

**STATEMENT RE NEGOTIATIONS I
WITH ENTE NAZIONALE IDRO-
CARBURI CONCERNING PETRO-
LEUM PROJECTS**

THE DEPUTY MINISTER OF FINANCE
(SHRI B. R. BHAGAT): Sir, on behalf of Shri
K. D. Malaviya, I beg to make the following
statement: —

"On an invitation from the Government of India. Mr. Enrico Mattei, President of the E.N.I, visited this country in December, 1960, when I resumed my discussion with him in connection with technical and credit assistance in the field of our petroleum industry. The President of E.N.I, appreciated the advance made by India in the field of oil and offered us a credit of 100 million dollars to cover the foreign exchange cost of projects covering several aspects of petroleum industry. Since this offer was made in December, 1960, negotiations have been going on with regard to the details of arrangements for credit and technical assistance. These matters were further discussed with Mr. Mattei during my visit to Italy in June last.

"I am glad to report to the House that accord on all points has now been reached and formal agreement will be signed with E.N.I, in the evening today. The Agreement which has now been reached, will provide for a 100 million dollar credit being given by E.N.I, for public sector petroleum projects in two categories; the first category includes projects for which the general provision has already been made in the Third Five Year Plan, such as transport pipe line for petroleum products from Barauni to Delhi and Barauni to Calcutta, gas fractionation plant, liquid petroleum gas bottling plant and distribution facilities, lubricating oil plant, supply of crude oil production equipments and also distribution equipments. Among the list of projects is also included contract drilling for any areas specified by the O. & N.G.C. In the second category come additional

projects like: Petro-Chemicals and some others for which the Planning Commission and other Ministries have further to be consulted for concurrence and for which consultations have also to be made with E.N.I, in due course. Time schedule for projects under first category, however, is such as to enable them to be executed within the Third Plan period.

"This is the first arrangement for collaboration with Italy for the development of our oil industry in India and I take this opportunity to convey the appreciation of our Government for the readiness with which the E.N.I, have come forward to help our petroleum projects. I hope this collaboration will be the fore-runner of many more to come in the future.

"In response to the Government's invitation for offers from foreign oil companies for joining us in the search for oil in India, there was also a proposal from the E.N.I, made in July 1960, for a participatory venture for exploration and production of crude oil in the Cutch area. After some discussion during my visit to Italy last June, this proposal has been substituted by an additional offer for a credit of 20 million dollars for collaboration with O. & N.G.C. in oil exploration. This collaboration, however, contemplates, *inter alia*, supply of specialised services including equipments. This offer, however, is still under the consideration of the Government of India. As soon as this proposal has received final consideration, the O. & N.G.C. will be asked to take up the details with E.N.I. for starting exploratory programme in the Cutch area. If, however, this basis will not be acceptable to the E.N.I, there is every prospect of new proposals for participatory venture for exploration and production of oil being re-negotiated."

**MOTION RE THIRD FIVE YEAR
PLAN—continued.**

SHRI T. S. AVINASHILINGAM
CHETTIAR (Madras): Mr. Deputy

[Shri T. S. Avmasilingam Chettiar.] Chairman, I had the honour to move an amendment which is as follows: "and having considered the same,

this House is of opinion, while generally approving the Plan, that—

(a) all attempts should be made to keep the price line;

(b) the distinction made between the physical and financial targets should not affect the implementation of the targets laid down in the Plan for education and other social services; and

(c) all steps should be taken to maintain a high standard of integrity and performance in the services, so necessary for establishing a socialist pattern of society."

I hope, Sir, these are very evident facts and that the amendment will be accepted.

Let me now come to the second point. You know, Mr. Deputy Chairman, that under article 45 of the Constitution, we have to introduce compulsory primary education, within a period of ten years of the coming into force of the Constitution, to the age of fourteen years. We found this was not possible and even after the First Five Year Plan, we could cover about 60 per cent. We could not even complete the first group of 6 to 11 within the Second Five Year Plan. In regard to the second stage, we could not even come up to 40 per cent. We then decided that we should at least make an attempt to have compulsory primary education for cent per cent of our children from 6 to 11 in the Third Plan but see what has happened. Mr. Deputy Chairman, I would refer to page 579 of the Report. After saying so much about education, they add that for practical and administrative reasons, the programme in education for the age group 6-14 visualised in the Constitution had to be divided into two stages, 6-11 and 11-14. If the entire age group 6-14 is considered together, it will be seen

from the table that over the first ten years the number of children at school has gone up from 22.3 to 40.6 million. They go further and say that even in the current Plan provision has been made only for 76 per cent. I read from page 580:

"Taking all these factors into account, it is at present estimated that by the end of the Third Plan about 90 per cent, of the boys and about 62 per cent, of the girls will be at school, the overall percentage for the age-group 6-11 being 76." Sir, there is a further danger of this being whittled down further. You may know, Mr. Deputy Chairman, that this Plan provides for a physical target and also for a financial target. Rs. 8,000 crores is the physical target and Rs. 7,500 crores is the financial target. And as you know, in fixing the financial target, what happens is that the worst sufferers are the social service Ministries. The physical target for education has been fixed at Rs. 72 crores and the corresponding financial target is only Rs. 43 crores. Rs. 123 crores is the target for technical education and the financial target for that is somewhere about Rs. 72 crores. I want to know if only Rs. 500 crores is the shortage and if that sum of Rs. 500 crores has been divided pro rata, the amounts for education and the social services should have been much more than the financial targets fixed for them here. Sir, I say it is not fair to make people believe as they do in the chapters pertaining to education, that proper plans are being made and still continue to make the financial targets as low as have been prescribed here. You know even when making the allotments the Finance Ministry, without whose sanction no money can be spent—and that is as it should be—point out the financial target and refuse to allow anything more than what has been laid down in the financial target. The result will be that education and social services will suffer again and even the conservative targets, even the apologetic targets, of the Plan will not be reached. This

danger is there. That is the point in the second para of my amendment.

Now, I come to another matter. We have been speaking about resources. We want to raise resources up to Rs. 1,710 crores by taxation. The corresponding figure for the Second Plan was Rs. 1,052 crores. Let me explain this a little. The target fixed for the States was Rs. 221 crores. But actually a sum of Rs. 244 crores was raised. That does not give us the full picture. Certain States like Madras and Mysore raised more. As against Rs. 13 crores prescribed for it, the State of Madras raised as much as Rs. 20 crores and as against Rs. 7 crores prescribed for Mysore, that State raised Rs. 15 crores by taxation. Now, let us see what is the position of the other major States. Take Uttar Pradesh which is largely represented on the Treasury Benches. In U.P. the target of Rs. 46 crores was expected but only Rs. 32 crores was actually raised. Though Rs. 27 crores were expected from Bihar, only Rs. 15 crores was raised. I want to know whether the Government have any machinery by which they could get an assurance from the States that they would certainly raise by taxation the amounts expected from them, for if they do not raise it, to that extent, there will not be even development in this country. On the other hand, two States have suggested that they may be allowed to spend outside the Plan. West Bengal, for example, and Orissa too, are putting forward the proposal that over and above the Plan, they should be allowed to take up certain proposals. Well, when we have a Plan, it will be a Plan in which many things come and if some of us go either outside the Plan or do not come up to the Plan, then the Plan will not be implemented. This is an important aspect of the matter to which considerable thought must have already been given and I would like to know what has been decided and what is expected to be done in this matter.

Next, I come to the subject of exports. We want more exports,

certainly. Undoubtedly, the present position of our foreign exchange is a very difficult one. There was a time when our foreign assets stood at the figure of Rs. 1,400 crores or Rs. 1,600 crores. I am not prepared to say that all that foreign exchange has not been properly used. I am quite sure that they have been properly used. But today our foreign exchanges are at a very low level indeed, and we want to step up our exports and that is quite legitimate. But what happens? For stepping up exports, our goods must be produced at competitive prices. But the unfortunate position is that we are producing goods at prices which are very much higher than the prices in other countries. Let us take the big industries that have been established, say, the motor car industry. Everybody knows that the price of a motor car that we buy in this country is almost double what one has to pay in any foreign country. Or take the case of refrigerator, which in our country costs about Rs. 2,750. The cost of a comparable unit in the U.K. may be only about Rs. 1,000. I am told also that in the case of other articles like penicillin, fertilizers and so on, the cost of production in India is very much higher than in outside countries. Then, may I know how they propose to export when their prices are not competitive? They have themselves noted that the prices at which we are producing things are much higher than those obtaining in some other countries and they are, therefore, not competitive. I would like to know, Mr. Deputy Chairman, what is being done to bring down these prices. Suggest]:" e been made and some committees have been appointed. But I submit, many of our industries are flourishing because they are monopolies. And many of our industries are over-capitalised today. And it is a dangerous thing if we simply multiply industries without a sense of economy and without their being able to manufacture things at competitive prices. If we want to export a good deal—and we do want to do it—then it is of the utmost importance that the

[Shri T. S. Avinashilingam Chettair.]

cost of the productions must be brought down and their prices must be competitive. §

Next, I come to the important subject of agriculture. The three major aspects of the Plan are agriculture, industries and social services. As every one knows, the methods to improve agriculture are to have better seeds, more and better manures, better soil conservation, protection of the plants from insects and pests, better irrigation facilities and greater extension services to educate the farmer. For want of time, I shall not dilate on all these topics, but take up only one of them. There are these seed farms that have been established. That is good, for better seeds by themselves can produce 10 per cent. more. But making plans is one thing and implementing them is another. What actually happens? Here I have the Planning Commission's study of the multiplication and distribution programme for improved seed. This is the report for 1961 and they say that they have examined a number of seed farms and they have gone into the various aspects of the matter and finally they have found that many things about it are wrong. This is what they say:

"In the first place, it appears that there is no close link between the administration in the block and the management of the seed farms."

Further on they say:

"Another important thing which seems to be neglected on the seed farms is maintenance of purity of the seed produced."

What else is a seed farm for, if it cannot maintain the purity of the seeds? Then again, they say:

"The third important aspect is that almost all the farms studied are running at loss."

If the seed farms themselves are running at a loss, how will the seeds produced from these farms lead to any profit? Again they say:

"With respect to farms on Government land, the loss per acre is higher on seed farms in the 21-30 acre size group than on farms in the 31-70 acre group. Thus the State seed farms have not yet turned out to be economically viable units of production."

In another place they say that the average produce in the State farms is about the same as the all-India average. We want to improve production by about 50 per cent, and we even say that there should be cent per cent improvement. But here even the average for the State farm is not more than the all-India average which, as the House knows, is one of the lowest in the world. What are we doing about it? We want results and as far as this is concerned, the results have been very poor indeed. I would like to know, if agricultural production has not made much head way, whether the reason is not to be found in the bad and improper implementation. Why is it so? In regard to education, industrialisation and many other things we talk wisely and we write beautifully. But the implementation is poor. *

Now, I come to the third part of my amendment. In a socialist society we want a tremendous amount of responsibility taken by the Government. That means increasing our staff in every department and in every area. In the old days the Englishmen wanted merely to maintain law and order. The people were not free. Today when we have taken upon ourselves the responsibility for the proper implementation of the Plan, it depends upon the quality of our Government servants. Previously, it was said of the Indian Civil servants that they were neither civil nor were they servants. Maybe to Parliament Members they are very courteous. I am not talking of the way in which they behave towards them. I am talking of the way in which they behave towards people who want social services. They must feel one with the people, not as their bosses. In

this country we want to train people not only in skills but in attitudes also. In regard to engineering not only the skill, in regard to agriculture especially not only the method, but the proper attitude is wanted in the persons concerned. And I am very unhappy to say that except in the Community Development Ministry, where a certain amount of attention is being given to the creation of proper attitudes in the minds of the people, in no other Ministry it is done. Maybe in the Education Ministry, maybe in the Agriculture Ministry, maybe in the other Ministries, this problem of creating better attitudes in the services is not being attended to.

Another matter is, we have rarely any financial sense. Public money, any amount of it, can be wasted. Public money is our money. That there should be the strictest economy in spending public money is not something which is present anywhere, from the top to the bottom. This applies to our top officers in New Delhi as well as to the lowest officer in the services.

I do not like to take any more of your time. These three important phases of our Plan require considerable attention.

PANDIT HRIDAY NATH KUNZRU (Uttar Pradesh): Mr. Deputy Chairman, I do not think that anybody will cavil at the size of the Plan. For reasons given by the Planning Commission, I think it will be generally agreed that the investment required for the Plan before us, namely, Rs. 10,400 crores, is the minimum that is required at the present time in view of the increase in population, the growing expectations of the people and the urgency of providing the resources required for our economic development from our own earnings. "We cannot forever, even for a long time, depend on foreign aid for carrying on our economic development. I am glad, therefore, that the Plan has been formulated with the object of

making—as people are fond of saying—our economic self-generating in the course of a few years. I am all the more in favour of the size of the Plan because of certain other considerations. We enjoy certain advantages now which we did not enjoy when the Second Five Year Plan was prepared. We are practically assured that we shall get the foreign exchange that we have asked for, that is, about Rs. 2,600 crores. This will not suffice, as I shall show later, for our needs, but to be able to get foreign assistance to the tune of Rs. 2,600 crores is no small advantage. We have also to take account of the fact that we shall be able to obtain 17 million tons of foodgrains during the Third Five Year Plan period. These two advantages, I think, make such action possible, as was not possible during the Second Five Year Plan period. I think I may also refer here to the fact that deficit financing has been limited to Rs. 550 crores. But the Government will be able to observe this limit, as I shall show later on, only if their borrowing programme, that is, their market loans and their campaign in regard to small savings, goes through.

Now, Sir, I shall say a word about certain aspects of the Plan itself. It has been pointed out in the Plan that the financial provision made for carrying out the Plan is only Rs. 7,500 crores but the cost of the physical programmes would amount to about Rs. 8,000 crores. Now, this is the cost only of the programmes in the public sector. The Commission says that the estimate of financial resources has been placed for the present at Rs. 7,500 crores. Recent studies, however, indicate that there are possibilities of raising additional resources, if certain measures are taken, for mobilising this saving for the country. I shall say a word about this later on. In fact, to the extent that the physical targets included in the Plan are achieved, the prospects of raising additional financial resources will correspondingly improve. What the Commission has said here is that

[Pandit Hriday Nath Kunzru.] funds are required for carrying out the physical programmes referred to in the Report. At the same time it says that the prospect of raising additional financial resources will increase to the extent that the physical targets prescribed in the Plan are reached. Now, this seems to me to be arguing in a circle. The financial resources will be increased to the extent that the prescribed physical targets are reached. The prescribed physical targets can be reached only if the financial provision can be raised appreciably above Rs. 7,500 crores. How does the Commission propose to get out of this circle? Referring to the State sector it says that that part of the physical programme which relates to the States can be carried out by the States. It says:

"The revenues of States have however recently shown marked improvement. It is considered that given the necessary additional taxation States should find it possible to finance fully the physical programmes included in their plans."

I may say, Sir, that while the financial provision for the States amounts to Rs. 3,725 crores, the cost of the physical programmes included in the State Plans amounts to Rs. 3,847 crores. The Commission goes on to say:

"Thus the gap between physical programmes and financial resources such as it may be relates mainly to the Centre. In the programmes of the Central Government those dependent on external resources constitute a large proportion, for instance, industries, minerals, transport and communications. As foreign exchange becomes available, necessary steps will have to be taken to raise the requisite rupee resources."

While the Commission has said in more than one place that it should be possible to increase the financial provision, it has, so far as I remem-

ber, not stated anywhere how we can go beyond the financial provision. We should have a proper idea of the effort that has to be made in order to carry out the physical programmes. According to the table which ends on page 88 of the Commission's Report the cost of the physical programmes including the cost of the inventories would amount to about Rs. 8,300 crores. But we have also to take into account the cost of the rural works programme. Some money may be raised for it locally, but on the whole the sum of Rs. 150 crores which is estimated by the Commission to be required for these local programmes for rural areas will have to be provided by the State Governments *or* by the Central and State Governments together. This means that the total physical cost of the programme if it is carried out would amount to about Rs. 8,450 crores. This shows that the difference between the financial provision and the cost of the physical programmes would amount to about Rs. 1,000 crores.

Before I deal with this matter a-little more I should like to point out that if the physical programmes are not carried out, the sectors that will be principally affected are those relating to organised industries and minerals, transport and communications and social services. If the necessary finance is not available and the cost of the programme has to be reduced to the financial provision, then there will be a reduction of nearly 20 per cent, in the case of industries. Similarly, in the case of transport there will be a reduction of about 10 per cent, and in the social services of about 15 per cent. I take it that the Commission was unwilling to do away with the physical programmes because it thought that though adequate financial provision was not in sight immediately, yet it was so sary to carry out the physical programmes that one should not give-up all hope of being able to find out *naw* methods of raising more revenue. But the gap between the financial provision and the cost of the physical

programme is so great that one would have liked the Commission to throw some light on the means by which the financial provision is to be increased.

As the Commission has pointed out, in the last resort, to carry out our programmes and indeed even to find the internal resources included in the financial provision, it will be necessary to raise the rate of domestic savings from the current level of about 8* per cent, of the national income to about 11.5 per cent, by the end of the Third Plan. The Commission knows that this will not be easy, and therefore says that it will require the fullest effort to increase the total output as envisaged in the Plan and steady pursuit of economic policies designed to keep consumption within the limit set by the requirements of investment.

Now, I have a word to say with regard to the rate of domestic savings which the Planning Commission wants to be reached. In the First Plan the rate of domestic savings was raised from 5 to a little over 7 per cent., I think it was 7.3 per cent. In the Second Plan the rate of domestic savings is only 8.5 per cent, of the national income, that is, there has been an increase of only a little over one per cent, although even during the Second Plan an increase of about 3 per cent, or more perhaps was aimed at. It is clear, therefore, that in order to raise the rate of domestic savings to 11.5 per cent, the Government will have to put forth its maximum efforts. The administration also will have to be geared to the very responsible and difficult task that the authorities will have before themselves in fully carrying out the Plan.

With these observations I shall go on to consider the resources that are available to us. A description of them is given in the Commission's Report, but I should like to say a word about loans from the public. During the Second Plan the loans from the public are estimated to be about Rs. 780

crores and in the Third Plan the estimated requirement is Rs. 800 crores. Well, these Rs. 800 crores may well be realised but I should like to point out how Government was able to obtain Rs. 780 crores from public loans during the Second Five Year Plan. The Commission has said, Sir, that market borrowings in the Second Plan included substantial investments in Government securities by the State Bank of India out of the deposits of P.L. 480 funds as also sizable purchases by the Reserve Bank. I should like the House to note this. The net absorption of market loans by the public including commercial banks but excluding the Reserve Bank was less than Rs. 300 crores. The Commission further goes on to say—

"In the Third Five Year Plan period, P.L. 480 funds to the credit of United States authorities will be held with the Reserve Bank which will buy special securities created for the purpose. Credit on this account has been taken under external assistance."

This is again an important observation and I should like pointedly to draw the attention of the House to—

"Whatever support the Reserve Bank may have to give to the loan programme will, of course, figure under deficit financing."

I hope, Sir, that the Commission's expectation that there will be a considerable increase in the absorption of Government securities by the Life Insurance Corporation, the various provident funds and other investing agencies will be realised. But here again, care will have to be taken to see that we do not depend on assistance from the Reserve Bank for that amount of deficit financing. That will mean an increase in deficit finance beyond the figure of Rs. 550 crores included in the financial provision.

I shall now take a connected subject, namely, foreign trade. This is.

[Pandit Hriday Nath Kunzru.]

an extremely important subject. We have been continuously discussing the urgent need for raising our earnings from our exports during the last ten years. We are assured every year that new efforts are being made to increase our earnings from this source. But so far very little success has attended the efforts of the Government. It has been said:

"Over the past decade, India's exports have on the whole been stagnant. They averaged Rs. 609 crores a year during the First Plan period and Rs. 614 crores during the Second Plan. It may be added"—

and this is an important observation—

"that during this decade while the total world export trade doubled, India's share declined from 2:1 per cent, in 1950 to 1:1 per cent, in 1960."

And if Britain joins the European Economic Community, our exports will be adversely affected.

Now, Sir, what is the effect that the Government is making? It is necessary to bear what I have said in mind in considering the target of earnings from foreign exports in the Third Five Year Plan. The average annual earnings from foreign trade amount to Rs. 614 crores during the Second Five Year Plan but it is proposed to raise them to Rs. 740 crores annually during the Third Five Year Plan. Now, it is obvious that we cannot reach this target in the first year of the Third Plan or even in the second. The rise will be smaller than what we need. Therefore, the earnings from foreign exports in the subsequent years will have to be correspondingly increased. The Commission, therefore, says:

"If exports rise to the extent envisaged, the annual level of exports over the Third Five Year Plan should rise by about Rs. 200

crores and the average annual exports for the Third Five Year Plan should be about Rs. 150 crores above the average during the Second Five Year Plan period."

Now, we have been told that some efforts are being made by trying to find outlets for exports to new countries to increase our earnings. But the extent to which our foreign trade has to be increased is enormous and it is permissible to doubt whether it will be possible, in spite of all the efforts that Government may put forth, to reach this target. To increase foreign exports by about Rs. 200 crores in five years is an extraordinary difficult task, and in view of the experience of the last ten years, almost incredible. Now, we badly need to increase our foreign exports. We cannot do without them. Notwithstanding the foreign assistance promised to us, we shall fail completely if our foreign trade is not increased to the extent desired by the Planning Commission. Nor shall we be able to make our economy self-generating without greatly increasing our foreign exports. I hope, Sir, that the Minister of Planning will be able to throw some light on this question. He will not consider it, I am sure, unreasonable if, in view of what has happened in the past, I ask him to give us some assurances with a solid basis that we shall be able to export as much as the Third Five Year Plan requires.

There is only one more question to be considered in this connection and that is of price. I shall not say much about it because that has been already dealt with by the previous speaker. But I shall only say that the Planning Commission says that some studies have been carried out which indicate the method; that may be used in order to make production more economic. Sir, so far as I can see, we shall not be able to sell our goods at competitive prices unless our productivity increases considerably. That is, production per worker should go much beyond the present figure. I do

not know whether any of the studies carried out by the Planning Commission will prove helpful in this respect. But surely the Minister of Planning should be able to tell us how he proposes to increase the productivity per worker.

Sir, I should like to say a word about prices before I deal with my last subject, namely co-operation. We know, Sir, that during the Second Five Year Plan the prices, not merely of food but of a number of other articles, went up. There was, during the last year of the Plan, what I may call, general inflation. Now, the Commission discusses this important subject and recommends that the prices of essential commodities should be controlled. In view of the extent to which inflation has gone and the number of commodities that have been affected by it, I doubt whether the control of such essential commodities as food and cloth alone will suffice for our purpose. You may include a few other commodities, such as, important drugs. Even so, I do not think that our purpose will be achieved if our policy is so limited. I think that we should now set up a price control board which will consider the relationship between prices and different commodities and so regulate their prices that they may all move together in line with one another.

