

with them if they make demands for more money, because these are important demands. You talk a lot about your planning scheme. Please have a little say on these matters too. With these words, Sir, I conclude. Thank you very much.

SHRI B. R. BHAGAT: Does the hon. Member plead for more taxes also?

#### PETITIONS ON THE BOMBAY REORGANISATION BILL, 1960

SECRETARY: Sir, I have to report to the House that two petitions relating to the Bombay Reorganisation Bill, 1960, have been received by me.

MR. DEPUTY CHAIRMAN: Yes, they will be circulated.

#### THE APPROPRIATION (NO. 2) BILL, 1960—continued.

SHRI S. C. DEB (Assam): Mr. Deputy Chairman, first of all I would like to associate myself with the sentiments expressed by our esteemed friend Shri Khandubhai Desai that we in this House do not find very much time to discuss the year's Budget. That is very important, but I will not labour that point since my hon. friend has already elaborated it and I am only associating myself with the sentiments expressed by him.

Sir, our Finance Minister has produced his Budget and the taxation policy was discussed in the papers and in the Houses of Parliament and as we see from the reports, some part of the taxation policy was not supported by a large number of Members in the other House. It cannot be said to be a good policy to have indirect taxation. Who are the people that are hit hard by this policy of indirect taxation? These are the middle-classes mostly and among the middle classes

unemployment is rampant. So by indirect taxes the middle classes are hard hit and for that policy the Government is criticised here, there and everywhere. Our Finance Minister has tried to mop up some money by indirect taxes on tin plates, aluminium ingots; internal combustion engines, cycle and cycle parts, cinema films, silk fabrics, refined diesel oil, electric fans and bulbs. From these he is getting only Rs. 21.73 crores. And he is leaving an uncovered balance of Rs. 177 crores. What is it that you gain by creating dissatisfaction throughout the length and breadth of the country? Why are you searching for small incomes here and there? This is not a good policy of taxation and a country like India should not do it. We are being criticised in season and out of season in regard to the wastage that takes place in our administrative machinery and in the Public Works Department. The Ministry of Works, Housing and Supply has set up a committee to go into this system of contracts for buildings. There is a tremendous waste of money in this department. Money is wasted at times due to bad allocations and at times due to want of proper planning. In the large development works that are taking place, there is a large-scale wastage of money in many directions. We have not as yet got the machinery to check this wastage. The time has come, when we are taking on large development projects for the benefit of the people, for us to see that this money that we realise from the people by way of taxation is utilised properly and for the benefit of the people at large. We have got the Estate Duty, the Gift-Tax, the Wealth-Tax, the Expenditure-Tax and so on but not much money is forthcoming. What is the reason for this? There must be some inherent defect in our machinery or in our policy. We must see how we can have a better taxation policy for the development of the country. We are passing through a very critical situation. Of course, our Prime Minister is doing everything in his power to arrive at

[Shri S. C. Deb.]

a peaceful solution in regard to our border problems, and all of us are behind him in that policy of peaceful solution of our problems, big and small. We shall have made history if peaceful solutions are arrived at.

Now, Sir, I come to my area which is a backward area. It is a creation of partition, Cachar district is the creation of partition and we are suffering every time. Border trouble is there, economic dislocation is there and frustration is there, and as my hon. friend said in the morning, the Rehabilitation Ministry has not done anything towards the real rehabilitation of the displaced persons. Money is being wasted for nothing. So far as the districts of Cachar and Tripura are concerned, there are some eight lakhs of displaced persons. Money has been spent but without any plan, without any real scheme for their rehabilitation. I asked questions about the setting up of industries in that area for the benefit of the displaced persons and the Minister told us that some such scheme has been formulated but when I asked him as to when it would be taken up, there was no answer. In these things we are spending money for nothing. Due to partition, the area comprised of Tripura, Manipur and the Cachar districts is suffering a lot. This area should be created into an economic zone and an economic survey should be undertaken of this area. A team of officials of the Planning Commission should be sent out to that area to make a study of the different problems in order to find out ways and means of establishing industries, big and small-scale. That team should also make a study of the power potential, transport and communication in that area and then draw up a proper plan of development. This will greatly benefit the people of that area, I mean the creation of a sort of economic zone for the development of that area.

