

SHRI JASPAT ROY KAPOOR: It takes a year to get copies printed!

MR. CHAIRMAN: The question is:

"That in pursuance of clause (4) of article 344 of the Constitution, this House do proceed to elect, in accordance with the system of proportional representation by means of the single transferable vote, ten members from among themselves to be members of the Committee to examine the recommendations of the Official Language Commission and to report to the President their opinion thereon in accordance with clause (5) of the said article."

The motion was adopted.

MR. CHAIRMAN: The following dates are fixed for receiving, nominations and for holding election, if necessary, to the Committee of Parliament on Official Language:

Number of Members to be elected	10
Last date and time for receiving nominations	6th September, 1957 upto 12 Noon.
Last date and time for withdrawal	9th September, 1957 upto 12 Noon.
Date and time of election	11th September, 1957 between 2 p.m. and 5 p.m.
Place of election	Room No. 29, Ground floor, Parliament House, New Delhi.
Method of election	Proportional representation by means of the single transferable vote.

THE FINANCE (NO. 2) BILL, 1957— *continued*

SHRI JASPAT ROY KAPOOR (Uttar Pradesh): Mr. Chairman, last evening when we dispersed, I was referring to the very interesting speech delivered by our hon. friend, Rajkumariji. And I had then said that I was in complete agreement with her suggestion that we should have a

marriage cess and a child-birth cess Sir, but before we have such taxes, it is very necessary that we must create in the general public a feeling that whether they are contributing to the State is not a burden on them, but is something which will be profitably utilised for the purpose and the benefit of the country as a whole and for the establishment of a socialistic society. Gifts and charities on the occasions of marriages and child-births are very common. Even the poorest of us does give something in charity on the occasion of marriage or birth. And I am sure, Sir, that if people are told and are convinced that this is not in the nature of a tax which is forcibly taken from them, but is in the nature of a gift or charity which they are called upon to contribute to the State Exchequer for the benefit of the society in general, they will happily contribute to it. Sir, may I, in this connection, and in all seriousness, suggest that if a personal and human touch is established between the Government and the general public, particularly on the occasion of marriages and child-births, it will be a very happy thing and it will change completely the psychology of the people with regard to their notions about taxes? I would suggest, Sir, that on every occasion of marriage a congratulatory message or a floral congratulatory message like the congratulatory telegram should be sent on behalf of the State by the District Magistrate of that place with, say, a coconut, Sir, as a gift. If that is done, I am sure a very substantial amount of gift the State will be able to get. And, Sir, if the Finance Minister is agreeable to it, as also the Prime Minister, I wish that in that congratulatory message, on the one side there might be printed the graceful picture of the Finance Minister, and on the other side, a still more graceful picture of the Prime Minister. I am making this suggestion, Sir, in all seriousness, because unless there is a sort of personal touch and contact between the taxation policy of the Government and the people who are called upon to pay taxes, it is very difficult to realise taxes . . .

SHRI B. K. MUKERJEE (Uttar Pradesh): In that case, may I know whether the people will pay their taxes voluntarily?

SHRI JASPAT ROY KAPOOR: If the suggestion that I have made is adopted, not only will they pay it voluntarily, but they will pay it most willingly and most happily.

Then, Sir, I was also in agreement with Rajkumariji with regard to her suggestion about the salt tax. In fact, I was one of the first to advocate this several years ago. I will not dilate on it any further, Sir. But, Sir, I lay emphasis once more that we must carry on a very educative propaganda among the general public impressing on them that it is not only a great crime, but it is the greatest sin to evade payment of tax. A regular educative propaganda must be carried on among them. I have suggested more than once, Sir, that the term 'tax' may be given up and it may be called 'Rajyadharmadha', which will impress on the public on every occasion that anything that they are contributing to the State Exchequer is really in the nature of a gift or a charity which will be used for the purpose of the general welfare of the society. I would suggest, Sir, that in every Income-tax Office they must put up posters appealing to the taxpayer to pay the taxes, appealing to his sense of vanity, if I may say so, that if he will pay the tax, he will be earning the goodwill of the society and he will be doing something which will be appreciated. I would suggest for the earnest consideration of the Finance Minister that with every notice of assessment that is sent to an assessee or a would-be assessee, there should be a pamphlet telling him that he should consider himself very fortunate if he is taxed because thereby he will be doing something virtuous. That, I think, will have a very good effect. Sir, I would also in this connection submit that to those persons who are heavily taxed a sort of certificate may be given by the Govern-

ment eulogising the great service that such persons are rendering to society not only by earning but also by contributing handsomely to the State exchequer. If we adopt these measures, we will be changing the entire method by which we realise taxes; we would be changing the entire outlook of the general public with regard to taxes.

(Time bell rings)

SHRI JASPAT ROY KAPOOR: I have hardly taken five minutes.

MR. CHAIRMAN: Nine minutes yesterday and 6 minutes to day.

SHRI JASPAT ROY KAPOOR: I will presently finish. Even without the bell I would have sunk down in my seat seeing your gentle indicative smile, for that is always more effective and devastating than the jarring sound of the bell.

May I submit that the way in which we are trying to impose taxes, the way in which we are trying to establish a socialistic pattern of society, is very much like our leading to communism under the garb of socialism, though of course by democratic methods. We must beware of this. What is going to happen if we go on imposing taxes like this? We are losing the sympathy of the general public. We must take the general public with us if we want their co-operation. It is not only enough that what we are doing is right. It is necessary that the public should realise that what we are doing is just and proper and right. Such taxes as the wealth tax and the expenditure tax, I am sure, will not lead to more substantial savings, and unless we have more substantial savings, production will not increase, and if production does not increase, we shall not have a socialistic pattern of society for it is only by increased production that we can increase the standard of living, not otherwise.

One minute more and I have done. Instead of the various taxes that the hon. the Finance Minister has imposed,

it could have been much better if he had doubled the sugar-tax which he has imposed; thereby he would have earned Rs. 18 crores more. On the other hand I find that he has reduced the rates of duty on the higher income groups, losing Rs. 7½ crores thereby.

I would also suggest that a heavy duty may be imposed on foreign and indigenous liquors and on their advertisements in papers. May I also suggest, if the administrative services are agreeable to it, that out of any increase in the salaries of persons getting more than Rs. 500, fifty per cent. of that may be given to them in the shape of post office savings certificates.

One last word I would say with regard to the sales tax. I mentioned about this previously, and my hon. friend, Mr. C. P. Parikh, mentioned it yesterday. I would emphasise it once more all the emphasis that I can command that since Government is already thinking of imposing an excise duty to replace the sales tax in respect of cloth, sugar and tobacco, the sooner they do it the better. I want a categorical answer from the hon. Finance Minister whether this Bill is going to be introduced in this session. It is already on the proposed list of business, but we find that so far it has not been introduced. Every month in every State, particularly in the State of Uttar Pradesh, the cloth dealers are observing complete hartal to protest against the continuation of the sales tax. If they really intend to do this, the sooner they do it the better, because a good thing delayed does not carry its full weight.

Sir, I am obliged to you for your indulgence for a couple of minutes, and though I have something more to say with regard to the refugees, I would say no more. I would utter my last sentence that I am not one of those who have a defeatist mentality or a pessimistic attitude. I am an optimist among optimists, and I want the implementation of the Second Five

Year Plan as completely as possible, and at as repaid a pace as possible, but let that pace be not so quick and so rapid that we may fall in the way. Let us not forget the old story of the hare and the tortoise giving us the moral that slow and steady wins the race. If the Finance Minister considers the face of the tortoise very ugly and not worthy of looking at, let him adopt the pace of the fish and swim clear of all difficulties rather than the pace of the hare and stop half way. Our remote past has been very glorious and I have no doubt that our future is going to be still more glorious, but then let us take proper care of the present, and if we do that, everything will be all right.

SHRI H. N. KUNZRU (Uttar Pradesh): Mr. Chairman, before we were asked to consider this Bill, we should have been given full information regarding the cost of the Plan as it is. I asked the Finance Minister in the Budget debate even in May last to tell us what the plan would cost according to the present level of prices. He said he was unable to furnish information because the prices were still rising. The fact that prices were rising should not have prevented the Government from giving us an idea of the increase in the cost of the Plan in view of the rise that had taken place already. I think that the best thing would be for Government to recalculate the cost of the Plan according to the prevailing level of prices and tell us what the cost was expected to be at present. There is no excuse for saying that the cost cannot be accurately calculated because the prices are still rising.

SHRI P. D. HIMMATSINGKA (West Bengal): We can take the rising prices also into account.

SHRI H. N. KUNZRU: It is clear that the difficulties of the Government in carrying out the Plan are increasing, and it is this that has made it think of rephrasing the Plan or reallocating priorities. I wanted to

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know how the mind of the Government was running, what were the schemes on which stress was going to be laid and how far this would result in curtailing the Plan. But here again I have not been given any satisfactory information. We have been told that the matter is being considered at present and that all that can be said is that the projects in the hard core of the Plan would be carried through. Even with regard to this matter, the ideas of the Government do not seem to me to be clear. In May last, the Finance Minister was almost going to deny that the Plan would be modified, though he did speak of rephrasing the Plan. He was more explicit in the Lok Sabha. Speaking on the 24th August 1957, he said there:—

"Therefore, when I say that the Plan can be seen through in the present context, I am referring to the fundamentals of the Plan, and I do not mean that everything that is in the Plan can be seen through."

When did I begin?

THE DEPUTY MINISTER OF FOOD AND AGRICULTURE (SHRI A. M. THOMAS): At 12-15.

SHRI H. N. KUNZRU: He further went on to say after referring to the exchange difficulties of the Government:

"Therefore some kind of pruning is implicit in all this."

But speaking in this House on the 30th August he said:

"I for one, will never let the Plan be trimmed even by a fraction on the ground of lack of internal resources; for, this is a matter essentially within our grasp and there can be no excuse for sparing ourselves or the country any effort within our reach to implement a Plan which, in its essentials, is rightly conceived."

Then he went on to say:

"If the Plan had to be cut, I will endeavour to shift the emphasis to social services and other activities

which depend essentially on internal resources."

It is true that in the Lok Sabha he referred to the inadequacy of foreign exchange and that in his speech in the Rajya Sabha he was referring to those who wanted the Plan to be cut down on the ground that it was difficult to raise internal resources but is there no relation between our external and our internal resources? We are raising internal resources and going in for a considerable measure of deficit financing in the hope that deficit financing would soon be followed by increased production. That can be the only justification for this policy but if foreign exchange is not available and we continue to spend money on internal purposes, it is obvious that though some industrial projects will have to be left out, yet no reduction will be made in expenditure. This means that inflation will increase and when the Finance Minister said that he would endeavour to shift the emphasis to social services and other activities which depend on internal resources, it seemed to me that he showed more enthusiasm than understanding. If this policy is followed, it will mean that the Government itself will increase or will lay stress on those factors that increase consumption. We are already complaining of inflation but we shall soon see galloping inflation in this country if this policy is followed. It is clear that there is an intimate connection between the quantity of foreign exchange available to us and the extent to which we should raise internal resources for expenditure on projects which, though socially useful, are uneconomic. If internal resources are to be raised notwithstanding our inability to get adequate foreign exchange, I suggest that more money should be found for agriculture. That is the most important thing at the present time. Although the target of food production has been raised, I don't think that the Food and Agriculture Ministry has been given enough money to fulfil the additional responsibilities cast on it. I

don't say that we should not go in for extra taxation but I do say that the money that is taken from the people should be spent for increasing production and first and foremost, for increasing agricultural production, because without doing so, we cannot check inflation whatever we may do.

Sir, I have been referring to the cost of the Plan as it is but I have to refer to two important factors in connection with this. One is the extent to which the States have carried out the responsibilities that the Second Plan placed on them. They were expected to increase their resources by Rs. 225 crores in five years, that is by Rs. 45 crores a year. Now let us see what they have done. According to the report on Finance and Currency, for 1956-57, the deficit in the budgets of the State Governments was estimated to be Rs. 77 crores in 1956-57. New taxes to the tune of Rs. 11½ crores were imposed. There was therefore a net deficit of about Rs. 65 crores. In 1957-58 the deficit is estimated to be Rs. 91 crores and new taxes to the tune of Rs. 12 crores have been imposed. The net deficit is therefore Rs. 79 crores. The deficit of the 2 years taken together amounts to about Rs. 144 crores. It is clear from this that in these two years taken together taxation in the States has been increased only by Rs. 23 or Rs. 24 crores. In spite of this increase in taxation, the State budgets are supposed to close with a total deficit of about Rs. 144 crores. Now when Government proposes to carry through the Plan, and provide additional funds for the State Governments, do they also undertake to wipe out their deficits? This is a serious thing because the deficits of the States will ultimately place a heavy burden both on the Central Government and on the people.

The next point that I want to refer to in this connection is about the recommendation of the Planning Commission with regard to the import of foodgrains. Notwithstanding the proposals made by it for increasing food production in the country, it thought that

as a precautionary measure, the Government of India should arrange for an import of 6 million tons of foodgrains during the Second Five Year Plan at a cost of about Rs. 240 crores. Through negotiations carried on by us with Burma, Australia and America, we have already arranged to get a little over 6 million tons of foodgrains at a cost, I believe, somewhat higher than Rs. 240 crores. But it is obvious that the imports that have already been arranged for will not do. If our imports are to have an appreciable effect on the prices, they will have to be increased. To what extent they will have to be increased, I cannot say, but if an additional quantity of say, five million tons is imported, I shall not be surprised. This means that we shall need Rs. 200 crores more for the import of foodgrains. Here again, we find an addition to the cost of the Plan. I think I shall not be for wrong if I say that taking all the factors that I have mentioned, the existing Plan, if it is carried out, will cost about Rs. 6,000 crores. However enthusiastic we may be for the economic development of the country, I doubt whether even the most enthusiastic amongst us, even the Finance Minister will say that he will not allow the Plan to be reduced even by a fraction.

* The last thing I want to consider is the rise in the price of foodgrains. The Deputy Minister of Food, replying to some remarks that I made two or three days ago in this House said that they had had a record production. These are his own words:

"On the whole I may say that prices are either steady or on the downward trend."

With the first statement I agree. But as regards the second statement, may I respectfully ask him to consider the following statement made by the Finance Minister in the Lok Sabha on the 30th August?

"The rise in cereal prices since 1956 has been 20 per cent. Rice and

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wheat have recorded an increase of 21 per cent and 13 per cent respectively and coarse grains have risen more. As compared with these increases, industrial raw materials have gone up by 10 per cent and manufactured articles by 6 per cent."

Even so, if we compare the wheat prices now with the wheat prices prevailing in August 1956 or July 1956, as the Deputy Minister did, we shall find that there has been an appreciable increase. The index for wheat prices was 533, I believe, in August 1956 and on the 3rd August 1957 it was 551, I believe. In the light of the rise that has taken place in our prices let us consider the budgetary deficits of the Government of India. It was estimated to be Rs. 356 crores when the Budget for 1956-57 was presented. It is expected to be about Rs. 368 crores in the current year. According to the Report on Finance and Currency, the total deficit of Rs. 309 crores in 1956-57 was larger than the aggregate budgetary deficit in the First Plan as a whole which as stated was only Rs. 249 crores. I do not say that the currency was added to the extent of 309 crores. The increase in currency was much less, because of the deficit in the balance of payment. Consequently, taking all factors into account, in the Report on Finance and Currency, the increase in currency was only about Rs. 129 crores. But as we are reducing our imports, it is obvious that the deficit in the balance of payments will be much less in the current year. Accordingly, the currency will have to be added to a much larger extent, and this will give a further fillip to inflation.

Let us, against the background of the facts that I have mentioned, consider the provisions of the Finance Bill. I cannot, Sir, deal in detail with the proposals that are included in the Bill. But first of all, I would like to make a general observation. In a note that was circulated to us by the

Finance Ministry, the effect of a number of excise duties was pointed out and we were told that the effect per unit, or per pound, would be exceedingly small, so small as to be negligible. Now, I have tried to find out the price of the artificial ghee that we have to use now and which is called "Dalda". According to the Finance Ministry's calculations, the increase in the cost should have been two naye paise per pound. The price of a 5 lb. tin of Dalda should, therefore, have increased by 10 naye paise. But it has actually increased by 14 annas. These calculations, therefore, that are made on the basis of increase in the rates of duty do not enable one to know the indirect effect of these increases on the retail market. I do not know, but I think that the prices of other commodities may have risen in the same way. If we take the rural people, we have to think not merely of the excise duties levied by the Government of India, but also of the various taxes that have to be paid by them in the areas where they live, and it will then be found that the total burden of taxation on them will, by no means be small.

Following the same line of argument in the case of the middle classes, that is, taking into account the inflation that is prevailing at present and the increase in the cost of essential articles on account of the new duties that are being imposed, one cannot welcome the reduction of the exemption limit for income-tax from Rs. 4,200 to Rs. 3,000. Doubtless. If more money is needed; all sections of the people should be prepared to make sacrifices but remember that the income-tax has been reduced only in the case of people in the highest brackets while the additional funds will have to be provided by all classes of people, including the poor.

SHRI J. S. BISHT (Uttar Pradesh): But the Wealth Tax is there.

SHRI H. N. KUNZRU: The Wealth Tax will fall on the wealthy people and also on the middle classes.

Just one word more before I finish. I shall not refer to the Wealth Tax or the Expenditure Tax because we shall have other opportunities of discussing them but I should like to refer to the tax imposed on passengers. Now, this seems to me to be particularly unfair. The Railway Minister increased fares and freights last year and he has again raised them this year. The railway passengers, as ordinary citizens, have to bear the burden of the taxation that is being imposed and yet they are being asked to pay more in order to increase the resources at the disposal of the State Governments. Sir, I think that this is highly unfair. The State Governments have their own difficulties no doubt but these difficulties do not justify an increase in the burden to be laid on the poorest people. There ought to be no discrimination in the principles underlying taxation and, to the extent that there is, I think we have a right to protest against them.

