

sub-section (2) of section 17 of the Requisitioning and Acquisition of Immovable Property Act, 1952, a copy of the Ministry of Works, Housing and Supply Notification No. 1085-EII/55, dated the 9th February 1955. [Placed in Library. See No. S-69/55.]

LETTERS re STERLING PENSIONS

THE MINISTER FOR REVENUE AND CIVIL EXPENDITURE (SHRI M. C. SHAH): Sir, I beg to lay on the Table copies of letters exchanged between the Government of India and the Government of the United Kingdom on the subject of the transfer of liability in regard to sterling pensions. [Placed in Library. See No. S-70/55.]

THE BUDGET (GENERAL), 1955-56— GENERAL DISCUSSION—continued.

SHRI S. MAHANTY (Orissa): Mr. Chairman, like the Jews of the Old Testament we have already wandered a considerable length of years in the wilderness in search of the promised land which from now on according to the Prophets of Avadi, will assume a "socialistic pattern." We had never any dearth of Prophets in this country. In fact we had too many of them. The Moses is there in all its splendour and glory but if anything, for the common man, the horizon of that promised land has been receding farther and farther as the days proceed. In this context, the "jam tomorrow" slogan of the hon. the Finance Minister, armed with three bulky volumes of the Taxation Enquiry Commission's Report sounds, indeed, like a hard and cruel joke. In saying this, I am not stating anything in a spirit of carping criticism.

Before I come to offer my general remarks on the Budget, I would first like to discuss this aspect of the situation. In course of the Finance Minister's review of the economic condition obtaining in the country at the moment, he has sought to paint a very rosy picture indeed. According to him, all prices have registered a

downward trend which is reflected in an overall decline in the cost of "living index of the working classes. Production both in the agricultural and the industrial sectors has increased; the country is becoming prosperous and, therefore, there is justification, for imposition of more taxes, not in the urban sector alone, but in the rural sector also. While I do not dispute that proposition, I would, request this House to examine dispassionately this limited issue, namely, whether the conditions obtaining in the country are really what they have been depicted to be.

At this stage I may invite the attention of this House to the very valuable economic data which have been' appended to the Explanatory Memorandum on the General Budget. I would invite your attention to Statement IV. A careful examination of this data will bring home the truth of my statement. Let me first take up the index numbers of wholesale prices. You will find there from that in December 1954, the wholesale prices of industrial materials, of semi-manufactured articles, of manufactured articles and miscellaneous articles have registered a higher trend of price than in 1953 January. Then again, the prices of these commodities were decidedly much higher than what they used to be in 1948, which was a year of all round want, misery and scarcity. I need not bore the House quoting the various figures, for they can be found-in Statement IV of the document under reference. The prices of food articles alone have registered a decline. My submission is that the decline in the cost of living index, achieved at the cost of the primary producers, is no true index of the prosperity of the country. Presently I will dilate on this particular point.

When we speak of the cost of living index of the working classes, we are making a very grave mistake, because the industrial workers, at best, according to the National income Committee's Report represent only 10'6 per

[Shri S. Mahanty.] cent, of the total working force in India. To this 10 • 6 per cent, we c[^]in add another 77 per cent representing the total workers engaged in commerce and communications. Therefore, the decline in the cost of living index, [^]or rather the decline in the cost of living of the working classes residing in cities like Bombay, Kanpur, Delhi, Madras and Calcutta, relates only to 18 3 per cent, of the total working .force of India. This does not touch the 74-2 per cent, of the total working force which is engaged in agricultural labour, who live in misery, in mud huts, in desperation, and who practically live with faith in God and God alone. So it is no good making a sweeping statement that the standard of living of the working classes has increased. According to one computation, the average annual earning of the industrial worker has risen from Rs. 285 in 1939 to Rs. 1,084 in 1953; of the plantation worker from Rs. 94 to Rs. 400 and of the coal miner from Rs. 124 to Rs. 716. Therefore, I need hardly mention here that today the condition of the industrial worker is much better than what it used to be and his per *capita* income is much higher than the average per *capita* income in India which is Rs. 265. Therefore, when the Finance Minister says according to the Taxation Enquiry Commission's Report that there is justification for more taxation in the rural sector, and that the overall economic picture of the country is very hopeful, we would like to get from him some indication of the true condition that Ig obtaining in the rural sector of the country. In its absence, his picture continues to be unreal, however much he may try to paint it in very rosy colours.

I now come back to what I was saying just a moment ago, about the true indication of the economic condition of our country. You will find from Statement V of the Explanatory Memorandum on the General Budget at page 130, that even though the agriculturist is undergoing all kinds, of privations and sufferings and his

efforts alone have brought down the prices of food articles, the industrialist is leaving no stone unturned to in crease nrices of all manufactured arti cles, of all consumer goods. From the Statement, under reference, you will find that in 1954 the price of sugar- of cotton manufactures, of jute manu factures, of cement, of galvanized sheets, all very essential for the well- being of the agriculturist, has re corded a rise much higher than the price which obtained in 1953. Only kerosene has registered a decline of *ii* points, though it is still higher by 25 points if you take into consideration the 1951 price. Therefore. I need hardly emphasise the fact that those dumb millions of our country who re present 74-2 per cent, of labour force are being sacrificed most mercilessly by the iniquitous economic policy, pursued by the Government, and that is so, because they feel that these agricultural labourers are not as vocal, are not as vociferous as the in dustrial labourers, and therefore, they do not decide the political fate of the party in power, as industrial workers can do. But. let us have some sense of equity, some sense of justice and let us make a verv humble beginning towards that so cialistic pattern of which we are so eloquent. Before I conclude this point, I would like to invite the at tention of the hon. the Deputy Mi nister for Finance to the.....

MR. CHAIRMAN: No, no.

AN HON. MEMBER: No, he is Minister.

SHRI S. MAHANTY; I am thankful to you for the correction and I offer him my apology. He is the hon. Minister and therefore, I think he will be in a better position to give us a more convincing answer. Is this the reward that he and his colleagues haw sought to give to the agriculturist who has brought down the food imports of India from four million tons in 1951 to as low as 8 million tons in 1954? Is this the reward that he is going to get? Therefore, let us

disabuse our minds of one of the most stupid notions that improvement in the cost of living index at the cost of the primary producer is a true indicator of the well-being of the country.

Now, I come to the public sector. The hon. the Finance Minister speaking about the nationalised industries in the public sector said that the State industrial enterprises also had a satisfactory year and cited the performance of Sindri in particular in corroboration of his contention. But I venture to think that the facts point otherwise. In fact, this Parliament has very little information of what is happening in these nationalised industries. They have been constituted as autonomous corporations and this Parliament has precious little knowledge of what is happening in these nationalised industries. But if we refer to the First Five Year Plan's Progress Report for 1953-54, we find there a very significant fact mentioned. It has been mentioned that there has been a considerable shortfall in the earning from the estimated profits, from investments in the various commercial undertakings of the Government. According to the Budget for 1954-55, we are supposed to have spent a total amount of Rs. 3,011.7 lakhs on these commercial undertakings.

12 NOON

My question is this. If the hon. the Finance Minister thinks that the industries in the public sector had had a very successful year, is he getting the legitimate return which is expected from those investments?

Now, I come to Sindri because he has quoted Sindri at length. You know, according to the Congress mathematics a project which was originally estimated to cost Rs. 10 crores was completed at the cost of Rs. 30 crores; from 10 to 30 crores! Then again, Sindri is enjoying a kind of monopoly because there is no competition in India whatsoever in this particular sector of production of fertilisers. On Rs. 30 crores—ask any businessman and they will tell you—

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the legitimate return will be 20 per cent. Let us give* a discount of 5 per cent because of the socialistic pattern. So it comes to 15 per cent, and I would request the hon. Minister, in the course of his reply, to give us the figure of the amount that he has received as profit from Sindri in the year 1954-55.

It is a piece of common knowledge that the industries in the public sector are being run on very unimaginative bureaucratic lines rather than on productive commercial lines. I.A.S. and I.C.S. officers having very little knowledge of the nature of things are placed at the helm of affairs. Therefore, all these commercial undertakings of the Government of India, though they have not resulted in a complete failure, have resulted in a relative failure and I would be very happy, if I am found wrong. I think the Government of India is preparing a case in a very shrewd manner, to transfer all the industries in the public sector to the private sector. I will presently substantiate my allegations when I come to the Indian Airlines Corporation. But before I come to that, I will refer to another most important point about converting these commercial State enterprises into autonomous corporations and thereby precluding the Parliament of India to get any clear idea of what is happening in these autonomous units. In this context, I will invite the attention of this House to page 9 of the Audit Report of 1952 in which, the Comptroller and Auditor-General of India has made the following observations in regard to Sindri. He has said:

"Attention is invited in this connection to paragraph 14 of the statement made by the Comptroller and Auditor-General of India to the subcommittee of the Public Accounts Committee on the exchequer control over public expenditure which has been printed as appendix I of the Third Report of the Public Accounts Committee of 1952-53 on exchequer control over public expenditure. The remarks of the Auditor-General in that paragraph regarding the conversion of a Government concern into a private company as being un-

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constitutional and the other obiect-tions to such actions hold good in this case. It is open to Government to establish by legislation a statutory authority for their adequate management. In the case of concerns Which are wholly the property of the State and therefore the responsibility of the Government the law setting up a statutory authority will doubtless contain adequate provisions for securing the requisite degree of Parliamentary control including audit by the Comptroller and Auditor-General while ensuring ,tt the same time the efficient management of the business without undue centralisation of authority. It does not appear to be appropriate to designate such bodies as corporations "

The House will be much interested to learn the reactions of the hon. the Finance Minister to these very pertinent observations which have been made by far competent authorities than a Member in the Opposition. I am much constrained to observe that if the private sector is not playing the game fairly the public sector has not been playing the game at all.

A little while ago I said that I would try to corroborate my assertions—I mean the allegations against the public sector—by referring to the Indian Airlines Corporation. A strange thing has been going on. We know there were eight air lines; there were eight private operators in India, The Government of India—I am subject to correction; there might be slight inaccuracy in the figures because I have not got those figures here ready at the moment—were incurring a liability of Rs. 35 lakhs as the rebate on petrol which was being supplied to these eight airlines operated by private individuals. To add to that, the eight operators according to their figures were sustaining a total loss of Rs. 45 lakhs annually. Therefore, the total legitimate loss which the Government is expected to incur is Rs. 75 lakhs.

THr. MINISTER FOR FINANCE
(SHRI C. D. DESHMUKH): Rs. 80 latfhs.

SHRI S. MAHANTY: So according to these known figures the Government ought to have legitimately incurred a loss of Rs. 80 lakhs. But the loss of the Indian Airlines Corporation is mounting spirally and today the total loss stands at a pretty sum of Rs. 1.50 crores to make up which the hon. the Finance Minister would like us to go without a little more sugar, a little more cloth and a little more of consumer goods. What has happened? It is a wonderful pattern; I do not know if they call it socialistic pattern. There is the Indian Airlines Corporation in charge of experienced administrators, I.C.S. officers, and at the moment I am told its presiding genius is one of the most experienced administri tors of India, Mr. Shankar Prasad, as against the Air India International in the hands of Mr.J. R. D. Tata, a private business magnate. But now the Air India International has been declaring profits and I am told that the profit which has accrued out of Air India International last year is 25 lakhs whereas on the Indian Airlines Corporation we have sustained a loss and the loss is increasing and today the loss stands at Rs. 1.50 crores. Now, I am quite prepared to examine this loss very dispassionately. What are the factors which have contributed to the loss? Firstly, it is said that there are not enough craft for proper operations. Now I would like the Government to examine these conditions. You know, all these eight airlines had their own running aircraft and they had £.lso their reserves for emergency. And now the Government of India after having taken over all the running craft and all the pools, say that they are in deficit of craft. Can you by any stretch of imagination approve of it, can there be any explanation to this kind of argument? The Government of India takes the running aircraft and the pools which were maintained for emergency and then ,v.ys that "we" are now short of crafts. Secondly I would like to know from the Government why all the expert-

enced officers from the Indian Airlines Corporation have made their exit. *Why?* Again, the gentleman for whom a considerable amount was spent from the public exchequer in acquiring experience in fertiliser production, in countries abroad, I mean Mr. B. C. Mukharji who was placed at Sindri, had to be brought to the Indian Airlines Corporation overnight. Probably the Government thought that by bringing a fertiliser man to the airlines, speedy despatch of fertilisers will be facilitated which will contribute to the grow more food campaign. Otherwise, there was no sense in cringing a fertiliser man who gained some amount of experience and for whom a considerable amount of money was spent from Sindri, and place him at the helm of affairs of the Indian Airlines Corporation. After that gentleman began to get some grip, he again went somewhere, and another gentleman was placed at the helm of affairs. Then another contributing factor is that this Government in keeping with grand Moghul traditions wants everything to be concentrated" in Delhi. If we analyse the total pattern of air traffic in India, we will find 'that Calcutta port controls 50 per cent, of the traffic, Bombay 30 per cent., Delhi 15 per cent, and the rest 5 per cent, is dispersed all over the 59 out-stations of the Indian Airlines Corporation. Clear commonsense would have weighed with the Government of India, therefore, to locate the headquarters either in Calcutta or in Bombay so that the Corporation through its headquarters could have controlled quite a considerable sector of the operations. Increasing the production of foodgrains in the field is completely different from actually producing them in the fields. We have no manner of doubt about the ability of our I.C.S. officers in their particular field, but when it comes to business, they are absolute misfits. Probably they are going to say that the Air India International, managed by a private business magnate. Mr. J.R.D. Tata, is giving a profit of 25 lakhs whereas in the case of the Airlines Corporation Government is sustaining loss, and that is

also going up, and therefore, all these lines should be transferred from the public sector to the private sector. Again, the heavy weather which is being made on public sector and private sector seems to be very unreal and it is like private morals and public morals which renders one unnecessary, at least something that is redundant and which negates the other. This kind of split personality and this kind of Dr. Jekyll and Mr. Hyde can be a good likeable story to be enjoyed in one's leisure hours in fiction but when it comes to the economic field, to the financial field, you cannot have a private sector and a public sector. There can be and must be only one sector and that is the national sector.

[MR. DEPUTY CHAIRMAN in the Chair.]

In the beginning, you can place in the management certain private individuals and in the rest Government may control the management but progressively all these industries in the hands of the private management has to be taken over by the State if the socialistic pattern is meant with any amount of seriousness. For that, I would like this Administration to be really geared up and brought to a standard of efficiency.

Now, coming to the Budget proposals, the fresh taxation proposals of the hon. the Finance Minister are not only unnecessary but also I think, unfortunate. So far as it is unnecessary, I think the hon. the Finance Minister himself, in paragraph 53 of his speech, has admitted that the various economic indicators suggest that deficit financing can be resorted to without undue risk. It is unfortunate because the new Budget proposals would hit the middle classes hard. It will entail on the people a kind of austerity which you cannot justify either politically or morally. I shall take up these points when we debate the Finance Bill. The Finance Minister has copiously cited the authority of the Taxation Enquiry Commission's Ke-

[Shri S. Mahanty.]

port in justifying his proposals of new taxation. With all respect to the hon. the Finance Minister, I venture to say that this is not very fair either to the country or to the House because the three massive volumes of the Taxation Enquiry Commission's Report were received only the other day. The State Governments, the public at large, not to speak of the Members of Parliament, had had no time to go through and scrutinise the various findings of the Commission. I do not know if the hon. the Finance Minister himself had had time to go through the Report and scrutinise its various findings. Therefore, the citation of the unverified authority of the Taxation Enquiry Commission, gives one the impression that the Commission was a mere cat's paw to pull out the Finance Minister's chestnuts from the Are of public controversy. With all respect to the Commission, I may say that their labours to a great extent were also unnecessary because it does not require a body of experts to say that there is more scope for taxation. What we wanted the Commission to enquire into was not merely the taxation structure of the country but also the taxable capacity of the people. It does not require a Commission to say that, today, in India we should raise more taxes for our expanding development and welfare activities. What other source is left to a Government, to raise more money but by taxation? Therefore, we did not require the Commission to tell us that more money should be raised by taxation from the people, both in the urban and in the rural sectors for meeting the various items of developmental expenditure. What we wanted was advice about the taxable capacity of the people and, with all respect to the Commission, I venture to say that the Commission have made most superfluous and reactionary recommendations in this behalf; for example, the Commission is of the view that there is more scope for taxation in the rural sector than in the urban sector but I wish to ask whether the Commission has ever cared to go through at least the lurid pic-

ture of the pattern of rural poverty that is obtaining in this country and which has been brought to light by the 1951 *Census*, if not by any other authority. Now, the hon. the Finance Minister wishes to raise 21.70 crores of rupees by way of additional taxation and a big furore has been raised over the additional revenue which the hon. the Finance Minister wishes to raise. Now, I do not take exception to the fact that people should sacrifice more and more for the development of the country which will ultimately result in the maximum good to the maximum number. Therefore, it is incumbent upon the Government, in order to be true to the ideals of a Welfare State, to spend more and more towards developmental schemes which will ultimately improve the taxable capacity of the people. Now, according to the Taxation Enquiry Commission's Report, this is what they say about the pattern of Governmental expenditure. Taking a broad picture of current public expenditure of all Governments in India for the year 1953-54, the Commission point out that out of each rupee of the total expenditure of all Governments, Re. 0/9/6 was spent on non-developmental purposes, Re. 0/3/2 on social services and Re. 0/3/4 on economic developments. I ask whether it is fair? According to the Commission again, public expenditure in India has been increasing towards beneficent expenditure but not perhaps towards economy and efficiency as a whole. Therefore, it raises a very fundamental question. Is it open to a Government to raise more and more money by taxation to counter-balance the waste and extravagance in Administration? With all respect to the hon. the Finance Minister I venture to say that it is not only his job to raise more money for the public exchequer but he has also to work as its most zealous and loyal trustee. If for some reason or other he cannot control the forces which are exploiting the exchequer in a most extravagant manner, then in fairness to himself and in fairness to the country, he should make room for others.

in this context I would invite the attention of this House to the various Public Accounts Committee Reports which have been published from time to time. I will try to show that if more conscientious and vigilant control could have been exerted over public Administration, a sum approximating to this Rs. 21.70 crores which the Finance Minister wants to raise now would have been saved every year and the Budget deficit wiped out to that extent.