Sir, I should now like to refer to articles 370 and 371 of the Constitution, Part XXI—Temporary and

Transitional Provisions. Article 371 speaks of how an area is to be developed. When there is provision in the Constitution, I do not know why Government could not consider the creation of an economic zone in the border area, a very vulnerable area which is always in difficulties. I shall now read article 371(2):

"Notwithstanding anything in this Constitution, the President may by order made with respect to the State of Bombay, provide for any special responsibility of the Governor for—

(a) the establishment of separate development boards for Vidarbha, Marathwada, the rest of Maharashtra, Saurashtra, Kutch and the rest of Gujarat with the provision that a report on the working of each of these boards will be placed each year before the State Legislative Assembly;

(b) the equitable allocation of funds for developmental expenditure over the said areas, subject to the requirements of the State as a whole; and

(c) an equitable arrangement providing adequate facilities for technical education and vocational training, and adequate opportunities for employment in services under the control of the State Government, in respect of all the said areas, subject to the requirements of the State as a whole."

This of course relates to a particular province but if the Government thinks, they can create such an area for development. Now if you have any large-scale or small-scale industries anywhere you require power potentiality. Unless you have power potentiality an area cannot be developed and it is such an area which requires mostly power generation. Some multi-purpose river valley project should be taken up

on Barak river and now I hear there is a proposal for the creation of an earthen dam. I cannot say anything about its technical aspect but for a long time past that question has been agitating the mind of the people there. A Commission was also set up to investigate into the matter and some Government officials also visited that area. My earnest request to the Government is that they should have a multi-purpose river valley project in that locality so that power may be generated. If large scale industries cannot be developed, at least small scale industries may be developed and the area may then become self-sufficient in many respects. When a pocket like that is created, it creates many difficulties. Take, for instance, the food supplies. You know that in the Mizo Union there is food scarcity because rats damage all the crops and now people are in a condition of starvation. The other day I wanted to put a question about the situation there but the reply was that it was the responsibility of the State Government. Has the Central Government no responsibility when people are dying? The Chief Parliamentary Secretary of that area is threatening to resign from that Government because of the very serious condition prevailing there. The Central Government has also the responsibility when the people will die of starvation. It is very difficult to move food into that locality; it is very difficult to distribute food to the different parts of that district. It is a hilly district and no communication is there. At present food is being dropped from the air but it cannot reach every part of the area. That is why I am urging and earnestly requesting the Government to create an economic zone of its own for that area comprising Cachar district, Mizo Hill district, Manipur and Tripura so that there may be proper development and proper administration of the whole area.

Now, I come to another question. The Central Government is trying to

have a good road from Shillong to Agartala. Of course, for some parts the responsibility is that of the Centre and for some parts the responsibility is that of the State Government. But 12 or 13 years have passed and that road is not yet constructed. I do not know how much more time it will take to complete the construction of that road. Agartala being an isolated place, a connection with Shillong is very necessary and the States Reorganisation Commission recommended that the top most priority should be given for the construction of that road. But things are going on at a very slow pace and we do not know how much more time they will take to complete that road.

Now, so far as food production is concerned, we are creating a buffer stock with the help of supplies from America. We do not know what improvement there will be in our future food production; whether this buffer stock will help us in achieving self-sufficiency or whether we will be having buffer stocks every year from America. Of course, at the lowest levels we are taking steps, that is, in the formation of co-operatives and other things but it will take at least ten years to produce results; not less than that. Unless there is efficiency in the administrative set-up at the lowest levels food production cannot be improved. And for that mechanised farming is the solution. You cannot have mechanised farming at the lowest levels unless you take other steps in other directions. There may be some improvement if you supply better seeds, if you have soil improvement work and other things but still unless there is efficiency in the administrative set-up, and that too at the lowest levels, not only in the State as a whole but in every district, in every area—mobilisation of efforts should be there at all levels—we cannot say that we can succeed in achieving food self-sufficiency. Otherwise some other efforts will have to be made.

