीं भी रहे सरकार में जमा हो उसका सूद नहीं होता है तो ये सब बातें हैं किसानों के साथ जिसको सौतेला व्यवहार मैं कह सकता हूँ साथ ही देवी आपदाएँ किसानों पर आती हैं। महाराष्ट्र में कितनी ओला वृष्टि हुई इन दिनों। मध्य प्रदेश के किसानों पर आज भी वादल गरज रहा है पकी हुई फसल है, किसान सोता नहीं है, उसकी नींद हराम हो जाती है। देवी आपदाओं के लिए अनेक बार कहा गया है लेकिन किसान के फसल के बीमें, मवेशियों के बं में की चिंता नहीं है और चीजों के बीमें हो जायेंगे नयी नयी चीजों के बं में हो जायेंगे लेकिन किसान की फसल और इनके मवेशियों का बीमा जो बहुत ही जरूरी है उसके उपर सरकार का ध्यान कम है। इस पर अधिक से अधिक ध्यान दीजिए। मैं इस माध्यम से यह भी कहना चाहूँगा कि हमारे देश में वनों की वजह से अति-वृष्टि होती थी, भूमि उपजाऊ होती थी। अब वन काटे जा रहे हैं, बहुत तेजी से वनों की भूमि पर अनधिकृत कब्जे किये जा रहे हैं। किसी विभाग के लिए वनों की जमीन लेनी हो तो वह तो ली जा रही है लेकिन अनधिकृत कब्जे भी हो रहे हैं। जहाँ वनों की तादाद 30 प्रतिशत नहीं है वहाँ अकाल पड़ा करता है, नहरों की पटरियाँ, रेलवे लाइने, सड़कें इन पर वन विभाग को सारे देश में अधिक से अधिक पेड़ लगाने चाहिए। मुझे इस मौके पर संजय गांधी जी याद आते हैं। उनकी जरा सी तेजी से बराबर तेजी से सड़कों पर पेड़ लगते चले गये। वे दुनिया में नहीं हैं, मगर सारा देश जानता है, हालाँकि वे पावर में नहीं थे, मिनिस्टर नहीं थे लेकिन एक भावना मात्र थी जिसको हमारी केन्द्र सरकार ने, राज्य सरकारों ने तेजी से कार्यान्वित किया। उसमें ढील आ गयी है। इसलिए पेड़ ज्यादा लगाये जायें ताकि वर्षा भी हो और दूसरा जो

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वायुदूषण है जिसको रोज कहते हैं वह भी इससे कम हो सकता है। उपसभापति महोदय मैं कुछ 3-4 बातें और कहना चाहता हूँ। हमारे वित्त मंत्री जी जिम्मेदार हैं। हमारी पाक सीमा पर कितना खतरा पैदा हो गया है, आजाद काश्मीर मेंैनिक हवाई अड्डा बनना, कराची में, समुद्री बेड़ा आना और सीमाओं पर छिटपुट ऐसे हमले, काश्मीर में, गुजरात में राजस्थान में जो पाकिस्तान की तरफ से आये दिन हो रहे हैं, उधर थोड़ा मचेत होना पड़ेगा। काश्मीर, पंजाब या सीमावर्ती राज्यों के अराष्ट्रीय तत्व जिन पर काबू नहीं पा रहे हैं। उन पर तुरंत काबू पाने की जरूरत है यह भय व खतरा है। मुझे मालूम है हाजीपीर जिसको सेनाओं ने जीता था लेकिन ताशकंद फैसले में निकल गया। मुझे मास्टर शेर मुहम्मद की कहानी याद है जिसने हिंद फौज और शास्त्री जिन्दाबाद के नारे लगाये थे। सिविलियन थे, कर्नल जुम्मा की कहानी मुझे याद है। हमारे काश्मीर में मुस्लिम गुजर लोग हैं जो सन् 1947 से लेकर आज तक सेनाओं से आगे लड़ते रहे हैं। ऐसे देश भक्त लोगों को हम क्या बड़ावा देने की जरूरत है। अगर देशदोहियों का बड़ावा मिलता है देशभक्तों का आदर नहीं हुआ तो सिविलियन होते हुए सेनाओं से आगे कौन लड़ना? जनता का मनोबल बढ़ाये रखना बहुत जरूरी है खासकर सीमावर्ती इलाकों में। किसी भी देश की सेना लुप्तजित होनी चाहिए, अधिक से अधिक होनी चाहिए इसमें कोई दो राय नहीं है मगर हमारी सेनाओं की तैयारी क्या है, यह कभी किसी विदेशी दुश्मन को मालूम नहीं होनी चाहिए उसका हमको कहना नहीं चाहिए कि क्या है। मगर सेनाओं की महायता में अधिक से अधिक जनता आये यह काम भी हमें करना चाहिए और सेनाओं का ला एंड आर्डर के लिए इस्तेमाल न करें। इन दिनों ला एंड आर्डर हमको स्वयं संभालना चाहिए। यह जनता भावना और जनता में ऐसे लोगों को लेकर के हमें जनता को साथ रखना चाहिए ताकि हमारे जो अराष्ट्रीय तत्व हैं उनसे हम 7 ता के द्वारा हो निपट सकें।

