

**THE BUDGET (GENERAL), 1967-68—  
GENERAL DISCUSSION—Contd.**

SHRI DAHYABHAI V. PATEL (Gujarat): Madam, Deputy Chairman, at the outset I wish to draw your attention and the attention of the House to a very long-standing practice that we have given up this time, it may be that because of the elections we got both the Budgets for discussion one after the other. We have just finished the Railway Budget yesterday and today we are embarking on the discussion of the General Budget. It has been the practice all the time that one of the Budgets is discussed first in this House and then in the Lok Sabha. I do not know for what reason, either because of the change in the Congress Whips or because we are having the session in the middle, not according to the normal schedule of Parliamentary working, it has been given up. I would request the Finance Minister and, through him, the Government to restore the practice that one of the Budgets should be first discussed in this House. Today it seems we are at the fag end of the Budget discussions. When both the Budgets have been discussed in the Lok Sabha already, we have finished with the Railway Budget, and the main Budget comes up for discussion here today.

Madam, I am, along with many others, disappointed at the Budget, particularly after the high hopes that we had entertained in our mind when we heard of the 1.6-point programme of the Finance Minister and his suggestion that there should be 10 per cent reduction in spending so as to help to bridge the Budgetary gap. Perhaps if this suggestion of the Finance Minister had been carried out by the Government, additional levies that have been raised would not have been necessary. Credit I am prepared to give to the Finance Minister for his presenting a balanced Budget after a long time.

There are a number of welcome features in the Finance Minister's

proposals such as priority treatment to certain industries like the hotel industry, provision of depreciation on enhanced cost of plant and machinery consequent on devaluation, tax incentives for new industrial undertakings for employing displaced persons or repatriates and provision of the rehabilitation allowance equal to 60 per cent, of the terminal allowance for revival and reconstruction of industries damaged by natural calamity, fire, etc. He has also made the atmosphere more congenial for amalgamation of uneconomic units. There are also some provisions to simplify tax collections. The attempt at promoting better understanding between the States and the Centre for providing larger financial assistance to the States is a move in the right direction.

Although these measures are welcome, they are only of a marginal nature, perhaps, like a little sugar-coating. But the most important problem is one of taking the country out of economic stagnation. Few will deny that the country at the present juncture is facing an economic paradox. On the one hand, there is inflation and on the other, it is accompanied by recession. If one peruses over the past few years he will find that from 1955—65, it was a question of aggregate demand rising faster than the aggregate supply. However, during 1966-67, it has become a more complex phenomenon. Prices are rising because output in several sectors has been falling faster than the demand. Thus judging from the price line there is inflation. But judging from the fall in output and idle capacity there is recession. It cannot be said that the Finance Minister has not understood the problems. In fact, the analysis that he has made in the 1st Part of the Budget proves beyond doubt that he is aware of the complexity in the economic situation.

But the question is whether his Proposals are calculated to tackle the basic problems of the economy. Has

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he touched the critical points of the economy? Has he given production-orientation to fiscal and monetary policies? Are there built-in devices to control the prices in the proposals made by the Finance Minister? Is there anything which will induce confidence in the entrepreneur to take even reasonable economic risks? Do the proposals help increase individual savings? I am at a loss to say that many of these questions remain unanswered. On consideration I am inclined to think that some of the proposals in the Budget are likely to encourage evasion of taxes.

So far as the agricultural sector is concerned, I do not know what is there in the Budget to give a boost to increased output. So also what is there to activate the capital market? The Finance Minister has provided Rs. 10 crores for the finance corporations for financing private sector projects.

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI R. DESAI): That is additional.

SHRI DAHYABHAI V. PATEL: That is additional. At the outset this is a very small amount. Secondly, I would like to ask what is the sense in undermining the capital market on the one hand and then taxing the public and channelising the resources to Government-financed institutions for being ploughed back to the private sector. We have a mixed economy where private sector has to thrive side by side with the public sector. The private sector is not a second rate citizen. There is no sense in spoon-feeding the private sector. It should be made self-reliant and self-sustained. Let the private sector stand on its own feet.

I do not understand why the Finance Minister has not chosen to implement his own sixteen-point programme in parts at least. Frankly speaking, there is nothing in the

Budget to revive the capital market. No doubt he has announced a few reliefs to the tune of Rs. 5 crores in direct taxes. But they are not adequate. For instance, exemption of dividend income to the tune of Rs. 500 alone from taxation can hardly contribute for vitalisation of the capital market. He could have raised at least the exemption limit to a much more reasonable level. The surcharge on unearned income limit has been raised from Rs. 15,000 to Rs. 30,000. To the extent it goes it is welcome. But what is absolutely necessary is to wipe out the distinction between earned and unearned income. The continued insistence on this subtle distinction would only discourage investment. He could have certainly rationalised the dividend tax further to give a psychological satisfaction to the investor. Broadly speaking P.M.'s long-term objective of creating a suitable investment climate for short term and long term can hardly be achieved by such half-hearted reliefs.

Coming to the question of holding the price-line, the general price-index has risen by nearly 46 per cent in the last three years. This has created uncertainty about the future, depressed savings and created an unrest in the country. It is, therefore, imperative that the Budget should have devised fiscal means to stabilise the prices. Unfortunately, the Budget fails to attack the inflationary pressures. The non-productive expenditure of Government, both Central and State, has increased phenomenally. One of his sixteen points was to effect a 10% cut in all the expenditure of Government including investments and that too within four months. The 16-point programme also envisaged a cut of all expenditure on Community Development, a drastic reduction in social expenditure and a drive for economy in regard to the use of coal in the Railways and building materials in the P.W.D. The Budget is almost silent on all these

issues. Of course, the Railway Ministry, which is a separate Ministry, also came up with a deficit budget. I do not know whether the Railway Minister would take the cue or had adopted the sixteen points of the Finance Minister and had advised economy on that. But his Ministry itself could have given specific reliefs if there was a saving. The Central exchequer used to get a large sum from the Railway Ministry which we miss this time. On the other hand, the Budget provides for an additional expenditure of Rs. 169 crores as compared to the Interim Budget. Even if the expenditure had been maintained at the same level as in the Interim Budget, there would have been a surplus of Rs. 101 crores, without resorting to additional taxation. This itself would have gone a long way in reducing the general demand in the economy and restraining the rise in prices. This is only the minimum that the Finance Minister could have done.

Strangely enough, some of his measures are bound to increase the inflationary pressures. Take, for example, the excise duty on tea, coffee, footwear, cigarettes, petroleum products, rayon and synthetic fibre, rubber goods, aluminium, etc. These are expected to bring in a revenue of about Rs. 115 crores. No doubt, the Finance Minister has stated that the incidence of excise duty will not be allowed to be passed on to the consumer. He assured the House that as and when it is found that it is being passed on to the consumer, he would devise suitable measures to counteract the tendency. But I do not know whether this assurance can be implemented. The assumption that excessive profits are being made by manufacturers and they must be mopped up is yet to be supported by proper data.

To me it appears that the cost of the budget of the common man will go up; so also the cost of production of quite a large number of items. The Minister has considered it absolutely

necessary to put up the excise duties either from the point of view of revenue or exports. He ought to have balanced the incidence at least to some extent by reducing the excise duties on some other special item\* like vanaspathi oil and sugar. That would have created a psychological atmosphere that Government was serious about price stabilisation.

Generally speaking, ours is a developing economy characterised by a large but weak agricultural sector. Growth without inflation necessitates not only establishment of equilibrium between the aggregate demand and supply but also between industries, essentially a re-adjusting process in that direction. It is logical that further substantial development outlays should be deferred until the equilibrium<sup>1</sup> is restored.

Since 1965-66, industrial growth has lagged behind agriculture. In 1966-67, industry expanded by 2.5 per cent against a substantial increase of 5 per cent in agricultural output. There is need for increased industrial output in the current year at a much faster pace. This increase can be brought about not only by reducing indirect taxes but also by giving certain fiscal incentives.

The Finance Minister indicated that he was keen to simplify the tax collection procedure. However, in the bargain, a new procedure has been introduced which will make the position of a large number of assessee very difficult and anomalous. This is a recurring formula. Every time a new Finance Minister comes, he has new ideas of simplification of taxes, but the new process of taxation always brings in some new complications and the assessee is more or less where he was, except that he has to fill up a new sort of form in a more complicated manner. I wish the Finance Minister would really do something about simplifying the process of taxation and the taxes. By that, I think, Government would get better returns

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and it would be simpler for the asses-se&g also.

Now the reference is to the requirement of deduction of tax at source which has been extended to interests on loans and deposits, fees for professional services and brokerage and commission. It has not been appreciated that the fees or professional services and brokerage and commission are gross incomes for the recipients, a major portion of which goes away in expenses. In some cases,

such as discount for wholesalers, retailers, etc., these commissions are notional and are by way of straight reduction in prices. To treat these at par with dividend incomes or salaries is not correct.

The Budget does not give any clear picture of the monetary policies that are going to be adopted. There is no mention as to how the credit required by the business will be made available. The Reserve Bank's restrictions on credit are hampering the productive mechanism. I fear at present the Reserve Bank of India has almost become a department of the Ministry of Finance. It ought to have greater autonomy. And its credit policy and its relations with the State Governments should be governed by national interest rather than by budgetary operations of the Government. At present what happens is that the budgetary lapses are attempted to be made good by monetary charges which apply mainly to the private sector. This creates an imbalance in the financial structure and it leads to wastage of national resources.

I am sure the Finance Minister will give due consideration to these suggestions. According to the latest food reports, we will have a bumper crop. I doubt how far this is true. If this were to come about, then the Finance Minister will be in a better position to come out once again in the Winter Session of Parliament with a budget of incentives.

In the Economic Survey and part I of the Budget speech, of the Finance Minister, Mr. Morarji Desai, a comprehensive picture of our economic situation is given. This is characterised by five main factors: food shortage, steady rise in prices, slackness in industrial activity, adverse trends in exports and long-term growth. These factors, no doubt, sum up the present economic crisis. But do the Budget proposals provide an adequate remedy? Will the Budget hold the price-line? Will the Budget revive the capital market and industrial growth generally? Will the Budget help greater export promotion? It is in terms of these questions that the Budget has to be assessed.

The Budget for 1967-68 shows a nominal surplus of Rs. 0.85 crores. The surplus on Revenue Account after taking into consideration the yield of Rs. 67.71 crores from additional taxation for the current year (excluding the State's share of taxes) will be more or less fully absorbed by the deficit on Capital Account. The additional taxation of Rs. 67.71 crores for the current year is made up of "Excise, Customs, States' share of Excise Duties, Additional Tax Revenue and Postal charges. Apart from the additional taxation in the General Budget and the increase in postal charges. Government will make an additional draft of Rs. 38 crores from higher railway fares and freight rates. Altogether in the current year, *i.e.*, next ten months, the additional drawal by Government from private income will be Rs. 126 crores. The general price-index rose by as much as 46 per cent, in the last three years. This has created uncertainty about the future, depressed savings, and created a situation of unrest in the country. It was, therefore, imperative that the Budget should have devised fiscal means to stabilise prices.

It is however, regrettable that the Budget fails to attack the inflationary situation which has emerged from past

fiscal lapses. Non-productive expenditure of Government—both Central as well as State—has increased phenomenally. In the present Budget, the Finance Minister should have taken opportunity to reduce expenditure or at least prevent any increase in Governmental outlays.

The Budget as presented provides for an additional expenditure of Rs. 169 crores compared to the Interim Budget. This will be financed to the extent of Rs. 101 crores by economies on other items like subsidies, Defence, and greater receipts on account of foreign aid and Railways. The next additional burden will be of the order of Rs. 68 crores. If expenditure had been maintained at the same level as in the Interim Budget presented in March 1967, the Budget will have shown a surplus of Rs. 101 crores without resorting to any additional taxation. This itself would have gone a long way in reducing general demand in the economy and restraining the rise in prices. This is only the minimum that the Finance Minister could have done. It had been suggested earlier that even in the interim Budget provisions a savings of the order of about Rs. 600 crores could have been made without impairing our productive capacity. This would have even helped some reduction in the level of taxation and thus stimulated saving and capital formation. Unfortunately, the Finance Minister has not observed that much fiscal discipline as was called for under the circumstances. As such, it is unlikely that the price situation will improve if the kharif crop does not turn out to be very good.

The Budget, in fact, will induce some increase in prices. The excise duties on tea, coffee, footwear, cigarettes, petroleum products, rayon and synthetic fibres, rubber goods etc., are expected to yield an additional revenue of Rs. 115-5 crores in a full year. Some of these items are of daily consumption by the common man. Others go in production and as such additional excises will raise the cost of final output. The result will be that the

daily budget of the common man will come under pressure. If the Finance Minister had considered it absolutely necessary to put up these excise duties either from the point of view of exports or revenue he ought to have balanced the incidence, at least to some extent, by reducing excise duties on other essential items.

One of the greatest failures of the Government, is the public sector undertakings. In the 2nd Report of the Public Sector Undertakings, for instance, it has been pointed out how expansion programme of Hindustan Insecticides was held up due to non-availability of foreign exchange, while scarce foreign exchange resources were being utilised for the import of end products.

The 22nd Report has criticised the slow progress made in the establishment of synthetic drugs and antibiotics and surgical instruments.

The India, Drugs and Pharmaceuticals and Chemicals Ltd. have based their prices on the existing market rates. The PUC has observed that this is not correct, especially in view of the fact that one of the objectives of the IDPL was to supply life saving drugs to public at reasonable prices.

The 31st Report has referred to considerable delay in planning and setting up of alloy steel projects. It has also pointed out how the coal washeries of the Hindustan Steel Ltd. were not operating on commercial lines.

The cost of production of steel ingots at Rourkela according to the 11th Report is higher than in other steel plants. There is no strict control over cost especially in respect of raw materials.

There has also been excessive employment of manpower in a number of these undertakings.

According to the 11th Report as against the project report estimate of

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6,800 persons in the Rourkela Steel Plant, the number actually employed was 24,000 at the end of 1964. Even taking into account the staff employed in the various departments which were not included in the project report, the staff strength is more than double of that provided in the project report.

There have been frequent revisions of the capital cost of the various projects. For instance, in the case of Rourkela the original capital cost was estimated at Rs. 128 crores in 1955 and as per the latest review in 1963 it was Rs. 230.48 crores.

The public undertakings are not, generally speaking, adequately cost-conscious. For instance the total capital outlay on township of public undertakings is of the order of Rs. 290 crores, and this constitutes about 11 per cent of the total investment of the projects. The incidence of cost of township on cost of production is considerable. In the case of Hindustan Steel Ltd. the incidence of capital cost of township on one ton of steel ingot capacity is Rs. 120.

According to the 18th Report of the PUC much avoidable expenditure had been incurred in providing these facilities and there is scope for economy. In the absence of proper norms and standards, the scales of accommodation have been on the high side. The layouts of the township sprawling over a wide area have resulted in high expenditure on water, power and sewerage and maintenance. In many cases houses have been built in excess of requirements. It is necessary that such expenditure should be curtailed and kept down to the minimum.

While we are facing such an economic stringency, I am surprised that the Government is still thinking in terms of a car project in the public sector and a tractor factory also for which large sums are being paid out for project reports to various foreign firms. When we have got several plants for cars, when we have got a few factories for making tractors in

the country, j.; it necessary for us to go out again and pay large sums for project reports? I understand that crores of rupees have been paid out. Lakhs are paid out for project report alone, which by itself, constitutes a large drain on our foreign exchange resources. Have we not got enough experience in the country itself, with these plants and their engineers, to take their advice and try to save on this? On the one hand, we have the spectacle of our plants, be they in the public sector or in the private sector, not being fully utilised, their large capacity idle, which should be utilised if the plants are to run economically if we are not planning for national waste. On the other hand, is it necessary to multiply plants, when the existing plants have not got enough work for the capacity for which they are created? This is a matter which I hope the Finance Minister would give serious consideration too, because it is most economical to run a machine all the time and anyone who runs a machine will tell you. That is why the factory owners are willing to run their factories on overtime and run for three shifts but if the plants lie idle and their capacity is not utilised, even the day-time capacity is not utilised, it is a large drain on our national resources. Something must be done to stop this drain when we are in this financial mess-'.

I am sorry the Finance Minister's speech, part of which I heard him delivering in the other House, did not promise much relief by his Budget proposals. I would still appeal to him to consider the economic situation and what the poor man feels. He is of course thinking in crores of rupees but what does the average man in his home, in his hut, the average man who earns about Rs. 100 or Rs. 150 a month, think of his Budget when he sees the prices rising so much? What does the ordinary middle class man think? People employed in cities, in factories, in companies, drawing 300 rupees or 400 rupees or 500 rupees, what happens to their budget if there are inroads into it by taxes, as a result of

the excise duties? The Finance Minister assures us that he will see that the prices do not rise. Have we not heard of such assurances in this House before? And what has been the result of them? More controls and more corruption. Therefore, the proper way is not to enforce measures which lead to these evils, and I would appeal to the Finance Minister to reconsider his proposals in this light and give us something at least that will set right and give an impetus to industry and enterprise in this country.

THE DEPUTY CHAIRMAN: Mr. Mathur, you would not mind if I call Mr. Banka Behary Das. Mr. Das, would you like to begin now or after lunch?

SHRI BANKA BEHARY DAS (Orissa): At 2.30.

THE DEPUTY CHAIRMAN: Then the House stands adjourned till 2.30 P.M.

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

The House reassembled after lunch at half-past two of the clock. Tins VICE-CHAIRMAN (SHRI M. P. BHARGAVA) in the Chair.

SHRI BANKA BEHARY DAS: Mr. Vice-Chairman, Sir, when I was hearing Mr. Morarji Desai making his speech on the Budget in the other House, I was thinking of a drowning man who, in mid-stream, did not know in which direction to move. I won't describe this Budget as a status quo budget; I would rather say that it is an anti-people budget, because in a developing economy there is nothing like *status quo*. The problems are overwhelming; either you are to move forward, or you are to go backward. We know that in this country the population is growing at the rate of more than 2 per cent in a year. Therefore, we cannot afford to rest on our oars. We will have to create a situation in the economy for the better, and our budgets should conform to

those ideals so that, within a very short period we reach a stage where we are in a position to see that the economy is self-reliant or self-generating. That is why I am saying here that when Mr. Morarji Desai made his Budget speech I felt that he was like that drowning man and did not know in which direction to move. In the planned economy which we have accepted, the annual Budgets are just like milestones, and for moving in the proper directions we should first fix up what our objective is, whether we call it a socialistic pattern of society, or a welfare State. We will have to decide once for all in which direction we are to move, and the annual Budget is nothing but a milestone in that direction.