प्रो० डा० रघुवीर (मुम्बई) : उप-सभापति महोदय, इस विधेयक के सम्बन्ध में मैं केवल एक-दो बातें कहूंगा। सामान्य रूप से पंचवर्षीय योजना को आगे चलाने के लिये जितने भी धन की आवश्यकता शासन को हो, अथवा जनता को हो, उतना धन उनको मिलना चाहिये यह बात निर्विवाद है। इसमें कोई भी मतभेद इस भवन में नहीं है और न होगा। किन्तु, इस बात को मानते हुए भी हमको यह अवश्य ध्यान में रखना चाहिये कि नये कर लगाना जनता को कभी प्रिय नहीं होता। कर को सदा से ही भार माना गया है और प्राचीन लेखकों ने राजा को यह परामर्श दिया है कि जिस प्रकार से मधु-मक्खी बड़े कोमल रूप से एक-एक पुष्प पर जा कर थोड़ा थोड़ा बूद-बूद मधु इकट्ठा करती है, इसी प्रकार से राजा को भी, शासन को भी, कर इस प्रकार इकट्ठा करना चाहिये कि लोगों को कष्ट न हो।

“यथा मधुकरस्तथा समाहरे नृपः करान्।”

१९४५ में मुझे महाराज गोडल ने निमंत्रण दिया और उन्होंने अपनी यह विशेषता बतलाई कि हमारे राज्य में कोई कर नहीं लगाया जाता। यह अविश्वाम करन की बात नहीं है। गोडल राज्य में कोई भी किसी प्रकार का भी कर जनता पर नहीं था। गोडल महाराज “BEST” से और अपने दूसरे दूसरे व्यापारों से रुपया लाते थे और उन रुपयों से शासन का काम चलाते थे और जनता के कार्यों पर, सड़कों आदि पर व्यय करते थे। लार्ड वेलिंगडन एक बार गोडल गए और उन्होंने कहा कि यह संसार के लिये एक आश्चर्य है, एक चमत्कार है कि यदि स्टेट अपने हाथ में उद्योग लेती है तो उसको जनता पर कर लगाने की आवश्यकता नहीं होनी चाहिये। लार्ड वेलिंगडन ने कहा था कि यह स्वर्ण-भूमि है और यदि मेरे लिये सम्भव होता, तो मैं अपनी सेवा से निवृत्त हो कर अवश्य ही उस राज्य में आ कर बस जाता। मैं अपने मंत्री महोदय से यह प्रार्थना करता हूँ— इस आशा में नहीं कि वह यह मानेंगे, किन्तु अपना धर्म समझ कर—कि करें को थोड़ा करने का यत्न करना चाहिये। जिस जिस राज्य ने उद्योग को अपने हाथ में लिया है, उस उस राज्य ने जनता पर से करों को कम किया है। रूस में, चीन में, चेकोस्लोवाकिया में, हंगरी इत्यादि देशों में, कर लगाने की आज क्या पद्धति है? समय के अभाव के कारण मैं उस पर कुछ नहीं कहूंगा, किन्तु शासन का यह कर्त्तव्य है कि उस पर ध्यान दे।

नये करों से जितना रुपया आयेगा क्या वह सब का सब पंचवर्षीय योजना में लगेगा? विभिन्न लेखकों ने इसका अनुमान लगाया है। उनमें कुछ का अनुमान है कि केवल ७० प्रतिशत योजना में लगेगा। वित्त मंत्री महोदय का कर्त्तव्य है कि वे अपना अनुमान दे कि वास्तव में कितना रुपया योजना में लगेगा और कितना रुपया प्रशासनादि में।

[प्रो० डा० रघुवीर]

औद्योगिक विकास का आधार वह धन है, जो कि जनता बचाती है, राष्ट्र बचाता है और उद्योग में लगाता है। इन कर्ों को लगाने से लोगों की धन बचाने की शक्ति बहुत थोड़ी हो जायेगी। कितनी थोड़ी हो जायेगी, इसका भी अनुसंधान हो जाना चाहिये। हम आज वैज्ञानिक युग में निवास करते हैं। वैज्ञानिक युग की विशेषता यह है कि प्रत्येक बात पर अनुसंधान किया जाता है। मैं चाहता हूँ कि टैक्सेशन भी, कर लगाना भी, एक अनुसंधान का विषय बनाया जाय, एक प्रयोग का विषय बताया जाय। प्रत्येक बात का प्रयोग कीजिये कि जनता का उत्साह उससे घटा या जनता का उत्साह उससे बढ़ा अथवा हमारी योजना में उससे सहायता मिली, कितनी सहायता मिली और किस प्रकार से मिली। जब तक यह अनुसंधान का विषय नहीं बनेगा तक तक मुझे भय है कि जनता को भी यह विश्वास नहीं होगा कि जितने भी कर हम से लिये गये उनका वास्तव में ठीक प्रयोग किया गया।

इस सम्बन्ध में मैं रेलों की ओर भवन का ध्यान आकर्षित करना चाहता हूँ। रूस में, जहां कि आज ४० वर्षों से साम्यवाद अपना बड़ा भारी प्रयोग कर रहा है और चीन में, जहां कि आज ८ वर्षों से साम्यवाद का प्रयोग हो रहा है, वहां भी रेलें बहुत थोड़ी हैं। यह ठीक है कि हमारी अपेक्षा रूस की जनता भी थोड़ी है किन्तु, सम्भवतः हमारी अपेक्षा रूस की रेलों की आवश्यकतायें थोड़ी नहीं हैं। पिछले वर्षों में प्रत्येक देश में उन्नति हुई है। अमेरिका से ले कर रूस तक और चीन तक, इन देशों ने जितनी आर्थिक उन्नति की और जितना उद्योग को बढ़ाया, उस उद्योग के बढ़ाने का और रेलों के बढ़ाने का क्या अनुपात रहा है? मैं अभी तक इन आंकड़ों को इकट्ठा नहीं कर पाया हूँ किन्तु सामान्य रूप से जिस परिणाम पर पहुँचा हूँ वह यह है कि हमकी रेलों पर अभी बहुत रुपया लगाने की आवश्यकता नहीं

है। ४८०० करोड़ में से ११२५ करोड़ रुपया रेलों पर लगना था। अब योजना का व्यय बढ़ता जा रहा है, तो अब रेलों पर १३०० करोड़ रुपया लगेगा या १४०० करोड़ रुपया लगेगा या १५०० करोड़ रुपया लगेगा यह मैं नहीं कह सकता। कारेन एक्सचेंज, विदेश विनिमय, में से ७०० करोड़ के लगभग रेलें खा जायेंगी। जो लोहे का उत्पादन हम करेंगे वह लोहा कहां जायेगा? क्या उद्योगों में लगेगा? नहीं, उसका अधिकांश भाग भी रेलें खा जायेंगी। जो कोयले का उत्पादन हम करते हैं, उसका भी एक बड़ा भारी भाग रेलें खा जाती हैं। मैं रेलों का द्वेषी नहीं हूँ, रेलें आवश्यक हैं, किन्तु मैं यह निवेदन करना चाहता हूँ कि इस योजना-काल में, इन ५ वर्षों के अन्दर १३०० करोड़ या १४०० करोड़ रुपया रेलों में न लगा कर हम अधिक से अधिक सामग्री—कोयला, लोहा या जो कुछ भी अन्य वस्तुएँ हैं जो हम एक स्थान से दूसरे स्थान पर ले जाना चाहते हैं उनमें से जो वस्तुएँ सड़कों से ले जाई जा सकती हैं, पानी से ले जाई जा सकती हैं—उनको सड़कों से ले जायें, पानी से ले जायें। रूस का अनुभव यह है, अमेरिका का अनुभव यह है और आज चीन भी इस बात को अनुभव कर रहा है कि “स्टीम ट्रैक्शन” भाप द्वारा रेलों से अथवा बिजली द्वारा रेलों से माल ले जाना बहुत मंहगा पड़ता है। हमारे देश में सदा ही यह कहा गया है कि “लेवर इंटेंसिव प्लान” होना चाहिये, जिसमें लोगों का बहुत योग हो। जो आंकड़े मेरे पास हैं, मैं नहीं कह सकता कि वे बहुत ठीक हैं। सम्भव है, उनमें दो, चार या दस प्रतिशत इधर-उधर भूल हो, वह आप ठीक कर लें। सामान्य रूप से लोगों ने यह अनुभव किया है कि यदि रेलों के स्थान में हम सड़कों से सामग्री ले जायें तो हम ८० गुना अधिक लोगों को काम में लगा सकेंगे। आज हमारे यहां डेढ़ करोड़ व्यक्ति ऐसे हैं, जिनके पास काम नहीं। यदि केवल स्टीम

ट्रैक्शन का वह भाग जो कि आज बहुत अधिक रुपया ले रहा है, उसको थोड़ा सा कम कर दिया जाये और स्टीम ट्रैक्शन को निकाल कर रोड ट्रैक्शन द्वारा हम सामग्री ले जायें तो दो करोड़ व्यक्तियों को काम में लगा सकेंगे ।

एक आननीय सदस्य : दो करोड़ ?

प्रो० डा० रजुबीर : दो करोड़ नहीं होगा तो डेढ़ करोड़ होगा, डायी करोड़ होगा । स्थिति यह है कि रेलवे की अपेक्षा सड़क द्वारा माल ले जाने में जनता की संख्या करोड़ों में होगी, जो इस काम में लगेगी ।

एक दूसरी बात कह कर मैं बैठ जाऊंगा । वह यह है कि राजनीति में हमारा देश मध्य मार्ग का अनुसरण कर रहा है । मैं चाहता हूँ कि यदि हमको अपनी योजना सफल करनी है तो उस सफलता का आधार एक विशेष सिद्धान्त ही नहीं मान लेना चाहिये जो कि अटल या अचल हो यदि हमारा आधार सिद्धान्त की दृष्टि से अटल नहीं है तो हम वैज्ञानिक दृष्टिकोण से चलें, प्रयोग करें और देखें कि कौन से उद्योग हैं जिनको जनता ठीक प्रकार से चला सकती है और कौन से उद्योग हैं जिनको शासन चला सकता है । उद्योगों को आप छोटे पैमाने पर चला कर देखिए, बड़े पैमाने पर चला कर देखिए । एक ही उद्योग के दो चार खंड कर दीजिए । उसमें से एक उद्योगपतियों को दीजिये, एक कोऑपरेटिव्स को दीजिये, एक श्रमिकों को दीजिये और एक शासन को दीजिये । फिर देखिए कि ब्यूरोक्रेसी उसको अच्छा चलाती है अथवा उद्योगपति उसको अच्छा चलाते हैं, किस में श्रमिकों को खाने के लिए अच्छा मिलता है । जहां तक श्रमिकों को सुविधाएं देने का सम्बन्ध है, उद्योगपति श्रमिकों का शोषण न कर सकें, यह बात निश्चित रूप से देखनी होगी । उसके लिये शासन नियम बना देवे—जो श्रमिकों को सुविधाएं देनी हैं, जो उनको घर देने हों,

बेतन के बारे में जो उनकी आवश्यकता हो, इन सब के सम्बन्ध में शासन निश्चय करे । उत्पादन के काम में उत्साह पैदा करना, रुपया थोड़ा व्यय करना, मितव्ययिता आदि बातों को देखने के लिये वैज्ञानिक स्तर पर निर्माणरूपी लेबोरेटरीज खोलनी चाहियें जो कि इस देश में सब प्रकार की पद्धतियों का अध्ययन करें । कोई पद्धति दूसरे देश में सफल हुई है या नहीं, यह प्रश्न नहीं है । दूसरे देश की पद्धतियां हमारे देश में कौन सी और किस प्रकार सफल होंगी, इसका हमें अध्ययन करना चाहिये । इन शब्दों के साथ मैं अपना स्थान ग्रहण करता हूँ ।

JANAB M. MUHAMMAD ISMAIL SAHEB (Madras): Mr. Deputy Chairman, the middle class is amongst the people hit hardest by the new taxation policy. On the one hand the tax on their income is on the increase and thereby their income is decreased, and on the other hand articles of consumption are being subjected to forces which raise their prices. In these circumstances it will be very difficult for these classes to balance their budget and the question of their saving anything and their investing their savings for purposes of common good is very problematic. Sir, the middle classes, as is well known, are the backbone of the society; they are the real workers of the land and they should not be disabled or made vitally less enthusiastic by these measures in contributing towards the success of the Plan. The indirect taxes have really got an inflationary tendency. To a complaint made in this respect, the hon. Finance Minister said that the inflationary tendencies are already there and that the Government through these excise duties will be able to mop up a portion of the extra profits for the benefit of the exchequer and he implied that these excise duties need not raise the prices in many cases. The inflationary tendencies are due to the play of market forces and the prices will go up to a maximum that can be borne by the consumer.

[Janab M. Muhammad Ismail Saheb.]

Sir, he seems to have a very tender heart for the inflationary tendency, but I do not know whether the inflationary tendency has got any compunction or consideration for the ability or the inability of the consumer to bear the prices that those tendencies may put up. In certain other cases he admits that the excise duties do raise the prices and in such cases excise duties are designed to restrain consumption either to bring about internal investment or to increase exports. In certain cases I admit that higher prices may restrain and restrict consumption. For example if the price of sugar is raised, people may consume less sugar. That is a known fact but it does not stop there. In such cases human nature must be taken into consideration. It is a matter of common knowledge that if sugar is beyond the reach of people, they do not stop there; they take to other alternative articles; they go for gur or jaggery or such other things, and therefore no saving is effected thereby. So on this account there can be no investment. But it is true that when such articles are released from internal consumption there may be an increase in their export if there is a demand for export. But then such kind of exports, I say, is what may be called 'distress exports.' It won't be of any lasting good to the economy of the country. Proper and beneficial increase in exports must come about by really an increase in production.

Sir, then take the private sector, Increased targets have been set up in the Second Five Year Plan for this sector and they have to fulfil those targets in the vital interests of the country because the development in the private sector forms a vital part of the economy of the country as a whole. But the question is, under the present proposals of taxation and the conditions that will be created by giving effect to those proposals, how is this sector to find its resources for realising the increased targets that have been set for it? Everyone, the

common man, the middle class person and the upper class man has to bear heavier burdens under the new taxation policy. The Government want to mop up extra profits. They are increasing taxes on income and they cut even into the corpus of the capital through such taxes as those on wealth and expenditure, thereby reducing the wealth already formed through the savings of the people. Under the circumstances, one wonders how the private sector is to find its resources for enabling it to realise the targets set before them. I do not know whether the Finance Minister has said anything explicit or clear on this matter. If the targets of the private sector are not fulfilled, that will create a grievous gap in the development of the country. What I think is we must frame our Plan mainly basing it on our internal resources and work that Plan. Side by side with that we may have another set of projects and schemes which may be executed as and when we get sufficient foreign exchange and foreign aid. Otherwise, what will happen is if we are not clear-cut in this matter of keeping internal resources mainly separate from the foreign aid and foreign exchange, we will be landed in difficulties in the middle of the execution of the Plan. Then, it will be very difficult for the country to get back from the midstream. Then, if we set about to find foreign aid and exchange, the position of the country will have to be compromised in many directions and that is not good for the country.

Now, I want to deal with one or two concrete points which may bring in a sizable amount of foreign exchange to the country. One point is with regard to the export of raw goat skins, an export duty on the export of this article may be levied, beneficially to the industry as well as to the country as a whole. There was an export duty of 15 per cent on this article about thirty years ago, but on account of the agitation of certain interests representing foreign inte-

rests in this country that duty was abolished. Now, the demand for the levy, for the reimposition of this export duty has been kept up by the tanning industry during all these years. The country is in a pre-eminent position with regard to supply of raw goat skins. It has got the largest exportable surplus in the whole world. Therefore, one cannot say reasonably and with justification that this duty on raw goat skins will jeopardise our exports, because the world has to come to India for these supplies, because India, as I said, holds the largest supply of raw goat skins in the world and it is this country that can spare a very large amount of its production of this article.

Up to now, raw goat skins are being exported. It brings in a certain amount of foreign exchange. But then if the export of this article is reduced in the raw form and if it is encouraged to go out of the country in the manufactured form, that is, as tanned leather, the amount of foreign exchange that will accrue surely will be considerably higher. For every rupee that we are getting now through the export of raw goat skins, the country will get at least a rupee and a half by encouraging these goat skins to go as manufactured skins. And that encouragement has to come in the shape of an export duty on goat skins.

The same applies to the question of raw hides also. The O.G.L. was withdrawn some time ago. Then, the people understood that the raw materials that are required for the important industries of the country will be treated on a different footing from that of the rest of the articles, that licences would be readily granted for the import of such raw materials. But now with regard to hides, it is found that Calcutta which is one of the most important markets for such hides has no stock of these hides. Previously our country used to get these hides from the neigh-

bouring countries, countries like Aden and so on and these hides are necessary for keeping up the quantity as well as the quality of the tanning industry of the country. Now, if we have to pay—and we have to pay indeed—for these raw hides, we shall be able to get much more than we pay by way of foreign exchange, if we get them and tan them and send them out. These raw hides which will be imported will be tanned in a matter of two months and they will be exported and a ready market for these articles is there in the world. Therefore, the Government must pay immediate attention to these questions which will bring in in the very near future a much larger amount of foreign exchange to the coffers of the country.

Then, again, I want to mention one other factor, that is, as regards the handloom industry. It is well and proper, that the Government (*time bell rings*) is paying attention to the encouragement and the rehabilitation of the handloom industry. But what they are doing now is to bestow benefits only upon that portion of the handloom industry which has taken advantage of the co-operative movement. But more than half of the weavers have not gone into this movement. They have got their practical difficulties. And so what I plead is that the Government should not insist straightaway, here and now, that all these weavers must get into the co-operative movement for getting benefits out of the cess fund or excise fund that is allotted for the benefit of the handloom industry.

Co-operative movement is, of course, designed for the good of the country. But these are illiterate people. It will take some time for them to understand the benefit of it and also to manage the practical difficulty they are in. These people, who are much more than half of all the weavers of the country and who have not got into this movement, will in due course come to realise

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Saheb]

the benefits of the co-operative movement. Until then the Government must bestow substantial benefits on this portion of the people, i.e. the bulk of the weavers who are outside the co-operative movement.

SHRI MAHESH SARAN (Bihar).

Mr Deputy Chairman, ordinarily, this Finance Bill would not have been very much acceptable to the people, but realising that the Second Five Year Plan has to be implemented, we have to agree to it—and heartily agree to it—because the Plan is for making this country more efficient and more self-sufficient. Sir, we find that there have been a lot of taxes on the poor people and therefore, it is necessary that, as soon as this Bill is passed, care should be taken to see that the taxes which are collected are properly spent. Only collecting money by taxation is not enough. Therefore my submission would be that we should be very careful to do all that we can to manage things with small amount of money than we used to do. Just at present, we feel that there is luxury all round. There must be austerity. If we are sincere to succeed in the Second Five Year Plan, there must be economy all round. Take any department. You will find that there are too many people staff cars, chaprasis and things of that sort in every department. We must get the help of the teeming millions who are anxious to carry forward the Second Five Year Plan which requires all our attention, which requires all economy and which requires all our energy. In addition to levying these taxes we must also see how to get more money because the Second Five Year Plan requires much more and we are not having enough. As I said there should be economy in expenditure. Then, we should also have proper care that all the taxes are carefully collected. From the report of Estimates Committee we find that there has been evasion of hundreds of

crores of rupees in income-tax. If we go on like this and if the government servants who are employed to do all this work are so careless, I think that the proper atmosphere for the successful implementation of the Plan will never be there. In addition to this, we find in the Community Projects and in other big schemes that the Government has undertaken, that no proper attention is paid towards expense side. We find a lot of unnecessary expenditure in constructing superfluous buildings and things of that sort. So, I would humbly submit that the Government should at present be very very careful about expenditure.

We can get some more money if the small savings drive is intensified. This will bring us more money, and we will find that we are slowly getting more money and the difficulties that we are facing at present will slowly vanish.

Now, Sir, here is one important aspect of this question which to me appears to be very very necessary and that is that there should be a feeling of happiness, a feeling of enthusiasm in the people and there should not be a feeling of frustration, so that it is necessary for the Government to see that things which make people morose and sad and helpless are removed. If this is not done and if all the people do not enthusiastically take part in the Second Five Year Plan, I do not think we will achieve the results that we wish to achieve. Therefore it is necessary that those things which make people sad should be removed. The first and foremost is corruption. We find it everywhere, even in a small place. Take any town, take any district you find that nothing can be done without giving some bribe. Take the case of the police department. The first information report is not lodged unless you pay something and for a poor man to pay even a rupee or two is difficult. Then, you go to the civil and criminal courts. You must give something if

you want things to move. You go to the registration office. Things will not be registered unless you pay something so that this corruption is really making people feel sad and morose. The people do not know what to do. They come to us when we meet them. They say, "You are in Parliament. What are you doing?" How can things go on if corruption is worse than what it was before? And I am sorry to say that corruption has really increased and it has not gone down. Therefore, it is necessary for the Government in order to bring about a good feeling—a good response—from the people that corruption must be rooted out.

Then you find the delays in the movement of files from one place to another. Everywhere it is the same case—in the district, in the province, in the Government of India itself. We find that there is inordinate delay and files move from one place to another slowly. If you try to find out where a file is, you are unable to do it at all, so that this sort of thing is producing a sort of depression among the people. The Government should see that this state of things is removed.

Then again, matters are not disposed of quickly. Take for example the question of scholarships. Scholarships are given much later than the colleges and schools open. Take the case of other grants that are made to the different institutions. They are made too late. There should be efficiency. Things cannot go on if there is no efficiency. People have to borrow, beg or steal in order to carry on till the government gives the money. Therefore, it is necessary that the files are disposed of at the proper time.

The other most depressing aspect of the whole question is the rise in prices of all things. In addition to these taxes, there is rise everywhere in prices of articles and especially of foodstuffs. The prices have risen

greatly. We want to carry out the Second Five Year Plan. We are willing to pay the taxes. We are willing to help in all the ways that is possible. But unless the Government is careful to do things in the proper way, to do things in an efficient way, to do things in a way which creates confidence among the people, it is not possible to expect that result which ordinarily should ensure.

My submission is, Sir, that we support this Bill, but all the same, it is the duty of the Government to create an atmosphere of austerity, an atmosphere of one-mindedness and an atmosphere of a will to carry out the Second Five Year Plan in a way that will show that they are in earnest right.