**SHRI SANTOSH KUMAR BASU** (West Bengal): Mr. Deputy Chairman, I had no desire to take part in this debate today but for certain statements that have been made here on the floor of this House by hon. Shri Biren Roy regarding the ensuing election to the Lok Sabha from the Calcutta South-West constituency. My friend is a voter of that constituency and so am I. I thought that some of his statements should not be allowed to go unanswered and unchallenged even today immediately after he has made them on the floor of the House and that is what has made me stand up here before this House during this debate.

Now, what is being done in the Calcutta South-West constituency by way of issuing identity cards with photographs of the electors is done in accordance with the provisions of the Representation of the People Act. It is not something which has been introduced by the executive for some sinister purpose, for the purpose of keeping out of this election the friends and supporters of my esteemed friend's party or if he does not belong to any party those who had supported him in his election. In this election the system of issuing identity cards with photographs of electors has been adopted because the Election Commission after long and anxious consideration came to the conclusion that in congested industrial areas where impersonation on a very large scale has unfortunately taken place in the past, some check should be set up for the purpose of screening and scrutinising real voters from faked voters. That is the reason why this elaborate system has had to be adopted in the Calcutta South-West constituency. My friend has complained that there have been three or four by-elections in different parts of India, where this system was not adopted and why so in this particular constituency. The main reason is that it is overwhelmingly an industrial and congested cons-

tituency. From that point of view it requires special scrutiny in order to find out and weed out fake voters, whose names appear on the roll, but in reality they are mere ghosts and not persons in flesh and blood. My friend has triumphantly declared in this House that when he was challenged on the last general election there were 4,50,000 voters on the rolls. Undoubtedly that very large number contributed very largely to his success, which has unfortunately been reduced to failure by the Election Tribunal and by the Supreme Court. Now, that being the position, it was considered that this elaborate system of photographing should be adopted and resorted to by the Election Commission and they have made every effort to reach every elector, so that he can have the benefit of an identity card prepared for him with his photograph. Sir, from the statement that was made this morning on the floor of the House by the Deputy Minister, I find that the true purpose and intention of this system was described in a fair and clear manner. It was said that the problem of identifying electors in heavily congested urban and industrial areas was receiving active consideration of the Election Commission for a long time, as it was found from experience that the illegal practice of impersonation was gaining prevalence in such areas. It was felt that the issue of identity cards with photographs attached to all electors would greatly facilitate identification at the time of poll and prevent impersonation. Therefore, it was with the highest intention and the highest purpose and motive of safeguarding democracy, real democracy, that this system was adopted. Democracy, real democracy, cannot thrive and prosper on fake voters' lists and fake voters. My friend has been lamenting the passing away of democracy from his constituency. I hope democracy will be installed in all its full glory in that constituency, if real voters come forward to cast their votes and eliminate all ghost voters, who have no existence except in the electoral roll, and not in reality.

What are the efforts that have been made by the Election Commission in this respect? From the 21st June, 1959, the system was introduced and photographs in two areas were taken from that date. Later it was extended to three other areas. Out of 3,41,933 voters, on the revised rolls, 2,15,000 voters have already been photographed up to the 18th April 1960. Seven thousand cards have been returned undelivered, as the persons were found temporarily or permanently absent. All possible opportunities have been afforded to the electors to get themselves photographed. Photographers have gone round repeatedly from house to house for the purpose of coming into contact with the electors, so that they may have the opportunity of being photographed. Personally speaking, I know that four times these photographers visited my house, because I was away in Delhi. At last their camera caught me and my photograph was taken. Once again they came and gave me a copy of the photograph so that I can use it at the time of election for identification purposes. Therefore, every attempt has been made to visit the voters in their respective houses. When that also failed in some cases, 14 centres have been opened in different parts of Calcutta, in order to facilitate the process of having photographs taken of intending electors.

DR. B. GOPALA REDDI: Is it true that Muslim women voters are refusing to be photographed?

