38 क्या है । यह है, डिपुटी मिनिस्टर्स वगैरह का एपौइन्टमेन्ट । यह जरूरी नहीं है जम्मू और काश्मीर के राज्यपाल के लिये कि जो प्राइम मिनिस्टर कहे उसी के मुताबिक डिपुटी मिनिस्टर एपौइन्ट करे । वह कर सकता है, नहीं भी कर सकता है । केवल सेक्शन 38 एक्सेप्शन है ।

अब हमारा मामला आता है—सेक्शन 92 से—ब्रेकडाउन आफ कांस्टीट्यूशनल मशीनरी । गवर्नर को, जब कांस्टीट्यूशनल ब्रेकडाउन हो जाय, तब अपना डिस्क्रेशन इस्तेमाल करने की बात आयेगी । गवर्नर इस समय देख रहा है कि बड़ा भारी एजीटेशन हो रहा है, एजीटेशन से असेम्बली हो नहीं पायेगी—तो इसमें दिया है :

"If at any time the Sadar-i-Riyasat decides that a situation has arisen in which the Government of the State cannot be carried on in accordance with the provisions of this Constitution, the Sadar-i-Riyasat may by proclamation prorogue ..."

तो सदरे रियासत "मे बाई प्रोक्लेमेशन" प्रोरोग कर सकता है, सारी पावर एज्यूम कर सकता है । मैं आपसे पूछना चाहता हूं, पूरे अदब के साथ इज्जत देते हुए कि हमको यह बताया जाये कि कांस्टीट्यूशनल ब्रेकडाउन क्या काश्मीर में हो गया था . . .

श्री शीलभद्र याजी : नहीं हुआ ।

श्री राजनारायण : नहीं हुआ । फिर गवर्नर को सेक्शन 92 की तह में भी इस सदन को प्रोरोग करने का हक आता ही नहीं है । हमको यहां बता दिया गया है कि जो प्राइम मिनिस्टर सलाह देगी वह मैन्डेटरी है, गवर्नर को मानना यह बिलकुल गलत है, बिलकुल लगव है । अगर हमारे देश के कांस्टीट्यूशन का इन्टरप्रिटेशन हमारे इधर बैठने वाले लोग इस तरह से होने देने लगेंगे, तो इस देश में जनतंत्र अंधकार में चला जायेगा । इसलिये आप उस विशेषाधिकार के सवाल को मानें और कल इस सवाल का जवाब देने के लिये घर मंत्री जी जिन्होंने जवाब दिया है, उसको सदन में बुलाएं और उस पर पूरी व्यवस्था हो, एक प्रस्ताव हो और आगे चल कर मामला तय हो । इसलिये मैं नोटिस दे रहा हूं, कल विशेषाधिकार का सवाल इस संबंध में अवश्य उठाया जायेगा ।

THE BUDGET (GENERAL) 1970-71 — *General Discussion*—contd!

SHRI M N. KAUL (Nominated) : Mr. Vice-Chairman, Sir, I have heard all the Budget speeches so for as I can recollect since 193ft. *This* Budget speech is in a sense unique. It has been delivered for the second time by the Prime Minister herself and that adds a great deal of importance to it, because the Head of the Government herself has considered all the implications of the proposals.

Now, it was the practice in former days that when the Leader of the Opposition or other prominent spokesman of the Opposition took part in the debate the way to do it was not to pick up individual items—that was left to individual Members of the party—but the way for the leaders of the parties was to present an alternative proposal. I remember the days when Mr. Bhulabhai Desai and Mr. H.P. Mody made speeches which amounted to alternative Budget proposals; that is to say, if they reduced in one part they had to take counter action in another part so that the speech as a whole would be somewhat like alternative Budget proposals. That was the line of approach and it was very interesting and very informative. Now in recent years a tendency has developed to make proposals that do not present an entire picture. I have my own reactions to individual items but I propose[1] to adopt a general attitude. I think it is not the individual items that matter so much but it is the presentation, the approach of the Budget as a whole, that matters. What should a Budget do ? The Budget as a whole should touch the chords of the economy in its various aspects because it can do no more than touch the chords of the economy in its various aspects so as to generate confidence. That is the ultimate trick of the Budget, that the proposals should be so contrived, so amalgamated and so presented that there is a general feeling in the country that the Budget is good and there is a note of confidence because it is that note of confidence which revives activity in all spheres. I think if that test is applied, this Budget, by and large, satisfies that test. Criticisms have

been made that it is not a socialist Budget and that various additional proposals could have been introduced these criticisms may be good, may be wild or may not be valid but as I have read the newspapers, as I have heard the individual speeches, I feci *on* the whole there has been no substantial criticism of the Budget but the general feeling is that it has generated confidence and I think if the Budget has fulfilled that purpose it has fulfilled its basic objective.