SHRI A DHARAM DAS (Uttar Pradesh) Mr Deputy Chairman, so far as the income-tax, super-tax and surcharges etc., are concerned, they relate mostly to the people who are fairly well-off and who can spare it without any, or much, hardship on themselves. Of course, I have full sympathy with the members of the lower middle class who, with small incomes of about Rs 300 a month and with 5 or 6 members of the family to support, are not even in a position to give any education worth the name to their children. In their cases, the lowering of exemption limit inflicts a great hardship. The evil has however been mitigated as the hon. Minister has been pleased to grant some concessions and lowered the rate of tax on their incomes.

I, however, speak for more than 99·75 per cent of the people, most of whom do not get even two square meals a day and have to remain contented with only a part of their requirements of food, clothing, shelter, education, medical aid etc. They do not possess the capacity to pay even the existing indirect taxes and but for their enthusiasm for the success of the Five-Year Plans with the hope of getting a better living

[Shri A. Dharam Das.]
for their children in the future, they would have simply broken down under the ruling high prices.

Sir, food problem has been the greatest worry of our life during the last ten years, and unfortunately efforts for its solution seem always to have gone away. In the present state of price index, the imposition of excise duties or their increase on essential commodities has an adverse effect on the common man. Poor tax-payers talk of the income-tax evasions to the extent of several hundred crores of rupees, and they say that if the Income-tax Act were strictly and honestly administered, there would have been no need of increasing the burdens of the people of low income groups and of raising excise duties on articles which are more the needs of the poor men than of the rich classes.

The common man has, however, been found to be a passive victim of the taxation policy of the Government. Others express their grievances in 101 different ways and demand their redress. They lodge their protests on the slightest pretext to have their burdens made lighters, but the poor tax-payer takes every encroachment on his already depleted household budget without any fuss. And there is no denying the fact that indirect taxation has been increasing year by year and has been causing a great hardship to the families of low income groups.

Moreover, Sir, excise duties rope in all the people, good, bad or indifferent. By this I mean to say that whether the people have been benefited by the Plan outlay of about Rs. 900 crores a year or not, whether they have remained unaffected by the development schemes or whether their finances have worsened as a result of any such schemes, all have to pay the duty imposed along with the middle man's profits, whatever he may be disposed to charge.

The hon. Minister is said to have stated that the effect of his taxation proposals on the common man would be very marginal and the traders' present margin of profit should absorb much of the increase. He is said to have made a similar statement on another occasion also. But I am sorry to say that this is contrary to what actually happens. Most traders will not only pass on the whole of the tax to the consumer, but will also raise the prices sufficiently high so as to make additional profits in the bargain. It will, therefore, be well for the hon. Minister to take from the very beginning all necessary steps to prevent traders from exploiting the consumers. A directive should be sent round right now and sufficient publicity given to it so that the ignorant masses may not be asked to pay more than the correct prices. The prices are already soaring high at the ceiling level and effective steps should be taken to check further rise, lest the whole structure of economy should be shaken to the core. In addition to the fair price shops for foodgrains, there should be fair price shops for other articles of merchandise also like cloth etc., so as to stabilise prices and have them pegged at a reasonable level.

It should, however, be noted that when taxation proposals are looked at in the context of the Second Five-Year Plan, they relate a different story. It is found that they are intended to impose an austerity living on the people so as to save more for the Plan. It is said that excise duties have been directed towards limiting consumption of the lower middle classes and the masses, more as a measure to check inflation rather than for the purpose of augmenting revenue.

The hon. Minister once stated that the duty on sugar had been deliberately raised because he wanted consumption to go down or rather not to increase. He said, "I would

like to freeze it at more or less the present level, unless it be that as income goes up in certain sectors, they want to pay the price." The Finance Minister's anxiety to freeze the consumption in the absence of sufficient quantities of consumer goods to go round that section of the people whose purchasing power is increasing as the result of the Plan outlay of about Rs. 900 crores a year, is quite understandable. Our administrative machinery is not sufficiently competent and efficient for complete controls, and unless the production of consumer goods is commensurate with the investment in the country, the inflationary pressure will persist and prices will rise. When the mills and factories which are being established in the earlier years of the Plan go into production, there will be plenty of consumer goods to absorb the surplus money in the hands of the people, and the need of price control by means of the imposition of excise duties will come to an end. It is hoped that the Minister will reduce these duties at that time.

Then, Sir, as for the implementation of Plan, nothing extraordinary or unexpected had happened to make us feel nervous about the fulfilment of the targets. What is happening was all foreseen, as possibilities which might handicap our efforts, and for this we felt that we should be ready to meet the situations as they arise, and if necessary, make readjustments. This is why we agreed to the flexibility of the Plan.

At the time of the discussions on the Second Five-Year Plan before its final adoption, Sir, some criticisms were made and doubts expressed in some quarters on various aspects of the Plan. It was said that the targets might not be capable of achievement, that development expenditure might exceed project estimates in some cases, that borrowings from small savings might not be up to our expectations, that foreign resources and our trade balances might not

provide the expected foreign exchange, that there might be a shortfall in the performance of the work due to any cause, etc., etc.

The Planning Commission also was alive to these uncertainties and had visualised that in spite of all efforts to keep to the schedule, the targets might not be achieved at the expected time or further allocations of funds might have to be made. It, therefore, had decided to allow sufficient flexibility to the re-examination and reconsideration of the whole position from year to year in the very beginning of the Plan and to make suitable adjustments in the light of the experience gained, so that the progress of the Plan might not be impeded or retarded by any such drawback.

The success of the Plan being the chief objective of the internal activities of the nation for these five years, it was also realised that even the level of taxation might have to be adjusted and altered in accordance with the needs of the Plan or as found necessary to counteract the inflationary pressure. I am sorry that suggestions should have been made in some quarters for the pruning of the Plan. What a regret that our courage and conviction should have given way at the very beginning of the second year of the Plan!

The only new factor which may cause any worry to us is the rise in our requirements of foreign exchange to the extent of about Rs. 400 or Rs. 500 crores.

But there are still 3½ years to go, and the problem may be solved by the application of various measures, by efforts to secure foreign finance. We may even be favoured by nature and have good harvests for a couple of fat years in succession in addition to the efforts that are being made all over the country.

[Shri A Dharam Das]

Originally, as included in the break-up of the internal resources of Rs 2,400 crores, we had to raise by additional taxation Rs 450 crores. The uncovered gap of Rs 400 crores has also to be raised ultimately by taxation. On account of the persisting inflationary conditions and the rising trend of prices, it has been felt that our economy would not be able to absorb the deficit financing to the extent of Rs 1,200 crores. Hence, Rs 40 crores of it has been decided to be raised from domestic resources, mainly through taxation.

This makes up a total of Rs. 1,250 crores to which we committed ourselves in full consciousness of difficulties, and this is wholly our internal affair and completely in our control, and we should not go back on this commitment.

What has happened since the adoption of the Plan is that due to the Suez Canal crisis and some allied causes and due to ever-mounting tension in the Middle East, the prices of machinery and equipment which we need for our development programmes under the Second Five Year Plan have risen in foreign markets to an extent not expected at the time of formulation of Plan estimates, and our estimates of resources and foreign exchange requirements have gone up by about Rs 400 or Rs 500 crores. It is this new situation to meet which the nation must take up full responsibility and the Government should use every possible means to earn foreign exchange. Unfortunately, the world situation has caused some relaxation in the enthusiasm of the people also and there appears to be some slackness in the mobilisation of efforts in various directions. Small savings have fallen below our expectations; the States have shown some hesitancy in launching on public borrowing programmes, additional taxation has not gone up in States

to the extent it was envisaged, and there seems to be a feeling of a sort of stand-at-ease in some quarters. The Finance Minister has rightly taken the people into confidence by placing the real situation before them so as to obtain their full co-operation in accelerating the speed of development and the mobilisation of Plan resources.

Everyone of us should be able to recall an instance from our personal knowledge of a family belonging to the low income group planning to build a house. Such a family would feel that all possible resources have to be tapped in order to raise money, collect materials, and make necessary constructions. Such a family is confronted with difficulties at almost every step. Money has to be pooled together from members of the family and near relations, money has to be borrowed from distant relatives and friends, materials have to be bought on deferred payments, expenses of the family have to be cut down to the minimum possible, and if it is found that the resources still fall short of the requirements, efforts are made to tighten the belt and make all possible sacrifices so as to complete the planned construction. Similar is the case with the reconstruction plans of our poor nation, and we as its members should be prepared to suffer privations, contribute money to Government loans, be ready to tighten our belts when direct and indirect taxation is resorted to to raise finances for the Plan. We should keep consumption at a low level so as to help exports to earn foreign exchange. We should offer incentives to foreign investors and do all that is necessary to make the Plan a success. I am sure that we as members of the family of the Indian nation have the same attitude towards the reconstruction of the country as the members of the family in my above-mentioned illustration have towards the building of their house. And if we have it, the Plan is bound to go through.

With these observations, I commend the financial proposals contained in the Finance Bill for the acceptance of this hon. House

SHRI J. H. JOSHI (Bombay): Mr. Deputy Chairman, the taxation proposals as incorporated in the Finance Bill are now before the House, and I think the common man, the middle classman, will view these proposals as hitting him hard. When I spoke last time, I said that it is the middle classman who would be hit

hard. He has borne the brunt of the battle of independence, and he has been the forerunner of the reforms in our society as well as in other societies also. I feel that he should be spared as far as possible. I will cite some figures which show in what measure tax evasion is going on, and if that is plugged, I feel that the burden on the middle class man can be lessened. I will give comparative figures for Sweden and India.

Income in thousand rupees	Sweden		India	
	No. of tax-payers	Amount Collected in crores of rupees	No. of tax-payers	Amount collected in crores of rupees
10—15	75,420	93.76	50,364	54.14
16—25	42,240	81.65	35,640	57.73
26—40	14,287	41.68	16,220	43.18
41—55	4,252	17.97	5,468	21.68
56—85	2,476	18.57	1,339	9.06
	1,38,675	253.63	1,09,031	185.79

Now, from all these figures, it is apparent that tax evasion is going on in this country on a large scale.

Now who are responsible for all this? It is partly those who have an interest in saving their money but partly the officers also are responsible. We have been taught by Gandhiji a new technique. That is if you want to achieve a very pure and high aim or object, the means for securing the same also should equally be pure and clean. Now here in this respect the persons who are in charge of collecting these revenues must be equally pure and clean. As I stated, there are persons who are interested in saving their money. For them a sort of code should be framed by the society itself. It must be a rigid one and if a person tries to evade the payment of tax, he should be black-listed by the people themselves or by

the society. If he belongs to a class of merchants or industrialists, the merchants or the industrialists themselves should come forward and blacklist his name and try to stop all deals with such a person.

Now as I stated something about the evasion, there is something which I would like to say about waste also. The plans are all right, they are carried out, the dams are constructed but what about the utilisation of the water-supplies? There is comparatively very little utilisation of the water which is stored in the dams. I am told by some persons in authority that hardly 20 per cent. of the total water-supply is being utilised by the agriculturists. What is the reason? There are a number of reasons and whatever they may be, but the over-all result is that it affects the food production adversely. We

have been trying to be self-sufficient so far as food production is concerned but we have not yet achieved the target. On the contrary, if the information is correct, I think we are going down so far as food production is concerned. One thing is certain that if the water is not properly utilised, there is huge investment and we don't take into account the amount of interest but still what affects us most is the loss of the benefit and no more production. Therefore Government should look into all these affairs and see that the water is utilised. One thing is obvious, namely, there is no coordination. The P.W.D. constructs the dams and the Central Government gives loans or grants and the State Governments carry on all these plans. So nobody has the interest and therefore there is no coordination. The second factor which is responsible for the low production of foodgrains is that the cultivators have now begun to grow cash crops rather than foodgrains. The third is the land reforms which we are required to implement. All the States are required to implement it by the Constitution but they are not being carried out with the speed with which they should be. The fourth suggestion which I would like to place before this House is that, just as there are Tolatis, Mamlatdars and Mahalkaris etc., to collect the revenue or the share of the yield, similarly there should be set up in the Agriculture Department an army of field workers whose duty it would be to move round every farm or field and show to the farmers there and then the improved methods whereby the agriculture may improve. It was expected of the village level workers and those who are engaged in the N.E.S. or Community Projects but that expectation does not seem to materialise. These workers are the army of hon. Mr. Dey but that army seems to have more interest in the entertainments and in the dances and garbas in the villages rather than in the distribution of manures or improved seeds or such other things. In

that direction also Government should pay some more attention. Now food production seems to have risen more in files and official statements than actually in the fields. This food problem therefore is becoming more and more serious and we know that cold war has been going on for years in our country. Sometimes it gets tepid and sometimes it becomes frozen but any moment at the slightest excuse it may grow into a conflagration and we cannot afford to remain depending upon other countries for our food supplies. It will be a day of calamity for us. I will not repeat what has been stated earlier by my friends but I may state this much that the Government should look into 2 or 3 things, stopping of the tax evasion, stopping of the wastage and stopping of corruption. On account of these three things, the treasury of our Finance Minister is always empty. It has more holes and leakages and whatever taxation proposals he may bring forward, the taxation itself is not a Kamadhenu which may go on keeping the treasury full; because of these tax evasions, waste and corruption, it goes on being empty. I feel that the Government should pay more attention to the economy side of this and stopping of the wastages rather than the collection side of this. Thank you.

سید مظہر امام - (بہار) ڈپٹی
چیرمین صاحب - اس فائلیس
بل پر جو اسوقت ہاؤس میں زیر
بحث ہے میں بھی کچھ عرض کرنا
چاہتا ہوں - اس میں شک نہیں
ہے کہ آج بحث کا دوسرا دن ہے اور
اس کے فیور اور اگلیسٹ میں کافی
بحث ہوئی ہے - بعض دوستوں نے
اس کی مخالفت کرتے ہوئے یہ کہا ہے
کہ جو ٹیکس لگایا جا رہا ہے اس سے
پبلک کو سخت نقصان ہوگا - میں
اور لوگوں میں ہوں جو یہ سمجھتے

روپیہ من چاول بک رہا تھا۔ میں جانتا ہوں کہ سرکاری رپورٹ میں قیمت کچھ کم ہے۔ مگر یہ حقیقت ہے کہ وہاں قیمت کم نہیں ہے۔ آج آپ دہلی شہر لے لیجئے ہم یہ۔ پی۔ لوگ یہاں دھتے ہیں۔ میں نہیں جانتا کہ ہم میں سے کوئی ایسا ہے جو بارہ آنہ یا تیرہ آنہ فی سیر سے کم میں چاول خریدتا ہے۔ غلہ کے علاوہ آپ کہتے ہیں کہ لیجئے یا شوگر کو لے لیجئے جلتا آپ نے ٹیکس بڑھایا ہے اس سے زیادہ ان کی قیمتیں بڑھ گئی ہیں۔ تو میں یہ کہنا چاہتا ہوں کہ حکومت کو اس طرح توجہ دینی چاہئے کہ اس کو کس صورت سے روکا جائے۔ میں نے پہلے بھی عرض کیا تھا اور آج بھی عرض کرنا چاہتا ہوں کہ جب آپ اس طرح کا ٹیکس لگانے جا رہے ہیں تو آپ کو پرائس کنٹرول کرنا ہوگا۔ اگر آپ پرائس کنٹرول نہیں کرتے ہیں تو اس کے معنی یہ ہوتے ہیں کہ علاوہ ٹیکس کے سرمایہ دار جس طرح سے چاہیں قیمتیں بڑھاتے رہیں اور پبلک ان کو دیتی رہے۔ آج آپ دیکھئے کہ ہم سرمایہ داروں کے دو گلی اور تین گلی قیمتیں دے رہے ہیں۔ میں کنٹرول کے ساتھ نہیں ہوں۔ میں یہ نہیں چاہتا ہوں کہ دستوری بدوشن آپ اپنے ہاتھ میں لے لیں۔ مگر میں یہ کہونگا کہ آپ کو ایک ایسی کمیٹی بلانی چاہئے جو یہ طے کرے کہ فوڈ کلائم اور شوگر کی

میں کہ جس وقت اس ہاوس نے نائڈو ایر پلان منظور کیا اسی وقت ہاوس کو یہ سمجھ لینا چاہئے تھا کہ اس کے چلانے کے لئے روپیہ کہیں سے لانا پڑیگا۔ منسٹرس کے پاس کوئی پرسنل روپیہ تو ہے نہیں جو وہ لگا دیتے۔ اس کے معنی یہ ہیں کہ ہم کو اس وقت سمجھ لینا چاہئے تھا کہ پبلک کے اوپر ۴۰ - ۲۰ - اس لئے آج ٹیکس کے خلاف بولنا میرے خیال میں مناسب نہیں ہے۔ جب ہم نے اتنا بڑا پلان پاس کر کے گورنمنٹ کے ہاتھ میں دیدیا ہے کہ تم اس کو چلاؤ تو یہ بھی ہمیں منظور کرنا ہوگا کہ اس کو چلانے کے لئے وہ جس صورت سے چاہیں ٹیکس لگائیں۔ ٹیکس لگانے کے سلسلہ میں مجھے یہ ضرور شکایت ہے کہ آپ ٹیکس لگانے کے بعد خاموش بیٹھ جاتے ہیں۔ آپ یہ نہیں دیکھتے ہیں کہ یہ سرمایہ دار اور مل اونر کس طرح مارکیٹ میں قیمتیں بڑھا دیتے ہیں۔ اگر ایک روپیہ پر ایک آنہ یا دو پیسہ ٹیکس لگتا ہے تو تمام چیزوں پر اس ٹیکس کی وجہ سے دو آنے اور چار آنے فی روپیہ مارکیٹ میں قیمت بڑھ جاتی ہے۔ ان چیزوں کو ہماری گورنمنٹ نہیں دیکھتی اور یہی ہمیں شکایت ہے۔ میری رائے میں گورنمنٹ کو ایک ایسا پلان بلانا چاہئے جس سے قیمتیں نہ بڑھیں۔ آج غلہ کی کیا حالت ہے۔ میں پتہ سے آیا ہوں اور وہاں ۲۸

[سید مظہر (امام)]

کیا قیمتیں ہونی چاہئیں۔ کاشتکار کس حساب سے اپنا غلہ بچھے اور کپڑے کی کیا قیمت ہونی چاہئے۔ یہ چیزیں وہ کمیٹی طے کرے اور طے کرنے کے بعد اس کا اعلان کیا جائے تاکہ دوکاندار اپنی دوکانوں پر اس طرح کی ایک فہرست لگا دیں۔ اگر کوئی دوکاندار اس کے مطابق کوئی چ نہ دے تو پبلک کو یہ اختیار ہونا چاہئے کہ وہ پولیس کے پاس جائے۔ جو سوشل سروس کرنے والے لوگ ہیں میرے خیال میں ان کا سب سے بڑا کام شہروں اور دیہاتوں میں یہ ہونا چاہئے کہ وہ یہ دیکھیں کہ دوکاندار اس قیمت پر جو گورنمنٹ نے طے کیا ہے چیزیں بیچتے ہیں یا نہیں۔ اور پبلک کو اس قیمت پر چیزیں ملتی ہیں یا نہیں۔ اگر تمام جماعتوں نے وہ دیکھا تو یہ کام کرے گی تو جہاں تک میرا خیال ہے کہ کوئی دقت نہیں ہوگی۔ آج

[THE VICE-CHAIRMAN (SHRIMATI SAVITRI DEVI NIGAM) in the Chair.]