SHRI SANTOSH KUMAR BASU: Well, there has been some writ petition in the Calcutta High Court alleging that some voters have refused to be photographed. I am not going to make any comment whatsoever with regard to the pending cases and they will be decided on their merits. We have heard this morning from the Deputy Minister that the hearing will take place on the 25th April. The legality of this procedure will be decided and the judgment of the Court

will be delivered on that particular point. We need not go into that at all. It may be that for the purpose of creating a case, some people might have refused to be photographed and that might be a good point according to them before the court of law. It is for the court to decide whether it is so or not. But that does not take away from the necessity of introducing a system in order that fake voters might be kept away from the polling booth and real voters might be brought out in the open. Now, those who have come forward and those who have submitted themselves to this process of photographing have done so with the highest patriotic motive of assisting democracy in a real, genuine election, and they should be congratulated by this House, now that this opportunity has presented itself before us. I submit that this lamentation on the part of those who have refused to be photographed or who cannot face an honest election, in an honest manner on an honest electoral roll, should have no quarter whatsoever in any assembly where these questions will be considered in a dispassionate manner. I submit that the system that has been adopted in Calcutta is a system which is extremely necessary, having regard to the special position of that constituency and the vast number of electors. You can imagine that a prodigious number of 4,50,000 had found place on the electoral rolls in the last general election, in which my friend came out successful. Now, it did require weeding, it did require screening and the thanks of this House are due to the Election Commission for having devised this method, which is in accordance with the law which Parliament itself has passed. We are anxiously waiting for the result of this election which is coming on the 1st of May and I hope that the very large number of electors, who have already been photographed, close upon 2,25,000 voters, will have a chance of casting their vote according to their desire and that fake democracy will have no place whatsoever in the coming election, because fake voters will be kept out of the scene.

**SHRI JASWANT SINGH** (Rajasthan): An allegation was also made by the hon. Member that even when nominations have been filed, the voting lists are being refused to be provided.

**SHRI SANTOSH KUMAR BASU:** Well, some statement has been made here, which there is no opportunity of checking. I am not suggesting that my friend is saying something which he does not believe to be true, but he might have been misinformed. So many people go about saying so many things. And even if what my friend has said is true or correct, the legal effect of that will be decided by an Election Tribunal, if the result of this election is sought to be challenged. These are matters which we cannot anticipate at this stage at all. If any such thing has happened actually, the effect of that will be scrutinised and scrutinised by the appropriate Tribunal. It is too early now for us to go into that. I submit that these are matters which are wholly irrelevant at this stage.

Having said that, I would only like to say something with regard to one or two other points, without taking the time of the House at great length. What was troubling me when I was last in Calcutta was the alarming state of the river Hooghly, which has not only affected the port facilities of that city which serves the entire hinterland—Assam, Bengal, Bihar and Orissa—being the outlet for the merchandise and the natural produce of these different areas, but the city of Calcutta itself is coming in for very great trouble from the point of view of health.

Sir, I will give you my personal experience. The water of the tubewell that I have been drinking for several years past, most beautiful and most potable water, has become extremely brackish and muddy. Why? Because the bed of the Hooghly has been rising and rising with the result that diseases are rampant in Calcutta and houses are getting damp. What is more, drinking water is being spoiled

in this fashion because Calcutta draws its drinking water very largely through its tubewells which are pride of that city. Now, due to the rise in the level of the sub-soil water, we are suffering tremendously from various difficulties from the point of view of sanitation and health. Apart from that, the question of the Calcutta port is of perennial importance and also the question of flooding of different areas in Bengal because there is no flushing of the river Hooghly. Once again I take this opportunity of drawing the attention of the Government to this crying need of the city of Calcutta and of West Bengal that something should be done immediately, because the question of the Farakka Barrage is still far off and there is no possibility or prospect of its being taken up even during the Third Five Year Plan. So something should be done to give relief to Calcutta in the way of removal of the salinity of the water which is affecting also the railway system, the locomotives, which is creating all sorts of difficulties to trains because of the salinity of the water which feeds the locomotives in that area. I think the time has come when the Government should take a very serious note of the situation that is being created by the absolutely wretched condition to which the river Hooghly is being reduced from day to day.

**SHRI JASWANT SINGH:** Mr. Deputy Chairman, in view of the shortness of the time at my disposal, I would like to touch upon one point and try to finish it in a short a time as possible. I would like to refer today to the Ministry of Defence, particularly the Army, and in regard to the Army also I would refer to the ex-servicemen of the former Indian State Forces.