Sir, I would say that in this Budget the only promise that he has made to the Indian people is that he is not going to resort to deficit financing. Except for this silver lining—provided he accepts it seriously and implements it—I do not think that there is anything which he has contributed to this Indian nation. Only by stopping deficit financing you are not going to create a condition in the economy in which we can have the stage where the economy will have a take-off. Sir, the very method of creating a balanced Budget will belie whatever expectations the Indian people have because, just to create a balanced Budget, he had to increase the excise duties on most of the essential goods which determine, to a certain extent, the standard of living of this nation. Sir, here also I want to remind him that though in the first part of his Budget speech he has given a graphic picture of the maladies under which we are suffering—because of the policy of this Congress Government over the last twenty years—he only relies upon the weather so that this economy can have a better day in future. Throughout his Budget speech, he has given more emphasis on this weather, and also, only two days back, when he was replying in the other

[Shri Banka Behary Das.] House—which I had the opportunity of reading—in that very text, he again relied upon the weather conditions of this country. Any Government which believes in planned growth cannot rely upon weather conditions to that extent. If even after twenty years of independence this country has not been in that position in which it could, at least to a certain extent, be free from weather conditions or vagaries of the monsoons, then this Government has no justification to exist. Whether our ideal is socialism or whether our goal is a welfare State, we will have to create a condition where there will be price stability along with a certain amount of escalation of the income in the society. If the income does not go up and there is not the condition of price stability, then the standard of living of the people of this country will never go up, and we will be in the whirlpool of prices chasing incomes, and incomes chasing prices. In that vicious circle we have already landed ourselves, because this Government has no positive economic and social policy of this nature.

Sir, if I quote figures, then you will see. The per capita income at the 1948-49 price level was, in that year, *Us.* 249.60, and in 1965-66, just when the Third Plan was going to be over, the *per capita* income went up to only Rs. 298.30. It means that even after the Third Five-Year Plan, on the basis of the price level of 1948-49, we have not been able to provide at least one rupee income per day *per capita* to the people of this country. I am not saying that we have not provided anything to the lower sections. Even if you calculate the wealth and the income of the richer sections of the society, then also you will find that this Government has not been able to provide even one rupee per day to the people of this country.

Sir, if you again go through the picture, you will see that during the First Five-Year Plan period **the**

change in *per capita* income was 8.2. and during the Second Five-Year Plan period you will find that the change in per capita income was 9.5, and during the Third Five-Year Plan period it came down to 1.70. From this it is evident that, in spite of an investment to the extent of Rs. 20,000 crores in the economy during these three plan periods, we are still depending to such an extent upon the weather and the monsoon that, during the Third Plan, because for consecutive years the monsoon did not play fair with us, the per capita growth per *l enl* during the Third Plan was reduced to 1.7 pnnually. Sir, this clearly shows that though we say that we are living in a planned economy, actually we have no plan here, because planning does not mean how to gather resources, planning does not mean that when you require any resources, you have some taxes on coffee or tea or footwear. Planning always means a method in which you want to have the resources, the direction in which you want to spend, and also it means that you should evolve certain methods by which you control the very incidence, the very effect of those expenditures. Without all those three factors taken into consideration no planning in this country is going to succeed. And I will again say here. Sir, that in all those aspects the Government of India has failed miserably, and they have failed miserably only because they have no positive goal for which they *re* fighting. And here again, Sir, I want to compare some figures, to show that we should not blame so much the weather, because we know that Pakistan was created when India became also independent, in that year, *f* will compare the figures between India and Pakistan only, not because Pakistan was a part of India at that time, but because the Rain God does not favour more Pakistan and does not play foul with us. Now if you will see the comparative price figure on the basis of the index number of 1958, then you will **find** that in **1960**



the index number of prices in India was 146, then in 1965 it was 146 and then in 1966 it went up to 165, whereas in Pakistan the index number of prices in 1960 was 105, then in 1965 it was 118 and then in 1966 it was 131—the same country which is also equally suffering in the monsoon season; the same country which has also equally suffered in the war thrust on us by that country. Because the Finance Minister in his Budget speech has not only blamed the weather but has also blamed the India-Pakistan conflict, I want to compare the two countries, one being our country, where there is democracy, and which believes in planned growth, and the other country which does not believe in planned growth. But what has been the achievement? What has been the result of that economic policy? Whatever reasons may be adduced we see that in 1966 the price level index is 165 here whereas in Pakistan it is only 131. I am not going to compare the USA, UK or Japan with India because those are developed countries where the index number is comparatively very low. It was only 105 in the United States of America, 120 in the United Kingdom and 108 in Japan. I only wanted to compare our country with Pakistan because to a certain extent the same conditions prevail in both these countries. Sir, they are now putting the blame on the weather, on the monsoon and so on for their own failure. So it is time that we have some introspection now. You want to put the blame always on either China, Pakistan or the weather. But I say other countries also suffer from these maladies. For instance, in the Western countries also they have often the frosts which affect their agriculture and their fields are completely spoilt. So what I would like to say is that because there is no socio-economic policy with this Government we have landed ourselves into this condition which we can only describe as stagnant.

Sir, here again I want to say that in the conditions in which we are

living, it has become very important that we should have an income-price policy. It is not enough if we give impetus to production. Unless we have a definite income-price policy, all our plans for having a planned economy in our country will not succeed in our country. We know all these problems and I am not going to speak elaborately about those problems. Last time during the debate on the Vote on Account, I said something about this income-price policy. So I am not going to repeat it here. I would only say that if in India we want to have a healthy economy, it is high time that the Government of India finally decided to go in for a price-income policy. You know when England was in a difficult position so far as the sterling was concerned, when there was so much talk of devaluation in their country, how they protected their sterling and how they succeeded. With all the difficulties that they were suffering from they evolved an income-price policy with the consent of all parties and as a result of that you see how in spite of a slight rise in prices, they were able to protect their sterling. Here in this country we do not have to face such a situation. Last year we had resorted to devaluation. We did it because of pressure from outside. The hon. Minister of Finance may not agree with me. But I would say that in our Indian conditions if there had been an income-price policy which this Government had pursued with determination, then in spite of the weather, in spite of these factors under which we are suffering, we would, to a certain extent, have provided stability to our economy.

SHRI AKBAR ALI KHAN (Andhra Pradesh): Will you agree to a freeze on wages and profits?

SHRI BANKA BEHARY DAS: I am coming to that. The corner-stone of this price-income policy will be price stability. There will be overall price stability and the Govern-

[Shri Banka Behary Das. J merit will be in a position to regulate the economy. In a planned economy when our resources are scarce, when our demands are mounting, you cannot provide a plan and you cannot give stability to the country's economy without these regulatory measures that we require in this country. There might be so many lapses in regulatory measures. But if the Government has failed in any way to manage these regulatory measures that does not mean that we should forgo all regulatory measures. There will be general price stability. I would also say that in certain cases which go to determine the standard of living of the common man, we will certainly have to lower the prices of essential goods. And that I would like to do to a certain extent by lowering the excise duty. Instead of trying to augment our revenue through excise duties I would rather advocate that on all those essential commodities we should lower the excise duty. Here I have to give some figures. You will be astounded to know that in the case of sugar when the price of sugar for a quintal in Maharashtra region is Rs. 92.30, the excise duty inclusive of additional and special excise duties come to Rs. 37. Here I was to ask this. Shall we for having some income impose so much excise duty on sugar which is very commonly consumed in our country so that the price level goes up? Here I want to refer to cotton textiles also. Here also you will be surprised to learn that on types of cotton textiles where the ex-factory price without the excise duty is Rs. 3.26, the excise duty is to the extent of Rs. 4.35. Here also there is scope to lower the excise duty on cotton textiles. In the case of matches you will be still more astounded to know that whereas the price of a gross of match boxes is Rs. 3.15 the excise duty is much more than the ex-factory price and it is Rs. 4.60. So I want to advocate that if you develop your income-price policy, not only you should see that there is general stability in the

price level but if necessary, you *win* have to lower the excise duty especially on the essential articles. Which the common consumer can never do without.

Here I want to add a word of caution. There may be certain cases where due to certain reasons the elements that go to make up the cost may go up in price. But if the Government has such a price-income policy as I am suggesting, they will be able to adjust the cost of such elements on other elements of cost. For instance, if in a certain case the cost of raw material goes up, then you can adjust the cost by lowering the excise duty. Britain followed such a policy for about two years and by that they have been able to a certain extent, to provide stability not only to their economy but to their money also. On that basis only you will see that the income-price policy has to be followed. Without price stability if the Government wants to have an income price policy then it will be a failure also. Here I want to say that generally on the basis of price stability I would like to freeze all incomes, whether it be income from dividends or profits. But here there must be scope for increasing the wages of the lower sections of society, factory labourers and so on, so that whatever increase is there in the national income can be ploughed back to those sections of society. When you have this income price policy, you can provide stability to the economy also. I will not elaborate this any further. I would only add that without evolving an income-price policy, however much money you may provide in your plans, whatever number of officers you may appoint for your plans, our economy will not have self-generating growth. Here I want to say that during the First Five Year Plan, to a certain extent we made provisions for the agricultural sector. During the Second and Third Five Year Plans we have completely neglected the agricultural sector. But

I want to say this now. If you want to free yourself from the vagaries of the monsoon, then you will have to pay much more attention to agriculture which gives you more than 50 per cent of the national income of the country. I would also like to add that for augmenting production in the agricultural sector it is not necessary that you should go in for heavy investments. I know the psychology of the agriculturist. If you can provide him assured supplies of water, if you can provide him with better seeds, with high-yielding seeds as also short-term seeds, also to a certain extent fertilisers, then a miracle can come about in this country. We do not want so much money to be invested on getting tractors, in establishing a factory for tractors or for importing tractors from other countries. Conditions as they are, land tenures as they are, with fragmentation of holdings as they are, we can go in for power tillers which Japan has done even with small holdings of 5 or 6 acres. If we go in for such power tillers and a few necessary inputs, then we can work a miracle in the agricultural sphere. Here again I will say that you do not need much money for this. Once you put more emphasis on water, on assured irrigation, then the miracle will come about and with the modern varieties of seeds, that our agricultural farms produce the miracle will be complete. So I want to say, Sir, that in the Budget speech though he has spoken so much about agriculture he has not given any clear direction in which Indian agriculture should move.

I also want to say about the industries because, you know, the industrial growth of the country which has suffered very badly during these years is to a greater extent dependent upon the agricultural sector. The figures are here with me. Agricultural production fell in 1965-66 by 17 per cent over the previous year and the proportionate decline in rice, jute, tobacco and oilseeds was to the extent of 20 per cent. When our industrial sector is completely dependent on agriculture, when our textile mills

are completely dependent on cotton, when our sugar mills are completely dependent on sugarcane, when our oil mills are completely dependent on oilseeds, you cannot have industrial growth in the country without giving more importance to agriculture both in the aspect of foodgrains and also in the aspect of cash crops. You will be astounded to know that the annual rate of growth during the first four years of the Third Plan was 7.8 per cent in spite of the fact that our target was 11 per cent, but it fell sharply in the next two years and in 1966-67 it was only 3.5 per cent. From this it is evident that unless you strengthen the agricultural sector in this country, whatever industrial policy you may evolve, whether it is in the public sector or in the private sector, this country will never reach that stage of self-generating growth, will never reach that stage of take-off, whatever you might say here. Here also I will say that the Budget speech of the Finance Minister does not give any clear indication that we are going to strengthen the economy on the basis of agriculture and we are going to augment agricultural production in such a way that the entire economy will have a different picture in the coming years.

Sir, I want to refer again to the taxation system of this country. One of the previous speakers has spoken so much about this Budget incentive. I know that idea has come from Japan, an Asia country but the conditions here are absolutely different in the conditions of Japan where there is a developed economy, where to a certain extent the economy has reached the self-generating stage, this Budget incentive can produce more of resources in that country. In the conditions of India where we are in an absolutely undeveloped stage, where our taxation system does not respond to the taxation policy, where there is so much of unaccounted money, where there is so much evasion of taxes, this system of Budget incentive is not going to help us. So I am stoutly opposing that idea. When we are still in a very primitive stage, when

LShri Banka Behary Das.] we are still aspiring to have planned growth in the country, we cannot accept that idea because that idea is not going to help us, nor is it going to increase the resources of the country unless we reach the take-off stage in our economy. Here I will again say that in spite of the fact that the Government has always tried to a certain extent to appease the private sector, still there is clamour everywhere that the private sector should get all the tax reliefs. Here I have got all the figures. In 1950-51 the total income from income-tax and corporation tax was only Rs. 173 crores. In 1965-66, it went up to Rs. 576 crores and in 1967-68 it went up to Rs. 640 crores. In spite of so much being invested in the industrial sector, in spite of so much expansion of the industrial sector, in spite of the fact that all our energies are devoted to that sector, the Government has to depend upon customs and excise duty. Wherever they have wanted money they have always either relied upon the customs duty or upon the excise duty. And in this Budget, you know that the Finance Minister wanted to balance his Budget and when he wanted to have more money he did not rely upon any other course but he only went in for these higher imposts in the shape of excise duties. And what is the position in respect of these customs and excise duties? In 1950-51 we had an income of Rs. 224 crores; in 1965-66 it went up to Rs. 1436 crores and in 1967-68 it went up to Rs. 1857 crores, a phenomenal growth to the extent of nine times of what it was in 1950-51. What does it show? Does it not show that whenever we wanted money we went on to tax the common man? And the incidence on the common man is becoming more and more because we want to have a planned economy in this country.

Here again I want to caution the Finance Minister that though he has said he will not have deficit financing, "because of this reliance on these indirect taxes and by going in for indirect taxation to collect an additional amount of Rs. 70 crores this

year he is going to bring about such conditions in the country when the prices will rise still further. They have already risen and he is going to create the same conditions for the price spiral as we had when there was deficit financing. Therefore, I want to say that if you sincerely believe in planning then you will have to look into all these aspects. When our resources are scarce, when our demands are mounting, when the growth is desired in a particular direction, then the control and regulatory measures become inevitable in such a society and how can you succeed in those regulatory measures unless you bring the banks into the public sector, unless you bring all the wholesale trade into the public sector, unless you extend to a certain extent your public sector in the various fields of the economy, not only in the matter of capital goods but also in the matter of consumer goods? Otherwise all your talk about planning, all your talk about regulating the economy is not going to help this country. Unless the public sector is in a commanding position in our economy, whatever you might say, the economy is not going to survive for a long time and we will have to face conditions of disaster.

So, Sir, I will again advocate, without going into the details of all these aspects, that we have to choose once for all in which direction we are to move. Today we are in the middle; either we will have to go in the direction of socialist planning or it will be better to abjure completely planning and allow free enterprise to have its free growth. There is no *via media*. In the name of the economy we cannot play hide and seek with our economy. We cannot merely dangle some carrot before the common man and try to gather resources from him through taxation. Here I am very sorry to say this. I rather regret that in the Budget speech in spite of the fact that the Congress Working Committee has passed all these pious resolutions only two months back—perhaps when the Budget speech was being written—

there is no indication that they are going to nationalise these banks because I know this talk of social control is nonsense. It is not going to help us; it is only to create confusion. We say it is only to play a hoax on the people. Unless the entire banking sector is nationalised, unless the monopolies are completely abolished, unless the managing agency system is completely abolished, this economy of ours can never survive because you cannot have this talk of regulatory economy on the one hand and on the other hand you cannot allow this free enterprise to grow as it is growing.

Though, Sir, the Congress Party is talking so much about socialism, is it not a fact that gradually there is a tendency to slide back from that objective? They were never socialist and whatever socialist measures they were taking within these two-three years we are seeing that there is a tendency to go in the reverse direction. We know what happened about the fertiliser deals. There was so much talk about it in the country and the Congress Party also was dissatisfied about it. We know, every now and then, the problem of Birlas comes up. We know every now and then the problem of big business.

also comes up. But what has <sup>3 P.M.</sup> been the result? The Government have not responded to the challenging situation. So, here again I am sorry to state that in the Budget Speech of the Finance Minister he has not tried to give any answer to these problems, which are already creating a vicious circle in this country.

<sup>A</sup> "Jin. I want to say to the Finance Minister, that, without resorting to deficit financing without imposing any higher taxes on the very essential goods like coffee, tea, footwear and yarn, he could have got all the resources by having economy in this country. We know how the Government machinery is proliferating. We know how the number of gazetted

officers is going up. We know now most of the officers have to idle away their time in the Secretariat. The other day one of the ex-Auditor-General of this country—I do not want to mention his name here—told me this. They have heard in the history of democracy of Ministers without Portfolio, Minister of State without Portfolio and Deputy Ministers without Portfolio, but in the Congress regime there are Secretaries without Portfolio. And this comes not from the mouth of a common man, not from the mouth of a progressive, but from the mouth of a very prominent Auditor-General of this country. This clearly shows that unless we resort to measures of economy, unless in the administration we try to avoid all sorts of wasteful expenditure, unless we try, to a certain extent, to live under conditions of austerity, this country will have no future. So, I want to say that if the Finance Minister would have tried, he could have easily got all the resources without resorting to this imposition of higher excise duties. Here also I want to say that in our economy we have come to a situation when we will have to decide our goal once and for all. Annual budgets are nothing but a milestone in that direction. Unless we fix our goal, unless we decide our objective, unless we chart our path in the direction in which we have to go, whatever budgets may come, they are not going to solve the problem of the country, nor could any good come to this country. Rather I am constrained to say that in spite of the stoppage on deficit financing, the net result during the coming year will be more rise in prices. The vicious circle will start. The labourers will want higher wages. The Government servants will want higher wages. As a result, what will be the situation? Unproductive expenditure will go up. The quantum of unproductive expenditure in our economy is already very high. In spite of all the loans that we are having, the economy is not productive to the extent we desire. Unless measures of austerity are taken, unless we try to observe complete economy in our

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administration, the problem of this country is not going to be solved.

Again, here I want to refer to one or two aspects. Because of the complete neglect of our agricultural sector in 1946, we are importing food-grains from other countries to the extent of Rs. 76 crores. As you know, every year the Government has assured us that there will be self-reliance and self-sufficiency in regard to food production. And what has been the result? Every year we see that the foodgrains that we import have not only gone up in quantity, but the total value has also gone up. As a result, whereas in 1965 the quantity went up and we had to spend Rs. 290 crores for the import of foodgrains, in 1966 the figure is beyond Rs. 300 crores. If we depend upon foreign countries like this not only for foodgrains, but also for all types of materials, what will happen to this country? We may talk of all this assistance without strings, but we develop gradually the psychology of a beggar and just as we all hate a beggar—we just want to give him two paise and dispose of him—others also hate us. That is the condition from which the Indian economy is suffering now. Everywhere we have no prestige left now. Whatever we might say, whatever statements we may give, no country is going to show any respect to a country which has developed already this psychology of a beggar. Here again I want to say that not only should we put emphasis on the agricultural sector. In respect of the industrial sector also we should try to be self sufficient as far as possible as regards spare parts and other things. Until we reach that stage, this country is not only going to be in a very bad way, but also it is going to suffer in its prestige in the international field.

With these words, I want to say that I have been very much depressed because of the Budget Speech of the Finance Minister, because he has not given any hope to, the common man of this country. The only hope

that he has given, is that in the coming year, because of the heavy taxes, the price-level will go up. Naturally the real income of the country is going to fall. Here also I may remind the Finance Minister that from the very reports of the Labour Department, it is seen that during the First Five Year Plan, because of the stability in the price level to a certain extent, the income of the wage-earners went up to a certain extent. During the Second Five Year Plan though the price-level went up to a certain extent, because the wages also went up to a certain extent there was stability in the real income of the wage-earner. During the Third Five Year Plan, when the price-level has gone up abnormally, their wage has not gone up. The net result has been that the real income of the working-class of this country has gone down. With the progress of the three Plans, we have come to a situation when the standard of living of the common man is going down, as a result not only of low production in various sectors, but because of the Government's economic policies, because of the price situation, it has become a problem of this country. With these words, I would again say that the Congress Party and the Government have first to decide in which direction they want to go, because the Budget is nothing but a reflection of their economic and social policies. The Congress Party should decide once and for all that they will have a planned economy in the true sense of the term. If it is only just to hoodwink people, then the economy will never recover and we will be heading towards a collapse and the entire economy will suffer because of it. With these words, I thank you.