Now, the key sentence, as I sec it, in the Budget speech is that a balance has to be struck between outlays which may be immediately productive and those which are essentia! to create and sustain a social and political fiamework which is conducive to the growth in the Ion? run. As one of my Professors used to put it, the ultimate question always is, in homely language, whether more bread should be produced or whether more machines should be p.oduced. That is always the question, waether you look to the short period or whether you look to the long period all that one can do is to strike a balance. Now the question is whether the Prime Minister has struck a right balance. There may be difference of opinion as to . . .

SHRI A. P. CHATTERJEE : You consider twenty years as a long period or as a short period ?

SHRI M. N. KAUL : It is not a question of twenty years but the point is the resources are limited. Now, how are these limited resources to be spent—on immediate consumption needs or action which will lead to greater production and growth in future ? It is ultimately a question of priorities. As Aneurin Bevan put it in a speech in the House of Commons, file religion of socialism is the language of priorities. Priority is the key question. Resources are limited. We can all easily draw up a long list of the things that have to be done for the development of the country, but the point is that the resources are limited. Therefore the key question is : What should be the priorities ? In determining it I think the Budget has strurk a good mean and a balance in regard to priorities and, for the first time, great emphasis not only in the President's Address, but also in the Budget Speech has been laid on the key question of priorities, how to spread the limited resources on the various activities, having regard to the short period and the long period. Almost all the points so far as the welfare of the people is concerned have been touched, but you cannot touch them in a way so as to reduce the productive capacity of the country. Please remember that we are not functioning in a completely communist or socialist economy where the State is the master of the situation. In the mixed economy which we have accepted, the State is not the masterofthe situation. It may command the heights, I do not know whether it fully commands the heights today or not. Large slices are left to private enterprise. Therefore, we cannot deal a blow to the system. I can quite understand it if the Prime Minister were the master of the whole situation and the State were run *on* completely socialist or communist lines. Then you can arrange the affairs according to your own ideas. But where large slices are still left in charge of private enterprise and still governed by their impulses, by their motives or whatever they are, you have got to take these impulses and motives into account. As Keynes said, when drastic proposals are made in a mixed economy, it must always be remembered that you cannot perform these drastic surgical operations without the consent of the patient in general terms. So, you have to go forward to a limited degree. That is the brake on us. Prof. Parkinson, who is here, has said that there is no half-way house between capitalism and communism. We have accepted the mixed economy, but broadly speaking private enterprise plays a large part. Therefore, you have to take all these factors into account.

Now, coming to my suggestions. Although it is very difficult to say whether it is workable or not, without having practical knowledge of the administrative difficulties, much of the mischief in taxation arises because the taxes are levied on the net income. Now, what exactly happens when taxes are levied on the net income? As you know, there are all kinds of deductions, which are multiplying year after year, and for which a vast administrative machinery has been developed. Now, we often accuse businessmen that they give large salaries to individuals. They do so because the salary is counted as an expenditure. You may pay an individual Rs. io,ooo. The tax on private companies being 65 per cent, the businessmen does not feel the full burden. In essence under this theory of levying taxes *on* net income, in the ultimate analysis it is the Government which is partly

[Shri M. N. Kaul] financing these high salaries bacause this item of salaries is deducted as an expenditure. The real burden on the employer is not the paid salary, because he direclly saves in tax. Therefore, according to the level of taxation on the private company, where it is 65 per cent, he only bears the real burden of 35 per cent of the salary.

Now, there are various ways. For instance, I know of some companies which start ventures. You start a venture in partnership and show a loss in that venture. That is debited. Again, another large slice goes out when you pay the lawyers. It is well known that— I am not making any allegation against the profession or anybody—full fees are not paid as entered in the books. Then, it is open to them to put in vouchers. Fictitious bills for repairs on a large scale are submitted. Bills are exchanged between firms, though actually that expenditure has not been fully incurred. I can draw up a list of these defects which directly arise because taxes are levied on the net income. If, for instance, the Government were to investigate and consider the levy • of taxes at a lower rate—without having worked it out, I make a guess—and if they were to levy the tax on the gross income, it would, I believe, lead to larger revenues and simplification of procedure and simplification of administration, than all this tax on the net income after so many deductions. I think this is a matter which should be investigated by the Government and not just dismissed on apriori reasoning or grounds.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : You emphasised this point last year also.

SHRI M. N. KAUL : A committee has got to be appointed to investigate this. Perhaps, the business people will oppose it. They may raise all sorts of difficulties, because we know that the present system is beneficial to the business community.

Then, the question arises that the Government come to know of things too late, when the mischief is done, When the deed is done, it is no use. You have got to abolish the principle of the appointment of the auditors of a company by the company itself because the auditors are in some cases—I do not make a general allegation—advisers of the general managers or whoever is in charge of the company, as to how to operate within the limits of the law. The auditors should be independent persons and methods of their appointment should be devised, so that they remain independent persons. Then, they should be charged with the responsibility of concurrent audit. The Company Law Department has to be strengthened. The tendency, I have seen on the part of the administrative machinery is this. Any administrative action you take, it results in returns, files and all that, and the thing is piled up. The higher officers know nothing about it. The point is this that there should be independent auditors, independent auditors charged with the responsibility of concurrent audit. In the course of concurrent audit they should immediately report any glaring defects or any glaring defalcations that come to their notice. These things are happening in various parts of the country; in various ways and if the searchlight of audit is directed towards them concurrently and independently and they report to the Government, an investigation should be ordered immediately.

