

**SHRI BHUPESH GUPTA:** Before the mid-term elections again and again Mr. Desai, Mr. Chavan and Shrimati Indira Gandhi made it a point that it would be seen in the elections whether the people supported the Government employees' demand for a need-based minimum and the struggle for that. Now the verdict of the electorate has come by the routing of the Congress in most of the States. We are entitled to ask this Government whether on that particular important vital national issue the Government is going to respect the verdict of the people or is it going to defy it?

**SHRI MORARJI R. DESAI:** The hon. Member is wrong in his statement that either the Prime Minister or the Home Minister or myself had said that we will wait and see in the mid-term elections as to what is going to happen. We never said that. Therefore that kind of thing does not arise at all.

**SHRI BHUPESH GUPTA:** He is distorting.

**SHRI T. V. ANANDAN:** Was not the attention of the Government drawn to the fact that the economists of our country analytically and statistically stated during last September that the need-based minimum in this country would be somewhere between Rs. 200 and Rs. 220? If the Minister does not have the finances to implement this, may I bring to his notice that about Rs. 673 crores are there as arrears of Income-tax and if they are collected, this could be met.

**SHRI MORARJI R. DESAI:** The hon. Member still lives in his own ideas. It has been explained that it is not Rs. 673 crores that are arrears of Income-tax.

#### ALL-INDIA ECONOMIC CONFERENCE

\*159, **SHRI LOKANATH MISRA:**†

**SHRI K. C. PANDA:**

**SHRI M. K. MOHTA:**

**SHRI S. S. MARISWAMY:**

Will the Minister of FINANCE be pleased to state:

(a) whether the All-India Economic Conference was recently held in Hyderabad;

† The question was actually asked on the floor of the House by Shri Lokanath Misra.

(b) whether the Deputy Prime Minister in his inaugural address at the conference stressed the need of formulation of resource based plan; and

(c) if so, what are the details in this regard?

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

(b) and (c) In that speech attention of the economists was drawn to the urgent need of tackling some major problems like enlarging internal resources for development, the problem of accelerating our progress towards self-reliance, the question of creating necessary managerial and organisational capability in the country and what can be done to put us back on a progressive trend in regard to the rate of saving in the economy.

There was no reference to the need of formulating a resource-based plan in the speech.

**SHRI LOKANATH MISRA:** May I know whether the Finance Minister has already any commitment regarding the foreign resources to be made available for the Fourth Plan or is it still in a nebulous stage?

**SHRI MORARJI R. DESAI:** The Fourth Plan is being framed and it will be before the House in course of time.

**SHRI LOKANATH MISRA:** In view of the Government of India's inability to go ahead with the Five Year Plan because of paucity of resources, whether external or internal, does the Finance Minister feel that it would be desirable to allow the private sector to mobilise the internal resources through the corporate sector and go ahead in that particular sector with industrialisation and agricultural plans if that is possible and to what extent, the Government would be able to help in the revival of the capital market in that regard?

**SHRI MORARJI R. DESAI:** I do not know how these arise from this particular question but I may tell my friend that the capital market is reviving.

**SHRI M. K. MOHTA:** Sir, may I ask the hon. Minister whether while formulating the Fourth Plan note would be taken

of the resources already available in the country in the shape of unutilised manufacturing capacity and whether full stress would be laid on fuller utilisation of the resources that are already at our disposal?

**SHRI MORARJI R. DESAI :** This is a truism; this is a point to be taken note of.

**SHRI BHUPESH GUPTA :** We have a very paradoxical situation. According to me the capital market is reviving but the stocks of the Congress are falling. Now I should like to know how is it that suddenly the basic understanding of the Plan is changed from one of laying down physical targets and developmental priorities to that of a resource-based approach. Here is an attempt to blackmail the people, as Mr. Morarji Desai is trying to do, by saying that unless they agree to a scheme for heavy taxation and also to bear economic burdens, the planning will not be advanced, the Plan will be curtailed and developmental projects would be given up. Has it any connection with the scheme of the Central Government that in the Fourth Plan period there should be additional taxation of Rs. 4,000 crores the States' share being Rs. 2,500 crores, which the States have said they are not in a position to mobilise. I should like to know why this change in the basic outlook and approach in the matter of planning is being brought about in this manner with a view to imposing more taxes on the people while leaving the monopolists free.

**SHRI MORARJI R. DESAI :** I see that the hon. Member is getting fonder and fonder of me; that is what I see and I am very thankful to him for that, for devoting all this attention to me. But he has forgotten what I have said here in reply to the question. It has been said by my colleague that I had not made any mention of a resource-based Plan in that meeting. And still he is harping on the same thing again, but then he also forgets that, whatever may be our needs, ultimately they can be satisfied only if we have resources. Therefore, ultimately resources have got to be found; without that you cannot do any plan.

**MR. CHAIRMAN :** Mr. Kulkarni.

**SHRI BHUPESH GUPTA :** He does not seem to know economics. On this matter

he said I was getting more fond or fonder of him. I hope he will not appoint me his Private Secretary anyhow. But all that I wanted to know from him was this.

**SHRI A. G. KULKARNI :** Whenever you call me he gets up and puts questions.

**SHRI BHUPESH GUPTA :** Is it not a fact, Sir, that the more you have developmental activity Public-sector projects, reorganisation of agriculture, and so on—the more the capital formulation and hence the resources, and the more you curb the monopolists and other exploiting classes, the greater access you have to the accumulated resources of the country. Our Finance Minister does not understand even this simple economics.

**SHRI MORARJI R. DESAI :** This Government has not yet accepted the philosophy of my hon. friend.

**MR. CHAIRMAN :** Mr. Kulkarni.

**SHRI LOKANATH MISRA :** Before that, Sir, I wanted an explanation from the Deputy Prime Minister. He is not categorical about one thing. All the national newspapers in the country have published it, have published that he said that what was needed for the country was a resource-based Plan. And he now says that he did not say that. Can it be that all the newspapers published a wrong report? So the Deputy Prime Minister is giving a wrong impression.

**SHRI MORARJI R. DESAI :** The hon. Member seems to be waking up very late. When he first asked he did not mention this. He is now bringing in what the newspapers had allegedly published. Let him show me the newspapers in which this report is published.

**SHRI A. G. KULKARNI :** Sir, in this conference a mention was made for increasing the savings' ratio in this country which has fallen. The domestic savings ratio should have been increased to 10 to 12 percent of the Gross National Product. In this connection what positive steps does the Deputy Prime Minister propose to take in this year so that the savings' ratio can be increased?

**SHRI MORARJI R. DESAI :** Let us wait for the Budget.