

[Mr. Deputy Chairman] The House stands adjourned till 2.00 P.M.

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

The House reassembled after lunch at two of the clock, MR. DEPUTY CHAIRMAN in the Chair.

### **CALLING ATTENTION TO A MATTER OF URGENT PUBLIC IMPORTANCE**

#### **STEEP RISE IN PRICES OF ESSENTIAL COMMODITIES—*contd.***

SHRI A. G. KULKARNI : Sir, the statement given by the Government is at least to me most discouraging because it does not give any positive action on behalf of the Government, how they want to meet this challenge of rising prices. If we see the facts which they have belatedly admitted though not in so many words, ultimately it amounts to this that there was a price rise of 7.1 per cent in the month ending June whereas the rise was 3.5 per cent in May. This shows how in one month the prices had risen steeply. The reason given by the Government is the seasonal character of price trend. I can understand that there will be some fluctuations due to seasonal character in the prices. I can understand that; it may be because of drought conditions, delayed rains, floods etc. All these things are there but by and large this cannot be the sole reason. The Government has got a staggering buffer stock of 9 million tonnes of foodgrains. Only recently the Minister of State stated in Calcutta that there is no apprehension of any scarcity in food because they have ample stocks. Even the latest figures show that the production has come down by two million tonnes. Taking into view all these points I cannot understand how the seasonal factors can be justified for this rise. May I know from the Government whether it is a fact that the index of general sup-

plies or what is called production is 3.5 per cent out of which non-durable items like sugar, textiles, edible oils, glass, paper etc. have contributed to a production rise of only 1.4 per cent as against which the money supply has gone up by 13 per cent.? So the main culprit seems to be the staggering money supply, these notes in circulation among the public. The money supply now is of the order of Rs. 1200 crores whereas last year it was about Rs. 500 to Rs. 600 crores. All this money with the Central and the State Governments is the main cause and unless the Government can bring about some discipline both in the States and at the Centre in the matter of spending the condition that developed in U.K. about the pound is going to come about here also. There is no doubt about it. Government has to be very much disciplined in the matter of money supply if they want to curb the rise in prices. Therefore I want to know whether the Government will indicate some positive steps to bring about discipline in fiscal matters, particularly as regards this money supply. I can understand when they say that some overspending was necessary because of the Bangla Desh situation but not to this extent. So what are the positive measures under contemplation of the Government in this regard?

Secondly, as I have already mentioned the production rise in respect of nondurable items was only 1.4 per cent and I want to know what steps they are going to take to increase production and make a fair distribution. Government must come forward with their policy and say that these are the steps which they propose to take and these are the limits above which they will not be allowed to go. For this purpose you have to activate your public distribution system.

I have got this record to show; there is an article in the 'Economic and Political Weekly' where they have stated that there is reduced supply in the Pub-

lie Distribution System itself and that is why the prices are rising and the poorer masses are not getting their supply. That is the second point. And the last point is what I want to make out. Now, as you have rightly said, the All-India Industrial Workers' Consumer Price Index has touched 238. And as per what you call the Gajendragadkar Award or Formula or whatever it is, there is due a rise in the emoluments of Government employees. I fully share the concern of the Government employees. But along with these there are the vast masses in the unorganized sector, the landless labour in the rural areas, and the peasants owning below two or three acres of land, and the Government, if they really want to help all these classes, they must realise that only talking in terms of the cost, price and wage policy will not do. It has never worked and it is practically not possible. It has only to activate the Public Distribution System and ruthlessly put down speculation wherever it is possible and curb the black money. I know it and I can give you an example from my practical knowledge. I live in Sangli in Maharashtra. Round about, from Mysore...

MR. DEPUTY CHAIRMAN : Mr. Kulkarni, you must be brief.

SHRI A. G. KULKARNI : I am making the last point. We are receiving trucks of groundnut oil every day. If you want to have a practical policy, procure all the groundnut oil at the controlled price and supply it through the Public Distribution System—if the Government wants to be very positive. So, what I want to know from the Government is this. Only activating the Public Distribution System will not help. It will be ruthless implementation of the Government policy. As per my information, the sugar price rise and the price rise of groundnut oil and other edible oils can only be curbed if you procure all these materials and distribute them through the Public Distribution System.

In this connection I want some positive action and I want to know what the Government want to do in this matter.

THE MINISTER OF FINANCE (SHRI Y. B. CHAVAN) : Mr. Deputy Chairman, Sir, the hon. Member has asked me two or three very important questions. His emphasis is on the positive steps that we should take. I think, if at all we want to think in terms of positive steps, we must first of all find out what are the reasons for the present situation. He said the Statement is not encouraging because the situation is not encouraging. I quite agree with him and that is why I said we are all concerned about it. Sir, I have made a mention of the seasonal factors incidentally. I have not given the emphasis that this is entirely due to the seasonal factors. But the seasonal character is there because, as we see, in the course of the last one and a half years or a couple of years this steep rise has started taking place. Since May last there has been suddenly some sort of an up-gradation of the pressure on prices. The reason, particularly if we see the different items, is that there are some items, non-durable items as he calls them, but the main pressure is coming from the food articles. Really speaking, they are the major items. And even if we further analyse the different food articles, the real pressure is coming from the food articles, and I have given certain figures that in some cases the rise is nearly 34% or even 40% also. These are in the case of some of the cereals like *fowar* and *bajra*, even though the country has got a stock of nearly 9 million tonnes of wheat and other cereals with the Food Corporation of India. But the main difficulty about the cereals is, as he himself knows because he comes from one of those States, that nearly three or four States, which are the main producers of these cereals, like *bajra* and *jowar*, have been suffering from acute chronic famine conditions in the last three years continuously. Now the

[Shri Y. B. Chavan] shortage of some cereals is having effect more this time, and particularly that too because of the delay in the monsoon. Not only the delay in the monsoon but there is the real threat of drought in many States. So, some of these conditions are there. He mentioned also the question of money supply.

It is true that money supply is unreasonably high, but even then facts are facts. He asked what steps we are taking to bring about financial discipline. Now, may I remind the hon. House that last year, when many States were suffering from floods and many States were suffering from drought conditions, hon. Members themselves said that we would have to go to their help? We did go to their help. We had to spend more than a hundred crore of rupees on natural calamities alone last year. Deficit financing has had to be undertaken because of natural calamities, because of the economic conditions and because of the rise in the wages of Government employees due to a rise in the cost of living index. One thing depends on another. I am not grumbling. I am giving it. So, the money supply increased. Deficit financing has had to be resorted to last year in a large way.

SHRI A. G. KULKARNI : Without any production.

SHRI Y. B. CHAVAN : Rightly, but I cannot say that because there is no production, I will not go to the help of the people in difficulties on account of natural calamities. As a positive effort, production has to be increased which I have said many times. There are two positive steps that we have to take. One is to make efforts to increase production both in the agricultural and industrial sectors. Secondly, we must organise the distribution system very effectively. These are the real steps. The other things like the credit policy and fiscal policy have also to be taken care of, which we do.

SHRI A. P. JAIN (Uttar Pradesh) : What about agricultural production in the future because of drought?

SHRI Y. B. CHAVAN: I am really concerned about the agricultural production, but as an ex-Agriculture Minister if he can give me some guidance, I will be willing to have it. I can only ask Dr. Bhai Mahavir to offer some prayers for me.

DR. BHAI MAHAVIR : You take him as your Minister of Agriculture.

SHRI Y. B. CHAVAN : It is not in my hands. These are the important things which we have to do. He mentioned about the offtake of foodgrains. I do not know wherefrom he got his figures. He has every right to quote the figures that he has, but I would like to tell him that compared to last month and the same month last year, the offtake has gone up by nearly 3 lakh tonnes. Last May I think the offtake was more than 5 lakh tonnes through the public distribution system. This May it has gone up to nearly 7.5 lakh tonnes. It is not true that the offtake is less. It is more. That means that the public distribution system is working well, but I admit that it has to work still more effectively. There is no doubt that there are some anti-social elements and hoarders who are taking advantage of the situation. We are telling the State Governments to increase the public distribution system.

SHRI A. G. KULKARNI : Black money plays a very important part in this.

SHRI Y. B. CHAVAN : I know. These are big headings to which he is referring. Certainly we have discussed these matters and we are going forward with certain steps. These are some of the positive steps that we can think of.

SHRI A. G. KULKARNI : What about the increase in the cost of living index and the Government employees?

SHRI Y. B. CHAVAN : That formula is there. That formula will operate when the time comes.

SHRI A. G. KULKARNI : What about the non-organised sector, the landless labour and others?

MR. DEPUTY CHAIRMAN : Mr. Sakhalecha.

SHRI A. G. KULKARNI: Please listen to me. I submit to you that I asked him two questions on the last point. About the Government employees he said that the formula would operate. What about the unorganised sector, particularly landless labour, small farmers? What do the Government propose to do?

SHRI Y. B. CHAVAN : We are taking many steps to help the small farmer. For the unemployed we are trying to find some sort of work. This is what we are doing.

DR. BHAI MAHAVIR : The statement is an exercise in complacency. We are being told that the monsoons are the mischief-makers and so many things have happened which the Government could not control, natural calamities and all these things, and in passing it has been mentioned that monetary expansion also has taken place. I would like to know whether it is not a fact that the Reserve Bank of India took an unusual step of warning the Government that unless deficit financing was checked inflationary pressures would get out of control. If that warning was given by the Reserve Bank of India, I want to know whether the Government paid any heed to this warning, and if heed was paid, how is it that during this busy season the Government's loans from the Reserve Bank were Rs. 212 crores more than they were in the busy season last year? When the Government borrows at a time when it is restricting credit to the commercial sectors—and it is said that a restrictive monetary policy is

being followed for the commercial sectors—what it means is that the commercial sector or the productive part of the economy is starved of finance and the Government more than makes up for starving the commercial sector by lending for its own activities with the result that we have here a situation in which the people, the production, the industry, the commerce, they were given something like Rs. 90 crores less than they were given last year and the Government itself spends something like Rupees 212 crores more than it spent last year. This type of transfer of purchasing power from the commercial or industrial sector towards Government spending is transfer of resources from productive to unproductive use. This conversion into unproductive use is the most important factor responsible for the creation of the present inflationary pressures, present inflationary situation. Anyway I would like to know from the hon. Minister whether he has anything to say on this analysis, whether he accepts it in totality or whether he disagrees with it.