One other point I have to make. We thought of nationalisation long ago. This theory of nationalisation we have applied to a limited extent. To a limited extent it is all right, but if the State were to indefinitely extend this nationalisation, it is simply impossible to pour out vast sums in compensation on it. The whole exchequer will be impoverished.

There are other ways of dealing with it, for instance, I believe that under the Companies Act, it is perfectly open to the Government to pass legislation constituting controlling boards of directors. Government want and I think Parliament desires that these boards of directors should act in the public interest.The board of limited companies should not be in the control of persons who have large blocks of shareholdings but the Government should constitute these Boards on proper principles so that the Board of a limited company acts in the public interest. There is urgent necessity of looking into the provisions of the Companies Act and amending the Companies Act so that power is taken by the Government to constitute these Boards of Directors and control these things. The general principle should not be that the Government should itself run them but it should superintend, direct and control those who are charged with the responsibility of ninning these industries. Thank you.

SHRI N. R. MUNISWAMY (Tamil Nadu) : Mr. Vice-Chairman, I have not heard so far any Finance Minister ever receiving such encomiums or bouquets from any party. So far as the other parties are concerned, she can have these encomiums and bouquets, but so far as my party is concerned it is our duty to be frank. I do not wish to raise the same points which have been raised by the previous speakers, but in case I do, it will be with a different emphasis.

The philosophy of this Budget rests on three pillars, that is growth, savings and social justice. That is the basis or the philosophy on which the entire Budget is framed. In raising resources, these three aspects are stated to have been kept in view. Examining the three points whether there is enough growth, whether there could be any savings, or whether there could be social justice, the basic point is neither from her supporters nor from her critics can the finance Minister escape criticism. We shall take an impartial view of it. To have economic growth in our country what is the essential thing ? It is law and order. Law and order has to be maintained in any part of our country to see that our economy is stable. However, it is unfortunate that the writ of the Home Minister never runs beyond his own premises. It is unfortunate that of all the Home Ministers, I have seen from 1952, our present Home Minister is the weakest Home Minister in the sense that he gives to everyone of us a smile but he is neither firm in his heart nor in his action. What is happening for example, in West Bengal ? We all know what it is. To some extent what is there in Kerala also we have seen. A sample of this violence we have seen in Punjab, in Telengana, in Mysore and in Maharashtra also. Unless the law and order is maintained no amount of incentive to growth will work. So we must be firm, and see that law and order is maintained to ensure that the growth that is envisaged in the Budget proposals is allowed to take place. I may be excused for saying this because, fortunately or unfortunately when I say this the Home Minister is here I hope he would not mind even if I say he is the weakest—I do not mean to say that he is weak physically. He has a soft corner for every State. If they go astray he will say the situations is beyond our control; if it goes beyond control, then he will say that it is to be curbed. This is the way in which he is going about.

Here in the city of Delhi I do not see even the traffic rules being properly enforced. In a cycle they go with the whole family or they go without lights or brakes. Nobody checks them. Even the police do not check. People openly hold law in contempt. They do not respect the law at all. What is the reason ? Because this trend is there throughout the country now. This trend has come into existence. We have allowed it to grow and it has assumed serious dimensions. It is very important at least at this stage to stop it. That is the reason why I said that law and order are very important for this country in order to create conditions for growth which is envisaged.

I also wish to say something about stability of prices. Can anyone seriously believe that the prices of commodities will be stabilised by the Budget. You find that after the Budget proposals were placed before Parliament prices of every commodity shot up by five paise—sugar, cigarette, tea and a host of other things, everything has gone up in price. The budgets of all the States had been presented earlier and the budget of the Central Government has come subsequently. Either it should be seen what the proposals are given in the State budget before formulating the Central budget or the State budgets must be kept in abeyance till the Central budget is presented. The same commodity is taxed twice, once by excise duty and then by sales tax. Take petrol, the increase in excise duty is io paise per litre. The States also have increased the sales tax by 2 paise. Over the same thing both the States as well as the Central run a race in levying a tax either by way of excise duty or sales tax. That is the reason why the States should either wait until our Central budget is presented, or the Central budget should take into consideration all the budgets presented by the State Governments and see what are the items on which they could give some relief. Otherwise, the common man is hit very hard. Nobody can gainsay the fact that there is inflation. The inflation is there, and how are we to curb inflation? It is by either encouraging savings or by production. In regard to these aspects nowhere has any progress been made.