"But, Sir, I come to the question of co-operation. This is a very important subject and the Prime Minister rightly referred to its importance yesterday. The Planning Commission, in dealing with this matter, has well said that in a country whose economic structure has its roots in the village, co-operation is something more than a series of activities organised on co-operative lines. Within the rural economy, in particular co-operation is the primary means for raising the level of productivity, extending improvements in technology and expanding employment so as to secure the basic necessities for every member of the community.

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Sir, I agree with every word of the Planning Commission. Our first and most important requirement is an increase in agricultural production including food. A few days ago the Minister of Food and Agriculture was reported to have said that enough food was being produced in the country and that he could export some of it. He was more interested, he said, in raising the production of commercial crops. I should like to know, Sir, the basis for the optimistic view expressed by the Food and Agriculture Minister with regard to the quantity of food produced in this country now. Government have for some time been laying great stress on the urgent need for increasing the production of foodgrains. The Planning Commission too has drawn attention to it. How can a responsible Minister of India then belittle the need for increasing the efforts required for raising the production of foodgrains? Well, Sir, what I want to say in the context of co-operation is that I agree with the Prime Minister that if agricultural production has to be raised, we shall need not merely fertilisers and seeds and water, but the co-operation of the village community. Even from this limited point of view the progress of the cooperative movement is of the utmost importance to the success of the Third Five Year Plan. Now, Sir, money will be required for the progress of co-operation. The Commission says that the financial requirements of the co-operative societies will be as follows: Short-term loans for primary agricultural credit societies—about Rs. 529 crores in 1965-66, that is, about Rs. 300 crores above the finance provided in the last year of the Second Five Year Plan, that is 1960-61. Similarly, long-term credit required will be Rs. 150-5 crores in 1965-66 as against Rs. 34-66 crores in 1960-61, that is, more finance will be required for long-term credit to the extent of Rs. 116 crores. Taking these two items together, the total requirements for the progress of the cooperative movement, according to the Planning Commission, will be of the order of Rs. 465 crores.

[Pandit Hriday Nath Kunzru.] order of Rs. 400 crores. Now, how will this money be forthcoming—I mean, the Government has stepped up its own borrowing programme in which I include small savings—they want Rs. 1,400 crores to be given to them by the public. Now, will it be easy, in view of this, for the cooperative societies to find Rs. 400 crores during the Third Five Year Plan? Sir, money will no doubt be lent by the Reserve Bank of India to the apex banks. Some money will be provided, according to the recommendations of the Commission, by the State Governments. But even so, I think that the gap between the sum available and the sum required will be pretty large. As I am anxious the co-operation should improve, and improve much faster than it has done during the last ten years, I am anxious to know how the finance required for the co-operative societies will be forthcoming.

Sir, this is all that I had to say, and before I sit down I shall only say that what I have said shows that the Third Five Year Plan is a challenge to the Government, and the success achieved by us in connection with it will determine the capacity and efficiency of our Government and our administration. The targets are not inaccessible. If the necessary human effort is made, they ought to be reached. If they are not reached, that will be a proof only of our slackness, or our indifference to the Five Year Plan or our inability to recognise how not merely the future progress of the country but its democratic stability will depend on the success that we achieve in carrying out the Third Five Year Plan.

1 P.M.

SHRI UMASHANKAR DIKSHIT (Uttar Pradesh): Mr. Deputy Chair-man, Sir, the Third Five Year Plan is a continuation of the previous two five Year Plans and the subjects, the targets and the programmes contained in it are more or less a continuation of

the past policies except that in certain respects important changes have been made. There will hardly be any responsible opinion in the country to differ from the main stand taken in the Plan, that so far as the people's demands and requirements are concerned, so far as the strategic demands and requirements are concerned, so far as the necessity for reaching an optimum economic society within a reasonable time is concerned, a Plan of this size, as has been prepared, is an inescapable necessity. On the scope and the size of the Plan I doubt whether there can be any serious difference.

Yesterday, Mr. Bhupesh Gupta, when he read the long list of amendments, pointed to the size and scope of the Plan with a certain amount of doubt and he appeared to claim that the size could be very greatly increased. It is a little surprising that while he thinks that all foreign financial aid or collaboration is tainted with monopolistic or other undesirable characters and that the private sector should not be allowed to make its contribution to the country's production and further when he knows that the foreign exchange position is what it is, he should have considered the size and scope of the Plan as limited or inadequate. Really, We all wish it could be greater than what it is. But we have planned for achievable targets, as responsible people shall be answerable year after year, particularly after five years, to show how far our Plan targets have been achieved. It would be irresponsible, it would be undesirable, for us lightly or mechanically to go about raising the targets or raising the scope of the Plan.

Sir, there is a certain amount of doubt in the House and in the country generally about the performance, about the implementation of the Plan programmes. The situation in the country, our traditional society as it exists, the great number of difficulties in the economic field, the weakness of the human element are all well known. It is, therefore, necessary

for all of us to so fashion the implementation of the Plan that the performance must greatly increase the pace witnessed in the two previous Plans. Personally, I do not think that the performance under the Second Five Year Plan was any mean performance. Anyone who has had anything to do with production either small-scale or large-scale and is aware of the relator! problems will wonder why any respinjible person should lightly expect miraculous changes in our conditions. Still in my opinion it is necessary for us to review the methods that have been employed for ensuring proper performance.

Sir, in my opinion we should learn from the ancients in this matter. I think the wisdom of the ancients has never been surpassed in one respect. It was not for nothing that they conceived the idea of a hell and a heaven. For many centuries men and women would gladly undertake severe discomforts, any amount of self-sacrifice in order to escape one and attain the other. The belief was so powerful that certain aims that were considered proper and honourable in society were pursued by men and women almost automatically. The sub-conscious mind had been affected powerfully. The modern man is not so afraid of the horrors of hell or so enamoured of the comforts of heaven. He is a hard-headed, concrete-minded person. He believes in the actual conditions in which he lives. It is, therefore, necessary in my opinion that the Government and the people should devise a new system, a comprehensive system based on psychology, based on an insight into human psychology, so that good performance is honoured properly, and shirking, corruption or weak performance is punished equally adequately. In these respects, I am afraid, our policy is weak.

Now, Sir, why do men work? In what conditions do human beings put in their best? They work naturally for bread. They work for honour and they work out of fear. I know that

our administration and our society do promise certain minimum necessities of food and clothing and things of that sort. But is our system adequate in ensuring effective, potent punishment for those who come in the way of creating sufficient and expected results? I am not thinking of ignorance or some incompetence here or there or honest errors of judgement. But I am afraid that the general level of efficiency, of integrity, is low; not because our people are by nature or tradition weak, inefficient or corrupt or immoral or less honest than any other people in the world. On the contrary, I believe that they can stand comparison with any other people in the world. But before them adequate incentives are not put with the result that they are neither afraid of failing in their duties nor do they have adequate incentives, something that will inspire them to go forward and undertake sacrifices in a spirit of heroism. In this connection I would suggest that not only in the Government but in corporations, in the private sector, in semi-public institutions, everywhere, there should be norms of performance set as well as the maximum achievable targets. Anyone or a team of men or a department or a section that is able to reach the maximum or the high target of performance should be honoured publicly In a really satisfactory manner.

The other point that I wish to submit is that in my opinion the co-operatives, the panchayats and the community development work, these three, are the foundational items of the Five Year Plan. So far as I know—I have been moving in the villages of U.P. in the last few years and I have seen the conditions and the manner in which the panchayats and the co-operatives have been functioning—there is a great deal of ignorance of procedure. There is a great deal of lack of guidance to them. They just go on fumbling in the darkness, as it were. It is proper that we should not resort to spoon-feeding It will not do to hand over the co-operatives to the Government officials for them to carry

[Shri Umashankar Dikshit] them on as a department of administration. That way of working has failed and I think has been given up or will be gradually given up completely. I am not for resuming that way. I have faith, almost unlimited faith in the people's capacity to And their way in a correct direction. They have a sound mind and a sound heart. I agree that the panchayat is an ancient institution with which our people are familiar and that the broad outlines of panchayats as they functioned in the ancient times are more or less well known to the people. But the panchayats are now being called upon to do modern jobs. They are asked to do a great deal of thing³ which were not formerly entrusted to them. The panchayats formerly acted as a kind of people's court. Problems went to them which were decided on merits, and a high level of sense of justice prevailed in the decisions given by the panchayats. Today it is different. The panchayat has to be something like a factory. A panchayat has to be a municipality, a panchayat has to be a social education board. It has a number of functions unknown in the former times and we expect them to fulfil them all automatically, of their own accord. I know it will come but it will take a long time, so long, I am afraid, that unless the system is changed, the delay may be crippling and we may fail to achieve the great objectives we have put before the country.

For three reasons, I suggest that in each State there should be a model co-operative society, a model panchayat and even a model intensive block unit, which should be created at the highest level. The best brains in the administration and in the public life should combine and produce some--thing approaching a model or the ideal. These could be reproduced in the districts and in the blocks. Then will come the stage, after the model has been copied out and worked out, with some necessary changes according to local needs, then alone will

come the stage to leave the working and expansion of co-operatives and panchayats to the people's own ingenuity.

श्री शीलभद्र याजी (बिहार) : माननीय डिप्टी चेयरमैन महोदय, तृतीय पंचवर्षीय योजना के आकार और उसकी रूपरेखा पर इस संसद् में और संसद् के बाहर काफी चर्चा हुई है और मैं उसके हर एक पहलू पर जाना नहीं चाहता। हमारे जो विरोधी ग्रुप के लोग हैं, खासकर कामरेड भूपेश गुप्त और प्रो० मुकुट बिहारी लाल जी, वे केवल मौखिक सहानुभूति दिखाते हैं कि हम योजना को मानते हैं। वास्तव में वे कल हमारी तृतीय पंचवर्षीय योजना और हमारे समाजवाद की खिल्ली उड़ा रहे थे।

जहां तक शासक पार्टी का सवाल है, हमारे लिये योजना कोई नई चीज नहीं है। कराची कांग्रेस के फंडामेंटल राइट्स में इसका बीज हमने रोपा था और सन् १९३५ में जो हरिपुरा में कांग्रेस का सेशन हुआ था उसमें नेताजी सुभाषचन्द्र बोस ने एक नेशनल प्लानिंग कमेटी बनाई थी और उसके अध्यक्ष पंडित जवाहरलाल नेहरू बनाये गये थे। आगे हमको क्या करना चाहिये जब हमारे हाथ में शासन की बागडोर आवेगी, उसकी रूप रेखा प्लानिंग के जरिये से पहले से हो रही थी। जब से हमारे हाथ में शासन की बागडोर आई है उस वक्त से हमारी योजनाएँ चल रही हैं। प्रथम और द्वितीय योजनाएं पूरी हो चुकी हैं। यह तृतीय योजना चल रही है और आगे भी चतुर्थ, पंचम, षष्ठम आदि योजनाएं आती रहेंगी। किन्तु कामरेड भूपेश गुप्त को समझना चाहिये कि जिस देश के वे बड़े वफादार हैं और जो देश मार्क्सिज्म और सोशलिज्म का ठेकेदार समझा जाता है, उस देश के नेता कामरेड खरुचेव जब यहां आते हैं तो वे हमारी योजना और हमारे समाजतंत्रवाद की भूरि भूरि प्रशंसा करते हैं। जो दूसरे नम्बर के

कम्युनिस्ट लीडर मार्शल टीटो हैं, वे भी यहां आ कर हमारे कामों की दाद देते हैं। जो डेमोक्रेटिक सोशलिज्म के हमी हैं प्रो० मुकुट बिहारी लाल, उनके भी प्रशंसक, मिस्टर एटली जब यहां आते हैं, तो वे हमारी प्लानिंग की दाद देते हैं। जो बड़े-बड़े समाजवाद के ठेकेदार हैं, जब वे ऐसा करते हैं, तो उनके बीच में इन छोटे-छोटे ठेकेदारों को कौन पूछता है। जो समाजवाद कांग्रेस ने लिया है, वह सिर्फ कांग्रेस का नहीं है, वह सिर्फ शोसक पार्टी का नहीं है, उसको इस संसद् ने लिया है, इस मुल्क ने लिया है। ये जो हमारे विरोधी ग्रुप के लोग हैं, उनमें कुछ ऐसे भी हैं जैसे श्री डाह्याभाई पटेल। वे स्वतंत्र पार्टी के हैं, हर एक मामले में स्वतंत्र हैं, बिना लगाम के हैं और यह कहते हैं कि कोई योजना नहीं बननी चाहिये। उनके नेता ने उस हाउस में कहा कि योजना से मुल्क बन्ध जायेगा, रेजिमेंटेशन होगा, यह सोवियट पद्धति है, और ऐसी ही तरह-तरह की बातें कही जाती हैं। लेकिन मैं खासकर कामरेड भूपेश गुप्त से कहना चाहता हूं कि हमारी आजादी की लड़ाई हुई और अन्त में हमारा मुल्क आजाद हुआ, लेकिन जब तक मास्को से फतवा नहीं आया, तब तक उन्होंने कहा ही नहीं कि हमारा मुल्क आजाद हुआ। उसी तरह से हमारी प्रथम, द्वितीय, तृतीय और चतुर्थ योजनाएँ सफलीभूत हो जायेंगी और समाजवाद हो भी जायेगा लेकिन जब तक मास्को से हुक्म नहीं आयेगा कि हिन्दुस्तान में समाजवाद हो गया, प्लानिंग कामयाब हो गया तब तक ये उसको मानने वाले नहीं हैं, तब तक वे यही कहेंगे कि मुल्क में समाजवाद नहीं हुआ है। इसी तरह से जो विरोधी ग्रुप के लोग हैं उनका यह पेशा हो गया है। कहने के वक्त वे कहते हैं कि समाजवाद में हमारा विश्वास है, प्लानिंग में, योजना में हमारा विश्वास है, वे मौखिक सिम्पथी जरूर देते हैं, हमदर्दी इसके प्रति जरूर दिखलाते हैं लेकिन प्लान को सफलीभूत करने में वे रोड़े अटकाते हैं। जब उसके

इम्प्लीमेंटेशन का सवाल आता है तो वे मुल्क में तरह-तरह की गड़बड़ पैदा करते हैं।

यह बात जरूर है कि हमारी योजना चल रही है और सफलीभूत हो रही है लेकिन जिस तरीके से लोगों में उत्साह और जोश होना चाहिये वह नहीं हो रहा है। इसके लिये हमारे जो विरोधी ग्रुप के लोग हैं वे जिम्मेदार हैं। हमें एक बात याद आ गई है। एक बार श्री एस० के० पाटिल ने कहा था कि एक बार एक ब्राह्मण एक बकरी लेकर जा रहा था लेकिन चार जगह टग बैठे हुये थे। वह ब्राह्मण जब उनके पास पहुंचता तो वे कहने लगते कि कुता है, कुता है। इस पर हुआ यह कि ब्राह्मण देवता ने बकरी को पटक दिया। तो उसी तरह से जो योजना का काम हो रहा है उस काम में हिन्दुस्तान की जितनी मुखालिफ पार्टियां हैं उनका काम रोड़े अटकाना है। यदि योजना के खिलाफ इसी तरह की बातें करें तो फिर इसके लिये किस तरह से एक वायुमंडल, एक फिजा तैयार हो सकती है यह समझने की चीज है।

अभी माननीय पंडित कुंजरू जी ने कहा कि तृतीय पंचवर्षीय योजना हमारे लिये चेलेंज है, चुनौती है। उन्होंने सही बात बताई है। यदि इस डेमोक्रेटिक प्रोसेस से समाजवाद नहीं होता है, प्लानिंग कामयाब नहीं होती है तो फिर दूसरी परिस्थिति पैदा हो सकती है और कामरेड भूपेश गुप्त को मैं बानिंग देना चाहता हूं, चेतावनी देना चाहता हूं कि इस तरह की परिस्थिति पैदा होगी। आज वह बोलते हैं, उनको आजादी है और सब तरह की आजादी है, लेकिन वह क्या चाहते हैं? वह यह समझते हैं कि जिस तरह से और मुल्कों में जहां जहां योजना है वहां वहां डिक्टेटरशिप है, डेमोक्रेटिक मेथड से यह नहीं हो सकता है लेकिन डेमोक्रेटिक मेथड के जरिये से हमने समाजतंत्रवाद के जो पाये हैं उनको खड़ा किया है। हमने जमींदारी-प्रथा को खत्म किया, हमने छः सौ राजा महाराजाओं को

[श्री शीलभद्र याजी]

खत्म किया—सब चन्द्रवंशी और सूर्यवंशी थे और सीलिंग फिक्स करके २० और २५ हजार एकड़ के जो खेत के मालिक थे उनको २० या ३० एकड़ खेत का मालिक कर दिया। जो यहां मालदार हैं उनसे हम ८५ फीसदी टैक्स ले लेते हैं और जो बड़े बड़े कारखाने हैं उनके ऊपर भी कंट्रोल लगाते हैं। स्टालिन ने भी एक बार कहा था, स्टालिन को भी शक था, जो हमारे यहां के चेयरमैन हैं वह जब वहां एम्बेसेडर थे तो उनसे स्टालिन ने कहा था कि हिन्दुस्तान में जमींदारी कैसे खत्म हो सकती है, हिन्दुस्तान से राजा-महाराजा कैसे जा सकते हैं, उनको हंसी छूटी थी लेकिन हमने अपने तरीके से राजा-महाराजाओं को विदा किया और जमींदारी को खत्म किया और अब सीलिंग फिक्स कर रहे हैं, लेकिन इस तरह की फिजा, इस तरह का वायुमंडल, हमारे देश में है कि जो विरोधी ग्रुप के लोग हैं वे कहते तो हैं कि प्लानिंग की जरूरत है, समाजतंत्रवाद कायम होना चाहिये लेकिन प्लानिंग को सफलभूत करने में हमारा साथ नहीं देते हैं बल्कि उसका विरोध करते हैं। यदि मल्क में जल्दी से जल्दी योजना कामयाब नहीं हुई, जल्दी से जल्दी समाजतंत्रवाद कायम नहीं हुआ और लोगों में असन्तोष हुआ तो उसका नतीजा कामरेड भूपेश गुप्त पर पड़ सकता है। यदि हम देखेंगे, हमारी शासक पार्टी यह समझेगी कि इन कामों में रुकावट होती है तो उसके लिये कड़े से कड़ा रख अस्तियार करके जो भी मेथड अपनाने की जरूरत होगी उसको अपनाने में उसे कोई हिच-किचाहट नहीं होगी।

तृतीय पंचवर्षीय योजना को कामयाब बनाने के लिये और मुल्क में एक वायुमंडल तैयार करने के लिये सरकार को, जो हमारी सरकार है उसको, मैं अपनी कुछ राय देना चाहता हूँ। ये जो पूंजीपतियों के प्रेस हैं, कैपिटलिस्टों के प्रेस हैं जोकि बिजनेस के लिए प्रिंटिंग प्रेस चलाते हैं और अखबार निकालते हैं और जहर उगलते हैं, जो कि समाजतंत्रवाद

और योजना के खिलाफ जहर उगलते हैं, उसके लिये मेरा सरकार से सुझाव है कि जिस तरह से वगल के हमारे एक देश श्रीलंका ने इस बारे में किया है उसी तरह से हमें भी करना चाहिये। वहां की जो प्रधान मंत्री हैं वे महिला हैं, उन्होंने देखा कि ये जो कैपिटलिस्टों के प्रेस होते हैं वे बड़े बदमाश होते हैं और उनको ठीक करने की जरूरत है तो उन्होंने जितने भी प्रेस बिजनेस लाइन पर चलते थे—प्रिंटिंग प्रेस से लेकर के सभी प्रेसों तक—उन सब का जल्दी से जल्दी राष्ट्रीयकरण किया है। श्रीमती भंडारनायक के खिलाफ बड़ी चिल्लपों मची, उनके देश में भी और बाहर के देशों में भी लेकिन उन्होंने राष्ट्रीयकरण किया है। तो देश की आबोहवा को बनाने की जरूरत है। टाटा, बिरला और जैन, जो पूंजीपति हैं वे बड़े बड़े अखबार निकालते हैं।

धन तथा सेवा नियोजन और योजना उपमन्त्री (श्री एल० एन० मिश्र) : टाटा का भी है ?