The statement, Sir, has mentioned that the recent pressure on prices has become a matter of concern. I am grateful to the hon. Minister, Mr. Chavan, for at least showing some concern, because only the day before yesterday the Prime Minister had said that she was not quite satisfied with the price situation. It is a gain upon that stand of the Government if there could be any improvement on what the Prime Minister has said and if that improvement were in the hands of the Finance Minister. When deficit financing is responsible for the current inflation and when the Government is taking practically no pains to economise in its spending, although there is a mention of economy, I would like to know from the hon. Finance Minister—that is what we say at the time of the Budget speech, that is what we would like to know also—what are the steps the Government

[Dr. Bhai Mahavir] have taken to economise in unproductive spending, non-plan expenditure, in the frills and fanfare of various ceremonial and ostentatious spending which the Government is indulging in. We are being told that Rs. 100 crores or so are going to be spent for the Silver Jubilee of independence, as if independence is a human being which is going to celebrate its silver jubilee and golden jubilee and diamond jubilee, and one would like to ask what would happen after that. If that is the type of spending that is going on I would like to know how far that spending is going to be used for productive processes in the country. If not, may I know whether the Government has any steps to economise? Pointedly I would like to know if the wasteful tours of Ministers for party purposes—I would like to say pointedly for Mr. Chavan's information that between 22nd and 26th June Mr. Vidya Charan Shukla took a helicopter from Delhi, flew to Hardwar for a Congress workers' meeting, delivered a speech there and came back in the helicopter to Delhi. Are the helicopters in Government's possession meant for the purpose of carrying Ministers from place to place to deliver sermons to their party workers? I would like to know from the hon. Finance Minister whether they have any steps in view to bring about economy really. We have been saying and we have been insisting that at least a 7 per cent cut in Government's non-productive spending should be there so that a 7 per cent economy is possible. No steps have been taken so far; no facts are being quoted in support of any improvement to the economy. Only we are being told that steps are being taken to economise. I would like him to tell us what those steps are.

Sir, in addition to that there are certain prices which are directly under the control of the Government, steel prices for example. In the last session, Mr.

Kumaramangalam gave an assurance here that no price rise would be permitted for steel products. But only a few days back, just before the session was to begin, a price rise of something like Rs. 85 per tonne has been permitted in regard to steel products. I would like to know if this is going to help the control of prices and if so, in what manner.

Thirdly, I would like to know. . .

MR. DEPUTY CHAIRMAN : I think that will be the last.

DR. BHAI MAHAVIR: I am only mentioning points, I am not elaborating. About sugar prices, he has mentioned that on a statutory basis the mills are being asked to distribute 60 per cent of their sugar production through fair price shops. Is it not a fact that the sugar position is a matter of great concern today because the stock position of last year is nowhere present with us today to protect us against low production. Last year we had some stocks to protect us against any possible fall in production. This year we do not even have that and the Government is still fiddling or tinkering with the sugar policy. They do not have a long-term sugar policy, they do not know how the sugar production will increase. They are merely saying that the production should increase. If production were such an obedient little girl to dance to the tunes of Government's wishes, that would perhaps be understandable, but unfortunately it is not so. I would like to know what concrete steps are being taken to improve sugar production.

He has mentioned about monetary expansion, he has mentioned about other factors. Three times during the course of last year, budgetary taxation proposals were brought by him because of which prices started rising then itself. Every time we were assured, he gave very brave promises that strict

vigilance would have to be maintained, that the prices would not be allowed to rise. We would like to know what has happened to all those brave promises. Bangla Desh has been mentioned. Why is the Government still continuing to charge the extra levies in the name of refugee relief on postal articles, on money orders, on stamps, on all types of things? I would like to know if the Government cannot give relief in this matter.

Lastly, if the Government is really very sympathetic to the sufferings of the poor people, I would like to know what is being done to expedite the Report of the Third Pay Commission and whether the honourable Minister can give an assurance that if that Report is delayed any further, he would immediately announce some interim relief. I hope he would be able to get the Report very expeditiously. We would like to know when that is going to come.

SHRI Y. B. CHAVAN: The hon. Member's questions and statements are a mixed bag because he has first of all started giving me a lecture on reducing non-productive expenditure and ended with asking for certain concessions in anticipation of the Pay Commission's recommendations. Well, I have nothing to say about it, I am merely...

DR. BHAI MAHAVIR : What about ostentatious spending of the Government?

SHRI Y. B. CHAVAN : I am coming to that because really speaking, my exercise is not an exercise in complacency. But your exercise is an exercise in self-contradiction. This is all that I have to say.

DR. BHAI MAHAVIR: Let us see how you avoid it.

SHRI Y. B. CHAVAN: Well, so far as the Reserve Bank's warnings are concerned, I do not know. I do not get any warning as such. But this is a

matter in which no warning is necessary. It is a very obvious thing—whenever there is deficit finance it creates a certain inflationary pressure and the inflationary pressure ultimately ends in the rising of prices. This is elementary economics.

SHRI A. P. IAIN : Do not make so light of it. Warning depends upon the timing and the amount of deficit financing.

SHRI Y. B. CHAVAN : Quite right. It is an elementary thing. The point I was making was that no warning from somebody was necessary.

DR. BHAI MAHAVIR: My point is not whether you require any warning or not. You are perhaps too wise to need any warning. But then the Reserve Bank has been the chief monetary authority in this country. They have a job and a role to play. May I know whether it is a fact or not that they gave their opinion in very clear terms?

SHRI Y. B. CHAVAN: That is what I am trying to do. In many of our discussions I brought it to the notice of the Reserve Bank of India that the question of money supply has to be taken care of, that certain controls are placed on trade and commerce also. He has a very simple logic. He feels that whatever is given to the private sector is given only for production purposes. In the private sector also, like trade and commerce, they utilise credit sometimes, I would [say occasionally or even many times, for hurting purposes, for exploitory purposes. Therefore, steps have to be taken. We have many a time brought it to the notice of the Reserve Bank that these steps have to be taken. It is mutual. The Reserve Bank is not to sit in judgment over us. The Reserve Bank helps the Government and the Government sometimes helps the Reserve Bank.

DR. BHAI MAHAVIR: Reserve Bank is supposed to advise.

SHRI Y. B. CHAVAN: They are supposed to advise. If it is necessary we also advise them, even warn them if Parliament wants me to warn them.

DR. BHAI MAHAVIR : Parliament would like to warn you.

SHRI Y. B. CHAVAN : I do not know where he got the figure of Rs. 100 crores for the Independence year. There is nothing wrong. This is not silver jubilee. We are calling it the Twenty-fifth Year of Independence. One generation has gone and when the new generation is coming it is much better that they know the history of independence, the leaders of independence, the philosophy of independence, the ideology of independence. They should know about it.

DR. BHAI MAHAVIR: Mr. Cha-van, the question is about 3.1 rise in prices.

DR. K. MATHEW K.URIAN : The twenty five years' history is the history of unemployment, increase in prices and poverty.

SHRI Y. B. CHAVAN : When we were fighting for independence, I do not know where these people were. I know there were some parties who observed black flag day on the Independence Day. Dr. Bhai Majhvir may possibly be aware of some parties.

DR. BHAI MAHAVIR: There are so many things which are happening in this country.

SHRI Y. B. CHAVAN: As far as budgetary deficit is concerned, his main point, he said, was that it has given more credits to the Government. More credits are given for purposes of food stocks. For example, the Food Corporation of India, when it maintains buffer stocks of this size, naturally has

to be given credit facilities. We are taking certain burdens on the budget itself for the purpose. Overdrafts is another reason for deficit financing and money supply. It is true that it has become a matter of concern and regret for the whole country. We have discussed this matter. We have taken some very definite steps this year. We have told them "no further; deficit financing". And whatever deficit financing has taken place will be met in a phased manner. Most of the States will be paying in the form of 15 per cent., some 25 per cent., some States perhaps more. This is where we are try-ing to impose financial discipline on money supplies credit supplies.

SHRI BABUBHAI M. CHINAI:  
Are these the only two, for food and overdrafts to the States?

SHRI Y. B. CHAVAN: Also Central Government. In my Budget itself I had to resort to deficit financing of nearly Rs. 250 crores this year. Last year because of Bangla Desh and the war situation we had to incur more on deficit financing. So, when we talk about it theoretically, deficit financing certainly is not a very healthy thing.

SHRI BANARSI DAS (Uttar Pradesh)  
: It was to the tune of Rs. 400 crores and you spent less than Rs. 400 crores.

SHRI Y. B. CHAVAN: Well, then we will have to discuss it. Why do you want to bring that in, Mr. Banarsi Das? I do not know whether you really know what you are talking about. The main point is, we all know that deficit financing is certainly not very desirable. But there are certainly some compulsions. As I was explaining to the other House a few hours before, there are certainly economic reasons for it, there are political compulsions, as there were last year because of "kir, Bangla Desh refugees, etc.

AN HON. MEMBER : Floods.

SHRI Y. B. CHAVAN: Yes, floods, for example. Last year we had made a provision for Rs. 50 crores; but we had to spend more than Rs. 100 crores for floods and natural calamities last year.

DR. BHAI MAHAVIR: There is a flood of water in the country and you flood the market with currency.

SHRI Y. B. CHAVAN : Well, you always make merely a post-mortem examination. The Government has to face the situation, lead the country and find a way out. If there is flood in U.P. or Madhya Pradesh, you will certainly ask, "What are you doing for it?". This is what I have done for it and this is the result of it now. And now you say, "Why have you done this?". So, this is an exercise in self-contradiction. It does not mean that the problem is easy. It does not mean that we are not concerned. Ultimately the prices are having their effect on the poorer classes. Particularly, as Mr. Kulkarni said, the real question is that of the unorganised sector because the organised sector certainly can bargain. What do we do for it? For that we have to take some steps. As I said in the last paragraph of my statement, we will have to make some concerted efforts in the field of agricultural production and industrial production. Hon. Members ask me, "What positive steps are you taking for increasing industrial production?". Sir I am providing a large amount of foreign exchange for getting important raw materials to keep industrial production on.

SHRI CHANDRA SHEKHAR (Uttar Pradesh): Are you sure that this is being utilised properly? Have you made any exercise to find out how these foreign exchange resources are being utilised?

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SHRI Y. B. CHAVAN: Possibly your criticism may be right. I am not going into that. My point is, what measures we are taking about it. Of course, the implementation part is there.

SHRI CHANDRA SHEKHAR: No, that is not the question. Please excuse my interruption, Mr. Deputy Chairman. The whole thing is, these are the consequences of the present situation and we cannot avoid it perhaps. But there are certain things which can be avoided. For example, I can mention two things. Last year, when the whole country and almost all the economists were saying that food production was going down, your Government again and again was insisting that food production had increased. Now you have come to the conclusion that there was some shortfall in food production. Again last year your Foreign Trade Minister made the tall claim that the exports were going very high. The Reserve Bank contested it. But you still insisted, and even to-day your Foreign Trade Minister insists, on that claim which is, against all facts. How much imports have you allowed and how much have you exported? Is there anybody in the Government of India to make any exercise and show how this tall claim can be allowed to be made which distorts the whole projection of our financial policy? This is what I meant.

SHRI Y. B. CHAVAN: Well, Sir, as far as agricultural production is concerned, certainly our estimates have not proved correct. That is true. I can explain it but I do not want to justify it or enter into an argument about it. I can explain it, because last year in the case of nearly half a dozen States, many of them were suffering from drought and many of them were suffering from floods. So these estimates go wrong sometimes. It is true that instead of increase in production, it has gone somewhat wrong.



DR. Z. A. AHMAD: There will always be some drought and some floods. So, your estimates always go wrong.

SHRI Y. B. CHAVAN : Sometimes they have come true also. The year before last they came true.

DR. Z. A. AHMAD: That is an accident.

SHRI Y. B. CHAVAN : If you want to call it an accident, you can call it an accident.