There is one aspect which I think many of our friends on this side as well as the other side brought to our notice. It is that about Rs. 175 crores have been set apatt for the States; in times of emergency or in times of drought or other

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similar situations the centre can go to the rescue of the States and dole out things. It scans anomalous to me that as long as no norms have been set out in the budget proposals to regulate the conditions on which this assistance is to be given. In the absence of these words one will certainly conclude that there is some sort of political motivation in setting apart Rs. 175 crores for the States. I will give an illustration. All the States have got their own ways of increasing their revenue realisation. Take, for example, prohibition. There are States which have prohibition. There are States which have no prohibition. In Madras there is prohibition, it is a dry State. There are other States /which have no prohibition. They get income from liquor. States which have prohibition and Slates which have no prohibition, both of them demand money from the Central Government. The Central Government, irrespective of their income, doles out money. This really sets me thinking whether it is possible that assistance will be used as a lever to get some sort of control over States, where the composition of the State is not the same as that of the Central Government. That is the reason why I said that in the absence of proper norms, setting apart of Rs. 175 crores is really politically motivated and it will be used not for the common man but for parties. This should be viewed with grave concern by other parties. As regards overdraft, every State has got its own way of getting an overdrafts. There seems to be no limit to the issue of overdrafts through the Resvere Bank. The amount varies from year to year. It is a regular and normal feature of the States to go to the bank for overdrafts. Even those States which really have income from other sources barring prohibition, they have got a way of asking the bank for overdrafts. Not only have they got an extra amount by overdrafts. Apart from the amount of Rs. 175 crores which they have got they indent upon the bank for overdrafts. Every State Government in every part of the country says, we shall now indent and sec that some amount is got. This is the way in which we are doing this work. I would request that this overdrafts should either be curbed or rationalised in a proper way depending upon the contingency ov the exigency or the requirement of the particular Stale.

It is said that the entire Budget is based on social justice. Take, for example, book[1];. Tf they are sent by post, by VPP the charges will now be prohibitive. I think VPP charge is one and a half times the cost of literature sent. Apparently this Government wants people to be ignorant at a time when we want enlightenment, when we want that the people should read.

Many of our friends have given various examples c,f sugar, kerosene and tea. Where there is prohibition, an ordinary man instead of taking arrack or toddy, takes tea. It is a handy substitute. Every second or third hour he takes tea. That is the only food for him. But you can introduce toddy. Toddy has got food value. If toddy comes into vogvie I believe that they will, take toddy. Wherever distilled arrack is removed and every kind ol alcohol is removed, at least toddy can be introduced, which has got a food value. I know that people who have some sentiment'they will not think of it. Coming from a village, I know and I say that toddy has got food value. After all, only 2 to 3 per cent of people drink; 98 per cent do net drink at all. This toddy should come back. That is how I view this.

You know, this morning there was a slight breeze over whether sugar is a poor man's food or a rich man's food. And I should say that sugar has become something like salt—everybody is using sugar now. If excise duty is levied on sugar, its price will increase. I think that it should be withdrawn.

As far as sarlt is concerned, I should say that during the days of the British they were levying a salt tax and getting a large sum of money. For some reason or the other, Mahatmaji wanted that there should be no salt tax because it was the poor man's article of consumption. We ought to levy it now. The circumstances and the conditions under which he advocated its abolition are not there now. We are now a free country. Anyone will offer to pay a pie more or whatever it is that Government asks for salt. So, salt duty should be reimposed.

The Finance Commissions have stated specifically that the agricultural sector has not been adequately taxed. So far as the rural section is concerned, we find that if we tax the agriculturists, everybody is against it and they may not vole, they may vote people out. Though we may not go to the extent of levying a tax on agricultural property to some extent at least we can touch it so that they may also know that they have to pay some tax.

It has to be tackled very carefully. Otherwise, it may lead to the distortion of the economy and the economy is in the doldrums already.

All the States have now presented deficit Budgets. As I have said, if they have presented such deficit Budgets, it is because they think that they wUl certainly get assistance from the Central Government. That is why they have purposely presented deficit Budgets. They will get evetything covered from the^ Centre. Whatever is left uncovered has to be covered only by the Central Governni' nt. That is the reason why they are keeping the Budgets purposely at a deficit.

THE VICE-CHAIRMAN (SHRI-AKUAR ALI KHAN) : You have already taken 15 minutes.

SHRI N. R. MUNISWAMY : My points aie very small. There is no need to warn me at all.

So far as savings are concerned, there are several ways of effecting savings. About the direct taxes, the exemption limit has been increased to Rs. 5,000. The difference is only of Rs. 200. It is not going to matter much. The Bhoothalingam Committee has suggested the exemption limit to be Rs. 7,500. At least you could have made it Rs. 6,ooo or Rs. 7.000. The pittance of Rs. 200 is not going to improve matters at all. It will not help anybody. Then about the people whose income is over Rs. 40,000 their income-tax alone comes to Rs. 23,000 because the slab comes to about 93 per cent or 93 .5 per cent over Rs. J lakhs. Any man who has got an income of Rs. 40,000 has to pay an income-tax of Rs. 23,000 what is he going to save. He can never save, on the other hand, Government effect substantialy the savings in the present expenditure. You are spend-ing large sums of money on several items of activities. If only the Government take some effort to see that the expenditures curtailed, certainly they can save some money to the exent to which they hope to raise money by levying excise duty and other taxes. The grant-in-aid to the Khadi and Village Industry is Rs. 7.71 crores and for the Village Industrial Development it is Rs. 2 .75 crores and the subsidy to Village Industry is Rs. 3.70 crores. All come to Rs. 14.28 crores. Barring this, the cooperative marketing societies, the cooperative credit societies and the cooperative processing societies get about Rs. 2 crores. It all comes to about Rs. 17 or Rs. 18 crores per year.