یہ سمجھا جاتا ہے کہ کنٹرول کرنے کے بعد چیزیں انڈر گزاونڈ چلی جائیں گی اور بڑی دقتیں درپیش آئیں گی۔ میرے خیال میں دقتیں ہونگی مگر ہمیں ان کا سامنا کرنا چاہئے۔ میں پوچھنا چاہتا ہوں کہ اگر آپ اس چیز میں جانا نہیں چاہتے ہوں اور وہ جتنی چاہیں قیمتیں بڑھا دیں تو اس کو کون روکیگا۔ حکومت کا یہ فرض ہے کہ جو دقتیں ہیں ان کا وہ سامنا

کرے۔ اس لئے مہر، یہ گذارش کرونگا کہ اس طرح کی ایک کمیٹی بنائی جائے جو ملک میں پرائس کنٹرول قائم کرے اور یہ دیکھے کہ اس کے مطابق پبلک کو چیزیں ملتی ہیں یا نہیں۔ میں گورنمنٹ کو یقین دلانا چاہتا ہوں کہ اگر آپ نے پرائس کنٹرول کیا اور صحیح قیمتوں پر لوگوں کو مارکیٹ میں چیزیں ملنے لگیں تو آپ کے ٹیکس کا بوجھ پبلک محسوس نہیں کریگی بلکہ پبلک خوشی سے ٹیکس دیگی۔ لیکن آج ہوتا یہ ہے کہ آپ ایک پیسہ ٹیکس لگاتے ہیں تو سرمایہ دار اس کے یہاں ہم سے چار پیسے لے لیتے ہیں۔

دوسری چیز میں غلہ کے بارے میں کہونگا آج پیداوار کی کمی کی شکایت ہے۔ میرا یہ کہنا ہے کہ حکومت کو پلان میں سب سے زیادہ پرائزٹی ایبری گیشن تیارگمنٹ کو دینی چاہئے۔ آج ایبری گیشن زمین تھن تیارگمنٹ میں بٹا ہوا ہے۔ میرے خیال میں اسٹیٹ اور سینٹر میں ایک تیارگمنٹ ہونا چاہئے جو صرف ایبری گیشن کا کام دیکھے۔ کئی تیارگمنٹ میں بٹے ہونے کی وجہ سے آج پانی کے ریٹس بہت زیادہ ہیں اس بات چنگہ کاشتکار پانی سے فائدہ نہیں اٹھا پاتے ہیں۔ اگر آپ کو غلہ کی پیداوار بڑھانی ہے تو آپ کو پانی کے ریٹس کم کرنے ہونگے اور تمام

اسٹیمپس میں بھی یہ دیکھنا ہوگا کہ کاشتکاروں کو کم قیمت پر پانی ملے۔ ایک بات یہ بھی ہے کہ کاشتکاروں کو پانی وقت پر نہیں ملتا ہے جس سے ان کی فصل نباہ ہو جاتی ہے۔ آج یہ دیکھنے والا کوئی نہیں ہے کہ کب ان کو پانی ملنا چاہئے اور کب نہیں ملنا چاہئے۔ جس علاقہ میں تھوبوبیس یا اس طرح کی چیزیں موجود ہیں اور الیکٹرک سے پانی سپلائی ہوتا ہے۔ اگر وہاں وقت پر کاشتکاروں کو پانی نہیں ملتا ہے تو اس کا نتیجہ یہ ہوتا ہے کہ غلہ کا پروڈکشن جو ہم کرنا چاہتے ہیں وہ نہیں ہو پاتا ہے۔ اس لئے میں آپ سے یہ کہونگا کہ آپ اس پر توجہ دیں اور ایری گیشن کا ایک تھیوریٹکس بنا کر یہ دیکھیں کہ لوگوں کو وقت پر اور کم قیمت پر پانی ملے۔ میرے خیال میں ایکریکلچر کے جتنے بڑے بڑے تھیوریٹکس کام کرتے ہیں ان کا کام آپ فی الحال روک دیجئے اور صرف ایری گیشن کی طرف توجہ دیجئے۔ جہاں پانی کی ضرورت ہو وہاں کڑویں کھوکھ تالاب کھوکھ کر اور ندیوں پر باندھ بذاکر کاشتکاروں کو پانی دیجئے اور پھر آپ بہ دیکھیں گے کہ غلہ دوگنا اور تین گنا پیدا ہوتا ہے یا نہیں۔ کس طرح کا گھہوں ہوگا یا نہیں ان چیزوں کو آپ چھوڑ دیجئے۔ میں یہ بھی کہونگا کہ آج کھان کی ضرورت نہیں ہے کھونکہ ہمارے ہندوستان

کا کاشتکار خود کھان بیار کر لیتا ہے کہ آپ صرف پانی دیجئے۔ اور اگر آب بانی دیدیں گے تو ایک چھوٹے کاشتکار کی حیثیت سے میں یہ کہہ سکتا ہوں کہ ہم دوگنا اور تین گنا غلہ پیدا کرے آپ کو دیدینگے۔ جو روپیہ آپ دوسرے تھیوریٹکس پر خرچ کر رہے ہیں اسے ایری گیشن پر آپ خرچ کیجئے تاکہ لوگوں کو وقت پر اور کم قیمت پر پانی مل سکے۔ اگر آپ نے ایسا کیا تو اس کا نتیجہ یہ ہوگا کہ ہمارے ملک کی پیداوار کافی بڑھ جائے گی۔

آخر میں میں ایک بات اور کہہ کر بیٹھ جاؤں^۱۔ جو آپ ویلنٹھ ٹیکس اور ایکسپینڈیچر ٹیکس لگا رہے ہیں اس کو آپ ایک اچھے مقصد کیلئے لگائیے۔ میں نے اکثر یہ عرض کیا ہے کہ جب میں بجٹ کو دیکھتا ہوں یا فائو ایر پلان کو دیکھتا ہوں تو تمام چیزیں میں ان میں پاتا ہوں مگر جو اس ملک کے رہنے والے غریب بوزے مرد اور بوزی عورتیں اور یتیم بچے ہیں ان کیلئے کوئی پروویژن نہ بجٹ میں پاتا ہوں اور نہ فائو ایر پلان میں پاتا ہوں میں سمجھتا ہوں کہ جن کی دیکھ بھال کرنے والا کوئی نہیں ہے جو اپنی ضعیفی کی وجہ سے کام نہیں کر سکتے ہیں اور جو درختوں کے نیچے پڑے رہتے ہیں ایسے لوگوں کے لئے انڈیپنڈینس کے بعد گورنمنٹ

[सिद्द म्पहर अमाम]

का ये फरुस हो जाता है कि वे अपने
बजट में कुछ न कुछ प्रोव्हीन
करें - अस लूँ मैं ये कहूँ का कि
विलेन टैक्स और एक्स्पेंडिचर टैक्स
अम्हों से लिखन ग्रुपों पर खर्च किया
जाएँ और कम से कम बजट प्रोसेडर
शुन अन के लूँ मारक कर दिखलें -
अप अस्तिट्स को भी ऐसा करने के
लूँ म्पहोर किखलें जैसा कि ए-पी-
गुवर्नमेंट ने अलान किया है कि वे ऐसे
अलन बोकोन को प्रोव्हीन दिखी जन का
दिखलें वाला कौन नहिये है - अस
मामले में सिन्ड्रे की तरफ से
अस्तिट्स को मदद मलनी चालें और
ये कहा जाना चालें कि प्पुजस प्रोसेडर
हम दिख और प्पुजस प्रोसेडर नम दो
अर अल अस्किम भला कर ऐसे लोकोन
को दर्याफत करु जन्की दिख, भाल
करने वाला कौन नह हो नाह अन की
मदद की जा सके - अस तरा अर विलेन
टैक्स और एक्स्पेंडिचर टैक्स का
ऐसा करुनी म्पहोर म्पुवद नकाला कहा तो
दिखे वाले भी खुशी से दिखें गे
अर एडिप भी दलानि दिखें गे -
अखर में में ये बातें कह कर
अस ल को सुवदत करता हूँ -

†[सिद्द म्पहर इमाम (बिहार) :
डिप्टी चैयरमैन साहब ! अस फाइनेस बिल
पर जो अस वक्त हाउस में जेरेबहस है, मैं
भी कुछ अर्ज करना चाहता हूँ । अस में शक
नहीं है कि आज बहस का दूसरा दिन है और

असके फेवर और अग्रेस्ट में काफी बहस
हुई है । बाज दोस्तों ने इसकी मुवाल्फत
करते हुये यह कहा है कि जो टैक्स लगाया
जा रहा है, उससे पब्लिक को सख्त नुकसान
होगा । मैं उन लोगों में हूँ, जो यह समझते
हैं कि जिस वक्त अस हाउस ने फाइव इयर
प्लान म्पुज किया, उसी वक्त हाउस को यह
समझ लेना चाहिये था कि असके चलाने के
लिये रुपया कहीं से लाना पड़ेगा । मिनिस्टर्स
के पास कोई पर्सनल रुपया तो नहीं, जो वह
लगा देते । असके मायने यह है कि हम को
उसी वक्त समझ लेना चाहिये था कि पब्लिक
के ऊपर टैक्स लगेगा । असलिये आज टैक्स
के खिलाफ बोलना मेरे ब्याल में मुनासिब
नहीं है । जब हमने इतना बड़ा प्लान पास
करके गुवर्नमेंट के हाथ में दे दिया है कि तुम
अस को चलाओ, तो यह भी हमें म्पुज करना
होगा कि असको चलाने के लिये वे जिस
सूरत से चाहें टैक्स लगायें । टैक्स लगाने के
सिलसिले में मुझे यह जरूर शिकायत है कि
आप टैक्स लगा देते हैं, लेकिन टैक्स लगाने
के बाद खामोश बैठ जाते हैं । आप यह नहीं
देखते हैं कि यह सरमायेदार और मिल ओनर
किस तरह माकट में कीमत बढ़ा देते हैं ।
अगर एक रुपया पर एक आना या दो पैसा
टैक्स लगता है, तो तमाम चीजों पर अस
टैक्स की वजह से दो आना और चार आने
फी रुपया माकट में कीमत बढ़ जाती है ।
अन चीजों को हमारी गुवर्नमेंट नहीं देखती
है और यही हमें शिकायत है । मेरी राय में
गुवर्नमेंट को एक ऐसा प्लान बनाना चाहिये
जिस से कीमत न बढ़े । आज गल्ला की क्या
हालत है । मैं पटना से आया हूँ और वहा
२८ रुपया मन चावल बिक रहा था । मैं
जानता हूँ कि सरकारी रिपोर्ट में कीमत
कुछ कम है । मगर यह हकीकत है कि वहा
कीमत कम नहीं है । आज आप देहली शहर
को ले लीजिये । हम एम० पी० लोग यहां
रहते हैं । मैं नहीं जानता कि हम में से कोई
ऐसा है जो १२ आने या १३ आने फी सेर
से कम में चावल खरीदता है । गल्ला के

अलावा आप कपड़े को ले लीजिये या शुगर को ले लीजिये । जितना आपने टैक्स बढ़ाया है, उससे ज्यादा इनकी कीमतें बढ़ गई हैं । तो मैं यह कहना चाहता हूं कि हकूमत को इस तरफ तबज्जोह देनी चाहिये कि इसको किस सूरत से रोका जाये । मैंने पहले यह अर्ज किया था और आज फिर अर्ज करना चाहता हूं कि जब आप इस तरह का टैक्स लगाने जा रहे हैं तो आपको प्राइस कंट्रोल करना होगा । अगर आप प्राइस कंट्रोल नहीं करते हैं, इसके मायने यह होते हैं कि इलावा टैक्स के सरमायेदार जिस तरह से चाहें, कीमतें बढ़ाते रहें और पब्लिक उनको देती रहे । आज आप देखिये कि सरमायेदारों को दुगुनी और तीन गुनी कीमतें दे रहे हैं । मैं कंट्रोल के हक में नहीं हूं; मैं यह नहीं चाहता हूं कि डिस्ट्रीब्यूशन आप अपने हाथ में ले लें । मगर मैं यह कहूंगा कि आपको एक ऐसी कमेटी बनानी चाहिये जो यह तय करे कि फूड, क्लार्थ और शुगर की क्या कीमत होनी चाहिये । काश्तकार किस हिसाब से अपना गल्ला बेचे और कपड़े की क्या कीमत होनी चाहिये ये चीज वह कमेटी तय करे और तय करने के बाद उसका एलान किया जाये ताकि दुकानदार अपनी दुकानों पर इस तरह की एक फहरिस्त लगा दें । अगर कोई दुकानदार इसके मुताबिक कोई चीज न दे, तो पब्लिक को यह अख्तियार होना चाहिये कि वह पुलिस के पास जाये । जो सोशल सर्विस करने वाले लोग हैं, मेरे ख्याल में उनका सबसे बड़ा काम शहरों और देहातों में यह होना चाहिये कि वे यह देखे कि दुकानदार कम कीमत पर जो गवर्नमेंट ने तय की है, चीजे बेचते हैं या नहीं और पब्लिक को उस कीमत पर चीजें मिलती हैं या नहीं । अगर तमाम जमायतों के हवाले गवर्नमेंट यह काम करेगी तो जहा तक मेरा ख्याल है, कोई दिक्कत नहीं होगी ।

[THE VICE-CHAIRMAN (SHRIMATI SAVITRI DEVI NIGAM) in the Chair.]

आज यह समझा जाता है कि कंट्रोल करने के बाद चीजें अन्डरग्राउन्ड चली जायेंगी और बड़ी दिक्कतें दरपेय आयेंगी । मेरे ख्याल में दिक्कतें होंगी, मगर हमें उनका सामना करना चाहिये । मैं पूछना चाहता हूं कि अगर आप इस चीज में जाना नहीं चाहते हैं और वह जितनी चाहे, कीमतें बढ़ा दें, तो उसको कौन रोकेंगा । हकूमत का यह फर्ज है, जो दिक्कतें हैं उनका वह सामना करे । इसलिये मैं यह गुजारिश करूंगा कि इस तरह की एक कमेटी बनाई जाये, जहां मुल्क में प्राइम कंट्रोल करे और यह देखे कि उसके मुताबिक पब्लिक को चीजें मिलती हैं या नहीं । म गवर्नमेंट को यकीन दिलाना चाहता हूं कि अगर आपने प्राइस कंट्रोल किया और सही कीमतों पर लोगों को मार्केट में चीजें मिलने लगीं, तो आपके टैक्स का बोझ पब्लिक सहसूस नहीं करेगी, बल्कि पब्लिक खुशी से टैक्स देगी । लेकिन आज होता यह है कि आप एक पैसा टैक्स लगाते हैं, तो सरमायेदार उसके बहाने हमसे चार पैसे ले लेते हैं ।

दूसरी चीज मैं गल्ला के बारे में कहूंगा । आज पैदावार की कमी की शिकायत है । मेरा यह कहना है कि हकूमत को प्लान में सबसे ज्यादा प्रायोरिटी इरिगेशन डिपार्टमेंट को देनी चाहिये । आज इरिगेशन डिपार्टमेंट तीन तीन डिपार्टमेंट में बटा हुआ है । मेरे ख्याल में स्टेट और सेंटर में एक डिपार्टमेंट होना चाहिये, जो सिर्फ इरिगेशन का काम देखे । कई डिपार्टमेंट में बटे होने की वजह से आज पानी के रेट्स बहुत ज्यादा हैं । इसलिये बहुत जगह काश्तकार पानी में फायदा नहीं उठा पाते हैं । अगर आपको गल्ला की पैदावार बढ़ानी है, तो आपको पानी के रेट्स कम करने होंगे और तमाम स्टेट्स में भी यह देखना होगा कि काश्तकारों को कम कीमत पर पानी मिले । एक बात यह भी है कि काश्तकारों को पानी वक्त पर नहीं मिलता है, जिससे उनकी फसल तबाह हो

[सैयद मजहर इमाम]

जाती है। आज यह देखने वाला कोई नहीं है कि कब उसको पानी चाहिये और कब नहीं मिलना चाहिये। जिम इलाका में द्यूव बैल्स या इस तरह की चीजें मौजूद हैं और इलेक्ट्रिक पावर में पानी सप्लाई होता है; अगर वहां वक्त पर काश्तकारों को पानी नहीं मिलता है, तो उसका नतीजा यह होता है कि गल्ला का प्रोडक्शन जो हम करना चाहते हैं वह नहीं हो पाता है। इसलिये मैं आपसे यह कहूंगा कि आप इस पर तवज्जोह दें और इर्रिगेशन का एक डिपार्टमेंट बना कर यह देखें कि लोगों को वक्त पर और कम कीमत पर पानी मिले। मेरे ख्याल में एग््री-कल्चर के जिनने बड़े बड़े डिपार्टमेंट काम करते हैं, उनका काम आप फिलहाल रोक दीजिये और सिर्फ इर्रिगेशन की तरफ तवज्जोह दीजिये। जहां पानी की जरूरत हो वहां कूप खोद कर, तालाब खोद कर और नदियों पर बांध बनाकर काश्तकारों को पानी दीजिये और फिर आप यह देखेंगे कि गल्ला दोगुना और तीन गुना पैदा होता है या नहीं। किस तरह का गेहूं हांगा या नहीं, इन चीजों का आप छोड़ दीजिये। मैं यह भी कहूंगा कि आज खाद की जरूरत नहीं, क्योंकि हमारे हिन्दुस्तान का काश्तकार खुद खाद तैयार कर लेगा। हमको आप सिर्फ पानी दीजिये; और अगर आप पानी देंगे, तो एक छोटे काश्तकार की हैसियत से मैं यह कह सकता हूं कि हम दोगुना और तीन गुना गल्ला पैदा करके आपको दे देंगे। जो एपया आज आप दूसरे डिपार्टमेंट पर खर्च कर रहे हैं, उसे इर्रिगेशन पर आप खर्च कीजिये ताकि लोगों को वक्त पर और कम कीमत पर पानी मिल सके। अगर आपने ऐसा किया, तो उसका नतीजा यह होगा कि हमारे मुल्क की पैदावार काफी बढ़ जायेगी।

आखिर में एक बात कह कर बैठ जाऊंगा जो आप वैल्थ टैक्स और एक्सपेंडिचर टैक्स लगा रहे हैं, उनको आप एक अच्छे

मकसद के लिये लगाइये। मैंने अक्सर यह अर्ज किया है कि जब मैं बजट को देखना हूं या फाइव इयर प्लान को देखता हूं, तो तमाम चीजें उनमें पाता हूं, मगर जो इस मुल्क के रहने वाले गरीब बूढ़े, मर्द और बूढ़ी औरतें और यतीम बच्चे हैं, उनके लिये कोई प्राविजन न बजट में पाता हूं और न फाइव इयर प्लान में पाता हूं। मैं समझता हूं कि देखभाल करने वाला कोई नहीं है जो अपनी जर्डी की बजह से काम नहीं कर सकते हैं और जो दरख्तों के नीचे पड़े रहते हैं ऐसे लोगों के लिये इंडिपेंडेंस के बाद गवर्नमेंट का यह फर्ज हो जाता है कि वह अपने बजट में कुछ न कुछ प्राविजन करे। इसलिये मैं यह कहूंगा कि, वैल्थ टैक्स और एक्सपेंडिचर टैक्स अमीरों से लेकर गरीबों पर खर्च किया जाय और कम से कम ५० परसेंट तो उनके लिये इयर मार्क कर दीजिये। आप स्टेट्स को भी ऐसा करने के लिये मजबूर कीजिये। जैसा कि यू० पी० गवर्नमेंट ने प्लान किया है कि वह ऐसे श्रीलंका लोगों को पेंशन देगी, जिनका देखने वाला कोई नहीं है। इस मामले में सेंटर की तरफ से स्टेट्स को मदद मिलनी चाहिये और यह कहा जाना चाहिये कि ५० परसेंट हम दें और ५० परसेंट तुम दो और एक स्कीम बना कर ऐसे लोगों को दरियाफ्त करो, जिनकी देखभाल करने वाला कोई न हो, ताकि उनकी मदद की जा सके। इस तरह अगर वैल्थ टैक्स और एक्सपेंडिचर टैक्स का ऐसा कोई बेहतर मकसद निकाला गया, तो देने वाले भी खुशी से देंगे और गरीब भी दुआये देंगे। आखिर में मैं यह बातें कह कर इस बिल को सपोर्ट करना हूं।]

SHRI KAILASH BIHARI LALL (Bihar): Madam Vice-Chairman, I cannot lay claim to understand the finances of the country; nor do I pretend to tender any advice to the Finance Minister on a subject which is so technical. But from a layman's point of view and from the point of view of the effects that these financial proposals of the Government may

have when they reflect on the people, I beg to make some submissions here.
2 P.M.

But before I do that, let me say one point. Look at the House which is almost empty now. A little while ago, it was still more empty. What is the procedure—I confess I am also a party to it—that ensures that the points urged by a Member speaking before an empty House is taken note of by Government and action is taken on them?

SHRI M. GOVINDA REDDY (My-sore): Your speech will be read.