SHRI CHANDRA SHEKHAR: I was not trying to find fault with you. But do you as Finance Minister know how much imports has been allowed during the last two years and on what items? I can say, even to-day you do not know how much import is allowed and on what items because I am sure there is no co-ordination between the Reserve Bank, the Foreign Trade Ministry and the Finance Ministry. Everybody is creating his own empire and going in his own way. Ultimately when the whole economic situation deteriorates, you come with one explanation or the other. Is there any way-out whereby there can be some such coordination? I can say I have tried to find out if anybody in the Government of India knows even today how much import has been allowed during the last two years. You ask anybody. They will say they will find out. If there is a scarcity of foreign exchange resources, how can a Government indulge in such a luxury that it goes on allowing imports without knowing what it is doing?

SHRI Y. B. CHAVAN : The honourable Member made certain points. They can be discussed at the proper forum. I do not want to enter into a debate about it now. I take it in that spirit. My only point was what specific steps were taken. I made a limited statement that the most important and scarce commodity which is

free foreign exchange is also being utilised to keep the production going. This was a limited statement, particularly in the case of fertilizers. For example, fertilizer is very much necessary for agricultural production. Steel and other things are very material for industrial production. And we are earmarking large sums of foreign exchange. I was merely making a limited point about what positive steps have been taken for agricultural production. And I can only say what foreign exchange was released for purposes of import in the last years. If the honourable Member wants that information, I can give him specific information about it. I will certainly give that information as far as foreign exchange is concerned because that is a matter with which I am directly concerned. I can certainly give that information.

DR. BHAI MAHAVIR: Mr. Deputy Chairman, I wanted specific information about what steps have been taken to introduce economy, whether he is worried about the cumulative effect of the recent increase in steel prices that has been permitted, what the sugar position is, whether there is going to be a check on at least the Ministers' hops on helicopters from place to place for party work or for alleged official work and whether the Pay Commission's report is coming. These specific points he has not answered.

SHRI Y. B. CHAVAN: Positive steps for economy have been taken. They are being taken. I do not know about the other thing. When you are mentioning about one particular Minister, it is very difficult to answer that. You ask that question in the presence of that Minister so that he can get up and give you an answer, and I am sure he will be able to give some reply.

DR. BHAI MAHAVIR: I can give you instances. All right, at least tell us what steps have been taken to introduce economy; leave about Mr. Shukla.

SHRI Y. B. CHAVAN: While making suggestions you are making allegations against some members. . .

DR. BHAI MAHAVIR: I am not making wrong allegations. I am making an allegation which is completely correct. There was a day when two Ministers flew in a helicopter for Har-dwar for a party meeting and they came back. It is a total misuse. It is a total misuse of official resources.

SHRI Y. B. CHAVAN: Instead of making such allegation now, you make them when the Minister concerned is present here so that he can answer that.

DR. BHAI MAHAVIR: It is in this context that because of such wasteful expenditure that prices are going up that I made the allegation now.

MR. DEPUTY CHAIRMAN: You are indulging in cross debate. There will be no end to this discussion.

DR. BHAI MAHAVIR: I seek your protection. I raised three points. My suggestion in regard to sugar. . .

MR. DEPUTY CHAIRMAN : If you raised certain points, let him answer them. Please do not go on with a cross debate. While he is replying to your questions, you are raising fresh questions.

DR. BHAI MAHAVIR: I can understand his not explaining whether Mr. Shukla went there or not; I do not insist on that. What about other points? What positive steps have been taken to bring about economy in unproductive expenditure as has been claimed here? What is the stock position of sugar? Are the things going to improve or not? Because, the Government has not been able to frame a sugar policy. What about the rising prices of steel? And then what about the Pay Commission's report?

MR. DEPUTY CHAIRMAN: Now for five minutes do not ask him any questions.

SHRI Y. B. CHAVAN : I think I have given him answers for ten minutes. What more can I do? Now if you want me to speak for five minutes more, I can speak. . .

DR. BHAI MAHAVIR : You should at least touch the point\* I raised?

SHRI Y. B. CHAVAN: That I have done. Measures for effecting economy are taken in different directions, if not in one direction. As far as Ministers are concerned, they have undertaken a cut of 10 per cent of their pay, if you want some specific example. Unnecessary travelling is also being reduced...

DR. BHAI MAHAVIR : What about giving up the perquisites?

SHRI CHANDRA SHEKHAR: He goes on making comments.

SHRI Y. B. CHAVAN : Dr. Maha-vir, you are not allowing me to speak. You wanted to know specifically about certain things and I am giving you specific information. As far as sugar is concerned, certainly there is going to be difficulty, but it is not because of our fault, there is the difficulty of shortage of supply of sugarcane. We have to see how we can increase production of sugarcane. This year we are trying to lay down certain policies which will encourage sugar production this year. This much I can say. What more can I say?

DR. BHAI MAHAVIR: What about steel ? What about Pay Commission ? How do you expect us to observe silence when he does not say anything about "Pay Commission?"

SHRI S. D. MISRA (Uttar Pradesh) : I shall request you to guide Ministers by telling them not to depend entirely on their memory when questions are put. They should note down points—1, 2, 3, like that. Now the

[Shri S. D. Misra.] Minister has given half answers to some points, totally avoided some points and did not touch upon certain others. If he had noted down all the points, I am sure this would not have happened. Being a competent Minister he would have answered all the points. He has not said about steel and some other things.

SHRI Y. B. CHAVAN : Thank you.

DR. BHAI MAHAVIR : If the Government has no answer, let us be told so. Will the steel price lead to price rise in so many other spheres? Do they know it or not? If they do not know, let them say so, so that the people will understand the Government better. . . {Interruptions.} What about Pay Commission?

MR. DEPUTY CHAIRMAN: Shri Banarsi Das, please put your question.

DR. BHAI MAHAVIR: You can ask Members to keep quiet. Why don't you ask the Minister to answer all the points?

MR. DEPUTY CHAIRMAN: I have asked him. That was all the answer he gave.

DR. BHAI MAHAVIR: Then let him say that he has no answer. Has he touched upon steel price rise at all?

MR. DEPUTY CHAIRMAN: I cannot force an answer out of him. Are you going to put your question Shri Banarsi Das?

श्री बनारसी दास : उपसभापति महोदय, जब वित्त मंत्री जी ने 1970 में चार्ज लिया था तो उस समय प्राइस राइज के बारे में कहा था कि उनका पहला कदम प्राइसेज को होल्ड करना होगा, लेकिन इस घोषणा के बाद भी देश में प्राइसेज बढ़ती ही चली गई। 1972 में श्री सुब्रह्मण्यम् साहव प्लानिंग कमिशन में आये और उस समय उन्होंने

कहा कि वे प्राइसेज को रोकने के लिए विशेष प्रयत्न करेंगे, लेकिन इसके बावजूद भी प्राइसेज बढ़ती चली गई। आज आपने जो वक्तव्य दिया है, वह वक्तव्य भी सही स्थिति को नहीं बतलाता है।

आपकी जो शूगर पालिसी है वह ठीक नहीं है। आज शूगर की कीमत 350 रु० क्विन्टल हो गई है और जो देहात का एरिया है, उसमें शूगर डिस्ट्रिब्यूशन का जो सिस्टम है वह बहुत ही गलत है। आपने 60 परसेन्ट शूगर जिस पर लैवी लगी हुई है, वह अर्बन एरिया के लोगों को बांटने के लिए हो दी गई है, लेकिन देहात के लोगों को अपने विशेष उत्सव के लिए, विवाह आदि के लिए शूगर 350 रु० 1 क्विन्टल खरीदनी पड़ती है। तो मैं आपसे यह जानना चाहता हूँ कि आपकी कोई शूगर नीति बनेगी या नहीं? एक तरफ तो मिल मैनेजेंट 350 रु० क्विन्टल शूगर के दाम चार्ज कर रहे हैं और दूसरी तरफ जो 60 परसेन्ट लैवी की शूगर है वह शहरों में 200 रु० क्विन्टल पर बिक रही है। तो मैं आपसे यह जानना चाहता हूँ कि कम से कम आप पांच साल या दस साल के लिए अपनी शूगर पालिसी तो बनाइये। आज आपकी जो शूगर पालिसी बनी हुई है वह नार्थ के लिए कुछ है, साउथ के लिए कुछ है, वेस्टर्न यू० पी० के लिए कुछ है और ईस्टर्न यू० पी० के लिए कुछ है। आप क्या शूगर का जो प्रोडक्शन होता है उसको पूल नहीं कर सकते हैं। पहले आप नार्थ में 50 प्रतिशत से भी ज्यादा शूगर का प्रोडक्शन करते चले गये और फिर आपने कहा कि एग्रिकल्चर उत्पादन के लिये जोर दिया जाना चाहिये। मैं आपसे कहना चाहता हूँ कि आपकी जो नार्थ के सम्बन्ध में शूगर पालिसी है वह फेल होती चली जा रही है और जो शूगर का प्रोडक्शन पहले था वह भी कम होता चला जा रहा है। क्या आप इस प्रोडक्शन को मेंटेन करेंगे या नहीं? अब आप क्या नीति अख्तियार करने जा रहे हैं?

मैं आपसे एक और प्रश्न पूछना चाहता हूँ, जिसका आपने कैटिगोरिकली जवाब नहीं दिया कि जो आपका नान-प्लान एक्सपेंडिचर है वह 25 प्रतिशत बढ़ता हो चला जा रहा है और इस एक्सपेंडिचर को रोकने के लिए आपने क्या कदम उठाए हैं? आपने इस सम्बन्ध में यह एक्सक्लूज लिया है कि बंगला देश की वजह से प्राइसेज बढ़ी हैं। तो मैं यह पूछना चाहता हूँ कि बंगला देश को वजह से प्राइसेज क्यों बढ़ी जबकि इस कार्य पर 400 करोड़ रुपये से भी कम खर्च हुआ और उससे ज्यादा आपको बंगला देश के नाम पर कर मिल गया है और वह कर अभी तक जारी है। आपके टैक्स अलग हैं और स्टेट्स के टैक्स अलग हैं और हर पांच रुपये से ऊपर माल खरीदने पर आज भी दस पैसे टैक्स देना पड़ रहा है।

एक इनलैन्ड लैटर पर 5 पैसे का टैक्स है, लिफाफे के ऊपर 5 पैसे का टैक्स लगा हुआ है। फूड ग्रेन्स को प्राइसेज ज्यादा बढ़ी हैं। 76 रुपये क्विन्टल आपने सामान खरीदा है। तमाम पेपर्स में निकला है कि आपके बजट से 5.1 परसेंट की इन्फ्लेज हुई है और जब स्वयं आपके बजट से 5.1 परसेंट की इन्फ्लेज हुई है तो आप प्राइसेज को कैसे रोकेंगे? ईंटों का क्या लाभ है, दिल्ली में देखिए, गाजियाबाद में देखिए। जब आपने वादा किया था प्राइस लाइन को रोकने का उस समय ईंटों का भाव था 55 रुपये हजार और वादे के बाद अब गरीब आदमी मकान बनाना चाहता है दिल्ली में, गाजियाबाद में तो ईंटों का दाम है 110 रुपये हजार बलिक और ज्यादा है। मैं पूछना चाहता हूँ कि क्या सरकार के निकम्मेपन और सरकार के एडमिनिस्ट्रेशन पर लूज कंट्रोल की वजह से नहीं है कि बैगन बुक नहीं करते? क्या कंट्री में कोयले की कमी है? कोयले की कमी बैगनों के मूव न करने से और करप्शन की वजह से है। फिर आप जोटर ट्रेक्टर की कीमत देखिए।