I will now give a few instances at random. According to the Audit Report of the Central Government for 1952, the total number of items of objection relating to the year 1950-51 and still outstanding is 29,404 and the total money value is Rs. 23.99 crores. The very fact that these audit objections have not yet been cleared up even though they relate to the year 1950-51 and even earlier shows that the Departments have no logical explanation whatsoever for them. And ultimately they will be written off as losses. Then according to the P. S. Rau Enquiry Committee Report on the Damodar Valley Corporation, a sum of Rs. 1.18 crores has been paid to a contractor in charge of the Konar Dam even though the claim was inadmissible. In the third place according to the findings of the Public Accounts Committee on the Appropriation Accounts of the Defence Services for 1949-50 and 1950-51, a total sum of Rs. 74.140 lakhs has been wasted in infructuous, wasteful and shady expenditure including the nefarious jeep scandal and other scandals which the hon. the Finance Minister would like us to treat as closed. In the fourth place according to the Appropriation Accounts of the Defence Services for the year 1952-53 a total sum of Rs. 2.16 crores has gone down to the pockets of unscrupulous persons and it has ultimately to be written off as losses. This certainly is by no means complete. I have cited only a few instances at random to bring home the fact that if more conscientious, efficient and vigilant control could have been exerted over public administration, probab-

ly we need not have been faced today with a deficit for which fresh taxation proposals are being proposed by the Finance Minister and which mean more hardship.

The Finance Minister will grudge us a little more sugar to sweeten our cups of misery; he will deprive us of the last remaining luxury of a good cigarette and he will be very happy if we go about naked to make up his Budget deficit. But how do these deficits occur? I have just now pointed out how these deficits have occurred. They have occurred because some unscrupulous mandarins have sought to gratify their lust for money at the cost of the exchequer and the worst of it is that the Government goes to lend its shield of protection to those unscrupulous persons. I am, therefore, convinced that there is no merit in these Budget proposals unless the Finance Minister gives us a clean and efficient administration. In its absence I think these fresh taxation proposals for Rs. 21.70 crores which the hon. the Finance Minister is going to raise from the tax-payers of India as a whole are going to counter-balance the waste and extravagance, probably it may be in some High Commissioner's office; probably it may be for the loss which has been incurred in the jeep scandal, blanket scandal, whiskey scandal and what not. I would, therefore, urge the House to consider this position that there is no justification for these Budget proposals. They are not only unnecessary but they are unfortunate. I hope the House will, after having taken all these facts into consideration, reject the proposals of the hon. the Finance Minister.

MR. DEPUTY CHAIRMAN: Before I call on the next speaker, I would inform the House that I have got the names of 34 Members wishing to speak. So we will sit through the lunch hour. Hon. Members will please confine themselves to new points and not repeat points already made.

SHRIMATI K. BHARATHI (Travancore Cochin): Mr. Deputy Chairman, I

[Shrimati K. Bharathi.]

congratulate the hon. the Finance Minister for the quiet note of confidence and optimism that marks and distinguishes his speech. Some slight adjustments in the price mechanism or some alteration in the pace of industrialisation or some little change in the taxation policy may be necessary periodically. But I think that the nation has been established on a fundamentally sound and strong oasis. The Finance Minister does not claim that we have reached the promised land but we are on the right royal road. I mean in a republican democracy with the socialistic pattern of society. I will say that we are on the right democratic and socialistic road to that promised land. We have to bear the difficulties and suffer the inconveniences that may come in our way. Here and there things may misfire sometimes but do not be upset by them. The other day I was reading the report of Premier Chou En-lai to the Chinese Parliament. There things have misfired on a gigantic scale which is almost staggering to hear. Look at the whole history of the U.S.S.R. to this day. There also things have misfired on a tremendous scale. Nothing comparable to that has happened in our country yet—of course, nothing like the Reichstag fire in Germany which came handy for Hitler to give a blood bath to the country. Dictators may use the failures to carry out their own plans of murder on an enormous scale and to eliminate those elements that may come in their way. I shudder at the sadism of the Communists. Today in India we are moving on an even keel and none but the sadists will want to go the way of blood, murder and hatred. We in India want to show the sane way even if it may not be saintly. I am glad that the people of Andhra have held aloft the flag of India and that is the Indian way, the democratic way, the way of nonviolent revolution. It is indeed a great victory for our Prime Minister that Andhra has made the right choice. They have separated the chaff from the grain and burnt the chaff

with unquenchable fire. We have seen the vulgarity of their violence and no wonder the people of Andhra have pricked the bubble of their bloated pride. The great and noble Andhras have paid their tribute to you, Mr. Finance Minister, through these election results. Let us serve the common people whose instinct is basically sound.

This Budget is framed with foresight and courage and with the main purpose of securing the orderly implementation of the Five Year Plan. Though the Plan was formulated, as the hon. Minister says, under difficult circumstances with inflation, shortages and the like clouding the economy, still the aim is to make a good enough beginning. I only wish to make a few general remarks on certain important things. When we discuss the Budget in a general way we look at the policies and programme of the Government in retrospect as well as in prospect. AU these days I was listening to the comments and criticisms and to the confused outbursts of my friends on the opposite side. I very much doubt their sincerity in opposing this Budget. Some of the Opposition Members think it to be their solemn duty to oppose everything and naturally they oppose the Budget also. But as I was hearing certain remarks of my friends there, I was a little amused, rather amazed. Though they are the proper persons to pass a verdict on highwayman's tactics, I think that in this case they are a little mistaken. I hope, you would excuse me if I digress a little, to expose their policies a little, only to lift the curtain a little. Only in one thing they seemed generally to approve and congratulate the Government, that is, in our foreign policy. But there also there is this highwayman's tactics sometimes. Recently, when our Prime Minister was reported to have agreed to a suggestion that in order to solve the Formosan issue a conference should be held, to which the representatives of China and Formosa should be invited, from Moscow came Pravda's criticism

that our Prime Minister had been influenced by Sir Winston Churchill. "His Master's Voice" found expression in our Malayalam Pravda, a Communist daily, "Janayugam", and through the numerous mouths of my Communist friends there. I pause and ask if through negotiations and conferences settlements are to be arrived at, instead of brandishing atom and hydrogen bombs, is there any other way to do it than to invite the representatives of China and Formosa? We did not negotiate with China, Russia, nor with the U.S.A. in order to get rid of the British rule in India. We negotiated with the British to quit India, and they gracefully did so. We did not negotiate with Britain or Pakistan to liquidate the Princely order, but with the Princes themselves. We negotiated with France to eliminate their pockets and not with any other powers. We did these things with practical, good results. So Russia should take lessons at the feet of India in arriving at peaceful settlements, because the former is ignorant of that civilised art and the latter is the successful exponent of it. If only our Communist friends would show a little more sense, by not repeating parrot-like all the sense and nonsense that would be hurled across the Himalayan ranges by their Communist masters, it would have been good for them and the country. I am glad that as far as I know the Chinese have not offered any criticism on our Prime Minister's stand. I have heard a saying that the Americans will fight the war to the last Frenchman. But when I note the belligerent and hydrogen bomb attitude of U.S.S.R., our Prime Minister's stand and China's cautious and discreet silence. I think the saying may be adapted in this way, that is, the Russians will fight the war to the last Chinese. Formosa is not the place where U.S.S.R., or U.S.A. should be allowed to try their nuclear weapons. Already their hydrogen and atom bomb tests are affecting their neighbours badly. If Formosa is to be saved for China and peace for the world, our Prime Minister's stand of peaceful negotiation should be accepted. China and

U.S.S.R., must recognise the existence of Chiang-kai Shek in Formosa, however unpleasant it may be. It has to be recognised if you want to eliminate him peacefully. But if you want to...

DR. R. B. GOUR (Hyderabad): Is that the Prime Minister's stand?

SHRIMATI K. BHARATHI: Yes. But if you want to wipe out Chiang along with Formosa and in your turn to be wiped out a good deal, you can ignore his existence. So also, the U.S.A. should recognise the biggest fact in the world—the Chinese Republic—over which Chairman Mao holds undisputed sway. I hope India's voice will prevail and sense will dawn upon the minds of the big nations who are so small in their minds.

From Formosa, I have to rush back to my own little State of Travancore-Cochin, where I have to defend myself. There the P.S.P. is very-angry like a little child whose sweets have been snatched away by a crow. The Communists are very furious because the simple arithmetic that 27 is bigger than 61 is not understood by the Rajpramukh and they are not allowed to be crowned in our State. Again, if I digress a little, Mr. Deputy Chairman, you would excuse me, because on the floor of this House certain allegations were made by some of my friends on the opposite side, which I would like to clear for the benefit of my colleagues here.

In order to avoid the President's rule in our State, the Congress Party lent their support to the P.S.P. who were only 18 in a House of 118—such a microscopic minority. Of course, we did not attach any string to our support. We did this at a time when the Communists by their hard political bargaining left no other option to Shri Pattom Thanu Pallai, but to leave them alone. It is not true that Shri Thanu Pillai was seduced by the Congress. On the contrary we gave him refuge, we

[Shrimati K. Bharathi] gave him power and prestige at a time when he was left alone helpless on the pavement by his own Communist allies. I know that I am speaking on the Budget and that Travancore-Cochin Ministry-making has nothing to do with it directly. But I only wanted to show how the ten months of P.S.P. rule have brought about so much confusion on the State's economy, that unless the hon. the Finance Minister extends a helping hand to our State, the conditions there may lead to chaos. For cheap popularity the P.S.P. Government most irresponsibly have made many commitments that the present Ministry has to face. What was our experience during the ten months of P.S.P. reign? The top ranking P.S.P. leaders competed with each other in giving conflicting and contradictory advice to the Ministry- Excuse me when I say that the P.S.P. seemed to be a veritable madhouse. How they quarrelled among themselves! They only joined together to abuse the Congress, but we forgave them because we understood it to be due to their inferiority complex. Think of Acharya Kripalani's words that P.S.P., the Brahmin, was accepting the gift of Congress, the *chandala*. It only covers up his feeling. I mean his party's feeling that P.S.P. is an outcaste. We felt great pity for them, but this attitude was becoming intolerable. And we as honest men and women said: "No more of our support." We gave notice of our withdrawal more than a month ago.

MR. DEPUTY CHAIRMAN: It is all past history. Come to the Budget, please.

SHRIMATI K. BHARATHI: I wanted to answer these allegations.

MR. DEPUTY CHAIRMAN: It is only incidentally relevant, but not relevant to the Budget before the House. You have referred to it, I think, at sufficient length. Please go on, shortening your remarks.

SHRIMATI K. BHARATHI: Yes, I will. The P.S.P. leaders in our State behaved like raving mad fellows. They made all sorts of opportunist negotiations with the T. T. N. C. and the Communists. As a matter of fact, they even approached the Congress also. The T.T.N.C. did not succumb, the Communists wrested all that they could out of the Thanu Pillai Government. For a few days, those men who were found guilty of murder were set free by Shri Thanu Pillai, although he himself had been the worst opponent of their release before. The Congress did not betray or let down the P.S.P. We bore them on our shoulders. But we were kicked and abused. We could bear it no more and we dropped them for good. Those whom Shri Thanu Pillai looked up to for support did not lend their shoulders. Here comes an excellent example of that same highwayman's trick. The Communists betrayed the P.S.P. After robbing the P.S.P. of their honour and getting all out of them they gave them up to be murdered. Yes, the Communists remained neutral to the Nb-Confidence motion brought against Shri Thanu Pillai....

MR. DEPUTY CHAIRMAN: Madam, Mr. Thanu Pillai is not in this House to defend himself. Please do not refer to any names.

SHRIMATI K. BHARATHI: Oh, thank you. I only say this, Sir. Is it wrong, if the Rajpramukh made enquiries as to whether there are others more worthy to undertake the responsibility of forming a stable Government? So, the 12 T.T.N.C M.L.As. joined the Congress Party and when the P.S.P. out of malice, offered their support to the Communists, two P.S.P. M.L.As. wrote to the Rajpramukh and the Congress Party leader that they were quitting the P.S.P. out of disgust and they would lend their support to the Congress to form a stable Government. Now, our strength, together with Mr. Ramaswamy, once a P.S.P. mem-

ber and now an independent, is 61 in a House of 118. Was it wrong, if the Congress was called upon to form a Ministry? When the Congress had such a clear majority, should the Rajpramukh dissolve the legislature and order a third general election in less than three years' time? The advice that Shri Thanu Pillai offered was wrong and perverse, and it was actuated by malice. He had no faith. The good of the State was not his concern. His advice was rightly rejected.

Is it not strange when the Communists who hung after the Rajpramukh to form a Government with hardly 27 in a House of 118 should now turn round and agitate for the dissolution of the Assembly? Yes, there is another example of the same highwayman's tactics to which our friend, Mr. Gupta, was referring. But you do not expect the Communists to be logical and consistent. Their brain works in a strange fashion. They are a law unto themselves. Moreover, grapes are sour when you cannot get them, and they become bitter when others eat them. The P.S.P. with 18, when they formed a Government, was not going after power. The Communists with 27, when they ran after the Rajpramukh with petitions that they should be allowed into power, it was progress and revolution. But when the Congress with 61 formed a Government, it was undemocratic and reactionary. What a strange world, where words have lost their meaning in the mouths of these men. In 1953, the Congress advised the dissolution of the Legislature. Except for 24 Communist M.L.As., all the rest, in a House of 118, with one voice, demanded a general election. So, there is no parallel between the situations of 1953 and 1955.

Then, may I touch another subject, the socialistic pattern of society, which we have set before us as our goal, and which is the target of so much scornful insinuation at the hands of my colleagues here? It is

found that the Opposition was crying in despair while pooh-poohing it. May I tell them, "Friends, don't defraud yourselves,"? When Gandhiji led us through the non-violent path to freedom, did not the Communists cry, "Fraud"? But does not the Foreign Minister of their Soviet fatherland hail India as an independent country? So there was no fraud in what Gandhiji had said. Only the Communists defrauded themselves. Did not the Socialists cry, "Fraud", when the Constituent Assembly was convened? But, did we not become a Republic through the instrumentality of that same Constituent Assembly? And, did not the Socialist friends defraud themselves, I ask? I can quote several such instances where the Communists and the Socialists had cried, "Fraud" and ultimately we found them defrauding themselves. Not only that, but they delayed the pace of our progress thereby. So, I say, stop this cry. Behave like responsible, patriotic and mature people, and cooperate in our mighty endeavour to build a socialistic State. This Budget is a firm step to implement our next Plan. Is not the ideal of liquidating unemployment in ten years' time a mighty undertaking? Why not cooperate for ten years sincerely, and then judge by results whether we are sincere or not? Leave the highwayman's tactics and co-operate in our struggle to build a new India. You have all along been found to be in the wrong. Don't hesitate to own it. Be honest about it. But Communists are out to hinder our progress. So I can't expect them to co-operate. They will only destroy. The Communists have a simple test to say that our socialistic objective is a fraud. They point out to the industrialists. Some of the industrialists have already welcomed that objective. What more proof do you want to show that the socialistic objective is not a fraud?

Some people say that peace conferences are a bloody business, be-

[Shrimati K. Bharathi] cause they are sponsored by the war-mongering and hate-spreading capitalists. But I stop and ask my Communist colleagues; Are not the leaders of the Communist Party of India mostly feudalists, not even capitalists? So, is not your Communism the biggest fraud, or rather a trap to ensnare the poor to perpetuate your own feudalistic power? Let us not look at the question in that way. The First Five Year Plan was said to be a fraud by the Communists. But we have achieved most of its targets before time. So will we steadily build up, create plenty and prosperity, and will progressively and rapidly share the progress with our brothers and sisters. If only our Communist friends had purged their minds of blood and murder, hatred and violence, they would have been an asset to the country. Of course, then they cease to be Communists.

As a result of our exceeding the targets on our agricultural front, prices of commodities are falling, it seems. I, who come from a State full of small peasants, who cultivate tapioca, paddy and coconut, feel quite disturbed at it. Tapioca requires help, and that help has to be rushed also. But I, as a lower middle class peasant, do not want to take a too-alarming picture of the situation. We have to devise methods to stabilise prices. With increasing industry and employment, the purchasing capacity of the people will increase. With that, demand will increase, and prices will also increase. I think the real, practicable and permanent remedy to raise the prices of agricultural products is more employment and a rising standard of living. And I think this Budget provides ample scope for that. Of course, in desperate cases, as in the case of tapioca, short-term and emergent remedies have to be thought of. But raising an unnecessary cry or alarm will do no good. We wanted prices to come down and

inflation to cease. That seems to have succeeded beyond the measure we thought of. I feel confident that we will solve the problem we have today and with steady steps, march to a socialistic pattern of society in a foreseeable future.

SHRI H. P. SAKSENA (Uttar Pradesh): Sir, it is admitted on all hands that the Budget for 1955-56 is a development Budget. Now, development, by its very nature, requires a lot of money. Consequently our Budget is a deficit Budget. For deficit Budget, money has to be found from somewhere or the other. One way of financing a deficit Budget is to have recourse to deficit financing. The other method is that of taxation—fresh and more taxation. Now the Finance Minister, it would seem, has had recourse to both the methods—raising money by means of deficit financing as well as by fresh taxations, some of which hit the poor, the lower and the middle class people of this vast country to a considerable extent. I hope that the Finance Minister will pay due consideration to the cries of those who could not, even under the existing conditions, clothe their families sufficiently well and if in future, according to the new proposals of taxation, the cloth intended for middle class people is raised further in cost, it will be a bad day indeed. For no amount of developments, no amount of progress no amount of river valley and irrigation projects will satisfy the needs of an ordinary fami!-. The entire Budget encompasses the Five Year Plan. Once we show our agreement with the Five Year Plan, once we promise to make the Five Year Plan a success, it is upto us to support the proposals contained in the Budget for 1955-56, some of which, as I said, are unpleasant, irksome and even troublesome.

THE VICE-CHAIRMAN (SHRIMATI PARVATHI KRISHNAN): in the Chair.]

Now the problem that faces the country and the educated classes

specially is that of unemployment. No Government worth its salt and fit to its traditions and true to its promises could be blind to the growing problem of unemployment in our country. Every Member of this hon. House, every member of the upper staff sitting in the galleries over there will bear testimony to the fact that in each and every family there are 2, 3, 4 or 5 members who are going without work; who are sufficiently educated and well competent to take work, but there is no work. As I said once and I repeat the same that a Government which does not succeed in finding work for all its people is not playing the game, is not doing its job faithfully. I admit that unemployment is being reduced, has been reduced but to a very inconsiderable extent. Its pace is very slow and this slowness of pace will not solve the problem. Only the Railways during the past year *i.e.*, In 1954-55 reduced unemployment to the extent of employing 37,000 people more than they did in 1953-54. Now, for a concern which employs a million people, this increase of 37,000 is but a drop in the ocean. The Railways should be in a position—these expanding Railways, expanding in every sphere and every direction— should be able to employ more and more men each year and thus help in the reduction of this serious problem of unemployment. Now, from a total of 522,000 unemployed people registered with the various Employment Exchanges, their number rose to 581,000 during the past year. This is staggering and I repeat that the only one problem that glares us in the face and imperatively seeks solution is the problem of unemployment. It is in the interest of the Government themselves to see to it and to adopt ways and means to remove it.