श्री शीलभद्र याजी : टाटा का भी होगा कहीं, कोई इकानामिक रिब्यु तो जरूर होगा प्रिंटिंग प्रेस तो जरूर होगा।

जो पार्टी के पेपर्स हैं, कम्युनिस्ट पार्टी के हैं, सोशलिस्ट पार्टी के हैं और पार्टियों के हैं, स्वतंत्र पार्टी के भी होंगे तो इन पार्टियों के आगन्स के राष्ट्रीयकरण की जरूरत नहीं है, इसमें तो फ्रीडम आफ स्पीच की बात आती है लेकिन जितने पूंजीपतियों के अखबार हैं, प्रिंटिंग प्रेसेज हैं, उनका जल्दी से जल्दी राष्ट्रीयकरण करके, उन पर कब्जा करके हम एक फिजा तैयार करेंगे, एक वायुमंडल बनायेंगे जिससे पता चलेगा कि सोशलिज्म क्या चीज है, प्लानिंग क्या चीज है।

दूसरी चीज यह है कि आप जानते हैं कि सिनेमा से, फिल्म इंडस्ट्री से लोगों पर कितना बुरा प्रभाव पड़ रहा है। जरूरत है कि आज

फिल्म इंडस्ट्री को भी नेशनलाइज किया जाये। इसके लिये भी चिल्ल-पों मचेगी लेकिन आज जो योजना का काम चल रहा है और जो समाजतंत्रवाद का काम हो रहा है उसका अगर हम फिल्म के जरिये से प्रचार करें तो जो काम हजारों लेक्चर देने से नहीं होता है वह उससे हो जायेगा। इसलिये जरूरत है कि फिल्म इंडस्ट्री का भी राष्ट्रीयकरण किया जाये। इसमें बड़ी ब्लैक मार्केटिंग होती है। एक्टर और एक्ट्रेसें एक एक फिल्म में काम करने के लिये आठ आठ, नौ नौ लाख रुपया लेते हैं लेकिन उसका कोई हिसाब किताब नहीं रहता है और उस पर इंकम टैक्स भी नहीं मिलता है। जो एक्टर और एक्ट्रेसें हैं उनकी लोक-प्रियता भी ज्यादा है इसलिये यदि हम फिल्म इंडस्ट्री का भी जल्दी से जल्दी नेशनलाइजेशन करें तो लोगों को प्लान-माइंड बनाने में हम बहुत समर्थ हों सकेंगे।

तीसरी बात यह है कि अभी हमारे देश में यूनियन नहीं है, एकता नहीं है। कभी भाषा को लेकर झगड़े होते हैं और कभी प्रांत को लेकर झगड़े होते हैं। अभी हम देख रहे हैं कि पंजाब के सम्बन्ध में तीन-तीन लोग अनशन कर रहे हैं। मैं रांची गया था वहां पाकिस्तान के कुछ एजेंट भी आये हुये हैं, बीच-बीच में छूरी चलती है और कम्युनल रायट्स होने का डर रहता है। तो इस तरह से यदि गड़बड़ होगी तो हमारी योजना का कोई काम नहीं हो सकता है इसलिये हमारी सरकार का यह फर्ज है कि जितनी, कम्युनल आर्गनाइजेशंस हैं, साम्प्रदायिक संस्थायें हैं—चाहे वह हिन्दु महासभा हो, राष्ट्रीय स्वयंसेवक संघ हो, जनसंघ हो, राम राज्य परिषद् हो, मुस्लिम लीग हो, जमीयते इस्लाम हो, द्रविड़ कण्ठम हो या अकाली दल हो—सबको गैरकानूनी घोषित कर दिया जाये। फिर आप आसानी के साथ योजना को सफलीभूत कर सकेंगे। यह बात जरूर है कि हम तमाम

संसद् के सदस्य मास्टर तारासिंह से कहते हैं कि उन्हें यह अनशन छोड़ देना चाहिये लेकिन अनशन का धमकी दे कर कोई यदि मुल्क में गड़बड़ करना चाहे, मुल्क की एकता को तोड़ना चाहे, डिस्टरप्शन करना चाहे तो एक नहीं हजारों मास्टर तारासिंह मर जायें, शहीद हो जायें, लेकिन हम को झुकना नहीं चाहिये।

आखीर में मुझे यह भी कहना है कि बार-बार स्ट्राइक की जो बात होती है उसको खत्म करना चाहिये। कामरेड भूपेश गुप्त प्लानिंग की बात करते हैं लेकिन प्लानिंग को सैबोटाज करने के लिये इनकी पार्टी और दूसरी बिरोधी पार्टियां जब तब स्ट्राइक का नोटिस देती हैं और स्ट्राइक कराती भी हैं और इसके लिये घड़ियाल के आंसू भी बहाती हैं। सरकार स्ट्राइक को इल्लीगल करार देने के लिये कभी कभी हाथ चलाती है, पैर भी चलाती है, लेकिन सरकार ने रेलवे में और इंसेशियल सर्विसेज में स्ट्राइक को इल्लीगल करार देने के बारे में अभी हिम्मत नहीं दिखलाई है। अगर प्लानिंग को चलाना है, समाजतंत्रवाद को लाना है, तो जिस तरह से रूस ने किया, चीन ने किया उस तरह हड़ताल बन्द करना होगा, भूपेश गुप्त कुछ भी बोलते रहें लेकिन स्ट्राइक को सब जगह इल्लीगल करार देना होगा और तभी हम समझते हैं कि हम ठीक तरह से काम कर सकेंगे। हां, यह जरूर है कि कंसोलियेशन मशीनरी बनायें, जो कि यूनियन के बीच में और मैनेजमेंट के बीच में झगड़ों का फैसला कराये लेकिन स्ट्राइक को इल्लीगल करार दे।

मुझे आशा है कि इन मुझावों को सरकार स्वीकार करेगी और जो घड़ियाल के आंसू बहाने वाले हैं उन का कुछ भी रूपाल नहीं करेगी। जो बिरोधी दल के लोग हैं यदि वे सचमुच में समाजवाद के वफादार हैं तो उनको सिर्फ मौखिक सहानुभूति न दे कर के योजना

[श्री शीलभद्र याजी]

के लिये और समाजबन्धवाद कायम करने के लिये हमारी सरकार जो काम कर रही है और योजना को चलाने के लिये, सफलीभूत करने के लिये, जो प्रयास कर रही है, उस राष्ट्रीय प्रयास में उनको सहायक सिद्ध होना चाहिये ।

SHRI M. S. GURUPADA SWAMY (Mysore): Mr. Deputy Chairman, for the last few days a great dialogue is being carried on in this country about the essence and ethics and effects and efficacy Of the Third Plan. Sir, today's debate, perhaps, marks the conclusion and the climax of this great dialogue. And now, we are actually underwriting the destiny of 400 million people, and, as a matter of fact, it will be no exaggeration if I say that this period marks a great epoch in our economic and social development, a momentous time, where we have to take great decisions and meet great challenges. Sir, it is natural that on an occasion like this we have to consider whether we have the will and the wherewithal to meet this great challenge and whether we are competent and capable of taking great decisions. Sir, it would be my duty to say that this period is a period in which we have to cross the frontier, cross the threshold. Some hon. Members have asked whether we will be able to cross this frontier in time or whether there would be a long delay in crossing this frontier. To me it looks as though there is hesitancy and timidity exhibited on the part of the planners and we are not certain even after reading so many pages of this Report—I am not certain—whether we will be able to cross this threshold within this decade. If you look at the performance of the last decade, it does not in any way create a feeling" of encouragement and optimism.

• [THE VICE-CHAIRMAN
(SHRI RAM SAHA) in the Chair.]

Sir, I am reminded in this connection 'of the assemblage of watches. Usually, the watchmakers assemble all the parts and put them together. I find a big assemblage of parts, a wonderful assortment of all the parts which make a watch, but what is the use of all this if the main spring is missing? Which is the main spring in the Plan? Obviously, the main spring which has to operate a Plan of this dimension should be the people, their will, the faith, the dedication and concentration in going through the ordeals, rigours, stresses and strains of the Plan. Unfortunately, we do not find in the country today that resonant mood, that resilient spirit and bright outlook, and the temper and climate in the country are not encouraging. Why is it so? This is a Plan which is considered to be very good, meant for every section of the country, meant for the masses. Why is it that there is no response, spontaneous reaction, from the people, from the ordinary man? Sir, the greatest problem and the greatest crisis today is that there is no public co-operation and no public participation. There is no awareness or appreciation on the part of the people about the significance of planning. Why is it that there is so much of apathy for planning? Obviously, I have to refer here to the fact that Plans in the past have not produced anything spectacular for the people to understand and appreciate the beauty and the great significance and importance of planning. Perhaps, the planners must be feeling self-satisfied that they have been able to give one or two yards of cloth more to the common man or one or two more ounces of food for the common man. May I ask, Sir whether these small doses of improvement will be able to create the desirable impact, the necessary impression on the mind of the common man? I think they will not. The greatest tragedy of our planning has been that the common man's point of view has not been taken into consideration at all at all levels. Even now, the Third Plan, which has been advertised so much and so well, has not taken into consideration the feeling of

the people. If the people do not get much benefit from planning, then they naturally feel that planning is a hardship. It is amazing, Sir, that whenever I talk to people in the countryside, the natural question they ask is, "Planning for whom and for what?" For them planning means hardship and more hardship. It has not meant, along with hardship, more benefits in the long run. This has not been assured at all. So, planning in the past has been carried on in a fashion as though the people do not count at all. Sir, even this Plan suffers from this handicap. Our planners seem to be thinking more in terms of planning by direction and not planning by persuasion. Now, Sir, one important thing in planning is that there should be continuous, constant and sedulous exploitation of the goodwill of the people and mobilisation of their sympathies and their efforts for the implementation of the Plan. But unfortunately no persuasion is being made except talking about it.

And again the Plan suffers from another vital defect, that is, it is more functional in character. The last two Plans were mainly functional. They were not at all structural planning. Even in the Third Plan, though there is an approach, and an awareness or appreciation of this aspect of the problem is attempted, still I have to say that this Plan also does not go far enough in this direction. All these three Plans are functional, in nature and character. If a plan is functional, then some of the consequences are inevitable. It will be more or less a programme for repairing the existing system, not remoulding and refashioning the existing institutions. The Prime Minister the other day talked of history. He said that we were creating history. But is he creating history? What type of history is he creating? I want to know. If you are really creating history, if you are really re-writing economic and social destiny, I think a bolder plan, not in terms of resources but in terms of approach and effort, is required.

Sir, the Prime Minister pained all of us by saying that there seems to be prosperity created in India and he quoted the increase in the expectation of life in the last few years, to justify his view. Sir, if I were to take this as a good analogy, then I may quote another. During the last one decade, since the First Plan commenced its career, there is an enormous increase in population. During the last decade the increase in population is nearly equal to the increase in population of the previous two decades. Does it mean that there is prosperity? Does it mean that because people are so healthy they are producing children? Is it the conclusion that we have to draw? Sir, I am reminded of a famous saying of an author, La Bruyere, about the grandeur of the Court of Louis XIV. Louis XIV was so lavish and had such a fine and wonderful Court that while describing this the author said, "its joys are visible but unreal; sorrow is hidden but real". That is the state of affairs today in India. Joys may be visible, they are not at all real. Sorrows may be hidden but they are real. The Prime Minister must know the facts or the realities before he makes sweeping generalisations. Today in 1961, 25 per cent, of the people in the countryside . . . •

SHRI BHUPESH GUPTA (West Bengal):

But he does not believe in statistics . . .

SHRI M. S. GURUPADA SWAMY: . . .

own less than one acre of land. It is amazing.

Then some hon. Members were talking of per capita income. Yes; there has been a rise in per capita income since the last ten years. But there was some rise in the past also when there was no planning; slow rise of course. There is a 16 per cent, rise in per capita income now. The per capita income is Rs. 306 and it may go up to Rs. 330 at the end of the present Plan. Does it show prosperity, this statistical average? The Prime Minister was good enough to point out that statistics were sometimes misleading but he himself quoted statistics to

[Shri M. S. Gurupada Swamy.] show that our society today was a little bit more opulent than what it was. May I point out that averages very often are deceptive? What is the reality today? Does everybody in India today enjoy this per capita income? As big as 45 per cent, of the people in the country get less than this per capita income. Only 55 per cent, of the people in the country reach or enjoy this average.

SHRI BHUPESH GUPTA: This is what the Prime Minister said in the Ooty Congress Seminar.

SHRI M. S. GURUPADA SWAMY: Then he must have forgotten it while making the statement the other day.

Sir, the Plan starts with a big bang. It wants big sacrifices to be made. It wants supreme effort to mobilise the resources but how is it to be done? Sir, on some other occasion when I was speaking on the Draft Plan I pointed out the burdens. It is very necessary for the country to know now the burdens of development are distributed among the various sections of the community. The benefits are not at all distributed equally but the burdens are distributed in a way which will take away more from the common man, from the man who has no sufficient income. I want to know from the planners whether they have got any picture of how this burden is going to be distributed. For the last ten years we have been planning and planning and we have been told constantly that we must sacrifice. It is inevitable that we must sacrifice and it is also inevitable that we should consume less. That is all right but I want to know how this burden is going to be distributed among the various sections of the people. Sir, heavy taxation is contemplated. How is this heavy taxation to be realised? From whom? May I point out that the burden will have to be borne by the people who are in this 55 per cent, category? Among this 55 per cent, 25 per cent, come in the category of peo-

ple whose income ranges from Rs. 1,250 to Rs. 1,750 or so. Naturally, 25 per cent, of that category cannot bear any burden. Another 25 per cent, of this 55 per cent, will come in the range of Rs. 1,750 to Rs. 3,000. They may have to bear some of the burden. Another 25 per cent, will come in a third category whose income would be more than Rs. 3,000 per year and they have to bear the heaviest burden. I want to know from the planners whether there is any plan in regard to the distribution of the burden, let alone the distribution of benefits. We want the people to co-operate but how can they co-operate?

Now, what about the benefits? The other day I talked about the benefits and I thought that the Prime Minister would give sufficient thought to this matter. A Committee has been formed as though we do not know where the benefits are going. Sir, it is natural, it is obvious, that in a developing, economy profits always rise higher than salaries, rents and wages. There is no doubt about this. It is an inevitable trend but if it is not checked properly, then it may create a crisis of imbalance. There will be a tremendous amount of disparity. Sir, I was reading some of the decisions of the Congress Seminar held at Ooty. It is very significant that there is a big swing in the conservative direction. What are the decisions of the Seminar? The decisions are that productivity is of supreme importance. Yes, it is important. Then, distribution is not very important. They do not say that it is equally important. Production is most important, but distribution is not. Then, whether a project should come under the public sector or private sector should be decided on the merits of the individual case.

Then, Sir, may I know what has happened to the Industrial Policy statement? In the earlier chapters of the Plan we have been given a good deal of education about socialism, though there is nothing at all to learn. My colleague, Prof. Mukut Behari Lai, yesterday pointed out that there is

nothing about socialism except confusion. It does not give any clarity. What is your socialism, I want to know. If socialism has any meaning, it has to be translated into action. What do we find today? May I say that today disparities in income are more? Though to a certain extent they are inevitable—I recognise that they are inevitable—no adequate, effective steps are taken to see that the disparities are kept in check—functional disparities which will emerge as a result of planning.

Then, there is nothing in the Plan to show that they have been taking steps to remove traditional inequalities. What are the traditional inequalities? Inequalities based on birth, inheritance and the like are the traditional inequalities. What are you going to do? Some of the structural changes which have been suggested in regard to bringing about a socialist reform have not been effective at all. Take, for instance, the question of land reforms. I am very sorry to say that this problem, which is most important to our agricultural economy, our country being an agricultural country, has not been tackled effectively. Why? Because bottle-necks arise. What are the bottle-necks? Inside the Congress Party, the Congress Party people feel that any imposition of ceiling, any abolition of intermediaries and any redistribution of land would mean taking away their power in their areas. That seems to be their approach. Otherwise, what is the interpretation? Otherwise, why this delay, why this timidity, why this hesitation in regard to a matter which you have all accepted as of particular importance? Why has there been so much of arguing about this reform? Sir, the Planning Commission in this Plan has specifically stated, unequivocally accepted, that the results have been very poor in regard to land reform. It is not my statement. It is a confession on the part of the planners. If that is the approach of the authorities in regard to a matter which is so vital and fundamental to the life of the common man, I do not

think that you can carry the people with you, that you can inculcate a sense of fervour, which is so necessary for this huge effort.

Many hon. Members talked about inflation and the price policy. I do not want to repeat what has been said already. But may I point out that all your efforts in the Second Plan had failed to contain prices? The Plan also suggests that there may be a further spurt in prices because according to them there may not be a restriction on consumption. You have been talking of restricting consumption with a view to producing a surplus. You have failed. And again you are talking of restrictions on consumption. I want to know from the planners whether they are serious at all. Without restricting some of the consumptions which are not necessary, it would be hardly possible to create a surplus. Without creating surpluses, perhaps, the economy will have to depend on foreign assistance more and more. There might be a big lag in resources and also the Plan might have to be revised. Have the people been told well in time and clearly that they have to restrict their consumption? Today what do you find in the economy? There are lots of goods of luxury and there is no system of control either on the manufacturing side or on the consuming side. There is a tremendous growth in luxury goods. I want to ask whether it is necessary, for us to exist, to create such a large array of luxury goods in the country. My friend referred to the small car production. I am glad that it is not included in the Plan. I will tell you that this is the most stupid blunder that the Government has committed in launching the small car project. Who wants it? People can ride on bicycles, can go in bullock-carts. And there are other small cars which are big enough but which are very costly. The present cars which are available and which are manufactured are sufficiently small, but their prices have to be reduced by increasing their production. Why do you require another

[Shri M. S. Gurupada Swamy.] brand of car? Why do you waste your resources? I do not know.

Incidentally, I would point out that there is no effort made on the part of the Government to translate the decisions of the Plan. May I draw the attention of the House to one important fact? Licences have been issued without restraint to industrialists because they want them, because they happen to be their friends, because they want their help during the election time. Perhaps, they want their resources at the time of fighting the elections. I do not know the reasons, but the fact remains that for the various projects today licences have been issued by the departments concerned. I find that in certain projects they have issued licences covering the Fourth Plan. Some of the licences which have been issued have not been utilised. But there are licences covering the Fourth Plan also. Why this? I do not know. Is it planning at all?

I think it is a very haphazard way of doing things.

Today the country is passing through a great crisis, crisis in power and transport. On various occasions this House and the other House have raised this matter. We thought that sufficient attention would be given to these serious and important questions. The problem of transport and power is to me most important. The steel plants in the public sector were to

2 P.M.' yield certain results during the

Second Plan, but our expectations have proved futile. Two million tons of steel were to be produced, I think, in the Second Plan by these three projects, Bhilai, Rourkela and Durgapur, but to our sorrow we find that only 0.2 million tons have been produced. Sir, we stand for the expansion of our public sector, and it is our complaint that the public sector is not expanding as we want it to expand, but unfortunately if such a thing is projected before the world, naturally people ask, why do you want the public sector? For losing money? For

sinking your resources? The hon. Minister today was replying to a question on this important thing. He said three things as to why there was not much production, why it was not possible to reach the target. His reasons were: No. 1, there is no adequate supply of raw material. No. 2, there is no adequate facility of transport. No. 3, there is no adequate number of technicians available. Were these problems not discussed and decided upon before drawing up these projects? Whether the problems of these projects were not discussed at all I want to know. These were included in the Plan. That means that every aspect of this problem was thoroughly discussed, and all the problems and bottlenecks that would arise also should have been discussed and disposed of. But strangely after the failure they say that there are the bottlenecks. But they are throughout the country. Every industry today faces this bottleneck. There is not enough technical personnel, there is not enough transport, there is not enough money or whatever it is. The Minister did not say money fortunately because Government has got plenty of money to spend or misspend. I want to know whether we will be able to reach the target that has been fixed in the Third Plan. If this is the performance today, according to the Minister, it will take three years more to reach the optimum efficiency, three years more, that is, by that time a big portion of the Third Plan will have been completed. I do not know whether this figure could be reached at all.

Then there is another important thing. Without iron and steel industrialisation has been halted, because many industries . . .

THE VICE-CHAIRMAN (SHRI RAM SAHAI): I think you should finish now. You have taken 35 minutes. You started at 1:30,

SHRI M. S. GURUPADA SWAMY: Sir, I am taking another ten minutes.

SHRI ROHIT M. DAVE (Gujarat): Sir, may I say that our group is entitled to one hour and forty-five minutes? So let him take as much time as he likes. We will adjust among ourselves.

THE VICE-CHAIRMAN (SHRI RAM SAHAI): There is one Member to speak tomorrow.

SHRI M. S. GURUPADA SWAMY: Whatever the balance will be utilised by him.

Sir, I was saying that iron and steel *are* most important for industrialisation. The Planning Commission recognises this important aspects, and Government recognises it. We want heavy industries, we want basic industries, and steel and iron are most important among them. Why? Because we thought that by that we would be laying the foundation for the future development of industries in the country. Today when there is a terrible shortage of iron and steel, how can the industries grow. Particularly, Sir, it has affected the engineering industries and indirectly it has affected employment Sir, what do you find in the Second Plan? Nearly eight million people have been employed, and nine million have been left over to be taken care of in the Third Plan. They have been let loose. So, only eight million people have been employed. That was not the target fixed in the Second Plan. It was a higher target. It was not realised because a sufficient number of industries could not be started, and we could not expand the existing industries because there is paucity of steel, the fundamental raw material that is necessary for expansion and starting of industries.

Then again, take the problem of transport. What do we find? It is amazing to find in the Plan today that Railways are contributing towards development less than what they contributed during the Second Plan. They contributed, Sir, if I am right,

Rs. 150 crores for the Second Plan. Today they are contributing Rs. 100 crores. How is it? If the Railways have run efficiently, they are a public enterprise which has been with us since many many years. In spite of this experience and the huge resources available they have not been able to produce the surplus required for their own development. That is the tragedy of the whole thing, the dilemma or the paradox or whatever you call it, what is the result? Today the Minister of Steel will say that transport is not available for transport of steel or transport of raw material, and other Industries also will complain that no wagons are available. So, they have to resort to sending the goods through ships. Today coal is transported in ships which is costlier than transport in Railways, and we are resorting to costlier and costlier modes of transport, because a certain sector in transport is inefficient and it does not care for perspective planning at all. Are we to proceed like this? Take, for instance, the Life Insurance Corporation in the public sector. What do they do? They are producing results on paper. Every year they produce bogus insurance policies, and they may mature or they may not, they may be paid or they may not be paid. For the purpose of statistics they are creating figures, and the Life Insurance Corporation is in a very bad position. Perhaps, they may quote the H.M.T. as a splendid example of achievement. I also congratulate the department for their achievement. But may I point out that the achievement or the profit made by the H.M.T. was due to the monopoly it enjoys in regard to price? Suppose no machinery is available and no import is possible; then we have to take those that are produced by the H.M.T., whether they are good or not, at prices quoted by them. Naturally, it has to yield some results, some profits. I am glad it has made profits, but this is the reason why it has made profits.

Sir, it is unfortunate that the public sector is not moving in the right direc-

[Shri M. S. Gurupada Swamy.] tion, and we find in the Plan that they expect Rs. 400 odd crores from the public sector. Nothing has been paid by the public sector in the Second Plan, and they want to produce a miracle. I am glad, I will be very happy indeed, if they could get Rs. 500 crores or even more. It is possible, but I am saying that the public sector undertakings are so incompetent, are so bureaucracy-ridden, are so irresponsible to the demands of the country and so unmindful of cost that they are unable to produce such results. I want them to produce such results.

Sir, there is another important thing to which I have to refer, and that is my last point. It is about the administration itself. One of the gravest crises today in the country is the continuous crisis of inefficiency of administration. The Plan, as it is, is fairly good, provided it is implemented properly but, unfortunately, there is a crisis of inefficiency. The failure or The shortfalls in the public sector sre mam¹-/ due—there may oe other reasons—to the incompetence of the officers who man those undertakings. In this country, I think, inefficiency is not recognised as a crime. To me, Sir, incompetence or inefficiency is a greater crime than anything else, greater than murder. Here, being inefficient or being incompetent you may deprive of millions and millions of people of employment. That is worse than murder. That is mass murder. Sir, I demand from the Government that inefficiency or incompetence on the part of the official should be treated as a great crime that should not be tolerated. And all along we have been talking of improvements in the administrative machinery. Many solutions have been suggested but they are only palliatives. The more you progress, the more this inefficiency, the more progress in corruption. Nothing has been done about it. The Prime Minister does not see any corruption at all. When some time back Mr. Deshmukh suggested that there Should be a high-level machinery to

find out corruption among the high officers in our Government, he asked him to give specific cases, and specific cases have to be given to the Congress Party. Today in the opinion of (he common man, everybody, in the country, there is growing corruption and nepotism in the administration.

