

**TIIF APPROPRIATION BILL,
1975—*conul.***

SHRI N. H. KUMBHARE (Maharashtra): Sir, I wish to draw the attention of the Government to the grave problem of unemployment of educated youth belonging to Scheduled Castes and Scheduled Tribes. It is true that the problem of unemployment is there in the country. But if we make an analysis of the whole problem, it would be seen that so far as the problem of unemployment amongst Scheduled Castes and Scheduled Tribes is concerned, it has assumed a dangerous potentiality. The other day I put a question in this House regarding employment in State Banks, and the information that has been furnished to me shows that as many as 500 vacancies in clerical cadre were filled up by members of Scheduled Castes and Scheduled Tribes. But for these, as many as 35,000 applications were received. That means, for one post as many as 700 applications were there. So this gives us an idea as to the gravity of this problem. Sir, for others there are large avenues of employment open. But so far as Scheduled Castes and Scheduled Tribes are concerned, they have got reservations only in Government departments and public sector undertakings.

Sir, you know the pattern of employment in our country. If there is a firm, then the proprietor or the manager will try to give preference to his relative, then second preference will go to his caste people, then the third preference will probably go to the people belonging to his region, and ultimately to the people of his State. That is what the employment pattern of this country is. And, therefore, it is very difficult for members of Scheduled Castes and Scheduled Tribes, however, suitable they may be to get employment in private sector undertakings.

The other day I tried to get information about the employment in Delhi high schools. And I was told that there is one school which is manned by some Gupta, and almost 80 percent teachers who were employed in that school are Guptas. He has not appointed anybody who was a non-Gupta. This is what the pattern in the schools is. In that school there is only a single member belonging to the Scheduled Castes and Scheduled Tribes. This is the deplorable condition, and...

SHRI N. G. GORAY : Are there no Guptas among the Scheduled Castes ?

SHRI N. H. KUMBHARE : No. This is the whole tragedy. Nor can they become Guptas... (Interruptions). This is what the position is. So far as this sphere of private undertakings is concerned this has remained untouched by Scheduled Castes and Scheduled Tribes. Therefore, there is very limited scope for them for employment.

They have got reservation only in Government service. Therefore, my suggestion is that with a view to solving this grave problem of unemployment, it will be necessary to extend reservation of services to private undertakings also. This was discussed in this House when there was a discussion on the report of the Commissioner for Scheduled Castes and Scheduled Tribes. At that time, Shri Mirdha Ji, the then Home Minister, gave us a categorical assurance and he supported the view—that the time has come when reservation should be provided in private sector undertakings also. I quote :

"Well, Sir, another point was raised and I think it is a very important point. \\\hy no reservation in the private sector. Well, Sir, the private sector may be called the private sector or private enterprise. but under the conditions in which they operate, it is in a way the State-assisted private sector. Most of their equity capital is underwritten by the Governmental financial institutions and sometimes it is hardly 5% or 10% or 15% of the entrepreneurs' money which makes the whole thing run and to that extent, I think, we cannot just drop the problem by saying that we cannot touch the private sector. Some way has to be found to see that the private sector also conforms to the extent necessary in this respect and we will do everything in our power in this respect. We are already examining certain ways in which it can be done."

Sir, this reply was given on 21st November, 1973. A period of 16 months has passed. This thing has not been taken up and no directive has been issued so far. Therefore, I will urge upon the Government to see that the assurances that were given effect to as early as possible.

Thank you.