So far as our two Ministries of Health and Education are concerned, the less said, the better. They don't relish any criticism. They think that

all is well in the little Kingdom of Denmark and they can go on merrily in the manner in which they have been going with the standard of culture which they claim they are trying to raise—the standard of culture of we Indians reduced to 'ta-ta' at the time of departure by the families of Indian people and thus causing a grievance to Birlas. I wish some other form of departure or arrival salutation tantamount to Birla were also devised by the present day culture which is beings spread by the Ministry of Education.

THE VICE-CHAIRMAN (SHRIMATI PARVATHI KRISHNAN): We should be lucky that it is not Batas, Mr. Saksena.

SHRI AKBAR AU KHAN (Hyderabad): It would have combined both.

DR. P. C. MITRA (Bihar): Your time is up.

SHRI H. P. SAKSENA: I don't. know any thing about my time.

My friend Prof. Wadia once remarked in his Budget speech that the most important event of the year 1953-54 was the report of the Taxation Enquiry Commission. To a statistician like him, that report may be the most important event. To a politician like myself, the results of the election at Andhra issued recently should, from every canon of reasoning, be treated as the most important event of the day. They have incidentally taught a lesson to our American Imperialist friends that Communism can not only be fought by bullets, it can also be fought by ballot and we fought it in Andhra and came out triumphant and victorious. So if America were to take a lesson out of the recent election results in Andhra, it would do well to revise its own policy of hating nations, trying to finish them and bribing, cajoling

[Shri H. P. Saksena.] and humouring other people to side with them. Meanwhile they are busying themselves with atomic ' ' ' blasts, atomic explosions and atomic bombs. This atomic age must come to an end. Even the greatest diehard of England and the greatest conservative of the United Kingdom, Sir Winston Churchill, now swears by non-violence and says that the creed of the Naked fakir, as he used to call our illustrious Mahatma, is the only creed in the world now that can bring stability, harmony and real life to the world. He is in absolute disagreement with this atomic warfare in which America is so busily engaging itself.

Now, a word about cottage industries.
(*Interruptions by Dr. P. C. Mitra*) There is no lunch-hour. Dr. Mitra.

Cottage industries, we are all agreed, are wanted and they are very necessary. But when it comes to helping these cottage industries in such a way as to be aiming at the destruction and the demolition of the mills in the country, I am simply perplexed. This economy I have not yet been able to understand. Cottage industries, it is obvious, have got their own place. They have lived in India long enough, they are hoary with age. But at the same time, it is also a fact that there were no mills then, no big factories which employed thousands upon thousands of men as today. It is again patent that these cottage industries cannot on a commercial basis, compete with the mills. So both have got to live here in India. Even if cottage industries produce the greatest volume of goods possible **and** imaginable, they never will be able to compete with what the mills produce. Therefore, we have got to devise a policy in which both will live, both will co-operate with each other and their spheres will be more clearly defined.

A word here in this connection, about the rising prices and the rising wages. I have not yet been able to understand the hue and cry that is raised as soon as the prices of food-stuffs, of foodgrains begin to register a little lower index. I do not understand where these champions of high prices were when the prices of foodgrains rose 8 or 10 times. They did not have a tear to shed for the poor consumer for whom it was difficult to get a square meal, not to speak of every day, but not even once a week. If these prices are to be disturbed by the Government's assistance now, I think that would not be quite a proper thing, for the prices should be allowed to find their own level. They should not be occasionally disturbed by the Government by this method and that method and the other. Government are solicitous of the growers of foodgrains, who must grow them for want of any other vacation, and who have been growing them from time immemorial. It is none of the fault of the consumers living in the urban areas who sometimes find the price a little bit lower. because when the prices were higher and abnormally high no one not even the Government came to their rescue, no one came to their assistance. The thatched roofs of the agriculturists were literally full of bank notes and they did not know what to do with them. That time of plenty so far as money is concerned, may or may not come back, but the Government should keep its hand free from rendering any specific assistance to one class of the people and withholding it from another class.

Now, I come to our defence expenditure. The defence expenditure has been kept at a reasonable figure and to lower it down would be disastrous for the reason that pledged to non-violence as we are, we have got to keep a force ready, if *not* for any aggression on any nation but

for self-defence. We do not mean to frighten anybody by our defence forces, but at the same time, we have got to keep ourselves in readiness, for in this strange world, anything might happen any day.

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So far as the foreign policy of our Government is concerned, it does not stand in need of being acclaimed and praised by me. It has been acclaimed and applauded even by those persons who have never been favourably inclined towards us. But that again does not give any sense of complacency. We have got to be very vigilant. We have got to be more cautious and more careful than we have been till now, because the snakes are lurking in all directions and it is just possible that one of them may be bold enough to bite. Therefore, strict vigilance is absolutely necessary. Now, one of the very laudable works that our defence organisation under the able and cautious Minister for Defence Organisation has taken in hand is the establishment of factories in the defence organisation. These people will now be put to a more productive and useful use instead of wasting their time in useless gossip and thus this step if taken to its logical conclusion will go a long way towards increasing our revenues and thus help in adding to our defence expenses and defence revenue also in case of need.

The Budget as it stands is a victim of circumstances. It could not have been otherwise. Placed as we are, we have got to find out money from all directions and one of the directions which has been suggested in the Budget proposals is to add a few items of taxation some of which are indeed objectionable. Now, there has been a rise in the railway freights and fares also. I have been receiving letters from importers of paper which show that the rise in freights on this commodity will hit the paper market and the paper merchants very much and it should

not have been raised. Now I have been requested to voice this objection of theirs in Parliament, but so far as this House is concerned, we have already discussed and passed the Railway Budget. It is for the other House, the Lok Sabha, to pay due attention to the report and see that no trade is penalised to an extent which may be intolerable for them to bear.

The Budget proposals have been accepted and praised even by the business community which is, I must admit, not very much to the credit of the Government because this will at once prove that our Government is very helpful to the private sector and unhelpful, and inimical as my friends on the right side would say, to the interests of, the public sector, because they allege that many concessions have been given to the private sector in trade and business and in the public sector people have been made to pay fresh taxes. This is what they allege; this is their argument, not mine. That gives us some argument for thought. We do not know why it is that the business community is very much satisfied with the Budget proposals.

THE MINISTER FOR REVENUE AND CIVIL EXPENDITURE (SHRI M. C. SHAH) : They are not and the resolution says so.

SHRI H. P. SAKSENA: Well, they are, I know.

SHRI M. C. SHAH: You have read the resolution of the Federation?

SHRI H. P. SAKSENA: I have read all that appeared in the press. I was not present at the meeting of the Federation, but then, I was saying that their disagreement and disappointment at the Budget proposals is so weak that it would appear that it is a dressed-up sort of disappointment and disagreement. Otherwise, they are happy at the Budget proposals. Of course, they could not by the very nature of the trade

[Shri H. P. Saksena.] they are engaged in, say that the Budget proposals are cent, per cent, to their satisfaction. They must find out some excuse or other to say that the Government has been unfair to them.

As I said, the first Five Year Plan is nearing completion. I also remarked once before that planning is a continuing process. The period of the First Five Year Plan will come to an end and another Five Year Plan will begin and yet another and still a fourth one. So it is a continuous process unless we reach a stage at which the country is self-sufficient in all respects. That time is yet to come, but the process has got to be continuing. The First Five Year Plan will have to be correlated with the Second Five Year Plan which is in the process of formation and the "4 result would be known a long time afterwards. But it is incumbent upon all those who love their country irrespective of their political ideologies and philosophies to assist wholeheartedly in the fruition and the perfection of these Plans as they emerge one after the other.

Now some of the money of the First Five Year Plan still remains to be utilised. The utilisation of money is not entirely in the hands of the Government, because, as we all know, we have yet to depend to a very large extent on the imports that we have to receive, machinery, steel and so many other things from foreign countries. We are trying our level best to manufacture things in our own country. Now so far as Chittaranjan is concerned, it is a name which gladdens our hearts. There is the Sindri factory and there are so many other factories which are springing up. There are the community development projects and there are the national extension blocks and there are millions upon millions of acres of land which are being reclaimed by means of tractors and fertilizers and the produc-

tion is being increased by means of good seeds and all that. This should be obvious even to those who do not agree with the Government because one cannot close one's eye to the facts that are before our eyes.

This Budget business requires a lot of careful consideration. A Budget maker is a person who, unfortunately, does not please anybody. Some people, especially in a deficit Budget and in a development Budget, have got to be taxed or to be treated on a footing which is not acceptable and agreeable to them but then the circumstances require that that thing must be done. For that reason, I do not agree with the unhappy criticism that was levelled against the Budget proposals by my hon. friend Mr. Mahanty. To me, it appeared that it was a blueprint of the speech that he was thinking of delivering at the next General Elections, a rehearsal of which he gave in this House at the time of speaking on the Budget proposals. He thought that the Budget discussion is an occasion and an opportunity in which he can talk in any manner of language and all kinds of Babylonish jargon. He quoted something from the New Testament and so, in order to match it, I have just used this expression "Babylonish jargon".

SHRI T. BODRA (Bihar): Old Testament, now New.

SHRI H. P. SAKSENA: Criticism, as I understand it, must always be for the benefit of the country as a whole because even though we belong to different parties, we all agree on loving our country. The one and the great necessity which is necessary for each and every one of us, individually as well as collectively, is to safeguard the freedom that we have won. That can only be done when the country is contented, happy and prosperous. Unfortunately, it is not in the interest of some of our friends on the right to see the land of their birth happy, prosperous and

contented because Communism grows only on discontent and want. The greater the misery, the greater the poverty, the greater the want, the greater the field and the wider the scope for Communism to grow. Supposing for a moment, Communism grows and the whole of India turns red. What of that? Unless you think that you have done your duty by a foreign country, it serves no other purpose; it does not serve any useful purpose, from a democratic to a totalitarian form of Government will be very retrograde step indeed. This is my view of the political philosophy of our country and I would, a thousand times, sacrifice all totalitarian countries at the altar of democracy which I have worked and struggled for, for half a century to bring about in my country. It has not been done in vain and it will not be altered and changed at the command, at the behest of some people who, while they live in this country and drink the water of the Ganga and the Yamuna and eat the food prepared by Indian hands, have chosen to love from their heart of hearts, a country of their liking, a country of their adoption. We have been warning them; Andhra is the latest warning. We invite them to come and co-operate with us; we ask them to do what Prof. Ranga has done and yet it is unfortunate—it is disappointing—that when there is time even now, they do not listen to the advice which is being given to them with the best of intentions. I do not, Madam Vice-Chairman, despair. While democracy is no monopoly of any party or group, it is always open to our friends not to come in sackcloth and ashes but to come as hon. gentlemen and simply own that the path that they had been treading up till now was not the path intended to satisfy the best interests of the country and that, therefore, they want to change and join the party which is wedded to democratic methods. *(Interruption)*. Now, I would advise my hon. friends to bestow a little thought on

this national proposition. A little chuckling or a little bit of interrupting me on the floor of the House would not avail. They have got to take into account the way the wind is blowing. A little bit of introspection is needed. Unless you do that, your chuckling will bring your own downfall, as it has done in one part of the country. The late Lord Willingdon of not very happy fame.....

SHRI T. BODRA: But he is remembered all the same.

SHRI H. P. SAKSENA: predict ed that he had succeeded in killing the Congress for fifty years. He said that the Congress would not be able to raise its head for another fifty years. This happened after the 1932 movement when he was the Governor-General here. It was a reign of terror for us, *Congresswallahs*, in those days. Even the biggest and the tallest of us was not only jailed but was put in C class which was—I do not know—so far as the conditions went worse than hell.

DR. R. B. GOUR: We suffered more than you.

SHRI H. P. SAKSENA: But then his prophecy proved to be a false prophecy. Just within two years, when the elections for the Central Legislative Assembly—as it was then called—were held in 1934-35, Congressmen were returned all over the country not only in an overwhelming majority but I do not remember of any Congressman having been defeated at any place in the whole of India. So, if you think that this Andhra election is no indicator and has no significance, it may be quite correct according to your way of thinking but it is not so according to mine. For me, it is only an eye opener for us all; I am not jubilant over your defeat, although I am happy at the success of the Congress, because I have still some rays of hope in you. These friends to my right are all intelligent people; they are highly educated and enlightened people. They have worked hard

[Shri H. P. Saksena.] Most of them have been to Andamans and they have proved their patriotism but they are only treading a wrong way and it is just possible—it is not only possible but probable—that they would come back to the fold which they, in a moment of frustration and doubt, left, just as my friends of the Krishkar Lok Party have come back to their own old fold, "unconditional return to comradeship" as Prof. Ranga was pleased to say. Now I do not want to prolong my remarks with a tirade on Communism except to say that Communism can best be fought in an election camp rather than by bullets and personally speaking I disapprove of the methods that America is adopting to fight Communism. This in its turn dispels the fears of my friends on the right who always think that India is toeing the line to America and is in a sense doing what America dictates. India is proud and self-respecting enough to be working on nobody's dictation, whether it be the United Kingdom, whether it be the United States of America or whether it even be the Union of Soviet Socialist Republics. We have got our own way of life; we have got our own politics; we have got our own philosophy; we have got our own democracy and we shall stick to it and stick to it profitably, at the same time trying to teach other people who do not yet see eye to eye with us and who do not listen to our appeals to give up methods which may even unconsciously harm the interests of the country but to do what the signs of the times require them to do.

DR. R. B. GOUR: Madam Vice-Chairman, I do not know if we are called upon to lynch the Budget when the House is lunching. Nevertheless, as you have called upon me to speak, I thank you very much and proceed with my remarks. When the Budget speech of the Finance Minister was published in the daily papers I was in my home

State. Just the evening before we had a discussion with certain officials and learned gentlemen about the Avadi Resolution of the Congress on socialistic pattern. And everybody was expecting that the Budget proposals would contain something of that, some smell of it, some move towards it but unfortunately the entire speech and the whole outlook reflected by it has disappointed many people, many honest people. You will have noticed even on the very floor of this House many Congressmen have spoken in that vein. Of course, they have begun by saying that they support the Budget and also ended in the same way because of the fact that Mr. Amolakh Chand was staring in their face. All the same they had some criticism to make of the Budget and the Budget proposals. In fact, I was conjecturing how the Finance Minister would look like in the Lok Sabha delivering his Budget proposals under the daylight lamp. That classical picture of Kali came to my mind and I imagined him with a shield of deficit financing in his left hand and the sword of taxation in his right hand, with a garland of skulls of the proprietors of the closed-down factories and evicted peasantry round his neck and lastly with his foot planted firmly on the socialistic pattern declaration of the Congress. That is the picture, that came to my mind of the Finance Minister delivering his speech in the Lok Sabha. That is the position. The Budget proposals are being criticised in the papers, on the floor of the House and everywhere and we just do not know whether the Finance Minister is going to stick to these proposals or whether he is going to alter them. There are rumours that the excise duty on cloth is going to be removed. I do not know whether he will take us into confidence and tell us what he is going to do, whether he is going to revise these proposals. Already the cloth price has gone up.

I would like to draw the attention of the House to the fact that that part of the Finance Minister's speech reviewing the economic condition is very complacent. It is true that production has gone up. It is true that food production has gone up. But whom does it benefit? What is its benefit to the nation? He has quoted the general over-all figure of the wholesale price index but his own Department has submitted to us an Explanatory Memorandum where the wholesale prices are given for the "various commodities separately. Let us take the food articles. In December 1953 it was 367 and in December 1954 it is 318. That shows a steep fall. But what does a steep fall in food prices mean? He gloats over the phenomenon that this steep fall in food prices has resulted in a total over-all fall in the wholesale price index. But this steep fall in the price of food articles means ruin for our peasantry and that is the general complaint of the people. All the time the Planning Commission is talking about increasing the food production by capital intensive farming. But if this is the condition, with the prices falling steeply for agricultural commodities, where is the question of capital intensive farming? The so-called Japanese method is nothing but capital intensive farming. It means more use of fertilisers, more ploughing of capital in the field. But all this is not going to help when the prices of agricultural commodities are falling steeply. Obviously, the peasantry will not have the money to plough into the field, to invest in new methods of cultivation and agricultural techniques. Then take the question of industrial raw materials. Here again the prices have gone down from 459.3 in December 1953 to 436.3 in December 1954. Now, take the question of manufactured articles. While the prices of articles that the peasantry produces are going down, while the prices of articles that the industrialist purchases are going down, the

articles that the industrialist produces for our own country for our people including the peasantry whom you call *annadaia*, are shooting up. Their prices have gone up from 356.8 in December 1953 to 375.1 in December 1954. This is not a very pleasant picture that we find; the prices of the agricultural commodities are falling down while those of the industrial goods are going up. We do not find agriculture and industry supplementing each other but we find the agricultural sector and the industrial sector clashing with each other resulting in not a very happy picture for the economy of our country. This has to be taken note of and this has been taken from the very facts that the Government has supplied. The hon. the Finance Minister in his speech reviewing the economic conditions has tried to paint a different picture—may be for common consumption. My friend Mr. Saksena said that Mr. Mahanty's speech was meant for election purposes but I should have thought that the speech of the Finance Minister was having the electorate in view.

SHRI H. P. SAKSENA: The elections are over.

DR. R. B. GOUR: Elections may be going on here and there—Kanpur, Lucknow and so on or maybe to prop up an unstable Ministry as in Travancore-Cochin. Therefore, I thought, it was meant for the people whom he thought to be unintelligent and who he thought would not go through all the details. So this is not a happy picture.

Now, I come to another point. The industrial output has gone up. He also takes a special pride in the coal output having gone up by one million tons but the fact is that it has gone up only by half a million tons over the 1952 figure. Maybe it

LDr. R. B. Gour] may be one million tons over the 1953 figure but the total increase is only half a million tons when you take the 1952 figure. Not only that. There is a general feeling among the producers of coal as well as among the people generally that the Planning Commission and the Government as a whole are not coal conscious, as they call it. They may be very much conscious about iron and steel and other heavy industries. Very good; but coal is not there in the consciousness of the Planning Commission and that is the general feeling that has crept in among the public and particularly among the coal producers. Of course, we in Hyderabad are responsible for giving you more coal; the Singareni collieries are producing more coal. But the feeling both of the management as well as of the union is that coal is certainly not in the consciousness of the Government. We know that a certain amount of money for increasing the coal output in order to meet the increased requirements of country is provided for but they are not as much conscious of coal as of other industries. And I feel that the Finance Minister was revelling that there had been an increase of one million tons in coal production, whereas actually it is only half a million tons over the 1952 figures.