Sir, though this Plan is intended to be a national Plan for the entire country, though it gets the support of most of the sections of the House except some Swatantra people, I feel that this Government suffers from partisanship so far as the execution of these projects is concerned. The Plan has failed partly because you have not cared to take help and co-operation from the opposition parties. It has failed because you want the cooperation of the people only through your agents, chosen agents, the Congress people, in the villages, in the towns and in the cities. Co-operatives have failed. Why? We want cooperative societies. We want them to grow. But co-operatives have become the arena of vested interests, interests controlled by the Congress. Panchayats also will go the same way. Though they have not been given enough powers, still I believe that they will become the playground of some elements in the ruling party. I do not blame all. But the fact remains that there is terrible partisanship in executing the Plan. The most important problem today, I say, is the problem of having a proper organisation and execution of the Plan. It is the most important thing. Dr. Kunzru pointed out how we can bridge the gap between the physical plan and the financial plan. It will be possible to bridge this gap by raising resources, by effecting implementation of the projects drawn. But there is nothing in the Plan to show what concrete measures are taken to eradicate nepotism, inefficiency and corruption in the departments. Sir, may I say here that it is a great day indeed to have a discussion on a Plan which is twice as-big as the previous two Plans? Bui there are various aspects in the Pl«ⁿ which are left vague. We are actually

walking in the fog. We do not know which of the projects, as my colleague put it yesterday, will be taken over to the Fourth Plan or what exactly the spill-over will be or what the projects are which require priority. And we do not know whether there is any programme of fixing yearly, half-yearly or monthly targets. In some of the countries—I do not want to quote them—monthly targets, yearly targets and six-monthly targets are fixed. Unless these things are done, I am afraid that even the minimum that has been included in the Plan may not be realisable. I wish that this Plan should go through and I wish that all the physical programmes that have been included and a little more should be realised. I want to be assured that bold, concrete steps will be taken in this direction.

श्रीमती कृष्णा कुमारी (मध्य प्रदेश):

उपसभाध्यक्ष महोदय, आज तृतीय पंचवर्षीय योजना हम लोगों के समक्ष विचारार्थ प्रस्तुत है। योजना बहुत बड़ी है, यह अरबों और खरबों में चल रही है। इस से यह प्रतीत होता है कि हमारा भारतवर्ष उन्नति के पथ पर जा रहा है और इतनी क्षमता रखता है कि वह अरबों और खरबों की योजनाओं को सफलतापूर्वक पूरा करेगा। इसके लिये मैं भारत सरकार को धन्यवाद देती हूँ।

अब विचारणीय प्रश्न यह होता है और आज का समय देखते हुए जनसाधारण की परिस्थितियाँ देखते हुए, यह अनुभव होता है कि इस योजना में सरकार और आम जनता को महान त्याग की, साहस की, कर्तव्य-परायणता की और अटूट परिश्रम की आवश्यकता है। इसमें हमारी जनता अपनी धनस्थिति के अनुसार कितना सहयोग दे पायेगी इसे हमें सोचना है। यहां थोड़ा सा हमें कुछ ऐसा प्रतीत होता है कि वह अपने को कहीं बीच में असमर्थ न पाये। इसके लिये मेरा

यह सुझाव है कि उनकी सहूलियतों पर भी विशेष ध्यान रखा जाय। अगर रोजमर्रा की निर्वाह की चीजों के भाव और कीमतें इसी प्रकार बढ़ती गईं जिस प्रकार कि दिन प्रति दिन आजकल बढ़ती ही जा रही हैं तब तो उनके लिए दूभर हो जायेगा। इसलिए मैं यह सोचती हूँ कि इस बात पर हमें विचार करना है।

दूसरे, हमने देखा है इस तृतीय पंचवर्षीय योजना में पंचायत राज को काफी जिम्मेदारियाँ सौंपी जाने वाली हैं और सौंपी जायेंगी। आज जिस परिस्थिति में पंचायत राज चल रहा है उसको देखते हुए मैं हमें बड़ा ताज्जुब हो रहा है, और थोड़ा सा असमंजस भी है कहीं कहीं कि ये हमारे पंच महोदय जो हैं वे अपने भार को सुचारु रूप से वहन कर कर पायेंगे कि नहीं। कारण इस का यह है कि जो हमारे यहां पंचायत राज का चुनाव होता है वह आम जनता के वोटों से होता तो है सही, पर उसका लगाव कहां से होता है, उसे पकड़ना सबसे आवश्यक है, क्योंकि जो हमारे राजे महाराजे थे, जो हमारे जमींदार थे, उनकी जमीनें गईं, रियासतें गईं, सब कुछ गया पर अभी उनके जो नुमायन्दे हैं वे हैं ही और उन्हीं के अनुसार अगर उन लोगों में यह चुनाव होता है तब यह समस्या थोड़ी घपले में पड़ जाती है।

तो हमारे पंच महोदय पूरी सहानु-भूति से और पूरी इमानदारी से न्याय नहीं कर पाते हैं और उनमें शिक्षा का भी अभाव होता है। देखने में यह आया है कि जो बीज पब्लिक को बांटने के लिये दिया जाता है वह वक्त पर नहीं मिलता है और जब वह सड़ जाता है तब उसको बांटा जाता है। इन सब बातों को मद्देनजर रखते हुए इस बात पर विचार किया जाना आवश्यक है कि जो भी पंच गांव में चुना जाय, वह ऐसा होना चाहिये जो पढ़ा-लिखा हो, जो गांव का काम

[श्रीमती कृष्णा कुमारी]

सुचारु रूप से चला सके। अक्सर देखने में यह आया है कि बहुत से गांवों में ऐसे पंच चुने गये हैं जिन्हें अपने हस्ताक्षर करना भी नहीं आता है।

श्री शीलभद्र याजी : वे जनता के प्रतिनिधि तो हैं ?

श्रीमती कृष्णा कुमारी : हां, जनता के प्रतिनिधि हैं और जनता का वोट पाकर आये हैं। लेकिन मेरा कहना यह है कि पंचवर्षीय योजना के अन्तर्गत जो काम इन पंचों को सौंपा जा रहा है वे उस भार को वहन कर सकेंगे या नहीं ? इस योजना के अन्तर्गत जो कार्य-भार उन्हें दिया जा रहा है वे उसको सुचारु रूप से नहीं कर सकते और इसका नतीजा यह होगा कि जनता में असंतोष फैलेगा।

जहां तक शिक्षा का संबंध है, गांवों में शिक्षा की ओर बहुत कम ध्यान दिया जा रहा है। वहां पर बहुत कम लोग शिक्षित हैं और पंचों का भी ध्यान इस ओर कम जाता है। इसका कारण यह है कि जितने पंच लोग गांवों में चुने जाते हैं वे अक्सर अनपढ़ ही चुने जाते हैं। आज कल हमारे गांव में स्त्री-शिक्षा की ओर बहुत कम ध्यान दिया जाता है। जब तक गांवों में स्त्री-शिक्षा नहीं बढ़ाई जाती, उस पर काफी ध्यान नहीं दिया जाता, तब तक गांव में स्त्रियाँ अच्छी तरह से शिक्षित नहीं हो सकती हैं। जब स्त्रियाँ शिक्षित नहीं होंगी तो उनके बच्चे भी शिक्षित नहीं हो सकते हैं। ये सब कार्य तीसरी योजना में ग्राम पंचायतों को करने के लिये दिये जायेंगे। इसलिये मेरा सुझाव यह था कि इन कार्यों को सुचारु ढंग से करने के लिए पंचों को कुछ समय के लिए प्रशिक्षण केन्द्रों में काम सिखलाया जाना चाहिये। जब वे अच्छी तरह से इन कामों में दक्ष हो जायें तब उन्हें यह भार सौंपा जाय जिस से वे पूर्णतया इस भार को अच्छी तरह से वहन कर सकें। अगर इस तरह की कार्यवाही नहीं की गई तो वही बात होगी जैसे मकान बनाने में देखने में आता है कि ए

तरफ तो मकान बनते जाते हैं और साथ ही साथ वे ढहते भी चले जाते हैं। अगर इस ढंग से काम नहीं किया गया तो हमारी योजना पूरी तरह से सफल नहीं हो सकेगी और इसका नतीजा यह होगा कि जनता को नुकसान उठाना पड़ेगा।

इसके साथ ही साथ मुझे यह भी निवेदन करना है कि गांवों में कृषि उत्पादन की ओर विशेष ध्यान दिया जाना चाहिये और छोटे-छोटे उद्योगों को भी काफी बढ़ावा दिया जाना चाहिये। कुछ गांवों में तो छोटे-छोटे उद्योग चालू हो गये हैं मगर मध्य प्रदेश के गांवों में इस तरह के उद्योग का अभाव है। हमारे गांवों में किसान साल में चार महीने से भी ज्यादा समय तक खाली बैठे रहते हैं और इसके साथ उनके ऊपर तरह-तरह की मंहगाई लादी जा रही है, जिसको वे अपने ऊपर एक नया बोझ समझते हैं। इसके साथ ही साथ सरकार की ओर से नाना प्रकार के नित्य नये टैक्स लगाये जाते हैं। इसका नतीजा यह होता है कि जब वे योजना की बात सुनते हैं तो घबरा जाते हैं। जब तक वहां की जनता शिक्षित नहीं होगी तब तक वह इस योजना को अच्छी तरह से नहीं समझ पायेंगी। सरकार की ओर से जब तक उन्हें काम करने के लिए सहूलियतें नहीं दी जायेंगी वे इस योजना को एक भार ही समझेंगे। जब जनता को सहूलियत मिल जाती है तो उसे टैक्स देना भी नहीं अस्वरता है।

आज कल गांवों में गरीबी बढ़ती ही चली जा रही है और इसके साथ ही साथ ईश्वरीय प्रकोप भी उन लोगों पर नित्य बढ़ते ही जा रहे हैं। इसलिये मेरा कहना यह है कि हम तीसरी पंचवर्षीय योजना के अन्तर्गत गांवों की पंचायतों के ऊपर बहुत भार डालने जा रहे हैं। इसलिये हमें यह देखना चाहिये कि हम जो भार पंचों के ऊपर डालने जा रहे हैं। वे इस भार को उठाने लायक हैं या नहीं। बुनियादी शिक्षा, कृषि उत्पादन, तथा इंडस्ट्री

का जो काम उन्हें करने के लिए दे रहे हैं क्या वह उसको सुचारु रूप से चला सकेंगे या नहीं ? इन सब बातों के ऊपर हमें बहुत ध्यान से सोचना चाहिये और तब उन्हें यह काम देना चाहिये । अभी तक गांवों में इंडस्ट्रीज का कोई भी काम नहीं गया था । हो सकता है कि कुछ गांवों में इंडस्ट्रीज का काम होता हो लेकिन अधिकांश गांवों में इस तरह का काम नहीं होता है । अब हम तृतीय पंचवर्षीय योजना के अन्तर्गत यह काम गांव वालों के ऊपर डाल रहे हैं । इसलिए हमें इसके लिए पहले से वहां की जनता को तैयार करना चाहिये । जब तक वहां की जनता अच्छी तरह से शिक्षित नहीं होगी तब तक यह काम बड़े सुचारु ढंग से नहीं कर सकेगी । तृतीय योजना के सफल होने पर लोगों को सुख शांति मिलेगी और साथ ही साथ उन लोगों की आमदनी भी बढ़ जायेगी । इस योजना के सफल होने पर देश में काफी परिवर्तन आने वाला है । वर्तमान समय को देखते हुए लोगों के मन में उथल-पुथल मचना स्वाभाविक है । इसलिए हमारा यह कर्तव्य हो जाता है कि हम गांव वालों के ऊपर जो काम का भार डालने जा रहे हैं उसको चलाने के लिए उन्हें उचित प्रशिक्षण देने की आवश्यकता है और इस ओर सरकार को विशेष ध्यान देना चाहिये ।

हमारे देश में सिंचाई की बड़ी बड़ी योजनाओं के ऊपर काम हुआ है, लेकिन लघु सिंचाई योजना के ऊपर कोई ध्यान नहीं दिया गया है । प्रथम पंचवर्षीय योजना जब बनी थी तभी इस चीज की ओर ध्यान दिया जाना चाहिये था मगर इस ओर कोई ध्यान नहीं दिया गया है । कुछ गांवों, शहरों और कस्बों में एक दो छोटी सिंचाई योजना बनाई गई हों, लेकिन ज्यादातर देश के किसी हिस्से में इस तरह की योजना नहीं लागू की गई । अब सरकार इस कार्य को भी पंचायतों को दे रही है, इसलिए मेरा निवेदन है कि सरकार इस बात की ओर विशेष ध्यान दे कि जो काम गांव वालों को सौंपा जा रहा है

उसे वे किस ढंग से सुचारु रूप से कर सकेंगे । इस काम के करने के लिए तो शिक्षित आदमियों की जरूरत होती है, इसलिए सरकार इस बात की ओर विशेष ध्यान देगी । इसके साथ ही साथ उसे यह भी देखना होगा कि पंच लोग पार्टीबंदी में तो नहीं पड़ जाते ।

(Time bell rings.)

SHRI JOSEPH MATHEN (Kerala): Mr. Vice-Chairman, Sir, when we are to consider the various aspects of the Third Five Year Plan, it will be quite appropriate to consider the achievements of the First and the Second Five Year Plans. Shri Bhupesh Gupta and Shri Gurupada Swamy failed to realise the great changes that have been taking place in this country for the last ten years. They have been extremely critical with regard to the implementation of the two Five Year Plans. Mr. Bhupesh Gupta has tabled nearly 55 amendments to this Plan, almost condemning the entire activity of the Government in the implementation of the previous Plans. He had been complaining that some of the private, enterprises have not been nationalised. He said that voluntary co-operation was not encouraged, the socialist pattern was not worked out, and capitalism was flourishing even after the implementation of the previous Plans.

Sir, Mr. Bhupesh Gupta cannot find any progress in a democratic set-up and in a set-up where individual freedom is protected. Mr. Bhupesh Gupta recognises progress, which has only an authoritarian approach, whereby the individual freedom is crushed. That which is considered best by a few people and is thrust upon the people in general. To him the Third Five Year Plan is anti-people. But, Sir, very few people in this country have shown the courtesy to accept his ideology.

Sir, Mr. Gurupada Swamy could not see an atom of socialism in this country even after the implementa-

[Shri Joseph Mathen.] tion of the first two Five Year Plans which aimed at establishing a socialist pattern of society in this country. I think he is blind to the developments that are taking place in the Indian society. Socialism, according to the ideology that has been accepted here in this country at present, is the establishment of equality in the social set-up, in the political set-up and in the economic set-up by peaceful means.

Sir, as far as the political set-up is concerned, nobody can dare to say in this country that political rights are denied to any man who has attained the age of 21 irrespective of his party affiliation. In the same way we have adopted measures during the First and the Second Five Year Plans to eradicate disparity in the social set-up which has been established by long conventions and by long practice. Here a privileged set of people are no more recognised and every person in this country is given equal status, irrespective of his ideology. So far as the social set-up and the political set-up are concerned, Sir, I dare say that we have attained almost the socialist pattern of society in this country.

Then, comes the economic set-up. I do accept that capitalistic tendencies are still trying to assert themselves and are trying to block the move to a socialist pattern of society. They are trying to undermine, along with Communists and the other Opposition parties, every attempt that is being made by the ruling party to, establish a socialist set-up in this country by peaceful means. Sir, I know how the persons who are opposing this Government want to create a sort of confusion in this country so that they may flourish at the expense of the country's progress.

So far as land reforms are concerned, Mr. Gurupada Swamy has been complaining that nothing has been done during the past ten years. Sir I wish to draw his attention to ifie I

various measures that have been adopted throughout this country to eliminate the middleman from the agricultural front by the legislations that have been adopted. I am confident that we have been able to eliminate the land-owning class and the land has been extended to the tiller for developing agriculture. In the same way, Sir, the policy of fixing a ceiling over land-holding has also been accepted and it is being implemented. Nobody can say that these measures are not 'for the benefit of the tiller of the soil. When we consider all these things, we find that we have been doing a good lot for the development of the country according to the socialist programmes envisaged in the three Plans.

The Third Plan is now before us. As far as the Plan is concerned, everybody supports it. The only question is with regard to its implementation. For implementing the Plan we require the co-operation of the people.

SHRI BHUPESH GUPTA: Whose co-operation do you want?

SHRI JOSEPH MATHEN: Not the co-operation of the minority section of the people who support the Communist Party but the people in general who have supported the party which is now ruling this country.

SHRI BHUPESH GUPTA: Therefore, you want your own co-operation.

SHRI JOSEPH MATHEN: I know that the Communist Party, from the very beginning, even when the First Plan was envisaged, was opposing it calling it a paper Plan and saying that it would not do anything in the country. I know that Mr. Bhupesh Gupta would do everything to sabotage whatever is being done through the Third Five Year Plan, and even in spite of his opposition, we are confident that we would be able to accomplish the Third Five Year Plan—that is, the socialist pattern of society, within fifteen years, as the learned Prime Minister has pointed out. This

is one of the Plans chalked out for five years out of a period of fifteen years.

SHRI BHUPESH GUPTA: I am going to suggest a wing in the Planning Commission to plan the thinking of some Congressmen.

SHRI JOSEPH MATHEN: Mr. Bhupesh Gupta was talking about the nationalisation of some of the enterprises in this country. I invite Mr. Bhupesh Gupta's attention to what happened in Kerala during the Communist regime. Nearly Rs. 20,000 were set apart for the nationalisation of private forests. That was done during the Congress regime. But when his party came into power in Kerala, instead of nationalising that forest the Communist Ministers assumed themselves to be the trustees of the private forest-owners in the State of Kerala. This is how they view nationalisation.

Again, Sir, he was talking about co-operation and encouragement to voluntary co-operatives. I know that there have been certain co-operative societies organised by the Communist Ministry to give some sort of remuneration to the Communist Party members. They made them pocket societies of the Communist Party not extending the privilege to persons of other parties, so that other parties may not enter that society. I would ask Mr. Bhupesh Gupta to enquire whether the toddy tappers' co-operative societies and the labour co-operative societies that had been organised in Kerala during the Communist regime had not been the pockets of the Communist Party and not open to other parties' men, whereas here we are opening each and every society that we are organising, including the service co-operative societies, the multi-purpose societies and the agrarian societies, to all parties irrespective of any ideology whatsoever. I have more knowledge about the Kerala administration during the Communist regime there than Mr. Bhupesh Gupta and even though he

is controlling the Communist Party, he is ignorant of what happened there during the Communist regime.

SHRI BHUPESH GUPTA: You are very eloquent.

SHRI JOSEPH MATHEN: I am not replying you.

We have been talking about the agrarian developments in our country. Progress in the agricultural front has there been in a way, to a small extent. We could see it during the First and the Second Plans. But those who have evolved this Plan have completely ignored some of the agricultural fronts that should have been exploited in the interests of our country. I refer to the perennial crops that are in our country. Whatever advantages have been extended in our country on the agricultural front had been for the development of crops which require only one or two years to yield. They have been given manure, short-term and medium-term loans but with these things, I do not think it will be possible for us to develop the perennial crops that are in our country, especially the coconut plantations in Kerala. Here we require a loan at least for a term of 10 to 20 years. A coconut plant will yield an income only after 10 years and for the repayment of the loan given we may require another 10 years. Thus if a loan for at least 10 years is not extended to the coconut planter, he may not be able to take advantage of the loans given to the agriculturists. In the same way the coconut plantations in the country now require special attention. We have been importing a lot of coconut products in this country to meet our demands.

(Time bell rings.)

Sir, I may require five minutes more because Mr. Bhupesh Gupta made some interruptions.

SHRI BHUPESH GUPTA: I wanted you to be eloquent.

SHUT JOSEPH MATHEN: The coconut plantations require the special attention of the planners. Unless we are able to give some replantation grants to the coconut planters, the old sort of plantation with regard to coconut cultivation will continue and bearing coconut trees will stand from 8 to 100 years yielding one or two coconuts per pluck. So, this matter should engage the attention of the authorities so that replantation grants, as we have been giving to the rubber planters, should be extended to the coconut planters as well.

With regard to the establishment of industries, I wish to bring to the notice of the authorities that some party should be maintained when we establish industries. The licensing of industries should be carefully looked into and whoever refuses to start industries where really industrialisation is to be attended to, should not be given licence otherwise industries may grow in certain places only and may develop in such areas where the people may not be able to take advantage of the industrialisation of the country. As far as literacy is concerned Kerala stands first in the country but those educated persons, most of them, are unemployed and we cannot find suitable occupation for them, unless we industrialise the country.

In the same way, I wish to point out one or two defects in the present educational system. I know that we have almost accepted the regional language as the medium of instruction in the primary and secondary schools in most of the States. This is going to create a lot of confusion in our country. As far as education is concerned, the standard of students who are turned out from these schools has gone down and unless we give special care, we may not be able to improve their standard. According to me, either the medium of instruction should be English for at least 20 more years and then, if at all it is switched on to some other language, it should be to the national language. Since Hindi is made compulsory in

our country in almost all schools, I think within 20 years, our students may be able to switch on to Hindi as the medium of instruction.

In the same way, I wish to point out some facts with regard to technical education. In technical institutions like medical colleges, engineering colleges, etc. we are now absorbing most of the brilliant students who are coming out successful in the scientific studies. The B.Sc. and Intermediate students who come out in the first and second ranks are absorbed in the medical and engineering colleges and they are specialising in their studies. At the same time we have to remember that for the development of science, especially physics and chemistry, we will have to pay much attention. The development of a country depends on the development of science. So, for chemistry and physics we will have to introduce special schemes whereby we may be able to attract more boys by scholarships and by other encouragements. In the same way the best students who come out in the scientific studies will have to be absorbed in some special service. Just like the I.A.S. and I.P.S. you will have to introduce an Indian Scientific Service whereby we may be able to attract the boys who now try to find employment by passing the other examinations. So, for the establishment of a scientific service, you will have to pay much attention so that we may solve the problem of scientific research for national development.

SHRI SANTOSH KUMAR BASU (West Bengal): Mr. Vice-Chairman, Sir, I do not propose to take the time of the House at any great length on the discussion of the Plan before the House. What pains me in listening to the various speeches from the Opposition benches is this. Even at this stage we have not been able to take a broad realistic view of the aims and purposes of the Plan and the ways and means for its implementation and execution. We have heard some very vigorous, very powerful, very able

speeches from the P.S.P. benches. Those are opponents who have made special studies of the Plan in all its different branches and in all its implications. Those are Members of the Opposition who desire a nationalistic and democratic approach to the solution of our problems. Those are Members of this House upon whom we can rely when asking for their helping hand in carrying through the programmes and policies of this Government which are aimed at the improvement and general progress of the country. I shall, therefore, make a special appeal to my friends on the P.S.P. benches, because they are believers in democratic progress and they are against a totalitarian approach to the solution of these questions. There is no doubt that we are all aware of the difficulties and struggles through which the two previous Plans had to pass to secure their proper implementation and execution. Fissiparous tendencies have appeared all over the country. Linguism, provincialism, communalism have all reared their heads demanding the attention of the Government in various parts of the country. Under those circumstances the tremendous task of implementing the Plan has been faced by the Government with unerring vision, and with unfaltering steps they have proceeded towards the goal. These are matters which have to be taken into account and acknowledged.