SHRI PRANAB MUKHERJEE : Mr. Vice-Chairman. Sir, I am grateful to the hon. Members who have taken part in the discussion and made valuable contribution, particularly, in the context of the general economic situation of the country. Sir, the scope of the present Appropriation Bill is limited. In fact, the effects of the grants which will be approved by the House will be for almost 7 days because today is the 24th March and the principles which work behind these allocations were also discussed threadbare when the hon. Members had the opportunity of discussing the budget proposals for the current year. Sir, the total grant for which I have sought the approval of the House amounts to 1761.44 crores of rupees out of which 196 crores will be to the State Government, 3 crores for the Union Territories allotments, 9.01 crores for the Union Territories administrations, 228.64 crores for the defence, 43.50 crores for P & T, 61.90 crores for railways, 547.74 crores for fertilisers. Coed and subsidy, 390.45 crores for debt repayments, 155.60 crores for public sector enterprises and 125.52 crores for others. The total is 1761.44 crores. The allocations could not be anticipated mainly for two reasons. If we look into the figures which have been sought for defence, these are mainly for the dearness allowance on the basis of the recommendation of the Pay Commission and partly due to the increased cost of transport and other factors.

The allocations are being made to the State Governments and for various other items. Broadly it relates to the Plan assistance and certain other items. One of the major items for which I have sought the approval of the House relates to food subsidy and fertilizer which is in the order of Rs. 547.74 crores. I would like to particularly dwell upon this aspect as to why so much amount is being sought for through the Supplementary Grants.

Sir, the hon. Members are aware that when the 1974-75 budget was prepared, at that time, our expectations about the indigenous production in fertilizer and our total requirement through imports were looked into. But nobody could anticipate as to what would be the actual position of the fertilizer price in the international

market. And in that connection, I would like to quote only a few figures which would indicate what an abnormal price hike took place only within a spell of six or seven months.

Sir, in December, 1973 urea was in the order of U.S. \$ 141.75 per tonne. In mid-1974, almost within six months, it rose to 383 to 425 U.S. dollars. D.A.P. price was 146 U.S. dollars in December, 1973 and in mid-1974, it rose to 432 to 440 U.S. dollars. M.O.P. was 72.06 U.S. dollars in December, 1973 and in mid-1974, it was in the order of 110 U.S. dollars.

श्री ओ३म् प्रकाश त्यागी : क्या उस टाइम पर यह अनुमान नहीं था कि मिडिल ईस्ट वालों ने तेल के दाम बढ़ा दिये हैं और उसका इस पर असर पड़ेगा? दूसरा पॉइंट यह कि सरकारी कर्मचारियों को महंगाई भत्ता देना है, यह जानकारी आपको थी या नहीं ?

SHRI PRANAB MUKHERJEE : Yes Sir. This information was available to the Government. And at the same time, the hon. Member will recall that when the Finance Minister presented the Budget, he did not look at it again and he made a specific mention on the floor of this House and the other House that he was expected to watch the situation to see whether it is possible for him to accommodate that price hike. And every Finance Minister will have to make that exercise. It is a continuous exercise throughout the year and nobody can say that I can forecast it and that I can allocate it in the Budget. In the Budget allocations, some sort of scope for accommodation has to be left with us. But at the same time, even if we look into the whole aspect of how the price behaviour has reacted in the Indian economy, you yourself will come to the conclusion that almost at the interval of every three months, there was an abnormal rise, and there is no denial of the fact that a rise in the order of 20 to 25 per cent took place in one particular year. And it was not possible to forecast even for the Third Pay Commission that it would go beyond 272. They did not go beyond that. They left it to the Government and to the employees to look into the aspect. Therefore, even for speculation, there are certain limits. And the behaviour so far as the price rise is

concerned, was perhaps, even beyond that. The price hike in the oil prices too in the international world was not limited to one hike. Time to time it increased and it had its effect and we had to make accommodations in order to see that these things could be accommodated in a proper perspective.

Sir, I would like to say one fact in this connection. Even by spending 80 per cent of our total foreign exchange in the last year, in real terms, in basic terms, we could import less food, fertilizer and fuel. Only in the case of food, the quantum was more. But so far as fuel and fertilizer are concerned, the total quantum was less in spite of the fact that we had to pay much more than what we used to pay in the previous years. Simply, it was not just available. In spite of the fact that all the developing countries of the world consume only 15 per cent of the total fertilizer production of the world, it was just not available. And it is well-known to everybody, particularly to the hon. Members who took part in the discussion and who expressed their dissatisfaction over the recommendation of the Agricultural Prices Commission about the wheat price as to what situation our country had to face during the last year for want of fertilizer.