Industrial output has increased. All the figures are here, but one important fact which the hon. Finance Minister is trying to conceal I should say—well I do not want to attribute any motives to him but the fact is that he has concealed all right—is at whose cost. What has happened to employment? Who has given the increased output or is it a particular sector of the industry, at the cost of labour, by methods of increased exploitation? Now, we find, for example, so many industries are closing down, so many small and medium factories have closed down. We have industries not working to full capacity. For example, 57 per cent, of our

industry is working only 60 per cent, of capacity. 27 per cent, of industry is working only 40 per cent, of capacity. So, such a problem is there, namely, industries are closing down, factories are closing down. People are going into liquidation. When such a picture is there, we just cannot say that because there is increased industrial output, it means increased prosperity, it means increased industries in our country. Well, Mr. Deogirikar the other day opening his remarks on the Budget started commending the Budget and ended commending the Budget, but in between he did raise this point. When the industrial output has increased, what is the position? I would like to draw the attention of the House to this fact. Yes, the textile output has increased, but what has happened to the employment in the textile industry? What has happened to the textile products? Who gave you this increased output and what is happening to the actual producers of these articles? In the textile industry the output has increased, but the employment has not improved. For example, in 1949 the total number employed was 7,34,602. From that figure the employment has fallen in March 1954 to 7,20,276. It has fallen by 14 thousand. So, the employment in textiles has fallen and the output in textiles has increased. The workers are giving you more cloth, they are producing more. . But what is the textile worker getting in return from the textile industry? In the awards, bonus is denied to him. Due to the awards wages will be stationary. And at the same time, I would like to draw your attention to the fact that the textile worker is going to get further rationalisation from you—at the hands of both the Government as well as the so-called private sector about which our friend Dr. A. R. Mudaliar was singing hallelujahs the other day.

You are giving us the Kanungo Committee Report, which means powerlooms, which means rationalisation. This would mean even power-

looms in the handloom sector, meaning so much of employment for the handloom weavers. We thought that Mr. Kanungo will be taken to task by Parliament and the Government for having increased this work load on the workers, but one fine morning we find him in the position of a Deputy Minister, for the wonderful piece of work that he has done for our workers. I hope the Government will allow us an opportunity to discuss the Kanungo Committee Report. So, this is the position. Here is the employment figure for our textile industry. The production figure you have given and the profit figure—of course you will conceal all the money—nevertheless is there. Take for example the jute industry where rationalisation is supported by my friend Mr. Asoka Mehta also, but I think he would revise his opinion by now. In the jute industry the productivity of the worker has gone up. It has gone up like this. For example, on the old type of frame producing yarn for hessian, 27 men used to attend to 960 spindles. Today 17 men have to mind 1,400 spindles. Similarly, on a frame producing sacking yarn, 30 men operating 512 spindles have been replaced by 11 men operating 640 spindles. Now, each worker is expected to mind more looms and more spindles. In this way, productivity has gone up, but to what extent has it affected the purse of the employers? To what extent has it affected employment, to what extent has it affected the emoluments of the workers? Let us see. Let us also note that the jute industry has had two adjudications so far and one raised the wage bill—the total wages—and the other raised the dearness allowance. But how far has it affected the bosses of I.J.M.A.? In 1948 the total labour force was 302,505 and the total wage bill was Rs. 19.52 crores. In 1949, that is the next year, due to these industrial tribunal awards, the wage bill rose to Rs. 23.87 crores. In 1953 the wage bill came down to Rs. 22.63 crores. The wage bill that rose due to the industrial tribunal award to Rs. 23.87 crores in 1949 came down to Rs. 22.63 crores in 1953. Why? Because the

total labour force was brought down from 302,505 to 245,809 in 1953.

SHRI M. C. SHAH: Does the hon. Member contend that the wages have gone down and employment is going down?

DR. R. B. GOUR: When you give a little wage increase, you want to go ahead with the cut-throat policy of retrenching the workers. So, the productivity of labour is being increased in order to increase unemployment. The wages are increased, but the next day the retrenchment axe works. So, the employment is going down and the productivity of labour is increasing. The profits of the bosses are increasing. This is the position. So, in the name of productivity, as I told you, the number of spindles are being increased per worker, that is a direct increase in the workload. The textile bosses call it rationalisation of workloads. It only means a direct increase, a brute increase in the workload of the worker. This is how the increased productivity of labour is being utilised to cut the employment figure. So, if the total industrial output has increased, this is what has happened. Per worker the output has increased. The worker has given you more value, but at the same time there is retrenchment, there is unemployment—of his colleagues. This is the picture. So, the Government owes an explanation. Do you think that you can fight unemployment with this attitude towards production and employment? Do you think that you are going towards a socialistic pattern with all these monopolist Indian and foreign ties hanging around our body. Here I was not only surprised. It was a very sorry figure, an hon. representative of this hon. community of industrialists, Dr. A. R. Mudaliar, saying on the floor of this House that workers have slowed down. Now, who has slowed down? Is it the worker? The worker has given you increased output, but he as an industrialist is coming and telling us that the workers have slowed down. Labour legislation is so heavy weighing on the industri-

[Dr. R. B. Gour.] alists that they just cannot bear it. They are very innocent people, they are miserable souls and somebody must go to their rescue. This is what he has spoken. Workers have slowed down, the labour legislation of this country is so heavily weighing on the industrialists that they just cannot go on with their normal production.

Now, who is slowing down? And I want here to pointedly tell the Government that one who is doing real service to the people, to the country, to our economy, *i.e.* the worker, is not getting the benefit of the production, is not getting the benefit of the increased output. On the other hand, these industrialists who have really slowed down the production, and who are really responsible for certain things, are getting more and more concessions at the hands of the Government. What is it that the Shroff Committee has said? What is it that they have done in relation to our Five Year Plan? Of course, Mr. Saksena wants a democratic State, and not a totalitarian State, and absolute freedom to our industrialists to freely exploit anybody and everybody they like. And then we find that our planners want them to invest some amount in the industry. They do not use any force.' Force can be used only in the case of a worker going on a strike, but not in the case of managements or industrialists. And these gentlemen have invested Rs. 8-07 crores in basic industries for the first two years of the Plan, and Rs. 43.93 crores in consumer goods. Now we find that Rs. 20 to Rs. 22 crores have been raised by new issues in the capital market. Rs. 12 crores through Government loans, or loans from the Industrial Finance Corporation, and Rs. 18 crores from reserves, short-term loans etc. So the actual amount that the capitalists have provided for the Plan, for investment in certain industries, from amongst their own profits or reserves, is only Rs. 18 crores. Now I want to ask: Who is slowing down? The capitalists or the

workers? Who is sabotaging the Plan and the development programmes? The capitalists or the common people? Let us be very clear about it. And you find that it is the industrialists and these people who are getting a rebate. And those who produce have to pay an excise duty. Now, a worker not only produces cloth, but also consumes it, and he has to pay the excise duty. The peasant not only produces sugar, but also consumes it, and he has to pay more. Now, actually who needs help from the Government? Are the needy industrialists getting it from the Government? No. Today, you have many industries closed down. You yourself informed the House that 23 to 25 sugar mills in our country were not working last year. I will give you certain figures about Hyderabad, because I have got information only about Hyderabad. In the year 1949-50, 32 factories closed down with a total paid-up capital of Rs. 19 lakhs. In the year 1950-51, 25 factories closed down with a total paid-up capital of Rs. 6,40,000. And in the year 1952-53, 12 factories closed down with a total paid-up capital of Rs. 9,50,000. Now you must see as to why they had to close down their factories. They closed down their factories because they had no money. Financial stringency was there, and the working capital was not available to them, as also the Government was not in a position to help them. Now, if there is any industry in our country which needs Government help, it is this industry which is really suffering. But you are giving rebate to those who can invest Rs. 4 crores. You are giving 25 per cent, rebate to such industrialists who can invest. But you have *no* plan of helping the one who is already under liquidation and who is already closing down. Now, this is a very important thing. I would like to straightway suggest to the hon. the Finance Minister not to give this rebate at all, but earmark the amount for aid to needy industries. Even the Taxation Inquiry Commission does not want to give this rebate to the extent that the hon. the Finance Minister was so generous to give. Now he wants to give this rebate to everybody.

THE VICE-CHAIRMAN (SHRIMATI PARVATHI KRISHNAN): Dr. Gour, there is long list of speakers. I request you to be brief. My request is repeated. I hope it won't fall on deaf ears this time.

DR. R. B. GOUR: Yes, I will be brief. So, the position is that the Government will no doubt give us an opportunity to discuss the Taxation Inquiry Commission's Report. The local bodies will discuss it, and the State Governments also—the State Legislatures—will discuss it, I am sure. Even this Report does not suggest a flat development rebate to everybody. Even here, on page 99, paragraph 8, it says:

"In practice this should mean confining the concession we have recommended to the group of industries that are broadly described as producers' goods and capital goods industries."

So this is what the Taxation Inquiry Commission says. But our Finance Minister was very generous to everybody, giving rebates and concessions to private capitalists. And when I say "private capitalists", I mean bigger people, because the smaller people do not come into the picture at all. So, we are going to have a socialistic pattern of our society, and small producers will not be there, small manufacturers will not be there. So, this is the position. Now let us take, for example, the tax returns. Whom have you taxed so far? Whom have you given concessions? Now, on page 150 of the Explanatory Memorandum, you have given the picture of the revenues from the year of taxation. Revenue from Union excise duties has increased from Rs. 5,063 lakhs in 1948-49 to Rs. 12,345 lakhs in the estimated Budget that is before us. This is all indirect taxation coming to you only through the consumers, the third estate, as we call it. Let us call the capitalists as second estate, and let us see how the second estate, *i.e.* capitalists, are taxed. Now, you have the heading "Revenue from Taxes on Income including Corporation Tax.

In 1948-49, it was Rs. 13,993 lakhs, and it has come down to Rs. 11,223 lakhs in the estimated Budget that is before us. So, here is a fall, and there you have an increase.

And I would draw your attention to another fact. The cost of collection of this income-tax has also increased. You owe an explanation on that ap-count. Is it very difficult to unearth their concealed profits, and therefore, very difficult to collect the tax? For example, we find that in 1948-49, the cost of collection was Rs. 182 lakhs. Now it is Rs. 385 lakhs in the estimated Budget that is before 2 P.M. us. You are spending more on collecting from those who have money and you are collecting less from them. You have increased the excise duty and the indirect taxation. Quite obviously this is not a socialistic pattern—it is no pattern at all because you are only taxing the veritable *Kamadhenu*—that is the people. If they have a little more money in their hands, your industry and commerce will run because the consumers will purchase. But they are taxing the purchasing power and they try to give rebate to an industrialist who is feeling shy, or who is not inclined to invest and who would invest only at Government cost etc. This is the way in which the Budget proposals have been placed before us. The one who needs real help from the Government is the small scale industries and the consumer of course. So the excise duty should be revised. Don't give rebate but instead earmark some, amounts for helping industries that are closing. I would like to draw the attention of the Government to another thing. Whom are you giving loans to and have you a machinery to see whether those loans are properly spent or whether the industry is properly functioning? There is an impression that, loans are taken for development but are used as working capital in the existing industries. For example you have given about Rs. 40 lakhs to one sugar factory in Hyderabad and we don't know how it has been spent. We don't know the actual position.

LDr. R. B. Guur. J. Actually the present position in that factory is horrible—horrible in this sense that there are two groups among the owners—Khan Bahadur Babu Khan and some other gentlemen and some others—they are quarrelling among themselves within the Board and the industry is going to ruins. You have given Rs. 40 lakhs to that Nizam Sugar Factory and are you trying to intervene to set matters right?

THE MINISTER FOR COMMERCE (SHRI D. P. KARMARKAR): Sometimes.

DR. R. B. GOUR: For example the Harveys have got so much of money from the textile mills and they have one paper mill in collaboration with the Travancore-Cochin Government. To that particular paper mill the Government of India have given a loan of Rs. 43 lakhs as if the Harveys who have collected so much of money are not able to invest. This is how the Government collaboration with private industrialists is being utilized. For example, because the Government of Hyderabad is associated, they bring pressure on the Government of India for giving money to the Nizam Sugar Factory. So the private industrialists, whether foreign or Indian, are utilising the collaboration with the Government in particular industries for trying to extract more money from the Government and even for cheating the Government. The Government of India must have a machinery to look into the expenditure of the loans given from the Government of India or from the Development Corporation or the I.F.C. or any other body. This is one thing that I would like to draw the attention of the Government to, of course, through the Chair.

The second point is, the Government of India is spending so much on the projects. There is a feeling in the States and, of course, it has been brought to the notice of the Government in this and in the other House through questions and all sorts of ways.....

Sum D. P. KARMARKAR: Not all sorts.

DR. R. B. GOUR:through memorandum, and through talks with the Ministers in the lobbies etc. We have said that huge amounts of money are spent in these various projects. Take our own Tungabhadra Project in Hyderabad. It is alleged that there is a lot of corruption and even important persons are involved. I am not going to dilate on this as it will embarrass all sorts of people but one thing is definite. Where huge amounts of expenditure are involved, a definite machinery must be there and whenever such things are said, an enquiry should be held and things should be enquired into and that is absolutely necessary. In this connection I would also like to say this. What is the Government expenditure itself? How the Government is meeting its requirements? I have no idea as to how the Central Government is meeting its requirements through purchases but I have some figures available relating to the Hyderabad Government. In Hyderabad, the Government has made some purchases from April 1952 to March 1953. These are the figures. Purchases worth Rs. 11,80,023 were made from the local industry i.e., the industry in the State. Purchases worth Rs. 14,69,711 were made from the cottage industries in the State and purchases worth Rs. 40,52,267 were made from the Indian industries i.e., outside the State but purchases worth Rs. 44,67,689 were made from foreign countries. Now when so much of purchases are made from foreign countries by one State Government—and that too a Part B State with a Rajpramukh at its head—is the Government of India thinking at least of enquiring into this matter as to how the Government requirements could be geared...

SHRI D. P. KARMARKAR: I should not like to interrupt the hon. Member but how would it be relevant here? It might be relevant at some stage when purchases are discussed.....

DR. R. B. GOUR: Because the State expenditure is involved and I gave

you the figure from Hyderabad. If purchases are made in our country, that means our industry gets the money. That way it is linked up with our economic outlook. That is the point. What I wish to enquire about are two points, firstly, how you can gear up your requirements to place orders with our own people. Secondly, how you can gear up the industry to meet the requirements of the Government. Both ways things have to be adjusted. Otherwise this heavy drain on the purchases for the State, made by the Government—a drain of Rs. 44 lakhs in one year by a Part B State after all—is serious. This is another factor which the Government should look into.

THE VICE-CHAIRMAN C SHRIMATI PARVATHI KRISHNAN) : I would request you to conclude, Dr. Gour.

DR. R. B. GOUR: Before concluding, I would only like to say that the Budget that has been placed before us to be very very modest, can only be described as a giving away and taking away Budget—giving away to big business and taking away from the common man. Therefore, I think that these Budget proposals and the whole outlook of the Budget has to be very seriously gone into and I hope that when the Finance Minister will be replying to the debate, he will take into consideration these points and try to at least pacify us, if not satisfy us.

श्री कन्हैयालाल डी० बॅंग (मध्य भारत): उप-सभाध्यक्ष महोदय, मैं इस बजट का स्वागत करता हूँ, और जहाँ तक निर्माणकारी कार्यों के लिए धन की आवश्यकताओं की पूर्ति के लिए इसमें जो व्यवस्था रखी गई है उसका मैं समर्थन करता हूँ। इस सम्बन्ध में इस समय हमारा देश में मुख्यतः जो प्रश्न अर्थ समस्या का है, उस पर मैं अर्थ मंत्री महोदय का ध्यान खींचना चाहता हूँ।

वस्तुस्थिति यह है कि इस समय देश में चारों तरफ से इस बात की आवाज उठ रही

है कि वस्तुओं के दाम जो गिरते जा रहे हैं उनके मुकाबिले में कपड़े के दाम, लोहे के दाम, और स्टील की वस्तुओं के दामों को भी गिराने की आवश्यकता है। इस बजट में जो नीति प्रतिपादित की गई है, उसके अनुसार जिस प्रकार टैक्सों को जारी रखने के लिए और नए टैक्सों की पद्धति को लागू करने के लिए जो कदम उठाया गया है, उससे ऐसा मालूम होता है कि हमारी सरकार की नीति इस तरह की है कि वह इन ऊँचे दामों को चालू रखना चाहती है। यह जो नीति है उससे देश का जो मध्यम वर्ग है और देश की जो गरीब जनता है, उन पर बुरा असर पड़ रहा है, क्योंकि जनता की जो खरीदने की शक्ति है वह शक्ति कम होती जा रही है। और जब जनता की खरीदने की शक्ति कम होती जाती है तब यदि कोई व्यक्ति आर्थिक दृष्टि से जितना पैसा कमाता है या वतन में पाता है, उससे वह अपने जीवन की आवश्यकताओं की पूर्ति के लिए वस्तुओं को नहीं खरीद पाता है, तो उससे भ्रष्टाचार फैलता है, रिश्वत-खोरी फैलती है। इससे शासन की व्यवस्था और जनता का भावदंड नीचे चला जाता है और सारे देश के अन्दर जनता में शासन के प्रति असंतोष की भावना फैलती है।

हम इस देश में जनतंत्र की दुहाई देते हैं। श्री सक्सेना ने जो विचार व्यक्त किए, उनका समर्थन करते हुए, मैं यह बात इस सदन और माननीय मंत्री महोदय के समक्ष लाना चाहता हूँ कि जहाँ तक अर्थ नीति का सम्बन्ध है, यदि हमें इस देश में समानता लानी है, तो आज अनाज के जो गिरते हुए भाव हैं उनके मुकाबिले में हमें कपड़े और जीवन की आवश्यकता की अन्य वस्तुओं के दाम भी गिराने चाहिए। आज आप देशात में जाएं, और जनता से पूछें तो वह आपके ऊँचे ऊँचे अर्थ-शास्त्र के सिद्धान्तों को बहुत ही साधारण बातों में कह देते हैं। अभी जब हमारे राष्ट्रपति सैकड़ों मील की यात्रा करके मध्य भारत का दौरा कर चुके हैं—मैं भी उनके साथ साथ घूमा—तब देशात के रहने वाले लोगों ने और वहाँ के नागरिकों ने जो जंगलों में रहते हैं, उन्होंने उनसे कहा कि यह कैसा गोरखधंधा

[श्री कन्हैयालाल डी० वेंच]

इस समय दश में चल रहा है कि जब हम कपास, जिससे कपड़ा बनता है, उसे बेचने के लिए बाजार में जाते हैं तो उसके दाम इतने गिर चुके हैं कि उससे जो हमें पैसा मिलता है उससे जब हम जीवन की आवश्यकता की वस्तुएं, कपड़ा या लोहे का सामान खरीदते हैं तो उसके दाम हमसे पूरे के पूरे ले लिए जाते हैं, हम कहां से अपनी बाकी आवश्यकताओं की पूर्ति के लिए पैसा लाएं? यह एक मूल प्रश्न है, जो आज दश की प्रत्येक जनता के सामने, और विशेषकर ५० प्रतिशत किसान जनता के सामने है।

सरकार की जो नीति है, इस सदन में पिछले दिनों उस पर बहस हुई थी, और उस बहस में इसी बात के ऊपर जोर दिया गया था और सरकार ने उसके बाद यह नीति घोषित की कि हम अन्न के उत्पादन के जो दाम हैं उन दामों को इस ढंग से रखने की चेष्टा करेंगे कि जिससे वे अधिक नहीं गिर पाएंगे। वास्तव में जिस दिन उस निर्णय की घोषणा की गई, उस दिन मेरा सिर जरूर ठनका कि दश की प्रगति इससे नहीं होने वाली है। अर्थशास्त्र के जिन सिद्धान्तों पर आज चला जा रहा है, उससे सारे दश की अर्थ नीति को हम बहुत बुरी दशा में डाले हुए हैं। आपको उन सिद्धान्तों को उलटने पलटने की जरूरत है क्योंकि आपका अर्थशास्त्र दश की जनता के लिए लाभकारी नहीं सिद्ध हो रहा है। यदि आप दश की जनता का मापदंड ऊंचा लाना चाहते हैं, यदि आप भूष्ठाचार और रिश्वतखोरी रोकना चाहते हैं, जिसकी कहानियां चारों ओर प्रचलित हैं, तो मैं यह सुझाव करूंगा कि आपकी अर्थ नीति इस तरह की होनी चाहिए कि आप बड़े बड़े इंडस्ट्रियलिस्ट और कंपटीलिस्ट लोगों की कार्य पद्धति की जांच करें और मालूम करें कि क्या बजह है कि सस्ती कपास की रुई खरीदने के एवज में भी मिल मालिक लोग कपड़े के दाम बढ़ाते हैं।

[MB, DEPUTY CHAIRMAN in the Chair.]