In the preparation and presentation of the Third Plan, difficulties and failures have been frankly acknowledged in various parts of this Plan and there has been admission of the fact that targets have not been achieved, that execution has failed in various respects and measures have been suggested for the purpose of preventing such failures in the execution of the Third Plan.

- My esteemed friend, Shri Gurupada Swamy, has said that in the lower levels, the hand of fellowship proffered by the members of their party

has been rejected by those in power. Surely, he must be aware that that is not the policy of the Government. Surely he will admit that the ruling party, if I may be permitted to call them so, because this is the expression used by the Opposition parties, certainly is not at all anxious to avoid the hand of fellowship, the helping hand, in the execution and implementation of this Plan all over the country. I would make an earnest appeal to my friends, to all those who are believers in democratic solutions of our political and national problems and say that these matters, particularly the implementation of this Plan, should be kept above politics, because whichever party comes into power, the implementation of the Plan will create a state of progress in the whole country which will assist that party when it comes into power to administer the affairs of this country. Therefore, let us combine together. Let us meet on a common platform and let us keep the implementation and execution of the Plan outside the range of party politics. We may fight on many other points. We may fight for many other causes. But so far as the implementation of the Plan is concerned, let us look back and find out what the condition of this country was when we were under the heels of the imperial power. The country has been raised from that position and we are proceeding step by step gradually creating a society in the country in which progress, material progress, cultural progress will flourish from stage to stage. Therefore, let us all go forward and take this implementation of the Plan out of the range of power politics and let us all combine in making the execution of this Plan a success that it deserves. Sir, these are the general words with which I shall approach the consideration of his question. I wish to make a particular appeal to my friends who believe in a democratic and national approach to the solution of our problems.

Sir, there are one or two matters relating to my own State to which I

[Shri Santosh Kumar Basu.J

would like to refer in this connection.

The question of slum clearai"" in Calcutta is a question wmcn ijas been seriously taken up by the Government at the top most level. The Government of Vvest Bengal has prepared elaborate scnemes in which out of the 1,50,000 tenements that are requires lor the purpose of clearing the slums m and around Calcutta, 25,000 tenements will be built immediately. That plan is there beiore the Government. In the Plan the Government has made generous offers for the purpose oi assisting the State Government in clearing these slum areas. I would submit with the utmost hope that tne Government will go forward with uieir scheme so that slum clearance in Calcutta may become a reality in lthe near future. I shall recall only one or two instances. In the British times, slum clearance was also a question which was agitating the minds of the highest authorities in this country. I remember in Calcutta, where I reside, the Belvedere Palace of the Government in which the National Library is now located used to be ihe residence of the Viceroy's during their sojourn in Calcutta. I remember Lord Irwin was attending the church in that locality and after coming out of the church, instead of going back home in the Belvedere Palace, he went straight to the slum areas near about that locality to see for himself the conditions in those areas. They were aware of the very serious situation with regard to the slum areas in Calcutta. But all the same, from the imperial point of view, from the colonial point of view, they never bothered over the question of clearing these slums. Those days were such. Later on, I remember a former Under Secretary of State of the Labour Government in Britain came to Calcutta and paid a visit to me. The first thing he asked me was: "Why is this disparity between the main streets where these palaces stand in full glory and these slums, these *bastis* behind them which are a menace to the health of the city and a disgrace to it?"

These question used to trouble them. But never was a serious approach-serious or otherwise—made to clear those slums. Now, the Government have taken this up in right earnest. I was pleased to see in the Prime Minister's apeech yesterday that one of the principal points he laid stress on was the clearance of the slum areas all over the country, particularly in the main towns and cities. So far as Calcutta is concerned, this is a crying shame and I do hope that the Government will make earnest efforts to clear these slums in Calcutta as early as possible.

Sir, I will not take much time of the House. There is just One other matter to which I would like to refer and that is the question of water supply, especially in the industrial areas of Calcutta. That question is a burning question—though it is a question of water—in the sense that it is a question of life and death so far as Calcutta and its surroundings are concerned and I hope that this question of water supply also will loom large in the vision of the Government so far as the implementation of the Plan is concerned.

The last thing that I want to urge is a matter to which the hon. Minister of Planning also referred and on which he laid particular stress, I mean the improvement of production of jute in Bengal. You might have noticed that recently the failure of the jute crop caused a tremendous crisis in the jute industry in Calcutta, so much so that large sections of ihe industrial population, workers, in the jute mills, had to be laid off and the West Bengal Government, had *to* pass through very difficult times for the purpose of reconciling the demands of the industry and the necessities of the labour population. Sir, this jute industry depends on the jute crop that is yielded by the soil in Bengal. I find from the Plan that great 3 P.M. stress is laid on manuring with phosphates, chemical fertilisers and so on but I understand that the

experts of the West Bengal Government have given it as their opinion that animal manuring is necessary on a very large scale for the purpose of improving the yield of the jute crop upon which Government seems to be so very anxious. In the Plan particularly, Sir, it has been stressed more than once that the yield of jute and other commercial crops has got to be increased. The Planning Minister also mentioned this in the course of his speech yesterday. I would, therefore, suggest that the availability of animal manures should be very seriously considered. Animal manure which is used as fuel should be made available for manuring purposes and coal should be given to the countryside on a very large scale in order that animal manure may be freed for purposes at cultivation of jute and other crops.

These are matters relating to my State which have been troubling me in connection with this Plan and I place them for the consideration of the Ministry for whatever they are worth I hope they will give their earnest consideration to these observations of mine.

SHRI JASWANT SINGH (Rajasthan): Mr. Vice-Chairman, these two volumes which have been supplied to us contain a complete picture of the Third Five Year Plan. The Planning Commission, the Government and the Parliament have, during the last 2 J years, say from 1958 onwards, been discussing this question from every point of view and from every angle. This question, in various forms, has been before the public and their suggestions and views have also been before the authorities concerned and now the complete picture has come before us and we are to express our views. The stage when suggestions could be offered by the Members of Parliament or by other people is over and here we have just to express our views on the picture which is now before us. First of all, Sir, we are now entering the Third Five Year Plan period and it becomes our duty as practical people, as an administrator

or a businessman will do, to take stock of things as to what has been done during the period of the last two Plans. In regard to this document, Sir, I will submit that first of all, it is a great improvement in printing and presentation over the past two Plans. It also carries a wealth of authoritative statistical tables and it is also frank and fair in the assessment of the last decade.

[MR. DEPUTY CHAIRMAN in the Chair.]

Now, it is admitted on all hands that this Plan is another landmark in our long journey. During the last ten years, during the last two Five Year Plans, India has undoubtedly made progress in different directions. We have *seen* that during the last ten years our industrial production has recorded a substantial increase. The import of many things, especially of consumer goods, has either been eliminated or reduced. Export trade has been diversified by the shipment of many new commodities. These are indeed great achievements in the face, of difficulties encountered both at home and abroad. Normally, these Plans should have awakened a sense of participation and enthusiasm in the people.

Sir, I was referring to the creditable achievements of the first two Plans. Along with these achievements, Sir, there are certain defects and shortfalls and it is our duty to bring them forth before Government so that either they can be remedied or kept in view in regard to the various steps that we have to take in regard to the future planning in the country. Sir, in spite of these creditable achievements, it appears to me a paradox that the impact of progress on the life of the common man has hardly been much. First of all, Sir, the Prime Minister, while speaking on the Plan yesterday, expressed satisfaction in regard to the general improvement in the conditions of the common people. It is true to a certain extent or even, I should say,

[Shri Jaswant Singh.]

to a great extent. Many people have been greatly benefited and the country has benefited but we have also to face the situation that in spite of all these things the common man's standard of living has been reduced by the rise in the cost of living and steady inflation has corroded his purchasing power and steady rise in taxation, both direct as well as indirect, has reduced his income. These, of course, are the impacts which may be due to planning or due to various other reasons but these are facts which have to be admitted along with the great achievements that go to our credit. Though much has been done, yet the greatest problem before the common man now is about his food which is the first essential. The statistics tell us that food production has increased and if we go by the statistics and by the various figures that have been shown, probably, there will be hardly any inch of land in this vast country which has remained either unirrigated or unploughed. The figures given of production are so great that there is hardly any need for the import of food but yet there is the reality before us which is that there is a general shortage of food. Prices are very high, and though people may be well-fed in a certain strata of society, on the whole they are underfed and much has to be done in this direction. Though our Food Minister has been successful in trying to raise more food in America, there is much scope for him to raise it in this country also. I dare say this problem is before the Government and that they are doing their best but we hope that before this Third Plan comes to an end something substantial will be done by the Government and that people will get the desired relief, that is, the prices will show a downward trend. Even now they are showing such a trend but they are still beyond the means of many people.

The second paradox of the problem before us is that in spite of planning over the last ten years, the problem

of unemployment is as acute as before. It is depressing to note that each Plan should have a bigger back log of unemployment. The Second Five Year Plan started with a backlog of 5.3 millions and it was anticipated that at the end of this Plan there would be an addition of about 2 millions. Some remedies are urgently called for.

The third point that I want to submit in this connection is that production is not keeping pace with demand. The price level has been maintaining an upward trend and it is expected that Government will kindly pay full attention to this problem also so that it can be kept under control.

When planning was being resorted to in the beginning, high hopes were roused among the people that this would usher in an era of prosperity. There have been two Plans and over Rs. 10,000 crores have been invested but it is not known as to where this increase of wealth has gone and how it has been employed. I would like to draw the attention of the House to the fact that some time back the Prime Minister stated—probably, at the time when we were discussing the Draft Plan—that he was thinking of making an investigation into this question to find out as to where the increased wealth had gone and also to find out, as to who had been the main beneficiary. I would very much like if hon. Minister would please tell us as to what has happened to this matter, whether any investigations have been started and if investigations have been started, where the matter stands. This is a matter of very great importance and naturally people would like to know, especially when high hopes were raised at the time of formulation of these schemes, as to whether really we are making progress or not, where all this wealth is going and who is the main beneficiary of this increased wealth. As a matter of fact, every citizen of this vast country is entitled to be a beneficiary.

I should now like to come to some specific points in regard to this Plan. Agriculture and industry are the main things which will make this Plan a success. The third item is social welfare but that would benefit only the people of the lower strata. The success of this Plan will depend on our attaining success in the field of agriculture and industry and success in both these factors depends on power and transport. When the Second Plan came to an end, we were left with a very critical position in regard to transport and power. There were shortfalls not only on these two items but in regard to certain other industries of crucial importance. In this connection, Sir, I would like to invite attention to this document which contains the Five Year Plan. In paragraph 4 at page 453, there is a frank admission which goes to the credit of the Government as well as the Planning Commission. No attempt has been made to conceal failures, shortfalls, etc. It has been stated here that "the main industrial targets" which have not been achieved are those set for iron and steel, fertilisers, certain items of industrial machinery, e.g., paper and cement plant machinery, heavy castings and forgings, aluminium, newsprint, raw films, chemical pulp, soda ash, caustic soda, dyestuffs and cement. The shortfalls have unfortunately occurred in some of the very industries which are of crucial importance and have deprived the economy of benefits reckoned on for the start of the Third Plan."

I would now take up the question of power. Expansion in industry depends on the supply of power and during the last decade expansion in industry has been slowed down because of the inability to meet the demand for power. The policy of the Government appears to me to be erroneous in this direction. The policy has been to allow industrial units to spring up and then somehow or other to provide them with power. This is equivalent to placing the cart before the horse and this has resulted in serious consequences. While the Plan has only

provided for the doubling of the installed capacity for power, it has stipulated a rise in industrial production to the tune of 75 per cent. This is not likely to be achieved. Power generation, Sir, is dependent on many factors but as far as India is concerned, it is dependent upon coal to the extent of 80 per cent. The target for coal production in the Third Plan is of the order of 97 million tons and any increase in the shortfall of coal output will affect power generation. Financial allotment for power both in the public and private sectors needs to be stepped up if we are to see that there is no serious failure in the sphere of industrialisation as happened in the Second Five Year Plan period and which, as I stated earlier, has been very frankly admitted in this document.

Another factor on which also will depend the success of industrialisation is transport. Here also, Sir, I would submit that a little indifference has been shown, or, if you like, importance to the extent necessary has not been attached. Everything in this country depends on transport and if we supply adequate transport then many of our targets will not only be fulfilled but will even be surpassed. Our experience in the Second Five Year Plan period has been that transport failed us like power. In spite of this, I do not know why, but somehow or other, the Planning Commission and the Government have not thought fit to pay full attention that this item deserves. Sir, the most important means of transport is railway transport. It forms a major component of transport from the point of view of movement of freight traffic. The Railway Ministry claims to have attained the railway transport target in terms of ten miles moved but the bottleneck in transport is more serious than ever before.

Again a curious view has been taken by the Railway Ministry that so long as the targets of the Plan are fulfilled, the obligations of the Railways have been discharged. This, in my opinion,

LS Shri Jaswant Singh.] inion, is a wrong view. We may fulfil our targets because the targets are based on the funds that will be made available. The funds required, by the Railway Ministry were much higher but our resources did not permit us to allocate that amount and therefore the target naturally had to be kept low. So, having fulfilled the targets they cannot claim that they have discharged their obligations completely. Similarly, now in the present Plan also the demand of the Railway Ministry was much higher but keeping in view the resources at our disposal their demand had to be cut down and the Railway Ministry cannot take shelter behind this plea that having fulfilled the targets they have discharged their obligations. Sir, the answer to save a serious situation is adequate development of road transport and as I was submitting a little while ago, the Government have on this point shown some indifference and I hope at least even now—I do not know what they would be able to do—something would be done if we have to make a success of this Third Five Year Plan. Railways, waterways, airways and other means of transport would not suffice for the total tonnage required to be transported. Therefore, in my opinion there is a case for a bigger allocation for transport and for the automobile manufacturing industry. Even though it may mean larger allocation, in the larger interests of the country and in the interests of progress to which we are looking forward under this Plan, the situation can be met even now if some larger allocation can be made for road transport. This Plan makes an allocation of Rs. 324 crores for development of roads and road transport. In view of what I have submitted a little while ago, this appears to me to be inadequate. The allocation to the automobile manufacturing industry also needs to be stepped up.

Then, Sir, when this Plan was being framed, various experts were consulted and in regard to road transport the Chief Engineers of States from all

over the country met in a corner and they submitted their proposals and they mention that the minimum requirement for road development would be Rs. 590 crores. But the provision that has been made in the Plan is Rs. 324 crores. The allocation is very much less than what is required and in the plan is to succeed, if industrialisation is to succeed, something has got to be done in regard to this. It is a matter of satisfaction that the amount has been increased from what

in the Draft Plan but even now the amount of Rs. 324 crores is inadequate and it cannot meet all the requirements which the Chief Engineers of the various States envisaged for the amount which they had recommended for this purpose was Rs. 590 crores.

Another point which has caused us concern in the Five year Plan is the steel crisis, and the achievements in the public sector. Luckily, in our country we believe in mixed economy and public sector and private sector are going hand in hand in the service of the country. Since the Congress Government has adopted the policy of a socialistic pattern of society, in the public sector and it will be a reflection and as practical people they will have to revise their opinion. Therefore, if they still believe in the socialistic pattern of society, the public sector will have to show results. But in regard to steel production the public sector in the Second Five Year Plan has decidedly failed. Against a production target of 4-5 million tons of finished steel, the actual production was only 22 million tons; that is, there was a shortfall of nearly 50 per cent. With regard to costs, the original provision was Rs. 425 crores for the three public sector steel plants. The latest estimate of actual outlay comes to Rs. 620 crores. That means the capital investment went up by about 50 per cent, while performance went down by 50 per cent, below expectations. This has been frankly stated in the Plan and it is hoped that in future this point will be kept in view to see that the public sector does its duty properly. And what has been

like result of so much shortfall in its production of steel in the public sector; it has resulted in many things which have come in the way of the progress of the country. The first result is a severe strain on the foreign exchange reserves. The growth of industrialisation has been retarded; curtailment of the production of general engineering goods has taken place; import licences had to be issued for those categories of steel which were expected to be turned out by the steel plants. And, lastly, there has been reduction in employment opportunities as a result of the absence of sufficient production of steel. Many things have suffered and thereby employment has been affected in various ways, not only in the plants themselves but in various other industries which depend on the supply of steel. Therefore, the employment opportunities have also been reduced. In more than one way, I should say, in half a dozen ways, this steel crisis has come in the way of the progress of the country. We know very well that these past losses cannot be redeemed and nothing can be done now. There is no use crying over spilt milk. All that I submit is that the moral should be learnt and in the future more attention should be given to see that the public sector does not fail us.

The second item to which, again, I would like to draw the attention of the Government is in regard to the production of fertilisers. They are of immense value to us. Apart from saving us foreign exchange, increase in the food production to a great extent depends on the fertilisers. Here also the Second Five Year Plan shows conditions which are causing us concern. It has caused us naturally very great disappointment. Now, for the nitrogenous fertilisers, the target was 2,90,000 tons in terms of nitrogen, but the production has been only 1,13,000 tons as against the target. Production of ammonium sulphate is the principal item at Sindri. Here this factory has also run into adversity and I am afraid the adversity is mostly man-made. It is not due to natural calamities or other causes. It is a man-made

adversity and here also our production has suffered. It is not that the production is suffering in one direction alone. A chain reaction sets in which affects us in more than one way. Here in regard to ammonium sulphate, the annual rate was 275 lakh tons against a rated capacity of 3.5 lakh tons. Here there has been a definite shortfall. Now, there is another problem which has taken place. The rated capacity of the plant was 3.5 lakh tons. The rated capacity of the plant has now been reduced to 3.3 lakh tons. Further, it will be noticed that in 1956-57 the actual output of ammonium sulphate was 3.39 lakh tons. Last year it fell down to 275 lakh tons. Instead of progressing further, they are regressive, and this has started a chain reaction which is harming us in more than one way. Further, all the existing eight gas generators of the project have been badly corroded or otherwise affected by the use of inferior grades of coal. I submit that in this respect also the Government should kindly pay heed and try to solve this problem which is of great importance to us.

Then, Sir, I will come to the problem of coal-mines. Here also there has been a shortfall in the Second Five Year Plan. Against a target of 60 million tons in the Second Plan, production has been 54.62 million tons only. A certain quantity of output was earmarked for the public sector and a certain quantity for the private sector. The private sector exceeded its target, but the public sector did not fulfil the target. On page 131 of the Third Five Year Plan Summary reasons have been given for the shortfall. I submit with all respect that the reasons given are very flimsy and they will not convince anybody. They have tried to justify the shortfall in the public sector target by stating that the establishment of additional production from new collieries made the task of the public sector a formidable one, since preliminaries like the acquisition of coal-bearing areas, detailed prospecting and blocking out of reserves were time consuming. This and the shortage of experienced tech

[Shri Jaswant Singh.) meal personnel for supervisory p and the initial difficulties in securing foreign exchange resulted in rather slow progress during the early years of the Plan. I would submit that it would have been much better if they had not given these reasons for the shortfall. Well, there is shortfall in many undertakings and there is short-fall in this also. But these reasons, in my opinion, have not helped them in the public sector. The private sector, in my opinion, has stolen a march over the public sector as far as coal mining is concerned. It is hoped that the Government will be more careful in future.

SHRI SANTOSH KUMAR BASU: Why do you say that the reasons are not convincing?

SHRI JASWANT SINGH: Because that is my view. If there were no experienced men available, why did they start the work? They should have seen all the things before they started the work. They should have had all the required things before they started it. They started the work and then they say that they have difficulty in getting technical personnel. Then, they find that there is difficulty in securing foreign exchange, and they say that is why this thing has happened. Naturally, they should have seen to these things. That is how I felt.

Now, Sir, what does the Third Five Year Plan envisage? In the Third Five Year Plan they provide for an increase of 37 million tons, out of which 21 million tons have been earmarked for the public sector and 10 million tons for the private sector. As I was submitting, in regard to a smaller target, during the Second Plan the public sector has failed. Therefore, they should have taken advantage of that experience. The allocation between the public sector and the private sector in regard to the increased production during the Third Five Year Plan should have been at least equal, if not more to the private sector. I do hope that at

the time of the Third Five Year Plan, when the Government had been in power for some time, it should have seen to it that the public sector was not left behind. It is hoped that the Government will be more careful in future.

In this connection, there is another point to be noted. The Government, in its annual plan, has been saying that the public sector is not doing well. But in the case of the Bikaner coal mine, which is a public sector mine, it has been meeting the requirements of the Government for the last sixty or seventy years and there was never any cause for complaint. It was working very satisfactorily. Ever since the public sector took charge of this mine, it has never wanted and thousands of labourers have become unemployed. They are agitating and the Government is put to loss to a very great extent. Coal has to be brought to Bikaner from Bihar and Bengal coal-fields. There is the bottleneck of railway transport and so on over a very long distance. Here ten miles from Bikaner is Palana mine which has worked all along. For the last two or three years for some technical reason or other it is closed and thousands of people are unemployed, and the economy is suffering. I hope that the question of running the Palana mine will also be seriously taken up, and if the Government feels that for technical reasons it cannot run it, then many people in the private sector are prepared to do it. We are lucky in our part of country to have not only hundreds but probably lakhs of millionaires doing business all over the country.

SHRI SANTOSH KUMAR BASU: That cannot be taken note of in connection with wealth tax.

SHRI JASWANT SINGH: It has been taken note of by my friend M Basu. It should be taken note of, it is

being taken notice of, and our good people are supplying the Government with much needed money. They are doing business all over India, and all over the world also. They are prepared to run this mine provided the Government are prepared to hand it over to them.

SHRI SANTOSH KUMAR BASU: What are the technical difficulties?

SHRI JASWANT SINGH: The technical difficulties are very minor. Either there is a quarrel between the manager and the labour or the manager is not appointed with the qualifications required for the post, or even if he is so appointed, something else will happen, and the result is that this is closed for years. Even now it is closed. We hope that something will be done, whether it is handed over to the private sector if Government cannot run it in the public sectors or whatever it is, but what I would submit to the Government is, do not cut the nose to spite the face.

Then sometimes it is said that good comes out of evil, and because of these shortfalls and these failures something good has also resulted, and the failure in fertilisers has operated to bring the private sector into the field. Fertiliser factories were the domain of the public sector, but now Government have realised that they are not making much progress in this direction. They have started giving the production of fertilisers to the private sector, and we know that the private sector will do this work more efficiently and more quickly. If it had remained in the hands of the public sector, I do not know when the work would have started.