At the time of integration of the States between 1947 and 1950, assurances in writing, covenants and agreements were given to the former rulers that the conditions of service of their services, including their State Forces would not be adversely

affected and that they would benefit by the unified rules and regulations and other amenities of leave, etc., which would be applicable to all the people of the country uniformly. In many cases this promise is being observed, and on the whole we are satisfied, but then there are certain small matters, particularly in regard to ex-servicemen, where in spite of all the efforts that have been made through the Defence Ministry, justice has not so far been done. I shall refer to some of the points, and I hope that even now the Government of India will keep the promises they made at the time of integration.

First of all I would refer to the temporary increase in pension which is commonly known as dearness allowance. The Indian Army pensioners got the dearness allowance on their pensions with effect from 1945. In Rajasthan the civil service pensioners got the dearness allowance on their pension from 1st January 1951. Again, the retired ex-servicemen of Rajasthan approached the Defence Ministry and they agreed to give them a dearness allowance on their pensions which were very meagre, small amounts like Rs. 5 or Rs. 10 a month, and dearness allowance was given to them with effect from 1st January 1953. While the civilians in Rajasthan were given from 1st January 1951 and the Indian Army ex-servicemen were given with effect from 1945, in the case of the State Forces pensioners it was sanctioned from 1st January 1953. I have seen that they have been agitating that "if you do not want us to come in line with the Indian Army, at least bring us in line with the Rajasthan Civil Services". Up till now nothing has been done in regard to this. This is a small matter. It involves quite a small sum, and I hope that the Defence Ministry will bear this point in mind.

Then the second point is with regard to the leave and furlough of these ex-servicemen. In 1951 after integration, a large number of Rajasthan Forces personnel were released from service, and the President was pleased to sanc-

tion mustering-out concessions, and this was communicated in the Defence Ministry's letter dated the 18th May 1950. According to this leave up to 24 months, if due, was admissible to the ex-servicemen. Then, Sir, at the time of their release what happened was that only two months' leave and one month's furlough were granted, and even those who were released from service before 16th February 1951 were also governed by this rule. According to the rules of the States, talking particularly of the former Bikaner State, the mustering-out concessions included a minimum of accumulated leave up to six months, but here even in spite of the fact that the President's sanction included 24 months' leave at the time of retirement, it was not given. Even the former State rules were not observed, and mustering-out concessions by way of leave and furlough were given up to only three months. This has adversely affected the service conditions, and this goes directly against the promise that was given by the Government of India to the personnel of the services of the former Indian States.

Then, Sir, another point that I would submit in this connection is that of counting of the service of non-combatants subsequently granted combatant ranks. There were persons in the Army like clerks who were non-combatants and they were governed by the Civil Service rules of the particular State. But once they were entitled to be enrolled as proper combatants, their services were counted for purposes of pension and gratuity for the whole period. What has happened is that they made a representation that their case should be treated at par with the Indian Army, and their representation has been rejected. They were treated as being governed by civilian rules. The Government has given the decision in regard to their representation that a non-combatant enrolled when promoted as a combatant is allowed to count his combatant service towards pension and gratuity as far as a non-combatant or

[Shri Jaswant Singh.]

to receive pension and gratuity on the basis of his combatant service only. This decision again has adversely affected them, and it has gone against the assurances which were given to the personnel of the former State Forces.

Another point that I want to submit is in regard to the disability pension. Some of these ex-servicemen are now very old and get very small pensions. Some of them have done meritorious service at the time of the first World War, some of them have rendered meritorious service at the time of the second World War, and also at the time of partition they have rendered meritorious service on the Pakistan-India border as combatants. They have been disabled, invalided and full justice has not been done to them as far as their pension is concerned, because the rate of pension has been increased in the Indian Army to people who are invalided or disabled. But as far as these people are concerned, they have in every way possible rendered the same service, if not more, as others, and they have brought fame and glory to the country in the battle fields outside India. While in regard to the Indian Army, pensions have been increased, so far as these people are concerned, they have not been included for the purpose of increments in regard to disability allowance, and I sincerely hope that something will be done in their case also.