आज हालत यह हो रही है कि किसानों को

जरूरी चीजें खरीदने के लिए ज्यादा पैसा देना पड़ रहा है। जैसे ही बजट की घोषणा की जाती है, बाजारों में दाम बढ़ जाते हैं, यह बात नहीं होनी चाहिए। आज सब से जरूरी बात जो हमें करनी है वह यह है कि जनता को उचित दामों में उसकी जरूरत की चीजें दी जाएं।

आज जनता की स्थिति यह है कि अगर आप पंचवर्षीय योजना के लिए उससे धन की मदद चाहते हैं तो वह खुशी से देने को तैयार है। वह दश के निर्माण कार्यों को कार्यान्वित करने के लिए दश को आगे बढ़ाने के लिए हर तरह से धन और श्रमदान करने को प्रस्तुत है। आप इस तरह से जनता से पैसा ले सकते हैं किन्तु चीजों के दाम बढ़ाने से उसको बहुत मुसीबतों का सामना करना पड़ता है। मैं आपके सामने एक उदाहरण रखना चाहता हूँ। जिस समय चम्बल योजना को कार्यरूप देने का सवाल आया तो हम लोगों के सामने धन की मुख्य समस्या थी। हमने जनता से धन की अपील की और उसने इस कार्य को पूरा करने के लिए नेशनल सर्टिफिकेट और दूसरे रूप में धन दिया। चम्बल कार्य के लिए जनता ने हर्ष के साथ धन दिया और हम गर्व के साथ कह सकते हैं कि हमारे मध्य भारत की जनता ने इस कार्य को अपना और दश का कार्य समझकर खुले दिल से धन दिया। अगर आप जनता से किसी कार्य के लिए धन देने के लिए कहेंगे तो वह अवश्य आपकी हर तरह से सहायता करेगी किन्तु जिस तरह से आपकी यह टेंक्सेशन पॉलिसी चल रही है, जिस प्रकार भूष्ठाचार और ब्लैक-मार्केट दश में चल रहा है, उससे दश की आर्थिक नीति सफल होने वाली नहीं है।

आज हमारे दश के जो बड़े बड़े पूंजीपति हैं, वे अपना हिसाब किताब "डबल सिस्टम" के आधार पर चलाते हैं। एक बही तो जाब्त की होती है, जो कि दिखाने के लिए होती है और दूसरी वह बही होती है जिसमें वे अपना हिसाब ठीक तरह से रखते हैं मगर वह दिखाने की नहीं होती है। इस जाब्त के हिसाब के अन्दर जो चीजें १२० या १४० में खरीदी गई हैं उसको १७० और

१५० में दिखाते हैं। इस तरह की बही से इन्कम टैक्स वालों भी पूरा रुपया वसूल नहीं कर सकते हैं। मजदूरों को पूरी तरह से बोनस नहीं मिल सकता है। शायर होल्डरों को अच्छी तरह से उनका शायर नहीं मिल सकता है। इस तरह की बातें आज हमारे देश में पूंजीपतियों द्वारा की जा रही हैं और देश का आर्थिक शोषण किया जा रहा है। सस्ती कपास और रुई खरीदकर बे महंगा कपड़ा देश की जनता को दे रहे हैं और काफी रुपया इस तरह से कमा रहे हैं। सरकार क्यों नहीं उनके हिसाब किताब की जांच करती और जो लोग इस तरह के कार्य करते हैं, उनको क्यों नहीं सजा देती है? इस सदन में बार बार कहा जाता है कि इतने आदिमी अहंतिवादी नजरबंदी में पकड़े गए हैं, मेरा कहना यह है कि आप क्यों नहीं इस तरह के आदिमियों को इस कानून के मातहत पकड़ते हैं। आज देश के अन्दर जो भ्रष्टाचार फैला रहे हैं, जनता का आर्थिक शोषण कर रहे हैं, क्यों नहीं उनको पकड़ा जाता है? जब तक सरकार इस ओर कोई उचित कदम नहीं उठाएगी तब तक हमारी आर्थिक दशा सुधरने वाली नहीं है। इसलिए मेरा सरकार से यह नमू निवेदन है कि सरकार की आर्थिक नीति इस प्रकार की होनी चाहिए जिससे कि वस्तुओं के दाम कम हो जाएं ताकि देश की जनता इस लायक हो जाए कि वह उसका खरीद सकें। इस तरह की नीति हमको अपनानी चाहिए जिससे देश की गरीब जनता को उसके दैनिक जीवन में काम आने वाली चीजें सस्ते दामों में मिल सकें।

एक छोटा सा सुझाव मैं आपके सामने रखना चाहता हूँ। हमारी सरकार की गृह-उद्योगधंधों को प्रोत्साहन करने की नीति है किन्तु इस नीति के बारे में जो रवैया अपनाया जा रहा है, उसके बारे में मैं आपका ध्यान दिलाना चाहूंगा जो कि इस वर्तमान बजट से सम्बन्ध रखता है। पंजाब, पंप्पू और दिल्ली प्रान्त में बहुत से छोटे कारखाने ऐसे हैं जहां कि मशीनों के छोटे छोटे पार्ट्स तैयार होते हैं। ये कारखाने छोटे गृह-उद्योगों के अन्तर्गत आ जाते हैं किन्तु इन पर ज्यादा टैक्स लगाए जाने की वजह से इनकी

स्थिति भी बहुत खतरनाक हो गई है। इन उद्योगों में करीब सात हजार मजदूर काम पर लगे हुए हैं और कोई चालीस हजार आदिमियों को इन उद्योगों द्वारा रोटी और रोजी मिलती है। यह एक ऐसी इंडस्ट्री है जिसका हर तरह से प्रोत्साहन मिलना चाहिए और लाखों व्यक्ति इसके द्वारा अपनी रोजी व रोटी कमा सकते हैं। इन कारखानों में जो मशीनों के पार्ट्स बनाए जाते हैं, उन पर सरकार ने १० प्रतिशत छूटी लगा दी है, इससे घातक परिणाम होने वाले हैं। इसका नतीजा यह होगा कि यह उद्योग जिसमें हजारों आदिमियों और उनके परिवारों का पालन पोषण हो रहा है, कुछ समय बाद विदेशी पार्ट्स की होड़ में पनप नहीं सकेंगे। यदि उनको बाहरी माल से आप बचाने की व्यवस्था नहीं करेंगे तो उनमें हजारों काम करने वाले अपनी आजीविका खो देंगे। जब सरकार की नीति गृह-उद्योगधंधों को अधिक से अधिक प्रोत्साहन देने की है तो इस उद्योग के साथ इस तरह का व्यवहार क्यों किया जा रहा है? यह ऐसा उद्योग है जो कि देश में अधिक से अधिक पनप सकता है। इसलिए मैं सरकार से प्रार्थना करूंगा कि वह इस प्रश्न पर गम्भीरता पूर्वक विचार करें और वस्तु-स्थिति को ध्यान में रख कर अपनी नीति में परिवर्तन करें। इन शब्दों के साथ मैं इस बजट का स्वागत करता हूँ।

SHRI D. D. ITALIA
Mr. Deputy Chairman,
pleasure in welcoming
and

(Hyderabad):
I have great
this Budget

MR. DEPUTY CHAIRMAN: Before you continue your speech, I would request all hon. Members not to take more than fifteen minutes each, because there are about 34 names still.

SHRI KISHEN CHAND (Hyderabad) : May I submit that this discussion may continue tomorrow also and if necessary

MR. DEPUTY CHAIRMAN: Yes. it will be continued tomorrow and the Finance Minister will be replying to the debate tomorrow at four o'clock.

SHRI KISHEN CHAND: And if necessary it may be continued on Saturday also.

MR. DEPUTY CHAIRMAN: No, no. I will call on the Finance Minister to reply tomorrow at four o'clock; that is decided. And to provide sufficient time to the hon. Members, I request that each hon. Member will not take more than fifteen minutes.

Yes, please continue, Mr. Italia.

SHRI D. D. ITALIA: Sir, I have great pleasure in offering my wholehearted compliments for the well-thought out and well-prepared Budget which the Finance Minister has presented to us and I also congratulate him for taking to deficit financing to meet the expenses in connection with the several development projects. As was said by one of our hon. Members last year, the Budget should not be merely an estimate of income and expenditure but must be an indication of the nation's security, stability and prosperity. We are thankful to the Government for the well-prepared First Five Year Plan and for its implementation. We have already spent on this First Five Year Plan nearly Rs. 1500 crores and we are going to spend Rs. 700 crores more, and at the end of this Five Year Plan we will be more and more progressing in the right direction. We are also thankful to the Government for preparing the Second Five Year Plan in which more attention will be paid for developing old industries and also establishing new industries both in the private sector as well as in the public sector. We are thankful to our hon. the Prime Minister who said at the last annual session of the Federation of Indian Chambers of Commerce and Industry that there was great scope for the industries in the private sector to develop. We are also thankful for the assurance which he gave to the industrial and commercial community doing business, whether small or big, that most of the business will remain in the hands of the private sector.

Then I think there was some complaint in this House as well as outside that the hon. the Finance Minister did not say a single word in his Budget speech regarding the resolution which was passed at the Avadi Session of the Congress regarding a socialistic pattern of society. But if we carefully study the budget there are ample proofs of socialism. The condition of the downtrodden people is sufficiently improved and their standard raised. The wealth of the rich people has been reduced thus reducing disparity. Oui hon. Prime Minister said at the annual meeting of the Federation of the Indian Chambers of Commerce and Industry that the commercial community should adjust themselves to the socialistic pattern of society and we are already doing so.

Then I come to another point. It is the duty of every democratic Government to provide work for every able-bodied man and woman, provide sufficient food for their living, houses for their shelter, clothes for covering their bodies and medical aid and education. To provide all this Government require huge sums of money and it is but fair that the hon. the Finance Minister should tap all possible resources to provide funds for them. The Finance Minister has already said that we are progressing in the right direction. We are also glad that our national income has already been increased and I am sure that at the end of the First Five Year Plan our national income would have progressively further increased. In spite of this unfortunately unemployment is increasing and the vast unemployment problem is the greatest headache of the Government. If we are keen to reduce unemployment then we shall have to give our fullest attention and thought for the development of small-scale, cottage and village industries. Then and then only we will be able to provide labour for the vast number of unemployed.

Now I come to a few points regarding the Budget itself. There are the two things, indirect taxation and direct

taxation. As far as the indirect taxation is concerned, many of our Members have said that it will hit hard the poor and the middle-class people as the hon. the Finance Minister proposes to impose new excise duty on superfine cloth, sugar, cigarettes and the production of factories such as woollen fabrics, sewing machines, electric bulbs, electric fans, paper, etc. which are all the daily necessities of everyone; so it will fall not merely on the rich but also on the middle-class and poor people and the latter will be hard hit. It will also hit some of our industries and the life of the common man will become expensive. After all by these new excise duties only Rs. 17 crores will be collected and looking at the all-round hardship I request the hon. the Finance Minister to reconsider the matter and if possible either remove these excise duties altogether or modify them. Then as far as the direct taxation is concerned, let me inform the Finance Minister that the change in the income-tax upto Rs. 15,000 is not justifiable and it will cause hardship to those people who are to pay it though many Members perhaps will not agree with me in this. Their contention will be that after all only 7 to 8 lakhs of people are paying income-tax which is only 2 per cent, of the whole population and 99·8 per cent of the population have not to pay any kind of direct tax. So I will request the hon. the Finance Minister to see if it is possible to maintain the present rate of tax on Rs. 15,000 without changing it. Then, Sir, earned income relief of Rs. 4000 is being reduced on incomes exceeding Rs. 25,000 upto Rs. 45,000 and no relief will be given on income exceeding Rs. 45,000.

SHRI M. C. SHAH: Yes, it will be reduced gradually.

SHRI D. D. ITALIA: It is not fair, Sir. People earn certain income with their efforts and intelligence and they will think that not allowing them facilities which were in existence for long will discourage them from earning more. My suggestion is that the earned income relief of Rs. 4000 should

be allowed upto an income of Rs. 1 lakh. While talking on income-tax I think I should voice the grievances of the taxpayers against some of the income-tax officers who, as you know, arbitrarily demand money and arbitrarily increase the revenue.

SHRI M. C. SHAH: There are the appeals.

SHRI D. D. ITALIA: There is the appeal, I know, and the taxpayers do go to appeal but there the appeal hangs on for months and years and the assessee has to pay 4 to 5 times the actual tax due to the arbitrary assessment of the income-tax officers and their demand to pay the tax immediately failing which penalty will be imposed. In this way an assessee is unnecessarily harassed, which, I am sure, is not the intention of the Board of Revenue or the Finance Minister. Many times you will find that the appeals filed before the Assistant Appellate Commissioner go on for months and years and they are not decided soon. So my suggestion is that wherever there are arbitrary assessments, there admitted tax plus 25 per cent must be collected and the balance kept pending till the final disposal of the appeal. You must give some instructions that within six months all such appeals should be disposed of and if there be any delay explanation should be called for for the delay. I think that would be the best thing.

As I come from Hyderabad, I know the conditions and I want to mention them to you. I want to tell you about the *abkari* contracts that are given by the Government. These contracts are given in sub-contracts by the contractors and the Income Tax Officers do not recognise these sub-contracts. The High Court had decided in favour of these sub-contractors but the Income Tax Officers say that Government have appealed to the Supreme Court and that they are not going to recognise them. I do not know how far it is true, but till a decision is reached by the Supreme Court, they are not going to recognise them. There are written documents and agreements. After all.

[Shri D. D. Italia.] the tax is on the income derived and not on any imaginary thing. This has created a hardship and I would request the hon. the Finance Minister to look into this.

Hyderabad is a very backward State and after its merger with the Indian Union, it has been neglected and has been entirely ignored. For the last five years, sufficient amount has not been given to Hyderabad. Compared to other States, Hyderabad has been given very little. A certain sum was given towards the Tungabhadra Project but here too, that project was started long before Hyderabad was merged with the Indian Union. I think Hyderabad has every right to demand from the Centre that her legitimate share should be given to her. The Nandikonda Project will, I understand be included at least in the Second Five Year Plan.

There is only one more point that I want to urge before I sit down. There is a talk about setting up fertiliser factories in different parts of India. I think Hyderabad has a rightful claim for one such major factory to be established within her territory. I was informed that some of the officers had been there and they saw the different sites, and selected Kathagudian, where there is ample supply of water and coal available. I think it will be better if one of the proposed fertiliser factories is established there.

We are building a new nation and it is the duty of each and everyone, whether small or big, to co-operate in the development of our nation. Looking at the Budget in this perspective, I welcome it.

SHRI KISHEN CHAND: Mr. Deputy Chairman, we are discussing the Budget for 1955-56 and from the Finance Minister's point of view, it is a very good Budget, it is a balanced Budget. Some taxes have been added here and there and the expenses are maintained at their present level and so it should be considered a very good Budget. But we have to consider the

political philosophy that you are aiming at when you are framing the Budget. I submit that the avowed political philosophy of the Congress Government—the creation of a socialistic pattern of society—is not reflected in this Budget. I will try to show that it goes quite contrary to that philosophy. Before I come to that, I would like to point out that in the matter of expenditure, for the last two or three years, the hon. the Finance Minister has adopted a policy of adding up so many other items of expenditure under civil administration that it has become difficult to compare from year to year the expenditure on civil administration; the expenditure on social welfare activities and education are all added. The effect is that civil administration which used to take about Rs. 45 crores about seven years ago has now gone above Rs. 80 or Rs. 85 crores. When we want to compare this figure with that of the last year or the year before last, it becomes very difficult and it becomes very easy for the hon. the Minister for Finance to point out that the increase is partly due to expenditure on education, partly due to expenditure on other welfare activities and so on. I would request the hon. the Finance Minister to give a comparative statement of the exact amount spent on civil administration from 1947 onwards up to 1955-56 and to show reasons for the continual increase in expenditure. Apart from these items of education and welfare activities, the actual expenditure on civil administration has gone up from Rs. 45 crores to Rs. 70 crores. There should be some ceiling fixed because in a poor country like ours, if we go on increasing our expenditure, naturally we will have to increase our income by putting all these taxes.

Secondly, in the matter of defence, when the hon. the Prime Minister went to Great Britain for attending the Commonwealth Prime Ministers' Conference, in a press interview he said that we could not really afford to have armaments in competition with the other big Powers and so he said,

"The less we talk about it, the better" and yet, we are spending Rs. 200 crores as recurring expenditure from Revenue and about Rs. 15 or Rs. 17

crores -----which is Rs. 22 crores this time—from Capital account on defence. This means a total expenditure of Rs. 222 crores and even with this figure, if we compare the expenditure that we are incurring on defence with that of the U.S.A. which is about Rs. 2,000 crores, we find that it is a hundred times less than that of the other country. So, however, much we may increase our expenditure on defence, we can never cope with the fabulous expenditure of countries like the U. S. A. or the U. S. S. R. With it not be better, if we cut down the expenditure on defence from Rs. 200 crores to about Rs. 150 crores?

SHRI J. S. BISHT (Uttar Pradesh): How much?