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA): I have got a very long list of hon. Members who want to take part in this debate. I would, therefore, request the first speaker from the Congress to limit his remarks to thirty minutes and all other Congress speakers to fifteen minutes Mr. Mathur.

SHRI HARISH CHANDRA MATHUR (Rajasthan): Mr. Vice-Chairman, I was really impressed by the eloquence of my friend, representing the PSP, but not by his arguments and the thesis which he advanced. Now, I will just give a few facts which will knock the bottom out of the case which he has built up. He thought it fit to compare the economy of this country with the economy of Pakistan with particular reference to the price-index, but he clearly forgets that in Pakistan no such developmental activities have been taken up as we have in this country. There is hardly any public sector to compare, the public sector in which so much investment has got to be made. This investment and these developmental activities mean a price rise. He also forgets that Pakistan has got three times *per capita* which this country gets by way of foreign assistance. He also forgets that in the case of Pakistan all the military hardware has been supplied by certain friendly countries with which they have pacts, more than ten times what this country has received.

We are building our own defence. We are building our own economy. We are not dependent on anybody. We are independent. Our defence expenditure has gone up from Rs. 300 crores to Rs. 1000 crores, and that is going to have a dent on the price-index which must be clearly understood. I think these are so simple things, and if one takes note of all these factories, he will understand how our economy has got to be adjusted and assessed.

Again he asked whether our principles and aims and objectives are clear or not. I think our objectives and aims and principles have been very clearly stated in three successive Plans, and they have been clearly stated in our election manifesto. I do not know what clearer indication he wants of the direction in which we want to move and the direction in which we want to take the development of this country. Then he talked about the public undertakings. Is it

not an accomplished fact that it is to the public sector that this country has given the best of its attention? We have invested about Rs. 2500 crores already, and it is being given the pride of place in the Fourth Plan also. Therefore, Sir, we have got to see things in a clearer perspective and balanced manner—except where he is in complete agreement with us on the public sector or price stability, which is the *sine qua non* of this Plan. As a matter of fact what has been tried to be achieved is to give a price stability by producing a balanced Budget, by the hon. Finance Minister.

Earlier while opening the debate, the leader of the Swatantra Party had to do a lot of tight rope walking, and nobody will doubt his parliamentary abilities. He thought it fit to have a document prepared by his party which he read out.

AN HON. MEMBER: Always.

SHRI HARISH CHANDRA MATHUR: Let it be clearly understood—because he knew what he was talking, that document was there—I as a matter of fact, very much welcome the emergence of the Swatantra Party on the political scene. What the Congress could not do is being helped now, and I think the Praja Socialists, the Socialists and the Communists should also feel very happy about the emergence of this party. By their aggressive pro-capitalist approach, they are creating reactions in the country which will certainly accelerate the pace of socialism. There is the least doubt about it. We see the evidence of this in the House every day. I think that is a positive contribution of the Swatantra Party to the economic development and to the thinking of this country. They are certainly serving as a catalytic agent which energises our step towards socialism. I will not say what happens to the catalytic agent. It disappears after serving its purpose.

Anybody who had spoken about this Budget inside this House or outside this House has at least agreed that the assessment and analysis and

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the spotting of problem areas done by the hon. Finance Minister in the first part of his speech are almost unexceptionable. All sections say that the analysis is correct, that the diagnosis is correct. Now when you come to the next, you may have certain differences. Let us see. Everybody is agreed that we are in a bad shape in our economy, we are in a very delicate, difficult, complex, economic situation which arises out of the interplay of certain varied factors in the country. But when you come to the Budget, one may not agree with all the proposals which the hon. Finance Minister has made. It is not necessary. I may also have certain doubts and apprehensions regarding some of his proposals. But even there everybody is at least agreed that he has made an honest and earnest endeavour to present a balanced Budget, to avoid deficit financing, to give stability to the prices. With this everybody will have to agree, and that is a big thing. What is much more important is that he has not only cared to give a stability and to present a balanced budget here but he has advised the State Governments, and he has not stopped by giving advice but he has taken the further step of assisting all the State Governments to be able to present balanced budgets. He has given them fiscal assistance. He has made certain provision so that they have the money by which they are able to balance their budgets, and I am happy and I am prepared to congratulate some of the State Governments who have cooperated and who have been as a matter of fact impressed by the discipline which we have observed here at the Centre. The Maharashtra Government has prepared a surplus budget. The Rajasthan Government, in spite of the fact that they are in a very difficult situation, extremely difficult situation due to drought conditions, have yet tried to balance their budget. That is definitely a sure way to go the right way.

Let us make a critical analysis of the whole situation. The hon. Minister

nas in his speech pointed to the consecutive droughts we have had in this country. Nobody has control over droughts, though my friend said that we should not be influenced by the drought conditions. But I think it would be impossible to give any credence to such a line of action. Is it not a fact that we have increased our food production from 52 million tonnes to 87 million tonnes? Is it dependent on the weather conditions? It is because of positive planning, positive action taken on the irrigation side and on the agriculture side that this increase has come. It is not on the weather. Weather definitely will have a big impact on our economy where more than 50 per cent of it is generated in the villages which depend on agriculture. It may have a different impact in a highly industrialised country where the income from the agricultural sector is much less. But it will continue to have impact on our economy, and we cannot have all irrigation projects in a few years' time. A phenomenal progress has definitely been made in this direction.

Defence also is something about which I think there can be no two opinions and I fully support the stand taken by the Government that we cannot afford to have any economy in that particular sector. Let us see what is happening all round us. Take the Pakistani war last time. It was our good luck that it was our good soldiers, it was our bold decisions, it was efficient leadership which saved the situation. Otherwise it was just to be the same as what has happened in Israel today. Israel fully equipped, equipped to the teeth, faced the world with a *fait accompli*. That was exactly what was designed by Pakistan. Pakistan had been equipped. Pakistan had been armed to the teeth, and Pakistan attacked. They thought that within a week's time they would present the world with a *fait accompli* that the Kashmir territory had been annexed by Pakistan. You know what is happening in China. Everybody feels that. In spite of our best wishes and desires, having gone all the length, there is absolutely no indica-



tion from their side that they want to come to any terms, any honourable terms. The Defence Minister spoke the other day that Pakistan had closed all avenues of agreement and still we have not woken up to the situation. I am not interested in siding Israel or the Arabs, but it has a big lesson for us to take. Pakistan, it is a big question mark, there is a dictator in power.

SHRI B. D. KHOBARAGADE (Maharashtra): Pakistan has reduced her defence expenditure.

SHRI HARISH CHANDRA MATHUR: Let us not believe in this make-believe. What is the reduction? Pakistan is getting armaments from China. Pakistan is getting again armaments from the Arab countries and other countries. Pakistan is getting again armaments from the U.S.A., and we are talking about Rs. 10 crores cut in the Pakistan budget. Let us not fool ourselves. Let us face the reality. It is a big question mark. Why cannot it repeat what has been done by Israel? It is a double challenge for us, and it is for this country and for the Defence Minister to stand alert on this.

We also cannot, as a matter of fact, submit ourselves to this treaty of non-proliferation. I think the Government of India has taken a positive and correct step in this matter. They are not prepared to sign that treaty. What are we asking for? We are asking for—some of our friends from the Communist side do not see eye to eye with us on this matter—what Russia was asking for in 1945 when it was not a nuclear power. It wanted to go into the nuclear field and now it has become a nuclear power. Are we going to hand over to our generation a fifth rate military power and political power? It is not also a question of a military power; political influences are also going to be eroded if we are not military strong.

There is no question of any cut being asked for on the defence front.

As a matter of fact, I have a complaint to make to the Defence Minister about the border roads in Rajasthan. The House the other day had some experience about this. I asked a clear-cut question whether it was not a fact that the provision for the border roads there had been cut down from Rs. 8 crores to Rs. 4 crores. The Defence Minister had no answer; he was not prepared. I knew it because he was a new Minister; he was Minister of State. You have made economy to this extent that you have cut down the amount from Rs. 8 crores to Rs. 4 crores. This is fantastic. The Minister of Home Affairs, Mr. Chavan, who was present in the House and who has been the Defence Minister and who has gone with me to the border areas and inspected the whole area and was deeply impressed, was also horrified to learn that there has been a cut in the allocation to the border roads in Rajasthan. I certainly urge, and very strongly urge, upon the hon. Minister to have a good look at this matter and see that if there has been any cut—I am reliably informed that there has been a cut and that the work has been slowed down—he restores that cut and the border roads do not suffer. They are our vital lines.

It is not only the drought and the defence which are responsible for our conditions in the present economic situation in the country. By raising an accusing finger against God, China and Pakistan, the Government cannot absolve themselves of the responsibility. ... *(Interruptions)*. Well, there are other things. Devaluation is, of course, one. There is no use whipping a dead horse. It was resorted to with the best of intentions. But it had had a very sagging effect on the economy. There is no doubt about it. I said even at that time, even when the devaluation came, that it was a Himalayan blunder. I do not mince matters or words. It was definitely a mistake but an honest mistake. Even as I told you . . .

SHRI BHUPESH GUPTA (West Bengal): Honest?

SHRI HARISH CHANDRA MATHUR: It is definitely an honest mistake. Well, the question of devaluation came in the United Kingdom. The Prime Minister of the United Kingdom was having one view and the Deputy Prime Minister was having another view. There can be always two views over an issue. Let us not always be suspecting. There can be two views. But it has been proved that the view that we had taken who had criticised devaluation, was correct, and now there is the aftermath of it. And the hon. Finance Minister has himself listed certain steps which have to be taken to put the country in a better shape again. I hope that he will be able to enlighten the House as to what he is doing.

Therefore, there are these four Ds—drought, defence, devaluation and deficiencies in the administration. Deficiencies in the administration are a very important factor which cannot be ignored. Deficiencies mean wasteful expenditure, no economy in the various sectors, no effective use of the resources which we have at our disposal. Today there is nothing more important than to see that we make an effective use of our resources, men, material and capital. If we could do it, I think we could save about Rs. 250 crores a year. My friend from the Swatantra Party talked about the public sector undertakings without realising that it is the public sector undertakings which have given the real foundation or base to our economy; not only to our economic development but also to our defence and also to the development of the private sector. There would not have been half the development which has taken place but for the public sector undertakings. It is the public sector which has developed the economy to this extent and, of course, nobody will deny that it has played a definite and positive role in our economy, a very important role. I have not the least doubt about it.

But I have also no hesitation in saying that the public sector undertakings have not given us the returns which were expected of them. The hon. Finance Minister explained in the other House that 35 or 36 out of the 45 public sector undertakings were giving profits. But what is the quantum of the profits? We have got to understand it. We have made a deep study of it, and that study has very clearly indicated that the functioning of the public sector undertakings cannot be generally condemned. They are not so bad as it is being depicted by the vested interests. But certainly, there is room for considerable improvement and I am definite that these public sector undertakings can be turned into gold mines—I have not the least doubt about it—and you can get about Rs. 250 crores or Rs. 300 crores of revenue from out of these public sector undertakings.

SHRI LOKANATH MISRA (Orissa): By when?

SHRI HARISH CHANDRA MATHUR: In three to five years' time; it should not be difficult if certain steps are taken and they will have to be courageous and bold steps. I have not the least doubt about it that the public sector undertakings will become gold mines. My friend knows something about it having worked on the Committee on Public Undertakings. So, it is with that experience, with that knowledge and with the further study which we have made that I am in a position to state very positively that the public undertakings could be our gold mines; they could definitely contribute Rs. 250 crores or Rs. 300 crores in three to five years' time and that would be a great source of revenue for us. But let us understand that the public undertakings are all the time under public gaze. There are so many questions everyday in Parliament about them. Public undertakings are examined by the Estimates Committee, the Public Accounts Committee and the Committee on Public Undertak-

ings. We have also to go and visit them. But what about the private sector? My complaint is that we have not been able to control the private sector properly and it is the private sector which has created distortions in our economy. I am prepared to accept that even the public sector, because the investment has not started yielding results, has created distortions in our economy at the present moment and the high prices are, to an extent, also responsible to them. But in a mixed economy the private sector has a place. I want to give an honourable place to it. But an honourable place will be gained by it only by the honourable behaviour which it gives. But if they indulge in smuggling on a large scale and if you can haul up Rs. 2 crores worth of gold, if they indulge in foreign exchange scandals—all this smuggling comes out of these scandals—and if they avoid and evade taxes to the tune of Rs. 300 crores a year and create that unaccounted money—that unaccounted money which corners more and more money without paying any taxes because there is no tax to be paid on the unaccounted money—that is the real danger, and the Finance Minister has got to give particular attention to this matter, to this aspect of unaccounted money. I would have suggested demonetisation and I am strongly in favour of demonetisation in spite of the fact that I know that it has certain difficulties which have got to be squared up. But we will have to think about it. I would rather suggest the appointment of a Parliamentary Committee to go into this question of unaccounted money because unaccounted money is not only distorting the economy of this country but unaccounted money is a real threat and danger to the democracy, to the independence, of this country, and in collusion with foreign money, it can play havoc. Therefore, it is time that we did something about it. What has happened in all these days? We hear about other money coming. Therefore, we have got to give particular

attention, special attention, to this unaccounted money.

I have not been able to understand two or three propositions which are being followed in the economic administration of our country. And one is this liberalisation of imports. I had put a question about the liberalisation of imports. That question has not been admitted to this day. I know that it is a difficult question to answer. You are taking a loan of about nine hundred million dollars to cater to these industries. I want to ask: How do you propose to do it? These industries will never be able to contribute more than Rs. 30 crores. Already their export content is not more than Rs. 30 to 40 crores. There has been no export promotion on this account. It has only helped purchasing things which the other countries want to buy. It has hit very strongly the small sector. Even though you have given licences to them, it is only a few who are able to take advantage of it. It has also hit the indigenous manufacturers. They say they will degenerate like this. I would like to remind the hon. Minister of Commerce that in 1963-64, after the Chinese war, when our foreign exchange to the industry was cut down from 100 per cent, to 40 per cent., the industrial production both in the engineering sector and in the chemical sector had gone up during these years. I will give you the figures. I think I have them. In the engineering sector, from 178 it went up to 267—56 being the base—and in the chemical sector it went up from 214 to 357. How do you explain it?

My another fear is that we are putting our industry entirely at the mercy of those people who are giving us loan. The moment they stop giving you this loan, our industries will have to come to a grinding halt. That is the real danger. Therefore, let us not follow this policy of dependence. Let us relieve ourselves from this curse which I consider nothing short of a curse. Let us have

[Shri Harish Chandra Mathur.] a working Plan which will depend entirely on our industrial resources, over which others have no control so that at least the country gets going and we should not make our industries entirely dependent upon foreign aids as you are doing.

Coming to agriculture, if you give support to the agricultural front, it will earn you much more foreign exchange than you can earn by these industries. Our people are prepared to work only when they are pushed to the wall. But you are giving them easy money. You are making them soft-minded. Even in spite of our crushing difficulties if we adopt this sort of policy, I am sure we are going to turn the corner.

Sir, about the new tax proposals. The hon. Finance Minister has raised about Rs. 83 crores for the Centre, Rs. 23 crores for the States, and the Railways have raised another Rs. 47 crores. I know he has been discreet and selective in excise duties. He thinks that the burden will not fall on the industrial labour. But in this country 90 per cent, or even 95 per cent—all are not uncommon—are common men, and the burden will definitely have to be shared by the entire population of this country. I do not grudge it. We may be a poor country; the poor people will have to contribute. I only like to warn the Minister here that in trying to balance his Budget and trying to raise his resources, in trying to levy these excise duties, he must be on a constant watch to see that in avoiding deficit financing he does not lose revenue. Let there be a constant watch there. That would be a greater menace not only to our economy but also to our political and social life. Therefore, greater care has got to be taken on that front.

I know the hon. Deputy Prime Minister is possibly allergic to tea and coffee. But I cannot support the tax. This is not because the people

are not prepared to bear it. I do not think it is correct to say that this will help him in promoting export earnings. He may be allergic, but what is the alternative drink that he is offering to the poor man?

SHRI MORARJI R. DESAI: I am not allergic.

SHRI HARISH CHANDRA MATHUR: I am glad you are not allergic. Therefore, you will be able to take our criticism and you will be able to come to a decision on merits.

SHRI MORARJI R. DESAI: I do not agree.

SHRI HARISH CHANDRA MATHUR: Yes, that is perfectly understandable. We are always here to agree or disagree.

SHRI BHUPESH GUPTA: He is very sensitive.

SHRI MORARJI R. DESAI: Less than you.

SHRI HARISH CHANDRA MATHUR: It is good to be sensitive, you see. Once you are sensitive you can hope for something good.

SHRI BHUPESH GUPTA: Sometimes he reacts in a wrong way.

SHRI HARISH CHANDRA MATHUR: One who can react in a wrong way can also react in a right way. I very much like a sensitive man. He has at least got some sense. Only then he reacts. The complaint against Mr. Morarji Desai was that he does not react. I am glad that you are complimenting and I share your compliments.

SHRI BHUPESH GUPTA: I say that he reacts in a wrong way,

SHRI HARISH CHANDRA MATHUR: Well, that is a distortion of your own thinking. What can I do? I am afraid I cannot give you the understanding which we have.

SHRI NIREN GHOSH (West Bengal): He is conditioned in a certain way.

SHRI HARISH CHANDRA MATHUR: Sir, I always admire a man who gives a lead to the country. I will admire you for taking certain unpopular decisions. It requires ability and leadership. But beyond a certain limit it is not leadership, it is foolhardiness. If there is consensus among all the parties then in a democracy the Minister must respond to it. There is no reason why he should not respond to it. Even if he thinks that it is not a right thing, he has got to respond to it.

I have <sup>s</sup> three proposals to make. One is to do away with this Annuity Deposit. Scrap it. I do not see any sense in it. I am glad that Mr. Bhoothalingam—though the House possibly has not got a very high regard for him, he is a very capable officer—has given a very good report. Our reaction against a particular individual does not take away the merit of the report. He has for very good reasons given you an alternative scheme. Have I finished my time?

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA): Two minutes more.

SHRI HARISH CHANDRA MATHUR: And I would therefore, request you to raise the exemption limit from Rs. 4,000 to Rs. 6,000. What was Rs. 4,000 four or five years ago is Rs. 6,000 today. And please do not say that we must spread our net wider. Please do not say that everybody must feel proud of contributing something. These people are definitely contributing. Are not they paying the excise duty? These are the people, as a matter of fact, who are paying heavily to you. So it is not correct to say that they are not contributing. We are unnecessarily wasting a considerable amount of our time and energy on it. On the one I hand you yourself say—you may not say but the people feel it—that there I

is considerable evasion of taxation. It may be from Rs. 200 to 300 crores, one does not know. Why not let your staff work on that? What is the use of harassing these people, and what harassment means is known to you. I do not see any reason why we cannot do away with the duty on coffee, tea and footwear. From them you hardly get Rs. 10 crores.

SHRI BHUPESH GUPTA: Prohibition.

SHRI HARISH CHANDRA MATHUR: I think you believe in it and Mr. Morarji Desai believes in it. So there is no difficulty about it.

SHRI BHUPESH GUPTA: There is great difficulty.