वह पहले 13 हजार रुपये में मिलता था और अब उसकी कीमत हो गई है 26 हजार। फर्टिलाइजर की, सीमेंट की कीमतें देखिए। आपकी कीमतें कागज पर हैं। आपका क्या कंट्रोल है फ़ैक्ट्री पर। सीमेंट आज 15-20 रुपये बोरी बिक रहा है, भले ही आपका डिस्ट्रीब्यूशन पर कंट्रोल हो। 1,800 रुपये टन स्टोल का दाम है। आज डाउट हो रहा है। आप कह सकते हैं कि यह सेंट्रल सब्जेक्ट नहीं है। स्टेट्स भी तो आज आपके मातहत हैं। आपको और जगह जाने की फुरसत नहीं है तो यू० पी० में जाकर देखिए। 24 घंटों में से ट्यूब वॉल्स को 5 घंटे बिजली नहीं मिल रही है। किसान मजदूर लेकर आता है, लेकिन काम नहीं कर पाता। आप ऐसी पोलिसी बनाइए भगवान के वास्ते कि कम से कम 12 घंटे किसान को बिजली मिले। अगर 12 घंटे बिजली मिलेगी तो उसकी मजदूरी बेकार नहीं जाएगी। यह ठीक है कि फलड्स हैं, डाउट है, उसके ऊपर आपका कंट्रोल नहीं है, लेकिन एक बात होती है कि जब सरकार की नीयत बद हो जाती है, तब प्रकृति भी नान-कोऑपरेट करती है। तो नेकनीयती की जरूरत है।

Mr. Chavan, nature also will not respond to your needs. If you are miserly, nature also will withdraw its co-operation from you.

हमने भी स्वतंत्रता की लड़ाई में हिस्सा लिया है, लेकिन आखिर कुछ मान्यताएं हुआ करती हैं। यह जो 25 साल की सिल्वर जुबली मनाई जा रही है, यह समय इन्स्ट्रुक्शन का है, आत्म-निरीक्षण का है। गांधी जी कहते थे कि मेरा फ्रीडम का कन्सेप्ट यह नहीं है कि पावर किसके हाथों में है, मेरा फ्रीडम का कन्सेप्ट यह है कि जनता की कितनी कैपेसिटी बढ़ी है एग्ज्यूटिव आफ पावर को रोकने में। आप 25 साल का केटलाग बनाइए, क्या प्राइस लाइन को रोका है, क्या डायरेक्टिव प्रिंसिपल्स आफ स्टेट पोलिसी को आपने

[श्री बनारसी दास]

इस्तेमाल किया है जनता के अधिकारों पर हमला करने के लिए या जनता के हाथ में ज्यादा पावर देने के लिए। इसलिए मैं अर्ज करना चाहता हूँ कि ये जो सेलीब्रेशन्स हैं ये खुद प्राइस इन्क्रीज कराने में मदद करेंगे। पोलिटिकल सफरर्स को जो आप पेंशन दे रहे हैं वह भी किसी पैमाने से नहीं बल्कि एक पार्टी लाइन पर काटकर बनाने के लिए दे रहे हैं। तो आप फूड ग्रेन्स की प्राइसेस देखिए। साढ़े तीन रुपए किलो उर्द को दाल मिलती है। बेजोटेबिल्स को देखिए। जहाँ तक फूडग्रेन्स का सवाल है, आपने 76 रुपए क्विन्टल पर सामान लिया, लेकिन ओवरहेड चार्ज जो फूड कारपोरेशन ने चार्ज किए हैं, वे बहुत ज्यादा हैं। आपने एक्स-पेंडिचर पर कोई कर नहीं लगाया है। 25 लाख रुपया शादी में खर्च हो रहा है। दिल्ली के अन्दर दावतें होती हैं, उनमें बिजली का ही कन्जम्पशन देखिए। इस एक्सपेंडिचर पर कोई कर है? ब्लैक मनी, जिसका चर्चा आपने किया था, तमाम कन्ज्यूमर इन्डेक्स को बढ़ा रहा है। काल्डर ने कहा था कि एक्स-पेंडिचर टैक्स लगाओ, पर वह नहीं लगाया जाता। आखिर यह ब्लैक मनी कहाँ जायगा? दिल्ली में देखिए, बाहर देखिए, 25 लाख रुपए तक शादियों में खर्च होता है। लज्जती गुड्स इसी वजह से खरीदी जाती है। श्रीमन्, आपने '70 में वादा किया था प्राइस लाइन होल्ड करने का। होल्ड करना तो दूर रहा है, प्राइसेज बढ़ती चली जाती हैं। आप बजट पेश करते हैं और बजट का नतीजा आता है प्राइसेज के बढ़ जाने में तो आप प्राइसेज होल्ड कैसे करेंगे। आप वादे कम कोजिए, अमल करने को कोशिश कोजिए ताकि प्राइस लाइन को होल्ड करने के लिए आप मुनासिब कदम उठा सकें।

श्री एस० डी० मिश्र: सही जवाब दीजिए।

श्री य० ब० चव्हाण : आप उनसे पहले पूछिए कि उन्होंने सवाल पूछे हैं या लेक्चर दिया है।

SHRI Y. B. CHAVAN: Sir, they go on making complaints that I do not answer their questions. Unfortunately, his entire speech does not contain any question. So what am I to answer to? The only thing he went on repeating is that we made promises for holding the prices but we have not been able to do that. We have been making, and we will make, attempts and efforts to hold the price rise, but completely holding the price line is not so simple as that. It is impossible...

DR. BHAI MAHAVIR: But have you done it partially at least?

SHRI Y. B. CHAVAN : Price rise in a developing economy is sometimes inevitable. But we have to see that it does not go beyond reasonable limits. And that is exactly what is our concern. I have mentioned about the steps that can be taken. He wanted to know more about sugar, particularly, because he is interested in sugar. He says that there is a different policy for the south and the north. It is not true. Really speaking, policy is the same. Sometimes the methods of production are different, the content of the sugar is different in different areas. Therefore, the problems of sugar industry differ from State to State.

He was talking about what we are doing about sugar industry in U.P., which has gone unproductive. I think he should ask this question of himself as to what they were doing for the last about 20 years in U.P. ...

SHRI BANARSI DAS: It was due to the step-motherly treatment of the Centre. You wanted to ruin the industries of northern India.

SHRI Y. B. CHAVAN: It is no use throwing allegations against each other. These are realities.

Now, as far as electricity is concerned, really speaking, we have, during the last three Plan periods, made tremendous efforts for electricity production. But the demand for electricity is increasing so fast, both for agricultural purposes and for industrial purposes, that we are very much short of it, and are not able to meet the demands of the people. We have to make these efforts.

MR. DEPUTY CHAIRMAN : Dr. Kurian.

DR. K. MATHEW KURIAN : The hon. Minister's statement is very pathetic one, particularly because he has repeated the same old clichés on any occasion when prices have been discussed *kk* this House. Whenever prices rise, the hon. Minister says that production has to increase, the distribution system has to be improved, they have to have monetary control and so on. Sir, I would like to put to the hon. Minister an elementary question because he seems to be particularly concerned about elementary questions : Is he asserting honestly that credit policy in a developing economy is effective in controlling prices? Is he doing that? If so, it goes against the very elementary principle of public finance relating to developing countries. Credit policy is a relatively ineffective instrument of controlling prices in a developing economy. The last twenty-five years of experience of independent India goes to show that. Sir, the hon. Minister has repeated the oft-repeated statement of the Prime Minister that price increases are inevitable in a developing economy. So I would ask the hon. Minister: Is he serious when he states that? During the last few years, agricultural production has declined in certain sectors. Industrial growth rate has been going down. It is precisely in a period where industrial growth rate has been going down, in a period where agricultural production has been going down that we have this situation. It is not as if it is a

seasonal problem; it is not as if it is a momentary problem. There is a serious economic crisis which he fails to understand. I charge the Government of confusing the people, of misleading the people and this House, of avoiding, of not highlighting the real cause of the malady. The real cause of this is very clear from the statement laid on the Table of the House and also from the Mid-Term Appraisal of the Plan. There is a serious economic and financial crisis enveloping our economy and unless we put our finger on this problem we will not be able to solve the problem of prices either.

Sir, the statement laid on the Table of the House is an exercise in statistical jugglery. When I say this I am not suggesting the usual type of inadequacies of statistical data. I make this serious charge that there is a deliberate attempt by the political leadership of the Government to use the statisticians and the economists in the Government as guinea-pigs and make them re-arrange the statistical data to produce a consumer price index which is a hoax on the people. The consumer price index which has shown an alarming increase — even according to their own figures — does not really reveal the real seriousness of the matter. This index is a hoax on the people. I really charge the Government that in the last one or two years they have deliberately attempted to mislead the people by manipulating their statistics. This has been evident in Foreign Trade, this has been evident in the figures relating to food production and prices.

I would also like to emphasise that the remedy suggested by the hon. Minister is again too elementary to be accepted in any serious discussion. He says he is going to have a fairly restrictive monetary policy. I have tried to point out that it is one of the most ineffective instruments for price control in a developing economy, particularly in India. This is the conclusion of all serious stu-

[Dr. K. Mathew Kurian]

dies on Public Finance. To rely on credit policy as a great instrument for controlling prices, I think, is an elementary mistake that the Finance Minister has made.

I would like to know from the hon. Minister, when he talks about controlling non-Plan expenditure does he mean controlling or freezing the salaries and allowances of the low-paid Government employees? Whenever the Government talks about non-Plan expenditure, it really means controlling the salaries and allowances of the low-paid people. If you cannot control the prices there is no contradiction when we demand that the Central Government employees must be given a rise; there is no contradiction in it. There is a contradiction in the policies of the Government — not in our demand. If you cannot control the prices the people have a right to demand that the erosion in their wages must be corrected; there is no contradiction in it. If the Government is unable to control the prices, it is the duty of the people to ask and demand that the wages which have been taken away from them, the real income which has been eroded, must be replaced. It is the Government which is taking away the income from the poor people, transferring the value which the working people in India produce to the owners of property.