धार्मिक कट्टरता और कटुता नीमा पार होनी चली जा रही है। उपसभापति, जो

धार्मिक विद्वेष और कटुता से संसार में जितना खून बहा है, युद्ध से उतना नहीं बहा है,। लिहाजा, जो धार्मिक कट्टरता है किसी भी तरह की हमारे देश में चलती है, उसको हमें कम करवाना पड़ेगा। उसके लिए भी हमें समाज को, जनता को सावधान करना पड़ेगा। आज धर्म के नाम पर भी, धार्मिक तौर पर भी अराष्ट्रीय तत्व और विदेश ताकतें अपार धन खर्च करके यह धार्मिक विद्वेष फैला कर हमारे देश को तोड़ना चाहती हैं। इन खतरों से हमको अंदर से सावधान होना चाहिए।

मैं पब्लिक सैक्टर की बात कहे गर नहीं रहना चाहता। उपसभापति जी, पब्लिक सैक्टर कामयाब हो सकता है जरा सी हमारे सतर्कता और सावधानी से। हम पब्लिका सैक्टर कह कर खत्म कर देते हैं और थोड़ा सा सरकारी अधिकारियों पर छोड़ देते हैं। मुझे निज तजुर्बा है, उपसभापति जी, मैं फार्म कारपोरेशन के यहां चैयरमैन था डेढ़-दो साल। जब मैं गया था तो वह काफी घाटे में चल रहा था। हमने थोड़ी सी सावधानी बरती, सविसेज, से थोड़ा सा सहयोग लिया जो घाटे का कारण था पुलिस की मदद से मवेशी निकाले जाते थे, हमने बिना पुलिस की मदद के मारे फार्मों के मवेशी निकाल दिये और इतनी तेजी से निकाले कि उनको कोई खरीदने वाला नहीं हुआ, कहीं गऊ-शालाओं में जाकर के हुआ। एक फार्म हाऊस दिल्ली में बनवा दिया, सूरतगढ़ फार्म में नहर बनवाई, मद्रास के चिंगल फार्म पर एक डैम बनवा दिया और एक मार्केट बनवा दिया सूरतगढ़ में और वही फार्म कारपोरेशन हमारे हटने के बाद चार-पांच करोड़ के घाटे में चली गई। आखिर क्यों? मुझे मालूम है कि जब मैं मिनिस्टर था उत्तर प्रदेश में, हमारा एक माधुरा कुंठ फार्म है, एक ही विजिट के बाद हमने वह मुनाफे में कर दिया था। मैं आज उनके बारे में तत्परील में नहीं कहना चाहता हूँ।