SHRI B. K. MUKERJEE: The Minister is sitting.

SHRI KAILASH BIHARI LALL: I think he is a little more concerned with Defence.

THE DEPUTY MINISTER OF DEFENCE (**SHRI K. RAGHURAMIAH**): The Deputy Finance Minister has got urgent work in the other House and I am substituting for him.

SHRI KAILASH BIHARI LALL: I am not even critical of the Government.

THE VICE-CHAIRMAN (**SHRIMATI SAVITRY DEVI NIGAM**): All the points are taken note of and the Minister concerned will reply.

SHRI KAILASH BIHARI LALL: I think I would have served my purpose if some way could be devised to remedy what I have said above. The very condition of this House will strengthen the argument of those who think that this House is redundant, it is of no use. It reflects on the Members themselves and I confess I am a party to it also. I am not talking of anybody particularly but I wish some method could be devised by the Department of Parliamentary Affairs to make the proceedings of this House lively and to make the people both outside and inside take interest. Unless people inside take interest, people outside will not take interest.

SHRI M. GOVINDA REDDY: We thank God that you are here to make it lively.

SHRI B. K. MUKERJEE: This suggestion is valuable.

SHRI KAILASH BIHARI LALL: As I said earlier, I do not pretend to make any comments regarding the financial proposals but I only want to show how it is going to react on the people. In the first place, it is said that these proposals have come in a very aggravated form. They have come in the form of wealth tax, tax on expenditure, etc. We do not know how many kinds of taxation may be in the offing. There may be a tax on children, taxation on wives, taxation on husbands, taxation on breeding a family and so on. The other day, a Member, an ex-Minister, suggested there may be taxation on anybody having more than two children. So, there may be taxation upon taxation but the main purpose, I take it, is to make the second Plan a very ambitious one. I have nothing to say even against that but even the second Five Year Plan has to be looked at from the peoples' point of view, from the point of view of the people in the districts, in the towns and in the villages and we have to see how they feel. We may be publishing big volumes here showing what the second Five Year Plan is, how it is going to bring prosperity to the country, how it is going to raise the stature of our country in the world, etc. We may have all these things for our intelligentsia but we have to see how it affects the poor people. That story has been very lucidly narrated by my hon. friend, Mr. Mahesh Saran. I do not want to repeat that. Everywhere, wherever we go, we cannot escape the small of corruption. Those people feel that the engineers, the development officers who come there,—everybody who comes there—are after making money for themselves. This second Five Year Plan or any Plan that you may make for the well-being of the people, makes those very peo-

[Shri Kailash Bihari Lall.]

ple who come there and pretend to do good to the people, fatter. This has to be seen. Of course, it was very nicely narrated by Mr. Saran. Everywhere and in every department, corrupt people are there and the first thing is to root out corruption from our country. My point of view is that we must look at things from the point of view of the common people and we should find out how they affect the common people. The financial proposals are very nice and they have got every right to raise taxation and distribute them for the purposes mentioned. It is quite all right but then see how your policy affects the people. Look at the Education Department. You spend so much on education but see how it is affecting the people of the country. In the socialistic pattern of society, in the socialistic set up that we are having you heard the other day that there are reasons for maintaining Public Schools where the children of highly paid Government servants could read spending Rs. 200 over one small child.

SHRI B. K. MUKERJEE: Rupees 250

SHRI KAILASH BIHARI LALL: Why only Rs. 250? There are some who can spend Rs. 500 over one son. How does this fit in with our socialistic pattern? That is the thing to be borne in mind. I was staggered when I found the explanation from the Education Ministry that so much money has been set apart for giving to the Primary School Teachers in order to solve the unemployment problem. How can such an unemployment problem be solved by paying to the teachers that way? What kind of a teacher will he make? What kind of an education will he impart? I was going to give you some suggestions with regard to education which will solve the problem of education of the country and there will not be this indiscipline in the country among the students who are going to take charge of the country in the course of years. So, you have to bring reform in the

Education Department. You have to make up your mind as to what kind of an education you want to give and this should not be made a selling and purchasing affairs. Today, this selling and purchasing system is creating all sorts of indiscipline amongst the students and you are not getting the right sort of persons in the country. I would like to elaborate this point but I see the eyes of the Vice-Chairman upon the clock. I do not know how many minutes I have consumed. In any case, I do not think any use will be served by my now giving any suggestions to the Education Ministry. I shall give my suggestions at the meeting of the Education Committee.

The third point that I want to bring to the notice of Government relates to our system of breeding communalism in our administration. This is a thing which reflects on the life of the people and would reflect on the financial proposals also. You have seen how much the upheaval of 1947 cost the country. Two communities were engaged in bloodshed. The same thing may be repeated if you do not pay attention to the policy you have to follow as otherwise you will be helping communalism. You speak about raging a war against communalism but, all the time, you are helping this thing by your attitude. A new move has been started of placating this people or that people. All people inhabiting this country are common nationals. Why should you name them by particular denominations? That is one thing that should be borne in mind. Even during the discussion on the Hindu Code Bill, I had emphasised this point. Today also I take this opportunity of saying that unconsciously, unguardedly and unknowingly you are committing a mistake which will come upon your head one day or the other. Why should you always speak in terms of Hindus and Sikhs? You were in the habit of speaking in terms of Hindus and Muslims; at one time you were having Hindu-Muslim unity conferences and you saw the result. The result was that Hindus

and Muslims became two nations. Today you are doing the same thing again. Why can't you learn by your mistakes? Whenever you speak of Hindus and Sikhs you are committing the same mistake. I have seen responsible persons, Ministers, revered people always speaking of Hindus and Sikhs. This habit must cease. When you address the common nationals, why do you speak of Hindus and Sikhs? When I read such a thing in your Report, it pains me; it comes upon me so rudely and it so shakes my whole being that I cannot tell you what my reaction is. Because of this habit you will make them go on the same path on which the Muslims have gone. I say you will rue you will repent your course of action. If you continue in this habit one day you will have to frame the budget and provide in it again for rehabilitation, compensation and things like that. That is how this will affect our financial proposals. So you must correct your ways; correct your ideas with regard to that.

There is another thing that I wanted to say. You have to bring about some change of attitude so far as development of nationalism in the country is concerned. Of course, the reorganisation of States has become a settled fact; it has already settled down and the States have been formed but I personally do not know how far it is going to remain a settled fact. The other day when I attended a meeting—an important national meeting—I saw the question of Maharashtra and Gujarat cropping up again. How are you going to shape your opinion with regard to this question of parochialism? Communalism is a very dangerous thing but parochialism is worse than that because it has dug its roots in a very sinister way in our country. To follow an ostrich policy and to say that it is a bad thing and therefore let us not speak about it, let us hide our face from it, is not going to solve the problem. If you just follow an ostrich policy, I am sure it is not going to solve your problem; it will only make things worse. You

must follow the natural course; the Government has to recognise different linguistic units. You have already recognised it and formed Kerala; you have formed Andhra; you have formed Orissa. Only that will help you in achieving unity in the country. Why do you want to follow an ostrich policy and take the unreal as the real and hide your face from reality? (*Time bell rings*). So I was going to suggest to you that you should not shirk from the path of reality. The natural course would be for the Government to give opportunities to these units to develop in such a contented way that there may not be any feeling of hatred, feeling of animosity, feeling of jealousy against each other. For that you must fix the proportion for each unit so far as appointments in the Central Services are concerned. Today in the name of common nationalism and all those things, you want to throw dust in the eyes of the people. Those who are clever people, those who manage to get into places of responsibility can utilise their position to fill up places with their own men. Today they are doing it and I tell you, they are the worst parochialists and by their actions they are breeding that feeling of hatred in the people's hearts. But whenever they go before their bosses, they show themselves as if they are the greatest nationalists. This is deceiving nobody. Unless you come to the natural way of distributing justice to the people, there will be no end to jealousy, no end to heartburning, no end to bickerings and no end to backbiting against each other. If you want to end parochialism in the right sense and if you want to help the growth of nationalism, then you must adopt my suggestion.

I had still many points but as the bell has rung, I will take some other opportunity. Thank you.

SHRIMATI T. NALLAMUTHU RAMAMURTI (Madras): Madam, I do not know if it is in keeping with the traditions of the House for me to say how happy I am that you are in

[Shrimati T. Nallamuthu Ramamurti.]

the Chair. I congratulate you; this is the first occasion you are presiding over the destinies of this country and as such I feel very proud. It is not only in eulogistic terms that I say that but every woman ought to be proud when a woman takes the presidential Chair.

SHRI M. GOVINDA REDDY: Why? We are also proud.

SHRIMATI T. NALLAMUTHU RAMAMURTI: With regard to the Finance Bill, who will gainsay that all that it stands for is not inevitable and as a nation we should not commit ourselves to its purpose and aims and try to push them forward as much as possible? We won our independence after years of struggle and sacrifice, and the nation, in order to preserve this hardwon freedom, has to plan and achieve progress in economic, social, educational and moral spheres. For all this sacrifice and co-operation from all is necessary.

Without finance it is obvious nothing can be achieved and hence it is our duty to co-operate with the Government in every way to fulfil all that is best for the country's uplift and advancement. We, women, would like assistance for all our endeavours to serve our women in the field of education, health and social service. Education is fundamental to a nation's advance. In some countries as much as 70 per cent of the total budget is spent on education. Here the provision is very small. If the pace of free compulsory primary education, secondary education and university education, in fact, education at all levels including adult education, is to be accelerated, then funds have to be made available. Our teachers have to be paid a decent salary and their social status and position have to be raised.

Also in the social field, the uplift work among women and the depressed and oppressed classes, slum clearance in urban areas and improving the lot

of the people as a whole, all this requires finance. Many of our social service institutions like orphanages, widows' homes, vigilance homes, institutes and hospitals for women and children, these also need finance.

In Madras, the Indian Women's Association has built a Cancer Institute with a research laboratory and a hospital to serve the needs of anti-Cancer propaganda among the ignorant and the needy, and to provide for early diagnosis and cure. It has got 56 beds now and it is equipped with the most up-to-date equipment. This is a venture purely undertaken by the members of the Indian Women's Association, a voluntary agency which waits for funds to be released both from the Centre as well as from the State in order to enable it to serve as a model Cancer Research Centre for the whole of the South. And for this an application has already been sent by the Governing Body of the Institute to the Central Government to take it over as a cancer-Research Centre. I hope that all possible help would be given to make this service institution go ahead with all its aims and objectives to serve a very necessary cause, namely, to alleviate the intolerable and excruciating torture and suffering of the cancer-ridden patients.

Further, proper health service, compulsory medical inspection in schools and colleges and in voluntary welfare institutions like orphanages etc., have to be made available and for this purpose also funds are necessary. Hence we should all put our shoulders to the wheel and see that in all possible ways we stand by the efforts made by the Finance Minister to collect the necessary amounts to achieve all there—the targets set out in the second Five Year Plan.

Having said all this, I cannot, however, help pointing out that I wish that so much of taxes on essential commodities and lowering of the income-tax level had not been there; especially the taxes on essential commodities would hit hard the middle and lower middle classes who form the

backbone of our country, both in urban and in rural areas. There is a proverb in Tamil—

“Patta Kalile padum, Ketta kudiye kedum”.

It means, the lower you fall, the greater the hardship inflicted on you. If you are hurt once on your foot, the same foot will get hurt again. Like that our lower classes and middle classes are made to suffer by these taxes further and further. Especially I am thinking of the poor teachers in the lower rungs of the educational ladder. They are already badly paid. Even our drivers of motor vehicles are paid better than our elementary school teachers. Even graduate teachers are not paid so much. There are so many unemployed graduates who apply to become rickshaw pullers in the various States. And so, all things considered, it is necessary to see that this class is not wiped out completely, that the burdens inflicted on them are not so much as to make it impossible for them to survive. In order to do justice to their profession—one of the noblest callings in the world, the teaching profession—we should see that all amenities are provided for this class, so that not only can they give of their best to the young they have to handle, but also sustain themselves above the level of want and also educate their offsprings in the ideals that they preach in the classroom.

Also, the plight of the non-gazetted officers in Madras State and in general the whole Secretariat staff—who form the essential and one of the most important service in our country—is pitiable. Their plight is pitiable. I do not know what further amenities are going to be provided for them. We get shocked when we hear of the havoc of a flood or an earthquake, but the sufferings of these people can be compared to the havoc of earthquakes and floods. And, therefore, immediate steps should be taken to ameliorate their conditions by providing higher pay, facilities by way of provision for education and health amenities, and in

fact, to enable them to attain a decent living standard.

• There is distress all over the country over the rise in prices of food-grains and essential commodities and this needs urgent relief. The National Federation of Women the other day came in a number here and expressed their grievances and said that while we want to co-operate with the Government, still there are many homes that have not lighted their oven for many days because of hardship, because of these conditions. So, I hope the fair price shops and control that are promised will be taken up immediately as an emergency measure and not only taken up in theory on paper, but put into practice and checked up in every direction.

Further, in our anxiety to expand the field and accelerate the pace of education, the standard of performance and achievement should not be lost sight of. With the reorganisation of the States and the linguistic tangle and the plea for suddenly replacing English by the regional languages as the media of instruction, and this overnight conversion as it were, to Hindi, all these have resulted in many problems and confusions in the country. The standard of performance of the pupils and students is steadily deteriorating and this cannot be denied. This is found especially when the transfer occurs from the secondary to university levels. For years to come, Madam, if we wish to maintain proper standards in education, in technological studies and research, English should not be given up and should be continued right from the secondary to the university level. Further, one cannot perform a miracle overnight and turn over to Hindi when the very books to learn from are not there and when a large population in the country has no knowledge of the language. I do not deny, that Indians of all people in the world, cannot cope with the study of many languages. Many languages can be learnt, but a certain degree of option is needed. We call

[Shrimati T. Nallamuthu Ramamurti.]

ourselves a free country. We call ourselves a country that has enjoyed freedom. And, therefore, a certain degree of option should be allowed and no arbitrary date should be fixed for this kind of transformation. The people must be allowed to take their own pace and time and who knows, miracles might happen. But once you force things down the throat of even a child, it might go contrary. Even now candidates who are appearing for the I.A.S. examination from the south, find Hindi test, a serious disadvantage to them. It is no use calling the south the brains trust of India, if the vehicle through which their talents are to be released, namely, English, is not continued for as long a time as possible. The Language Commission has released its report and the minutes of dissent of members are there. Who can say that these minutes of dissent are not valuable, and therefore they should be carefully gone into, in order to see how the target that is envisaged is going to be found difficult in actual working. So, I would request the Finance Minister, when he is expending money on all these problems that he would advise the pace of replacing English by Hindi to be more slow and at the option of the people who are going to adopt it.

Again, Madam, the selection of candidates to the various Services, I.A.S., etc. should be on merit and not on other considerations. (Time bell rings). Inefficiency in work in various Services is due to lowering of standards of intelligence and achievement. What with the language difficulties and lowering of standards, where we had one man to perform a job, for are doing it.

Further, as an educationist, I stand appalled at the recent strikes, at the possibility even, at the imagination even of strikes of students of various educational institutions, for various grievances including demands for change of management, staff, examination, etc., etc. These are ugly and spell disaster to all that stand as our

temples of knowledge and culture in this country. That strike has been launched in the industries, may be all right. But what are we striking against when we strike against the very institutions that are to impart the intelligence to us to work our democracy? Our democracy, I hope, will not be ignorance over instruction and of numbers over knowledge." And, therefore, it is very essential that we take full cognizance of this dangerous feature that is coming into the student population due to, very many reasons, I would say, crowded classroom; the increasing numbers that a teacher has to handle; the wearing away and getting into the background of the tutorial system and the student teacher contact; and also the encouragement of party politics among the students in their thirst to keep alive with all that is happening in the country. Therefore residential universities, residential institutions are a great asset for maintaining discipline and if that is to be done, your shift system and your turning out factory products in a hurry should be viewed with caution.

Now, again, we talk so much about slum clearance and our work for the depressed classes and so on. In my own experience, I have seen that we treat the depressed classes as a separate entity. We have been working for twenty years now to find a site for housing the essential services of a hospital in our State. One site selected, was rejected as it had to be used as a corporation playground. Another site was unsuitable because it was near to the Government House. A third site was there. Everybody came and inspected it. Then that also was to be used for a stadium for cricket players. Thus people who do essential services in a hospital are still to find a site for housing them. The City Improvement Trust says that it will spoil the appearance of the City. I would declare that the depressed and the oppressed and the slum-dwellers are part and parcel of ourselves and unless they are made to live amidst ourselves, there is no use saying that we have worked out a democracy in

the country. Therefore, we, women, threw a challenge to all these organisations and said that we will plan these houses for these classes of people adjacent to the cricket field and show how better housing would lead to better living, sanitation and hygiene.

SHRI SONUSING DHANSING PATIL (Bombay): I should have thought that you were in the Chair.

SHRIMATI T. NALLAMUTHU RAMAMURTI: Theirs will be model constructions. They will be models in maintaining the houses and they will learn sanitation, hygiene, etc. and become merged with ourselves. Why segregate them? Segregation must go if we are to call ourselves a nation, a fully blown democracy. Hence, I appeal to the Finance Minister to provide the necessary amenities for all these classes that are suffering.

(Time bell rings.)

Before I sit down, I have got to say something which I have said even when I was talking on the general Budget.

THE VICE-CHAIRMAN (**SHRIMATI SAVITRY DEVI NIGAM**): Your time is over.

SHRIMATI T. NALLAMUTHU RAMAMURTI: I would support the principle of prohibition. An evil is an evil; a mote in the eye is a mote in the eye. Any crime in the State is to be punished. And for that, we have organisations which will deal with such matter? Personally, I have seen families very happy when prohibition was introduced. Therefore, I would not go one step back in regard to the policy and principle of prohibition.

Secondly, I am not at all in agreement with the imposition of salt tax.

Further, why of all things in the world, put a tax on marriages in this country? Marriage is a most sacred function. Are you penalising marriages? You do not know the psychological problems that will be bristling

in the country. On the one hand, we are suppressing immoral traffic; we are suppressing this and that. On the other hand, we are resisting the common human normal way of life, the *sanctum sanctorum* of married life, by putting a tax on marriage. The people who violated the Child Marriage Restraint Act were penalised and that was good, but why levy a tax on third child born?.... (Interruptions.) But I am not referring to persons at all. I heartily welcome all efforts on the part of our Government and the Finance Minister to collect funds, but in our zeal for such collection, let us not forget the amenities that we have to provide and the fruitful results that are to follow for those classes from whom we demand such great sacrifice. Secondly, let us not, for Heaven's sake, go back on the principle, for which the great Father of the Nation had sacrificed his life and which our great ancestors had always been pleading for.

SHRI RAJENDRA PRATAP SINHA (Bihar): Madam Vice-Chairman, it is very difficult for me to deal with this Finance Bill in the limited time at my disposal. Even then, I shall venture to make a few observations.

Madam, we have got to consider the pattern of taxation that is emerging out of the taxation proposals of the Government from year to year. I find that the indirect taxes have been going on with greater intensity and proportion than the direct taxes in this country. I will give you some figures to prove my contention. In 1955-56, the percentage of direct taxes was 35.3. In the year 1956-57, it was 34.7 and in the year 1957-58 it is perhaps 34.5. Now, you will find that the direct taxes have been going up, although in the Budget year, it is stated that it will be a little less. But if you see the indirect taxes, the percentage in the year 1955-56 was 64.7; in 1956-57, 65.2 and in 1957-58, 65.5. Therefore, you will see that our revenues from indirect taxes have been going up, whereas from the direct taxes they have been more or less static. Com-

[Shri Rajendra Pratap Sinha] compared to the year 1955-56, the percentage of increase in 1957-58 of direct taxes will be 32.3 and of indirect taxes 36.7. Now, it will not be out of place to place here the proportion of those taxes in the United Kingdom. You will find that the direct taxation in the United Kingdom in the year 1956-57 was 52.5, whereas I have already told you that our direct taxation has been only to the extent of 33 per cent. Now, you will appreciate that the Government have been claiming that they want to bring about a socialistic society in this country and they want to place the burden of taxes equitably on the different shoulders. But what I find from the taxation proposals is that the burden is falling more heavily on the common man than on those who can bear taxes.