If he is serious on non-Plan expenditure, I will give one small instance. The Kerala Government officials had to come to Delhi to the Planning Commission to discuss, explain and clarify the unemployment schemes. According to my information — which can be checked up — the expenditure on travel — T.A. and D.A. for the staff who have been asked to come to Delhi to explain and clarify — would have been enough to implement some of the unemployment relief schemes. This is the way in

which the Government spends. This is the hierarchical way in which decisions are taken in Delhi. Concentration of powers and amassing of political power in one party and in one person will ultimately lead to this. This Government cannot control non-Plan expenditure at the upper level but they would control the salaries and allowances of the poor people whose real income has been eroded by the price rise. Lastly 3 P.M. I would like to know from the hon. Minister, when he talks about inadequacy of resources and then need for deficit financing, whether he will at least in this late hour agree to the general demand of the people, raised by many political parties also, that he should demonetise the high denominational currencies in order that the whole black money economy can be controlled. Actually the Government protects black money. Crores of rupees are kept by the owners of property, while the Government introduces deficit financing and increases the tax burden of the people. If this is the way in which they try to solve the problem of price rise perhaps they are not serious and they only want to protect the property, income and the huge profits of the property owners.

SHRI Y. B. CHAVAN : Mr. Deputy Chairman, Sir, the hon. Member instead of asking questions has made many charges.

DR. K. MATHEW KURIAN: I have asked several questions.

SHRI A. G. KULKARNI: He has given the philosophy of his thinking.

SHRI Y. B. CHAVAN: Yes; he has given the philosophy of his thinking which is full of exaggeration as when he said that the expenditure on the journeys of the Kerala officials would have been enough to remove unemployment in Kerala.

DR. K. MATHEW KURIAN: I said that some of the schemes could be implemented.

SHRI Y. B. CHAVAN: Sir, there should be some limit to exaggeration that one can make. I can understand some eloquence but...

DR. K. MATHEW KURIAN : Mr. Deputy Chairman, he is misleading the House. He is distorting what I have said.

SHRI Y. B. CHAVAN: You have distorted yourself.

DR. K. MATHEW KURIAN : I said it would have been enough to implement some of the schemes.

SHRI Y. B. CHAVAN: You are quite capable of distorting yourself. I am not distorting you; it is not necessary for me to distort you.

The only important point that he tried to make was that Government employees have got every right to ask for wage rise when their wages are eroded. It is a very reasonable proposition and we are not disputing that. The only point to which I have made a reference in reply to Mr. Kulkarni — and he raised a very valid point, a very important point which is for all of us to consider — that while the organised sector has got the advantage we are not in a position to do anything for the unorganised sector because they have not got that bargaining power. That is the only point that has been made. Certainly if the prices are rising beyond a certain limit accepted by Government, the employees, particularly Class III and Class IV employees have got every right to ask for more. I am not disputing that particular thing at all. He said that I have stated that credit control alone would control the prices. I have not made any such statement. I have mentioned that as one of the steps that we have contemplated. Really speaking my main emphasis is on industrial and agricultural production.

DR. K. MATHEW KURIAN: In which you have miserably failed.

SHRI Y. B. CHAVAN: Certainly you are entitled to have your view. I am not prepared to accept it because we are trying to take all steps to increase production in agriculture and in industry.

DR. Z. A. AHMAD : Sir, this statement is very unsatisfactory because it does not deal with the real causes, the root causes of the whole problem. I think Mr. Chavan has a very weak case and that is why he was very apologetic. It would have been more honest to say, well, under the circumstances with these policies it is very difficult to control prices. I would have appreciated that much better. The fact of the matter is that our whole economic structure is such that you as Finance Minister or the whole team of Ministers together will not be able to control the prices. We were told when we were studying in the London School of Economics that in a developing economy there will be inflation and it will tend to increase the prices. True; I recognise it; it is a correct principle but there is a time limit to that. After some time production should register such progress that the inflation could be offset with the result that you have steady prices. That is the whole idea. But for all time to come we say we are a developing nation and that the inflationary spiral will go on and on and on. This stock argument cannot hold water.

SHRI Y. B. CHAVAN : I said only to a reasonable extent.

DR. Z. A. AHMAD : Very often we hear this argument. Even if you did not say that I think you hinted at that. You don't say very categorically but you hint at that. Now, Sir, I think you are a prisoner of your whole system. If I am wrong, you can say that. You are a prisoner of your whole system. Your intentions may be very good. I can con-



[Dr. Z. A. Ahmad]

cede that your intentions are good. I concede that you want to *garibi hatao*. I concede that you want that people should get their foodstuffs at lower prices. But your whole system is such that you cannot do it on three points. There are three major points on which one has to examine your system. Number one is mixed economy and the logic of mixed economy. Profiteers are to be allowed to carry on. You have to support them. You have to sustain them. You cannot curb them. So, mixed economy will have this logic that the mixture will be such that profiteering will go on unless you say no, no mixed economy. If you have a well balanced socialist economy, then you will control it. Now you cannot control it. Take for example sugar. In sugar it is fantastic that 40% of the total production is handed over to them to be sold at Rs. 3, Rs. 3.50 and Rs. 4 per kilo. Now it is four rupees and they make enough profit, colossal profit because even at the controlled price at which you are taking the 60%, they are making a profit. And at twice or thrice that price, they make twice or thrice that profit. Can you swear that only 40% is going to the market? Why should I not presume that wrong records are shown and 50% and 60% of the total production is going to the open market, 50% at least. There is now the Plan and your great experts, the Commission people, are sitting there, and I do not think I will be revealing a secret if the plan is just to allow that 40% to be given to them to be sold at whatever the price, and make the sugarcane-growers partners in that profit. Fantastic absolutely. This is the level of thinking, when 50 to 60 thousand sugarcane-growers are there, that out of that black-marketing that the millowner has made, let him get all the profit there. And then we give the theory that there is going to be partnership between the mill-owner and the sugarcane-grower. (*Interruptions*) How will he know? What

will he get? This is the high level of thinking of the commission appointed for sugar. This is the time. So, at that level profiteering will go on unless you fundamentally change your policy and curb profiteering and introduce the principle of price control and have honest people to enforce that price control at different levels. If you cannot do that, then what is the use of saying, "we are holding the price-line"? You cannot control it. Secondly about deficit financing. Undoubtedly the needs of the people are growing. You are a poor country. You will have to resort to deficit financing. Your State sector is losing. You have no...

SHRI BABUBHAI M. CHINAI : Why do you say 'you'? Say 'we'. We are also partners.

DR. Z. A. AHMAD: I am not speaking about 'we' or 'you'. I am talking of the country as a whole. I am talking not about Mr. Chavan but about the policy which all of us have been pursuing, but the main responsibility for policy-making is directly on you. If I come and sit there, you can tell me that I am also doing that. But that will not happen. So, what I want to say is this that the needs of the people are growing. How will you meet them? You want to put a curb on foreign borrowing, which is also a shackle round our neck. Therefore, deficit financing is inevitable. Therefore what is necessary is that strict economy should be enforced. I think there is a lot of wastage in Government. I see these committees and commissions working, and for a small thing they travel and travel here and there — there are so many groups and so many committees — and it amounts to millions and millions of rupees.

DR. K. MATHEW KURIAN : You have partnership in that.

DR. Z. A. AHMAD : Of course we are partners in that whole system. By reason of the fact that you are sitting

here you are also a partner. Otherwise, you can go out. Why do you draw Rs. 50/- a day?

Therefore, there is a lot of wastage and I think economy measures are absolutely essential.

The third thing is production and I want to say something on this matter. Production is not increasing. There has been an increase of only 2.5% or nearly 3% in industrial production. Then you cite the vagaries of the monsoon. Then you explain these high prices by the fact — as you just said — that the estimates go wrong. He says it is because of cyclone here, flood there and drought elsewhere. This is a country of cyclones, floods and drought. Every time it will go wrong. My point is that unless there is a determined policy, a new policy of increasing production at all levels, and particularly at the industrial level and the agricultural level, we will not progress. We have registered some advance in agriculture, but there also a lot more can be done. For example, take sugar. Why is there very little sugar? It is because the cane area is getting smaller and smaller. It is getting restricted. Why not give more incentive to the sugar-cane cultivator? Why every time only Rs. 7 and a few paise are given for a quintal and Rs. 70 for a tonne? Have you made any assessment of the cost of production of sugarcane? You have not, I am a small sugar-cane grower myself. I know that at the rate of Rs. 11/- it becomes uneconomic. It is absolutely uneconomic. When we go to the Agricultural Prices Commission, they say "No, the Tariff Board has fixed it." How have they fixed the price? Have you made any assessment of the cost of production? No. All these bureaucratic and arbitrary restrictions, moods, fancies, brainwaves come in the way of production. Therefore, the production processes have to be reorganised and I would say even revolutionised. I say revolutionised

in the sense that with a sense of urgency you have to change the methods of production, guiding and developing production both in industry and agriculture. If you do that in a fundamental way, then the price-line can be held and he will get cheaper products. I would plead for bricks also. They cost Rs. 120 or Rs. 130....

SHRI S. D. MISRA: Also, steel.

DR. Z. A. AHMAD : Who can build a house at such a high cost? Mr. Guj-ral says that he has given instructions that so many houses have to be built, but who will build those houses?

AN HON. MEMBER : He is no longer there.

DR. Z. A. AHMAD : Somebody else is there. So, I would plead, please do not remain prisoners of your policies. These policies have to be fundamentally examined and if you do that I think we have the competence, we have the energy and we have the capacity. Provided we have the correct policies and the correct implementation of those policies, we can hold the price-line, bring prosperity to our people and guarantee progress for the whole country.

SHRI Y. B. CHAVAN : The whole thing is developing into a sort of debate. For an hour and a quarter now I have been explaining my point of view. Now, what the hon. Member says is certainly one point of view which is important. I agree with him when he says that we will have to reorganise and re-energise our methods of production and some new strategy will have to be thought of for increased production. I am one with him. We will have to think of new ways, new methods and new techniques will have to be implemented, which is being done, but he started by saying...

DR. Z. A. AHMAD : It is not being done. You can say that it will be done.

SHRI Y. B. CHAVAN : I would like to respectfully submit to the hon. House that the process has started. I do not

[Shri Y. B. Chavan] say that it will be done, as if we are not doing it. The process has started, but he should not start by saying that we are prisoners of our system. He wants us to be prisoners of his system.

DR. Z. A. AHMAD: No, no. Everybody is a prisoner of his system. Change your system.

SHRI Y. B. CHAVAN : That is all right.

SHRI BHUPESH GUPTA (West Bengal) : Your whole system is a damned system . . .

SHRI Y. B. CHAVAN: I do not know why he is so angry.

SHRI BHUPESH GUPTA : Yes, Sir. The system stands itself condemned. If you critically analyse the whole system, you will find that it is a built-in feature of the economic system which is operating in the country. He should go into the root of it and Mr. Chavan has said in this very House that he can take physical command of this.

SHRI Y. B. CHAVAN : Let him continue.

MR. DEPUTY CHAIRMAN : Mr. Babubhai Chinai.

SHRI BABHUBHAI M. CHINAI: Sir, the hon. Finance Minister has been replying to questions for the last one and a half hours, and the same thing is being repeated. It is not my desire to do so. I intend to put specifically four or five questions and point out to him also as to what is the exact position today and ask him what steps he is going to take. My first question is what will be the effect of the price explosion which is taking place today in wages. My second question is if wage and price explosions cannot be contained, then what will be the fate of our planning and investment. My third question is, would not ceiling on land further accentuate production problems and add to price in-

stability? My fourth question is, what will be the effect of ceiling on land on production, tractors, fertilizers, tubewells and other agricultural implements? My last question is, what do we consider is the relationship between population and price explosion?