SHRI KISHEN CHAND: About Rs. 150 crores. I will tell you how it can be done because, as I have already stated, even if we spend Rs. 300 crores or the entire revenue on defence, the equipment of our Armed Forces will not bear any comparison with the equipment held by the U.S.A. or the U.S.S.R.

SHRI J. S. BISHT: But what about the surrounding countries?

SHRI KISHEN CHAND: It is a well known fact that the military strength of a country is really dependent upon its industrial strength. Borrowed equipment and borrowed armaments, without the factories which will repair and replace the parts, are useless. You know that when a tank has run 200 or 300 miles, it requires certain replacements and certain repairs. In our country, out of the Rs. 222 crores, we are spending on salary, pension and travelling allowances only about Rs. 100 crores; the rest is spent on defence factories set up in India or on the purchase of stores from foreign countries. The purchase of stores from foreign countries amounts to nearly Rs. 50 crores and when I suggest any economies, it is always in that sphere where we are importing

second-hand or third-hand rotten material from foreign countries. We are importing out-dated equipment from foreign countries and are paying a very high price for them. That kind of out-dated equipment is not going to help us even against our neighbours and if that saving is spent for the development of industries in our country, particularly the establishment of defence industries, it will really add to the strength of our country.

I started with saying that we are allowing our expenditure to go *on* mounting from year to year. The result is that we have got to increase our taxes and that is the policy adopted by the Finance Minister. He has very reluctantly agreed to deficit financing because with his background of being the Governor of the Reserve Bank of India he is a very conservative man and in his caution, though he has reluctantly agreed to deficit financing, yet he is keeping up the prices of consumer goods by levying excise duty. Whatever benefit would have accrued from deficit financing is nullified by the levy of excise duties. The object of deficit financing in a backward community where there is lack of purchasing power is to stimulate it especially if the people are suffering from unemployment and under-employment on a scale never heard of in the history of the world. In a country where out of a population of 36 crores nearly 18 crores are offering themselves for full employment—we are of course just now employing quite a number of them but that is only for a part of the time—where we have got 18 crores requiring employment, the result is that the purchasing power

SHRI J. S. BISHT: Where does the hon. Member get his figures from?

SHRI KISHEN CHAND: I hope he accepts the fact that 50 per cent, of the population is of employable age. Our population is 36 crores and nearly 18 crores are between the ages of 18 and 45 which is the period of employ-

[Shri Kishen Chand.] able age. I do not say exactly it will be 18 crores. It may be 17, 16 or even 15 crores. It is not a question of actual numbers; it is the enormity that has to be taken into account.

SHRI J. S. BISHT: The National Income Committee gives 14 crores as the working force, the rest include children.

SHRI KISHEN CHAND: That means out of 35 crores they put the working force at 40 per cent. The rest are children according to them. But I have estimated it at 50 per cent. But even accepting the figure of my hon. friend, that is, 14 crores, does he think there is full employment? In such a country if deficit financing is resorted to, we must be clear about the objective. The objective is to develop industries at a rapid pace and the necessary capital is provided by deficit financing. In other countries like the U.S.A. and European countries, large scale industries are set up where the capital required is very large and the period between the setting up of the factory and its coming into production extends over several years. The result is that if you resort to deficit financing on a large scale in those countries, during the interval before those industries are able to start production, the prices go up and it leads to inflation. In our country there are small scale and medium scale industries where the need of equipment is small. We have a large man-power and we do not want to go in for a high degree of mechanisation. We want to employ a larger number of people and, therefore, our industries will have to be set up on a different basis. In our case if you set up an industry, then within six months or one year it starts production. Therefore, in our country deficit financing should be resorted to, to put in more money into circulation with the sole object of creating purchasing power and side by side with that the prices should not be allowed to go up. There should be no excise duty. The hon.

Member who preceded me spoke about the excise duties. For instance, excise duty has been levied on sewing machines. Now, sewing machines can hardly bear this duty. We want to keep down ' the nrices of sewing machines so that the proorest man may be able to purchase it. By levying an excise duty on it, you are restricting its sale. Similarly, by levying an excise duty on shoes you are curtailing the production of shoes. Same is the case with soap and cloth. While we want greater employment the better policy would have been to resort to deficit financing without levying any excise duty on consumer articles so that they are available at a cheap price and hence there may be an increase in their consumption. And when there is increased consumption, naturally there will be increased production and that will lead to further employment of people.

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Then, I come to another point and that is regarding the private sector and the public sector in industry. The hon. Member Mr. Ramaswami Mudaliar tried to show that there was no conflict between the private sector and the public sector and he said that they could exist together. He gave the example of Post Offices of Railways and said that they had been in the public sector from a long time. I submit that public sector has flourished in the past only in monopolised industries. The Post Office has no competitor; the Railways have no competitor. There the whole outlook is that of a Budget. The Railways are not run as a commercial concern. They are run on a Budget basis. You say so much is going to be the expenditure in the following year and therefore, we must have that much of revenue. If the present rates are not sufficient, you put a surcharge. In fact, the hon. the Railway Minister has put a surcharge on freight, fares and everything. If there is going to be a private sector and a public sector in the same industry, say, in the steel industry if there are going to be two factories run by the private sector and

two factories run by the public sector at Rourekela and in Madhya Pradesh, the cost of production in the private sector and in the public sector is likely to be different. As things go, it is certain that in the public sector the cost of steel will be higher than in the private sector. Now, what is the policy that the Government is going to adopt? It is all right in the case of the Sindri Fertiliser factory. You can sell fertiliser at Rs. 300 per ton even though you can import from Japan the same type of fertiliser for about Rs. 150 per ton. It is all right, because it is your monopoly and the consumer will have to pay Rs. 300 per ton. But if you have industries where there is a private sector and a public sector, the tax-payer will be heavily burdened. The industries run by the public sector will be more expensive and I submit that if our aim is a socialistic pattern of society, the Government should select certain industries at a time and the whole of that industry should be nationalised. You cannot have a sort of mixed control of an industry. It is not possible to have in the same industry both a public sector and a private sector. If you had that the result will be very disastrous and the Government will be forced to either subsidise from the tax-payer's money the factories run in the public sector or put a special levy on the production in the private sector. (Time bell *rings*.) Therefore, I submit that the whole outlook of the Finance Minister of taxing the poor man by levying these excise duties is really nullifying his effort of deficit financing. It is making the poor people still poorer.

PROF. N. R. MALKANI (Nominated): Sir, the Budget of this year, as compared to that of the last year, has some important changes to record but these changes were more or less expected. There is no great surprise about the Budget. Last year, if I may say so, there were certain striking changes, striking because the economists were surprised and the businessmen were surprised when we talked of deficit financing. It was in a sense

a novel idea; at least the idea that there should be deficit financing to the tune of Rs. 200 crores or more was something very surprising. But today it is accepted and even the most orthodox businessman suggests the use of deficit financing and says that, deficit financing is the right type of financing in Indian economy. But last year it was difficult for us to accept it. It was something very amazing. I congratulate the Finance Minister for taking deficit financing to this level and making a success of it. I am myself surprised; with deficit financing to the tune of Rs. 220 crores one would expect that the prices would not sag. But they have sagged very much. I am not able to explain it.

So also it is believed that on account of the Plan we have spent about 1200 or 1300 crores of rupees. It is a very heavy development expenditure. The prices should not sag, but they have and they are still sagging. One does not know. I wish the Finance Minister would explain to us very kindly why in spite of this very heavy deficit financing which is the issue of currency notes—as against this heavy development expenditure and which will be heavier still next year—the prices should fall so low. They are falling too fast, too rapidly.

But there was something very striking I must say and the striking thing which happened last year was the National Plan Loan, to which there was a subscription of Rs. 158 crores. I think it was a very remarkable achievement. And more remarkable than that was the subscription to the Small Savings Scheme. More than 45 crores was subscribed. This shows that the country is awake—and the poor man, the common man whom we neglect wants to subscribe, wants to help the nation for development purposes. It is a very refreshing thing.

I have read somewhere the Finance Minister being twitted for having a Budget in which there is, as it were,

[Prof. N. R. Malkani.] over-estimate of expenditure and under-estimate of revenue. I think he should be congratulated for that. Any common man, housewife or householder or any common businessman would do that; nothing but that. If the Finance Minister were to do quite the reverse of it, he would be unfit to be a Finance Minister. I am very glad that we have a Finance Minister who is very careful and who is very frugal. It is quite likely that the deficit next year may be smaller than even Rs. 8 crores as it was smaller last year. In last year's Budget the estimated deficit was about Rs. 15 crores which actually proved to be not more than Rs. 5 crores deficit. This only shows that our finances are in very safe hands. But, I am afraid even carefulness can be overdone; frugality can be overdone; even caution can be overdone. It appears to me that the dominant note of the Budget is calculated risk combined with caution. I find everywhere caution and calculated risk. It is the dominant note of the Budget. This year there is nothing very striking, and more so as we expected something striking. I was listening to the Finance Minister's speech, I was in our gallery in the other House, and I listened with rapt attention. My ears were glued to the loud mouth of the Finance Minister—something new is coming, something big is coming. We have been talking very big things in the House on the economic policy, on unemployment, etc. I thought there would be some reverberations in his Budget speech—a fine speech, fine achievements. But then I came back with a feeling of disappointment, nothing very striking, nothing which could remind me that we have been talking of a different economic policy, a different pattern of society, something novel and something big which will enthuse me. It appears to me—I am unwilling to say it but I cannot help saying it—that somehow the central figure in our Finance Minister's Budget is the rich man. He has got to be somehow reconciled, his fears have got to be allayed. He has to be told: "Don't you worry; have

confidence, things are quite normal and you are in your proper position. Have no anxiety." We put the rich man and his fears, as it were, on the centre of the Budget. Everywhere the budget says: "We will see that you are not very much shaken up." I wish the point of view were slightly different. Some great American writer has said how after touring India someone asked him, "Which was the most impressive thing that you saw in India?" He said, "Not the Taj Mahal, not the Ajanta Caves, but the peasant still under-nourished and under-dressed." The peasant has been sweating and toiling for the last many centuries—Even now the figure is the same. The picture is the same. Only there is a definite new light in his eyes. He is astir. I wish the Finance Minister had placed him also in his vision and thought of him also. And if he had done so, if he had thought of the peasant, if he had thought increasingly of the fate of the peasant including agriculture labour, he would not have committed—as I put it—a major sin of commission. He has committed to my mind one major sin of commission in the Budget, that is to say, the levying of excise duty—not on all the things but on some of the items. I do not agree with Shri Kishen Chand in what he said. I expected that excise duty would be levied, that customs revenue would dwindle. I expected direct taxation to be slightly more, excise duties would be fairly heavy, the returns would be ample from excise—and this has got to be ample in future. But I did not expect the excise duties on cloth, as they have been imposed, especially on coarse and medium cloth. I am of the opinion that the rates imposed on these are far too heavy. Last year we had imposed about nine pies per running yard. According to my calculation, it is now eighteen pies. The excise duty is now levied according to the square yard and on that basis *dhoties* and *sarees* which the common man wears would cost 18 pies, or 19 pies, may be even more, which is more than double, which is very heavy. And considering that, the prices of agri-

cultural commodities and raw materials have sagged much more than the prices of manufactures. It is in a sense unfair. Cloth is a necessity to the common worker as it is to anybody else. I do wish that the Finance Minister would kindly, even at this late hour, make a very good gesture to the peasant, to the common man, and if he wants to levy an excise duty on cloth, not to make it so heavy but make it slightly light. It would be a great relief. And I can easily suggest several alternatives which, again, would serve as gestures of a new society. For example, we can 'levy excise duty on vegetable oil and oil mills. You can levy an excise duty on rice mills. I hope a Committee is sitting and considering these. They can put an excise duty on flour mills. I had thought that there would be an increase in excise duty upon footwear, soap, etc., with a purpose, with a point of view, the point of view being that the small industry and the small man should be encouraged. There is the cobbler. I am of the opinion that our Indian cobbler can make the very best of shoes, better than the so-called Batas. I am of the opinion that even common washing soap can be made much better by the common man. So, these are the industries, these are the alternatives which he could have chosen—if he had a point of view. These would have been of advantage largely to the peasant and even to the common man.

There is another important problem about which I am somewhat disturbed, about which the Finance Minister is also disturbed—for which he gives us no remedy—the problem of unemployment. He merely says in his Budget speech that the employment situation continues to be a matter of some anxiety. It is a matter of anxiety. We know it for the last so many years. It should have been known for about a century. But we have become conscious of it since last year. May I know what steps have been taken or are intended to be taken? Permit me to say, I should have thought that

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the Finance Minister would give us the text of a policy; we would have heard a commentary on the policy; we would have heard about the detailed provisions; and we would know-exactly what to do (1), (2), (3), etc. I had hoped to find all these on this very important problem of employment. But the Budget gives us no indication whatsoever, except saying that it continues to be a matter of anxiety. How do the Government propose to remove the anxiety?

A few surveys have been held here and there—more or less in urban areas. I am not aware of any important surveys of an agricultural area, where unemployment is chronic and heavy and has been there for centuries. I am not aware of any such surveys. The surveys which have been held in urban areas are very disturbing, disconcerting. Whether you take the educated classes or the uneducated classes; the technical classes, the skilled and unskilled—we find it is very disturbing. It is very disconcerting. The figures are rising. If I may say so, 3 p.M. the Plan and its chapter on unemployment has been very much ignored, let down. There are some chapters in the Five Year Plan, which, to my mind, have been completely ignored by other Ministries. But I do not want to go into them. I am talking now about employment. And the Plan says that when all this expenditure is incurred in the manner specified, there will at least be an additional employment to the tune of 90 lakhs, which is nothing, of course, nothing much at all; 90 lakhs is a figure to cajole. And it is also said that industrial sector, private and public, will give additional employment to only 4 lakhs, but it was expected to give additional employment to 56 lakhs, in the village industries sector. And the Plan provided for an expenditure of Rs. 27 crores, Rs. 15 crores by the Centre and Rs 12 crores by the States, total Rs. 27 crores. And I am extremely sorry to say to the best of my knowledge—the valuation report is before me—that we have spent just Rs. S

[Prof. N. R. Malkani.] crores and odd during the first three years, and we may have spent Rs. 2 or 3 crores last year, in all Rs. 8 crores. We have spent only Rs. 8 crores out of Rs. 27 crores. We cannot spend that money. It is rather difficult to understand whether we have no will about it, or whether we are not aware of it, or whether we do not want to do it. Why is it that we cannot spend Rs. 27 crores? We have spent Rs. 1,200 crores, but we cannot spend Rs. 27 crores. On village industries we have spent only Rs. 8 crores. And, if I were to go into the details of the whole thing, we would be still more sorry to find that but for the *khadi* and handloom industry, all the village industries have been completely neglected.

Last year, a booklet came into my hands, issued by the Planning Commission itself. The All India khadi Board has issued a big report on employment in the Plan, and added a chapter by chapter, and each chapter has got at the end a pathetic note, and that pathetic note is that in this industry, say, the rice industry, in 1921, 5 lakhs were employed, and today 2 lakhs; in the oil industry, 5 lakhs were employed in 1931, and today, 2 lakhs only; and so on and so forth. Each one of those 14 village industries records a fall in employment, and added up, it would come to some several lakhs, ten, fifteen or twenty. We have thought of giving additional employment to 56 lakhs in village industries. We have not even spent one-third of the revision in our Budget. We see before our very eyes and under our very nose that there is a heavy fall in employment in village industries. In the Employment Exchanges five lakhs become six lakhs, and we are very much worried. We say, "Oh, five lakhs have become six lakhs; these young boys will come. In a procession and worry us outside the Parliament." We are very much worried about that. But the fact that 15 or 20 lakhs should have gone out of employment—who were professionals in various industries—does not worry us at all. We are not

worried about it. The fact that 56 lakhs could be given additional employment does not worry us at all, and yet we say, giving great solace to ourselves, that the problem of unemployment continues to be a matter of anxiety. This is the irony of things in India today. We really are not anxious. We were anxious and more serious about it. On the other hand, only the other day, there was a big annual session of the Chambers of Commerce, where the pick of India, the pick of rich of India, were there, millionaires were there, and their verdict, in the form of a resolution, is that industrial development in a big way is essential to create employment. I call it a warning, a challenge. In fact, I felt like writing against it—that industrial development in a big way is essential to create employment. I call it a great challenge by that Federation. And this suggests, by way of illustration, that supposing we spend Rs. 400 crores on one or two steel plants, and we would require Rs. 500 crores for other engineering industries, i.e. about Rs. 900 crores or a thousand crores. And then, it says, it would create great employment. I would like to know how much. I would like to know the numbers. How many would be employed, if we spend Rs. 1,000 crores on iron and steel industry? I would like to ask a very simple question. How many smiths would be thrown out of their homes? Would you give employment at least to keep the smiths in their own trade? You do not think of the smiths at all. You seem to think of the men in your factories. One of my friends—somebody here—suggested that in 20 years he would like to double the railway line. I say, God save me from my friends, God save me from my friends. If we did only that, and nothing else, the few industries that we have, the little employment that we have, would be crushed. The few industries that are surviving today in India, in the villages, will be exploited. What are we doing today? What are our Railways doing? What did the British do? Take the raw materials from one place and send them to th*

manufacturers, and sell the manufactured goods at a very high rate, and thus exploit them. The Railways will exploit them to the bone. This is my opinion. God save me from my friends, if you spend that much money. I ask: Why don't you spend at least Rs. 27 crores on village industries? You are prepared to spend Rs. 900 crores on Railways. Why - can't you spend Rs. 30 crores on village industries? There seems to be something wrong with your mind, or your will somewhere. So, I say, this problem ought to give us a real anxiety, and we ought to have an indication. I hope the Finance Minister will be very kind and tell us exactly what his plans are about unemployment. And he must tell us, "This is the way in which we wish to do it." Phase it within ten years. And now that limit of ten years is there. It is there in the resolution, and we have got to stick to that resolution, I hope. You must tell us what you propose to do in the first year, the second year and in the tenth year. And then you will see <to it that there is no unemployment in India. I would make it even 15 years. I do not mind saying even 20 years, but I must have a conviction and an assurance that after 20 years there will be no unemployment in India. I see that we talk like this, but we do not mean business.