SHRI HARISH CHANDRA MATHUR: Mr. Vice-Chairman, I must say that it would be wrong to create a wrong climate in the country. Let us take a realistic view of the whole thing. There is the least doubt that an earnest and honest effort has been made to put the economy into gear. The best that could be done in the circumstances has been done. And, of course, not only we but the Finance Minister has his eyes focussed on the Rain God, India. And if we have really a very good monsoon, we will certainly turn the corner. Nobody can deny that. I do hope that with courage and determination if we proceed, the economy of this country will revive and we will be able to give a good account of ourselves. I have not the least doubt that there is nothing basically wrong, with us. If we just streamline our administration, and if we make a really effective use of our resources, and if we go with strength, courage and vigour, I have not the least doubt that India has a great role to play not only in itself but also in the comity of nations.

SHRI LOKANATH MISRA: These its are very big ifs.

SHRI DEBABRATA MOOKERJEE (West Bengal): Sir, I must straightway congratulate the Finance Minister for having presented a balanced Budget after several years. The little that I know of it prompts me to say that it is not really an exercise in futility in public finance. It has a certain purpose and a direction. Whether, that suits the taste of Members of Parliament or of the country at large is another matter. To me it appears to be a very realistic performance. He has taken account of the hard realities of the situation. He has not attempted at all to present a rosy picture, but has, on the other hand, drawn attention to the difficulties through which our economy is passing at the moment and suggested certain steps which, he thinks, are inalienable in the circumstances. In the first place, quite rightly, if I may say so with respect, he has drawn attention to deficit financing. That practice, a vicious one, was being indulged in year after year with disastrous consequences. We were issuing treasury bills on the Reserve Bank just to cover and find money for items not budgeted for. That brought us to the brink of disaster and what is equally bad, it encouraged the States to indulge also in some kind of deficit financing. They went on drawing in an unauthorised manner on the Reserve Bank. All these unauthorised withdrawals amounted to crores and crores of rupees. If I remember aright, last year in the month of June, the Centre had to pay on that account something to the tune of Rs. 98 crores. We all know, Sir, that when we indulge in deficit financing, we invite inflation to come and take complete possession of us. There is the price rise, and the costs chase the prices and the prices chase the costs. That always happens. And what is worse is that there is a depression too. When the industries are not properly fed, there is a lowering of demand and that brings about a situation which is equally bad. At the present moment, the country is facing not only a spiralling rise in

prices, but also depression. In order to fight this rise in prices, the Finance Minister, if I may say so, has put his foot down upon deficit financing, and has shown the way for the other States to follow so that they, too, might be advised not to go in for unauthorised withdrawals on the Reserve Bank.

Sir, there is that concomitant feature in this economy, namely, blackmarket. It is not so much the incidence of high taxation that prevents people from paying up their just tax dues, as their natural inability to disclose their sources of income, and the result is that black-market money finds its place elsewhere. And this concealed income is utilised in non-investment ways in lands, in gold. Our Finance Minister was very allergic to gold and quite rightly so. And the commodity hoards which are to be found in every part of the country are an inalienable feature of the present-day economy. So, we have, on the one hand, the rise in prices and inflation, and, on the other, we have also a depression. And along with them to complete the triangle we have the problem of black money also. In order to be able to fight this ugly feature in the country's economy the Finance Minister in a straight-forward manner has suggested that there should no longer be deficit financing for the Centre and similarly no longer undue and improper withdrawals on the part of the States from the Reserve Bank. Now if this practice is followed, I think we shall be doing a great deal, but that might in itself be not enough.

In his Budget, he has taken note of the shortfall in agricultural production. The price rise has been to the extent of 40 per cent in the course of three years and this has been also due to the shortfall in agricultural production. We reached about 89 million tons about three years ago, but we have come down very low after that. Therefore, we have to pay proper attention to

agricultural production. That has been provided for in the Budget. Steps have been taken to see that the farmer gets his inputs in time. Only three years ago, we were spending only 300 million dollars on the purchase of fertilizers. This year, it has been 1,000 million dollars. That being the position, we have to take care of the agricultural front, but at the same time we cannot neglect the industrial front. So far as industry is concerned, we have to look at it from this point of view: there is a public sector and there is a private sector. So far as the public sector is concerned, well, steps have been taken to see that they do not spend more than they can earn. But so far as the private sector is concerned, inducements have been offered in concrete form and if they are properly utilised, I think there is every chance of their making headway in the near future.

In the proposals which he has made, he has indicated—and very rightly, if I may say so—that he is not prepared to cut down the expenditure on account of Defence. That was perhaps his first reaction in the Interim Budget. But in the Budget which he has now presented, he has proposed a cut of about Rs. 6 crores. That shows how anxious he has been to see that unnecessary expenditure is cut down. Of course, there should be no compromise with efficiency. Our services must be efficient. And consistent with efficiency, the expenditure has to be cut down. Along with the item of agricultural production, there comes the concomitant item of family planning. He has allotted this year something to the tune of Rs. 3 crores. Now, for the development of the country he has made ample provision at the same time. For the Central Plan he has granted 1,221 crores and so far as the States are concerned, there has been an increase of grants so far as the State outlays are concerned. It is true that we cannot, at this stage of the economy, do without foreign aid but he has not permitted himself the luxury of taking as big a chunk

as he might have. He has contented himself with only Rs. 865 crores. I think these are modest figures, figures which, when taken in their cumulative effect, are likely to induce a sense in the country that we must cut our coat according to our cloth, that we must do nothing which might expose the economy to further distress. That is a very healthy feature of the Budget.

Controls he has not been able to dispense with but quite properly he suggests that we should have a pragmatic view of controls. These controls, as you know very well, have a tendency of perpetuating themselves. They are self-perpetuating and even self-expanding. You introduce control here, you find a lag there and you want to plug it up and with that purpose you have to introduce a further measure of control. He is quite clear in his mind that controls cannot be done away with at the moment. For example, nobody can think at the moment of doing a way completely with controlled distribution of food but controls, by themselves, must not be encouraged since they possess in them certain seeds which breed corruption right and left, in your back.

There is another feature which is heartening and to which my friend Mr. Mathur referred. He has assured the country that whatever might happen, there would be no further devaluation. He proposes to honour the value of the rupee and for that he has pledged to do everything. The net effect of the Budget proposals, to my mind, is that we must realise that we are passing through strenuous times, that there must be a widespread appreciation of the difficulties of the situation, that we must not indulge in over-spending and that economy must be practiced everywhere and by everybody.

On the question of mobilisation of resources, he has quite frankly told us that he is going to effect economy in

[Shri Debabrata Mookerjee.] the administrative set-up. Indeed the Budget speech gives some indication that he has already started it in his own Ministry and he has also taken steps to see that any kind of overspending does not take place even in the public undertakings. The Bureau of Public Undertakings has been instructed to take necessary steps in this behalf.

A criticism has been made that the Finance Minister has been putting too great a reliance upon weather for the country's development. However much we may dislike it, we have to depend upon weather. General Weather is the greatest General who can deliver the goods but the Finance Minister has not kept his lips tight, nor sat in a complacent mood in the hope and expectation that good weather alone will improve the economy of the country. I think if the proposals are accepted and if they are sincerely worked, the country will make real, genuine progress and the plateau would be reached; but in spite of everything, I feel constrained to observe that you must produce a climate for carrying these, proposals into effect so that we can get the best results possible. There must be law and order prevailing throughout the country. There must not be gheraos. If there are gheraos, there is every likelihood of the flight of capital. You need capital. You have a mixed economy. You require capital formation. Correct the monopolists, pull him by the ears, if you like, drive him out if you have the power but then, do not bring in a condition which will make economic advance impossible.

SHRI BHUPESH GUPTA: But the ear is very oily.

SHRI DEBABRATA MOOKERJEE: However great and good might be the efforts made by the Finance Minister, I think all will go in vain if the country goes the way it has been going at Naxalbari.

श्री रेवती कान्त सिंह (बिहार) : माननीय उपसभाध्यक्ष महोदय कांग्रेस के पिछले 20 वर्षों की हुकूमत के बाद किसी अच्छे बजट की उम्मीद नहीं की जा सकती थी, क्योंकि पिछले बीस वर्षों में जो गलत नीतियाँ रही हैं उनके चलते देश में जो आज स्थिति हुई है उसको देखते हुए किसी अच्छे बजट की उम्मीद की नहीं जा सकती। पिछले बीस वर्षों में घाट की अर्थ-नीति चला कर और डिफिटव प्लानिंग, दोषपूर्ण योजनाएँ चला कर देश को आज बैकवॉटर के कगार पर खड़ा कर दिया गया है। हमारी योजनाएँ जो बनती हैं, जो बनी हैं वे प्रारम्भ से ही दोषपूर्ण रही हैं, क्योंकि योजनाओं का लक्ष्य थोड़े-थोड़े लोगों का जीवन-स्तर उठाना रहा है और जब थोड़े-थोड़े लोगों का जीवन-स्तर उठाया जायगा तो अधिक लोगों का जीवन-स्तर नीचे गिरेगा और यही कारण है कि 15-20 वर्षों में, तीन पाँच साला योजनाओं के दौरान में, इस देश के लगभग 50 लाख लोगों का जीवन-स्तर अमेरिका और रूस की बराबरी में पहुँचा है और साढ़े उनचास करोड़ लोगों का जीवन-स्तर 15 अगस्त, 1947 से भी पीछे गया है, नीचे गिरा है।

इस हुकूमत की पिछले 20 वर्षों में कोई, निश्चित सिचाई की नीति, जल की नीति, नहीं रही। पिछले वर्षों में, 20 वर्षों में, अरबों रुपया सिचाई के नाम पर खर्च करने के बाद भी आज देश के अधिकांश हिस्सों में सूखा है, अकाल है।

4 P.M.

पिछले सालों में जब मानसून समय पर बारिश देता था समय पर बारिश होती थी और उसके चलते जब खेती होती थी तो सारा श्रेय हुकूमत अपनी पंचवर्षीय योजनाओं पर ले लेती थी अब जब एक साल मानसून फेल कर गया और एक साल बारिश नहीं हुई, दो साल बारिश नहीं हुई तो वह दोष



इन्द्र भगवान के ऊपर फेंक दिया गया । आखिर पंचसाला योजनाएं कहां चली गईं आज? और चूंकि कोई जल नीति नहीं रही इसलिये कोई अन्न-नीति भी नहीं बन सकी । उसकी वजह से आपने हिन्दुस्तान की जमीन की प्यासी जमीन की, प्यास बुझाने की कोई व्यवस्था नहीं की । इसलिए आप अपने देश के अनाज के उत्पादन पर निर्भर नहीं रह सके और आज आप अनाज के मामले में अमेरिका के मुख्यापेक्षी हैं । और चूंकि हमारी हुकूमत की कोई जल नीति नहीं रही, कोई अन्न नीति नहीं रही इसलिए इसकी कोई दाम नीति भी नहीं बन सकी और नतीजा यह है कि आज दो फसलों के बीच अनाज की कीमत में जो उछल कूद होती है जो खेतिहरपैदावार और करखनिया पैदावार के बीच दामों का असंतुलन है उसके चलते कन्ज्यूमर की जेब से, खरीदारों की जेब से हर साल अरबों की लूट हो जाती है । इस कांटेबस्ट में इस पृष्ठभूमि में, जब हम इस साल के बजट को देखते हैं तो पाते हैं कि यह बजट पिछले बजटों से अच्छा नहीं कहा जा सकता है ।

कहा गया है कि यह बजट बैलेन्सड बजट है । मैं कहना चाहता हूं कि बैलेन्सड बजट के नाम पर यह बजट भी डेफिशिट बजट है । बजट भाषण में कहा गया है कि 68 करोड़ रु० की डेफिशिट को पूरा करने के लिए हम एक्साइज ड्यूटीज बढ़ा रहे हैं । लेकिन ध्यान से देखने पर 68 करोड़ के घाटे को पूरा करने के लिए 115 करोड़ रु० की एक्साइज ड्यूटी बढ़ाई गई है । तो दो ही बातें हो सकती हैं । या तो यह बजट 115 करोड़ के घाटे का था उसको पूरा करने के लिए 115 करोड़ रुपये की एक्साइज ड्यूटी बढ़ा दी गई है नहीं तो यह कहना कि 68 करोड़ रु० के घाटे को पूरा करने के लिए हमने 115 करोड़ रु० की एक्साइज

ड्यूटी बढ़ाई है और यह एक्साइज ड्यूटी 115 करोड़ 12 महीने की अवधि में वसूल होगी लेकिन चूंकि हमें दस महीने की ही अवधि मिलेगी वसूल करने में तो हमें 68 करोड़ मिल पायेगा— इससे सरकार की इन्फिशियेंसी जाहिर होती है । अगर मोटे हिसाब से मैथमेटिक्स से भी देखें— क्योंकि हमारे वित्त मंत्री जी गणित जोड़ते हैं, टैक्स बढ़ाते हैं, तो कहते हैं कि एक कप चाय पर इतना बढ़ाया—तो उस गणित के हिसाब से देखा जाय तो बारह महीने में 115 करोड़ रु० का टैक्स लगाते हैं तो दस महीने में कम से कम 95 करोड़ रु० आपको वसूल होना चाहिए था । लेकिन आप कहते हैं कि हम सिर्फ 68 करोड़ रु० वसूल कर पायेंगे, यह आपकी इन्फिशियेंसी है । इस पर आपने एक ओर जहां 5 करोड़ रुपये का डाइरेक्ट टैक्सेशन में छूट दिया वहां इन्डाइरेक्ट टैक्सेशन एक्साइज ड्यूटी बढ़ा कर—काफी पर, चाय पर, जूते पर, अल्मुमीनियम पर, काटन टक्सटाइल पर, इस तरह से आम जरूरत की चीजों पर— आपने जो टैक्स बढ़ाया है इसका लाजमी नतीजा यह होगा कि देश में कीमतें बढ़ेंगी और आपको पिछले 20 वर्षों की नीतियों का ही नतीजा है कि आज देश में कीमतें आसमान छूती जा रही हैं । दाम रोज बढ़ रहे हैं और आप पिछले बीस वर्षों से हर बजट के समय देश को यह आश्वासन देते हैं चाहे कोई भी वित्त मंत्री होता है कि चीजों की कीमतें नहीं बढ़ने देंगे, चीजों की कीमतें नहीं बढ़ने देंगे । लेकिन जब बजट पेश होता है जब नये टैक्स लगते हैं तो चीजों की कीमतें बढ़ जाती हैं । बढ़ना लाजमी है । इस बजट में भी कोई ऐसी वचन देखने को नहीं मिलती जिससे यह उल्साह हो जिससे यह इन्सपिरेशन मिले कि यह सरकार भविष्य में—अब तक जो गलतियां कर चुकी सो कर चुकी भविष्य में भी—कोई निश्चित दाम नीति, अन्न नीति और जल नीति पर चलने वाली है ।

[श्री रेवती कान्त सिंह]

भविष्य में भी, सिंचाई के लिए जो पुरानी परम्पराएं चल रही हैं उनके अलावा बड़ी-बड़ी सिंचाई के डैम बनाना बड़ी सिंचाई की योजनाओं पर खर्च करना और छोटी योजनाओं को नजरअंदाज करना—हां जब अकाल पड़ता है, सूखा पड़ता है, जब छोटे-छोटे कुएं खोदने की बात याद पड़ती है तब छोटे-छोटे पम्पों से पानी निकालने की बात करते हैं लेकिन, यदि वह काम पिछले बीस वर्षों में कर लिया जाता तो सूखा पड़ने से कोई परेशानी नहीं होती। आज इस देश में 7 हाथ जमीन के नीचे पानी का समुद्र भरा हुआ है पानी का जलाशय भरा हुआ है लेकिन आपकी चूंकि कोई जल नीति नहीं रही इसलिए सूखा पड़ा। आप की कोई जल नीति नहीं रही इसलिए अनाज की पैदावार हिन्दुस्तान में नहीं बढ़ी, और चूंकि आपने दामों को बांधने के लिए कोई नीति नहीं बनाई, आपके लिए यह जरूरी था कि आप ऐसी नीति बनाते कि दो खेतिहर पैदावारों के बीच अनाज की कीमत सेर में आना डेढ़ आना से ज्यादा नहीं बढ़े, किसी भी करखनिया पैदावार की कीमत उसकी लागत और ढुलाई से डेढ़गुना से ज्यादा नहीं होनी चाहिए। करखनिया पैदावार और खेतिहर पैदावार की कीमत में संतुलन होता और तब, देश की जो आम जनता है उसकी जो लूट होती है उसकी जो जेबें कटती हैं कीमतों के बढ़ने की वजह से, वह नहीं होता, और इस वजह में बिना टैक्स बढ़ाये भी इसको बेलेंस किया जा सकता था। इसके लिये जरूरी था कि आप ऐडमिनिस्ट्रेशन पर जो खर्चा करते हैं उस खर्च में आप कटौती करते। जब हम ऐडमिनिस्ट्रेशन पर खर्च में कटौती की बात करते हैं तो मैं आपकी तरह यह नहीं सोचता कि क्लास फोर इम्प्लायीज की, चतुर्थ वर्ग कर्मचारियों की छंटनी कर दो, तृतीय वर्ग के कर्मचारियों की छंटनी कर दो। मैं जब ऐडमिनिस्ट्रेशन के खर्च में कटौती करने की बात कहता हूं तो मेरी साफ मन्शा यह होती

है कि आपने जो गजेटेड आफिसरों की फौज खड़ी कर दी है खड़ी करते जा रहे हैं, उस फौज में छंटनी हो। आज चाहे केन्द्र की हुकूमत हो या राज्यों की हुकूमत हो—पिछले 11 वर्षों से अधिक सरकारी नौकरी में रहने के अनुभव के आधार पर मैं कह सकता हूं—कि आपके जितने आफिसर होते हैं उनमें से कम से कम 25 प्रतिशत ऐसे होते हैं जिनको कोई काम नहीं होता है। मैं ऐसे आफिसरों को भी जानता हूं जो दस बजे से पांच बजे तक अपने चेम्बर में बैठकर दोस्तों से गप उड़ाते हैं, किताबें पढ़ते हैं, उपन्यास पढ़ते हैं। लेकिन आपकी नीति यह है कि एफिशिएन्सी के नाम पर आप आफिसर बढ़ाते हैं। एफिशिएन्सी बढ़ाने के नाम पर अगर आपने छोटे मुलाजिमों को राहत दी होती छोटे मुलाजिमों की सुविधाओं की ओर ध्यान दिया होता तो शायद इस देश के प्रशासन की एफिशिएन्सी किसी भी देश से कहीं ज्यादा आगे रहती। जब किसी दफ्तर में फाइल एक्युमुलेट होने लगती है तो आप यह नहीं देखते कि उस दफ्तर में एक क्लर्क अगर 10 फाइल दिन में कर पाता है तो वहां दो क्लर्क कर दें तो 20 फाइल करेंगे। आप एक आफिसर के बदले दो कर देते हैं। उसका नतीजा क्या होता है? नतीजा यह होता है कि दो क्लर्कों के बीच दो आफिसर बिठला दिये जाते हैं जिनमें एक आफिसर की फाइलें दो जगह बंट जाती हैं और एक आफिसर पांच ही फाइल डील कर पाता है और बाकी आधा समय वह गप मारते रहता है। इसलिए मैं निवेदन करना चाहता हूं कि इस फिजूलखर्ची को रोका जाना चाहिये।