Then, Sir, another thing is about the manufacture of heavy electrical equipment. We know that there are

three projects already sanctioned in the public sector in regard to the manufacture of heavy electrical equipment. The Planning Commission admit that they do not consider it possible and feasible to build more capacity in the public sector, and, therefore, the existing private firms already engaged in this manufacture have been permitted to expand or diversify their production. It is very good news and more so because under the Industrial Policy Resolution of 1956 this falls completely in the public sector. But a relaxation has been made by the Government, they have been practical in this respect that they have even accepted a relaxation in the Industrial Policy Resolution, and this work is now being given to the private sector also. I would have very much wished and hoped that a similar broadening of policy in respect of steel would have engaged the Government's attention. Here at present there are private steel manufacturing firms. In the public sector, we have got three plants and the fourth steel plant at Bokaro, I understand, is also coming into being. But for the saving of capital as well as for more production of steel which is so essential, if Government had been pleased to relax their Industrial Policy Resolution in regard to steel also, they would have shown a practical approach to this problem also.

Now, without taking too much time of the House I would like—probably my hon. friends are feeling that I have spoken for over half-an-hour.

AN HON. MEMBER: Forty-five minutes.

SHRI JASWANT SINGH: All this I am speaking within the time allotted to me. Therefore, I hope they have no grouse against me at least. Now, Sir I will say a few words in regard to financial resources. Here the Plan envisages a total outlay of Rs. 7,500 crores in the public sector and Rs. 4,300 crores in the private sector. The investment component of the total Plan is put at Rs. 10,400 crores. Now

[Shri Jaswant Singh.] it will be noticed that the Plan leans rather heavily on external assistance, that is, Rs. 2,200 crores. They have probably increased this in this respect because of the heartening experience of the Second Plan where originally they had provided for Rs. 800 crores and they were able to get Rs. 1,090 crores. Now, these additional La form a big item in regard to the internal resources. Here a figure of Rs. 1,710 crores has been provided, Rs. 1,100 crores for the Centre and Rs. 610 crores for the States. In order to realise this target it will be necessary to increase both direct and indirect taxation, and enlarge the surpluses from the public sector enterprises. In regard to direct taxes I understand that in the fiscal world there are supposed to be 19 kinds of direct taxes, and we have already taken resort to 15 of them. Even in the advanced countries, in western countries also, these direct taxes from between four and ten items. As I was submitting, all over the fiscal world 19 kinds of direct taxes are supposed to exist. If it is our aim that along with the completion of these Plans we should levy all the 19 direct taxes known in the world, then it is a different matter. But I want to submit that there must be some end, and if we are not careful about it, then instead of getting more money we may even lose some money.

Regarding deficit financing, it is a gratifying thing that in the Second Plan initially it was estimated at Rs. 1,200 crores and the final estimate was Rs. 948 crores. In the Third Plan we have provided for Rs. 550 crores. Probably, this has been done with a view to keeping the expanding spiral of prices in check. In my opinion, Sir, it will not be possible, with additional taxation and deficit financing, to control the level of prices; if it is bound to go up, nothing is likely to happen to reduce it.

Lastly, I would submit that connected with the question of resources in the question of prohibition, and a

whole section has been devoted to it in this book. It begins with the Lok Sabha Resolution of 1956, and they say that the loss of revenue on this account is only temporary and that social reform is more important than the loss of money. But I would submit in this connection that their ideology should not affect the problem. People would take to illicit distillation and illicit drinking of liquor, which will retard the welfare programme and will do more injury to their health. This is not going to be the problem, but the problem will be that crores and crores of rupees which will be easily available to us, we will lose. Then in this section it is stated that the convenience and requirements of foreign visitors and tourists and of foreign missions will be kept in view. Here also I do not agree with this statement because if we have to introduce prohibition, then we must be bold enough to do that. If on principle we believe in prohibition, we must say that in our holy country, an immoral thing like liquor-drinking will not be allowed to anybody. Now, here in a social gathering a foreigner can have a drink but in India, however highly placed he may be, cannot have a drink. It is bad for him, while for the other man it is a very good thing. So, I submit that not only will we be losing a big resource which will go a long way in helping to fulfil the other targets of the Third Five Year Plan, but it will not help social reform and it will make an invidious distinction between man and man. I feel that there the policy of the Government is not practical, and it will not help the country or the objectives which they have in view.

With these words, I take my seat.

SHRI KRISHAN DUTT (Jammu and Kashmir): Mr. Deputy Chairman, Sir, it is a matter of great satisfaction to all of us and to all our countrymen that we have been able to successfully implement the First and the Second Five Year Plans and now we are going to enter upon our Third Five Year Plan which seeks to achieve

the development which the two first Plans put together have achieved.

Sir, the third chapter of the Third Five Year Plan entitled "Ten years of planning" takes a very balanced view of the achievements during the past decade. Whereas on the one hand it catalogues all the statistics which show the development achieved, at the same time it also frankly concedes and admits the shortfalls and the short-comings. In this regard I would like to draw the attention of the House to paragraph 44 of that chapter which sums up the conclusion of all the facts and figures given in that chapter. The said paragraph reads like this:—

"From the account given above, it will be seen that over the past ten years, the country has made considerable progress in every branch of national life. Inevitably, it has experienced, at the same time, stresses and strains; these are the growth pains of an economy struggling to find its way out of deep-rooted poverty and the economic stagnation of decades. In every direction new ground has been broken and valuable experience gained. Doubtless, there have been failures and errors that might have been avoided. There are many weaknesses in the economic and social structure that still persist. The country's potential for development is far from being realised. Yet, all these are part of an inspiring period in the nation's history—a story of continuous endeavour reaching into the far corners of the land and drawing within its fold all sections of the people."

Sir, this is not our view only the view of the planners. In this connection, let me refer to the encomiums which, as this hon. House very well knows, have been showered upon India by foreign experts and foreign dignitaries who from time to time visit our country, and they have given unstinted praise for the achievements which the Indian nation has made by

its efforts during the past decade. In the same connection, I would cite here the testimony of a distinguished American economist, Mr. B. W. Jackson. Writing in the American Quarterly Review (Foreign Affairs) of January, 1961, he says:

"The bare statistics are impressive enough. The index of industrial production has risen by an average of 10 per cent, a year in the last decade, and this rate masks a much more powerful thrust in all the newer industries. The chemical industry has more than doubled; the crucial sector of machine-building which is at the centre of India's strategy for growth has increased by over 300 per cent. Some sixty lakh new industrial jobs have been created."

Regarding the progress made by the small scale industries, the same author writes:

"But it may well be that the growth is most lively in the sector which escapes most easily from the formal records—the new, bustling, thrusting sector of small scale production."

Today the trucks and trailers hurtle by, day and night. Bicycles in swarms show that the first of the consumer durables has reached the Indian village. The Indian roads today are the roads of a society in the first forward thrust of modernisation, where the bullocks still hold up the mammoth trucks, carrying nuts and screws and bicycle parts and machine tools from the busy little workshops of the Punjab to Delhi, Calcutta and Bombay. These crowded thoroughfares, these growing transport services, make up perhaps the most striking visual evidence that the Indian economy has discovered the biggest single spring of expansion in the mixed economy—a large and growing class of entrepreneurs."

[Shri Kishan Dutt.]

Then, Sir, referring to India's effort to increase agricultural production, he says:

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"These efforts have not been as unsuccessful as some critics of the Government's rural policy now suggest. Agricultural output as a whole has increased by about 40 per cent, in the last ten years, and commercial crops, such as cotton and jute, have nearly doubled. This is not negligible especially when the hazards of weather and water are taken into account."

Then, Sir, before I come to my remarks about the Third Five Year Plan, I would like to refer to the progress made by my home State, Jammu and Kashmir, during the last decade. Jammu and Kashmir, as is well known, Sir, has, for centuries past, reminded one of the most backward States in India. The people of the State have all along been denied opportunities of self-fulfilment. It was only in 1947 that avenues of economic and social advancement opened up before them as a result of the State's accession to India, but the conditions of uncertainty and suspense which prevailed till 1953 seriously retarded the pace of economic reconstruction in the State. The launching of the First and the Second Five Year Plans marked the beginning of a concerted drive for the elimination of age-old backwardness. As a result of the successful implementation of the targets in these two Plans considerable headway has been made in various fields, but the goals achieved so far have touched only the fringe of the fundamental problems in economic and social welfare.

Now, a word about the progress registered by the State in the various fields of the State's economy. Sir, it is well known that Jammu and Kashmir was the pioneer State in India to effect land reforms, which brought about the abolition of big landed estates in 1953. It also goes to the credit of the people of the State

who by the decision of the Constituent Assembly of their State brought about the abolition of hereditary monarchy in the State. Moreover, with the enactment of debt laws the State afforded protection to the rural and urban populations alike the scaled down ancient debts by 51'4 per cent. Then, Sir, with the assistance of the Central Government more than 30,000 uprooted families of displaced persons from Pakistan-occupied areas of the State have been rehabilitated and resettled involving an expenditure of over Rs. 10 crores. It is also well known that there can be no economic progress unless there is political stability and peace and tranquillity in a State. Realising the necessity of political stability—thanks to the democratic set-up in India—the State's Constituent Assembly adopted a democratic constitution for Jammu and Kashmir which lays down that the State of Jammu and Kashmir is and shall be an integral part of the Union of India. The Constitution further lays down that this article cannot be altered or amended in any manner in future. To effect emotional integration with the rest of India the present regime, in addition to abolishing all restrictions like the customs barrier, and the controls which had crippled trade and commerce, adopted such measures as the abolition of the entry permit system, extension of the jurisdiction of the Supreme Court, integration of the Services, extension of the jurisdiction of the Election Commission of India to the State, and transfer of the State's audit and accounts to the control and scrutiny of the Auditor-General of India.

[THE VICE-CHAIRMAN SHRI RAM SAHAI] in the Chair.]

Sir, in view of the shortness of time it is not possible for me to refer to all the developmental activities of my State. Hence I must restrict myself now to my remarks about the Third Five Year Plan. Sir, I am not able to understand the criticism levelled against the Plan on the score that it is not people's Plan and that the

people have got no concern with it. It is really difficult to understand this argument. This Plan has been welcomed by the popular representatives throughout India. All the State Ministers, the Members of Parliament and legislatures of the country and all experts of India have put their heads together and formulated this Plan. It is a criticism which, I think, is only made for the sake of criticism.

Then, Sir, I would like to make a reference to two factors in relation to the Third Five Year Plan. One is that stimulation of the vigorous and determined co-operation by the people in the implementation of the Plan is absolutely necessary for the success of the Plan, and that can be possible only if the 'people at the lowest level are made to understand in concrete terms what, in actual practice, they are expected to contribute in labour or money in the execution of the various development projects embodied in the Plan. Full knowledge and understanding on the part of the people is the first pre-requisite in the implementation of the Plan. The second point that I would like to submit is that the Government officers entrusted with the execution of the Plan projects should be made to realise that they are required to put a crusading zeal in their jobs and all delays and red-tapism must be scrupulously avoided. In the same way a duty also devolves upon the Ministries concerned, that they must make it a point to exercise the maximum inspection and checks in the implementation of the Plan. Constant inspection and checking must be their moto and creed in the execution of the Plan projects. Given these two prerequisites we can be sure of the speedy and successful realisation of the targets embodied in the Plan.

Now, in the end I extend my heartfelt appreciation and admiration for the Third Five Year Plan, and I would appeal to all sections of the House and to all my countrymen that they should put their heart and soul in the implementation of the Plan and

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thus truly and well serve the true interests of Mother India.

Thank you very much, Sir.

SHRI KHANDUBHAI K. DESAI (Gujarat): Mr. Vice-Chairman, Sir, at the outset I would like to say that the Planning Commission and those associated with the bringing out of the Third Five Year Plan deserve our compliments.

While we are considering the Third Plan, we ought to look into the background of planning as it existed in our country. Of course, here and there comments and criticism can be made, but we must look at the Plan as a whole in the context of the achievements during the last ten years—if I may say so—even during the last fourteen years. Let us see what we inherited at the time of independence. We inherited at that time a dilapidated railway, a dilapidated industry, inflation with the standard of living of the people having gone down and the after-effects of the partition. There was no economic stability, there was no social stability, there was no political stability. It is in that context that planning had been thought of. As far as the First Five Year Plan is concerned, much thinking was not done at that time. It only co-ordinated the activity of the projects which were either in existence or which were contemplated. Then, we entered the second phase, that is, the Second Five Year Plan. The achievements of the last two Plans, as enumerated in the Third Five Year Plan, are no mean. They are such that anybody can certainly take pride in them. Even with the phenomenal rise in population we have achieved an increase in the *per capita* income of 16 per cent, and in the overall national wealth of nearly 40 per cent. Now, with the experience of the first two Plans a larger Plan has been devised for the third five-year period.

In the Third Five Year Plan we will see that as far as public investment is concerned, it is nearly four times

[Shri Khandubhai K. Desai.] the investment and outlays in the First Plan. However, this bold and courageous step has been taken. Nobody would take this jump and increase the investment by four times unless during the first two Five Year Plans a proper basis, economic, social and political, had been laid down. That itself is an achievement in which the whole country can take pride.

Sir, it is expected that in the Third Five Year Plan the rate of increase in wealth will be of the order of 6 per cent, per annum and at the end of that period it will come to about 30 per cent. The per capita income by that time would have risen by about 17 per cent. So, as a result of the three Plans, the per capita income would go up to about 33 per cent. That in my opinion, with all the difficulties that we have gone through and that we will have to face, is no mean achievement.

Sir, coming to the question of foreign exchange earnings from exports, it is considered that our overall requirements in the Third Five Year Plan period will be of the order of Rs. 5,750 crores, and it is expected that the average annual export will have to be accelerated to about Rs. 740 crores instead of Rs. 667 crores in 1960-61. That means that in the last year of the Third Five Year Plan the export would have to be really of the order of Rs. 800 crores. It means an additional export of no less than Rs. 150 crores in the last year of the Third Five Year Plan would have to be obtained. Unless that is obtained, I am afraid there will be foreign exchange difficulty for both the private as well as the public sector, because you require not only capital investment, capital goods, but you require, what is called, the maintenance commodities necessary for the running of industries which is of no mean order. It is of the order of roughly about Rs. 3,700 crores during the Third Plan. Therefore, either you export or you will have to curtail your Plan.

I am afraid, Sir, that the method of export would have to be radically changed during the coming three or four years. One hears every now and then that exports should be stepped up. Sir, having left the export trade in the hands of the so-called established firms or the so-called private enterprise, about which Shri Jaswant Singh has given very high praise, it has not gone up. That means that in spite of the impetus, in spite of the incentive and everything that one can think of in private enterprise, it has not gone up. That means the present agency of export is not competent to give us during the next Plan the aggregate amount of about Rs. 740 crores every year. Therefore, I would request and urge the Planning Commission to keep out of the traditional rut of thinking in terms of private enterprise giving us our requirements. This is a fundamental thing. Unless you are able to raise your exports to the extent expected and anticipated in the Third Five Year Plan, the whole Plan would come to naught. It is obvious.

Then, Sir, there is the foreign assistance estimate of a very big order. It is likely that, in the context of the various factors we cannot anticipate today, even the foreign assistance may fall short of our expectation. We cannot afford to cut down the economic growth that has been projected in the Third Five Year Plan. If that projection is loosened, then I do not know where, what is called, the perspective planning for the Fourth and the Fifth Plan will go. Therefore, we cannot afford to curtail this Plan in any shape or form, and the pivot on which it will depend will be our export earning.

Sir, as far as the export earnings are concerned, the country has tried everything that we can think of but the traditional export agencies have not come up to our expectations. Therefore, even from now on I should think that the Planning Commission should think of a radical departure in the method of export. That is what

I have got to suggest as far as the Third Five Year Plan is concerned.

Sir, the Second Five Year Plan was heavily industry-oriented. It has been our sad experience that in the Second Five Year Plan, on agriculture, though it was not neglected, emphasis was not there, and the Planning Commission's mind, the administration's mind, both at the State and the Central levels, was focussed more or less on large and big industries. It is a matter of satisfaction to me that the Third Plan, while not neglecting the heavy industries, not neglecting industrial expansion, has shifted the emphasis a little towards agriculture and the village people. Let it be clearly understood that the whole industrialisation, the whole standard of living that we want to raise up, will go to naught unless the village basis is built up on a very sound foundation and the village level cannot be built up on a sound basis unless at that level also the village industries, cottage industries and the small-scale industries are assiduously built up. It is no use saying that we have made provision for village and small-scale industries. The public sector in the Second Plan was assigned Rs. 175 crores. It has been raised to Rs. 264 crores in the Third Plan and the private investment which was about Rs. 225 crores is expected to go to about Rs. 365 crores. Is this investment both in the public and private sectors enough to build up the agro-industrial basis in our rural life? I think it is not sufficient. Something more requires to be done. Naturally, the question will be asked: "Where are we to get the resources?" A provision has been made that even though the financial outlay is of the order of Rs. 7,500 crores it is felt that we can put the physical targets at a level of Rs. 8,000 crores. I would suggest that without pruning the Plan in any other sector that has been very well thought out, any additional resources that are likely to be available should be diverted entirely to create a rural basis and the planners have very wisely stated that that is the only

basis on which an equitable distribution of the coming wealth also can be attained. It has also been stated in so many words in the report that during the last two decades, the disparity between the rural people and the urban people has increased and the intention is to bring about a balance in the Third Plan. The Planning Commission has very rightly stated that that can only be brought about if the idle labour of the villages can be utilised for some productive purposes and that cannot be utilised unless the small and village industries and cottage industries are taken to the villages. So, if our economy, which has been more or less put on a sound basis during the two Plans, has to be balanced *vis-à-vis* the rural population, the additional Rs. 500 crores which, they contemplate will be coming, must be entirely diverted for the regeneration or rehabilitation of the village life. That is a suggestion which I would like to make.

Criticisms have been made on the floor of this House by those people who would like to make political capital out of it for reasons of the coming elections. They must also realise, as everybody can realise, that we are not creating a socialistic pattern of society out of a vacuum. We have in every way inherited a feudalistic-capitalist-imperialist system. When we have inherited that, I do not think anyone in the world has got some magic wand to turn that society into a socialist society next morning.

Now, I come to the question of prices. Just as foreign exchange is likely to be a bottleneck in the Third Plan, the prices are going to be the other bottleneck. During the last two Plans, the prices had gone up by 30 per cent. In the Second Plan it went up by 25 per cent. The Plan says that steps will be taken to see that the prices do not rise unduly. All the targets and resources have been calculated on the basis of the current prices. Even if 5 to 10 per cent, rise

[Shri Khandubhai K. Desai.] in the prices takes place, all the targets and resources will go out of gear. Therefore, it is very necessary that, as somebody suggested this morning, a permanent price control board should be created in order to look to the prices.

Shri Jaswant Singh again raised in this House the question of public sector and private sector. I thought that controversy was settled long ago. The public sector has to come in, not for a socialist pattern but out of inevitability. The private sector has neither the resources nor the technical skill to that extent, nor the ability to put up the basic industries like steel, heavy machine-making, heavy electricals or oil, which the public sector has built up." Therefore, it is no use saying that the public sector is inefficient. I, who have been associated with the private sector indirectly for the last 40 years, can say without hesitation that the private sector is as incompetent if not more, as inefficient if not more, as the public sector which I am seeing. I have no time at my disposal; otherwise I would have gone into the history of many private sector units and shown how they had come to grief.

Lastly, Sir, I fully support the labour policy as adumbrated in this Plan. This is a projection and consolidation of the labour policy that we found in the Second Plan. The policy in the Second Plan has yielded good results. There has been comparatively industrial peace and I must say without hesitation that industrial labour, by and large, has got a fair deal during the last two Plans. There had been *some* criticism this morning, but those of us who have been associated with labour for the last four decades can say with an easy conscience that industrial labour has got a fair deal owing to their efficiency, their abstinence and the good sense that is gradually prevailing among the management, and also because a sound trade union movement has

been built up. This is also due to *efficiency* on the part of the State to bring about good industrial relations. In the Third Plan, the labour policy, or rather the emphasis on this policy has been a little changed. It was compulsory adjudication in the Second Plan in order to discipline both the management and the labour into the proper way of thinking. That psychology having come, I think the Plan now suggests that self-discipline should be there, a code of conduct, a code of discipline may be evolved mutually and the emphasis has shifted from industrial adjudication to arbitration, wage boards and such other voluntary tripartite bodies.

It has been said here that productivity is the basis on which our export trade can depend. I would say that there also, labour has made a good contribution. If productivity statistics are maintained and taken out, the country will see that productivity during the last ten years has gone up by more than 40 per cent. That too is no mean achievement.

With these words, Sir, I wholeheartedly support the Plan and I hope and pray that the parties which are negatively trying to take hold of the Plan will constructively assist in the fulfilment of the Plan and if they do that, the country will be much happier and better. Why should they not take credit for this Plan? "What is this Plan? This is a Plan that has been thought of for the last two or three years and it is a Plan to which everybody has made his contribution. There were four or five committees which went into various aspects and I do find in this Plan the impact of the discussions that we had in those Committees last year. Sir, with these words, I wholeheartedly support this Plan.

SHRI N. R. MALKANI (Nominated): I welcome this Third Plan, especially because it is a bigger Plan, it is a more comprehensive Plan and I think it is a Plan of a different kind, in a way. It is a genuinely national Plan, verg-

ing on the people's Plan, but falling short of it. Sir, the last Plan was a National Plan, for the people, but it was not by the people, except at the district level. To my mind, this Plan has ventured to go down to the block level. I know that various blocks took very keen interest in formulating the Plan and some of them got their plan printed and circulated for the earnest study of the people. In many blocks in the country, the Plan was formulated and discussed with great earnestness and feeling. But it has not yet gone down to the village. As far as I am aware, not a single village has formulated its own plan. It will probably implement its own plan. We have come to the stage when the Third Plan will probably be implemented by the Gram Panchayats to a very great extent. But I do hope that the Fourth Plan will be formulated by the people at the Gram level.

Sir, the great achievement of this Plan is that it has made us Plan-conscious. The First Plan was a Government Plan. The Second Plan, though not quite a people's Plan, the people were quite conscious of the Plan. Today I do rather think that we have become Plan-conscious at various levels. People do say it is a Nehru Plan. Perhaps, the First Plan was, but not the Second Plan. It is not a Nehru Plan, though he gave it such a push that we have become Plan-conscious. We are now Plan-conscious. We plan in a comprehensive way, in an imaginative way. That is due to Mr. Nehru. But we cannot say that it is a Nehru Plan. It is a people's Plan largely and to a considerable extent.