The other very important factor that has got to be kept in mind is the rising prices. I know, Madam, that taxation is writ large in the Plan itself. But the Plan had envisaged a rise of about 24 to 30 per cent. or, say, 35 per cent. in the price level during the course of the five-year period. But we find, what was to be the anticipated rise in prices by the end of the Plan period has come about now. My esteemed friend, Pandit Kunzru, has already given you figures in respect of the rising price level. The general index of the prices in April, 1957 was 431.2 and now on the 3rd August 1957, it stands at 445. You will thus find that the prices have been going up by leaps and bounds and the claim of the Government that the taxes will prove anti-inflationary is not proved by the statistics given by the Government Department themselves. On the other hand, we find that the taxes have proved inflationary, as my esteemed friend has given you the figure with regard to vegetable ghee. I have not got sufficient time at my disposal to give you any detailed figures. But you will find that the effect of the excise duties has not been anti-inflationary but on the other hand it is inflationary. you, Madam, will appreciate that the common man would not have grugged

paying for the implementation of the Plan. But today he is being pressed from both the sides, from the taxes on the one side and from the inflationary pressure on the other. Now I do not know how the Finance Minister claims that the taxes will be anti-inflationary. Because of the high developmental expenditure, because of the deficit financing both at the Central and at the State level, prices are bound to go up when the production of particularly foodgrains is not keeping pace with the deficit financing that you are introducing.

Now, Madam, I would like to examine the effect of the inflationary pressure and of the rising taxes upon the budget of the common man. It was claimed by the Finance Minister himself that the additional excise duties that he was proposing to impose would affect the rural population to the extent of .70 per cent. and the urban population to the extent of 1.38 per cent. I know that in his Budget proposals he has given some concessions which will probably go in favour of the common man. But please remember that these marginal increases have been going on from year to year, and also side by side the prices have also been going up all these years and months. Therefore, Madam, we have to examine the cumulative effect of both of the inflationary pressure and the taxes upon the common man. Now, Madam, I will give you some figures which have been given in the 'Eastern Economist' which has made a detailed survey of the Budget proposals. And they are very revealing. I find that the real income of the salaried classes in the context of pre-war prices is given in this analysis. You will find that a monthly income at pre-war prices of Rs. 50 is today equivalent to only Rs. 11-8-0. Just imagine, a man who was drawing Rs. 50 in the year 1939 is today getting only Rs. 11-8-0 in terms of the 1939 prices. You will find that a person having a monthly income of Rs. 400 in, say, May 1948 was getting Rs. 114-9-0 in May 1955, and in May 1957 his income is reduced because of

this inflationary pressure to Rs 93-5-0. That is to say, a man who was getting Rs 400 during the pre-war time, is for all practical purposes drawing only Rs 93-5-0 in May 1957 because of the fall in the purchasing power of rupee. Then, Madam, you can imagine the resentment of the common man against these taxes and against the high prices prevailing in the country. I would submit, Madam, that the situation is explosive and even the white-collar employees had threatened to go on strike as was evidenced from the P and T employees having threatened to go on strike.

If we allow the conditions to continue as they are, I submit that it will undermine the very democratic status of this country. Therefore I would like the Government to read the writing on the wall and to adjust their taxation proposals in such a manner that they do not impinge upon the common man. I feel, Madam, that what we gained during the First Five-Year Plan has been lost in the first year of the Second Plan. It is clear that the *per capita* income went up by 11 to 12 per cent during the course of the First Plan. Now the price increase in the first year of the Second Plan has been to the extent of about 17 or 18 per cent. Therefore, Madam, when we ask the common man to pay the tax to finance the Second Five-year Plan, we are corroding into his standard of living. The old standard of living is not there and cannot be maintained if we want to further inflict taxes upon them. That is a very important factor which we must remember. I have got no time with me. Otherwise I could have shown how this burden could have been easily shifted on other shoulders where the burden is not so much or so acute, as it is on the common man. Therefore I would suggest that we should not demand from our people so much sacrifice because their standard of living has been very low. They have been living on almost the subsistence level. Therefore, Sir, I submit that the Gov-

ernment should revise proposals in the light of the suggestions that I have made.

SHRI BISWANATH DAS (Orissa)
Madam, I thank you very much and respond to your invitation. At the very outset let me state that the attitude taken up by my hon. friend, Mr. Bhupesh Gupta, of the Communist Party has very much heartened me. He condemns those who oppose the Plan and himself supports it. I wish that he also brings round his friends who are his followers both in this House and in the mofussil to give their heartiest co-operation in implementing the Plan and see that it comes to fruition.

In discussing a Budget, in discussing the taxation proposals contained in a Budget, one recalls to one's mind the fine way in which the Mahabharata puts it. Let me explain the episode of the gardener and the garden from Mahabharata, Shanti Parva, Raj Dharma. There, the author explains how utmost care is taken by the gardener to nurse his garden, his nursery. He weeds out, waters the plants and keeps the garden, his nursery, with all care and caution. He manures the plants, waters them and takes the utmost care of them, till flowers come out. Then alone he plucks them and sells them in the market and utilises the money. Till then he uses these resources for the upkeep of the nursery. The great seer says that that should be the guiding principle of the Finance Minister of a State. That holds true for all times and for all ages. Therefore, it is for us to see how the relations between the nursery and the gardener have been kept up and maintained. The Plan intends and means to serve the functions of the gardener in all its operations. When the Plan started, there were two views held by the economists of the Government. One opinion held that Rs 1,200 crores of deficit financing will lead to inflationary pressures, ruin the Plan and ruin the economy of the country. The

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other opinion held was that India in her present position could withstand the inflationary pressure and will continue to have the blessings of the Plan. Now, the high level of prices which have not been controlled prove that we are where we were. We have brought in troubles both externally and internally. So far as external troubles are concerned, our foreign exchange has dwindled down and our balance of payments position has deteriorated and is causing grave anxiety. The result is that today we have to go from country to country seeking loans.

SHRI KISHEN CHAND: (Andhra Pradesh): With the beggar's bowl in hand.

SHRI BISWANATH DAS: The newspapers state that my hon. friend's visit will be also utilised for canvassing some foreign assistance or, may be, loan. In any event, I for myself would rather depend on ourselves and not on foreign assistance, specially from countries with whom we do not very often agree. West Germany has shown what her capacity and organisation can do. A country like Israel, instead of sending delegations to other countries, depends on herself. Israel serves as a guide specially to countries like ours which require development in agriculture, cooperation and small industries. The leaders of that country by dint of their organisation and work have turned a desert into a garden. Therefore, I would appeal to my hon. friends who have to organise matters for us to look to this instance.

Having said this much, I should like to ask my hon. friend why this trouble is facing us. We had sailed safely with our First Plan. Our financial position was all right when the First Plan was being implemented. Then, why within these five years were these troubles not foreseen? We have got a huge organisation in the Planning Commission. There is again the Finance Ministry and the Commerce and Industry Ministry.

DR. R. B. GOUR (Andhra Pradesh): The true facts were not given out because of the impending general elections.

SHRI BISWANATH DAS: I claim that these tendencies should have been checked and free licences not issued for the purchase of consumer goods, and also the purchase of luxury goods and cement and iron and steel for private house construction should have been controlled.

Having said this much about this, I come to the grave food position. I come from a State which has always claimed to be a surplus state. But now the food position in Orissa is certainly a grave one causing anxiety, grave in the sense of the purchasing capacity of the people to meet the present level of food prices. Now rice is sold at Rs. 20 a maund in Orissa, and it is very difficult for people to purchase it at this price. Of course, people in the remotest mofussils may be getting about 2½ seers per rupee, but it is very difficult for people elsewhere, looking to the purchasing power of the people (Time bell rings). Why are you ringing the bell, Madam? Have you given me 4 to 5 minutes?

THE VICE-CHAIRMAN: (SHRIMATI SAVITRY DEVI NIGAM): It is not possible to give more.

SHRI BISWANATH DAS: If I had known that I would be given only four or five Minutes, I would not have spoken. I do not think that I have taken 15 minutes.

THE VICE-CHAIRMAN: (SHRIMATI SAVITRY DEVI NIGAM): You can have 2 minutes more.

3 P.M.

SHRI BISWANATH DAS: The food position today is not only serious but is also a curious one. Why serious and why curious? Seriousness I have stated. Curious because you have got a lot of statistics supplied to us by Government.

You have the proceedings of the Food Conference. You have the Kuma-rappa Report, the report of the Committee appointed by the A.I.C.C. We have got these documents before us. They are conflicting and the curious thing about all these is the Government claims, the publications claim extended acreage of cultivation, enhanced food production and intensity of cultivation and higher yield, and at the same time we ourselves see the spiral of rise in the prices. If one is true, there is no justification for the other. One, I take it, contradicts the other. Therefore, to me, it is curious. I don't know how to explain this except by bringing to the notice of this hon. House the view taken by the Census report of 1951. I mean Part 1 pages 140 to 174, wherein the Census Commission seems to have thoroughly gone into this question and they come to the conclusion that two things have happened in the meanwhile. They quote figures for the last 30 years showing that there has been a gradual shortage of *per capita* cultivated lands since 1921 and the result is today the cultivated land *per capita* from 1921 to 1951 is less than what it was before. If this view is correct, it practically and directly contradicts all the publications of the Government. Madam, thereafter they discuss the question as to why there is food shortage. You have got various Government programmes to intensify cultivation to get higher yields. That has also borne some results. Then they say that there has been a shift in cultivation and what is that? The shift is from food crops to commercial crops. They examine this question and have come to the conclusion that the shift has gone on to oil-seeds and cotton with the result that food, both in matters of acreage as also in matter of production has been affected. The result is that today we are where we were.

Again coming to the question of publication of production figures and import figures, we realise the unhelpful course of events of the publica-

tion of these figures. Under these circumstances I would invite the attention of the Government to the very statement made in the Census report. They say that unless correct data is placed before the authorities, no publication will be useful and no Plan, no programme could be successful. Under these circumstances, I would request and implore my friends first to look into the publication of proper data and then assessment of the result.

I will not take your time. If I had known that my time was so short, I would not have risen because it would be a mockery to think of discussing the taxation proposals of this dimension in the course of 10 or 12 minutes

SHRI M. BASAVAPUNNAIAH: (Andhra Pradesh): Madam, I rise to oppose this Bill and permit me to say why I oppose this. We have been very often hearing that we are facing a crisis though at some other time it is said that we are not in crisis, that our economy is basically sound and everything is sound. But it cannot save the situation. We often hear of the foreign exchange crisis, we are witnessing the food crisis, we are witnessing the price structure crisis, and we are witnessing many sorts of crisis. If the crisis really mean something serious the Finance Bill much reflect that crisis and it must show the way out of the crisis. To me it appears it does not take note of the seriousness nor it gives any concrete propositions to come out of this successfully. We have been suggesting, since a long time, the nationalisation and confiscation of foreign British capital. Time and often it is said that it is useful for our country, that it should not be touched. Again we tried to moderate our demand and said 'All right, don't nationalise without compensation. Give reasonable compensation and nationalise'. Then it is said that compensation for all rotten concerns would be unnecessary and so it is a useless proposition. So there is no nationalisation. Ultimately we asked

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them at least to control profits. They say that it is a word of honour given and the Industrial Policy Resolution is there and so we cannot take that step, that we must respect that and so no control of profits. We asked them again 'At least do this little much and see that the profits are ploughed back into the country and not allowed to be exported'. That is also denied. We asked them to come out of the clutches of the Commonwealth which economically, politically and in several other respects, like an Octopus, is gripping the country in several fields and we want to smash that grip and come out of it successfully. That is also denied. Again we have been making demands to mop up the huge resources of the wealth running to the tune of crores that are there lying with the Nawabs, ex-Princes and Rajas. We are told that—and not denied anywhere—that the Nizam alone possesses some Rs 1000 crores. It was the estimated figure we had long long back. I don't know how many such Nawabs and Rajas there are. If the property of these is mopped up for national resources that will be a good thing for the country but that also is denied. Again a 'word of honour' was given to them and our modern Harish Chandras don't want to violate it and they want to stand by that promise. Whatever their promises to the people, they are not bothered about them but their promises to these Nawabs and Princes they want to abide by them and they don't want to mop up these resources. We again repeatedly asked them at least to stop the privy purses to these "poor people who are suffering with millions and millions of rupees". That also is not being done because that is also another word of honour, another promise given to them and so that cannot be done. Again we asked as to why this Rs. 600 crores is to be given to the zamindars as compensation. They say that there are some poor lot amongst them. We say Exempt that poor lot but what about the richer fellows who have moveable and immovable properties worth

several lakhs and who will not suffer the least by such action'. They say that we should not do it, we must respect them and pay the Rs. 600 crores. We asked them 'Why don't you at least postpone this for a longer period and with smaller interest?' They say that that also should not be done. Not content with huge tracts of lands and estates left to them, they now are insisting upon paying and paying regularly this Rs. 600 crores. We asked the Government to tax the rich, the monopolists, the big businessman and industrial magnates. They say that it is the golden goose which lays golden eggs and it should not be touched and we must preserve it intact. We have urged the abolition of the second chambers, these wasteful upper Houses, and also the abolition of the governorships that are costing unnecessarily so much to our exchequer. But again, they say, these decorations must be there, that all this paraphernalia must continue. We have been constantly and persistently demanding radical agrarian reforms so that we may create really wider internal markets for our industrial products and also create the proper objective atmosphere in which the democracy may flourish and the condition of life of the rural folk may be improved, and there may be increased production of food. Again there is tall talk and it is shouted from the house-tops, that they will have agrarian reforms, and by now they had done away with all intermediaries. When we ask for a ceiling on holdings, we see only ceiling put on the hopes of the people and we hear some big men are against it.

We have been demanding rigorous measures, and drastic steps to be taken to detect tax evaders who are evading payment of millions and billions to the exchequer, according to all reports, both official and non-official. But they do not touch these people.

MR. DEPUTY CHAIRMAN in the Chair.]

We have been repeatedly suggesting a ceiling on high salaries put it at

Rs. 1,000 or Rs. 2,000 if you like. We have been demanding that it may be put at Rs. 1,000. But they do not want to put any such ceiling, because according to them, efficiency will be lost and several such arguments are advanced against it.

You can see that the production in the country, the national production has risen and the entire nation has put in its effort to bring about this rise. But are you analysing and seeing which groups get the most from these increases? Are you having any scheme or policy to see that the benefits of this increase are equally distributed among all the sections that really deserve them? No, that is not being done and it is evident to any one who has eyes to see that the rich are becoming richer and the poor are becoming poorer and this is the pattern of the policy that is being pursued today.

For all these constructive suggestions that we very often give in this House and outside, what is the reward? We have it now from the hon. Minister that these are suggestions for the subversion of the Constitution, for the subversion of the Plan, for the subversion of the country and subversion of what-not, God knows. If he thinks this is subversion, then I must very humbly submit that he is mistaken and he is missing the real subversion. Let him wake up to the reality and find out who the real subvertors are and let him not look at an imaginary picture but at the real enemies of the nation, the real enemies of the Plan. They are the people outside the country who are egging on one of our neighbours and doing all sorts of things to involve us into a sort of military gamble and thereby divert our attention from the Plan and go into the question of military pacts and increase our military budgets. That type of subversion our hon. friend is unable to see. There are other friends who are very 'real friends' in the Commonwealth, who are also 'helping' us in several ways, asking us to get into the

Baghdad Pact and the SEATO Pact and so on, and also putting spokes in the Kashmir issue. These, Sir, are subverting our aims in a different way. There is another empire—I mean the Papal empire which with several agencies of it, has spread over the country, whether it be in Jarkhand area which has some genuine discontent or in the Naga area or in Kerala or in several places in Madhya Pradesh. Their hold is there to subvert and nothing is being done about that. Then there is Forum for free enterprise which according to me is constantly agitating to cut down the Plan drastically and which put out so many things against our nation building programmes. But this type of subversion is not being seen by the Finance Minister. He sees subversion in a quarter where it does not exist.

Sir, actually we gave our support to the Plan Frame, but that Plan Frame has been drastically modified now. Now we find they talk of the core of the Plan being implemented. What is this core? It probably is the three steel projects and certain other things. At other times they say the core of the Plan is something else. Ultimately, I do not know what will be left of the Plan. We have been constantly supporting the Plan from the period we had the Plan Frame up to now, for we want to see the Plan succeed and the nation built up. But this I find is not being done. On the other hand the subversive elements, internal and external ones, are not being dealt with and they are allowed to do things that they should not do at all.

Coming to my final point. Sir, I submit the Finance Minister has not taken even one of the suggestions that we have been advancing. He says that this is the road to prosperity, orderly progress and peace. But my opinion and the opinion of the party that I represent is that it is not the road to progress but the road to slow and steady ruin. If the foreigners are allowed to work in the manner they

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are allowed, if you allow the monopolists to remain as they are, if the landlords are allowed to function as they function today, if the zamindars remain as they are today, if the taxation proposals go on on the lines they do now, then the subversion will be done by nobody else but by the policies that this Government is initiating. Therefore, this policy has to be revised radically so that the Plan may succeed, without pruning and without changing it in such a way that the real Plan disappears and only a plan for name's sake remains in the end.

The whole question ultimately boils down to this: whether the rich are becoming richer or not? That is the simple question. From the statistics that I could gather and also from the experience in the field, the real answer to this question, according to me is that the rich are becoming richer and the poor are becoming poorer. We are told that we are going to have a socialist society; but it is foolish to expect socialism when there is no equitable distribution. Are we laying the foundations for socialism? Is there any measure to see that the rich are being taxed properly and the poor are given their due share and some sort of equilibrium is maintained? Is there any incentive given to the people for production? All the incentives are for the outside foreign interests. What is the incentive to the common man? I do not find a single incentive for the common man. His only incentive is to fight for his own existence. When that is the case, all this talk of national effort and patriotism is like talking through the hat. All this falls on deaf ears, because the common man is not given any incentive. We cannot have any incentive unless there is some guarantee for his safety in the taxation policy and the financial policy that the Government is pursuing. If our constructive suggestions are taken, then it is my conviction that the Plan will succeed and the country will go forward. Otherwise it will

lead to ruin and failure of the Plan. If those who want to sabotage the Plan gain the upper hand, then the Government and the Finance Minister will be held responsible for the failure of the Plan and nobody else.

With these words, Sir, I oppose the Bill.

SHRIMATI SAVITRY DEVI NIGAM (Uttar Pradesh): Sir, I am not against taxation. If we want to rebuild our country then we will have to undergo sacrifices and endure additional burdens in the form of taxes. I can assure you that the whole country would be ready to make any sacrifice and to accept all the burdens of taxation with great pleasure, provided the people are convinced of two things. First, that every pie of their contribution is utilised properly and invested in the items which are going to yield good results. Secondly, that the sources and the income-groups where the burden of new taxation proposals falls are capable of paying those taxes and there is no other better source of getting that additional money.

Before making any criticism, I want to assure the hon. the Finance Minister that being a member of the Congress Party, it is my keen desire to stand by him and to support him wholeheartedly, provided I am convinced that his stand is unbiassed and he is justified in putting these additional burdens on the common man.

As far as the expenditure side is concerned, I will take it later on but I would like to deal with the justification for putting new taxes on kerosene, sugar, and on the lower income groups which concern the common man and very poor and ordinary masses.

SHRI AKBAR ALI KHAN: (Andhra Pradesh): The duty on kerosene has been withdrawn.

MR. DEPUTY CHAIRMAN: Please do not disturb her. Let her go on in her own way.

SHRIMATI SAVITRY DEVI NIGAM: I would like to ask the Finance

Minister, "With what arguments should I be justifying the present taxation proposals?" Sir, a housewife of a middle class family asks me as to why our Finance Minister has got such a soft corner for the upper classes so as to introduce reductions in the higher income groups by reducing the tax from 92 per cent to 77 per cent and she further asks me, Sir, the reasons for giving new concessions to the small investors as long as they are in a position to invest and have got the capacity to pay a little money to the Government. When he needs money for the second Five Year Plan, why has he been so very generous in giving new concessions by accepting amendments to the Wealth Tax Bill and the Expenditure Tax Bill? If I were to repeat the arguments given by the Finance Minister that whenever the necessity would arise he would mop up by the required money from the high income groups to which he is giving these new concessions, they would not be listened to by hard pressed people of low income groups. Sir, first of all, I cannot justify any wrong step against my conscience and secondly even if, persuaded by blind devotion to my Party, I start justifying the arguments of the Finance Minister, they will not listen to me. When I was speaking on the Appropriation Bill, I was not complaining that sufficient money had not been given to the Ambar Charkha programme. My point was that while on the one hand money was given to Ambar Charkha, licences for additional spindles and new spinning mills were also given. Because of the half-hearted and delayed support and grant for the Ambar Charkha, the programme could not be carried out as successfully as it should have been.