रिस्क के नाम पर जो हमारा खर्च होता है, जिसका कोई हिस्सा ही नहीं लेना चाहता, मैंने माफ कह कहा था कि रिस्क अगर घाटे का है, तो हम उसको चलवा-येंगे नहीं। फिर रिस्क अगर किमानो के हक में जाती है, तो उसको मुनाफे में जोड़ सकते

[श्री रामचन्द्र विकल]

हैं। रिमर्च हमारे खेत का किसान तक पहुंच जाए, तो उस रिमर्च का काम हम समझते हैं, मुनाफे का काम है।

हमें पब्लिक मैक्टर में थोड़ी मावधानी बरतनी है और यही हमारे सरकारी अधिकारी जिम्मेदार हैं। यह जो जिम्मेदार लोग हैं, चाहे विभागों में मंत्री हों, चाहे चेयरमैन, हों, चाहे कोई भी हो, उसकी भी कुछ जिम्मेदारी है।

अब यह विश्व बैंक के बारे में मुझे मालूम है कि विश्व बैंक से हमारे अधिकारी किस तरह से मिले रहते हैं जब मैं चेयरमैन था, तो एक टेण्डर के मामले में हमारे जो बड़े अफसर थे, मुझको बारबार कहते थे कि विश्व बैंक कर्जा नहीं देगा अगर फ्लां टेण्डर नहीं लिया। मैं हैरत में पड़ गया कि भाई विश्व बैंक के टेण्डर से क्या वास्ता वह तो कर्जा देकर हमसे वपिस लेता है। सूद लगा कर। यह क्या है कि इस टेण्डर को विश्व बैंक से जोड़ें मैं तो सरकारी अफसर के साथ अड़ गया और मिनिस्टर एग्रीकल्चर से मेरा झगड़ा हुआ, लेकिन वह टेण्डर जो लगभग नौ लाख घाटे का था फार्मा कारपोरेशन के लिए वह विश्व बैंक के नाम देना चाहते थे, मैंने नहीं देने दिया उनको।

उपसभापति जी, तो मावधानी की जरूरत है, बहुत सख्त जरूरत है।

अब यह बंद जो देश में हो रहे हैं। उनके बारे में मैं निर्भीक रूप से कहना चाहता हूँ कि मेरी पार्टी भी यदि कहीं बंद करती है किसी राज्य में जहां हमारी सरकार नहीं है, मैं बंदों का हाथ भी जीवन भर कभी नहीं हुआ — बंदों की वजह से आज जो दुर्दशा देश की होती है, जो इतनी हानि हो रही है, अभी बताया कि बीस करोड़ रुपये की . . . (व्यवधान)

श्री कल्पनाथ राय : चालीस-पचास करोड़ रुपये।

श्री राम चन्द्र विकल : मुझ से कभी कल्पनाथ राय जी तो दुगना आंकड़ा बताने हैं,

मैं तो आंकड़ेवाज नहीं हूँ ज्यादा। अब यह सच्चाई (व्यवधान)

श्री विश्वनाथ प्रताप सिंह : यह एक दिन का बात है, अब आधे दिन उतना हुआ।

श्री रामचन्द्र विकल : अब अगर 50 करोड़ का नुकसान एक बंद से होता है, तो मैं पुरजोर अपील करना चाहता हूँ विरोधी दल में भी और अपनी पार्टी से भी अगर कहीं बंद करवातो है, तो उनसे भी कहना चाहता हूँ कि ऐसे मामले में बंद हमारे देश के आर्थिक विकास में अगर हानिकारक है, तो आज हम सब को, देश को सोचना है इस तरह से अगर हम बंद करेंगे, तो बहुत बड़ी हानि होगी।