इसके साथ ही मैं यह भी निवेदन करना चाहता हूं कि आपको आमदनी पर भी सीलिंग लगानी चाहिये और कम से कम 100 और 150 रु० और ज्यादा से ज्यादा 1000 और 1500 रुपया हो। अगर आपने ऐसा किया होता तो कम से कम 1 हजार करोड़ रूपये की बचत हो सकती है। लेकिन यह काम आपने नहीं किया और आज देखने में यह आत

है कि अफसरों की बाढ़ बढ़ती ही चली जा रही है और उन पर जो भी खर्च होता है उससे आपकी एफिशियेंसी नहीं बढ़ रही है।

मैं अपने अनुभव से यह बतला रहा हूँ कि आपकी नीतियों के कारण दिन प्रति दिन कीमतें बढ़ती ही चली जा रही हैं, महंगाई बढ़ती ही चली जा रही है। इसके चलते चाहे किसान हो, चाहे कारखाने का मजदूर हो, खतिहर मजदूर हो, या दफ्तर में काम करने वाला कर्मचारी हो आज सब की हालत तबाह हो रही है और सब की हालत खराब हो रही है।

**उपसभाध्यक्ष (श्री महावीर प्रसाद भार्गव) :** आपका बोलने का समय पूरा हो गया है।

**श्री रेवती कान्त सिंह :** यह मेरी मंडन स्पीच है और मैं पांच मिनट में ही अपना भाषण समाप्त कर दूंगा, इसलिए आप पांच मिनट और दे दीजिये। अगर आपने अपने कर्मचारियों की समस्या पर गौर से ध्यान दिया होता तो आज इस तरह की हालत उनकी न होती। आपने उनको भुलावे में रखने की कोशिश की और आपकी नीतियों की वजह से जो महंगाई तथा कीमतें बढ़ रही हैं, देश की आर्थिक पीढ़ टूट रही है उसका नतीजा यह हो रहा है कि जो हमारे देश का मध्यम वर्ग है वह पीसा जा रहा है, इस तरह का जो वर्ग है वह सरकारी दफ्तरों में चाहे केन्द्र की हकूमत में हो चाहे राज्य सरकारों की हकूमत में हो जिसे पहले संकोची ब्लास कहा जाता था, वह अब जाग्रत हो गया है। यह वर्ग पहले इतना संकोची था कि वर्षों तक भूखा रहा। जो अपने बच्चों तक को खिला न सका अपने पड़ोसी से मांग कर भी न खिला सका आज वही वर्ग सड़कों पर नारे लगाते हुए निकलता है “इन्कलाब जिन्दाबाद” और मरे आम कहता है कि हमारी मांगें पूरी की जाय।

मैं इस सिलसिले में यह कहना चाहता हूँ कि आपके सामने गजेन्द्र गडकर कमिशन की रिपोर्ट महंगाई भत्ते के संबंध में आई है। उस रिपोर्ट में कहा गया है कि जो महंगाई भत्ता दिया जाय वह डेफंड पेमेंट के रूप में दिया जायेगा। तो मैं इस सम्बन्ध में आपको यह चेतावनी दे देता हूँ कि डेफंड पेमेंट का सिद्धान्त यदि आपने माना तो इससे सारे देश में लेबर अनरेस्ट पैदा हो जायेगा क्योंकि यह केवल सरकारी कर्मचारियों का ही सवाल नहीं है। अगर केन्द्रीय सरकार ने अपने कर्मचारियों के लिए यह नीति अपनाई तो राज्य सरकारें भी इसी नीति को अपनायेंगी और उसका नतीजा यह होगा कि जो प्राइवेट उद्योगपति हैं वे भी इसका अनुसरण करेंगे और मजदूरों को मजबूर करेंगे कि वे डेफंड पेमेंट के उसूल को मान लें। आप महंगाई भत्ता इसलिए देना चाहते हैं कि इस समय देश में जो चीजों की कीमत बढ़ गई है और जिसकी वजह से कर्मचारियों को ज्यादा दाम देने पड़ रहे हैं उसमें उन्हें राहत दी जाय, मगर डेफंड पेमेंट का जो सिद्धान्त है उससे उनकी महंगाई की कठिनाई में कोई सुधार नहीं होगा और इसका उल्टा नतीजा यह होगा कि सारे देश में लेबर अनरेस्ट फैल जायेगा।

उपसभाध्यक्ष महोदय, अब मैं आपके माध्यम से, जो आखिरी बात कहना चाहता हूँ वह यह है कि संविधान की धारा 309 में यह कहा गया है कि सरकारी कर्मचारियों की नियुक्ति तथा सर्विस की शर्तों को रेगुलेट करने के लिए, अगर केन्द्र के कर्मचारी हैं तो संसद्, अगर राज्य के कर्मचारी हैं तो राज्य सरकारों के विधान मंडल उनके लिए लेजिस्लेशन बनायेंगे और एक्ट बनायेंगे। हमारे संविधान में इस तरह का भी प्रोविजोन है कि जब तक इस तरह का कोई एक्ट नहीं बनता है तब तक राष्ट्रपति या राज्यों में राज्यपाल या उनके द्वारा प्राधिकृत कोई व्यक्ति एग्जीक्यूटिव आर्डर्स के द्वारा सर्विस कंडिशन को रेगुलेट करने के लिए रूल बना सकता है। पिछले

[श्री रेवती कान्त सिंह]

17 वर्षों से, जब से संविधान लागू हुआ है, मेरा अन्दाजा है कि पूरे देश भर में, केन्द्र से लेकर राज्यों के बीच करीब 17 हजार एग्जीक्यूटिव आर्डर्स जल्द पास किये गये होंगे लेकिन संसद या राज्यों में उनके विधानमंडलों द्वारा इन 17 वर्षों में कोई इस तरह का कानून बना या नहीं, इस पर ध्यान दिया जाना चाहिये। पिछले 17 वर्षों में धारा 309 के अन्तर्गत कोई इस तरह का कानून शायद नहीं बना है। इसका नतीजा क्या हुआ है कि किसी भी अन्डर सेक्रेटरी को डेलीगेशन आफ पावर के अन्तर्गत यह अधिकार है कि वह राज्यपाल या राष्ट्रपति के नाम पर आदेश जारी कर सकता है और रूल्स के लिए आदेश निकाल सकता है तथा सरकारी कर्मचारियों की सर्विस कंडिशन को रेगुलेट करने के लिए नियम बना सकता है। इसका नतीजा यह हुआ है, उप-समाध्यक्ष महोदय, कि सारे देश में, कम से कम राज्यों का तो मुझे अनुभव है कि अंग्रेजी राज्य के समय जो नियम कायदे कानून बने थे, वे तो ज्यों के त्यों लागू ही हैं, साथ ही साथ प्रतिक्रियावादी कानून रोज ब रोज बनते ही जाते हैं। इसका नतीजा यह हो रहा है कि सरकारी अफसर समझानी करता है, चाहे केन्द्रीय सरकार में हो, चाहे राज्य सरकार में हो और सरकार तथा उसके कर्मचारियों के बीच में स्ट्रेन्ड रिलेशन पैदा होते जा रहे हैं तथा इसका असर एडमिनिस्ट्रेशन की एफिशियेंसी में पड़ रहा है। इसलिए मैं कहना चाहता हूँ कि धारा 309 के अन्तर्गत केन्द्रीय कर्मचारियों के लिए संसद और राज्य में विधान मंडलों को चाहिए वे अपने अपने कर्मचारियों के लिए लेजिस्लेशन लायें।

मैं अन्त में यह कहना चाहता हूँ कि इन गलत नीतियों के चलते आज देश में भुखमरी है, महंगाई है और तरह तरह के कष्ट हैं जितने कि अंग्रेजी राज्य के समय में भी नहीं थे। हमारे जैसे लोग जिन्होंने आजादी की लड़ाई में बचपन से ही हिस्सा लिया है, उन्होंने सोचा

था कि जब अंग्रेज इस देश से चले जायेंगे जब हिन्दुस्तान आजाद हो जायेगा, तो इस देश में भुखमरी नहीं रहेगी, गरीबी नहीं रहेगी, जहालत नहीं रहेगी, भ्रष्टाचार नहीं रहेगा और सारा देश खुशहाल हो जायेगा। लेकिन आज ये सारी चीजें देखने में नहीं आ रही हैं और जब तक इन्सान भूखा रहेगा, उसकी भूख मिटाई नहीं जायेगी, तब तक इस धरती पर तूफान बचते ही रहेंगे और उसको कोई नहीं रोक सकता है।

SHRI N. SRI RAMA REDDY (Mysore):  
Mr. Vice-Chairman, Sir, it is well known that unfortunately our country has been facing a very serious and critical situation in our economy. We all know that this situation has arisen on account of two wars that this nation had been called upon to face and also on account of two failures of the monsoon. Arising out of these, our food production has fallen steeply and this has created a very serious problem. Not only that but our industries, based as they are on agriculture, have also been slumping. Industrial production has been slumping. Arising out of these two situations, the prices have been spiralling up. Our exports have been dwindling. The imports that are necessary for keeping the wheels of industry moving are also increasing and inflationary pressures are seen in the country's economy as never before. Increased defence expenditure also is adding to our trouble and this we cannot avoid. The need for increasing the outlay on developmental works is growing and the pressure for increasing the outlay on such developmental works is also increasing.

[THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) in the Chair.]

The result is a very stagnant national income and also a fall in per capita income. What could be worse than this? In a situation like this the task of the Finance Minister to produce a Budget satisfactory to all—

more than that the primary object of the Budget is, and it is, to make it an instrument of national economic development; nowadays that is how we look upon the Budget—is doubly more difficult.

Various aspects of the Budget have been discussed by the speakers who spoke before but I would like to concentrate my attention on the rationale of the Budget this year. The year's Budget is distinctly different from the Budgets that we have had before. The first and foremost thing that has been attempted to be done is to put an end to deficit financing. This is the first rationale that we see through this Budget and we have to ask whether this policy that has been adopted by the Finance Ministry is correct or not. I for one would say that this is the most correct step, the first step, I should think, that the Finance Minister has taken. If deficit financing is put an end to, what does it mean? It immediately means that the inflationary trends in the economy are cut; and added to this he promises that the revenue expenditure is going to be cut down wherever possible and he is going to take credit for that only when he does it. That is what his Budget speech indicates and I think that that is a realistic way of looking at it. I am sure the Finance Minister is seized of this matter and he is going to do that. Of course, his Revenue Budget as such does not indicate any large decrease in the revenue expenditure but I suppose his promises will come true in his future performance. Ending deficit financing means also that the price spiral is put an end to. That is at *any* rate the theory; that is what everybody believes in. And let us hope that this will come true.

Now, what does inflation mean? And how has it been plaguing the national economy? Inflation means increase in prices, increase in the cost of living, cost pushing up the wages; it also means impairing our competitive capacity in building up an export market. All these things are a menace to our

developing economy. Therefore if that can be put an end to, that will be a great step forward.

The States taking advantage of unauthorised overdrafts from the Reserve Bank of India has also been having a great pull on our national economy and the Finance Minister has boldly come forward to say that at any cost this will not be allowed in future. This is also a step in the right direction and I wish the Finance Minister all success.

Among other steps taken to arrest this spiralling of prices is the subsidy for foodgrains to the extent of Rs. 118 crores but I will have a word to say about this subsidy for foodgrains a little later when I shall talk of the Budget *vis-a-vis* agriculture. Distribution of foodgrains is also proposed to be done through public channel; liberalisation of imports to augment domestic supplies and also to stimulate industrial production, expansion of the network of consumer co-operative societies, etc. are also proposed. Fiscal and monetary restraints to check pressure on demand are also proposed. Finally, the Finance Minister also depends upon the monsoon, as everyone of us does. The only panacea, the only way we can save ourselves from the present economic crisis is a good monsoon. I pray, and this Parliament prays, with the Finance Minister that the monsoon at least after these *two* years may be a good monsoon.

SHRI M. N. KAUL (Nominated): It is raining outside.

SHRI G. H. VALIMOHMED MOMIN (Gujarat): The monsoon has already started.

SHRI N. SRI RAMA REDDY: My learned friend who spoke just before me was saying that *gherao* is a great menace to the country. I also feel that it is the *gheraos* with the political elements creeping into the productive processes that are going to hamper the prosperity of the country.

[Shri N. Sri Rama Reddy.] I particularly appeal to all those who believe in *gheraos* in stopping the productive processes for the sake of political ends, that they should not undertake this step. Particularly Mr. Bhupesh Gupta and his tribe should take care to see that such a thing is not done so that the economy comes out of the great difficulties it has entered into. So much with regard to the rationale of putting an end to deficit financing.

Now I would like to say a word about the rationale behind developmental and welfare expenditure. The Finance Minister has got naturally to depend upon tax resources for the developmental work. We cannot reduce our developmental expenditure on any ground. We have got to keep it up and I am glad that he has kept the developmental expenditure or the Plan expenditure at the same level as before. Now it is not a mesmerism. Except through taxation, how can he mobilise resources for the developmental work? Therefore if he has taxed tea, coffee, footwear, aluminium, textiles, etc., I suppose he has kept them at the rock bottom level. After all the entire excise duties now imposed will come to about Rs. 115 crores and it will in effect give him only Rs. 68 crores after paying the share of the States. That is just enough to wipe off the deficit in the Capital Budget. His figures we have seen; he is left with a slender margin of Rs. 85 lakhs. The manoeuvreability is so small; in the event of any crisis developing I do not know how he will manage the finances. But there is also another theory that he is very much underestimating the revenue and therefore the hope probably is that he would get more room and more manoeuvre-ability in respect of mobilisation of tax resources and thereby the developmental plants will not suffer. That is our hope at any rate.

Now, I would like to say a few words with regard to agriculture, Budget vis-a-vis agriculture. Sir, a

few aspects of this are very intriguing. The demands of the Food and Agriculture Ministry are included in Demand Nos. 32 to 37 and also in 121 and 122. The total Central Government expenditure on Plan account is Rs. 40.8 crores. I would like to invite the attention of the hon. Finance Minister to Demand No. 34 for the Indian Council of Agricultural Research. This year the allotment under the Plan is Rs. 11.56 crores. Last year, in 1966-67, he has been able to spend only Rs. 2.4 crores. As against that amount of Rs. 2.4 crores, this year all of a sudden it is stepped up to Rs. 11.56 crores. I wonder whether it is at all possible to spend Rs. 11.5 crores on agricultural research all of a sudden. You have spent only Rs. 2.5 crores last year. All of a sudden you have stepped up the expenditure on agricultural research to Rs. 11.5 crores. Is it possible? Is it practicable? I am an agriculture graduate. I for one cannot imagine an expenditure of Rs. 11.5 crores on this, when it was only Rs. 2.5 crores before. Is it possible to find the agriculture personnel. Is it possible to find out such a number of problems to be tackled in relation to the needs of the country? I do not know how it has been done. I have got my grave doubts with regard to the provision that you have made for agricultural research. It is impossible to spend Rs. 11.5 crores. Is it related to facts? I would like to invite his kind attention to one or two things. I have mentioned it here before. In Mysore State Ragi is the staple crop, but this Ragi crop has suffered for the last three years successively. The rust disease has been plaguing us in Mysore State. I made a number of representations to the Ministry, to the Research Institute and everybody else. The other day, while discussing the food situation, I pointed out what reply I got. The reply that came from the ICAR, from the Head of the Mycology Department, was that it has not been possible to find out what the disease was exactly due to.

His advice was that it was better that sowing was stopped in April and May. Is it practical? The Food Minister goes on to say that another quick-growing crop should be grown in between two crops. In April and May, particularly Ragi is suited. That is the planned programme of the Ministry. And the reply comes from the Head of the Mycology Department, to which I have already referred. It is there on record. Unfortunately, I have not brought that letter here today. Now, the advice from the expert is not to sow, but plans are made that it should be sown as a quick-growing crop. How unrealistic is that suggestion. I just wanted to bring this to his notice.

Now, Sir, there is the mango crop. For the last three years the crop has been devastated by certain insects or diseases. I do not know what it is due to. Has it been taken notice of? Is it being attended to? Agricultural research is not always related to the needs. Certainly they have done some good job. I do not want to deny that. I am myself an agriculture graduate. Therefore, I know what it is, but often it is not related to the actual needs of the country. That is how it is going on. It is going on this way. There are a number of gaps in the Ministry, unidentified gaps in the Ministry in regard to research, in connection with extension work, etc. Everywhere it is so. Therefore, to achieve the targets has become very difficult. As an instance of expenditure unrelated to the needs of our country, I brought this to his notice.

Now, Sir, everybody knows "Neer Pran Da". For agriculture, water is the most essential thing. Apart from soil, of course, water is the greatest desideratum for successful agriculture. Are we doing all that is necessary to make water available or are we saying that it all depends upon the monsoon I make bold to suggest to the hon. Finance Minister that

though the potential of the underground water supply is so great yet it has not been tapped. The problems has not been seriously attempted. On minor irrigation projects some amount has been spent and you expect all the underground water to come up to your aid in case of failure of monsoon. How can it happen? No, Sir, it cannot happen. My suggestion to you is, please make bold to see that a National Underground Water Supply Development Corporation is registered and it works. It has got to work. I have already calculated and found that to dig or bore a well, it takes only three or four days, especially in the Gangetic delta. Right from Punjab to Bengal it takes only three days and then to energise it another three days, *i.e.*, only six days. With the help of the necessary equipment, you can bore a well and there is in the Gangetic delta a great ocean buried under this soil. Unless you have recourse to that, this question of the failure of the monsoon will always be there. It is there in nature. You cannot avoid it. Therefore, I suggest that a bold step has to be taken. This National Underground Water Supply Development Corporation will have a thousand crores of rupees. One requires Rs. 5,000 for boring a well and another Rs. 5,000 for energising it. For Rs. 10,000 you have a well. The aim shall be one million wells. If we are going to have this, it means Rs. 1000 crores, apart from your Plan. Let us not touch your Plan. Then, how to find the money? Instead of nationalising the banks, approach the banks. Let every bank contribute Rs. 50 crores or Rs. 100 crores, whatever it is. I do not know and I have not studied it. The financial resources of the LIC are there. The financial assistance from the scheduled banks can be taken. Foreign assistance could be had. I read the other day that there was a big world conference in America. President Johnson himself said certainly his country was going to give all the technical help necessary, equipment necessary and all the finances neces-

[Shri N. Sri Rama Reddy.]

sary for undertaking a big programme like that. Under three heads, *viz.*, organisational ability, technical equipment and finances, all these three are provided. We can undertake a big scheme like that. In a very empirical form. I commend it for your examination. Within three months we must have the National Underground Water Supply Development Corporation. Such a Corporation must come into existence.

Next is manure. Of course, everything is being done. Seed development is there. New technology is coming up. This new technology has a great potentiality. If only we put our effort in the right direction, if only we switch on the entire country towards greater production in agriculture, if only we spend our money properly—I very much doubt whether we are doing it properly—we could succeed.

I thank you very much for giving me this chance. I could not say all that I wanted to say, but I have said what little I could in the matter. For the rest of it, I hope the Finance Minister will do the thinking and come to the aid of this country's economy.