Having said this, I want to point out to the hon. Finance Minister from an economic bi-weekly which comes out in Bombay; unfortunately it is in Gujarati, but I am not going to take much of your time; I am only going to quote six or seven examples which will bring exactly what is the position today so far as some of the food articles are concerned. Take, for example, the wheat prices. The wheat price which in April was about Rs. 90 to Rs. 92 has touched Rs. 118. Then we go to gram which was Rs. 90 to Rs. 92; it is Rs. 120 to Rs. 122. If we take Rajasthan mung which was Rs. 180, it is now Rs. 200. If we take mung dal it is Rs. 225 to Rs. 235. If we take urd dal it was Rs. 260 to Rs. 270; it has gone up to Rs. 345 to Rs. 350. If we take toor, it was Rs. 125; it is now Rs. 158 to Rs. 160. If we take toor dal which was Rs. 180, it is now Rs. 250. If we take masoor dal, which we take on this side of the country, it was Rs. 150; now it is Rs. 175 to Rs. 200.

Coming to sugar, much has been said of sugar, but I only want to point out to the Finance Minister that as soon as it was announced that the price from August will be such and such per quintal, the price went up by Rs. 10 to Rs. 12. I do not understand why prematurely the price which was going to come in August should have been announced in the beginning of July and allow people 10 to 12 rupees more per quintal. Unnecessary. Then, Sir, if we take this jaggery, the same story is there; it was Rs. 110, now it is Rs. 122. Similarly if we go to vegetable ghee, it was Rs. 140, now it is Rs. 151. Then coming to oil seeds which are one of the major

factors of our day-to-day life, the price has gone up from Rs. 2 to Rs. 2.50 to Rs. 4 to Rs. 5; for 10 kilos today it is Rs. 42. People are no doubt taking advantage of the short supply, I agree, but I would like to know from the hon. Finance Minister what steps the Government has taken; unless Government comes out with a heavy hand, the poor and the middle class and even the upper class will not be able to frame their budget.

SHRI A. G. KULKARNI: It is Rs. 46.

SHRI BABUBHAI M. CHINAI: Mr. Kulkarni is uptodate. It is Rs. 46, I concede; it is neither in my favour nor in your favour. (*Time bell rings*) Sir, please do not put your hand on the bell. I want to give some instances to prove that the prices are running away. It is not stable. It is not a small inflation, it is running away. And please allow me to quote a few instances because they are of day-to-day concern. I am not going to quote anything out of the way.

Take copra, or cocoanut. Cocoanut prices which were between Rs. 370 and 385, today they are between Rs. 465 and 470. And my friend from Kerala will bear me out—the Alleppey coconut which was Rs. 380 before is now Rs. 450. This is the position. I do not want to take up your time. I have got many other instances also. Illa-yachi crop is now 60 per cent. Haldi price has come up to Rs. 254 from Rs. 235. And mirch price has gone up from Rs. 310 to Rs. 340.

The point that I am making is, we have political stability; we have a good administration to go on with our day-to-day work. But what is the idea of sleeping over this? We cannot sleep over this because the prices are running away. For example, the index was showing a price rise of 7 per cent only

for the last three years. I concede. But in food, it was 15 to 20 per cent. Even today it is 15 to 20 per cent in food, and you cannot allow food prices to go up. This complacency cannot be tolerated and if we tolerate it, not only will the country be in difficulty, not only will the consumers be in difficulty but let me warn you, Sir. The Government and the Finance Minister will be in great difficulty. I do not want them to be in difficulty. But this is the occasion when one must take stock of the real situation which is prevailing in our country, and I warn them. For god's sake, kindly do something. See the production, see the growth. He himself has conceded that it is 2.2 per cent. Therefore the industry has not taken money. Where is the money going? As he has himself conceded a few minutes before, the money has been going, firstly, in overdrafts to the States about which he said that he has asked them to minimise and square it up. He said that money has gone for wages for the white-collared people. He has also said that natural calamities have taken up much of our money. But, Sir, do not only say that natural calamities have taken it up, they are going to take up much more of your money in future also as we see today. I wish and pray that it should not happen. The monsoon is late even today. All round we are getting reports that there is no monsoon. Even from our State of Maharashtra from where the Finance Minister and I come, we have been hearing reports of shortage of rain in most parts of the State. I will reserve the rest of my observations at the time of discussion, but to wind up, I want to appeal to the hon. Finance Minister. Please do not think that only because credit restrictions will be there you will be able to arrest the prices. Credit restriction is one of the things, as you have already said. But what we require is more and more production. For more production only

[Shri Babubhai M. Chinai]

ideology will not do, practical steps are necessary. Therefore, Sir, with all due respect to the Finance Minister and the Government in power, I submit, kindly apply your mind to more production both on the agricultural front and on the other fronts so that there may not be any difficulty, as we are seeing today, during the next year when you frame your Budget. Otherwise, you will go out of gear, the country is bound to go out of gear at that stage. I would be grateful to the hon. Finance Minister if he would be kind enough to assure us on these points, and reply to the points which I have raised. Thank you.

SHRI Y. B. CHAVAN : As far as the retail prices are concerned, which the hon. Member has mentioned, by and large, they are true; about edible ghee and pulses, by and large, they tally. It is true that some of the pulses are certainly higher in prices, which is causing concern to us, to which I have already agreed. He has raised some theoretical points in this sense that we know the effect of price explosion on wages. Naturally, it will be something very undesirable and if the wages go up, certainly, it will affect investment and planning also.

SHRI BABUBHAI M. CHINAI: You cannot say no to that. I know that the reply would be that you would concur with me. But what steps is the Government taking? These are the questions. For that also you have indicated your answer.

SHRI Y. B. CHAVAN : We have to take more steps. We will have to have some new strategy for the industrial as well as agricultural production. This is the only answer to these two problems because runaway prices certainly bring about very deeper crisis. We are aware of it. I do not want to be complacent, nor do I want to be indifferent to this

question. Runaway prices certainly create a very deep crisis in the economy, and the economic crisis certainly leads to political crisis also. I am quite aware of it. Therefore, the Government is quite serious about this matter. At the same time I would certainly urge that there should be some understanding about it and not create some sort of pessimism, some sort of fatalism about this matter. Certainly, we will have to exert ourselves to bring about a change in the present situation.

He asked three or four points.

SHRI BABUBHAI M. CHINAI: Five points, the five-point programme of the Government. Your programme is also five-point programme.

SHRI Y. B. CHAVAN: Ours is normally ten-point.

SHRI BABUBHAI M. CHINAI: Abnormally five-point.

SHRI Y. B. CHAVAN : He asked the effect of ceiling on land and production. I would assure him that this question of ceiling on land will not have any effect on production as such. There is no uncertainty about the idea of ceiling. Now there is a very clear idea as to what ceiling is going to be.

SHRI BABUBHAI M. CHINAI: What I asked was due to this ceiling what will be the effect on production and also on the production of fertiliser and tractors and so on.

SHRI Y. B. CHAVAN: I am coming to that.

DR. Z. A. AHMAD : There will be no ceiling at all after the Chief Ministers' advice.

SHRI BHUPESH GUPTA: Will there be another Chief Ministers' meeting? How many Chief Ministers' meetings are in store, Sir? The more your Chief Ministers meet the greater the things go wrong.

SHRI Y. B. CHAVAN : That is your view about it. I think the decisions that we took and the promises that we gave to the electorate are being implemented.

SHRI BHUPESH GUPTA: In your eloquence you are accepting another wrong thesis. Of course, we want more production. But the experience shows that increase in production does not end necessarily in the holding of the price line or decline in prices. We have the experience of food production from 1970 million to 105 million tonnes. We have also the experience of industrial production from 5 per cent, to about 7 or 8 per cent during that period. The price spiral had been rising. Therefore, this thing happens in our economy due to speculation and profiteering and other malevolent factors which you are unable to control. Other things not being equal you cannot come to that conclusion. What are you going to do about these factors?

SHRI BABUBHAI M. CHINAI: You were replying to my questions and he has put you off the rails.

SHRI Y. B. CHAVAN : I am not off the rails. You were asking as to what is going to be the effect of ceiling on the use of instruments, fertilisers, etc. Personally, I do not see that there is any relation between these two things.

SHRI BABUBHAI M. CHINAI: Fertilisers are being used less and less now.

SHRI Y. B. CHAVAN: May I tell you that the demand for fertiliser is going up because I know I am releasing more and more foreign exchange for the import of fertiliser? Even today in case of use of tractors etc. one would have to look at it from the point of view of practical experience. No one farmer, say even having more than the ceiling, can afford to maintain a tractor by himself unless he is a very big landlord. Ultimately we will have to create centres of service for this machinery,

etc. Therefore, I do not think there is any relation between ceiling on the land and utilisation of modern techniques of production.

SHRI MAHAVIR TYAGI: Are you taking any steps to control unauthorised overdrafts by the States? Have you taken any action in this matter?

SHRI Y. B. CHAVAN: I have explained, Tyagiji, before you came here, that we have taken steps in that regard.

**श्री नागेश्वर प्रसाद शाही (उत्तर प्रदेश) :**  
उपसभापति महोदय, मैं मंत्री महोदय का ध्यान उनके वक्तव्य की इस लाईन की ओर दिलाऊंगा

"price rise principally due to seasonal factors or delay in the monsoon."

इस तौर पर जहाँ कहीं भी सरकार की असफलता होती है, उसका कारण सीजनल फक्टर्स एंड डिले इन मानसून कह कर के सरकार असलियत को छिपाने की कोशिश करती है ।

**श्री जगदम्बी प्रसाद यादव (बिहार) :**  
फसल ही जाती है तो हरित क्रान्ति कहते हैं ।

**श्री नागेश्वर प्रसाद शाही :** अगर अच्छी फसल हो, बारिश हो, तो श्रेय इन्दिरा जी को और फसल खराब हो गई, सुखा पड़ गया तो दोष इन्द्र भगवान को, जब तक यह नीति चलेगी तब तक यही नतीजा निकलेगा ।

मैं कहना चाहता हूँ कि सही मायनों में सरकार की वित्त और आर्थिक नीति इतनी गलत है कि उसकी असफलता का ही फल दामों की बढ़ोतरी है । औद्योगिक उत्पादन घटा है और कई चीजों का घटना जा रहा है । अन्न का उत्पादन घट रहा है । कागज के ऊपर कृषि विभाग उसको बढ़ा देता है । मैं महाराष्ट्र की व्यवस्था को नहीं जानता परन्तु उत्तर प्रदेश में अन्न का उत्पादन कितना हुआ सका हिसाब लगाने की यह व्यवस्था है कि हर लेखपाल के पास एक खसरा होता

[श्री नागेश्वर प्रसाद शाही]