As a result of that, on this particular item there has been much greater allocation. Allocation in respect of the other items have been, more or less, Sir, on par with their increases either in the D.A. or for the implementation of the recommendations of the Pay Commission or certain incidental charges, such as, cost of transport and other things.

Mr. Vice-Chairman, Sir, while making observations some of the hon. Members have made certain observations about the state of the economy through which the country is passing. I would not like to dwell on all the subjects but I would like to highlight two or three things which are related to the present discussion. There is no denial of the fact that the country is passing through an extraordinary situation and nobody in the Government has ever claimed that all the problems have been sorted out. Even, on the question of the inflation, Sir, we have made very conser-

vative estimates and many a time on the floor of this House we have said that from year to year we have to see whether the present trend sustains or not. The Finance Minister in his reply to the General Discussion on the Budget has made it quite clear so far as the ideological concept of mixed economy and its continuance are concerned, that mixed economy is a fact and it exists. The entire Industrial Policy Resolution of 1956 and subsequent amendments to it and even the Industrial Policy Resolution of February 1973 do accept the existence of the mixed economy. Sir, one hon. Member while making his observations made out as though all the economic maladies relate to the existence of mixed economy. There is no denial of the fact that mixed economy is existing and it is a fact. But, at the same time, if the accepted policy of the Government; mixed economy exist and private sector exists. The policy-makers of the Government have categorically pointed out on many occasions that where the private sector exists, the private sector would be allowed to operate in its full swing and would be allowed to see that the production reaches at its maximum stage. Perhaps, it is needed for the country, for the development of the country because we are earmarking the area where the private sector can operate and, therefore, there is no reason even to put certain bars, certain hindrances, in that particular area. The Industrial Policy Resolution is clearly a demarcating area and it indicates where the private sector can operate and where the public sector can operate and in the area which is marked for the private sector, Mr. Vice-Chairman, Sir, I do not find any reason why they should not be allowed to utilise their capacity and to reach the maximum production. Perhaps, it would be wrong to come to the conclusion that because of the mixed economy, the public sector is not reaching its commanding heights or that the public sector is not performing its due share or due role in our national economy.

SHRI SANAT KUMAR RAHA (West Bengal) : Mixed economy under the leadership of capitalist economy.

SHRI PRANAB MUKHERJEE : I am not going into the theoretical proposition. I am just explaining the facts as they exist today.

[Shri Pranab Mukhevjte]

Sir, it would be wrong to say that the public sector are not doing well. On many occasions the Ministers in charge of the Industrial Development and other Ministries have pointed out that some of our public sector undertakings are doing very well and, if I remember correctly, even while answering a question on the floor of this House, I mentioned that out of 131 public sector undertakings as many as 68 are making profits; except 32 or 33 public sector undertakings, many of them are making profits and some of them are just at the stage of no-profit-no-loss and some of them are incurring a loss. It is a serious endeavour, constant effort, on the part of all of us to see that the public sector plays this vital role in our economy and they reach the commanding heights which may, perhaps, give the answer to the query of Mr. Raha that our desire is to see that the Public sector dominate the economy of the country.

SHRI SANAT KUMAR RAHA :
Biassed desire (.Interruption).

SHRI PRANAB MUKHERJEE : It is not a question of biased desire. If you look at the development of the country during the last 27 years perhaps, you yourself will come to the conclusion that it is not the biased desire but that the public sector has played its important role and it is increasing day in and day out.

One hon. Member has raised the question of the law and order.

