

Shri V. B. Kaju]

given the facility for the public sector enterprises to take to private borrowing. Already the private companies are borrowing. Now with the public sector industrial enterprises and others also borrowing; The market rate of interest will go up. If, they get at 18 per cent from the banks, they will offer 13 to 14 per cent in the market and directly take it. Only the other day the Deputy Governor or the Governor of the Reserve Bank was saying that in Calcutta, there are organisations which pay 36 per cent. If you have already nationalised so many banks. What about their future? Who will go to banks? And why should one go? With the high rate rate of interest, who will borrow? The Reserve Bank Governor has already said that 1.2 per cent more of interest will be transmitted to the borrower. Who will go in for borrowing? Only those who have not to repay and who do not mind any rate of interest because they have a scarce market.

AN HON. MEMBER: And pass it on to the consumer.

SHRI V. B. RAJU: Inflation is going to be very high. Already it is 20 per cent. It would be no surprise if it goes up to 35 per cent. We are going to have a very bad time.

Lastly, I would say that there is a lot of wasteful expenditure in the Budget. You have not said anything about this food-for-work programme. You yourself remarked in your Speech that there are so many 'deficiencies and you would not leave a word of compliment. Now I will call this food-for-work programme as the

food-for-'fraud programme. I would like to submit that the inquiry report or the investigation report by the Planning Commission be placed on the Table of the House. We are interested to go through it. The Planning Commission has given a report on it. The Finance Minister is a gentleman, an experienced man, a good-natured man. What has be clone? There is a provision of Rs. 340 crores for the rural employment programme. Mr. Minister, this is what you have done. What is the rural employment programme? Do you think that the problem of unemployment in the country can be solved by these ad hoc programmes? You are wasting the money. This will go as doles. It will be as bad as the food-for-work programme. It is the case of the same wine in a new bottle. This is what has been done.

Sorry, Sir, that I have taken a little more time. Thank you,

THE VICE-CHAIRMAN (SHRI SAWAISINGH SISODIA): The House stands adjourned till 2 o'clock.

The House then adjourned for lunch at two minuter past one of the clock.

The House reassembled after lunch at three minutes past two of the clock., the Vice-Chairman, (Shri Dinesh Goswami) in the Chair.

PAPERS LAID ON THE TABLE—contd.

Notifications Of the Ministry of Finance (Department of Revenue)

THE VICE-CHAIRMAN. (SHRI DINESH GOSWAMI): The Minister of Finance to make a. statement.

THE DEPUTY MINISTER IN THE MINISTRY OP FINANCE (SHRI MAGANBHAI BAROT): Sir, I fecg to lay on the Table of the House e copy each (in English and Hindi) of the following papers of the Ministry

Discussion

of Finance. (Department of Revenue):—

(i) Notification Nos. 127 [F. No. S. 51]77-TRU (CUS) and 128 [F. No. S. 51]77-TRU (CUS) dated 1st July, 1980, under section 159 of the Customs Act, 1962.

(ii) Notification Nos. 116J80 and 117J80 dated the 1st July, 1980.

(iii) Explanatory Memorandum on the above notifications. [Placed in Library. See No. LT- 982/80].

THE BUDGET (GENERAL.) 1980-81—
GENERAL DISCUSSION—Contd.

SHRI N. K. P. SALVE (Maharashtra):
Vice-Chairman, Sir, I rise to support the proposals contained in the Budget presented by the Finance Minister in the Lok Sabha on the 18th June.

We are still under the shadow of a grim tragedy that left the nation dazed and numb. The beloved, dynamic, young and courageous leader of my party and the nation in his own right, Shri Sanjay Gandhi, is no more. He died the death of a hero. He was a man who had endeared himself to the nation for the matchless 'qualities of his head and heart, qualities which were nurtured and nourished by assiduous hard work and which were manured by political persecution, trials and tribulations. The nation is unconsolably mourning in anguish and sorrow along with Mrs. Gandhi and her family at the loss of this priceless jewel of Mother India. But the ways of the Lord Almighty are beyond human comprehension. Having paid this tribute, I merely beg to request my friends in the Opposition with the utmost humility, for the campaign is still continuing, that they should show a modicum of political wisdom not to raise any controversy either about the accident or about the funeral for,

to say the least, such a controversy at this stage is utterly in bad taste. Sir, the Budget discussion calls for a very mundane and hard-headed approach, for which we are not as yet fully conditioned because of the shock of the tragedy. But the Finance Minister deserves high commendations for presenting a Budget which has been very widely acclaimed throughout the length and breadth of the country. Sir, the most redeeming feature of the Budget has been the reversal of the trend that we have seen in certain very vital areas of direct and indirect taxation—a trend which has been very cussedly and obstinately followed by his predecessors, as a result of which poor men, common men, were loaded with excessive taxation as they continued to groan under the burden of their own poverty, their own impecuniousness, under their own misery. In the realm of direct taxes, this reversal is particularly in the field of non-corporate assessees and in the realm of indirect taxes, it is by way of relief that has been given on the taxation of items of common consumption. So far as direct taxes are concerned, the Finance Minister deserves our congratulations for raising the limit of exemption on income from Rs. 10,000 to Rs. 12,000, a measure which was long overdue, for it not only brings much-needed relief to those who deserve it because of the highly inflationary forces and pressures which have been working in our economy on a sector which can ill afford to bear the same, but it would also bring about some streamlining of the administration which would very substantially minimise unremunerative work. Also, Sir, the Finance Minister, so far as the assessees in the non-corporate sector are concerned, has taken in their taxation an extremely laudable, praiseworthy and pragmatic step in reducing the highest marginal rate of taxation of income from 72 per cent to 66 per cent. I must refer to one more step that he has taken. Of course, that is in the shape of an