Now, the object of giving this subsidy or this subvention to all these organisations is to see that they are helped at the initial stage. But for how long can you go on ? From my knowledge, I can say that from 1950 onwards they have been doing ! F these institutions are unable to stand on their own legs after 20 years, how do they deserve to be helped *ad infinitum* ? What efforts have the Government taken to see that all these organisations to whom these subventions or these grants have been given perform their duties in such a way that they ask for no further grants from the Central Government. I can only say that they should stop this forthwith. Till now about Rs. 100 crores a year have been given to various sectors of the cooperative movement through the institutions just as the National Cooperative Development Corporation. Government how apparenly turned a blurred eye to the vested interest there. A major or sizeable- portion of this money-goes into their pockets. The Mirdha Committee in 1965 has gone into the problem of the vested interests and had specifically made various recommendations. They had said that those interests in the cooperative sector want to capture power in the cooperative societies with a view to enjoying the lions share of the societies' services for self, for friends and for relatives.

They wanted to keep themselves in office as long as it was possible for them. The Mirdha Committee suggested that the best way 10 tackle this problem was the enforcement of open membership. Membei ship must be open to everybody and not to ielatives of people in position alone. That committee also put restrictions on the number of oilices a particular person could hold.

Now what happened in the Chief Ministers' Conference ?• They wanted the legislation to be introduced all right to put ?his curb. But excepting one State, j that is, the State of Maharashtra, no State, took any action. And Maharashtra too, though it passed the Act, has riot framed any . rules to enforce it.. For want of rules, the Act has become almost a dead letter.

Now, Sir, you have seen that the Reserve Bank of India has reviewed the co-operative movement. Their statistic s

[Shri N. R. Muniswamy]

do not show that the Co-operative sccto[r] has made progress commensurate with the amount sunk by the Government of India. The Government of India has sunk about Rs. ioo crores. It has not produced results which they wanted to be produced. Therefore, this expenditure of Rs. 114 crores could be saved. On the whole, I should think that about 30 per cent of the marketing societies do not do any marketing service at all. These co-operatives are a daylight robbery. Mr. Kulkarni is not here. He is all for co-operation. The co-operations only look to their own pockets to see that they are enriched. So this is how it is being done. This is another way of getting money from the Central Government. If these expenses are curbed and a check put jn it a saving to the tune of Rs. 113 crores could be made and you can withdraw your levy either in the shape of excise duties or export or import levy or things of that type.

I think I have not taken more than ten minutes.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : You have taken twenty minutes.

SHRI K. P. SUBRAMANIA MENON (Kerala) : What a wonderful watch ?

SHRI N. R. MUNISWAMY : He says I have a wonderful watch. This is his wonderful imagination. There is no watch here. Whatever it is, Mr. Vice-Chairman, on the whole, I should say, she has not helped either her supporters or her critics. She has satisfied none.

There is nothing else to say except that this levy on sugar, tea and kerosene should be withdrawn. Expenditure on the items which I have mentioned should also be stopped. It should be seen that it is not continued *ml infinitum.* There should at least be a check on this expenditure. Thank you.

श्री राजनारायण : श्रीमन्, मैं एक आवश्यक बात की ओर आपका ध्यान खींचना चाहता हूं । आज मैं कलकत्ता जाना चाहता था, मगर मैं आज कलकत्ता नहीं जा सका । मैं यह चाहता हूं कि आप घर मंत्री को यह कहें कि आज कलकत्ता में क्या सिचुएशन हो रही है उसकी जानकारी सदन के उठने से पहले हम लोगों को करा दें ।

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : Mrs. Dang.

श्री राजनारायण : श्रीमन्, आपने मुझको सुना नहीं । मैं आपसे रिक्वेस्ट कर रहा हूं । यह देश का सवाल है ।

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : I have heard you and the representative of the Government has also heard.

श्री राजनारायण : आप यह देख रहे हैं । मजाक तो यह हो रहा है कि कबिनेट रैंक का मिनिस्टर यहां नहीं है, बजट डिसकशन यहां हो रहा है और कैबिनेट रैंक का मिनिस्टर नहीं है ।

श्री शीलभद्र याजी : आप बैठ जाइये, बेकार क्यों बोलते हैं । मिनिस्टर तो यहां हैं ।

श्री राजनारायण : सभी मिनिस्टर कैबिनेट में नहीं बैठते । तो मेरा निवेदन यह है कि बजट के साथ में मजाक न करें । कैबिनेट रैंक का एक मंत्री नहीं है । आज कलकत्ता में पूर्ण हड़ताल है, यहां से हवाई जहाज नहीं जा रहा है । हम बनारस जा कर के लौट आये । कृपा कर के घर मंत्री को कहें कि वह माननीय सदस्यों को, सदन को अवगत करायें कि कलकत्ता की स्थिति क्या है ।

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : I think the Chair has already observed that there should be a Minister of the Cabinet rank during the Budget debate and the Debate on the President's Address. I hope the Government will take note of it.