है और खसरा में एक खाना जिसवार का होता है, बहुगुणा जो जानते हैं कि कोई भी लेखपाल पड़ताल कर के खसरा नहीं भरता है, बल्कि एक जगह बैठ कर के पूरी पड़ताल कर जाता है, फर्जी जिसवार भर जाता है और वह लेखपाल के हलके का उत्पादन, फिर तहसील का उत्पादन और फिर जिले का उत्पादन और फिर राज्य का उत्पादन बन जाता है और इस तौर पर फर्जी आंकड़ों के आधार पर यह सरकार कहती है कि उत्पादन बढ़ गया जब कि असलियत यह है कि उत्पादन घटता जा रहा है। एक उदाहरण दे कर के इसको साफ करना चाहता हूँ।

श्रीमती सीता देवी (पंजाब) : पंजाब में तो नहीं घटा।

श्री नागेश्वर प्रसाद शाही : 1970 ई० में गन्ने की कीमत किसान को दी गई 14 रुपये क्विंटल, 1971 ई० में दी गई 7 रुपये 37 पैसे क्विंटल और 1972 ई० में दी गई 10 रुपये क्विंटल। एक साल पहले सरकार ने चीनी का डिक्ट्रोल किया और डिस्ट्रीब्यूशन का प्राइवट अरेंजमेंट किया, इतना ज्यादा उत्पादन था। एक साल के अन्दर ही फिर 60 परसेंट कंट्रोल करना पड़ा। यह क्या नियोजन है? श्री सुब्रह्मण्यम् साहब को हटा कर के धर साहब को रख दीजिये। यह सरकार समझती है कि व्यक्तियों को बदल दीजिये, पोर्टफोलियो बदल दीजिये, उत्पादन बढ़ जायेगा, नियोजन ठीक हो जाएगा। जब मूलभूत नीति ही गलत है तो व्यक्तियों के बदलने से नियोजन कभी ठीक नहीं हो सकता।

श्री जगदम्बी प्रसाद यादव : व्यक्तियों पर अच्छा परिवार नियोजन है।

श्री नागेश्वर प्रसाद शाही : मैं वित्त विभाग का एक उदाहरण दे दूँ। करोड़ों रुपयों का लोन राष्ट्रीय बैंक से मोनोपोलिस्ट को दिया

जाता है और उनके ऊपर विश्वास किया जाता है, इससे कोई गारंटी नहीं ली जाती, मोनोपोली हाउसेज को 10 करोड़ और 20 करोड़ रुपया दिया जाता है, उनके ऊपर चव्हाण साहब को पूरा विश्वास है और किसान को अगर 5 हजार रुपया लोन दिया जाता है परमिंग सेट खरीदने के लिये तो कहा जाता है कि यह विश्वास करने योग्य नहीं है और रुपया उनको नहीं दिया जाएगा, रुपया उस फर्म को दिया जाएगा जो उनको मशीन सप्लाई करेगा। यह व्यवस्था कुछ इसलिए होती है कि ऊंचे दफ्तरों में बैठ हुए फाइनेन्स सेक्रेटरी और रिजर्व बैंक के कुछ ऊंचे अफसर, जिन्हें कतई तजुर्बा नहीं, जानकारी नहीं, कागज पर सारा ज्ञान उनका लिखा हुआ है, वे राय दे देते हैं वित्त मंत्री जी को। मैं श्रीमन्, यह कहना चाहता हूँ कि जब तक इस तरह का दोषपूर्ण नियोजन रहेगा और जब तक मंत्री लोग आंख मूंद कर अपने विभागीय अधिकारियों की राय के गुलाम बने रहेंगे, तब तक कतई चीजों के दाम कंट्रोल नहीं हो सकते, तब तक कतई जो इरादा है समाजवादी व्यवस्था का, दामों को स्थिर करने का, वह हरगिज नहीं हो सकता है। हाँ, एक बात जरूर है, जैसा कि अभी डा० जै० ए० अहमद साहब ने सर्टिफिकेट दिया, नीयत के बारे में, तो जब तक कांग्रेस पार्टी, सत्ता कांग्रेस पार्टी, कम्युनिस्ट पार्टी आफ इन्डिया से अपनी नीयत के बारे में समाजवादी व्यवस्था की नीयत के बारे में सर्टिफिकेट लेती रहेगी और उससे संतोष करती रहेगी...

श्री जगदम्बी प्रसाद यादव : चव्हाण साहब को सर्टिफिकेट नहीं मिला, परशानी में है।

श्री नागेश्वर प्रसाद शाही : ...तब तक कतई कोई व्यवस्था जिसे वह चाहते हैं, वह होने वाली नहीं है। मैं मंत्री जी से यह जानना चाहूँगा कि क्या वे...

श्री उपसभापति : अब आप खत्म कीजिए ।

श्री नागेश्वर प्रसाद शाही : एक बात और कह दूँ । 1971 का फरवरी में लोक सभा के चुनावों तक हाथ खोल कर ऋण बाँटा गया लोगों को और मैं जिम्मेदारों के साथ कहता हूँ कि चुनाव के समाप्त होते ही कांफिडेंशियल लेटर भजे फाइनेन्स डिपार्टमेंट ने अपने बैंकों को कि एक दम ऋण देना रोक दो, रुपया नहीं है । ऊपर से कहे जाते रहे कि हम लोगों को ऋण दे रहे हैं, लेकिन सर्कुलर भेजा गया कि एक दम ऋण देना रोक दो । एक तरफ यह कहा जाता है, अभी जब से मानसून फेल होने का बात आई कि फेयर प्राइस शाप जितने चाहे खोल दो, हमारे गोदामों में अन्न भरा हुआ है और दूसरी ओर गोरखपुर का रिपोर्ट दे रहा हूँ—पन्द्रह दिन से वहाँ फेयर प्राइस शाप्स पर चावल नहीं बाँटा गया, इसलिए कि फूड कारपोरेशन आफ इन्डिया के गोदामों में चावल है ही नहीं । जब तक आप देश का जनता को इस तरह से गुमराह करने का नाति, धोखा देना का नाति अस्तिवार करते रहेंगे और देश के सामने अवलियत नहीं लाएंगे और कठिनाइयों को सही मानी में फेस करने की कोशिश नहीं करेंगे, तब तक आप कभी सफल नहीं हो सकते हैं । क्या मंत्री महोदय इस तरह का नाति अस्तिवार करेंगे जिसके द्वारा आज भी जो औद्योगिक उत्पादन में कठिनाइयाँ हो रही हैं, अन्न के उत्पादन में जो कठिनाइयाँ हो रही हैं, किसानों के सामने जो कठिनाइयाँ हैं, वे हल होंगे ? और क्या मंत्री महोदय देश की जनता के सामने अपने देश की वित्तीय या आर्थिक हालत का सही नक्शा रखेंगे ?

SHRI Y. B. CHAVAN : Sir, the hon. Member has raised mostly...

श्रीमती सीता देवी, श्रीमन् : मैं भा 2-3 प्रश्न मंत्री महोदय से जरूर पूछने हैं ।

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श्री उपसभापति : देखिए, यहाँ एक क्रम से चलता है ।

श्रीमती सीता देवी : मेरा पॉइन्ट आफ ऑर्डर है । क्या सारा समय अपोजिशन के लिए है, औरों को इसमें दिलचस्पी नहीं है ? इसका जवाब मैं चाहती हूँ कि अपोजिशन के लिए कितना समय है ? क्या सारा समय अपोजिशन के लिए है या ट्रेडरों वेंच वालों के लिए भी है ।

श्री उपसभापति : आप बैठ जाइए । देखिए, यहाँ पर कालिग अटेंशन में एक क्रम से चलता है । पहले हर एक पार्टी के प्रवक्ता बुलाए जाते हैं, उसके बाद जो दूसरा दौर चलता है तो दूसरी पार्टियों के मेम्बर बोलते हैं । अभी दूसरी पार्टियों का समय खत्म भी नहीं हुआ ।

श्री जगदम्बी प्रताप यादव : फिर, माननीय सदस्या की पार्टी को तो प्राइस को कंट्रोल हो करना है ।

श्री सीताराम केसरी : पहले आपको कंट्रोल करना है ।

श्री जगदम्बी प्रताप यादव : हम तो भी-कंट्रोल वाले हैं ।

SHRI Y. B. CHAVAN : Most of the questions that the hon. Member has raised have been raised by other Members and therefore I have answered them. He has only touched one new aspect and that was about the back credit. He made a suggestion in the last minute that we are not taking any security or other things from big account holders, but only asking for security from small farmers and so on. This is not true. In the case of big people where they are supposed to ask for Rs. 24 lakhs, there is a special proforma in which very close questioning is being done and certain information has been asked and the Reserve Bank has taken special steps to see that they



[Shri Y. B. Chavan]

are kept under control. There may be some cases and if the hon. Member could bring such cases to my notice, I will certainly look into them. The other suggestion was that immediately after the election we sent circulars not to give loans or credits. This is very peculiar to the hon. Member. This is completely untrue. If he brings to my notice any such circular, I will certainly take necessary action. Concern was expressed in this House that some rich farmers are taking advantage of these things. Apart from that there is no question of issuing circulars not to give loans to small farmers.

SHRI G. A. APPAN (Carnil Nadu): Mr. Deputy Chairman, is it not a fact that the prices go spiralling to their unprecedented balloonistic heights on account of lack of credit-worthiness of our country? Is it not a fact that the foreign exchange credit of India in 1947 was much higher than what it is today? If so, what was the foreign exchange credit in 1947 and what is our position now? Is it not a fact that the prices go up higher and higher because rich becomes richer and the richer the richest, and the poor becomes poorer and the poorer the poorest in our country? Is it not because there is no rational distribution of wealth and services and jobs in our country? Sometimes five people from a rich family are all employed in high positions whereas at the lower level not even one member; from one family is employed. Rich people have all the money and even black money to buy all things whereas poor people do not have money even to buy their necessities. May I also know if it is not a fact that the price rise in our country is due to the non-support of our currency by the metallic worth? Is not the price rise in our country beyond all proportions and reasonable trade norms? I have been following the

career of our finance Minister ever since he was a Minister in Maharashtra where he had made a very good mark. I am not merely praising him. He is one of the very ablest of our Ministers. But here in the Centre he is not able to do things in his own way. If only he is given a free hand, I am sure he would have made a better contribution to arrest the rise in prices. But because he is answerable to the Cabinet, he is not able to do as much as he likes or as we expect him to do.

Mr. Deputy Chairman, Sir, is he not aware that in the thirties and forties the price of brinjal was far less than what it is today? Was not the price of sugar only 6½ annas a *seer*? Was not the price of gingely oil only 6 annas a *seer*? But the prices of all the commodities have risen twenty-fold and the purchasing power of our rupee is not even five or six per cent. Is it not for him to tell what steps he would like to take to save the poor . . . (*Time Bell*) . . . from the spiralling prices and also bring the rich and the poor closer together? Is it not necessary to see that the rupee has adequate purchasing power? This is what I would like to ask.

SHRI Y. B. CHAVAN: Sir, the hon. Member has given some general analysis of the situation which I may possibly agree with. But, Sir, at the present moment, we are considering the present price level, its causes and the solution for this problem. Really speaking, these are the important aspects and during the last two hours or so I have explained what the causes are, according to me, for the price rise and I have also indicated what steps the Government has taken and also what steps the Government would be required to take and has to take. I also know that many more steps will have to be taken. I do

not, therefore, think that there is anything more that I can add to what I have already said.