उपसभापति जी, मैंने शिक्षा मंत्री जी से एक सवाल किया था कि योग को नई शिक्षा पद्धति अवश्य शुरू करें। उनका जवाब भी मुझे भी मिला कि हम योग को नई शिक्षा पद्धति में जोड़ रहे हैं और रात को मैंने सुशीला रोहतगी जी का बयान भी सुना, उन्होंने कानपुर में किसी फंक्शन में हम नई शिक्षा पद्धति में योग को जोड़ रहे हैं। 13 मार्च का जनसत्ता मैंने पढ़ा है, उसमें हैडलाईन दी हुई है कि “शव आसन करेंगे योग टीचर”। योग टीचरों को सेंट्रल स्कूलों से निकला जा रहा है। जो सेंट्रल स्कूलों में योग-टीचर लगाए गए थे, उनको निकाला, हटाया जा रहा है। एक तरफ तो आप योग लाना चाहते हैं और दूसरी तरफ योग-टीचर हटाए जाते हैं। मैं इसकी कहानी में नहीं जाना चाहता समय नहीं है, लेकिन हटाए जा रहे हैं। (समय की घंटी)

एक बात, चूंकि आप घंटी बजाते हैं, इसलिए एक सेकंड में अपनी बात बता देना चाहता हूँ कि आज समय आ गया है कि चाहे देश पर आंतरिक संकट हो या बाह्य संकट हो, मैं विरोधी दलों और सारे लोगों से कह देना चाहता हूँ कि अब एक ही बात होनी चाहिए — “पार्टी अनेक हैं — राष्ट्र एक है, भाषाएं अनेक हैं — राष्ट्र एक है, धर्म अनेक हैं — राष्ट्र एक है, प्रांत अनेक हैं — राष्ट्र एक है, देश अनेक है राष्ट्र एक है, यह सारा हमको देना पड़ेगा, तभी हम देश को सुरक्षित कर सकते हैं।

मजबूत कर सकते हैं। मुझे मालूम है कि जब भी देश पर कोई संकट आया है, चाहे चीन का हमला हुआ हो, चाहे पाकिस्तान के हमले हुए हों, चाहे आंतरिक-संकट, इंदिरा जी का कत्ल हुआ हो, चाहे गांधी जी का कत्ल हुआ हो, बिना लिहाज धर्म, जातिपाति धर्म और भाषा भेद को भुला दिया जाता है। ऐसा मुझे विश्वास है। यही बात हमारे देश के नेताओं और पार्टी के नेताओं को भी करनी चाहिए इसमें सरकारी अधिकारियों का अधिक से अधिक सहयोग लेना चाहिए, तभी हम देश को सुरक्षित और मजबूत कर सकते हैं।

उपसभापति महोदय, हमें अपने जीवन में उम्मीद नहीं थी देश के आजाद होने की, हमें कतई यह नहीं था कि हमारे नामने देश आजाद हो जाएगा। लेकिन आज जो हम अपने देश की आंतरिक हालत देखते हैं, तो इसकी भी हमको उम्मीद नहीं थी। लिहाजा मैं मामिक अपील करना चाहता हूँ कि देश की एकता और अखंडता के लिए हमें मारे मतभेद भुलाकर के देश को मजबूत करें। हमारे शहीदों की कुर्बानी खाली न जाय। उन शहीदों ने देश को आजाद भी नहीं देखा। हमने आजाद देख लिया, भोग लिया, सब कुछ कर लिया। लेकिन जिन्होंने आजाद नहीं देखा और पहले ही बलिदान हो गए। उनके बलिदान होने पर हमको थोड़ा सा नतमस्तक होना चाहिए और देशभक्तों की कद्र हमको करना चाहिए। इन शब्दों के साथ मैं बजट प्रस्तावों का समर्थन करता हूँ।

SHRI MAHENDRA PRASAD (Bihar): Mr. Deputy Chairman, Sir, I support the Budget as presented by the hon. Finance Minister. I have got some submissions to make. From the slavery and destitution of importing needles and handkerchiefs to the proud position of being one of the six nuclear powers, one of the ten most industrially advanced countries and one of the three agriculturally potent countries in the world, India has made a gigantic leap into the world of development. And yet the enigma of being underdeveloped, or being developing, haunts us. The stigma of having millions of people below the poverty line confronts us. We have to suffer the humiliation of being called a

poor country in the world arena. We are poor. We must grow and grow fast enough to ameliorate the pathetic economic conditions of our masses.