SHRI M. D. NARAYAN (Mysore): Mr. Vice-Chairman, Sir, I must first congratulate the Finance Minister for making a bold attempt to present a balanced Budget, but for certain avoidable taxes, both direct and indirect, which he proposes to introduce. He could certainly make the financial position more secure by preventing wasteful expenditure on administration. For example, there is no use spending so much on the Planning Commission. We have given that Commission enough time and opportunity for experimentation. Now, efforts should have been made to remove the stagnation brought about by that Commission during the last 15—20 years. It is because of their defective planning and miscalculations that we have continued to

be deficit in food, fertilisers, agricultural implements like tractors, etc. and other basic requirements, which could really be beneficial to the economy. May I enquire from the Government whether they have, in any way, been able to face the drought, the floods, which were elementary requirements to be looked into and examined by the Planning Commission? That Commission had always been a source of spending more on such projects which would not give relief to the people and the nation as a whole in the near future. Could it not be so planned that at least we could show to the world, as also to the Indian people, that our toil and labour would certainly bear fruit? Their planning has brought about drought in every sphere—technical, industrial and natural. I would still suggest to the Government that we may begin from today to re-examine the ill-conceived plans.

Similarly, in other administrative machinery, I feel, economy could be shown thereby giving relief to the people in the shape of subsidy in cereals, sugar, etc. But the Government on the other hand has been compelled to remove the subsidy on such essential commodities only to encourage expenditure on wasteful administration. May I enquire from the Government the intensity of inflation which the big, fabulous and ill-conceived planning has brought about?

The Finance Minister has now tried to meet the wasteful expenditure by increasing the various indirect and direct taxes, by increasing the excise duty on various commodities, and by squeezing the prosperity of Railways. He should know that because of the inflationary tendencies brought about by his Government, a stage has been reached when it is impossible for the common man to stand any more direct or indirect taxes. It appears that the present



Government who have not so far been able to give food and shelter to the poor people, want them to travel bare-footed all the distances and without a square meal. I would only-urge the Finance Minister to at least forego the excise duty on shoes, tea and coffee to enable them to enjoy the beverage of tea and coffee to kill their hunger. I am prepared to put forth statistics before the Finance Minister to prove that the enhanced duty on coffee proposed by him is because of some misgivings. It is a pity that the Government wish to treat their people so cruelly knowing fully well that it is beyond their power and strength to face any more additional burden in the shape of additional taxation, excise duty, etc.

I would now suggest certain remedial measures to tone up the economy. The Government should encourage basic industries necessary for agriculture, should give top priority in helping the country to become self-sufficient in the production of fertilisers, tractors and other agricultural implements and give subsidy for small irrigation schemes which could be put through by manual labour. It will also solve the problem of employment for landless labour to a great extent.

A greater check and supervision can surely bring down the expenditure on the administration of public undertakings thereby affording more profits. This can help a great way in improving the economy of the country by cutting imports and boosting exports of manufactured goods. Devaluation of rupee from time to time to boost export is not the remedy. Remedy lies in manufacturing quality goods. Has the Government ever given attention to appreciate the work of technicians in this country and appreciate their skill as is done in other countries to give fillip to the young people to show their talent? Such measures should have been announced also. Indiscriminate export of raw materials should be discouraged and they should be con-

verted into finished and semi-finished goods to earn more foreign exchange and to increase the employment potential in our own country. In fact we are still dependent on the skill of engineers of foreign countries which we should try to dispense with gradually. This, if followed, will stimulate the economy of our country.

The same is the condition of taxation proposals. The Government does not try to understand the difficulties of the people except showing lip sympathy. I would quote the case of the proposed enhanced excise duty on coffee. I have given statistics to the Finance Minister to show that because of the inelastic export market and increase in production of coffee in the country, a lot of coffee is lying in the internal market. He should know that by exercising these coercive methods he could only encourage the coffee growers to shift to some other agricultural produce as has happened in Brazil. In that country, however, the Government has the interest of the cultivators in mind. That Government has, therefore, given subsidy to the cultivators in many ways to keep up the production of coffee.

May I enquire from the Finance Minister whether the material and facts furnished to him by me have been examined and if so, whether he could endorse the statistics given therein? Why not, therefore, revise the proposal of imposing increased excise duty on coffee?

Similar is the case with regard to other planning. The present Government is not amenable to arguments. They take everything as a prestige issue and govern the country in their own manner without respecting the ideas of the general public. On the one hand, the Government desires that people should encourage bank deposits so that the savings can be mobilised. If that is done by the public, the Government tries to recover tax at a rate which may not be applicable to them, a rate

[Shri M. D. Narayan.]

which is as high as 22 per cent without making arrangements for getting the refund easily. I would urge the Finance Minister to review this proposal and take a rational attitude so that the common man is not put to unnecessary hardship. If this is not done, I can warn the Government that their scheme of small savings will totally fail.

I am happy to note one thing at least that the Government is paying more attention to Defence. I would only request the Government to remain vigilant and not to slacken the defence preparedness for lack of funds. Here I think every Indian would like to contribute his share to preserve the honour and independence of the country. I would like the Finance Minister to give a free hand to the Ministry of Defence, so far as finances are concerned, in implementing the schemes for defence preparedness. The other day, when I read in the Press that costly lives of the Indian Contingent in the Gaza strip were lost only because no sanction to carry them by air could be issued, it really pained me. Such incidents should not be allowed to be repeated.

I am also not very much opposed to our present external policy except that we should try to deal with the world problems more cautiously and should not issue unnecessary statements thereby picking up problems which we could otherwise prevent without shaking our determination in the principles and policies which we have laid down. Thank you.

SHRIMATI VIMAL PUNJAB  
DESHMUKH (Maharashtra): In welcoming the Budget proposals, I would restrict my comments to the development of agriculture, as agriculture is the backbone of our country.

That this great and glorious "Bharat Varsha", once upon a time a land of milk and honey, rich in mineral

resources and forest wealth, which attracted invaders from all parts of the world should be unable to feed its own people is really a matter of pity and shame. Two successive years of drought has added to our existing misery immensely. Fall in food and other agricultural production has compelled us to import food from foreign countries such as U.S.A. and Canada.

Our food requirements for the Fourth Five Year Plan are estimated to be 120 million tonnes. With high yielding variety of seed such as IARI Sona 227 which has yielded winter wheat harvest of 93·4 maunds per acre to Shri Kanwal Mohindera Singh and 93 maunds to a Kangra village farmer, it is the highest in the world, and with several other high yielding varieties evolved in our Laboratories and by farmers, more irrigational and inputs available, a break-through is possible. Mere availability of inputs, however, is not enough for increasing food production, but it must be coupled with hard work and determination.

Maharashtra State is going ahead with the programme of raising hybrid seeds in the State. The Maharashtra Chief Minister only yesterday stated in a press conference that if all goes well the State will attain self-sufficiency in food next year. The expected production will be 20 lakh tonnes more.

It is indeed gratifying that irrigational facilities are steadily improving in our country. The credit of this goes to Dr. K. L. Rao. It will be admitted that there exists great imbalance of irrigational facilities as far as Maharashtra State is concerned. I do sincerely hope that this is corrected in the Fourth Five Year Plan, and that Upper Wardha Project gets clearance soon from the Central Water and Power Commission, where it has been so long delayed. The Upper Wardha Project will fall to the lot of the country I come from, namely

Amaravati in Vidarbha which is predominantly agricultural. Mind you, Vidarbha is blessed with very fertile black cotton soil and progressive farmers. Once the Upper Wardha project is resuscitated, it is going to irrigate 1,50,000 acres of very fertile soil. Plenty of food and other cash crops, vegetables, etc. can be grown; even paddy in which we are deficit can be grown. Intensive cultivation will become possible. Agro-industries such as oil and spinning mills, canning and food-packing factories can be started and prosperity brought to this long-neglected area. The project—I was told in reply to my question of the 4th November, 1965—would cost Rs. 13.5 crores. But surely this amount spent will be repaid in no time. I would request the Government that under no circumstances should our irrigation programmes be looked upon as measures designed only to meet an emergency. They must become a permanent feature of our larger programme of national reconstruction and must be carried out until the last acre of our cultivate land has been given its due share of water.

Sir, I am happy to find that the Planning Minister is keen, nay determined to push through all the essential programmes of agricultural production and continuing irrigation and power projects.

Manure is another important and indispensable input necessary for increasing agricultural production. Government has planned to import a considerable quantity of fertilisers which will be a drain on our foreign exchange. In the absence of soil-testing laboratories, the use of fertilisers is dangerous. I recall how my late husband Dr. Panjabrao, Deshmukh used to worry about the situation. On several occasions he tried to draw the attention of the House and the Government to the vital need of maintaining soil-testing laboratories. But alas! his warning was not heeded. True, fertilisers help the plants but they do not nourish the soil. Organic

manure, on the other hand, enriches the soil. Utmost efforts should be made to conserve and use organic manure which we have in plenty because of large human and cattle population. Mahatmaji, who was a strong believer in swadeshi and self-reliance, tried to popularise 'Gopuri' or village latrines. It is very much regretted that we did not go ahead with this valuable programme of popularising the use of organic manure. Although crores of rupees are spent every year on the Community Development and Rural Development Ministries, which are primarily meant to help to increase agricultural production and thereby increase the farmers' income, I am sorry to say, that they have developed themselves, their friends and relatives but not the farmers.

Every effort should therefore be made to popularise the use of the organic green manure and compost which will considerably help us to attain self-sufficiency in food and other agricultural production. Incentives such as good seed, credit facilities, agricultural implements should be given to the farmers who make the utmost use of organic manure available locally.

Agriculture and food production will surely increase if the producer is guaranteed an incentive price. I am glad that the Food and Agriculture Minister is giving sympathetic consideration to this issue. For years we have been promising the farmers incentive prices when we are not even able to calculate and fulfil them. Farmers are the only part of the unfortunate victims of unkept promises.

Sir, our neighbouring country Japan has been able to bring about an agricultural revolution within 20 years only due to modernisation and mechanisation. The maximum land holding there is 15 acre. Every farmer uses power tillers, harvestors, threshers which are easily and cheaply available. I may state here that the prices

[Shrimati Vimal Punjab Deshmukh.]

charged by the Japanese manufacturers to their cultivators are very cheap while the Indian industry is charging 400 to 600 per cent more per horse-power on the engines and the like machines. I have tried to draw the Government's attention to the importance and urgency of manufacturing agricultural implements in my maiden speech in the Lok Sabha. But no progress seems to have been made.

Some representatives of the farmers' organisations who met the Government, brought to their notice that the food production target of 120 million tonnes in the Fourth Five Year Plan will be hampered because of the inadequacy of agricultural implements. Whatever we have, will hardly satisfy the need of 20 per cent of the farmers.

I would request the Government to treat food and agricultural production on a war-footing and take quick and urgent steps to see how the agricultural implements, which will be more useful to small farmers who form 60 per cent of our farm community, can be manufactured either in the public sector or in the private sector as early as possible.

Along with food and agricultural production, dairy, poultry farm, growing of fruits and vegetables and fisheries will have to be developed. It is a pity that although our country has been blessed with a very long coastline, fishery development has been very slow. Only when we have enough of other supplementary foods such as fruits, fish, egg, milk, etc. will we be able to have protective food and minimise pressures on foodgrains. Applied nutrition is, again, another fraud that is practised. A lot of money is wasted on vans which are used as private property and the beneficiaries of the good schemes are those few who are in charge of running them.

Lastly, let me warn by saying that food and agricultural production will be meaningless if simultaneously we do

not take the necessary steps to drastically arrest the population growth. I am glad that the Maharashtra Government has taken a momentous decision at its Cabinet meeting held on the 7th June, 1967 to recommend to the Central Government to take immediate constitutional steps to make vasectomy and tubectomy compulsory irrespective of caste and creed. The Maharashtra Government needs to be congratulated for having taken this bold step. It is earnestly hoped that the other States will follow suit. To encourage family planning, I would humbly suggest incentives such as gifts of Saving Certificates to be given to small families with three or less number of children. I request the Health Minister to commemorate the memory of the late Dr. Prof. Karve who did pioneering work in propagating family planning by giving scholarships to students who do good work in this field.

Before I conclude, I would like to remind the hon. Finance Minister to exercise strict control on financial discipline and save our country from the economic crisis. >

With these few words, I support the Budget.

SHRI S. S. MARISWAMY (Madras): Mr. Vice-Chairman, before I open my speech, may I first give an important quotation of a senior politician?

"It is a sound maxim of any economic policy that the financial stability and consistency are the pillars on which the confidence of the people is built up. If the people are confident about the stability and the consistency of the economic policy of the Government, they can plan their activities accordingly. If frequent changes are made in the policy, people get confused and lose confidence and their activity goes off the track. I would therefore plead for stability and consistency of policy."

This is a speech delivered by no less a person than our present Finance Minister, Shri Morarji Desai. This he delivered in the year 1965, on the 3rd

September, and the quotation taken is from an important paper, 'The

Hindu' of Madras. Mr. Vice-5 P.M. Chairman, I wonder whether

the maxim about which he was talking in 1965, when he was out of office, has gone in his present Budget Speech. The maxim was doled out when Shri Morarjibhai was out of office. Now he is in office. May I ask him whether he has followed his own maxim and tried to infuse confidence and consistency in his Budget? A cursory glance at his speech of Part A and Part B would confirm that consistency is the last thing to be seen there.

His Budget is called as a "balanced" Budget. The Ministry is happy that it has produced a nominal surplus of Rs. 86 lakhs. The incidence of additional tax burden is Rs. 68.71 crores which, according to the Finance Minister, is very small and would not affect the price line. The Congress Executive has approved the Budget. So every one is happy both in the Congress Party and in the Cabinet. But are the people happy? No.

What is India today? What are our achievements? The Budget is not a document to show the balance sheet of the Government. But it is a document to show the shape of things that prevail and the shape of things to come. From that view let us see what is the actual position of India today? If we take up, first of all, the national income, let us see what we have achieved during the last 15 years. As against the target of 5 per cent, per annum increase, it is only 3.9 per cent. Then the per capita income which increased only by 3. per cent, per annum, the index of price went up on an average by about 6.6 per cent. So the standard of living of the people, instead of going up, has really gone down.

Let us take the food production. They said that they would increase production by 101 million tonnes at the end of the Third Plan. But we have done only 74 million tonnes, half

of the target. The so-called self-sufficiency is as much a far cry as it was 15 years ago.

About the industrial side, I need not speak because Mr. Dahyabhai Patel gave an exhaustive study of the industrial side. Coming to employment, the number of unemployed are three times higher than what was before and it is increasing every day. So this is the actual position of the country today. Yet the Congress Ministry is happy and the Party is happy.

If you look at the Budget further, is there any scope for the development of capital market? There is neither encouragement nor is there any scope for the betterment of the capital market. The capital market which was already sinking has not received a better deal at the hands of the Finance Minister. The additional taxes coupled with the recent Railway Budget will hold firmly not the price line but the inflationary trend which is the bane of the nation. Price spiral will be there and there will be no saving in the public and the industrial sectors which is facing a recession today, and it will be subject to further difficulties. But our Finance Minister and his Party are happy.

SHRI LOKANATH MISRA: It is a mutual appreciation society.

SHRI S. S. MARISWAMY: In a family of unskilled labourers, the housewife proves to be a better economist. If the bread winner of the family falls ill or is out of job for a few days, the family is not affected and the housewife comes forward with a balanced budget. But our Finance Minister, who is a renowned administrator, according to his Congress friends, has proved that it is difficult for him with the revenue of Rs. 2,832 crores to make up a loss of Rs. 69 crores without resorting to additional taxes. I would request our Finance Minister—rather he can depute any-

Lshri S. S. Mariswamy.]

body younger to him—to take a trip to a labourer's house and try to learn lessons from the housewife there. How does she manage her affairs? It is difficult for me to understand the logic of levying new taxes. Can he not manage this paltry sum of Rs. 69 crores in a revenue of Rs. 2,932 crores? If he had made up his mind and not made fantastic programmes, he would have surely made up the loss. Instead he has levied additional taxes on poor man's coffee, tea, cigarettes and aluminium utensils. On the top of all these things, powerloom fabrics are also subjected to tax. These articles are more for poor people than the rich ones. Our Finance Minister who sits in lofty ideals may not be aware of it. I am told that some Members in his Party had asked him to exempt these articles from taxation. It is reported that he retorted by saying "You take to bidis". I appreciate his swadeshi fervour but I wonder what would have been his reply if someone had asked him about powerloom fabrics. As a true disciple of our ancient rishis, yogis, and Sa-dhus, I am afraid he would ask him to go without these fabrics and retire safely to jungles.

These additional taxes would surely affect the general population of the country which is already groaning under the tax burden. Middle and poor sections of the public are already finding it difficult to make both ends meet. The middle class is the worst sufferer in the bargain. They neither have the mind to go down, nor have they any scope to come up. They are frustrated and their household economy is on the verge of collapse. Yet our Finance Minister has asked them to take new taxes with a cheer.

I cannot understand the new levy on cigars and cheroots. The enhanced duty on them would bring about a few lakhs of rupees, but what about the amount involved in collecting them? In 1965, the then Finance Minister contemplated the same tax on cheroots and cigars. I am told by reliable

source that he estimated an income of Rs. 16 lakhs. But when he worked out the collection costs, it came to nearly Rs. 8 lakhs and the Finance Minister thought it was not worthwhile to tax cheroot and cigar.

Now, Sir, I have to say a few words about my State, Madras, and the Government, the D.M.K., which is struggling to keep the house in order. We all know that Shri C. Annadurai came all the way to Delhi to demand some help from our Shri Morarji Desai, the Finance Minister. I need not tell you also the outcome of it because all of you would have read in the papers that our Finance Minister has said, "No. I am sorry". When the Congress Ministry vacated office, it left a meagre stock of food in the Government godowns, and it was with great difficulty that the Madras Government managed to procure some rice and is now able to stand on its own legs. Now the people are getting rice at a cheaper rate.

To meet the loss incurred thereby and also to launch a crash programme for increased production, the Madras Government had demanded a subsidy of Rs. 8 crores. I am told the Finance Minister had put forth a counter-argument to the Madras Chief Minister that if Madras is given the subsidy, the other States would also demand. May I bring to your notice and, through you, to the notice of the Finance Minister that Madras has every right to demand this subsidy? I am justified in my demand by the reason that the Centre is subsidising wheat by giving nearly Rs. 180 crores from the Central exchequer. Wheat subsidy is given to those States where wheat is the staple food. This amount is mainly spent in U.P., M.P. and other parts of the country. I do not grudge these States getting the money, but when you give subsidy to wheat why not give the same treatment to rice also? What is sauce for the goose is sauce for the gander also. I accuse the Finance Minister that he is partial and he is discriminating and why he is so, I do not understand at all.

And, Sir, another factor I must bring to the notice of this House. During the last three Plan periods, Madras had not been given its due share. In the whole Plan period, the Central assistance to all the States is to the tune of Rs. 3,500 crores. Madras was allotted Rs. 617 crores. It works out to 7.14 per cent, in the year 1966-67. In crores it comes to 44.1 crores of rupees. But Madras got only 40.2 crores.

Again, Sir, in the current year, out of Rs. 590 crores allotted, we should have got Rs. 42.2 crores whereas now it is only Rs. 38 crores. Why this cut? If he is not prepared to give subsidy for sale of rice, he could at least be generous enough to give the allotted share in the Plan. If he had given Rs. 3 crores due for the previous year and another Rs. 4 crores due this year, and also the freedom for the State Government to spend it in order of their own priorities, Madras would not have come to Delhi demanding subsidy. I would like the Finance Minister to explain this peculiar position in his reply.

