

A.I.C.C. ECONOMIC POLICY RESOLUTION

493. SHRI C HITTA BASU :
SHRI FAJENDRA PRATAP
SINH \ :
SHRI KRISHAN KANT:

Will the PRIME MINISTER be pleased to state :

(a) whether the attention of the Central Government has been drawn to the resolution on the economic policy adopted by the All India Congress Committee; and

(b) if so, what action Government propose to take for its implementation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. C. SETHI): (a) Yes, Sir.

(b) The broad objectives are to an extent reflected in the draft of the Fourth Plan. Since the publication of the draft, Government have taken further specific and significant measures in the light of the economic policy resolution adopted by the A.I.C.C. in July, 1969, such as the nationalisation of 14 major commercial banks. The State Governments have been asked to implement expeditiously and more effectively Land Reforms legislation. Some decisions have been taken on imports of industrial raw materials through public agencies. A Bill is pending before Parliament to eliminate Monopolies and curb restrictive practices. A Committee went into the question of industrial licensing and the industrial licensing policy is being reviewed in the light of its report. Government have also recently imposed a ceiling on remuneration to managerial personnel in public limited companies. Mention may also be made of the decisions recently taken by the Committee of the National Development Council of State Chief Ministers to assist in the establishment of industrial units in backward areas. The lending policies of the public financial institutions are also being oriented towards that end.

Various other questions, such as the imposition of ceilings on urban incomes and property, and connected issues, are under close and active examination. The fourth Five Year Plan, now being finalised, will naturally take into account the decisions which Gov-

ernment have recently taken, or may take hereafter in connection with the implementation of the Economic Policy Resolution.

TAX ON AGRICULTURE

494. SHRI DEVI SINGH: SHRI K. C. PANDA : SHRI S. S. MARISWAMY: SHRI M. RUTHNASWAMY:

Will the PRIME MINISTER be pleased to state:

(a) whether the Fifth Finance Commission has made any recommendations regarding tax on agriculture; and

(b) if so, the details thereof and the decision of the Government of India in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. C. SETHI): (a) Yes, Sir.

(b) In their report, the Fifth Finance Commission have emphasized the need for raising adequate resources from the agricultural sector, particularly from that section of the rural population which has benefited in recent years from the increase in prices and the implementation of various development programmes under the Five Year Plans. Among the measures suggested by the Fifth Finance Commission are a comprehensive and effective income-tax on agricultural income, surcharges on land revenue in respect of large holdings and levy of crop taxes at differential rates.

Taxation of agriculture is a State subject under the Constitution and it is for the State Governments to consider the action to be taken on the suggestions of the Finance Commission. On their part, the Government of India have from time to time been advising the State Governments to take steps to raise adequate resources for their Plans both from the agricultural and the non-agricultural sectors.

PENSION AND GRATUITY CASES

495. SHRI M. V. BHADRAM : Will the Minister of HEALTH AND FAMILY PLANNING AND WORKS, HOUSING AND URBAN DEVELOPMENT be pleased to state :

(a) the number of retired employees of his Ministry whose cases of Pension,