In this connection, I would further submit that whenever rules for the benefit of the Army pensioners are framed, the State Forces pensioners are always debarred. This is the grievance which they have been harbouring for a very long time, and their association has been knocking at the doors of the Defence Ministry and of the other offices concerned. But this discrepancy between the ex-servicemen of the Indian Army and the ex-servicemen of the former State Forces is still continuing. This is a thing which tells hard upon them, and I hope that something will be done.

Lastly, I would submit that at the time of partition and integration—partition and integration were practically at the same time—the British officers had to retire and they went away, and quick and rapid promotions were given to officers both of the Indian Army as well as of the then State Forces. Sir, promotions were given and those officers took up the responsibility of those higher posts. But now they are being told that those promotions given to them are not according to the rules. They were given by competent authorities. The extra amount that they got on their promotion is being deducted from their gratuity and their pension. Already they are not able to make both ends meet and the extra amount is being cut from their pension. The condition of some of them is indeed very very serious and naturally they feel very much hard hit by this. They are the people who have rendered a very great service to the country. The Government may feel that the officers who promoted them made a mistake, but to deduct the money which they drew seven years ago from their pension is indeed very harsh upon them. I hope that the Government will not grudge these small things to these ex-servicemen who feel that justice has not been done to them, particularly at a time when the military expects that their morale should be high. They feel hurt because their relations and friends in the Army are better than they are.

These are the points which I wanted to bring to the notice of the Defence Ministry. I hope it will not be that because I have spoken here no notice need be taken. Though no representative of the Defence Ministry is here, I think that these points will be taken note of and something will be done and that these grievances will be redressed.

SHRI K. K. SHAH (Bombay): Mr. Deputy Chairman, Sir, for some years past, people outside have been feeling that our finances are not in a stable condition. Even experts have



been feeling that it will not be possible for us to repay our debts. Since the appointment of Shri Morarji Desai as Finance Minister confidence has been revived. But unless there is change in the outlook of our policy, I do not think that it will be possible for us to pull on for a long time. Sir, in spite of my being a layman, I make bold to make these remarks.

If page 8 of this statement is looked at, the repayable debt of this country amounts to Rs. 5,327 crores. Even at the rate of 4 per cent. interest, this country will have to pay at the rate of Rs. 200 crores per year by way of interest, and even if twenty years are granted for repayment, every year we must be prepared to repay Rs. 250 crores more as instalment. That means, the liability by way of interest and instalment for repayment of the debt would amount to Rs. 450 crores. Sir, then, the capital outlay, a major portion of which is spent on foodgrains, is Rs. 450 crores, and other advances to the States amount to Rs. 530 crores. Therefore, the total liability of this country per year amounts to Rs. 1,430 crores. Now, I fail to understand—leave aside the budget of Rs. 750 crores which includes Rs. 300 crores for the purpose of defence where we are going to get the amount to meet the initial liability of Rs. 1,430 crores. Even if this country's national income is placed at Rs. 12,500 crores or even at Rs. 14,500 crores, at the rate of six per cent. saving, we will not save more than Rs. 840 crores. Therefore, even if the six per cent. saving amounting to Rs. 840 crores is taken into consideration—I assume that this country's national income is Rs. 14,000 crores—there will be an initial deficit of Rs. 600 crores plus the budgetary expenses of Rs. 700 crores. How long this situation is going to last, one fails to understand. I know, Sir, that very high personalities are in the Planning Commission, and I am a small man to plead before them. But the country is entitled to know how long we are going to maintain this position and this

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type of expenditure. This expenditure has to be found in spite of the fact that compulsory education has not been introduced. If compulsory education is introduced, a recurring expenditure of Rs. 200 crores will have to be found. That will add to the liability. This aspect must be taken into consideration, especially when unemployment is rising, when the standard of living has not gone up appreciably and when we have to look after seven million new comers every year. If this state of affairs continues, we are inviting a catastrophe. There is no doubt whatsoever about it, and therefore it is absolutely necessary that a reorientation of our plan is immediately taken into consideration. It might look as though I am submitting here something which is out of tune with the needs of the country. My friend Shri Khandubhai Desai, for whom I have great respect, was speaking about labour. May I bring to his notice—I am from Bombay and I know about organised labour and unorganised labour—that organised labour is one-fifth of unorganised labour? And the time has come when, unless the organised labour is also prepared to face the situation, the unemployed will go to them and tell them, "You are working for eight hours. We are unemployed. We will get organised, and we are going to ask you to share your hours for labour with us." That means, those who have got eight hours of labour should be prepared to serve for four hours and spare the remaining four hours for those who are unemployed. This is the situation that the country is facing.