Sir, what are the hindrances in our growth and development to a level where-by we could be labelled as a developed and self-dependent nation in the world?

Our people, though poor and illiterate, have shown tremendous political maturity and every election after independence has given us a stable government, which is one of the three essentials for growth and development. The second important factor contributing to growth is population, whereby explosive population growth has been hindering our attempt to growth and we must do something on this count. The third and the most important factor for growth in the Indian context is production: we must produce if we want to grow. Our growth is dependent on production. We must grow and grow abundantly if we want to survive. It is on this front that we must concentrate and must put our untiring and relentless efforts.

Sir, the dire and pressing need for production brings us to our pride position holding public sector enterprises. It is here where we lag behind. The poor performance of public sector enterprises makes our head hang in shame. The compare and contrast of our investment in public sector enterprises and turnover and profitability from these massive and huge investments gives us a highly pathetic, disappointing and discouraging picture. From a figure of investment of Rs. 29 crores as on 31st March, 1951 in five enterprises the investment stood at Rs. 30,038 crores as on 31st March, 1983 in 209 enterprises and at Rs. 35,411 crores as on 31st March, 1984 in 214 enterprises. The gross turnover of these public sector enterprises in 1983-84 was Rs. 47,294.32 crores. The pre-tax profit after setting off of loss making units was Rs. 1,484.56 crores in 1983-84. The profit of ONGC alone was Rs. 1,607.66 crores in 1983-84. Therefore, if the profitability of only one unit, that is the ONGC is taken out, the total investment of over Rs. 33,370 crores in 213 enterprises with a turnover of Rs. 43,842.04

[Shri Mahendra Prasad]

crores makes a total loss of Rs. 123.01 crores. This is disgraceful. Sir, the position of 1984-85 is no better. The profitability of this year is Rs. 2,190 crores. If the profitability of oil producing concerns concerned, including the ONGC is taken out from this, the final figure will come to almost no profit no loss position. And to remember here is a point that ONGC and other oil producing enterprises are monopoly concerns. They can charge any price for oil as they like. We can increase the price of oil at our will as we have been doing for quite sometime, including the last increase. IDPL has made a loss of over Rs. 150 crores. SAIL and FCI have been making awful losses. These are few examples to quote among many. Is it not a disastrous investment for a poor economy like India? Is it the proper use of money which the poor people of India pay through their noses? Sir, the blind and dogmatic protagonists of public sector enterprises say that public sector enterprises make losses because they have got other social obligations also like social welfare, etc. to perform. But, Sir, these friends should know that to meet the social obligations and to indulge in social welfare activities, there is a Ministry called the Ministry for Social Welfare. It is this Ministry which should look after social welfare work and not the public sector enterprises. An industry or a commercial organisation is a business organisation and as such it should be run on the sound and hard principle of business where the importance of profit making through proper means is of paramount importance. The Government can do lots of social welfare work out of the money that will go to Government exchequer from the profit of these public sector enterprises. Our friends should not find false excuses for the bad performance of our public sector enterprises.

Sir, the doubtless poor performance of public sector enterprises brings us to find the reasons and causes for the poor performance of our public sector enterprises. The public sector enterprises are running into losses because the production or turnover is not in tune with the huge investment; there is mismanagement and there

is large-scale dishonesty among the employees who do not put in desired hard work to bring the level of production to an extent to enable these enterprises to make profits. Hard work is the keynote to production and higher turnover and that is what is lacking in our public sector enterprises.

Sir, the lack of hard work, honesty and proper management in public sector enterprises brings us to find the reasons for lack of hard work in these concerns. I have been a student of Economics and Psychology and my concern for the country and, therefore, for these public sector enterprises, has forced me to give careful consideration and go deep down into the causes of poor performance of our public sector enterprises.