MR. DEPUTY CHAIRMAN: Yes, Mr. Goray.

SHRI N. G. GORAY: If you are really going to have a discussion, then, Sir, I would not take the time of the House.

SHRI Y. B. CHAVAN: It is more than a discussion that we are having now.

SHRI N. G. GORAY: This is a rambling discussion only. I have got only one or two questions to ask.

MR. DEPUTY CHAIRMAN: All right. Smt. Sita Devi.

SHRI N. G. GORAY: All right. I will ask later.

श्रीमती सीता देवी : श्रीमान्, विन मंत्री महोदय ने बड़ी कोशिश की, यह जो बड़ी जटिल समस्या है इसका अच्छी तरह से उत्तर देने की, पर मैं यह कहना चाहती हूँ कि यह समस्या इतनी गम्भीर हो गई है कि एक अजगर की तरह मुँह बाए चला आ रही है। जो फिक्स आपने दिए हैं वे बता रहे हैं कि चन्द महीनों के अन्दर वे चीजें जिनसे गरीब मजदूर किसान अपना पेट भरते हैं तैजों से उनकी कीमत बढ़ रहा है। आज गरीब जनता यह महसूस करती है कि उसका जीना भी मुश्किल है। आपको पता है कनक गरीब नहीं खाते, ज्वार खाते हैं क्योंकि ज्वार सस्ता होता है। इसी तरह से और मोटा अनाज जो गरीब खाते हैं—मई से लेकर जुलाई तक तीन महीनों में उसकी कीमत बहुत ज्यादा बढ़ गई है। चीनी की आपने कहा है 30 परसेंट कीमत बढ़ी है, लेकिन हफ्तत यह है कि आपने 60 परसेंट कन्ट्रोल में दिया है और 40 परसेंट प्रोपिन और बाजार में जाओ तो 4 रुपए

किलो चीनी मिलती है बड़ी मुश्किल से। जो डिपोज में पन्ट्रोल प्राइस पर रखी हुई है वह चार-चार फेरे लगाने पर भी गरीब आदमों को नहीं मिलती, आठ-आठ दिन तक भटकते रहते हैं और उस प्राइस पर चीनी नहीं मिलती, आखिर में बज्रक में लेनी पड़ती है। इसलिए मैं आपसे कहना चाहती हूँ कि जो ये खाने की चीजें हैं, जो दालें हैं, मोटा अनाज है, चीनी है इनकी आप कीमत फिक्स करें।

आपने बराबर जिक्र किया सरकारी मूलाजिम्में की तनस्वाह बढ़ने का। तो मैं एक बात कहना चाहती हूँ कि क्या सरकार चाहती है कि शांतिपूर्ण तरीके से लोग रहे या हर वक्त तूफान मचाएं। सरकारी नीकर तूफान मचाते हैं, क्योंकि वे आर्गनाइज्ड हैं, स्ट्राइक करते हैं, हंगर स्ट्राइक करते हैं तो सरकार 10 रुपया बढ़ा देती है जब 20 रुपया मंहगाई बढ़ती है। इससे अच्छा यह है कि आप कीमत फिक्स करें। बाकी जो अनआर्गनाइज्ड सेक्टर हैं, बाकी जो मजदूर किसान हैं जो आर्गनाइज्ड नहीं हैं, जो स्ट्राइक नहीं कर सकते हैं उसके लिए क्या समाधान है, जब तक सरकार कीमत फिक्स न करे। मेरे अपोजीशन के भाइयों को खाने की चीजों की इतनी फिक्र नहीं है जितनी स्टील की फिक्र है। स्टील की फिक्र ठीक है, मगर मैं कहती हूँ कि पहले खाने की चीजों की फिक्र होनी चाहिए। इसलिए मैं यह कहना चाहती हूँ कि ये जो चीनी का हमारा मिलें हैं, उनको जैसा कि मैंने पंजाब में कहा था, मैं फिर बंहराना चाहती हूँ, नेशनलाइज करना चाहिए ताकि मिडिलमैन जो प्रफिट ले रहा है उसका रोका जा सके। कई दफ्ता इतनी कमी नहीं होती है, लोग कमी क्रीएट करते हैं और उससे लाखों रुपया कमा लते हैं। इसलिए जो गन्ना पैदा करने वाले किसान हैं, उनकी कोऑपरेटिव सोसाइटीज बना कर के ये शुगर फैक्ट्रीज या तो उनकी दे दीजिये

[श्रीमती सीता देवी]

या उन मजदूरों को दे दीजिये जो उन शहर फैक्ट्रीज को चलाते हैं। ये जो मिडिलमैन या जो बड़े-बड़े रूजपति हैं ये सभी खत्म होंगे जब आप फैक्ट्रीज का नेशनलाइजेशन करेंगे। मैं यह आपसे कहना चाहती हूँ कि इस देश के अन्दर रुपये की कमी नहीं है। हमारे से ज्यादा बित्त मंत्री साहब को पता है कि आज करोड़ों अरबों रुपया जो बैंक करने वाले हैं उनके पास है। गवर्नमेंट को चाहिये कि वह स्ट्रांग हैंड से बैंक मनी बाहर निकाले और तब यह कमी दूर होगी।

श्री एस० डी० मिश्र : सब्जी के दाम बढ़ गये हैं तो क्या सब्जी को भी नेशनलाइज कर लेना चाहिये। क्या उनका मतलब यह है कि सब्जी तरकारी भी नेशनलाइज कर ली जाय।

श्रीमती सीता देवी : आप को क्यों तकलीफ हुई, जब मैंने नेशनलाइजेशन करने की बात कही। जो बैंकमार्केटिंग करने वाले हैं उनको तकलीफ ही तो ठीक है। मालूम होता है कि आप का भी उसमें कुछ शेयर है, तभी आप को तकलीफ हुई है। मैं वित्त मंत्री महोदय को बताना चाहती हूँ कि आपके जो बड़े-बड़े प्लान बनते हैं, वे आपके आफिसर्स की भदद से बनते हैं और उन आफिसर्स के दिमाग उसी पुराने ढंग के हैं। जो सोशलिज्म सरकार लाना चाहती है उसके अनुसार आपके आफिसर्स के दिमाग नहीं हैं। उन आफिसर्स से ब्रिकमार्केटिंग्स की बढ़ावा मिलता है। इस लिए मैं एक ही बात कहना चाहती हूँ कि आज हम चाहते हैं कि सही माने में समाजवाद आये तो बुरी तरह से जो आज किसान मजदूर पिस रहा है उससे उसको बचाने के लिए आप स्ट्रांग हैंड से खाने की चीजों के दाम फिक्स करे और जो उससे एक पैसा भी ज्यादा वसूल करे उसको आप बड़ों से बड़ी सजा दें। यही इसका हल है।

SHRI Y. B. CHAVAN: The hon. lady Member has correctly expressed the resentment with the price situation. She is very right and I think she has sympathy for the people. As I have already stated in my statement, I certainly share her concern.

MR. DEPUTY CHAIRMAN: Mr. Goray.

SHRI N. G. GORAY: As I said before, next time when we have a discussion, I would like, in the first place, the Finance Minister to go deeper into the causes of this price rise. We have listened to the questions that were raised by the Members here and to the replies that were given by the Finance Minister. The Finance Minister has admitted that the price rise could not be checked. So far as the development in the industrial sector, whether it be the public sector or the private sector, the development has come to only about 2 per cent. If you further admit that unemployment is growing, if you admit that it has become very difficult to check black money, the total picture is that we have no planning at all, because planning means that we achieve our targets, whether it is the development of industrial sector or agricultural sector or dealing with the question of unemployment or the price rise. In all these we have failed. Therefore, Sir, I would like the Finance Minister to tell us when we discuss and go deeper into the causes of this phenomenon whether he has come to this conclusion that altogether a new planning will have to be evolved. We will have to consider whether this sort of mixed economy can be worked out and whether the time has not come when total nationalisation will have to be resorted to. I hope the Finance Minister will deal with all these questions and provide some satisfactory answer for all these problems. I want to draw the attention of the Finance Minister to the fact that while submitting this paper he has

not taken into consideration the impact that is going to be created by the scarcity that is round the corner. Within 'the next 15 days or a month we shall ' the prices going up still further as there is scarcity not only in State but at least five to six major areas would be affected and I do not think that the menacing position is going to change very much. Taking the overall picture in view, I would like the Finance Minister to deal with this problem in more detail and more depth.

SHRI Y. B. CHAVAN: Sir, the hon. Member has come to a certain conclusion and I have not come to the conclusion to which he has come that our planning techniques or our planning strategy has gone wrong. I have not said that, but certainly there are some difficulties at present. The difficulty that we had to face in the last year or certain unexpected difficulties which have arisen now have made the situation more difficult but that does not mean that our planning strategy or our planning technique or the philosophy that we have accepted is wrong; this is not my conclusion. Certainly new techniques will have to be introduced and we will have to reorganise the methods, that is what I have said. As he has said, difficulties are there but it is no use taking a pessimistic view. I am not taking a pessimistic view. This year is a very difficult year, Looking to the drought conditions and the rising prices, certainly the administration will have to rise to the occasion and see that the prices are kept under control. But in this matter I would require the co-operation of the hon. Members in taking rather a more constructive a more rational view and not an agitational view.

SHRI BHUPESH GUPTA: Only the complex has gone wrong.

MR. DEPUTY CHAIRMAN: Sar-dar Swaran Singh has to make a state-

ment on the Agreement on Bilateral Relations between India and Pakistan.

**STATEMENT BY MINISTER RE.  
AGREEMENT ON BILATERAL  
RELATIONS BETWEEN INDIA  
AND PAKISTAN SIGNED AT  
SIMLA ON JULY 2, 1972**

THE MINISTER OF EXTERNAL AFFAIRS (SARDAR SWARAN SINGH): Mr. Deputy Chairman, Sir, I have the . . .

श्री जगदम्बी प्रसाद यादव (बिहार) : यह देश को बेचने वाले हैं। चुल्लू भर पानी में डूबने की जगह नहीं है तुम्हारे लिए। (Interruptions). Shame, shame.

MR. DEPUTY CHAIRMAN: Mr. Yadav, please sit down.

श्री जगदम्बी प्रसाद यादव : हम लड़ाई लड़ते हैं। (Interruptions) शर्म करो, शर्म करो। कुछ तो देश की महिमा और इज्जत को बचाओ। आप ताली पीटते हो। कांग्रेस को लानत होनी चाहिए इस पर शेम शेम।

{Interruptions}

SARDAR SWARAN SINGH: Sir, I have the honour to lay on the Table of the House a copy of the Agreement between the Government of India and the Government of Pakistan signed at Simla by the Prime Minister of India and the President of Pakistan on the 2nd July, 1972.

{Interruptions}

The Agreement is a first step towards establishing durable peace on the sub-continent. {Interruptions}. It provides a framework which, if faithfully worked out, can bring about an altogether new relationship between India and Pakistan.

{Interruptions}

DR. BHAI MAHAVIR (Delhi) : Either you have to stop him or ask him to sit down.