Sir, a question was asked whether it was possible to tax the people any more. The entire resources of the country have been taxed and there is no further room for any taxation. I will say something about taxation. Today unearned income is liable to 82 per cent. taxation. In addition, on the basis of six per cent. return, the Wealth-Tax will amount to 33 per cent. That means, leaving

[Shri K. K. Shah.]

aside the question of Expenditure-Tax and the Gift-Tax, taxation on the highest income is 82 plus 33, that is 115 per cent. so far as the top people are concerned. I hold no brief for them. I am one of those who believe that so long as the lower man has not got a house to live in, is unable to look after his children, these top people have no right to enjoy so far as this country is concerned, and they must be prepared to share what they have got with the poor people. But when we have reached the highest taxation limit, when we are not able to look after even the primary needs of the people, when the debt of the country is mounting, when unemployment is mounting and when the standard of living is not going up, how long is this country's population going to tolerate this situation?

Therefore, Sir, I am not un-  
5 P.M. necessarily raising this cry of reorientation of our planning. Sir, in the same way, if in spite of all these and if after a period of twenty years it is not possible to solve the problem of unemployment, then the lower strata of people are entitled to ask: "If you are not able to look after us, at least give us food and give us housing." Sir, a man who was earning Rs. 200 in 1939 is not earning more than Rs. 250 today, and his Rs. 250 today is equal to Rs. 75 in those days and it is not possible for him to look after himself with those Rs. 75. It is true that so far as organised labour is concerned, it has been able to raise its emoluments to four times—I have no quarrel with them. But in like manner unorganised labour has not been looked after. On the contrary, if the prices are going up, organised labour is able to claim more dearness allowance and other emoluments, but so far as unorganised labour is concerned, the white-collared man is not able to claim anything in spite of the fact that the cost of living has gone up

four times. I know of cases where formerly they were able to look after themselves and were able to have two square meals a day, they are not able to enjoy even one square meal today. Also it is not possible for them to look after the education of their children; it is not possible for them to find housing. If a man were to go today to hire a room in a city like Bombay—or in any other urban part—whereas he was able to get a room in 1939 for Rs. 15, today he has got to pay Rs. 60. May I know, Sir, how long this situation will last? It is high time that this situation does not last, and if it is not possible to solve this problem, then let me state, as I stated earlier, on the floor of this House that all these welfare schemes have no value. So long as we are not able to satisfy the primary needs of the people, of what value are these schemes?

As it is already 5 o'clock I request that you be good enough to give me a little more time.

MR. DEPUTY CHAIRMAN: Take two or three minutes more and finish, or would you like to continue tomorrow?

SHRI K. K. SHAH: I am leaving today, Sir.

MR. DEPUTY CHAIRMAN: If you are leaving today, then you can take two or three minutes more and finish.

SHRI K. K. SHAH: I am greatly obliged to you, Sir.

Now, Sir, there are numerous items of expenditure which I can point out. If you look at page 2, Sir, you will find that we are spending on Community Development Projects, National Extension Service and Co-operation more than Rs. 23 crores. Then, Sir, in the same manner we are spending on a number of schemes, relating to archaeology for example,—and my

friend was waxing eloquent over archaeology-and on other cultural programmes coming under the Ministry of Scientific Research and Cultural Affairs. Probably he had not looked at page 6 where on Scientific Research and Cultural Affairs we are spending more than Rs. 17 crores. Now, Sir, if in the First Five Year Plan we have spent Rs. 2500 crores and in the Second Five Year Plan we have spent Rs. 5000 crores, it comes to a total outlay of Rs. 7500 crores and if on this outlay we cannot have a return of even 6 per cent., then what is the use of this planning? The income of the Government of India should have gone up by Rs. 450 crores on the basis of 6 per cent., leaving aside the national income. Therefore, Sir, I am not unnecessarily raising a cry or taking up an attitude of defeatism when we are trying to solve the difficult problems of this country. I know, Sir that I should not have said so but I say that had it not been for the personality of our Prime Minister, probably there would have been a revolt in this country. The middle-class and the lower middle-class would not have been able to stand this rising cost of living when their emoluments have not gone up. I pray therefore that . . .