SHRI R. K. KHADILKAR : Throughout the day one or the other Cabinet Minister was present in the House.

श्री राजनारायण : आप यह देख लीजिये कि चेयरमैन के आदेश का उलंघन गवर्नमेंट करती है । क्या चेयर के डाइरेक्शन को माना गवर्नमेंट ने, क्या एक कैबिनेट का मिनिस्टर रहा । बजट क्या मजाक की चीज है कि कहीं भी बैठ कर भाषण हो जाय । आपके कहने का मतलब क्या ? आपके कहने का कोई अर्थ है ?

कोई कैबिनेट का मिनिस्टर आ रहा है । आप उसको बुलवा रहे हैं । आप कहते हैं कि मैं महसूस करता हूं कि चेयरमैन ने पहले ही कह दिया है कि कैबिनेट मंत्री रहे और कैबिनेट मंत्री यहां है नहीं ।

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : You have drawn my attention.

श्री राजनारायण : मैं आपको एक चेतावनी देना चाहता हूं कि जिस ढंग से आप लोग चल रहे हैं, इस तरह से तो जम्हूरियत की कतरब्योंत कर रहे हैं . . .

श्री शीलभद्र याजी : आपके ऐसे नहीं ।

श्री राजनारायण : इस देश में सभ्य, संसदीय प्रथा चल ही नहीं सकती; क्योंकि गवर्नमेंट के हर फेल्योर को, हर मिस्टेक को, हर मिसडीड को आप चाहते हैं कि न बतायें ।

THE VICE-CHIARMAN (SHRI AKBAR ALI KHAN) : All right. Sit down. Mrs. Dang.

SHRIMATI SATYAWATI DANG (Himachal Pradesh) : Mr. Vice-Chairman, Sir, I have stood to support *Ibr* Budget. I feel that this is one of the Budgets after years which even the small people of India have been looking up and have been seeing certain hopes in the Budget which is before us. There are so many things which I can appreciate in the Budget, But I do not have enough time becuase if I support all these things I will be missing many points which I want to raise just now.

I am pained to see that this Budget does not mention anything about the Statehood of Himachal Pradesh which Mr. Shukla mentioned so many times here; he mentioned here that we are going to get it very soon. I am sure, Sir, it is not a small question. When again and again Mr. Shukla has been giving assurances, something ought to have been mentioned about the Statehood. I just do not know why the Government is not taking a serious view of the whole thing. . .

श्री राजनारायण : श्रीमन्, पौइंट आफ आर्डर । कोरम भी नहीं है । मिनिस्टर भी नहीं है । आप चाहते क्या हैं ? किस तरह से सदन की कार्यवाही चलेगी ? किस रूल की तह में आप सदन की कार्यवाही चला रहे हैं ? किस रूल की तह में सदन की कार्यवाही चल रही है ? मैं आपसे जानना चाहता हूं । आप रूल्स के बड़े पाबन्द हैं, आप बतायें कि किस रूल के तह में सदन चल रहा है । बजट पर स्पीच हो और एक मंत्री कैबिनेट का यहां न हो । कोरम यहां न हो । जिस प्रकार से अब तक यहां सदन की कार्यवाही चला रहे हैं उससे बाध्य हो कर, मजबूर हो कर मुझे सदन त्याग करना पड़ रहा है । इसलिये कोरम के अभाव में, किसी कैबिनेट रैंक के मंत्री के अभाव में जो बजट पर इस सदन की कार्यवाही चल रही है, जो स्पीचेज हो रही हैं, वह अनियमित हुई हैं और मैं आपकी इस कारगुजारी के विरोध में सदन का त्याग कर रहा हूं ताकि यह हमेशा रिकार्ड रहे और इसके साक्षी हों भविष्य में आने वाले कि आज हमारे चेयर में बैठ कर के लोग किस तरह से संसदीय कार्य को चला रहे हैं और सदन का एक मजाक उड़ा रहे हैं ।

श्री शीलभद्र याजी : बैठो, बेकार हल्ला करते हो, कोरम है । बैठो ।

श्रीमती सत्यवती डांग : राजनारायण जी आप तो रोज बोलते हैं, कभी हमको भी बोलने दीजिये ।

श्री राजनारायण : आप महिला है, इसलिये मैं विशेष अवसर आपको बराबर देना चाहता हूं । मैं चाहता हूं कि आपकी बात सुनी जाय, मगर मैं चाहता हूं कि मंत्रियों के बहरे कानों के अन्दर आपकी वाणी घुसे; क्योंकि मनीपुर में जनतंत्र का खात्मा किया है श्रीमती इन्दिरा नेहरू गांधी की सरकार ने ।

श्रीमती सत्यवती डांग : अच्छा आप बैठिये, मुझे बोलने दीजिये ।

I should like to know, Sir, why there is discrimination between the other bolder States and the border State of Himachal Pradesh because whenever Kashmir and Nagaland are talked about they are talked about in a different way, but when Himachal Pradesh is talked

[Shrimati Satyavati Dang]

about we are given only assurances-Absence of any mention about those assurances in the Budget is really painful to the 33 lakhs of the people living in that border area.