Sir, I look at the Plan from a slightly different point of view. How does it affect the common man? By the common man I mean the man in the village. How does it affect the villager? So far as I know—and you also know it—80 per cent, of our people live in the villages. How does this affect them? You talk about backward areas. I talk about vil-

lages for all villages are backward areas. No use talking of backward regions like Jaisalmer and Bikaner. All villages are backward and the chasm between the village and the town is there and it is getting wider and wider. It is not being narrowed down. It is getting wider day by day. I have a test by which I judge this. You talk of the food position. You talk of producing more and more food and becoming self-sufficient and the hon. Minister of Food professes to export food shortly. I hope he will succeed, though for the time being he is simply importing it in a very large way. My test is this: Have you given the people in the villages good drinking water supply? Have you given them a clean, adequate sanitary water supply? As far as I know, out of the five and a half lakh villages, a lakh of villages do not have an adequate sanitary water supply. You will be surprised when I say that though we have so many surveys and Working Groups, nobody except Rajasthan, has made any survey in this respect. Even in Rajasthan in a very superficial way, a survey has been made of the drinking water supply and their report says that Rajasthan alone will require Rs. 10 crores to meet the cost of such a water supply. As far as I know, no other State is making any survey of its water supply needs whatsoever. We do not know how many villages require safe drinking water. You will be surprised to learn that I asked the Planning Commission how much amount we needed to meet this immediate requirement of top priority. We all agree that it has top priority. The Planning Commission people told me that we required Rs. 200 crores to meet this urgent need. I went to the Health Ministry—the Health Minister is not here—and I was told that this would require Rs. 200 crores to Rs. 250 crores. I was a Member of the Parliamentary Planning Committee. We discussed it and I wanted to know which figure was correct. But [MR. DEPUTY CHAIRMAN in the Chair]

what do we find in the Third Plan,

[Shri N. R. Malkani.] A figure of Rs. 67 crores has been put in here. The First Plan allocated Rs. 6 crores and we spent only Rs. 3 crores. We could not spend all the Rs. 6 crores meant for this rural water supply. In the Second Plan, we allocated Rs. 28 crores. In the first three years we spent only Rs. 8 crores and the rest of Rs. 20 crores remained unspent. An exaggerated statement has been made in the Plan here that we have spent Rs. 34 crores on water supply in the First and Second Plans. I do not think so. We spent Rs. 3 crores in the First Plan; we might have spent Rs. 10, 12 or 15 crores in the Second Plan but not all the Rs. 28 crores. The Health Ministry says that we require Rs. 250 crores. Sir, we allocate trivial sums and are not able to spend it. There must be something radically wrong with our planning when the very first need—good drinking water for the villages—we are not able to supply and which we shall not be able to supply even during the course of the Third Plan and maybe in the Fourth Plan.

Sir, in the last Plan there was a condition or two which appeared to me very oppressive. In water supply schemes the condition was that only piped water supply will be sanctioned and that too for a group of villages. There was a double condition. I do remember. Sir, the Council for Local Self-Government, I do remember, Sir, the Medical Council and I do remember. Sir, the conference of the Health Ministers, all of them saying that this condition should be abolished and that the allocation must be made for surface wells and the money must be "spent. Our own Estimates Committee wrote a very strong note about it and said that urgent steps should be taken immediately for digging surface wells and thus the money should be spent. I do not know whether those conditions persist now and will continue. I hope the conditions won't exist. Sir, there is a provision of Rs. 13 crores to be

spent by the Health Ministry and I hope that sum only will be earmarked for what is called the piped water supply and I think it won't be for a group of villages only. I have seen a number of villages, big and small—I deliberately say small—where they have gone in for piped water supply and spent Rs. 20,000 by special contributions to have that piped water supply. It is no use putting a condition that a number of villages must combine for piped water supply. I know in Gujarat it has become a fad to have piped water supply for each village.

Then the Plan from my point of view, from the country's point of view, from the rural point of view, does not come up to expectations. Sir, I have got also another test about the Plan and it does not come up to very much so far as that test is concerned. It is this. There is a huge problem; we do not mention it. I find that most Members do not mention it or they mention it only casually perhaps because they have no solution. Today this problem of unemployment has increased. At the end of the Third Plan it would be bigger; that is, there would be still more unemployment. Now, they venture to say that it is there. At the end of the Second Plan under-employment was there to the tune of 15 or 18 millions, they said this very casually. I do not know what will be the size of; under-employment at the end of the Third Plan. It goes on increasing. Unemployment increases; partial unemployment increases and nobody mentions anything about it. From my point of view this is another test. The test is, what are we doing for what we now call the economically weaker sections of the community? We have begun now to formulate the problems of economically weaker sections of the community. Who are they? We were not formulating them formerly; I have to some extent formulated them for myself. To my mind it means the artisans of the village; it means the agricultural

labourers of the village; and it means also the cultivators who live more by labour than by land. These three categories to me are almost obvious. I will take the artisan first. I ask you, Sir, in the provision that you have made in the Plan where does the artisan come in at all? Take the word small-scale industry; we have started twisting it in a way which I do not approve of. Up till now as far as I know this meant industries in which the investment was to the tune of about Rs. 5 lakhs and less. I learn now it has been raised to Rs. 25 lakhs. That is also called small-scale industry. We are confusing small with medium and medium with big. It all means big really speaking. As far as I know there is a working group of the Planning Commission which says that about Rs. 5,000 must be invested to create one additional job. To my mind it is not all right. I would not call it a small-scale industry. I think even in a big industry you have only to spend Rs. 7,000 or Rs. 8,000 for one additional job and so the difference is not very much. Such a small-scale industry does not do so well so far as employment is concerned. I personally would think that a small-scale industry would be one with an investment of Rs. 5 lakhs and under and perhaps Rs. 500 to Rs. 1,000 needed to create one additional job. That is my idea of a small-scale industry.

Take the other point. What is the allocation for the small-scale industry? It is true that in the First Plan we had only Rs. 5 crores. I am not talking of khadi; I am not talking of village industries. I am talking of small-scale industries about which we say we have made remarkable progress, spectacular progress. It is not very spectacular; Rs. 5 crores have become Rs. 56 crores and in this Plan we have put in Rs. 114 crores. I do not know how and why. Sir, this is a Report, a very valuable Report—Report of the Study Team on Community Development—which was published only last year. I have read it; it is very readable and I find here

that they want Rs. 165-70 crores and they give a list of demands; here you find recommendation No. 1, No. 2 and so on. It is a very valuable Report and the recommendations also are very valuable. And they say here they want these amounts. Credit for artisans—Rs. 50 crores; training of artisans—Rs. 30 crores; rural industrial centres—Rs. 35 crores; rural estates 500—Rs. 15.50 crores; intensive development of 14 districts—Rs. 28 crores and so on. The total is Rs. 165 crores. Sir, here is another Report. This is the summary of the recommendations contained in the Report of the Working Group of the Planning Commission and they run it up to Rs. 232 crores. Here also they give their recommendations one by one. Sir, these are not my Reports; these are your official Reports and valuable Reports. We have made a provision for neither Rs. 232 crores nor for Rs. 165 crores; we have only made a provision for Rs. 114 crores. And there is a provision of Rs. 2,992 crores for big industry. I do not know how they have arrived at this figure of Rs. 114 crores. I do not know the break-up. I do not know how they will spend these Rs. 114 crores.

Sir, I want to ask a relevant question. Where does the artisan come in in this small-scale industries programme? He was nowhere in the First Plan; he was almost nowhere in the Second Plan; is he anywhere in the picture now in the Third Plan? Sir, this whole Report says in so many words that it is the rural area which has got to be rehabilitated from various points of view and we have got to industrialise the villages. We may ruralise the towns if we dare but we have got to industrialise the villages by taking industries to the villages. What does it mean? Leave aside village industries about which I am not talking for the moment. It means the artisan. And it is well known that the artisans are leaving the villages and migrating to towns because they have no work, no occu-

[Shri N. R. Malkani.] pation in the villages. We have not stabilised him at all, neither by giving him work, nor by giving him loan, nor by facilities for marketing, nor by developing co-operatives for him. As far as co-operatives are concerned, as far as I know, we have made a little progress—I won't say little but considerable progress—with regard to weavers and nearly half the number has been brought into the co-operatives and the rest has got to be brought in and I hope they will also be brought in shortly. But what about other artisans? What about the carpenters? What about the washermen? What about the smiths? What about the brickmakers and so on? Is there any place for them whatsoever in the Plan? If there is no place for them whatsoever, then to my mind the small-scale industries will again be only nominal. You will have a few of them on the periphery of big towns or near small towns but they will not be really rural.

In the Second Plan it is said that we have 60 industrial estates. Up till now only one is rural and I found that that one was somewhere near Jaipur, about six or eight miles from Jaipur. And it is called a rural estate! May I know how many rural estates you propose to start hereafter? You have mentioned there will be 300 estates. How many of them will be rural estates? I would call it rural if it goes to a place with a population of 50,000 and less and really rural if the population is 25,000 and less. That would be a real rural industrial estate. But I do not know; I am not quite sure that you will have it that way at all—Perhaps, you will have them at the district headquarters and call them rural. Only recently I had been to Ajmer and a few miles from Ajmer there was a rural industrial estate; just two miles from Ajmer and you call it a rural estate! It is neither cheating yourself nor cheating anybody else.

MR. DEPUTY CHAIRMAN: It is time. I

S.-f ;i N. R. MALKANI: Sir, I am a non-rJarty man.

MR. DEPUTY CHAIRMAN: You have taken 15 minutes.

SHRI N. R. MALKANI: Just five minutes more.

MR. DEPUTY CHAIRMAN: There are four more from the Independent group.

SHRI N. R. MALKANI: Just a few minutes. Therefore, I say this is my test; does the artisan find a place in the Plan and whether the organisation that you set up will help the artisan? Sir, I have not touched the still greater problem—the bigger problem—of the landless, and the cultivator who has not got adequate land at all. Where does he come in? Where is he in the Plan? You have given us Rs. 150 crores for additional employment of three million unemployed, and you say you will give them for rural works programme. It is a very lovely word, as you had another such word "common production programmes" in the past. "Village industry" is a very lovely word, about which you do nothing at all and about which you are cheating us almost. Now, this programme is there, but it is believed to be outside the Plan. There is no provision of Rs. 150 crores at all within the Plan. This is what I say, whether you have worked out in your mind as to how this Rs. 150 crores is to be spent? Only a few days ago I made a suggestion in the Informal Committee and that suggestion may be considered seriously. You say that you will give employment to three million more-people for 100 days Shd spend about Rs. 150 crores. That is what you say. I ask, can you have a little courage, can you have the guts to say, "We will give employment to everybody who is unemployed" but for 100 days. Those who are in the age group of 20 to 35 or 20 to 40, whoever he may be, will be employed on ten annas or twelve annas a day"? Have you the courage to do so? Then, I can say

that it is to some extent a > socialist pattern of society about which we have been talking for the last so many years. I do not find anything very socialistic in the Plan, except that you have got in the Plan free and compulsory primary education of some kind. It is socialistic to a certain extent. But can you not also say, "We will give work to people who are willing to work. We will give a subsistence wage, not exactly in his own home, but near his home. We will give him 12 annas a day. We will give it to everybody of a certain age-group, those who want to work"? If you can say so, there will be some pith in it, some marrow in it, some truth in it, that you are bringing about a socialist pattern of society. Thank you.

SHRI M. GOVINDA REDDY (Mysore): Mr. Deputy Chairman, we owe planning in India to the vision of the Prime Minister and thanks to his able guidance and thanks to the labours of the Members of the Planning Commission and all concerned, the first two Plans have been a success. Considering the difficulties we had, the lack of resources, the lack of adequate technical personnel and the difficulties of foreign exchange and so on, we must say that the Plans have been a considerable success. During these two Plans we have raised a sound, basic, industrial structure in the concentrated sector of industries. We have almost fulfilled our targets and we have given the nation a degree of technological maturity. And we have given the rural sector a progressive, co-operative, rural economy with a diversified occupational pattern and ^a pattern of decentralised administration also. With all these changes, we have had a great degree of success in the two Plans and as one of our Members was saying even foreign countries have appreciated our planning. They ' believe that we mean business and that we are going on very well.

Now, this Third Plan is, therefore, necessarily a consequence of the first

two Plans and it is a perspective Plan in the sense that it is a part of the fifteen-year Plan, although we do not have all the fifteen-year targets fixed here. Since the targets of the Third Plan are perspective, I am not going into the question of physical targets within the short time at my disposal, but I would like to touch some aspects of the Plan which have hardly been referred to till now, and to which, in my opinion, the Planning Commission and the Government should give serious consideration. These are social objectives. I am looking into the social objectives of the Third Plan in perspective. Thanks to all concerned, now we are going to increase production. Our national wealth is going to increase. The per capita income is going to increase. The national income is going to increase. There will be industrial projects. We will have schools, colleges, technical institutions and all that. What is going to happen after that? It is one of our objectives that economic disparities must vanish. It is one of our objectives that the common man should be able to have a higher standard of living, higher earning power and he must be on an equal footing with every other citizen to be able to enjoy the benefits of planning. How are we sure that the common man, the average citizen, will be able to have this equal opportunity to enjoy, if the conditions, social and otherwise, will be the same as they are now, after the fifteen-year Plan period or twenty-year Plan period?

It is within everybody's knowledge that in the country we have very ugly developments, ugly developments of a communal character, ugly developments of a regional, narrow, sectarian character, ugly developments by which the nation has now been divided into groups, either region-wise or community-wise. The much desired object of a national perspective or national outlook is lacking. National unity is lacking. Now, everybody who speaks on the Plan says that it is the fundamental, basic objective of the

[Shri M. Govinda Reddy.] Plan that we must have a national outlook, that there must be unity. But are we going to achieve it? Have the planners thought about it? Has the Government thought about it? In every platform we hear these speeches. But should we not take steps to achieve these objectives? In one word it can be described as national integration. Now, we know very well—nobody can challenge this—that we do not have national integration. It still remains to be the desired goal, to be achieved. Now, is it not the duty of the Planning Commission to have this objective pursued, which is basic to the very success of the Plan and basic to our achievements? Should we not think of methods by which we should achieve this national integration? Amazingly enough the Planning Commission has not given thought to it, although the Planning Commission has kept it in mind. The Government are thinking of it everyday, but even now they have no plan or method, except the ordinary method of increasing facilities for education and other social services.

•What I am saying is not my opinion alone. I shall read some sentences from the Planning Commission's Report itself. Now, for instance, they say, "This can only be done", that is the improvement, "through social and economic advance. The process involves far-reaching changes in social customs and institutions and replacement of the old traditional order by a dynamic society". It is a very pious object. Economic and social considerations have to be balanced. On page 4 they say, "The existing social and economic institutions have, therefore, to be appraised from time to time in relation to their role in the nation's development". That is another sentence. On page 5 they say:

"Finally, the greatest stress should be placed on social values and incentives and on developing a

sense of common interest and obligations among all sections of the community. The aim of public policy is to help build up a society which is fundamentally integrated from within and derives its strength from common values and a sense of shared citizenship."

Again, they say:

"Moreover, at all times there should be due stress on the moral, human and spiritual values which give meaning to economic progress."

Another sentence is:

"Ultimately, it is the development of the human being and the human personality that counts. Planning involves material investment; even more important is the investment in man."

Discipline and national unity are the very basis of social and economic progress and the achievement of socialism, and so on. They have 5 P.M. given plenty of thought to this, but nowhere I find any special methods evolved or devised or advocated in order to achieve this goal. Therefore, Sir, I think it is of the utmost importance that the Planning Commission should give great thought to this and find out something in order to promote national integration, because it is the very basic necessity for even achieving the physical targets of our Plan, it is the very basic necessity for enabling every citizen to enjoy the benefits of a planned economy, it is the very basic necessity that what we earn through our labour, through our sweat should be preserved for the nation, and this very basic necessity, Sir, is only mentioned in words but not thought of in practice. Therefore, I am suggesting that the Planning Commission should give a thought to it. My first suggestion is that the Planning Commission should have a Cell in itself—it is the language of the Planning Commission, a Cell, otherwise I would have said a Section—and a Member of the Planning Commission should be entrusted

with this work of dealing with proposals for national integration.

I am suggesting a few methods on the lines of which the Planning Commission or the Government could think of achieving national integration. Because there is no time for me, Sir, and you will ring the bell immediately-after fifteen minutes, I am not going into all the suggestions; I have many suggestions but I am taking up only three long-range methods by which national integration could be achieved. The first one is education. Our Prime Minister while addressing the Conference of World Teachers said that success in planning and success in evolving a happy society in any country would largely be due to the education that it had. It is recognised by all, it is a very common-sense thing, it does not need elaboration. "What have we done here? To my great surprise I find that, whatever noble objective the framers of the Constitution had, education has been made a State subject. In a backward country like India where we have to shape our society, where we have to mould, to change our habits and customs and give them a national outlook, I should have thought that it was wisdom to have made education a Central subject. By saying that it should have been a Central subject I do not mean that both in content and administration of education should have been Central. The content should have been Central and the administration part of it should have been entrusted to the States. But unfortunately it is not so. Except in saying that fixation of standards in education is a Central subject, everything else is a State subject.

I will just give hon. Members one instance. Sir, I am connected with educational institutions, I have run two national educational institutions, and I am still connected with one of the biggest which was well-known to Mahatma * Gandhi and others; therefore, I have some experience. When I went to a socialist country, I was

examining some text-books. Unfortunately for me it was not as interesting for the interpreter to read out things to me as it was for me to learn. There is a lesson in that socialist country from the primary school text-book to the university level on how to preserve national property. Here we see vandalism everywhere. The students think and the members of the public think that the buses, buildings, railway carriages, and so on, are not their own and so they can set fire to them and do anything with them. They do not regard them as national property. It is a simple thing which can be inculcated in the minds of every citizen, particularly the younger generation. Can we not do it? I am suggesting how textbooks could be made use of for national integration. Similarly, we can also do this for communal amity. Sir, I had many interesting lessons there. For instance, all arithmetical sums are treated like this: if a sprayer sprays over a certain area of a given size • and when there is a property of such and such size, how many sprayers do we need? Like this, wonderful things which are thought-provoking and which are also informative to the students. Now, it is very necessary that we should base our education on this pattern, we should have education centralised. Let education be centralised. I have already qualified my statement by saying that the content of education should be centralised. The pattern of education, what should be taught, must be common, uniform for the whole of India. Let the administration be in the hands of State Governments, local bodies and even village panchayats according to the level of education they are handling.

The second topic which I want the Planning Commission to consider is the question of having a uniform civil code. It is one of the Directive Principles of our Constitution that the Government should try to evolve a common Civil Code. Till this day we have not done it. In this country

[Shri M. GOVINDA REDDY.] where we have so many customs and habits most of these customs do not make for our social integrity, do not make for even the economic or social progress of the people concerned, and we have not moved our little finger to change these customs. Why should we not bring in a common Civil Code and see that all these disparities are removed? Every community is fed up with its social customs because they are a matter of past heritage and they are a burden to the community. Everybody is fed up. So, they would welcome a common Civil Code. Let there be a common Civil Code. Let there be a common system of marriage. In whatever form they may perform it at home or in their village, let the legally recognised form be registration and do such things which will remove all disparities or different outlooks and knit the whole nation into one. Why should not the Government think of this? It is a Directive Principle of our Constitution. The Constitution framers had thought of the necessity of having a common Civil Code in order to promote the national outlook.

The third point which I am going to take is the film. The film, the motion picture is a potent instrument for creating an impression on the nation. Unfortunately, our Government have not thought of making use of this. Why should the industry not be nationalised? I would advise the Planning Commission, I would appeal to them that at least in the Planning Commission some Members should see some films produced in the socialist countries. Let them see some of them. Seeing them does not influence them to be communists. If it does influence them for the better, it is well and good. I would also like the Ministers to see *some* of them. I have seen six or eight films which are simply wonderful from the point of view of plot, of action, of sustaining interest, and of morals. If the House will permit me this indulgence, I will just tell the plot of one picture which I

have seen. A boy is working as an overseer in a field and a girl working as a nurse in a hospital. They fall in love with each other. They want to marry. They decide upon a particular day to go to the registration office which is situated in the town. The boy starts having groomed himself well in nice clothes. He walks on to reach the registration office. On his way he sees a peasant struggling with a cart which is stuck up in the mud. His teaching has been social service. He says, "The peasant is struggling. How can I go leaving him"? So, he takes off his clothes, helps the peasant, and then goes further. Further on a canal is breached. Water is flowing away. He says, "Water, national wealth, is flowing away. What should I do"? So, he tries to patch it up and meanwhile asks a boy to run up to the village and call the villagers. Until the villagers come he stays there, and he fills up the breach with the help of the villagers, and then proceeds. Similarly, the girl comes and when she is passing by the side of a village, she hears piteous moans from a house. She says, "What is this? Somebody is suffering. I cannot go away without seeing what it is". She enters the house and sees a lady on the verge of delivery. All the male members must have gone to the field, and she cannot leave her in that condition. She stays and cooks something for the lady and helps her. Similarly, some other things happen. They are not able to reach the registration office in time. Both of them are late. The boy thinks that the girl has failed him and the girl thinks that the boy has failed her. At last, the registrar who comes to know about what happened to these parties, explains the matter. Sir, it is a picture which is very thrilling and at the same time it teaches high morals. Similarly, I have seen about eight pictures. They have such high morals. Now, would it not be possible for us in this country to make the agency of film a potent power? Why should we not nationalise it? Where is the difficulty

in it. If we do not make use of such agencies and if from now on, along with the achievements of our physical targets and the economic objectives, we do not also have some methods like this to achieve this objective of national integration, I am sure we will not be able to get benefits to as large an extent as we want to from the Plan. Sir, everybody knows that a rich man's sons are not always happy. Riches are only a means to an end, not an end in themselves. They do not guarantee safety or happiness. Wealth in India cannot be guaranteed unless the people know how to earn wealth and how to make use of it. I, therefore, earnestly appeal to the Planning Commission—it is not too late—to start a Section on this basis and to put a Member in charge of this for exploring ways and means of achieving national integration.

SHRIMATI PUSHPALATA DAS (Assam): Mr. Deputy Chairman, let me take up the thread left by Mr. Govinda Reddy. Sir, bouquets have been given to the Planning Commission. And the planners—let me not repeat it—themselves are not complacent; being sober and intelligent planners, they know the difficulties and the hurdles and the reason why that dream has not yet come true. I do not want to say that priority should be given to a particular thing. I have been hearing from yesterday what the hurdles are. Over-population, lack of co-operation from the public and also the lack of national integrity and of the feeling of unity, all these three hurdles we have to overcome. I am speaking not only as a Member of the Rajya Sabha, but also as a member of the National Council for Women's Education. And we have had to fight with the planners, with those representatives who represented them in our committee, for allotment of a little more money for women's education. Why? Sir, it is because all the hurdles can be overcome if a little generosity is shown to them. In the Preamble of our Constitution, it is written that equal opportunities

I should be given to all irrespective of sex, caste or creed. Primary education was to be given by 1961 to all children of the ages between 5 and 14

i and that has been relaxed to between the ages of 5 and 11. Even then, there is a disparity—while 90 per cent, of the boys will get facilities for education, only 60 per cent, of the girls get them. Are we not by this thing, first of all, violating the Preamble of the Constitution? Why am I putting this emphasis on girls' education? It is because thinkers all over the world have felt that the moment women take an active interest in their social life and in the upliftment of the society, a change comes to the society. Sir, you know what Mr. Ramsay Mac-Donald, when he was the Prime Minister of England, said when women come forward and took part in the national movement. He said, "I am not afraid of their Congress leaders but I am afraid of women coming out and taking part in the movement. Now every home will be inflamed. It will be very difficult to resist the movement". So said Mr. Ramsay MacDonald and it came true. Gandhiji and Vinoba Bhave are not flatterers. Every time they put emphasis on this point that women must come out and take part in the national life and they must be educated. We see that the lives of all the great men have been influenced by their mothers. And a nation's personality is always judged by the persons it produces; the standard of a society is judged by the standard that the people maintain in their public and private lives. So, I put emphasis on this point. We talk of India's culture and heritage. It is because women enjoyed a status in those days. That is why I feel that to be true to the Preamble of the Constitution, we must give equal opportunities to the girls also and primary education which we promised in 1961 must be given equally to the boys and the girls.