**SHRI N. M. LINGAM:** But where are the emoluments to come from?

**SHRI K. K. SHAH:** If my friend wants to know it from me within the short time at my disposal, I shall tell him. He can certainly find them if he thinks of rearranging the Plan, and if out of the allocation of Rs. 5000 crores for the Plan you say that Rs. 2000 per month are necessary for the purpose of giving employment to one man, then your thinking is wrong and it is confused. Rs. 2000, in the state of affairs that prevails in the country, must be able to find employment and work for at least five people. Then alone you will be able to solve the problems of this country. It is a question of utilising the resources of this country to the best possible advantage. I am not

thinking that from heaven the money is going to fall. It is true that the resources that are at our disposal are meagre, but then these resources should be so utilised that at least the magnitude of unemployment in this country decreases—does not go on increasing—and at least the standard of living becomes better. What is the use of taking different schemes if this is the situation that we will have to go on facing? And if things go on at this rate, at the end of twenty years this country's debt will be Rs. 20,000 crores, more than the national income. And if the debt is going to be more than your national income, may I know from where you are going to pay back the debt? It is all right to ask: "Where are you going to find the money from?" But then ultimately you will have to answer your masters who are outside. They are judging you. They are expecting that you will look after them, and if you are not able to look after them, any amount of planning is not going to help you. Therefore, it is no use saying from where you are going to find the money. They except that the resources that are at your disposal are so utilised as to improve their lot. Sir, I may be excused for my plain speaking. I know it will not be liked; I know probably I may be taken to task, but it is time that we speak out.

**SHRI RAJENDRA PRATAP SINHA (Bihar):** Who will take you to task?

**SHRI K. K. SHAH:** My suggestion is very simple. My suggestion is that the country's resources must be so utilised as to benefit the largest number of people whose condition requires to be improved. Take, for example, education. The system of education is entirely wrong. Today, what are you doing? Today you are turning out men who after matriculation or graduation are not able to add to the resources of this country. The man becomes a liability instead of being a

[Shri K. K. Shah.]

source of strength. That is the position prevailing, and how long are you going to shut your eyes to this? Now some hon. Members suggested that there should be more technicians, that the country should become self-sufficient in food, and so on. Now, how you are not attaining self-sufficiency in food? And why is production not so much increasing? May I know it from my hon. friend? Let me tell him that four million acres of land, even after irrigation facilities were provided, were lying idle, and it was because it was not possible for the State Governments and the agriculturists to arrive at an agreement for rates for water, the rates at which water would be supplied. Please look up the report of the Deputy Chairman of the Planning Commission.

SHRI RAJENDRA PRATAP SINHA: You should turn out such a Government.

SHRI K. K. SHAH: I am very happy that my friend is also in that mood, and I hope he will maintain that mood and see that that mood spreads. It is not

enough that you take up that mood for the time being. It is easy to take up that mood and then not to go on pursuing it. Sir, I am greatly obliged in that you gave me more time and I could speak out my mind and I have done so with a view to bringing it to the notice of those who are concerned with the advancement of this country. I know from my experience that the country's finances are in very safe hands, in the hands of Shri Morarji Desai. But so long as the outlook on planning does not change, it is difficult to reduce our liability, and so long as the liability is not reduced, it will be impossible to go on adding to our prosperity.

Thank you very much.

MR. DEPUTY CHAIRMAN: The House stands adjourned till 11 A.M. tomorrow.

The House then adjourned at nine minutes past five of the clock till eleven of the clock on Thursday, the 21st April, 1960.