Sir, in the Constitution, article 275 has said that special consideration will be given to the people of the border areas and extra money will be spent for these people. I do not see anywhere this privilege being extended to Himachal Pradesh in the Budget. I know how Kashmir is being led left, right and centre. I am very happy about it. I have no grudge about it. But what happens to Himachal Pradesh? Is it because Himachal Pradesh is the most peaceful State that nobody is thinking about it? Perhaps you must have read in the papers that the non gazettecj servants of Himachal Pradesh have gone on a strike. Why can they not be given the same privileges as are given to the government servants of any other border State ?

You know, Sir, that the pay scales of the gazetted or non-gazetted staff of Himachal Pradesh are tagged with Punjab and whenever the Punjab scale was raised, the scale of Himachal Pradesh employees automatically went up. In February 1969 when Punjab raised its pay scales, it was understood that automatically Himachal Pradesh also would do it. Our Cabinet had agreed about it. But it was announced suddenly that the Central Government had decided that it will not be given. I can understand if they had done it from the very beginning. But suddenly the right of the Government servants has been taken away and we canmu even do any thing about it. There are five people who are on a hunger strike, of whom one is in a very serious condition. We are not able to give any assurance because the Govenment here would not let us give any assurance. To-day everybody in that place is asking the Chief Minister to come forward and give an assurance to those people. And what assurance can he give? You can imagine the situation if on the border area we are going to make a Chief Minister such a helpless person when his non-gazetted staff are going on strike. Yet nobody is bothering about it. I do not understand what is the difference in Kashmir. In Kashmir if little things happen, everybody shouts about it. But every machinery in Himachal Pradesh has gone to dogs and yet nobody is thinking of what is going to happen. Sir, I feel very hurt that every time We go through *the* Budget, we see nothing specific about Himachal Pradesh in it.

Sir, I am very proud to say that our Ministers are shifting from big buildings to small ones; and not only third or fourth grade, even sixth grade building has been given to Ministers. They have taken it voluntarily and they are all in flats including the Chief Minister. I de not know whether any other State has done this sort of thing. I do not think any other Chief Minister is living in a flat of three bed-rooms. This question was raised this morning also in the House. After all, this is something that our Ministers have done and I am proud to say that we have done it. So our Stale should be given some consideration on that point.

Now, every time we raise the question of Statehood for Himachal Pradesh, the question of viability is mentioned. Why is this question of viability raised? We haver seen the position *of* all the States. There is no viable State. This is only an excuse. If there had been some mention in the Budget about Statehood for Himachal Pradesh, we could have sa'd to our people "Yes, something is being done". But every time the same excuse of viability is given. And our people are keeping quiet. We by. nature are a quiet people, not like our Bengal where people decide things on the point of gun. We like to do things peacefully.

SHRI A. P. CHATTERJEE : On a point of order, Mr. Vice-Chairman. Why should the hon. lady Member say that the people of Bengal decide things on the point of gun ?

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : You may not agree.

SHRI CHANDRA SHEKHAR (Uttar Pradesh) : Mr. Vice-Chairman, why should he ask the hon. Member? He should ask the Secretary of his party.

SHRI A. P. CHATTERJEE : It is not a fair comment from a fair Member of this House.

SHRIMATI SATYAVATI DANG : My hon. friend can ask the papers about it. I am not saying anything myself. I am only saying what the papers are writing