One point more, and I have done, and it is this that so far as direct taxation is concerned, income-tax is concerned, I am satisfied on the whole. I think we all expected it. We all have been saying that we do not want so much of indirect taxation, but we want more of direct taxation, so that we will know what X pays, what Y pays and what Z pays, and he does not shift his burden on somebody else. And the rich should pay. Those who can pay, should pay. And we prefer direct taxation on the whole to indirect taxation generally. And we have now increased our income from direct taxation in a variety of ways, into which I need not go just now. I am glad that a number of reliefs have been

given. I do not want to mention them. I am more glad that in a number of ways, subtle evasions have been stopped, and leakages are being plugged in a number of ways. I had a pathetic smile the other day, when my friend, Dr. Ramaswami Mudaliar, said that you are now trying to tap —what he said—the perquisites, to tax the perquisites. And he said that there was consternation in Calcutta in the matter of perquisites. Somehow, I felt it was a pathetic speech, it was a tragedy—it was pathetic. Speaking to my mind, I said that I happened to be a big officer, and my income was Rs. 1,500, and my perquisites were as much. I do not want to go into any details. In India, when a man gets a thousand rupees, it does not matter. Ask his perquisites. They will be a thousand, or twelve hundred or even fifteen hundred. I do not want to be nasty, but take my friend, the Finance Minister, there, or take anybody else, and ask about his perquisites—his bungalow, the number of men employed there, his furniture, his car, and so on and so forth. All that expenditure will come to double that pay. But he won't say so. Not even Ministers—very decent people—who are, in a sense, looking after our finances. But even they get perquisites which are, in a sense, not correct, not proper. And he said, it caused consternation. They think this consternation is there, and they think that something is being done by the Finance Minister, which is worthwhile. I only hope that perquisites will really be tackled and will really be taxed. And I am glad that this is being done.

MR. DEPUTY CHAIRMAN: It is time, Prof. Malkani.

PROF. N. R. MALKANI: Won't you give me two minutes?

MR. DEPUTY CHAIRMAN: It is time. You have taken five minutes more.

PROF. N. R. MALKANI: Very good. I will wind up. I see also one other

[Prof. N. R. Malkani.] thing has been done, which is in the air today, the air of inequality of incomes, and the tax system being used as a device for removing inequality, for levelling up and levelling down. If you have more of employment, you level up; if you have the tax system, that way you level down. You try to do both. At least he has tried to level down to some extent but I do wish that he had done it to a larger extent than he has actually done because I am of the opinion that of late, since 1939, during the war and in the post-war times, there has been greater inequality of incomes than before. There is greater inequality than before. I don't want to go into the reasons but there it is that the towns are growing fatter and fatter and the villages are growing leaner and leaner. The industrial and commercial income has come to towns and the men are richer in towns than they used to be before. I do expect that in the next Budget at least the levelling down policy will be clearer and more definite than in this Budget.

SHRI AHMAD SAID KHAN (Uttar Pradesh): Mr. Deputy Chairman, as is apparent from the discussions in the House the statement of the Budget has been received by various Members in various ways. The reaction was as it has affected the different classes and communities. Some praised it, some were jubilant over it and others were horrified. However, to begin with, I will start with that part of the statement which is universally welcomed *viz.*, our economic progress and economic development during this year. It is a source of great satisfaction to me that our production in food, cloth, cement, jute, steel and many other things has gone up, particularly in food which was the chief difficulty only 3 or 4 years ago. In 1951 we were obliged to import 4.7 million tons of food for our people. Last year we imported only 3.8 million tons and this year let us hope that if we wish, we may be able to export a little. I wish the person

whose administration was responsible for this improvement was in our midst today to see the fruit of his efforts. I mean the late Shri Ran Ahmad Kidwai. As far as cloth is concerned, a few years ago we were importing cloth. Now we are exporting. Therefore, this part is very satisfactory and I congratulate the Government. In the same manner, I wish to congratulate them on the production of new things *e.g.* D.T.K., Penicillin and many other things. I have also noted that now we have launched to ships also. We are in a position to make motor cars. We are making our own locomotives. All this progress in such a short time of 7 years is really amazing and very satisfactory. I am also glad that the Finance Minister in his statement of Budget, has taken care to encourage and reassure the industrialists by giving some concessions to them, particularly the concession about the rebate in income-tax for new industries as well as by starting the Corporation to give financial aid to industrialists. Therefore, this is also a matter on which I wish to congratulate the Government.

Now, having congratulated the Government on these points, I would like to say a few things which may not be so complimentary. I wish to draw the attention of the Government to the excise duties that they propose to raise this time. These will affect sugar, cloth, matches, cigarettes, woollen fabrics, sewing machines, electric fans, bulbs and batteries and a few other things. The hon. the Finance Minister is well aware that during the period of war our people suffered on account of high prices. Then in the post-war period there were inflationary conditions and the purchasing power of the money went so low that people found it difficult to purchase consumer goods. Now there is a downward trend in the prices. Is it right or fair to the people that as soon as that downward trend is apparent, the Finance Ministry should come to raise excise duty? It will hit the poor people; it will hit sugar for the children even. It:

will hit cloth, matches and even bulbs to be used by everybody and I wish then to reconsider on this account. Now I should like to say a few words about the increase in the income-tax. I would like to remind the Finance Minister of his speech of last year when he said that there was hardly any ground to raise the taxation here. What has happened during the year to persuade him to do so, I cannot understand. However, perhaps his reply will be that now we are leading on to a socialistic pattern and, therefore, the taxes should go high. True, if that is the reason, I don't grudge them but I would like to submit that their effort should be to bring down the high peaks of the riches as compared to the low valleys of poverty but they are trying to hit the middle-class man and the upper middle class. I ask the hon. the Finance Minister through you this. Is a man with an income of Rs. 7,500 so rich that his tax should be increased? Is a man with an income of Rs. 10,000 such a rich man that his tax should be increased? I submit that the Government should reconsider at least these two slabs—Rs. 5,000 to Rs. 7,500 and Rs. 10,000 to Rs. 15,000. Over and above, in the case of the rich people, they may do whatever they like but I will insist that as far as these slabs are concerned, it is very necessary that they should be reconsidered. After all our purpose should be to raise the standard of living and not to lower it. We don't want that the middle class standard should be further reduced and if that is the purpose of the Government, then I think it deserves some reconsideration. Moreover socialistic pattern is a means to achieve the goal and it is not the goal itself. The goal is the happiness of the people and that goal must be kept in view all the time. Now India stands next to England so far as taxation is concerned. In England and elsewhere where they have high taxations, they have provided social amenities also. They have provided guarantees against unemployment and medical treatment, education etc. In this Budget there is no mention of any

amenities or any social security. I submit most respectfully that socialisation must go hand in hand with social security; otherwise, there is no meaning in it. It is meaningless if there is to be socialisation without social security to the people. So I would respectfully submit that this point should be considered by the Finance Minister, if the Budget is to be acceptable to the people of India.

Having spoken so far on the Budget itself, as it is the convention that a Member can go a little bit further during his Budget speech, I would like to make one submission, and that is about corruption. In this House as well as in the Lok Sabha, and in the various legislatures of the States, we have been hearing of corruption. Of course, I admit that the picture is sometimes painted in rather very exaggerated colours. I dislike the word "rampant" used in this connection and I do not think that that represents the true and real position, and such expression places a very exaggerated picture before the people. Yet the fact remains that corruption is there and it has so far defied all the efforts of the Government to root it out. I would like to make one suggestion to the Government in this connection, which though it may not be a total remedy for corruption, yet I am sure it will have a very wholesome effect on the whole. Let them issue circulars to all the Heads of Departments and let the States also issue similar circulars to the District Officers and Heads of Departments that they should keep an eye over all those cases which have been unduly delayed in the Office, without anything being done. Do not ask who is corrupt and who is not corrupt. If an officer keeps a case that might and ought to be settled in a fortnight or one month or six months or one year then the presumption should be that it is being done with some selfish motive. If this request of mine is accepted by the Government, on the one hand, it will give less time for the corrupt officer to bargain; and

[Shri Ahmad Said Khan.] on the other hand, in the case of the honest officer, it will raise the efficiency of the work, and the work will be done quickly.

There is another thing also that I would like to refer to in this connection. There is a sort of a tendency at present to keep our servants for years and years on a temporary basis. You will be surprised to learn that in some States judicial magistrates are still working on a temporary basis for the last ten years. What honesty can be expected from them? What independence can you expect of such officers if they do not themselves know whether next year their children or themselves will not be thrown on the street? If they are unfit, they ought to have been turned out. Why was an unfit judicial magistrate allowed to work for ten years? If they have been allowed to work for ten years, they should be confirmed so that they may know where they stand.

(Time *fell rings*.)

Thank you, Sir, I have nothing more to say.

SHRI B. M. GUPTE (Bombay): Sir, though I congratulate the hon. the Finance Minister on the conspicuous ability with which he has handled the finances of the country in very difficult times, I regret I must express my opposition to some of the new taxation proposals. There are many points in the Budget about which much can be said either for or against, but as the time at my disposal is limited, I shall confine myself only to the enhanced excise duty on cloth and on sugar. I would not like to say much about particular duties, but I would like to refer to the policy behind the imposition of these duties. Last year there was the imposition of tax on soap and on footwear. This year it is on cloth and on sugar and many other excise duties are in the offing. I, therefore, wish to refer to this fundamental point, this fundamental policy, namely, the policy of

taxing articles which are used by the common man. That also raises the most important question, namely, whether the common man is to be doomed to severe austerity for many years to come or we are going to allow him an improvement in his standard of living. Is he to be allowed to feel the glow of independence and allowed to taste some of the fruits of freedom or is he to continue to remain in despair and despondency? That is the fundamental point.

I know that the Finance Minister has justified these impositions by citing the authority of the Taxation Enquiry Commission. But I would submit that he cannot avail himself of that authority, because their standpoints are entirely different. The Taxation Enquiry Commission looks with disfavour on deficit financing and therefore, out of sheer necessity, they have gone down to the masses for taxation because there is no other source, in their view, for raising sufficient amounts for development purposes. But that is not the case with the Finance Minister. He has indulged in a large dose of deficit financing and yet he has gone down to the masses for taxation. So he is having it both ways. He is taking advantage of the recommendations of the Taxation Enquiry Commission and at the same time, he is indulging in deficit financing, which is not recommended by that Commission. Therefore, I submit, that he is not entitled to take shelter behind the recommendations of the Taxation Enquiry Commission in this matter.

The Finance Minister has said that for the purpose of the development of the country, the public must make the maximum sacrifice. But what sections of the public? That is the crux of the problem. If he means the poorer sections of the public which are already subsisting on the lowest standard of consumption then I cannot understand what is the object of all our Plans. If, in the name of the Plans we are going to cut down that consumption, then I do not see what is the purpose of our Plans, because •

the avowed object of the Plans is to improve poor man's standard of living and of consumption. But as soon as there is a slight chance of the consumption going up, then we devise measures to curtail that consumption. In the Budget speech, the Finance Minister has said that the enhanced duty on sugar is expected to curtail the consumption of sugar. In that connection, there is the producer's point of view also. We are going to establish many sugar factories in the country. In my own State of Bombay, twelve new co-operative factories are to be established this year and I do not know what start they will make, these co-operative factories of agriculturists, if on the very threshold of their career we begin to think in terms of curtailing the consumption of sugar.

Last year I pointed out while speaking on the soap duty that the soap habit was spreading among the masses. If you stand near a public tap, you find that every bather uses some kind of soap. Maybe, that in his poverty he is using a laundry soap as a toilet soap, but he is using some kind of soap and it is an indication of a higher standard of living. It was a very desirable trend and I, therefore, pleaded that this march towards greater national cleanliness should not be slowed down by the imposition of any duty. I can understand curtailing the consumption of those on the top rungs of the ladder, but as far as the lower income groups are concerned, it is our objective to raise their consumption and their standard of living. The Finance Minister might say that he is adding only a very little burden. Last year he said that the duty on soap, and on footwear meant only a few annas. Even the Railway Minister while defending the increase in the third class fares said it would amount to only three to four annas. But let it not be forgotten that a few annas here and a few annas there make a good sum of rupees. Moreover, it must be remembered that this increase is to be viewed in the background of unemployment. As far as the agriculturist

I is concerned, there is chronic under-employment and there is a slump in the prices of his produce. As far as the middle class is concerned, practically every family has one or more members unemployed. So we will have to view this increase slight though it may appear, in the background of this unemployment and, therefore, these extra excise duties are bound to affect them. I, therefore, submit to the Finance Minister that he should revise and reconsider his policy about this excise duty and as far as this year is concerned, I think he is in a position to do so. The conditions are very favourable for deficit financing. The climate is very good for it. So at least as far as this year is concerned, he can ignore this income from excise duty and leave the whole deficit uncovered. I, therefore, submit that as far as these excise duties are concerned, he should reconsider the matter.

Then I may make one concrete suggestion with regard to the income-tax proposals. Here the Finance Minister has proposed that on the slab of Rs. 7,500 to Rs. 10,000 there would be an increase of six pies in the rate and for the next slab there* should be an increase of three pies in the rate. I submit that the order should be reversed, that is, for the slab of Rs. 7,500 to Rs. 10,000 the increase should be three pies and for the next slab it should be six pies. In my opinion this will entail no loss as far as the expected revenue is concerned. At the same time this arrangement would be more equitable. I hope that the Finance Minister will consider this matter also.

With these words, Sir, I support the Budget.

SHRI T. BODRA: Mr. Deputy Chairman, I rise to support every word that was spoken by my hon. friend, Mr. Mahanty. In addition to that, I will deal with a subject which has not been dealt with by the other Members of this House. On last Monday, Dr. A. Ramaswami Mudaliar

[Shri T. Bodra.] had rightly observed that the Budget had to be dealt with against the background of the objectives laid down in the Constitution and here I may be permitted to read article 46 of the Constitution of India which reads:

"The State shall promote with special care the educational and economic interests of the weaker sections of the people, and, in particular, of the Scheduled Castes and the Scheduled Tribes, and shall protect them from social injustice and all forms of exploitation."

When I look at the progress of industrial development plans and others in those places I cannot but look at the plight of the tribals who have been inhabiting that part of the country whom the hon. the Finance Minister or rather any hon. Minister of the State or of the Government of India cannot afford to ignore. Now, it is in Chota Nagpur and Santhal Parganas in Bihar, and Maytirbhanj, Keonjhar and Sundargarh districts in Orissa and Surguja, Jaspur, Udaipur, Korea and Changbhakar in Madhya Pradesh which we call Jharkhand, it is in these places that all the minerals like asbestos, bauxite, chromite, coal, copper, gold, iron ore, kyanite, limestone, manganese, mica, cement and other minerals are located. It is the richest mineral belt in the whole of India. If you want to develop India industrially, if you want to establish gigantic steel plants to make India self-sufficient in machine tools, locomotives and other things you cannot but go to that part of the country from where I am a Member in this House and wherein one-fourth of the tribal population of India are living.

Now, I will not take much of the time of the House on this and I will come directly to the point and I will show how the tribals of this part of the country are paying very high taxes and how it is costing the lives of the tribals. My friend, Mr. Saksena, was jubilant over the Chittaranjan Locomotive Works, over the Damodar

Valley Corporation and over other huge and gigantic projects like the Sindri Fertilisers which were so much pleasing to his eyes and to his mind. My friend, Mr. Saksena, is not here. He is a Gandhite; he is a lover of truth and non-violence, but when I will place some of the bitter truths before him it will be rather difficult for him to swallow.

Now, I shall take up the Budget estimates for the year 1955-56 of the Damodar Valley Corporation as a sort of an example and there it says that this is the seventh year of the construction programme. And then the Director of Rehabilitation and Development says, "The current year's revised estimate which is less than the original estimate by about Rs. 24 lakhs is based on the actual progress during the current financial year. The provision for rehabilitation work in the Budget estimate for 1954-55 amounted to Rs. 10 lakhs. But as no options from the affected people have yet come, no plans for their rehabilitation could be drawn up for the current financial year and no provision for this purpose has been made in the revised estimate. As for the next year, work will be started only after options have been received. A clear picture is likely to emerge by the end of the current financial year when the position will be reviewed and a definite programme drawn up. In the meantime provision has been made in the estimate on the assumption that some work will be done in 1955-56." That is the report of the Director of Rehabilitation and Development. I will read also the statement of the Revenue Minister of Bihar who says, "Houses affected—695 families; lands affected—915 families, and the total number of people affected is 8,000." This is the statement of figures given by the Revenue Minister of Bihar, Shri Sahay. Then, Mr. Phulan Prasad Verma, the Bihar member on the Damodar Valley Corporation, has said that the Maithon Reservoir would submerge 9,000 acres of land in 35 villages in the Dhanbad sub-division and about 13,000 acres in 40 villages in Jamtara sub-

division. As I said, this D.V.C. is in the seventh year of its construction and during this period of seven years the Government of Bihar and the Government of West Bengal have failed to rehabilitate these 8,000 San-thals who out of sheer frustration had to offer *Satyagraha* only about ten days back, on the 1st of March. Some Members may say that these tribals are trying to be unruly and they are trying to be funny about it. It is absolutely not so. Our Opposition Leader, Mr. S. K. Baga, and other M.L.As. of the Jharkhand Party of the area from where these 8,000 San-thals have been uprooted for the last seven years, their own area wherein these 8,000 Santhals had to sacrifice—sacrifice their hearths and homes and sacrifice their landed properties for the last seven years. They wanted to have a peaceful negotiation and so they approached the Chief Minister of Bihar State and said that they would like to settle all these disputes over these matters, to discuss the matter why these 8,000 Santhals have not been rehabilitated, but, I very much regret to say that the Chief Minister of Bihar refused to see the Opposition Leader and the other M.L.As. and so these 8,000 Santhals had to go and offer *Satyagraha*. They had to enter the court compound at Jamtara sub-divisional headquarters and to offer *Satyagraha* to get justice in this democratic India which was denied to them. Not only this. When the Chittaranjan Locomotive Works were under construction in 1952 again it was the case that the lands of the Santhals were acquired by the special land acquisition officer without making any arrangements for their rehabilitation. The Santhals only demanded land for land and house for house. Neither land for land nor house for house was given, nor even any compensation was given. When they were not given anything they collected and protested. When they collected in a group demanding justice they were fired upon and 8 people were killed.

Similar is the case with the Sindri factory. For that factory the lands

and the houses of the Santhals were acquired by the land acquisition officer and they have not been paid any compensation. Now again perhaps the tribals in Rourekala also have to face the same position. Now coming back to Sindri Fertilisers, I want to submit and bring to the notice of the Finance Minister here that the Sindri Fertiliser Factory is now completed; it is in full operation now, but up till now the Santhals have not been paid any compensation by the special land acquisition officer of Ranchi who acquired their land. I have personally filed 24 applications stating that their lands have been taken away, that their roads have been taken away, that their houses have been taken away; but still the special land acquisition officer has had no time as yet to look into them and pay compensation to these people. With these illustrations and practical examples, am I to understand that this huge financing and this huge Budget is to be welcomed either by me or by the people who are undergoing all these troubles? I will certainly not say so, and I will certainly submit that we are being taxed without being given any benefits and your taxation is actually costing our people their lives. Despite the provision laid down in the Constitution, in my part of the country, there has not been any separation of the executive from the judiciary. Although there are Tribal Advisory Councils established in the State of Bihar, in the State of Orissa and in the State of Madhya Pradesh, these Councils are more or less inoperative. I cannot say that they are defunct. Although a scheme of prohibition has been launched by the Centre, by the State of Bombay and others, in my part of the country which is inhabited by the tribal people, consumption of liquor is being encouraged. You are encouraging the sale of liquor by opening liquor shops at every five miles, so that the tribal people could drown themselves in liquor. When there was flood in north Bihar, when there were floods in other places, so many Ministers went there, inspected the flood affected areas in aeroplane and all that but

[Shri T. Bodra.] when a severe form of drought is raging in south Bihar, in Chota Nagpur, in the Santhal Parganas, in the district of Maytirbhanj, Sarguja and others, no one has oared to find out the plight of the people and give them relief. Not even a maund of rice has been sent there either by the State Government or by the Centre. The people are dying of hunger but because they are not vociferous, because they have no press, because they cannot speak Hindi, they are undergoing all these hardships.