Here I would like to tell him that it is not merely a question of the police administration alone maintaining law and order in the country. If a situation is being created where a Cabinet Minister had to lay down his life, where a man is caught with a fire arm when Mrs. Indira Gandhi, the Prime Minister was going to give evidence in a court of law, where even the Chief Justice of the Supreme Court is not spared, when the cult violence is preached day in and day out, perhaps it is not possible for my colleague, Mr. Om Mehta in the Home Ministry or the Inspectors-General of Police in the State Administration to maintain a perfect state of law and order in the country.

Politicians have a responsibility here; social organisations have a responsibility here.

श्री ओइम् प्रकाश त्यागी : दिल्ली में ही देख लीजिये . . . (Interruptions)
दिल्ली में नित्य कम से कम 5-6 मौतें होती हैं, चोरियां होती हैं, डकैती होती हैं, जेबें कतरी जाती हैं । यह भी तो सब इस प्रकार का प्रचार हो रहा है ।

SHRI PRANAB MUKHERJEE : I am not denying the fact. Unfortunately a situation has been created in the country where violent activities are being praised and some sense of bravado is being attached to such type of activities. Therefore, it is not a question of pure law and order. A particular approach is to be taken irrespective of the parties. Mr. Goray has very rightly pointed out that there are certain areas where the barrier of party does not exist. This is one such area where, I feel, each and every political party should ponder over the problem and find a way out. Perhaps, with indulgence in the cult of violence nobody can survive. It will create a Frankenstein monster which will ultimately demand dividend from each and every one of us. Therefore, this is not merely a question of police administration. I think it would be possible for all of us to put our heads together and find a way out.

Now, the question of national integration needs to be kept in mind. Many honourable Members, while making their observations, said that a particular area is neglected or that a particular area is not getting its due share of finances. I do not deny the fact. The economy which is devolved on us, basically, is a colonial economy, it is a legacy which we have inherited and it has been our effort during all these years of planned development to see that this economy is placed in its proper perspective. As a result of that, Sir, there is no denying the fact that the level of development is not equal. It is not spread evenly over all the areas. But, at the same time it has to be borne in mind that mere allocation of money or sanction of a particular project either in the public

sector or in the private sector in a particular area will not develop that area. The first and foremost thing for us would be to develop the infrastructure in the areas where you want to have industrialisation. Since 1973 so many concessions have been announced by the Government for the development of backward regions. Districts and areas have been indentified; fifteen per cent subsidy schemes, concessional financial assistance schemes like transport subsidy, etc. have been introduced. But all these subsidies and packages of assistance would not lead us any where if we do not build up the infrastructure which is needed for creating investment in a particular area or region. Therefore, it is not merely a question of the Central Government voting more money. Some sort of better co-ordination should be built up and developed between the local administration and the Central sector.

So far as assistance from the Central Government is concerned, it has been pointed out many times on the floor of this House as well as on the floor of the other House that the Government of India follows a particular pattern according to which the assistance is given. Mr. Menon said that Mr. Subramaniam is anti-Kerala. It is not a fact and I do not know how he comes to that conclusion. Nobody here is anti-Kerala, nobody here is anti-Tamil Nadu, nobody here is anti-Bengal and so on. Everybody here is to look after the interests of the country. We are the citizens of India and perhaps none of us can claim that he is a citizen of Kerala or U. P. or Bengal. We are all the citizens of India and are interested in India's economic development. If Kerala does not develop, Bengal can never develop; if Assam does not develop, Gujarat can never develop; because, due to so much sophistication in the process of development in this modern age, it is not possible to have piecemeal development in one particular area or one particular sector.

Even if you look at the most highly developed State, you will find there pockets which are not developed at the same level. Therefore, for having a totally integrated development, we should adopt a strategy which can develop not in a spirit of frustration or despair but in a spirit of accommodation and understanding of the problems of each other.

I would take up the last point, Sir. My good friend, Mr. Schamnad, has mentioned about the misuse of the MISA,...

SHRI HAMID ALI SCHAMNAD : You are a friend of Kerala.