Again, Sir, there is another point which I want to bring to the notice of the Finance Minister. I am pained to say that the people of Madras are not receiving a good treatment at the hands of the Finance Minister. On April 17, at a press conference in Bombay, when he was questioned about the activities of the Shiv Sena, he is reported to have said that this particular tendency or way of thinking was prevalent elsewhere also. "Did not the D.M.K. start like this in the South?" it appears he has asked. I have got the paper clipping with me. He is reported to have also said, "If they had to fight it, let them all fight it" Sir, our Finance Minister has neither understood the D.M.K. movement nor has correctly estimated the danger of the Shiv Sena. This is a movement in clear-cut terms directed against the South Indian people living in Bombay. I know, the organisers of the Shiv Sena are indulging in illegal activities by murdering people, looting

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their property and setting fire to small shops and residential areas. They take law into their hands and behave in a manner very much prejudicial to the integrity and unity of India. Our Finance Minister should have condemned this movement outright and should not have let his imagination carry him too far in the wrong way. I am not a D.M.K. member, which you know. But I know the D.M.K. from its inception, I know its growth and I know the stature it has attained now. And I can say boldly, Sir, that they had never indulged in any violence nor had they preached violence. Not a single non-South Indian in Madras or in any part of South India has been attacked by a D.M.K. member. If anybody says that it happened, that they attacked somebody, I am prepared to take up the challenge and prove by impartial people that it is not correct. There was a movement, of course, in Madras. But it was not D.M.K. It was D.K. and its president is Periyar E.V. Ramaswamy. The D.M.K. has nothing to do with that movement. I would like to tell the Finance Minister that he should know about the movements in Madras before he makes a statement. He is a good man. I like him. I respect him as a senior Congressman. But he should not have made such a statement. He has landed himself in difficulty. His name is maligned in Madras.

SHRI MORARJI R. DESAI: Did you ask me what I had said?

SHRI S. S. MARISWAMY: I have got the paper clipping. It has appeared in the *Hindu*.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): If you had written a letter to the Finance Minister and had sent the cutting of the paper also with it, it would have been much better.

SHRI S. S. MARISWAMY: Anyway, let him contradict now. This is reported in a responsible paper. I do not read any news-item in a rag. I am reading it from a responsible

[Shri S. S. Mariswamy.] paper. It was prominently published from almost all the State Capitals. The Finance Minister has got so many departments with him which could have brought this item of news to his notice . . .

SHRI T. V. ANANDAN (Madras): All papers are anti-Government today.

SHRI S. S. MARISWAMY: So that is a different movement. It is Dravida Kazhagam, the leader of which is Periyar E. V. Ramaswamy, a great friend of—you would be surprised to know—no other person than Mr. K. Kamaraj, the A.I.C.C. President.

SHRI T. V. ANANDAN: Mr. Armadurai is his friend now . . .

SHRI S. S. MARISWAMY: I am glad that he has become Mr. Annadurai's friend. You can judge by this as to what sort of a person he is. Why then did you hobnob with him and put him on a pedestal . . .

(Interruption)

: SHRI T. V. ANANDAN: He is his guru now.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): No cross-dialogue, please.

SHRI S. S. MARISWAMY: Through Kim, my friend wanted to win the election. He used him to create communal bogeys, but this has landed them in dismal failure. So, Sir, that statement of the Finance Minister created so much of confusion in Madras. I am glad that now at least I am able to draw his attention to this . . .

SHRIMATI C. AMMANNA RAJA (Andhra Pradesh): May I ask him how D.M.K. was born, out of which I party it was born?

SHRI S. S. MARISWAMY: It was born out of D.K. But they came out when the D.K. started preaching communal . . . (Interruption). Mr. '

Vice-Chairman, I know Shrimati Ammanna Raja very well. She was our Deputy Speaker in Madras. Simply because she is a Congress member, she is trying to support a poor case. If would not help the Congress . . .

SHRI LOKANATH MISRA: I would like to bring this particular fact to the notice of my hon. colleague, Mrs. Ammanna Raja, that the Congress was born out of a Britisher.

SHRI MORARJI R. DESAI: No, no.

SHRIMATI C. AMMANNA RAJA: No, no.

SHRI LOKANATH MISRA: The Indian National Congress, yes.

SHRI BHUPESH GUPTA: The foundation of the Indian National Congress in 1885 was by David Hume, an Englishman . . . (Interruption) In the same way, Mr. Morarji Desai was born of the Provincial Civil Service.

SHRI S. S. MARISWAMY: I am glad he is now in a mood to condemn the Shiv Sena movement. I am very glad about it. He must condemn the movement outright in clear-cut terms, because otherwise some other fanatics in other parts of the country may start a movement called Shakti Sena . . .

SHRI G. R. PATIL (Maharashtra): It has already been condemned by the Maharashtra Government and by Maharashtrians.

SHRI LOKANATH MISRA: Not by Maharashtrian leaders.

SHRI BHUPESH GUPTA: If the Finance Minister can get up and say that he condemns the Shiv Sena, it is all right.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): No, no. He will say when he replies . . . (Interruption).



SHEI BHUPESH GUPTA: Why should the lady look after Mr. Morar-ji Desai? I am surprised. He can look after himself very well. The Finance Minister has got some lady followers.

SHRIMATI C. AMMANNA RAJA: He does not require anybody's help . . . . .  
(Interruption).

SHRI S. S. MARISWAMY: Anyway, there is a feeling created here to condemn the Shiv Sena movement. I am very glad about it. We must condemn all movements that are based on sectarian on\* looks and separatist and communal feelings or tendencies. I do not have anything against the Maharashtrian people. If they want to advance, let them advance. But they should not indulge in these violent activities and harm the poor people who have ^one there to earn their bread. We all belong to one country. When the Burmese drove out our people, we did not do anything, we could not do anything, because it is their right. But a Maharashtrian driving out a Madrassee is a different thing.

•Sir, I heard with rapt attention the speeches made by Mr. Mathur and by a number of other Congress colleagues. They were paying encomiums to our Finance Minister for having produced this balanced Budget and I also join the encomiums. At the same time, they were condemning outright deficit financing and dsficit budgets produced before. I wondered for a minute whether we had a non-Congress Government at the Centre before and so they were condemning the previous budgets and supporting this Budget. But when the previous deficit budgets came, these were the gentlemen who were supporting It. They said though it was an evil, it was a necessary evil in a developing country. It was only our Party which condemned it. I am glad that many hon. Members have now opened their eyes to se, the dangers of deficit financing. But I would have been

much more glad if our Finance Minister had not levied additional taxes on coffee, tea, cigarettes and footwear. Coffee and tea, I may tell you, go a long way to quench the hunger of the poor people. I know many labourers, who can ill afford a meal, take a cup of coffee or tea and thus satisfy their hunger for the time being. It is bad, I do understand. But we are not living in a puritanic world. And so I would request the Finance Minister to remove these additional taxes on these essential commodities.

श्री राम सहाय (मध्य प्रदेश) : उप-सभाध्यक्ष महोदय, बजट के बारे में जो बहस चल रही है, उसके बारे में मेरा यह निश्चित मत है कि श्री मोरारजी भाई के हाथों में हमारी आर्थिक व्यवस्था पूर्ण रूप से सुरक्षित है। देश की जिस प्रकार की हालत है, जिस प्रकार का वातावरण है, जिस प्रकार की स्थिति है, उसमें अच्छे से अच्छा और ज्यादा से ज्यादा जितना वे कर सकते थे, उतना उन्होंने किया है।

मैं इस समय कुछ बातें कहना चाहूंगा। पहले तो मैं यह अर्ज करूंगा कि हिन्दी में जो बजट तैयार किया गया है, उसमें हिन्दी इतनी क्लिष्ट है कि उसको बिना अंग्रेजी की सहायता के मुझ सरीखा आदमी जो हमेशा हिन्दी में ही बोलता है, हिन्दी में ही लिखता पढ़ता है, वह भी उसको समझ नहीं पाता है। तो मेरा यह निवेदन है कि इस बारे में जरूर कोई ऐसी व्यवस्था होनी चाहिये कि जिससे वह सरल हिन्दी में हो या जहां पर क्लिष्ट शब्द आ जायें, वहां उनके समानान्तर अंग्रेजी के शब्द भी रख दिये जायें ताकि पढ़ने के साथ साथ वह अच्छी तरह से समझ में भी आ सकें।

(THE VICE-CHAIRMAN (SHRI M. RUTHNASWAMY) in the Chair.)

दूसरी बात मैं भुगर जी भाई से यह अर्ज करूंगा कि प्राहीविशन स्टेट सर्वेक्ट है, इसमें कोई मन्देह नहीं, लेकिन

[श्री राम सहाय]

जिस प्रकार से स्टेट गवर्नमेंट केन्द्र पर उसकी जिम्मेदारी डालना चाहती है, उसके बारे में मेरा ऐसा ख्याल है कि अगर वे अपने भाषण में चर्चा करते—जैसी हम सरीखे बहुत से लोग अपेक्षा करते थे—तो बहुत ज्यादा अच्छा होता। कारण यह है कि कहीं-कहीं फिर नशाबन्दी को छुट्टी दी जा रही है। मैं नहीं समझता कि क्यों इस प्रकार की बात कही जा रही है। अभी गवर्नमेंट ने टेकचन्द कमेटी मुकर्रर की थी। उन्होंने अपनी रिपोर्ट दी है। उन्होंने सारा विश्लेषण अच्छी तरह से किया है और उन्होंने यह भी बताया है कि इससे किस प्रकार के लाभ हानि हैं और उन्होंने यह निश्चित मत प्रकट किया है कि अगर हम अपनी जनता को शराब पीने की इजाजत देंगे, तो निश्चय ही हम उसे कंगाली की ओर ले जायेंगे और जब हमारी गरीब जनता कंगाली की ओर जायगी, तो हम टेक्सेज वसूल नहीं कर सकेंगे। अगर हम उन्हें शराब पीने से रोकते हैं, तो उनकी माली हालत अच्छी होगी और वे अच्छी तरह से टेक्स भी दे सकेंगे। इस प्रकार की बातें उन्होंने बताई हैं। जो बुराइयाँ पैदा हुई हैं, उनको किस तरह से रोका जा सकता है, जो नाजायज तरीके पर शराब कशी की जाती है, उसको किस तरह रोका जा सकता है, इस बारे में रिकमेंडेशन्स की हैं। तो मैं समझता हूँ कि रिकमेंडेशन्स पर विचार करके स्टेट गवर्नमेंट उन पर अमल करे तो निश्चय ही लाभ होगा। लेकिन वह न करते हुए वे कहती हैं कि केन्द्र को पैसा देना चाहिए। मैं नहीं समझता कि किस अधिकार से वे कहती हैं कि केन्द्र को पैसा देना चाहिए। जब वह स्टेट सब्जेक्ट है और स्टेट की जनता की हालत अच्छी करनी है, तो केन्द्रीय सरकार से पैसा मांगना उचित नहीं है। मेरा यह निश्चित मत है कि नशाबन्दी पूर्ण रूप से सारे देश में लागू होनी चाहिए। हम महात्मा जी की शताब्दी मनाने जा रहे

हैं, उस वक्त तक अगर हम अपने देश में पूरी नशाबन्दी कर सकें, तो हम एक बहुत अच्छा कार्य कर सकेंगे, लेकिन इस देश की जो हालत है, उसमें मुझे इस बारे में शंका प्रतीत होती है। मैं मुरारजी भाई से यह अपील करूँगा कि वे इस बारे में जरूर तवज्जह करें, वे इसके स्टॉच सपोर्टर हैं और इसको बहुत अच्छी तरह से देखते रहे हैं। मेरा निवेदन यह है कि स्टेट गवर्नमेंट्स को वे इस प्रकार से मजबूर करें कि वे किसी प्रकार की नशाबन्दी में शिथिलता न आने दें।

अभी हाउस में काफी और चाय के बारे में बहस हुई। हर व्यक्ति ने उस मसले को लेकर इस बात पर जोर दिया इस पर जो टेक्स बढ़ा दिया गया है वह नहीं बढ़ाना चाहिए था। मैं नहीं समझता कि यह क्यों कहा जाता है कि इस पर टेक्स नहीं होना चाहिए या कम होना चाहिए। जब हमें फारेन एक्सचेंज की आवश्यकता है और हम इन्हे एक्सपोर्ट करना चाहते हैं, तो कोई जरूरत नहीं है कि टेक्स न बढ़ें। चाय ऐसी कोई चीज नहीं है, जो हेल्थ के लिए जरूरी हो। हम एक आदत डाग लेते हैं और उसकी वजह से मजबूर हो कर पीते हैं। मैंने देखा है कि कोई आदमी एक आध कप पीकर संतोष कर लेते हैं और कुछ ऐसे हैं, जो 10-10, 15-15 कप पीते हैं। चाय के साथ-साथ हम दूध और शक्कर को खराब करते हैं। आज देश में जितना दूध हो रहा है। उसको ज्यादातर खराब कोई करता है, तो चाय पीने वाले खराब करते हैं। उस पर थोड़ा टेक्स हो गया तो कोई वजह नहीं है कि हल्ला मचाया जाय कि इससे गरीब लोगों को नुकसान पहुंचेगा। गरीब लोगों को उसको पीने की कतई आवश्यकता नहीं है, बड़े आदमी लिए, शौकियाँ लिए, लेकिन गरीब जनता को पीने की कोई आवश्यकता नहीं है। मैं समझता हूँ कि कोई भी आदमी कोशिश करे, तो निश्चय ही उसे छोड़ सकता है और पीने की कोशिश

न करे तो कभी पी नहीं सकता। इस बारे में जो क्लिटिसिज्म किया गया है, वह किसी तरह से मुनासिब नहीं है।

मैं अब थोड़ा कृषि के बारे में अर्ज करूंगा। कृषि के बारे में मेरा ऐसा खयाल है कि थोड़े साधन जो आबपाशी के जुटाये जा रहे हैं, उनमें बहुत कुछ कमी है। मैं मध्य प्रदेश के बारे में और ख़ास कर अपने जिला विदिशा के बारे में कहूंगा। विदिशा जिले में हर फसल पर लाखों बोरे गल्ला मध्य प्रदेश को ही नहीं बल्कि दूसरे प्रदेशों को भी सप्लाई किया गया है। वहाँ एक हलाली बांध बांधे जाने को है। कई साल से इसके ऊपर काम चल रहा है, लाखों रुपये उसकी पैमाइश पर खर्च किया जा चुका है, लाखों रुपये बिल्डिंग पर खर्च किए जा चुके हैं, लेकिन असली काम निल के बराबर हुआ है और मुझे उसमें निकट भविष्य में कुछ होने की आशा भी नहीं मालूम होती। इस प्रकार के कार्यों में अगर देर करेंगे तो अपनी कृषि समस्या को हल नहीं कर सकेंगे। यह मेरी जानकारी में था, इसलिये अर्ज किया और मेरा निवेदन है कि गवर्नमेंट अगर इस बारे में ध्यान देगी, तो निश्चय ही विदिशा जिला ही लाखों बोरे गल्ले सारे देश को सप्लाई कर सकेगा। वहाँ बिजली की भी कमी है। जहाँ जहाँ नदी का किनारा है, नदी के किनारे जो खेत हैं और काश्त के लिये जमीन है, उसमें अच्छी तरह से बिजली पहुँचाई जा सके, तो नदी का पानी लिया जा सकेगा, जिससे बहुत लाभ हो सकता है और कृषि की बहुत उन्नति हो सकती है और मैं समझता हूँ कि हम बहुत कुछ सेल्फ-सफ़ीशिएन्सी की ओर अग्रसर हो सकते हैं। मेरा निवेदन है कि आबपाशी के सम्बन्ध में जहाँ जहाँ इस प्रकार की स्कीम चल रही है, उनको प्राथमिकता दी जानी चाहिये और उनको जल्दी से जल्दी पूरा करने की ओर ध्यान आकृष्ट होना चाहिये। केन्द्र स्वयं भी करे और स्टेट गवर्नमेंट का ध्यान भी इस ओर आकृष्ट करे। कारण क्या है ?

मेरा जिला जो है, उसमें गेहूँ बहुत अधिक होता है, लेकिन दिक्कत यह हो गई है कि साधन ठीक न होने की वजह से लोग उसमें गुलाबी चना ज्यादा बोने लगे हैं। गुलाबी चना एक तरह से कौश क्राप की तरह है। उसको 177 रुपये, पौने दो सौ रुपये के करीब एक क्विन्टल की कीमत बम्बई से मिलती है। अब उसकी निकासी बन्द है। सन् 1950 के करीब जब श्री जैरामदास दौलतराम फूड मिनिस्टर थे, तो उन्होंने प्रयत्न करके इसे खाद्यान्न से अलग कर दिया था और कहा था कि उसकी निकासी खुली रहेगी और कभी बन्द नहीं की जाएगी, लेकिन इन दिनों मध्य प्रदेश गवर्नमेंट ने उसे बन्द कर दिया और बिल्कुल निकासी बाहर नहीं होने दी। नतीजा यह हुआ कि लाखों रुपये का गुलाबी चना खराब हुआ, सड़ता रहा और आखिर में जब मैंने यहाँ मुख्यमंत्री जी के पास बहुत कुछ निवेदन किया, कन्सल्टेटिव कमेटोज में अर्ज किया, जब जब मौका मिला तब तब तबज्जह दिलाई, ड्रपकों ने दरवास्त दी तब स्टेट गवर्नमेंट ने पिछले दिसम्बर में उसकी निकासी की इजाजत दी। उससे लाखों रुपये का ही नहीं करोड़ों रुपये का हमारे जिले में फायदा हुआ। इस प्रकार की रोक करने से कोई नतीजा नहीं निकलता है। मैं समझता हूँ कि इस बारे में अगर केन्द्र से फिर आदेश दिये जाय, तो वह उपयुक्त होगा; क्योंकि अब फिर बही स्थिति आ गई है और इस वक्त वहाँ से गुलाबी चने की निकासी बन्द है। इस बारे में ख़ास तौर पर तबज्जह करने की ज़रूरत है।

मुझे कुछ अधिकारी वर्ग और कर्मचारियों के बारे में अर्ज करना है। इसमें कोई सन्देह नहीं कि हमारे बहुत से अधिकारी और कर्मचारी बहुत योग्य हैं, बहुत ईमानदारी से काम करते हैं, लेकिन इसमें भी सन्देह नहीं है कि बहुत से बिल्कुल लापरवाही से काम करते हैं और उनकी लापरवाही की वजह से ख़ास बेईमानी की वजह से करोड़ों रुपये का नुकसान होता है। आप इस

[ श्री राम साय ]