The third point I want to stress is that the scarcity of cloth created three years ago is artificial and the crisis which the textile industry is facing today is also an artificial one. In order to keep all the sources of productive operation working to the fullest capacity, without causing

slump in the market and, side by side, increasing the purchasing capacity of the common man for the sake of inner consumption of the produced goods, it is essential to keep the balance by investing a larger amount of money in the decentralised sector of cottage industry. I want to appeal to the hon. Finance Minister that the sum of Rs 200 crores to be invested in the cottage industries sector during the Second Plan is not sufficient and that, instead of investing Rs 490 crores in the bigger industries, we should divert some of the resources towards the cottage industries sector. Sir, one of the aims of the Five Year Plan is to remove disparity in the incomes. It is high time we saw how far we have achieved success in removing disparities during the Five Year Plan. There has been no survey conducted to get accurate wealth estimates but by glancing through the income-tax figures, we find that the incomes of the higher and the highest income groups have increased and the sums earned by these people is the source of our estimates of the noted increase of our national income and *per capita* income. Sir, this fact is well-known that the number of people who are unable to pay tax is thousand times more than those people who pay tax. Though our spokesman have always stressed the *per capita* income has increased when we assess the *per capita* income in relation to the prices, we see a notable decrease. The *per capita* income in 1951-52 was Rs 274 but in 1955-56 it came down to Rs 252. The thing which worries me most is that while the national income has increased, expenditure on the consumer goods has not increased and, if the income of the low income groups would have increased, they would surely have spent more money on consumer goods. So, it makes it very clear that all the increase in the national wealth is due to the increase in the income of the highest and already richer income groups. This also justifies the point that more taxes should not be levied on the middle-class people and the lower income groups but that they should

[Shrimati Savitry Devi Nigam]

be levied on the upper class people. Sir, take the case of the urban landlords. They are having a very nice time sitting idle and enjoying increased rents on their old rotten properties and terrorising and exploiting the poor tenants. Why not put an additional tax on all the landed buildings which should be borne by the landlords? There are landlords who do not repair their houses so that the tenants may vacate the houses and let them get more pugree and more rent from the new tenants. I would say that the hon. Finance Minister should never have watered down the original proposals regarding the Wealth Tax and the Expenditure Tax under any pressure. He should not have given any concession to the already upper classes. He should revise his tax proposals and levy a tax on urban landlords on each and every house that they own and on which they get a rent of Rs. 50 and more. I am sure, Sir, that this measure of taxation would yield a large sum of money for the Finance Minister and would also stop the harassment of the middle-class city dwellers.

I want to say something about the new suggestions of scrapping prohibition and levying a salt tax. I should like to utter a warning here that neither the grave food situation nor the fear of inflation can cause so much danger to the country as the frustration and the unbalanced thinking of the people. As long as we have sound and clear thinking, we are strong enough to face all the dangers in due course.

Sir, let me take up prohibition first. Any revenue lost or any money spent on such important reform as prohibition must be viewed in the light of the distinct social gain achieved. A study of the Report of the Prohibition Enquiry Committee makes it clear that the State treasury gets only a third of what is spent on drink. Secondly, Sir, the *per capita* expenditure of a drinker among the proper sections of

society works out to Rs. 100 per head per year. This is an extraordinarily high figure in relation to the *per capita* national income which is estimated at Rs. 265 per adult. All this is got from the lowest section of the people. For a State where prohibition is not in force, 12 to 28 per cent. of the total State's revenue is realised from 5 to 15 per cent. of the total population, that is those having the lowest *per capita* income. Besides, it is the middleman who makes the largest amount of profit at the cost of the poor as well as the State Treasury. It has been repeatedly told in this House and from all kinds of platforms that our Second Plan is for the people and improvements in housing and in social services have been highlighted in the propaganda for the Plan but, how are we going about it? Are we hundred per cent. sure that while bringing social security to people we are not getting away from the track we started on? Are you quite sure that the poor families whose heads have contracted the evil habit of drink will get the full benefits of the high excise duties and other taxes that they will be paying so long as no effort is made to plug the leak in the Budget by plugging it with prohibition? No effort in this direction should be considered very big and every effort should be made to introduce total prohibition. Whatever loss of revenue this results in should be got from other sources.

As far as the salt tax is concerned, I should like to say that this is the last resort of the poorest class of people. Even now there are thousands of people for whom salt water is the only means of subsistence. Being the substitute of curry, dal and puddings, he dips the dry bread in the salt water before eating it. So once we impose a tax on this commodity, a vicious circle is bound to start which would result in increasing the price of salt as it happened when a tax was levied on sugar and vegetable oil. It is a fact Sir, that the new taxation proposals are res-

possible for the sudden increase in prices

Sir, let me here add a word in support of the new proposal by Rajkumari Amrit Kaur about raising State revenue on the occasion of marriage. I suggest that instead of a tax on marriage, there should be a tax on dowry on a slab basis. This would not only end the evil social system but would help the socialistic concept of society which would help in removing disparities in incomes. Such a measure would be most welcome to the middle classes and the parents with many daughters of marriageable age will bless the Finance Minister every morning in their prayers. Thank you.

श्री देवकीनन्दन नारायण (मुम्बई) :

उपसभापति जी, इस विधेयक के खिलाफ मेरी कोई खास शिकायत नहीं है—यदि जरूरत न मालूम देती तो मैं खड़ा भी नहीं होता। परन्तु हमारी एक्स आरोग्य मंत्री, बल्कि मन्त्राणी कहूँ मैं, वे जो मौके-वे मौके प्राहिबिशन और साल्ट टैक्स के बारे में जिस तरह की बातें करती हैं—इस समय तो कोई मौका भी नहीं था उनके लिए कि वे इस बारे में कुछ कहतीं—लेकिन मैं उनको आज यहाँ एक बात की याद दिलाना चाहता हूँ। १९४६ का जिक्र है, २ सितम्बर के दिन जब कांग्रेस ने इंटेरिम गवर्नमेंट अपने हाथ में ली और शपथ लेने के लिये जिस वक्त वाइसराय भवन में हमारे आदरणीय पंडित नेहरू जी, आज के राष्ट्रपति डा० राजेन्द्र प्रसाद जी और स्वर्गस्थ सरदार वल्लभभाई पटेल जा रहे थे, तो जाने से पूर्व वे आशीर्वाद लेने बापू के पास भगी कालोनी में उनकी झोपड़ी में पहुँचे। पहुँचने के बाद जैसे ही वे बापू से मिले, तो बापू ने कहा कि प्रार्थना के वक्त से ही मैं आप लोगों को याद कर रहा था। हालाँकि वह दिन उनका मौन बार था, परन्तु उनको याद था कि आज देश के राज्य की बागडोर कांग्रेस के नेतागण सम्भालने

जा रहे हैं। उन्होंने अपना 'इस्ट्रूमेंट आफ इस्ट्रक्शन' लिख रखा था और प० जवाहरलाल नेहरू, सरदार वल्लभभाई पटेल और डा० राजेन्द्र प्रसाद के आते ही उन्होंने अपना वह इस्ट्रूमेंट आफ इस्ट्रक्शन उनके हाथों में दिया। उसमें लिखा था

"You have been in my thought since prayer. Abolish the salt tax, remember the Dandi march. Unite Hindus and Muslims. Remove untouchability. Take to Khadi."

These were the four instructions

मन्त्री महाशयो में और हमारे फाइनेस मिनिस्टर, जो यहाँ मौजूद हैं उनसे, मेरी प्रार्थना है कि बापू के ये आखिरी शब्द अन्त करण में रखिये, भूलिये नहीं। यह आदेश हमारे स्वतंत्रता संग्राम का मेमोरियल है, हमारे स्वतंत्रता संग्राम का स्मारक है। एवालिस साल्ट एंड रिमेम्बर डंडी मार्च—हम कभी इसे भूल नहीं सकते कि हम स्वतंत्रता प्राप्ति का अपना युद्ध, शान्ततामय युद्ध नहीं भूल सकते। इसलिये मैं बार-बार फाइनेस मिनिस्टर को याद दिलाऊँगा कि आप बापू के इस आखिरी इस्ट्रूमेंट आफ इस्ट्रक्शन को न भूलिये, और कभी यह गलती न होने पाये कि हमारी इंडिपेंडेंस का जो यह हमारा जीत जागता, छोटे से बड़े तक को स्फूर्ति देने वाला मेमोरियल है, उसको हम भूल जायें।

दूसरी बात जो मैं कहना चाहता हूँ, वह साल्ट के बारे में नहीं, प्राहिबिशन के बारे में है। बहुत से भाइयों ने इसके बारे में कहा क्योंकि मैं जानता हूँ कि देश का हर एक स्त्री पुरुष इस बात का जानता है कि "Alcohol is the mother of all evils" इसलिये मैं नहीं समझता कि आप सपने में भी प्राहिबिशन को निकालने की बात सोचेंगे।

आखिरी, तीसरी बात बड़े मजे की कही है मेरी बहिन राजकुमारी जी ने कि दो बच्चों

[श्री देवकीनन्दन नारायण]

के बाद तीसरे बच्चे से सेस लगा दिया जाय ।
With the 3rd child impose a cess.
दौवो दुर्बल घातकः । देश की हालत का पता नहीं है राजकुमारी जी को कि हिन्दुस्तान में बच्चे किसके अधिक हैं । देहातों में जाइये तो मालूम होगा कि बच्चे गरीब निर्धनों के यहा ज्यादा पैदा होते हैं । धनाढ्यों के बच्चे कम पैदा होते हैं, कही वे लडका दत्तक ले रहे हैं, कही एडाप्ट कर रहे हैं । इसलिये अगर आप बच्चों के ऊपर इस प्रकार का सेस लगायेंगे तो उसका भार गरीबों के ऊपर ही जायगा, न कि भागवानों के ऊपर या धनाढ्यों के ऊपर ।

श्री ३० रा० कपूर : बच्चों पर कुछ न्योछावर होना चाहिये ।

श्री देवकीनन्दन नारायण : इसके बाद मुझे यह कहना है कि हिन्दुस्तानी बहुत अल्पसंख्यी होता है । वह टैक्स से नहीं डरता । आज उसे यह डर है—न तो उसे पूरा अन्न मिलता है, न पूरा कपडा मिलता है, न उसके पास घर है । ये तीनों चीजें आप हिन्दुस्तानी को दे दीजिये और बाद में उसके पास जो कुछ रहे वह देश के भले के लिये, समाज के भले के लिये आप उससे ले लीजिये, वह कभी शिकायत करने वाला नहीं है । परन्तु आज हालत यह है कि बेकारी को ले लीजिये, उद्योग नहीं है आदमी के पास । आज ही मैंने अखबार में पढा कि गोरखपुर में २०० खलासी चाहिये थे, उन २०० खलासियों के लिये ५०,००० अजिया आई हैं, जिनमें २०० बी० ए० है, ५,००० अंडर ग्रेजुएट है, १०,००० मैट्रिक्युलेट्स हैं । इस तरह से २०० खलासियों की, यानी एक तरह से चपरासियों की जगह के लिये कोई ५०,००० अजिया आती है । अब आप बतलाइये, उद्योग के जरिये नहीं, खाना नहीं, कपडा नहीं, घर नहीं, और आप टैक्स बढ़ाते हैं । तो टैक्सेज से हिन्दुस्तानी डरता नहीं है । डरता है इसलिये कि आज उसके पास उद्योग नहीं है ।

तीसरी बात मुझे यह कहनी है कि आप टैक्स लगाइयेगा, परन्तु टैक्सेज से जो पैसा पैदा होता है, उसका सदुपयोग कीजिए । आज डर है कि आप जितना टैक्सेज की माफत पैदा करते हैं वह काफी बेजा तौर से खर्च हो जाता है, इस सम्बन्ध में भी मैंने आज ही एक बात अखबार में पढी कि यू० पी० गवर्नमेन्ट ने कुछ डैम्स बनवाये हैं । उनको जो इस्टीमेट्स थे वे ४ करोड़ के थे, उसके बजाय उसमें ८ करोड़ खर्च हो गये । पता नहीं चला गवर्नमेन्ट को कि किस प्रकार से खर्च हो गये । अब इस बात को जानने के लिये इन्क्वायरी कमेटी बैठा दी गई है । यह तो मैंने यू० पी० गवर्नमेन्ट का उदाहरण दिया, कम से कम ऐसी चीज हर एक राज्य में हो रही है ।

श्री जतौद सिंह बिष्ट (उत्तर प्रदेश) : बम्बई में क्या हो रहा है ?

श्री देवकीनन्दन नारायण : बम्बई की बात जब आप मुझसे मिलियेगा, तब मैं आपको बतलाऊंगा । इसलिये मैं कह रहा था कि आज आप इस फिजूलखर्ची को खत्म कीजिये, क्योंकि जब आम जनता को फिजूलखर्ची दिखायी देती है, तो उसे टैक्स देना अखरता, है अगर उसे अपने पैसे का सदुपयोग दिखायी दे तो उसे फिजूलखर्ची भी न दिखायी देगी और अगर उससे फायदा मिलता हुआ दिखायी दे, तो उसे टैक्स कभी नागवार नहीं होगा ।

उसके बाद देखिये आज क्या हो रहा है । आप एक तरफ से टैक्स बढ़ाते जा रहे हैं, दूसरी तरफ से जिन चीजों पर आप टैक्स बढ़ा रहे हैं, वे चीजें अंडरग्राउन्ड होती जा रही हैं, बाजार में मिलती नहीं हैं । आप सीमेन्ट को ले लीजियेगा, सीमेन्ट की एक थैली पर आपने एक रुपया बढ़ा दिया । बेफिक्र होकर बढ़ाइयेगा । परन्तु मुझे यह तो आश्वासन दे दीजिये, यह प्रामिस दे दीजिये कि मुझे जरूरत के माफिक सीमेन्ट मिलता रहेगा । मैं आपको दावे से कह सकता हूं कि

आप पंजाब में जाइये, बम्बई स्टेट में जाइये, आप देखेंगे कि बिना ब्लेक मार्केटिंग की शरण लिए क्या देहातियों को, क्या छोटे छोटे शहरियों को न तो सीमेंट मिलता है, न लोहा मिलता है। (समय की घंटी बजती है) दो मिनट और दे दीजिये। इसलिये मैं प्रार्थना करूंगा कि आप टैक्स लगाते हैं, तो उसके साथ साथ वे चीजें बिना रोक-टोक मिलती रहें जनता को, इसकी सहूलियत आप पहले पैदा कर दीजियेगा।

आपने चीनी के ऊपर कर लगा दिया। आप कहते हैं, इससे साधारण मनुष्य का बहुत कुछ टैक्स या खर्च नहीं बढ़ता है। आप ने एक पर्चे में यह भी बतलाया था कि एक कप चाय के पीछे एक तिहाई नया पैसा कीमत बढ़ेगी। परन्तु आप होटलों में जाइये, रेस्टोरों में जाइये, आपके हिसाब से तो किसी भी होटल या रेस्टोरों में एक कप चाय पर पहले से सिर्फ १।३ नया पैसा नहीं बढ़ा है लेकिन चार चार, छः छः पैसा फी कप बढ़ा है यानी जितना हिसाब आप दिखाते हैं, उस भाव में बाजार में वह मिलता नहीं है। दुगना दाम बढ़ जाता है। जिस वक्त आपका वजट पेश हुआ था, उसके बहुत दिन बाद टैक्सस अमल में आने वाले थे, लेकिन वजट पार्लामेंट में आते ही तमाम बाजार में कीमतें बढ़ गईं। जब तक शुगर के ऊपर आपका टैक्स प्रत्यक्ष में नहीं लगा था, उससे पहले ही बाजार में चीनी का भाव १ रु० २ आने से १ रु० ४ आने सेर तक हो गया था। तो आपको इसका बंदोबस्त करना चाहिये।

(Time bell rings.)

MR. DEPUTY CHAIRMAN: No more time now.

SHRI DEOKINANDAN NARAYAN: I shall finish this sentence.

तो जब भी आप नये कर लगायें, उस वक्त यह देखते रहें कि बाजार उसका गैरवाजिब फायदा तो नहीं उठा रहा है। ऐसा न हो कि करों के लगने से पहले ही कीमतें बढ़ने लगें।

आखिरी प्रार्थना मेरी यह है कि कागज पर तो आपने कर बढ़ाया है, कृपा करके हाथ-कागज पर यह कर न लगाये। हाथ-कागज मोटा होता है और उसकी कीमत बढ़ जाने से उसका प्रोडक्शन भी कम होगा, बिकेगा भी कम। इसलिये आप कृपा कर के हाथ-कागज पर कर न लगायें।

DR. P. J. THOMAS: (Kerala): Sir, this year's Budget has been rather hotly contested. So far as I know, no Budget of the Central Government has evoked so much criticism in the past. I say this with some knowledge of the ninety-eight budgets so far presented by the Government of India. Evidently the Finance Minister has had an extremely difficult situation to face, and I must say he has courageously faced it. After all, those difficulties are not of his making, but on him falls the burden, vicariously, it may be said. Did not Parliament enthusiastically vote for the Second Five Year Plan two years ago? And many of the difficulties were than known. Why then this hallaballoo, when the financing for the Plan has to be provided? I who was a doubter of the Plan then have a greater right to criticise it. But, after such carping criticism even within the party in power, I feel I must stand by the national interest.

The difficulties we are facing today are not due to a crisis of the kind imagined by a Madras Member. These are the results of our efforts at quickening economic development, "pangs of planned progress," as our Prime Minister lately put it. When a country like India with limited resources and with a rather undisciplined people try to carry out five-year plans, on a strictly democratic basis, especially now when many countries of the world are making similar efforts, difficulties of external finance as also internal finance are bound to arise. These, we are facing today. But if we have the will

[Dr. P. J. Thomas.]

we can jolly well get over these difficulties. No great effort, be it individual or national, can succeed without some pain or sacrifice.

Our foreign exchange resources have greatly fallen due largely to the high cost of capital goods purchased abroad and also to large imports of foodgrains. Even more disturbing is the inflationary pressure within the country, resulting from resort to deficit financing, without an adequate supply of foodgrains. All these have made it necessary to raise much taxation and savings.

There is also the growing of the defence budget. I am not competent to speak about it. But, I have to state here that the rather sudden increase in defence expenditure has aggravated our financial difficulties.

Having regard to all this, I do welcome Government's decision to prune the Plan, but I do hope this need not be by reducing employment potential of the Plan. I am glad the Finance Minister has made some assurance about it. He is for expanding social services, but I would give priority to increasing foodgrain supply and small-scale production of consumer goods, neither of which will involve much of capital goods imports, but will expand employment and check inflation. A more modest plan will do as well. After all, we Indians who have an age-long tradition of simplicity, we who follow Gandhiji, can raise our living standards sufficiently for our purposes, without using a tenth of the steel, power, etc. now available for the average American or even the average Russian. We have to build up a pattern of economic life of our own, as Japan has done, and for this end, the world economic situation of today and our foreign exchange difficulties have come as a godsent, in my opinion. Let boldly reshape our Plan accordingly.

We are here discussing the Finance Bill. We have to raise large sums by taxation. This is needed not only for meeting our needs of internal finance, but also for curbing inflation which has lifted its ugly head. As can be seen especially in Delhi, there is too large and rapidly growing expenditure on non-essentials. This has to be curtailed on every ground, moral as well as economic and taxation is the chief agency for this. Therefore, we have all to agree with the Finance Minister on the four objectives enunciated by him as criteria for our taxation policy, namely (a) to provide for a sizeable addition to our public revenues, (b) to supply incentives for larger earnings and bigger savings, (c) to restrain consumption over a wide field so as to keep in check domestic inflationary pressures, and (d) to make changes in the tax structure so as to render tax yields progressively more responsive to increased incomes and facilitate an orderly development of our economy, consistent with the social objectives before the country.

