

THE MINISTER OF PLANNING (SHRI ASOKA MEHTA) : (a) Yes. An evaluation study conducted towards the end of 1964 by the Programme Evaluation Organisation of the Planning Commission has revealed that a number of the consumer cooperative stores were suffering from inadequacy of working finance and lack of accommodation from the institutional credit agencies and, as a result, had not been able to sufficiently diversify their business.

(b) Yes. Various aspects of the problem have been examined by the Government of India in consultation with the Reserve Bank of India and it has been decided to introduce a basic change in the *modus operandi* for loans and advances to wholesale consumer co-operatives and their federations. According to this decision made late in 1965, stores will now be required to find only up to 10 per cent of the value of goods to be procured from their own resources while the balance will be made available to them from the banks as hypothecation credit. Twenty-five per cent of all such advances made by the banks to the stores will be guaranteed by the Government of India in terms of a Guarantee Scheme which will enable the stores to procure goods at a time to the extent of ten times their own disposable resources.

RAJASTHAN CANAL

***550 SHRI RAM SINGH :** Will the Minister of IRRIGATION AND POWER be pleased to state :

(a) whether the decision to transfer the control of the Rajasthan Canal to a Central body has since been taken by Government;

(b) if so, whether the central body has been constituted; and

(c) if the answer to part (b) above be in the affirmative, what are the names of the persons comprising the body ?

THE MINISTER OF IRRIGATION AND POWER (SHRI FAKHRUDDIN ALI AHMED) : (a) No, Sir. The matter is still under consideration.

(b) and (c) Do not arise.

REIMBURSEMENT OF TUITION FEES OF GOVERNMENT EMPLOYEES

***551. SHRI D. THENGARI :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that reimbursement of tuition fees up to the Higher Secondary stage is allowed for the children of Central Government employees;

(b) if so whether the amount paid on account of such reimbursement is taxable;

(c) whether it is also a fact that the amount paid to Central Government employees on account of Children's Education Allowance is not taxable;

(d) if so, what are the reasons for taxing the amount meant for reimbursement; and

(e) whether any relief is also allowed to Government employees in respect of their children studying in higher classes and professional courses ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI L. N. MISHRA) : (a) Yes, Sir.

(b) and (c) Both the reimbursement of tuition fees and the children educational allowance are liable to income-tax.

(d) Does not arise.

(e) No, Sir.

SURVEY OF THE PRICE LEVEL IN THE COUNTRY

***554. SHRI SITARAM JAIPURIA :** Will the Minister of FINANCE be pleased to state :

(a) whether the attention of Government has been drawn to a news-item published in the Hindustan Times dated the 6th February, 1966 in which it has been mentioned that the United Chamber of Trade Association has made a survey that the prices of most articles of consumption have gone up between 25 and 40 per cent during the last year;

(b) if so, whether Government have made a survey regarding the prices at its own and, if so, how the rise in prices in this survey compares to the one surveyed by the Association; and

(c) what steps are being taken by Government to check the soaring prices of consumer goods?

THE MINISTER OF FINANCE
(SHRI SACHINDRA CHAUDHURI):

(a) to (c) A statement giving this information is laid on the Table of the House.

STATEMENT

(a) and (b) Yes, Sir. The survey of prices of articles of consumption in Delhi conducted by the United Chamber of Trade Associations, Delhi, has not been correctly reported in the Press. The only commodity to show a price rise of even 25 per cent over the year ended January 1966 is, according to the Survey, imported wheat. Other commodities such as, desi ghee, vegetable oil and milk have recorded a much small price rise while some others such as sugar, desi wheat and kerosene showed price stability, according to the Survey. The increase in the price of imported wheat shown in the survey is exaggerated. The ex-godown issue price of wheat was Rs. 48 per quintal in January 1965 and Rs. 52 per quintal a year later, indicating a rise of only about 8 per cent. The Survey also does not refer to commodities such as gur, potato and dal arhar, the prices of which fell between January 1965 and January 1966 or some others such as mustard oil and bidis, the prices of which remained stable. While there has been an increase in the average level of prices last year, as compared with the previous year, the comparison over the period of the Survey by the Chamber shows an arrest in the rise. The general level of consumer prices of essential commodities and services shows a rise of only 2.2 per cent between January 1965 and January 1966; the general index of consumer prices for industrial workers in Delhi (1960=100) stood at 135 in January 1965 and 138 (provisional) a year later. The food component of the index

actually fell by 0.7 per cent from 147 in January 1965 to 146 (Provisional) in January 1966.

(c) The price rise in Delhi is a part of the general uptrend experienced in the country and has to be dealt with as such. Apart from longer term steps to bring about an increase in agricultural and industrial production, short term measures are being taken to augment supplies to the extent feasible through imports, ensure equitable distribution of essential commodities through rationing (as already done in Delhi and certain other cities) and specific price and distribution controls and to check demand through fiscal and monetary restraints.

"PROTEST DAY" OBSERVANCE BY INCOME-TAX EMPLOYEES

*557. SHRI T. V. ANANDAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that 20,000 employees of the Income-Tax Department observed Friday, the 25th February, 1966 as "Protest Day" all over the country;

(b) if the answer to part (a) above be in the affirmative, whether the immediate reason for observing such a "Protest Day" was the decision of the Department to recruit directly 200 class II officers, overlooking the cases of 500 qualified employees;

(c) whether it is also a fact that qualified class IV employees are denied promotion into clerical cadres; and

(d) if so, what are steps Government propose to take to meet the situation?

**THE MINISTER OF STATE IN
THE MINISTRY OF FINANCE**
(SHRI B. R. BHAGAT) : (a) Yes, Sir. The exact number of participants is not known.

(b) It was one of the reasons. The "Protest Day" was intended to focus attention on other demands also.

(c) The recruitment to the clerical cadres is by direct recruitment. There is however no bar against qualified class IV employees competing for the clerical posts if they satisfy the conditions prescribed for direct recruits.