बारे में अगर पब्लिक एकाउन्ट्स कमेटी की रिपोर्ट की तरफ तबज्जह करें, तो मैं समझता हूँ कि आपको असली हालत मालूम होगी। मैंने यह देखा है कि लाखों, करोड़ों रुपया बिना पार्लियामेंट की सैक्शन के खर्च किया गया। लेकिन किसी पर कोई जिम्मेदारी आयद करने की बात नहीं। डिफेंस सरीखे डिपार्टमेंट से लाखों रुपये का सीमेंट गायब है, किसी पर कोई जिम्मेदारी नहीं, बेचारा एक छोटा सा आदमी जो स्टोर कीपर है, उसको मुअत्तल किया गया। बाहर से इस प्रकार की मशीनरी आई, जिसकी कोई आवश्यकता नहीं थी और जो कि आठ-आठ दस-दस साल से वैसे की वैसे बन्द पड़ी है। कहीं कोयला खरीदने की जरूरत थी, तो स्टीम रोलर के लिए कोयला खरीदा गया, बहुत सारा कोयला खरीद लिया गया और तब मालूम हुआ कि जो रोलर्स थे, वह डीज़ल के थे। तो आप गौर करिये कि कितनी लापरवाही और कितनी बेरहमी के साथ पैसा खर्च किया जाता है। मैंने कई बार जब जब मौका मिला है, मिनिस्टर साहब की तबज्जह दिलाई है कि कम से कम वह पब्लिक एकाउन्ट्स कमेटी की रिपोर्ट पर ध्यान दें और जो अधिकारी जिम्मेदार पाये जाय, उन पर कुछ न कुछ एक्शन जरूर लें। मैंने तो यह देखा है कि जिन अधिकारियों पर वह मामला गया, वह अपनी जिम्मेदारी महसूस नहीं करते और जो उनके प्रिवियस के, पहले के, अधिकारी थे, उन अधिकारियों की जिम्मेदारी बताते हैं और वे जो प्रिवियस के हैं, जिनकी जिम्मेदारी बताते हैं, वे दिन ब दिन तरक्की पाते हुये आगे बढ़ते चले जाते हैं। तो इसका कोई कारण नहीं कि जिन लोगों के हृद में काम हो और जब इस प्रकार की गलती हो, तो उनको किसी प्रकार से चेक न किया जाय और जो एड्वान्टेज और प्रिविलेज उनको हासिल हैं, वह पाते रहें और अपनी जिम्मेदारी को बिल्कुल अदा न करें। यह कोई भ्रान्तिब तरीका

नहीं है और इस तरह से हमारे देश की हालत बिल्कुल दुस्त नहीं हो सकती। मेरा निवेदन है कि इस बारे में हमको खास तौर पर तबज्जह करने की जरूरत है और मैं मोरारजी भाई से अपेक्षा करूंगा कि उनको फाइनेंस के सिलसिले में पूर्ण अधिकार है, इसलिए जहां जहां उन्हें इस प्रकार की चीजें मालूम हों उनके बारे में जो सम्बन्धित मिनिस्टर साहब हैं, उनकी खास तौर पर तबज्जह दिलायें और तबज्जह दिला कर कोशिश करें कि इस प्रकार की जो बातें सामने आई हैं, वे भविष्य में न आयें तो बहुत अच्छा है। तो मेरा अर्ज करना है कि हमको इन सब बातों पर पूरे तरीके पर शान्ति से गौर करना चाहिये और इनको देखना चाहिये।

साथ साथ मैं आवपाशी के सम्बन्ध में अर्ज करूंगा कि हमारे यहां बेतवा वैली स्कीम और नर्मदा की स्कीम चल रही है। लेकिन उनके बारे में अभी कोई खास तबज्जह नहीं दी जा रही है, चल रहा कार्य जैसे तैसे धीरे धीरे उसी प्रकार से चल रहा है। लेकिन अगर उस पर अच्छी तरह से ध्यान दिया जाय, तो लाखों नहीं बल्कि करोड़ों बीघे जमीन आवपाशी के अन्दर उससे आ जायगी और इस तरह उसके आवपाशी के अन्दर जाने से हमारे देश का कितना भला हो सकता है। यह चीज मैं इस वजह से अर्ज कर रहा हूँ कि हम इसको सेकेंडरी पोजीशन दें, ऐसी बात नहीं होनी चाहिये। हमें अपने दूसरे खर्चे कम करके, दूसरे जो तरीके हैं, उनको बन्द कर के, उनमें कटौती करके, जिस तरह से भी हो ऐसे साधन जुटाने चाहियें, जिससे कि आवपाशी को हम बढ़ा सकें। हमारे यहां बहुत चर्चा इसकी भी होती है कि हमें खाद कम मिलता है और खाद बाहर से मंगाया जाता है। मेरा ऐसा निवेदन है कि इसमें संदेह नहीं कि खाद की बहुत आवश्यकता है खेती के लिए, लेकिन जो सबसे बड़ी आवश्यकता खेती के लिए है वह आवपाशी की है, पहले

आवृत्ति की आवश्यकता है इसलिये पहले उस आवश्यकता को पूरा करना चाहिये। हमने तो यह देखा है—अपने जिले की सैकड़ों मिसालें इस बात की बता सकती हैं—कि खाद वहाँ दिया गया और पचासों बोरी खाद किसानों ने धूरे पर फेंक दिया कारण कि वहाँ ड्राई फार्मिंग होता है आम तौर पर और उसमें वह खाद इस्तेमाल नहीं होती लेकिन जो कर्मचारी लोग हैं वे अपनी सुर्खरूई बताने के लिये यह कहने के लिये कि इतना खाद बाँटा है, उसे जबरदस्ती दिया; जब भी कर्जा लेने के लिये कोई गया तो उसे कहा कि तुमको इतनी खाद लेनी ही पड़ेगी चाहे खाद का इस्तेमाल करो या न करो और उनको खाद लेनी पड़ी। मैंने यह बातें कुछ दिन पहले हमारे जो पहले के खाद्य मंत्री थे उनके सामने रखी थीं, तो मैंने जो यह बात कही थी कि खाद का इस तरह से दुरुपयोग करते हैं उसके लिये और कोई बात कहने के बजाय उन्होंने कहा कि चूँकि मैंने यह कह दिया इसलिये मेरे यहाँ खाद कम दी जायगी, तो मैंने उनसे अर्ज किया कि मेरा यह ग़क़सद नहीं है, मेरा तो यह अर्ज करना है कि कम से कम इस बात को देखा जाय कि उसका सद्दुपयोग होता है या नहीं होता है और जहाँ इस प्रकार का दुरुपयोग हो वहाँ उसको रोकना चाहिये।

(Time bell rings)

चूँकि मेरा समय समाप्त हो गया है इसलिये मैं यहीं समाप्त करता हूँ।

SHRI AKBAR ALI KHAN: Mr Vice-Chairman, Sir, it has been said by Mr. Banka Behary Das so far as our economic situation is concerned, that we are at present mid-stream. To that extent I may agree with him But he has further said that our Finance Minister has not shown any sense of direction. I think we are fortunate—and I think the hon. the Finance Minister is fortunate—that it has fallen to his lot that at such a difficult and critical time in the economic situation of India, the responsibility

has fallen on his shoulders to see that the ship goes on smoothly along the lines laid down by our elders for the progress of the country. I am happy we are in safe hands. On the one hand, the speech of my friend, Mr. Mariswamy, represents a psychology, or an ideology—if you please. Similarly, Mr. Banka Behary Das also represents a certain ideology, but certainly he is nearer to us. Now the whole problem is being looked at not from the objective point of view, but viewed from the angle which each of the parties or each of the individuals has set before itself and they want to proceed along that line. I think it would be untrue if you say that during the last twenty years things have not improved. Has not agriculture improved? Have not industries improved? Has not the defence preparedness improved? Has not education improved? And I have got figures, but the time is short.

SHRI LOKANATH MISRA: If you yield I would like to interrupt you in connection with the improvements you referred to. First of all, I would like to say that it is not because of the Plans alone that we have improved. You would see that many other countries which have not followed any Plan, a five-year or a four-year or a three-year or any-year plan, they have improved much more than India has improved, Indian agriculture has improved or Indian industries have improved.

SHRI AKBAR ALI KHAN: For instance.

SHRI LOKANATH MISRA: Pakistan.

SHRI AKBAR ALI KHAN: I am sorry; probably my friend has not looked into the matter. As has been said, Pakistan has received four times more help from other countries than what India has. They must also understand that the defence burden,

[Shri Akbar Ali Khan.] A-hich India is bearing today, is not borne by the United States and China as is the case with Pakistan. And with all that, if you compare, I think you will have to admit that, on account of sound planning, and on account of the earnest effort and endeavour of the people, our country has progressed and has progressed effectively. Further, it is not correct to assume that Pakistan is not planning.

SHRI NIREN GHOSH: For that ;ave got the nose around your neck.

SHRI AKBAR ALI KHAN: I have you would like to go the Chinese way; I will not; you can be sure about it.

SHRI NIREN GHOSH: It is not the Chinese way; it is the Indian way.

SHRI AKBAR ALI KHAN: Politics I will discuss later; now I am discussing economics.

SHRI NIREN GHOSH: Is it the Indian way?

SHRI AKBAR ALI KHAN: ' Let us understand that in all these spheres we have progressed. But I am not happy and I want many things to be done. So far as the common man is concerned, so far as our agriculture is concerned, so far as consumer goods industries are concerned, so far as providing amenities to our common men is concerned, we have to go a long way still—that is entirely different—but we can go only along the lines chalked out and adopted by us in the carefully prepared plans coming one after another. My friend, Mr. Mariswamy, said, "We have always been saying that never you take to deficit financing." Well, these things have to be considered at every stage of development. There may be an occasion, for the sake of development, to adopt the course of deficit financing. There may again be an occasion

when things have gone too far to stop deficit financing. The nation grows as the child grows. You cannot say that a coat or a pair of trousers that you make for a child should always remain the same although he grows. Let us understand this dynamic world Let us understand that this is dynamic life. Having that in mind let us see whether the policy, the planning and the efforts that India has made have been successful or not. Take the question of defence. Do you think that without our steel industry and our aeronautical units making our planes and all that we would have been successful in fighting the aggression of Pakistan? Let us be realistic.

SHRI N. SRI RAMA REDDY: Yes, the Grants did it.

SHRI AKBAR ALI KHAN: Yes, exactly. That is exactly the reason why defence and the security of the country come first and foremost and I am very happy that the Finance Minister has given full importance to the question of defence and security.

It is perfectly right that after defence the greatest importance has been given to agriculture. I do feel that we have to adopt all these measures that are necessary to increase further production. We have to do it by adopting modern methods, by having more irrigation facilities, by supplying more fertilisers, by giving more good seeds. By these methods we have to see that during the coming years we concentrate mostly on agriculture. The increase in our population and the shortage in food production have led us to the present difficulties. Shortage in agricultural production has also affected our industries because for our raw materials we have to depend on agriculture. Therefore we have seen now that our industries also have gone down. So I am glad that this impetus has been given to agriculture.

In this connection, I would like to submit to the hon. Minister of

Finance that I have always felt that it is not so much the policy but the implementation of the policy that really matters. I am particularly glad that the importance of research in agriculture has been emphasised. You have done it and I think that for every crop we should have specialisation and we should have research and it is in that way that we can progress and our agriculture can improve. I do hope that under the direction of the Finance Minister and the Agriculture Minister they will take up this matter with all the emphasis and with all the urgency that it needs. If all these measures are implemented and when our agriculturists get the necessary things at the proper time and without much difficulty then agriculture is bound to improve.

I am also happy to think that in course of time we may nationalise banks. At present, direction should be given for proper investments. I am told that six months before direction has been given to Banks not to advance money for trade purposes. This will control hoarding.

SHRI NIREN GHOSH: Will you nationalise banks immediately or not?

SHRI AKBAR ALI KHAN: Ultimately, yes, if we feel that we are prepared for it. Unless we feel we are prepared we will not do it.

SHRI NIREN GHOSH: What preparation do you want?

SHRI AKBAR ALI KHAN: What I feel is that so far as control of money and other fiscal things is concerned, more and more it should be under the direction of the Government.

The other problem that I want to mention is that on account of the fact that our progress has been retarded owing to these financial difficulties, the unemployment problem has grown to a magnitude which is very serious. And particularly, Sir, through you, I would request the Finance Minister

to see that something is done for technically qualified people. So far as technical graduates and diploma-holders are concerned, hundreds of them are under present conditions not being employed.

SHRI N. SRI RAMA REDDY: Say thousands.

SHRI AKBAR ALI KHAN: Yes, I have got here the figures but I do not want to take up the time of the House by going into those details. • In my State I know that several of them have been retrenched who were employed a few years back because works on which they were engaged were over, like the Nagarjunasagar and others. Those who will now be coming out of the technical institutes also will have to be employed. As you know our best students go in for engineering, whether it be degree course or diploma course. A lot of money, both of the public and of the parents, is spent on these technically qualified hands. When these graduates are thrown out of jobs to the streets and are told that there is nothing for them, you can understand the frustration and you can understand the setback that it will have on technical knowledge and the discouragement that the technical personnel will receive. So my submission is that with regard to this matter we have to think and "bring out a certain proposal.

SHRI MORARJI R. DESAI: I have told you that they will be helped if they come forward.

SHRI AKBAR ALI KHAN: Now we want development. In the previous years we had not the necessary technical personnel. At present we have got the technical personnel. But what is the use? How to use them? By co-operative societies, by having small-scale industries, as has been done in Japan, they have to be helped and made use of it. That matter deserves very serious and very careful consideration. We are trying and we will do our best to bring out a

[Shri Akbar Ali Khan] scheme which will be a very helpful scheme and I am very happy that the Finance Minister has said that help will be coming.

SHRI NIREN GHOSH: There are a crore and fifty lakhs of unemployed. What do you propose for them? You should make some proposal.

SHRI AKBAR ALI KHAN: Mr. Niren Ghosh, I do appreciate that you are also interested in the development of the country or that you are worried about this unemployment. But let us know the ways and means of solving it. After all, even Soviet Russia took 40 years to develop. If you think nationalisation is a panacea, I would say that the State Bank is already in the hands of the Government. Has it solved your problems? No, it has not. If you take over other banks, will it solve the problems? If other things come under the control of the Government, will it solve our problems? No.

SHRI BHUPESH GUPTA: Why the State Bank, even Shri Akbar Ali Khan is in the hands of the Government.

SHRI AKBAR ALI KHAN: I say even Shri Bhupesh Gupta is at the mercy of the Government.

SHRI NIREN GHOSH: Yes, yes. You are ruling over us all.

SHRI AKBAR ALI KHAN: Shri Niren Ghosh, you are in a different position.

SHRI NIREN GHOSH: You are ruling over us, I say.

SHRI AKBAR ALI KHAN: Yes, we are ruling because we have got certain character, certain background. We are here due to certain quality, due to our character and not due to the mercy of anybody.

SHRI BHUPESH GUPTA: Do you mean to say that Shri Atulya Ghosh lacked quality and character?

SHRI AKBAR ALI KHAN: That is your provincial problem. (Interruptions). Now, Sir, I want your protection because from right and left they are after me.

THE VICE-CHAIRMAN (SHRI M. RUTHNASWAMY): Order, order. Mr. Akbar Ali Khan, you go on and speak on the Budget.

SHRI AKBAR ALI KHAN: The other thing that I wanted to say is this. Regarding the amounts that you give to agriculture, particularly for irrigation, you have to see that these amounts are best utilised and without any regional bias. I am very sorry that Shri Mariswamy introduced some regionalism. I want to say that if you see the development that Madras had, it is encouraging.

SHRI S. S. MARISWAMY: I did not introduce regionalism. I opposed it.

SHRI AKBAR ALI KHAN: You opposed it but you referred to Shiv Sena and other things.

SHRI S. S. MARISWAMY: Could we not talk about it?

SHRI AKBAR ALI KHAN: What I want to say is, sometimes, I know, unintentionally, with very good motives, you mention something and...

SHRI S. S. MARISWAMY: Where am I to talk about it if I cannot talk about it here? Am I to go and talk about it in the Subzi Mandi?

SHRI AKBAR ALI KHAN: Your grievance might have been solved by your referring it to the Finance Minister or other Ministers. Anyhow that is a matter of approach.

SHRI BHUPESH GUPTA: Sir, on a point of order. Can a Member repeat a suggestion which he made when he was in the Chair? He said that when he was in the Chair and he is now again making it in another capacity.



SHRI AKBAR ALI KHAN: I am speaking because you are referred. Let me finish.

THE VICE-CHAIRMAN (SHRI M. RUTHNASWAMY): He is at least consistent.

SHRI AKBAR ALI KHAN: I was referring to regional bias. If you compare the progress and development and the investment made on behalf of the Centre in Madras and Andhra Pradesh, you will find that somehow or other, without any plan or without any motive, we have been very poor in this matter.

SHRI N. SRI RAMA REDDY: So is Mysore.

SHRI AKBAR ALI KHAN: So what I say is you should see what is just and who deserves most and having that in mind you try to decide who should get greater help. What I am referring to is about Nagarjunasagar. The other States spend, I think, only 7 per cent on agriculture and irrigation. We have spent on agriculture and irrigation 14 per cent. And at present the reservoir has been completed. The water is there. The whole question is to utilise this. I do not want more money than what you have allotted in this Plan. The only thing I want is that you should expedite this payment. Instead of paying it over two or three years, if you can manage it now, the canals could be completed in two years and we can supply you with food-grains. You will not have to go to the United States or any other country for food. You examine this proposition carefully. I am not asking you to do it because it belongs to one State. After examining the situation, after going into the facts and figures

SHRI BHUPESH GUPTA: We support you.

SHRI AKBAR ALI KHAN: . . . about investment, about the return you get, about agricultural develop-

ment as a whole, if you feel it is a worthwhile proposition then you do it. I would say when you are laying so much emphasis on agriculture, take a practical view. Let it be completed, let the canals be completed and let the people produce the much-needed rice. Then we will not have to go outside for our food. I feel very sorry and ashamed that that an agricultural country, such a big country as ours, has to go outside for food. You want to help agriculture. Let that help, let the method of that help be so arranged that we get the maximum benefit out of it.

SHRI N. SRI RAMA REDDY: How much money do you want?

SHRI AKBAR ALI KHAN: Twenty crores. A sum of Rs. 10 crores is already being given. I want Rs. 10 crores more now and that is also because the whole administration is there, the machinery is there. Otherwise we will have to disband everything. I say that we are capable of spending that amount in *one* year and we have done it for the last three years. In the light of these real and practical facts I want to respectfully request you. Sir, to give your very serious thought to this problem.

Regarding international affairs, I want to say a few words. So far as the nuclear non-proliferation treaty is concerned, we must first give full consideration to our own interests and unless we find full security and full safety, I am not one of those who would go and sign that treaty. So far as our policy towards the Arab world is concerned, I was just looking through the old papers and I saw that the Indian National Congress has passed resolutions in support of Palestinian Arabs since 1931 and they were unanimous resolutions. There are also many statements of Mahatma Gandhi extending sympathy to them. And now in the United Nations we have got 30 Arab votes. From the point of view of strategic passage and from the point of view of trade and economic benefits.

[Shri Akbar Ali Khan.]

think, we need to develop more friendship with the Arab countries than anybody else. I have nothing against Israel; I would like Israel to exist but at the same time when there is a rift between the two, our sympathies have rightly gone to the Arabs. And today the world knows that even in difficulties, even in adversity, even in bad circumstances, India's friendship could be relied upon and India will stand firm. By giving a strong fight to Pakistan, Lai Bahadur Shastri raised our stature; by bringing India in the international arena, Jawaharlal Nehru raised our stature and I am sure Mrs. Indira Gandhi and you and your Government have raised our moral stature

by this policy. We were not giving any money; we were not giving any military help; we were simply giving our moral support and I am glad today we can say that once we say we are friends we stand by our friends in every situation. With these words, Sir, I support the policy and the Budget proposals of the Government.

THE VICE-CHAIRMAN (SHRI M. RUTHNASWAMY): The House stands adjourned till 11.00 A.M. tomorrow.

The House then adjourned at fifty-eight minutes past five of the clock till eleven of the clock on Saturday, the 17th June, 1967.