SHRI PRANAB MUKHERJEE : I am a friend of you and Kerala both. Sir, I am directly responsible for the operation of MISA—it is not MISA now, the new name has been given, COFE POSA, namely, Conservation of Foreign Exchange & Prevention of Smuggling Activities Act . . . (Interruptions). I would like to submit only one point. Sir . . .

SHRI HAMID ALI SCHAMNAD : It is really unfortunate you cannot go to a court of law.

THE VICE-CHAIRMAN (SHRI V. B. RAJU) : You have already emphasized the point.

SHRI PRANAB MUKHERJEE : Mr. Schamnad, in a very emotional speech, has highlighted one incident. I won't like to go into his incident. I would submit only one aspect. After all, smugglers are not machines; they are human beings. Therefore, if somebody is put behind the bars, this is bound to bring up some human problem ... (Interruptions.) Of course, I think the policeman should have used his discretion while arresting a just newly wed bridegroom. Some sort of discretion could have been applied. But my contention is that some sort of human element is bound to exist, because all these are human beings. At the same time ...

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS, DEPARTMENT OF PERSONNEL AND ADMINISTRATIVE REFORMS AND DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI OM MEHTA) : He should have taken into custody the bride also. Their honeymoon would have been in jail.. (Interruptions).

SHRI PRANAB MUKHERJEE : I wish that were so.

SHRI HAMID ALI SCHAMNAD : There was a case in 1971-72.. (Interruptions.)

SHRI PRANAB MUKHERJEE : It would be my endeavour to see that there is

[Shri Pranab Mukherjee] no injustice done. We shall look into the case whether any injustice has been done.

But here I would like to submit that sometimes we ought to take action even for past cases, as, when this Act was passed on the floor of this House, I mentioned that this is an extraordinary situation. If these people could have been brought to book or prosecuted by the court under the ordinary existing law there would have been no necessity of applying the COFE POSA. But since these people indulged in sustained activities of smuggling, eroding the developmental efforts of this country, eating foreign exchange which is so necessary for the development of this country and distorting the economy to a great extent, an extraordinary situation has been created by them and as such some such measures are necessary which are in the form of COFE POSA. Therefore, Sir, it would be wrong to come to the conclusion that somebody should not be arrested for that offence. Sometimes we are taking into consideration past cases also. Of course, each and every case should be scrutinized properly and for that a mechanism has been established. State Governments are also involved in it. Certain other allied departments are also involved in it. Some exercises are being made and we would go into the acts of emissions or commission as has been mentioned by my friend.

Sir, I have covered some of the points which the hon.-Members have mentioned. With these words, Sir, I hope that this Bill will be returned.

THE VICE-CHAIRMAN (SHRI V. B. RAJU) : The question is : "That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1974-75, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (SHRI V. B. RAJU) : We shall now take up the clause-by-clause consideration of the Bill.

Clauses 2 and 3 and the Schedule were added to the Bill.

Clause 1, the enacting formula and the Title were added to the Bill.

SHRI PRANAB MUKHERJEE : Sir, T move :

"That the Bill be returned".

The question was put and the motion was adopted.

PAPER LAID ON THE TABLE— *contd.*

Ministry of Home Affairs' Order Superseding the Municipal Corporation of Delhi

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS, DEPARTMENT OF PERSONNEL AND ADMINISTRATIVE REFORMS AND DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI OM MEHTA) : Sir, I beg to lay on the Table a copy (in English and Hindi) of the Ministry of Home Affairs' Order dated the 24th March, 1975, superseding the Municipal Corporation of Delhi, issued under sub-section (1) of section 490 of the Delhi Municipal Corporation Act, 1957, along with a Statement of Reasons, under sub-section (3) of section 490 of the said Act. [Placed in the Library. See No. 9278/75].

THE VICE-CHAIRMAN (SHRI V. B. RAJU) : The House stands adjourned (till 11 A.M. tomorrow).

The House then adjourned at fifty-three minutes past five of the clock till eleven of the clock on Tuesday, the 25th March, 1975.