The through study and analysis of economic factors and human nature and psychology have brought me to the conclusion that human beings by nature work only because of two reasons and those reasons are (a) incentive and (b) fear. Production is pre-conditioned by hard-work and hard work is pre-conditioned by incentive and/or fear. One works hard either because he gets incentive for his hard work or because of the fear of punishment if one does not work hard. The Western countries and Japan have produced wonderful results by introducing the element of incentive in their economy while communist countries have produced tremendous results because they have introduced the element of fear or punishment in their economy. In Western countries one works hard because he or she is rewarded for hard work. In communist countries one works hard because he or she is punished if they fail to put in hard work. Both these two sets of countries have produced wonderful economic results. In our public sector enterprises, however, unfortunately, there is neither fear nor incentive. A clerk in our public sector enterprises starts as clerk and dies as clerk *howsoever* high may be the level of competence in him. There is no incentive for competence. At the same time there is no fear of punishment because even if a person is incompetent, corrupt and neglectful, his job is secured. If a person is punished he will have obliging irresponsible bosses through

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approaches to pardon and if that fails by any chance, the all embracing and all pardoning courts are there to give relief.

Sir, our public sector enterprises have neither fear nor incentive. They are bound to fail. I say this and predict consciously and after deep thoughtful consideration and analysis of human nature that public sector enterprises will never, never and never produce desirable results, barring temporary exceptions, whatever may be the attempts and measures taken. The productive functioning of public sector enterprises is against human nature. Sir, if somebody says that fire cools, against its nature of heating and you believe it, then believe that public sector enterprises can run successfully. It is against human nature and nature is never untrue.

But, Sir, we have fallen into the cobwebs of dilemma. If we accept the truth and try to do away with the drainage of public money in public sector enterprises, we will be howled up and embellished with the decoration of being reactionary and being guilty of going back on established philosophy. If we continue with the drainage of public money on devouring public sector enterprises, the economic fate of our teeming millions will be doomed to delibility.

Sir, coming back again to the introduction of the element of fear in economy and public sector enterprises, I have to say that even fear does not prove productive in long range and to prove this contention I quote the example of China and Russia. Last summer I was in China and have seen things for myself. After being fed up with grueling and gruesome cultural revolution and introduction of non-productive—in the longer range—element of fear in their economy, they have done away with cultural revolution and introduced the element of incentive in their economy, specially in their agricultural sector. Earlier all the produce of the farmers in China used to be taken away by the Government. Today, 30 per cent

of the produce is left with the individual farmers and the Government takes only 70 per cent. This incentive of 30 per cent being left with the farmers have produced tremendous productive results in the Chinese agricultural economy. China used to be a nation deficit in food before the introduction of this 30 per cent incentive to the farmers while now they are surplus in food. Such is the magic of incentive. It is incentive which has proved beneficial in the long run. Stick is a temporary measure. What I am saying about China is authentic. I was given this information by no less a person than the Chinese Government officials. I was told that they have introduced incentive element in their industrial economy also and the results are good and encouraging. Same is the case with the USSR. No doubt, the fear element in their economy have produced wonderful results in the past and has enable the USSR to become the second economic power in the world. But now even in the USSR, the fear element has become unproductive and there is re-thinking in Russia. An eye-witness narrated to me the story of bitter criticism by a lady member in the recently-held convention of communist party of Soviet Union, of the performance of public sector enterprises in the Soviet Union. According to an authentic report, the Russians are not satisfied with the performance of their public sector enterprises. As a remedy, they have introduced incentive element in their public sector enterprises and in other aspects of their economy. They say that they must produce results if they have to compete in the world. They have gone too far away to do away with the public sector enterprises. But they are doing whatever they can do within a certain parameter. But who knows what happens tomorrow. The whole system may change. General Secretary Gorbachyov is a man of pragmatism. Thank you, Sir.

MR. DEPUTY CHAIRMAN: General discussion on Budget is concluded. Finance Minister will reply tomorrow. Now the message.