Sir, to tackle the population problem, family planning centres are there.

[Shrimati Pushpalata Das.] But do you think that any artificial means can ever control the population increase if the people themselves are not conscious? The mother does not realise that the child whom she is giving birth to is going to die of starvation or is going to suffer on account of inequalities in his life. If she realises this fact I am sure she would refuse to give birth to a child. Even Gods will tremble before a determined woman. She may not have that animal force, but she has that soul force before which every other force is cowed down. If she becomes conscious of family planning, it will bear fruit and it will bring a great success.

About these allotments of money, I know the difficulties of the planners. They are short of funds. We are getting foreign aid, there is no doubt about it. But we must not forget that we will have to pay it back with interest. That also has to be remembered. Let not our future generations blame us that we never wanted to mobilise our internal sources and that we depended only on outside help and that with a beggar's bowl we went begging. Let not that curse be on us. Sir, internal resources must be mobilised.

Yesterday when Mr. Bhupesh Gupta was speaking about the cottage industries, I was very happy, for the first time, I have heard the Communist Party pleading for the cottage industries. They too have realised its importance. Before, many people used to put emphasis on the fact that only heavy industries must be given priority, and putting an emphasis on cottage industries is something of Gandhian economy. In India the economics which they learnt from outside were never a success. There is this problem of the unemployed and the under employed. And unless we lay stress on cottage industries, this problem is never going to be solved. While putting emphasis on cottage industries, I differ from Mr. Bhupesh Gupta when he says that

instead of private ownership, it should be State-owned. I differ on that argument. Let it be the initiative of the people. About the panchayats many people have spoken. I have seen some panchayats and also some *gaon sabhas* I have had the good fortune of walking with Vinobaji in many parts;— especially in Assam, in North Lakhimpur where he is now having his walking tour. We have seen many villages. When we see these panchayats and *gaon sabhas*, we find that when the initiative is taken by the people, when the initiative comes from the bottom, there is a great success. The appeal which we make with what we call the *sabda-brahma* has power to influence and enthuse the people; when *sabda* is uttered sincerely, when it comes from the heart, that gives a force. You can call it as the force of the soul or the force of the heart when it is uttered sincerely. That force Gandhiji had, Panditji has it and Vinoba Bhave has got it. That is why that appeal touches people and makes them do sacrifice.

This humble self was in charge of the Death Brigade in 1942. From my own experience I am telling you an incident. It was very difficult to recruit to die non-violently at that time. There was a thirteen-year old girl named Kanakalata who joined the Death Brigade. She said, "Sister, somebody from inside is dictating to me to join the movement, because it will be for the uplift of forty crores of Indians." She never said, "For the uplift of Assam, I am going to die" but she said, "For the uplift of forty crores of people, I am going to die. Please include me in the Death Brigade." On the 12th September, 1942, she was killed by a missile while leading a procession. At the time of her death, she said, "For the sake of forty crores of people, I am dying. You can kill me but you will not be able to kill the spirit of independence in me." That kind of enthusiasm to die for the country came in her because Gandhiji's leadership was there. Today we are not lacking in leadership. We have got very able leadership. But with all that we are not able to enthuse

the people of the villages because they do not feel that it is their Plan. Now after this Panchayati Raj comes, they will realise their duty. They will be thrilled. The inspiration will come to mobilise these forces if we allow the *goan sabhas* to take the initiative upon themselves and organise the cooperatives. Then only will it be a success. Otherwise, the whole thing will be frustrated. That is my humble experience. Above all is unity, national unity and integration. Why it was possible in those days of independence movements and why not now? Of course, after the reorganisation of States on a linguistic basis—not solely on account of that—this kind of disunity has come. There is the economic disparity also. One thing I noticed in the debate. From the opposition benches no one said anything this time about the poor getting poorer and the rich getting richer. That was a pet slogan before. It was true, but the moment it becomes a faddish slogan, then it loses its charm. This time they are happy that a committee has been constituted to go into these disparities. People grieve when there is some injustice.

Here also I want to tell you about the women, how they can influence society. I have seen some of the officers' wives, those who were trained in the nationalistic way, sometimes correcting their husbands; I have seen them being corrected by their wives. They say, "Do not adopt evil means to earn your livelihood. Your children will be in danger". That kind of a moral is inculcated in them. When their own kith and kin advise them, then there is a check, and that pattern of society if you want to make, your women must get proper education—by education I do not mean these degrees or modern education, not necessarily that kind of thing. I speak of the minimum, and that is that they must be given opportunities to go to proper school and become educated. About the standard of books they are going to prescribe I am glad that it was also discussed at the recent Chief

Ministers' Conference convened to bring about national and emotional integration in the country. They met and a statement was issued after the conference. I agree with it *in toto*—with every word. Really, for that national integrity we will have to develop that kind of psychology.

Now one thing. After independence many of our workers felt that one day the script was going to be a problem. And it has come true. In the part of the country I come from, namely in Assam, the late Mr. Gopinath Bardoloi, when he became Chief Minister after independence, convened a meeting where he discussed whether we could adopt a common script—Devanagari. Personally, I do not mind even if the Roman script is accepted; if thereby the world comes nearer and closer I will be still more happy. Future generations will bless us if we can simplify the script. But India will be too sentimental to adopt the Roman script. At least let us go a step forward and let us think whether we can have the Devanagari script to solve many problems. Any dull student will take six months to learn a script, but if the script is simplified, unity also would be possible, because the languages have originated from Sanskrit. Even in the Dravidian languages, if one knows Tamil or Telugu or Malayalam or Canarese, it is very easy to follow the other South Indian languages, and especially some languages, for example, Malayalam and Telugu, contain so many Sanskrit words. In North Indian languages script is the only problem. Even this simplification of script will simplify many things. In these things, Sir, women can play a great part—that I need not emphasise.

In this connection I may also refer to the family planning centres. Let them work, but I am always for natural means than artificial things. When women themselves will realise that their creation is not going to enjoy the fruit of their labour, of their

[Shrimati Pushpalata Das.] suffering, that, although with every drop of her blood she is creating, the flower is not going to blossom forth to full dignity, she would refuse to be mother. Mother can sacrifice for her children. I have seen it, when doctors were struggling whether to save the child or the mother, the mother refusing to be alive to save the child from dying. She will say, "Let me die". But the mothers, the moment they realise that the country is going to be ruined on account of over-population, they themselves will be a check on it. The other day I read in some foreign magazine an article written by a professor of mathematics in some university in America. He has worked out that after a hundred years the population would grow to such an extent that they will squeeze each other and die. I do not know how far it is true, whether his mathematics is right or wrong, whether his calculation is right or wrong. Whatever it is, it has become a problem—over-population. But with that moral stature let us accept the challenge.

And about mobilising our resources, I agree with some suggestions forwarded by the opposition. Whenever any constructive suggestion comes, we must accept it and we may accept nationalising the banks. It is not a very revolutionary thing. Of course, to pay the compensation and to take over these tea gardens we do not have sufficient finance with us. But in the matter of nationalising banks, I think we can go a step forward in that direction. Even many backward countries through these means are trying to develop their economy.

About privy purses, it is well and good if we can appeal, because we believe in non-violence; we do not believe in any other force than in the efficacy of non-violence. We brought about the integration of the Princely States with understanding, and appealing to the better sense of the citizens. So, I say that internal resources can

be mobilised with an appeal to the people. It may also be through nationalising the banks and also through cottage industries. I shall be very glad if the initiative is taken through the co-operative societies, through those who are on the pancha-yats or the *gaon sabhas*. And if they themselves take the initiative the result will be better.

Have I got a few minutes more, Sir?

MR. DEPUTY CHAIRMAN: Your time is over.

SHRIMATI PUSHPALATA DAS: All right; thank you, Sir. Due to shortness of time I cannot cover more points.

SHRI A. D. MANI (Madhya Pradesh) : Mr. Deputy Chairman, Sir, the Third Plan which we have been debating during these two days is certainly a very ambitious document, but I must say that some of the assumptions of this Plan only indicate the extravagant optimism, and in spite of even the statistical assessment and the assessment of probabilities of production the Plan has very unreliable foundations. I am not running down the Plan, because we realise that it is not only the Government's Plan but the Plan of the people. And considering that before 1976 we might have an increase in population of 187 million, it is necessary that all parties must co-operate to make the Plan a success. But we are bound to ask whether the Planning Commission and the Government have made, what one may call, a safe assessment of the probabilities in the next five years. Sir, the former Deputy Chairman of the Planning Commission is a distinguished Member of the House, and I believe he will be participating in the debate tomorrow, and I should like to have from him—because he is the person who had much to do with the Plan—what is his assessment of deficit financing in the Plan. Deficit financing has been estimated at Rs. 550 crores, but actually it will be about Rs. 1,000 crores considering that the

Reserve Bank is going to pump Rs. 450 crores in the market in the form of currency. It has been admitted that the pressure on prices has been of the order of 30 per cent, during the Second Plan, and if that is the higher figure of deficit financing than has been admitted by the Planning Commission, what is going to happen is that the prices are going to rise beyond 30 per cent.

One of the weaknesses of the Plan, I may inform the House, is that the chapter on the price policy is the weakest chapter. There has been no workable constructive suggestion put forward, and suggestion,? have been made in this House by Members on the other side that the time has come for a price control machinery. A price control machinery can be operated only in an atmosphere which is free from corruption, and the record of certain States—I am not saying all States—has not been very reassuring in this matter. We should like to ask Government what steps they are going to take to control prices.

The second weakness of the Plan, as far as I can see, is that the backlog of the unemployed at the end of the Second Plan is 9 millions, and 17 millions are expected to be the unemployed in the Third Plan, making a total of 26 millions. Jobs have been provided for only 14 millions; whether the jobs are going to materialise, we do not know; it is only an assessment. These jobs will materialise only when the projects in the public sector work better than they have done. I will come to that point later.

The third weakness of the Plan, so far as I can see, is that the transport arrangements contemplated in the Third Plan are not of the order which one could expect it to cope up with the increased production in our country. It was estimated that 162 million tons in the Second Plan, but we fell short, of the target, to 154 million tons, that is, by 8 million tons we fell short of the target, and it is expected that the transport requirements would be of the order of 245 million tons 420 RS—8.

under the Third Plan. But at the rate of production which we are sustaining now, it is expected that it will be of the order of 275 million tons. We have found that, on account of defective transport arrangements, defective rail traffic, the work of even the steel plants has been hindered. I had gone to Rourkela to watch the progress of the project at work, and I was told that the Rourkela plant was paying Rs. 1½ lakhs as demurrage to the Railways because the Railways did not have the wagons of the kind the Rour-i plant required. Bigger wagons are sent. They are kept in the siding and the Rourkela plant is paying on i average about Rs. 1½ lakhs as demurrage.

Sir, I am afraid that unless we put the transport system in order, we are going to run into great difficulties in respect of production particularly in respect of the transport of coal from one centre to another. And the question that I would like to ask the Government is this: when this is the position, what kind of machinery do you have in mind to see that with the limited transport available, you make a good job of it?

I have been told that in the Railways, in respect of the movement of essential goods, the Railway authorities have, the final say. The time has come when in view of the rapid expansion in the public sector we have at the Railway headquarters level a committee consisting of all the affected interests and the Railway officers and the Government of India to see that wagons are not held up. I went to Bhilai, Sir, and I was told that there was a good deal of material lying in the godowns because the necessary transport was not available, and when goods are not sold immediately, it adds up to the cost in long run.

The other question connected with this is that while the transport arrangements contemplated in the Third Plan are defective, in the sense that they do not take into account the requirements of transport which is of the order of 275 million tons, the

[Shri A. D. Mani.] Government of India have not taken any steps to control the price level of products in the public sector. It is a matter of great regret, Sir, that lignite, if and when it is produced by Neyveli, would cost more than the lignite produced in Germany and Australia. People who go to the steel plants are told that our products are far more costly than the European products.

I went to Asansol last year and talked to the people there. They told me that one of the difficulties in the way of German co-operation in India's economic plans was that India could not produce goods as cheaply as Germany. It is a matter of not only regret, it is a matter of some shame to us that our country is very high in its cost of production. The question of price control at every stage is the most important problem that the Government has got to face in the Third Plan. We would like to have the Government a statement about the price control machinery they have in mind.

Sir, I should like to go on to the on of agricultural production. True that in the Second Plan our record was impressive and that is a matter of credit to the Government of India and the administration that tag the last decade we have stepped up agricultural production by 42 per cent. The production of foodgrains is put down at 100 million tons, and the agency which is going to work the scheme and is going to increase production is the village panchayat. I think the hon. Member who preceded, Mrs. Das, spoke about it. Unfortunately, Sir, in our country there is an inertia of thinking. Because the Prime Minister talks of village panchayats, everybody must agree with him and everybody must talk also of village panchayats. I am afraid that the vesting of the responsibility of increased agricultural production in the village panchayat is one of the most serious dangers, because with that measure of decentralisation, with no trained personnel

at the village base, it is going to be very difficult for us to keep up the targeted agricultural production. I am not making an *a priori* statement just because I do not like village panchayats. We would like to have democracy at the grass roots. But then we have got to take into account the practical possibilities of village panchayats being asked to do the work of increased agricultural production.

Sir, the Association of Voluntary Agencies for Rural Development on the working of the panchayats in Rajasthan has recorded its finding:

"As a rule panchayats have not interested themselves consciously in increasing production. All agricultural schemes have been operated on an individual basis. Panchayats"—

I repeat, this is what the Committee says—

"have not played any significant part even in the selection of beneficiaries under agricultural schemes." The Raghuvir Sahai Committee, which intervened into the working of the panchayats in Andhra, has said:

"No particular interest has been evinced by elective bodies in the co-operative movement."

And the Plan talks very much about co-operative movement at every stage.

The Committee which went into the working of the panchayats in Rajasthan has said that the panchayats have carried power politics to the level of local administration and have increased factions and criticism in the villages. I must utter a word of warning that since the Third Plan is basing its entire strength on the village panchayats and the village panchayats have not proved themselves to be efficient, we are likely to fail in our targets for agricultural production. Sir, when this matter was discussed at Pachmarhi at a meeting of the Members of Parliament from Madhya Pradesh, I made a suggestion that agricultural production being so

important, it was not possible for the State Governments to run the Plan and to execute it. Unfortunately, conditions of political stability are not to be found in many States. There are groups. There are rivalries. There is anxiety to throw out one Chief Minister and have another Chief Minister. I need not mention the States. When that is the atmosphere of political stability, it is not possible for any Government to give its attention to the execution of the Plan for agricultural production.

I suggest, therefore that at the State level there should be a Planning Board consisting of technical men, men who know the job, who will be more or less given the plenary authority to see that the Plan is executed. Unfortunately, there is not much contact between the Union Government and the State Governments in regard to the details of the implementation of the Plan. The Central Government gives money but nobody knows how well or how badly the money is spent, and I would like to suggest for the consideration of the Government that if they are serious in stepping up agricultural production to 100 million tons, they should have a State Planning Board in every State with a representative of the Central Government on the Planning Board. He will be a watchdog who will try to see that every pie is properly spent and that will be his job. Unless the Government takes that step and not rely on the false hope that the panchayats would behave very well and increase industrial production, I am afraid the targets set under the Third Plan will not be reached.

Sir, I should like to say a word about public enterprise during the short time at my disposal. I think the time has come for us to conduct a high level enquiry into the working of all these public enterprises. We have become a victim of slogans and catchword. Unfortunately, the words "socialistic economy" were mentioned in the Industrial Policy Resolution of

1956. Whether socialism is justified or not is not for the Government to but the stage has reached when we have got to consider whether these public enterprises can be run as they are being run. I have got vast material on these public enterprises. The Bharat Electronics, for example, is a case of, what I may call, the most thoroughly inefficient planning. I quote, Sir, from a report of a visitor to the Bharat Electronics:

"A visit to Bharat Electronics is a sad experience. With its endless rows of elegant but empty buildings, the project has the look of a large university during the long vacation.....The bad planning and the pt I ly poor production have made indelible marks on the company's finances. Total losses so far exceed Rs. 40 lakhs. Sundry debts are of the order of Rs. 50 lakhs."

The Bharat Electronics, which was to produce valves here, has now entered into an arrangement with the Philips Company to produce 'valves with their co-operation.

Sir, on this question of steel plants, I am afraid, the Government is not making a full statement about the state of affairs there. I went to Bhilai. I went to Rourkela. Bhilai is doing very well. But even the cost of Bhilai steel is so high that the steel which is produced by Bhilai will be value than the steel imported from abroad and any increase in the value of the domestically produced product would mean that the price level will increase and the construction cost will go up. The Rourkela plant is a flop. I am sorry to say thi?. It is our plant. When I went to Rourkela, many technicians told me: "Sir, this plant will never work because the capital base is so formidable, of the order of Rs. 234 crores, that the interest on Rs. 234 crores and the depreciation of 7i per cent, on Rs. 234 crores will have to play a part in evaluating the cost of the product." When these things are going on, I would not like the Government to undertake an expansion of the pub-

[Shri A. D. Mani.] lie sector just because we want the public sector to expand and we have to follow the 1956 Resolution. Even Great Britain, the Labour Party, has done some rethinking on nationalisation. If our public enterprises are not going to function well, it is better that we reorient our policy in regard to these enterprises. Further, there has been a good deal of interference. There has been a good deal of red-tape and I was told in Rourkela that they sent an official for getting foreign exchange for some spare parts. This poor man went round the Finance Ministry everyday and he was told: "We know your requirements but do not come and see us everyday, come and see us once a week. We would like your face only once a week..." This is how these projects have been treated by the Central Government at the foreign exchange level.

I would like to make one suggestion on the running of these public enterprises.

SHRI M. H. SAMUEL (Andhra Pradesh) : Foreign exchange is also allocated by the Planning Commission.

SHRI A. D. MANI: Yes. The Plan mentions that there should be no interference in the day-to-day execution of the projects but charity begins at home and example begins also at home.

The fabulous discoveries of oil made by our Minister, Mr. Malaviya, have led to his being virtually the Chairman of the body which controls the prospecting of oil. It is time we think of avoiding day-to-day interference in the administration, and we really entrust all these enterprises—make them into groups and give them—to a Deputy Minister. We sack the Deputy Minister if something goes wrong with the project. The Commerce and Industry Ministry is already so much overburdened with work that it is not possible for the Commerce and Industry Ministry to

give attention or do justice to the problem of running the public enterprises.

I am afraid that in conclusion I must say that the Plan is based on an expected realisation of Rs. 450 crores. I would like to say this in this House so that it goes on record that you are not going to get Rs. 450 crores. You are not going to get it this year, you are not going to get it next year, because there has been so much of overcapitalisation of all these public enterprises. The only thing I would like to suggest to the Government is this. You have already ordered a high-power enquiry into Rourkela. Everything connected with Rourkela is high-power. If it fails, it is also high-power. If there is interference in the planning, it is also high-power. We would like you to establish a committee to go into the working of these public enterprises and not go on, what you may call, arbitrary assumptions that the Plan is going to succeed and we are going to get money from the public enterprises. The Prime Minister said: "We want huge profits to be made." We only request the Prime Minister to bear in mind that our hope is that huge losses will not be incurred in the public enterprises.

I have other points to make but then I would conclude by saying that while we wish that the Plan should succeed and that it should give employment to the people, there has been so much of loose co-ordination in respect of the execution of the Plan and the assumptions made are so faulty and particularly in respect of deficit financing, it is going to be of the order of Rs. 1,000 crores and the poor man is going to pay. My hon^{ble} friend, Mrs. Das, referred to the fact that nobody on this side complained that the people have become poorer. I would like to say that we have become much poorer than what we were in 1935 or 1947. The value of the rupee has gone down. That means the purchasing power has gone down and it is our desire and it should be our concerted endeavour to see that the

purchasing power of the peoples goes up.

**ANNOUNCEMENT *RE* ALLOCATION
OF TIME FOR GOVERNMENT AND
OTHER BUSINESS**

MR. DEPUTY CHAIRMAN: I have to inform Members that the Business Advisory Committee at its meeting held today has recommended allocation of time as follows for Government and other business during the current Session:

Legislative Business Time Allotted

1. Discussion on the 8 hours besides the Third Five Year time already taken. Plan.
- 'The-Extradition 1 hour besides the Bill, 1961 (For time already taken, reference to Joint Committee).
- "The Income- 7 hours < Bill, 1961 .
- e Appropria- I hour Bill, 1961 re-
•to the Sup-
i ntary De
ri for Grants
(. al) for 1961-62.
5. The Indian Penal 4 hours. Code (Amendment) Bill, 1961.
6. The Representa- 5 hours, tion of the People (Amendment) Bill, 1961.
7. The Newspaper 1 hour (Price and Page) Continuance Bill, 1961.
8. The Delhi Muni- 1 hour 30 minutes cipal Corporation (Amendment) Bill, 1961.

9. The Sugarcane 1 hour Cess Bill, 1961.
10. The Voluntary 1 hour Surrender of Salaries (Exemption from » Taxation) Bill, 1961.
11. The Deposit In- 1 hour 30 minutes surance Corporation Bill, 1961.
12. The Indian Rail- 1 hour ways (Amendment) Bill, 1961.
13. Motion for modi- 1 hour fication of the Conduct of Elections Rules, 1961, given notice of by Shri A.D. Mani .
14. Discussion on the 2 hours Punjab situation
15. Discussion on the Time permitting statement by the 2 hours. Minister of Finance on the U.K.'s decision to negotiate for entry into the European Economic Community.

The Committee also recommended that the House should sit on Friday, September 1, 1961, and dispense with the lunch recess on all days during the remaining part of the current session.

The House stands adjourned till 11 A.M. tomorrow.

The House then adjourned at forty-five minutes past five of the clock till eleven of the clock on Wednesday, the 30th August 1961.