(Interruptions). We the people of Hima-chal Pradesh have got two big dams and one half dam which is not going to serve anybody in H>machal Pradesh— the Bhakra Dam, the Pong Dam and the other is being brought up by the U.P. Government. We are ready to make sacrifices for others, but every time our State is pushed back. I would like to bring to the notice of the Prime Minister through you, Sir, that we had been anxiously looking forward to seme mention of Statehood in this Budget because last time Mr. Shukla bad said "We want to give full-fledged Statehood to Himachal Pradesh a.* sooi as we can do it."" If this year is not "soon", I do not know when that "soon" will come about. Now, we have this Pong Dam and the Bhakra Dam. The dams are constructed, but the problems of the oustees are never considered. It should be taken as a part of the project as to where the oustees are going to stay, how much they should be paid and so on. It is so many years since the Bhakra Dam was completed, but the people have still not been rehabilitated. Many of them are living in the jungles, where they have put up a little house, and working on the ror.d. Is this the way we are going to deal with these people who had given their irrigated land for the country? This country must think aboui these people who are uprooted from their homes. Now more than ii lakh poop'e are being uprooted because of the Pongdam. But there is no provision for them in the Budget, neither in this Budget nor in the Budget of Rajas than. Where are these people going to stay? If they approach the Rajasthan Government, they say "Go and talk to the Prime Minister". So I say that people who work for the country should be given some consideration. Nobody is looking after these people. The dam is completed and water will sta^t filling in soon. And you will be surprised to know that even drinking water is not there where they will start living. They have made small dinghies where they put water once a week. But the people from the hill area—who com:; to the plain area— cannot drink that waicr. Last time when Mi. Rao went to see the place, the official of that place showed tu'm dinghies which were made for the. officials.s Is this how we are going to be treated? At the time you make the scheme, you should plan the rehabilitation of the oustees also. Otherwise, they do not seem to belong to anybody. Now they do not come under the purview *ot* Himachal Pradesh. The Centre says that it is for the Rajasthan Government to do something and the Rajasthan Government says "We have no money." Of course. Dr. Rao and the Prime Minister are looking into the case, but how long will it take? Only 250 families have been settled. There is no hospital, there is no school, there is no dispensary and there is no drinking water arrangement. What are they going to do about it?

As I said before, we have not got the right to increase or decrease or decide about the pay scales of our Government ants. So, if they cannot give this pay scale which is the right of the Govern-in :JH Servants of Himachal Pradesh where more than 50 per cent of them have come from the Punjab and Haryana area, I would request the Government to lei us have Statehood and let trs decide our own pay scales. Our Government servants will be happy about what we can do for them. We can give it from our other things. We can go with some difficulty, but the right of the employee* should be given. Otherwise, what is the great idea of keeping us a Union Territory and starving us? The two things do not go together.

Another thing that I would like to bring to your notice—as I did in my Budget speech last time—is that Lhe same yardstick is applied for the whole country, whether it i> hills or plains, and litis becomes very difficult for us. Now, ir-rigation schemes have come to the top. I am glad that they have put it at the top in other places. But what are the hill people to do with so much of irrigation schemes? We need more roads than irrigation. In the hills irrigation is either by gravity flow, which comes from' three or four miles away from that place, or it has to be lift irrigation. And " " both of them are very expensive. Under its scheme* the Government of India alway> says you have to irrigate so much of land for so much money. I would like to tell you that in the hills a little bit of portion that may be there between big lulls is all that we can probably irrigate. And with the money that is given to us by the Government of India we cannot manage at all. You say that the supply of drinking water

[Shrimati Satyavati Dang] should be given top prieiity. But we cannot really do the job with the amount of money that is given to us. That" is why I say that particularly in the case of hills the yardstick for giving assistance should be completely different. If we have to be self-sufficient which we have learnt after a great struggle with our friends, Punjab and Haryana, when they starved us, we have to produce all our things ourselves and we are trying to do that. In the case of irrigation if you ask us to do like other States, then, you have to change the scale; otherwise, we cannot complete our irrigation schemes. For lift irrigation I do not mean that we have to dig tanks because we cannot do that. But we have got nullahs which are very deep and from where we have to pick up water. So, the scale of assistance has to be revised for us.

I feel very strongly that in the hills the first preference should be given to building roads because without them we cannot reach places. If you grow anything in the remote areas, we cannot bring it to the market. In the plains if you do not have roads, it does not matter at all- It does not make much difference. You can go through the fields there. But in the hills you cannot have such facility. You cannot go anywhere unless you have got roads. So, we have to have a different thinking about it. In the plains you can build a mile of road with Rs. 35,000 to Rs. 50,000 whereas in the hills it costs between Rs. 3 and Rs. 5 lakhs to build a mile of road. If you start saying that because Delhi has been given so much for the construction of roads, Himacha' Pradesh also will get only so much, we will not reach anywhere. In Delhi you can just collect earth and make a road whereas in Hima-chal Pradesh we have to cut big rocks. Therefore, I suggest that in future when a Budget is made, consideration should be given to all these, factors. Last time also I stressed this point. And I am proud to say that out of all the hill places we are the most forward because we have spent a lot of money on the construction of roads. I have visited the hills of neighbouring State, Utter Pradesh, once. I could find hardly any roads there. They have constructed very few roads in Uttar Pradesh hills because they do not seem to consider roads that important. But only we, the people of the hills, know how important and necessary the roads are.

Sir, I will not take much of your time now. I would request the Government to grant Statehood to Himachal Pradesh soon. And if the Government later on considers it necessary, it can grant Statehood to other Union Territories also. Himachal Pradesh has got a bigger area than the Punjab, Haryana and Kerala. *(Interruption).* Nagaland does not count anywhere at all. Sir, I would like to repeat that in the absence of Statehood to Himachal Pradesh, we are not able to revise the scales of pay of our employees and in other respects also we are experiencing difficulties.

With these words I conclude, Sir.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : The House stands adjourned till 11 A.M. tomorrow.

The House then adjourned at five minutes past six of the clock till eleven of the clock on Wednesday, the 18th March, 1970.

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