Now, we have to see how far the financial proposals before us are likely to carry out these four objectives. There is no doubt that the first objective of making a sizeable addition to our public revenue will be fulfilled to a large extent, in spite of the too many concessions made to political pressure, as is inevitable in the kind of democracy we are working.

I believe that the third objective may also be carried out to a considerable extent, as tax-payers will have less money to spend. But one fears that unless the expenditure of Government is spread out more widely throughout the country, the results will be meagre. In my opinion, it was largely the concentration of expenditure in certain Northern areas under the First Five Year Plan and also under Defence Services, that led to inflationary pressures lately, and if expenditure in those areas is cur-

tailed some way and tax collection there tightened up, deficit financing approximately to the extent envisaged in the Plan may yet be possible, provided steps are taken to have an adequate foodgrains supply.

In this connection. I wish to point out also that however active our efforts may be to increase foodgrain production, this trouble will not cease, unless we take urgent steps to popularise a more varied diet containing more of the cheaper dry grains and heavy vegetables. Not only from the economic point of view, but for the improvement of public health, this change is essential and I hope that suitable steps will be taken for this immediately.

The second objective of providing incentives for larger earnings and more savings is most essential, but I fear that rather meagre are the provisions made for it in the Budget. The concession regarding equity shares and the modification going to be made in section 23A of the Income-tax Act are on right lines, but the results may not be considerable. Various factors have undermined the incentives for investment, especially in the State where I come from. It is indeed wise to exempt from taxation the interest on borrowings from abroad and also interest payable to non-resident lenders on loans obtained for purchasing capital goods from abroad. But taking into account the scarcity of lending capital abroad and the many factors that have led to loss of confidence among foreign lender and investor, one wonders if these gestures, wise as they are, will make any headway for a large increase in loans from abroad.

The greatest merit of this year's Budget is the change in tax structure, broadening the basis of taxation, making tax yields progressively more responsive to increased incomes, and reducing the chances of evasion. The introduction of wealth

tax and expenditure tax in one year is a bold step indeed, but our path is beset with difficulties, owing to the peculiar social and economic conditions in this country and we have to go slow. We must watch the working of these new taxes and adjust them to our economic environment. Trial and error is the only method for this.

Political pressure and ideological taboos—these are the most serious obstacles to the adoption of a proper taxation policy in India. At least the Members of this House of elders must not yield to political pressure, and strongly support what is in the national interest. If we abandon our ideological taboos, we can largely expand our tax resources. I am in agreement with some of the tax proposals made by our esteemed lady Member, Rajkumari Amrit Kaur, and I do hope that our bold Finance Minister will accept and carry out some of them. In the other House, he lately quoted Artha Sastra in support of tax collectors keeping a watch on every household, but in the same work he will find strong support for most of these tax proposals also. Finally, I am glad that the Finance Minister is hopeful that the present financial strain will pass over soon and his assurance that taxation during the rest of the Plan period will be on the same level as this year is likely to do much good. Relying on this hope, may we look forward to the hundredth anniversary of the Central Budget in 1959 being celebrated with great rejoicings in this country?

SHRI P. D. HIMATSINGKA (West Bengal): Sir, most of the friends have dealt with all the matters and I do not think that I will be able to add very much to the discussion. As has been mentioned by the hon. Prime Minister at many places, the taxation measures are to be judged by the amount it helps in production. Therefore, we have to see whether the various measures that have been

[Shri P. D. Himatsingka.]

proposed by the hon. Finance Minister will help in increasing production in the country or they will retard such progress or such production. To my mind, if you look to the various trends in the country, you will find that there is a very great depression as is visible everywhere and the reason is obvious. Most of the persons who invest money or who hold big companies and run them, feel that the new taxation measures that have been introduced by the hon. Finance Minister will have a very dampening effect and will stand in the way of new companies being floated or new industrial concerns being started and as a result, it may be that, instead of the country advancing and making progress producing further consumer and capital goods and so on, there will be difficulties and people will be chary of investing money when they find that the present taxation measures will affect even them. Therefore, it is for the hon. Finance Minister to take note of the feeling that is in the country. I will be very happy if the misgivings that are there in the air turn out to be incorrect and if new industries come into existence and if the country advances I will be very happy if the estimates that have been taken into account in putting forward the new proposals turn out to be correct. That is what I want to say and I request the hon. Finance Minister to consider this from that point of view.

SHRI P. N. SAPRU (Uttar Pradesh): Mr. Deputy Chairman, I would like to accord this Bill my general support. I do not propose to examine its various provisions in detail. I would just like to indicate my point of view towards the problems which our recent discussions on our financial policies raise.

It has been said by Dr. Mukerjee, for example, that one great disadvantage of high taxation—direct taxation—is that it weakens incen-

tive to creative effort in the industrial field. It is said: Capital is the result of savings and where the taxation is too high, there is little to save. Its formation is, therefore, impeded. A country which does not provide the scope for capital formation is thus denying itself the means of industrial advancement without foreign aid.

Frankly, Mr. Deputy Chairman, I do not accept this analysis of the learned Professor as profound or correct. This view gives us a highly exaggerated picture of how things actually happen. It cannot be said that the only incentive to work is the monetary reward that a man gets from his work. Low taxation does not automatically lead to large savings, more energy, greater initiative and greater enterprise. It has not the magical effect attributed to it by Dr. Mukerjee. It leads in many cases to wasteful expenditure. Witness, for example, the life led by some of the richer people—the wasteful and ostentatious display of their wealth and wastage of expenditure. It leads to a vulgarisation of character. The human individual, Mr. Deputy Chairman, is a complicated being. He is moved by various incentives and they do not all depend for their operation upon the monetary reward that he secures from his labour. I do not suggest that taxation can be high in the case of people of low income groups. Indeed, it should be low because their purchasing power is not high. They cannot exist with their incomes properly. Their plight is indeed a hard one. With the rising cost of living, they find it difficult to make both ends meet. Articles of common consumption by them have been included for taxation of an increased nature, Matches, tobacco and postal letter, all these have been included in this taxation. Now, indirect taxation inevitably has a tendency to raise prices. It, therefore, encourages inflation. It hits the poor man more than it does the rich man and, therefore, it brings out in a more

glaring manner the injustices of our economic system. The fact is that our great disparities in the ownership of property make indirect taxation an unjust system. A very tiny fraction of our population owns a large part of the national wealth. Some of the men belonging to this tiny fraction draw unearned incomes and make good profits and capital gains. Leading members of our managerial staff get substantial salaries and get in addition, big allowances, visible and invisible. I do not suggest that we should distribute poverty by depriving them totally of their property. But it strikes me that there is a strong case in a poor and under-developed country of great disparities such as ours for the transference of large accumulated wealth from private to public ownership. We should not encourage the growth of monopoly capital. Rent, interest and profit should be for the benefit of the community as a whole and not remain concentrated in the hands of a very few people. It strikes me that the expenditure in the social services—I make this reference to the observations of the Finance Minister—is the means of redressing, to some extent, social inequalities. In the Second Five Year Plan, the expenditure is not of an excessive character and any reduction on it would mean accentuation of poverty while the Plan is in progress. It is for that reason that I maintain that 4 P.M. there should be no delay in the carrying out of land reforms. Large collectives are no doubt inconsistent with our democratic planning. But I can see no valid objection to co-operative farming, and if properly planned, it should not discourage the individual farmer. We should approach him in a proper way for the formation of these co-operatives.

Then, Sir, there is no scope for pruning the Plan so far as housing, sanitation and slum clearance are concerned. In fact, I wish there could have been some provision for

pensions for old age. And contributory health schemes should be encouraged. Well, more important than all these things is the solution of the food problem.

Sir, there are scarcity conditions in certain parts of this country. Rice production is probably the lowest in our country as compared to any other country in the world. Experience in this respect is more important than statistics. I think attention should not only be paid to increased production but also to a fairer distribution of our food supplies. I do not agree with the view that we should concentrate on production only. Everything does not seem to be all right with our food and agricultural programmes. The money that we are spending on the import of our food supplies has to be saved. The general view seems to be that there should be no controls. But where the supplies are limited, one should have thought that controls would lead to a fairer distribution. In any case, the experiment of fair price shops is something which we should not give up. Transport facilities should also be improved, and there should be proper arrangement for the steady movement of foodgrains from areas which are surplus to areas which are deficit. The success of the Five Year Plan depends mainly upon the maintenance of reasonable prices for our foodgrains. In certain parts of our country the situation is particularly bad. I hope the Asoka Mehta Committee will devote proper attention to those parts.

Lastly, Mr. Deputy Chairman, I would like to express my agreement with Mr. Shiva Rao in his view that civil service organisations for our lower paid employees should not be frowned upon. Perhaps, a more lasting way of giving relief would be to lower prices of foodstuffs even by subsidising them as also other consumer's articles including medicines of a necessary character. Our working class people and our lower middle income group people have to pay

[Shri P N Saprū]

the urban areas high house rents for miserable accommodation. The sanitary conditions under which they live are bad, they have no free medical services, whereas the superior civil servants are allowed free medical services. All this is not right from the ethical point of view. I hope we are an ethical State.

Now, Mr Deputy Chairman, I would like to say one or two words about the lower income group people. The minimum taxable limit has, in their case, been reduced from Rs 4,200 to Rs 3,000. Now Rs 250 is certainly not a very big income for a person in these days of high prices. An average family in our country consists of about four or five members these days. And the people of this class have to provide schooling for their children. Nowadays, Sir, girls expect to be sent to schools just in the same way as boys, and rightly so. Therefore the poor man has to spend money not only upon the marriage of his daughters, but on so many other things also. Marriages cannot be taxed, as was said rightly the other day by a distinguished Member of this House. Mr Deputy Chairman, I do not think that this reduction in the income-tax limit will yield very satisfactory results. And this will add to the work of our income-tax department officers. I know of cases where you get your income-tax assessment after two years, three years or even four years. We have to increase our staff very much if we want this assessment to yield fairly substantial results.

Then, Sir, I am particularly unhappy about the increase in the rates of postal envelopes. There will be greater and greater use hereafter of post cards. I have myself started using post cards instead of envelopes as a measure of economy, and I think many other people also must be doing the same thing.

Then, Mr Deputy Chairman, I would like to say one or two words

about the question of prohibition and salt tax. I know that there is a lot of sentiment mixed up with these questions, and I would like to be restrained in my reference to these two questions. I am myself a very great believer in a policy of active temperance. But I am not myself in love with a society of many prohibitions and inhibitions. I think that is not the right way of dealing with social problems. But I know that there is a great deal of sentiment mixed up with this matter, and we cannot overnight scrap prohibition. The experiment is there and it has got to be tried, and let us hope that it would yield the results which we all hope it will.

Now, Sir, as far as the salt tax is concerned, there is a big history. The salt tax was at one time the symbol of our struggle for national independence, and no Finance Minister can forget the history of the salt tax in devising his taxation measures. Therefore, advice of that character is not—to put it very mildly—very helpful. We have to think of other forms of taxation so far as this country is concerned. And we have somehow to solve the problem of our foreign exchange not by going with a beggar's bowl to any foreign country, but by showing determination on our part to carry through this Plan. I do not think, Sir, that anything is beyond human effort. Of course, it may be that we shall not succeed fully. I cannot foresee the future, but man's duty is to make his best effort and leave the results to some unseen power, if there is any unseen power. We have got as our aim justice, social, economic and political, and we hope that the results will be commensurate with our efforts. Thank you.

SHRI B K MUKERJEE. Mr Deputy Chairman, I stand to support this Finance Bill which has been introduced here for our consideration by the Finance Minister. While I do so, I realise that these measures and the other measures which will soon be considered by this House have

aroused a great agitation in this country. Therefore, I am supporting this measure with a great amount of grief. These measures of taxation are required to finance the Second Five Year Plan. If the country desires to successfully implement the targets in the Plan, the Plan requires not only the support but the active co-operation of the masses of this country. and we have got to arouse enthusiasm among the people of this country to fulfil this task with a view to improving the financial position of the country. These measures have aroused a very considerable amount of agitation, though the masses may not be directly interested in or directly affected by these taxation measures, but still their agitation will actually come in the way of the successful implementation of the Plan. Why are the people who are not directly affected by these taxation measures so agitated? Very few people will be directly affected by these taxation measures, but the masses are so led that they are agitated, and today they are talking against the Plan and against the Government. We have got to find out some method of telling these people, of letting them know, that the Plan is only for the benefit of the people and for the upliftment of the economic condition of the country. So far, the Finance Minister or for that matter the Government itself has failed to approach the people in the right perspective. Today they are being misled by a handful of friends—if I may be permitted to say so, the friends of our Finance Minister, the capitalist class of this country who will be directly affected by these taxation measures. The masses are illiterate; they are not paying any taxes directly, though indirectly they may have to pay taxes or bear a heavy burden. These people are misled because they are lacking in education. Our main purpose in this country at present should be to give priority to education and food and other necessities of the people. In both these, I am very doubtful whether the Finance Minister's measures will succeed.

Though our Constitution under article 45 provides for free and compulsory primary education within a period of ten years, the Second Five Year Plan only aids to make 60 per cent. of our population literate, and it will end four years hence. We are already in the eighth year of the implementation of our Constitution, and therefore, it is clear that within ten years we would not even succeed in educating 60 per cent. of our population in the real sense of the term. Illiteracy is causing great harm to the people, and this illiteracy is being exploited at this moment by this capitalist class to agitate against the Plan and against this Government. I want the Finance Minister to take note of this situation, and therefore he has got to come forward to provide more funds for the education of the illiterate masses in this country. Then, the masses cannot be so easily influenced or misled by the enemies of this country, i.e. the capitalist classes.

Many of the speakers who preceded me demanded an assurance from the Finance Minister that these collections will be properly and usefully utilised by the departments which will be in charge of implementing the Plan. Now, this Government and particularly our Finance Minister have to consider that these Secretaries, Joint Secretaries and Deputy Secretaries though drawing fat salaries, they are not efficient and are not experts. I say that they are most inefficient, and that has been proved by the figures given for the Second Five Year Plan. They gave us the figure that the Second Plan will require only Rs. 4,800 crores, whereas in this House some speakers—particularly Dr. Kunzru—estimated it at Rs. 6,000 crores, and there are friends who think that it will exceed even Rs. 6,000 crores. When the Plan was in the anvil, these people gave us a figure which has proved to be incorrect today. This only proves their inefficiency and their lack of sympathy for the country. I do not know for what purpose they misled us by quoting Rs. 4,800 crores. Certainly

[Shri B. K. Mukerjee.]

they are inefficient, and certainly they cannot be relied upon. When we collect more money, we should not hand it over to these inefficient people who are lacking in sympathy for the country. We are not going to put this money in the hands of these inefficient people. Not only are they not experts, but they are inefficient and lack sympathy for the common man of this country. Therefore I demand an assurance from the Finance Minister that this money will not be handed over to those inefficient people who misled us while the Plan was in the anvil. According to their figure, the deficit was only Rs. 1,200 crores. Now it appears that it is not only Rs. 1,200 crores but it will exceed Rs. 2,400 crores. Unless the Finance Minister can increase the production of foodstuff and reduce the prices of the necessities of life and try to provide more money for the education of the people, we will not get the sympathies or cooperation or enthusiasm of the people in this country to come forward to implement every item of the Plan within the time prescribed in the Plan. Therefore we want an assurance from the Finance Minister that this money will be utilised for the purpose for which we are now making the sacrifice, namely, for the prosperity of the country. I need not go further because I don't know what time I have at my disposal. I will only speak on one or two items.

MR. DEPUTY CHAIRMAN: Four minutes more.

SHRI B. K. MUKERJEE: I will deal with only one point. These are inefficient officers and they lack sympathy for the people. We are short of funds, we are short of foreign exchange also. Now I will deal with foreign exchange. There is a firm supplying a machine known as Hollerith Accounting Machine. Many of the offices including Government offices have installed these machines. This is a labour-saving device and in place of four workers getting Rs. 400,

these machines are installed. As I am aware I say these machines are not sold by the Holleriths. They are not purchased by these offices but lent on hire by this company and they collect, where they reduce 4 clerks on Rs. 400 or 600, a monthly rent of Rs. 10,000 and all this money goes to reduce our foreign currency. I don't know who is the person in the Finance Department who advised them to use these Hollerith machines and retrench our poor workers. By the reduction of 4 persons, a maximum of Rs. 600 is saved but in its place they pay Rs. 10,000 per month as rent for that machine. I don't know what is this account. I cannot claim to be an expert on finance.

(Time bell rings.)

The Minister is an expert on finance because he is a rich man and because we are poor people, therefore we cannot claim to be experts in financial matters. But I fail to understand what is this finance, reducing four men on Rs. 600 and paying Rs. 10,000 to a foreign concern and that money goes to U.K. to reduce our foreign currency.

SHRI AMOLAKH CHAND (Uttar Pradesh): Sir, I want to say something.

MR. DEPUTY CHAIRMAN: You had your say.

SHRI AMOLAKH CHAND: I want to rise on a point of personal explanation. Mr. Deputy Chairman, I crave your indulgence on a point of personal explanation. Yesterday while speaking on the Finance Bill by a slip I said "Now, Sir, at the moment we find that about Rs. 2,800 crores of currency notes are in circulation". It was followed by interruptions. What I wanted to say was about the money supply with the public as shown on page 38 of the Central Budget in brief 1957-58 published by the Government of India and supplied to us. Thank you.

MR. DEPUTY CHAIRMAN: Before I call on the Finance Minister to reply to the debate, I have to make an announcement.

ANNOUNCEMENT RE: ALLOTMENT OF TIME FOR GOVERNMENT BUSINESS

MR. DEPUTY CHAIRMAN: I have to inform Members that the Business Advisory Committee at its meeting held today has allocated time as follows for Government business during the remaining part of the current session of the Rajya Sabha, i.e., for the period commencing from September 4, 1957:—

1. The Wealth Tax Bill, 1957 7 hours.
2. The Railway Passenger Fares Bill, 1957 .. 3 hours.
3. The Foreign Exchange Regulation (Amendment) Bill, 1957 .. 1 hour.
4. The Insurance (Amendment) Bill, 1957 .. 1 hour.
5. The Expenditure Tax Bill, 1957 7 hours.
6. The Inter-State Corporation Bill, 1957 .. 1 hour.
7. The Legislative Councils Bill, 1957 5 hours.
8. The Dhotis (Additional Excise Duty) Amendment Bill, 1957 .. 1 hour.
9. The Cotton Fabrics (Additional Excise Duty) Bill, 1957 .. 1 hour.
10. The Delhi Municipal Corporation Bill, 1957 (For reference to a Joint Committee) .. 3 hours.
11. The Indian Tariff (Amendment) Bill, 1957 1 hour.
12. The Life Insurance Corporation (Second Amendment) Bill, 1957 1 hour.
13. The Forward Contracts (Regulations) Amendment Bill, 1957 .. 1 hour.

OTHER BUSINESS

1. Debate on Foreign Affairs (Motion to be moved on 9th September 1957) 5 hours.
2. Resolution seeking approval of ratification of the international convention for the protection of property and objects of cultural and artistic value in the event of armed conflict 1 hour.

In order to be able to complete the business by the 13th September 1957, which is the day fixed for the adjournment of the current session, the Committee has recommended that the House should also sit on Saturday, September 7, 1957, and dispense with the lunch hour as and when necessary.

THE FINANCE (NO. 2) BILL, 1957
—continued

THE MINISTER OF FINANCE (SHRI T. T. KRISHNAMACHARI): Mr. Deputy Chairman, Sir, about 35 hon. Members have participated in this debate and have contributed materially to the discussions both yesterday and today. Sir, their comments and criticism ranged over a wide number of issues: some relating to the Finance Bill, many relating to the policy of Government and some to particular aspects of Governmental activities but some of these undoubtedly require reply. I shall endeavour to reply to such points as is possible for me to do so but by and large, Sir, I would like to confine myself mainly to certain broader issues of policy to which reference has been made in the course of this debate.

Sir, in regard to some of these special points made by hon. Members, I would like to take the point made by Shri Amolakh Chand in regard to grants for flood relief to U.P. I believe he said that a very small sum has been given to the State which