In regard to education, I have to say that although the Centre has been awarding scholarships, the State Governments have been trying to detain them; they are trying to discourage the students from getting education. As you know, only educated people can be the most effective in the present day world. The tribal students are being discouraged by the heads of the institutions; those students are not given the scholarships every month; neither are they given in three months, or even in six months but they are given yearly. That too, after we made much of a *hulla* on the floor of Parliament. So far as employment is concerned, my hon. friend just now said that this question of unemployment is causing anxiety. In those aforesaid parts—at least one-fourth of the tribal population of India is concentrated there—the tribal people were the first tillers of the soil; they reclaimed the jungles and wasteland but because of your gigantic steel plants, because of your gigantic irrigation schemes, they have been turned into landless labourers. Even matriculate girls from the tribal area are working as coolies on twelve annas a day in the Tata and Telco factories in Jamshedpur. Our cries are not heard by the Governments; there is no one to redress our grievances.

Lastly, if Dr. Mudaliar had not said it, I would not have mentioned it and that is about the viability of the States. I mention about the

necessity of forming the Jharkhand State. I say that such a State is a necessity not only for the welfare of the tribal people but also for the speedy industrial development of Mother India, to make Mother India rich and prosperous. The revenue of that State would be more than Rs. 22 crores and it will be a part A State.

SHEI J. S. BISHT: Mr. Deputy Chairman, at the outset, I must pay my humble tribute to the manner in which the hon. the Finance Minister has handled this difficult and delicate question of deficit financing. I was rather pained and surprised to hear certain remarks from my friend from Hyderabad, Mr. Kishen Chand for whose opinion on economic matters I have great respect. Those remarks related to the fact that the hon. the Finance Minister should have done much more in the way of deficit financing than he has done. I suppose Mr. Kishen Chand is under the impression that this is a sort of a new wonder drug, a cure-all for all the economic ills and that one has got to print notes only while all the development will come out of the soil of the land. This is a complete misapprehension. I may just point out to him the report of the Mission on Economic Development and Stability by a party of experts deputed by the International Monetary Fund. That Mission, after investigation and a careful study of the problem, have said that in the long run the resources for development—and development is a long-run problem—must come from taxes or savings out of the current income of the people or they must come from resources provided from abroad. The problem of inadequate resources must be faced and met. It cannot be hidden by the excessive creation of credit re-inforced by controls to avoid an obvious and active inflation. This was submitted last year and, since then, the Taxation Enquiry Commission has further very carefully examined this point and they have come to the same conclusion, more or less, on this point and they say that the extent of deficit

financing incurred during the period of the Plan has, however, fallen short of original estimates. Given large increases in investment, however, even if the increase in public expenditure should continue to fall short of targets for some time, the internal problem is likely to be inflationary rather than deflationary. The actual economic situation from time to time will be determined, of course, by the interaction of internal and external influences. Thus, he will see that the most expert opinion on this point was very clear; the Planning Commission was of the opinion that deficit financing could be carried out to the extent—if I remember correctly—of Rs. 290 crores because it was to this extent that we could draw on the Sterling Balances in England. They also said that it would be safe to go to that extent. It so happened that the hon. the Finance Minister provided for about Rs. 110 crores only of deficit financing in 1953-54 and Rs. 250 crores in 1954-55. Actually, his Budget speech shows that it will be Rs. 80 crores in 1953-54 and Rs. 220 crores in 1954-55, that is to say, about Rs. 300 crores in all. The actual deficit, the actual creation of new money, the printing of new notes, has not been even to that extent. Dr. Kunzru gave an analysis of these figures. I had no opportunity to check them to find out how far they were correct, but it is substantially true that the actual deficit financing has not been more than one-third of that provided for here up to date. That is why we see the strange phenomenon, as Prof Malkani just now said. He asked, "Why is it that in spite of all this deficit financing to this extent, there is this sagging in prices?" The reason is this. There were two factors; one, there were certain deflationary forces which were sagging the price level and secondly, deficit financing had not been done to the extent that it was originally expected to be done. The time happened to be very correct and the little deficit financing that was done came as a good help in propping up the sagging price level but we must not, ^{10TT} conclude that we can

go on printing notes and that everything will be all right. On that, as I said, the Mission's report is very clear and they say, "Furthermore, inflation will result in an inequitable shift in incomes, with windfall profits for entrepreneurs and arbitrary losses to those who cannot defend their shrinking real incomes".

PROF. N. R. MALKANI: Under the circumstances, don't you think that deficit financing should have been incurred more than what has been incurred so far?

SHRI J. S. BISHT: No, I do not agree. The Taxation Enquiry Commission have very carefully examined this point and they have said that this is a matter of judgment. They say that there is no rule about it and that it is a matter of judgment. If the inflationary tendency is very strong, then it should be curtailed. But if the deflationary tendency is strong, then you can safely go in for more. You must remember that ultimately if you are going to have deficit financing and pin your faith on it without regard to other considerations and other factors, then you will have to face the same thing that France and Germany faced after the First World War. You may have to buy one cigarette by paying Rs. 100. That obviously we do not want. As the report of the Taxation Enquiry Commission clearly says, it hits those who are least able to defend—those millions of housewives who are stinting themselves, saving a penny here and a penny there for some future day when the son has to be educated or the girl has to be married. We do not want that the savings of these people, savings done with so much pain and so much sacrifice of present gratification for the sake of the future, should be allowed to evaporate. We owe as much duty to them as we owe to quick development. There must be development but that development must be with stability and not with unstability.

There is another point with regard to the proposals for taxation. I agree

[Shri J. S. Bisht.] with what the Nawab of Chattari said and quite rightly that there were certain items of excise duties which had been recommended in this Budget to which we could not agree, especially with regard to medium and coarse cloth in which the increase was about six pies a linear yard. Then there is sewing machine, electric light bulbs and paper where the duty is to the extent of 10 per cent, *ad valorem*. Already the agriculturist is feeling the pinch of falling prices and this is not the psychological moment for increasing the price of cloth. As the Sample Survey clearly shows, the major items of expenditure are food and fuel on which 66 per cent, of his income is spent. The next biggest item is cloth which is about six per cent, and, therefore, if you increase the price of cloth at present, he is bound to feel it much more especially because of the shrinkage in his income on account of falling agricultural prices. I would, therefore, strongly appeal to the Government that they may reconsider this point and they should not levy this additional excise duty at least on medium and coarse cloth. With regard to sewing machine, this is becoming very common these days when tailoring has become very expensive. Not only the middle class and lower middle class but even the people in the villages are taking to these sewing machines. They are becoming popular and a ten per cent, increase in their price will mean much hardship for these people. As for electric bulbs, with all these hydroelectric schemes electricity is going to be made available everywhere and our idea should be to see that there is increased consumption of electrical energy so that greater revenue may come in. People are generally conservative in this matter in the beginning; they do not want to go in for this because of the initial expenditure; they are fitting and all that and also because of recurring expenditure on bulbs and if the prices of bulbs are raised, that will discourage them. With regard to paper, it is a big item in the expenditure of a student for whom the greatest need is concession

on books, stationery and other things. And if the hon. the Finance Minister can do something with regard to cigarettes it would be very welcome. For categories above Rs. 60 per thousand he may do whatever he likes but not for the other varieties.

There have been certain points raised by my friends including Dr. Kunzru about income tax slabs. It was mentioned that income tax on slabs between Rs. 7,500 and Rs. 10,000 had been increased. That appears, so but I would invite the attention of my hon. friends to the Explanatory Memorandum in which a chart is given which shows that actually there has been no increase as such. Though the rate has been increased, probably on account of the concession to the married there has been no actual increase. On an income of Rs. 7,200 the tax at the 1954-55 rate is Rs. 247 while now under the new scheme it will be Rs. 224. That is to say, it will be less. On an income of Rs. 8,400 at present it is Rs. 370 whereas under the new scheme it will be Rs. 345. On an income of Rs. 9,600, the figures are Rs. 480 and Rs. 461 and on Rs. 10,000, they are Rs. 517 and Rs. 508 respectively. All these relate to wholly earned income of married persons. With regard to unearned income and unmarried persons, there is some slight increase, no doubt, but that is not of such great importance because unearned income is unearned income and unmarried people are unmarried people "and they do not deserve much sympathy. But the hon. the Finance Minister may turn round and say, "If you are not in favour of so much of deficit financing and if you also want reduction in excise duties, what is the alternative?" For that I would invite the attention of the House to Mr. Appleby's Report. He has said that if only they can improve their collection and assessment of income-tax, the revenue from this source can be increased by about 15 per cent. This is what he says: "More importantly, administrative delay in assessing income-taxes consistently results in very substantial losses of revenue. It seems possible

—and in this I have the support of some informed civil servants—that 15 per cent, of some important kinds of taxes that should be paid under existing law fail to reach the State and Centre treasuries." (p. 12). Therefore, what is necessary is to avoid this delay which the Central Board of Revenue should do under the direction of the hon. the Finance Minister. Why should there be so much delay in assessment? If there is shortage of staff, then they should increase the staff. There is also some slight corruption. As the Nawab of Chattari said there should be a time limit and if it is exceeded an explanation should be called for. There is no doubt that charges of corruption are exaggerated but there is some corruption in the Department and that is why the assessee are dragged from place to place and they are made to undergo all this sort of trouble of having their taxes for one year assessed during the second year or third year. All these have to be got over and with improved machinery even if you increase your revenue by not 15 per cent, but even 10 per cent, it will mean an additional revenue of seven to eight crores of rupees.

Then there is another thing which has been recommended by the Taxation Enquiry Commission, that is they should have the excess profits tax permanently fixed. For instance, if there is a net profit of above ten per cent., that should be taxed. There is no reason why there should be a profit of more than 10 per cent, allowed to them, especially when you have already provided for depreciation, reserve and all that. Even in normal times because of certain other factors if there are profits beyond, say, 10 per cent, then that profit should be immediately taxed. But that has been left out here.

In the short time at my disposal I wish to draw attention to certain points about defence. Here again I entirely disagree with my friend, Mr. Kishen Chand, when he says that the expenditure on defence should be

decreased. In fact, I feel it should have been increased now when Pakistan, our next-door neighbour, is getting so much military aid from a foreign country. This is the time when we also should be well prepared. We cannot think that because this is a nuclear age we should give up all our weapons and make ourselves defenceless.

What I wish to draw particular attention to—and I hope that some spokesman of the Defence Department will give some reply to this—is that we have been now partitioned for the last seven years from 15th August 1947, but the whole of the Army under the Western Command on the western front right from Pathankot up to Kutch is still on the open fields either under tents or in *kutch* huts, and I would like the Government to give us figures as to how much these tents and temporary huts are costing them. I want to know whether any steps have been taken for constructing new cantonment areas in those places. It is a permanent boundary and some permanent arrangement should be there. With regard to Kashmir you may say that it will take time since the question is still pending before the U.N.O. and all that. But from Pathankot to Kutch there is no dispute anywhere there. It is a permanent line. The existing cantonments are not sufficient to accommodate all our troops and in several places there are no cantonments at all. In the old united India the whole of our western Army used to be along the North-West Frontier where there were regular cantonments all along the line. But now there is no substitute for them along the new line. This question of shortage of accommodation has to be looked into and remedied. Therefore, I should like to know whether any steps have been taken and if not why it has not been taken. Why cannot steps be taken to build new cantonments so that the Army can be permanently garrisoned in those places? (*Time bell rings*). The second point is this that in the existing peacetime

[Shri J. S. Bisht.] cantonments also the officers are not properly housed. As you know, there are messes in the Army and the bachelor officers and officers who have not got their families with them have compulsorily to be in those messes.

They cannot cook their 4 P.M. meals themselves. If that is

so, I wish to know whether there is any rule. If not, why not, especially if the housing quarters for those officers, especially junior officers of the rank of Major and below are away, if the mess is situated more than two miles or three miles away? Why are they not allowed to take their meals where they are stationed? For breakfast, for lunch, etc. they have to go two miles or three miles. In the morning they have to be in the parade ground. They have to come back and they have to go back to lunch. Again, they have to come back in sun, rain, in winter and in summer. Therefore, I submit that these rules, if they are State rules of the old British days, should be revised and unless the officer is quartered within a radius of half a mile from the place where the mess is situated, he should be exempted from eating in, that mess.

Now, lastly, I wish to make one special appeal which I made to the Finance Ministry before also and that is with reference to the framing of the Budget and its presentation to the Members of Parliament. I think both to the Ministry of Finance and others concerned, it is a very great strain, because the whole Budget is produced on the 28th of February, on the last day. And we are expected to argue it within three or four days, and all this huge literature is dumped on us. May I say, why not adopt the policy that is adopted in Canada where the expenditure side of the Budget is given to the Members of Parliament nearly one month or one and a half months before the Budget is presented? There is no harm in that. The whole of the expenditure part of the Budget can be given. It will also relieve the work to the Ministry of Finance, in the

press, and also it will facilitate the study of the Budget among the Members. And then the Budget proposals with regard to your income and the taxation proposals can be kept back till the last moment if they are confidential.

SHRI M. C. SHAH: The expenditure is discussed when the Appropriation Bill comes up.

SHRI J. S. BISHT: The Canadian Parliament practice is that this part of the Budget is given a month earlier and the Budget proposals and the income part are given only on the last day. When you issue those notifications next year, if that policy is adopted, it will lighten your work; it will lighten our work; it will also enable us to study all these things beforehand.

SHRI M. C. SHAH: What would be the position—whether there will be a deficit?

SHRI J. S. BISHT: That is a point worth considering. If one member of the Commonwealth is actually doing it, without any difficulty, it can be done easily here with some sort of facilities and that will be helpful both to the Ministry of Finance and also to us.

Having said that, there is only one small point that is left and that is in regard to broadcasting. The revenue is still much less than the expenditure on this, in spite of the fact that the licence fee has been increased from Rs. 10 to Rs. 15 per year. Now, may I know from the Government whether the manufacture of these small, light receivers in this country has been encouraged? And, if so, what is the number of these receivers that are being manufactured in this country? Secondly, will the Government be pleased to consider revision of these licence fees from Rs. 15 to Rs. 10. so that they may become more popular and this thing may become much more paying than it is at present?

SHRI B. K. MUKERJEE (Uttar Pradesh): Mr. Deputy Chairman, we have almost created a convention in this House to begin our Budget speech by congratulating the Finance Minister for the presentation of the Budget.

SHRI S. N. MAZUMDAR (West Bengal): Otherwise you would have bypassed it.

SHRI B. K. MUKERJEE: So. I need not break the convention which has been created and I offer my congratulations too, though very reluctantly I congratulate him.

SHRI M. C. SHAH: No congratulations for presenting the Budget.

SHRI B. K. MUKERJEE: Because most of the speakers criticise the Budget proposals, therefore, they congratulate him for the presentation or for the labour he takes to prepare the Budget and the Budget speech.

Everybody is happy in this country for the total abolition of the food control or food rationing. And we are happy that in the matter of food the position has improved almost magically. "We are ourselves self-sufficient in the matter of food. Though we are self-sufficient and we are growing enough food. I do not know why an amount of Rs. 29 crores has been provided for importing wheat from other countries. If we are self-sufficient in food, we need not spend that amount of Rs. 29 crores for importing wheat, particularly as we are deficit in our Budget. And if we can save this Rs. 29 crores our deficit in the revenue Budget will be almost met. But instead of doing so, this Budget has failed to give satisfaction to the masses of this country because the Budget proposals hit hard that section of the population in this country which has long been suffering. The taxation proposed in this Budget really means the denial of a square deal to the poor people and relief has been provided or is being sought to be provided for those who are in a better position financially to shoulder the burden of meeting the deficit in the Budget.

Since the declaration of the new social order, that is the socialistic pattern of society as the common man understands it, everybody will have equal access to the means of maintaining an equal status or standard of living. But we find no indication in the Budget* proposals towards that end. The Finance Minister in his speech stated:-

"It is because the raising of the maximum resources is necessary for planned development that I make the large draft which I have made today on the tax payers' purse."

But the new taxes as we find will be necessary not for the planned development but for revenue purposes—to maintain the permanent machinery of the Government to run the country and as such these taxes will have very little to do with the development process. As we understand, as has been stated even, the new proposals will cover only a part of the deficit that is expected this year. And in spite of all these taxes an amount of about Rs. 8 crores will be uncovered by the collections from these taxes. It will be, therefore, quite in the fitness of things that the poor man should have been left free from the proposed new taxes. They have no power to pay these taxes without seriously impairing their very low standard of living, and more so when the Finance Minister is sure that deficit financing could be resorted to without undue risk. Again, he said that deficit financing would be used as an instrument for securing the maximum development without injury to the stability of our economy. Under these circumstances, the Finance Minister, in my opinion, should reconsider his proposals and shift the burden of this taxation from the slender shoulders of the poorer man in this country to the shoulders of those people who have so long enjoyed a higher standard of living.

Although I do not want to deal in detail with the taxation proposals, I cannot help submitting two items to this House for consideration. One of the items is that the Finance Minister

[Shri B. K. Mukerjee.] proposes to tax the compensation received for termination of employment, or in other words, retrenchment relief which the common man, particularly the working class, secured after long agitation. Without providing for any relief for the unemployed people during the period of their unemployment, Government now proposes to tax or take a part of the remuneration or the relief which the workers are supposed to receive from their employers before they are actually retrenched. Now, side by side, we find how relief is provided to the rich population by allowing them a rebate for the payment of premiums on life insurance policies. The existing limit of one-sixth of income, subject to a ceiling of Rs. 6,000, is being raised to one-fifth of the income, subject to a ceiling of Rs. 8,000. Now even Rs. 6,000 cannot be saved in a year by a middle class man. Say for example, even a highly paid clerk in the Central Secretariat can hardly save Rs. 600 for the bare necessities in his life. And how can he be expected to pay a premium on his life insurance policy to the extent of Rs. 6,000 a year? Now that is being raised from Rs. 6,000 to Rs. 8,000. Now I would like to ask a very simple question, and that is this. A man who is supposed to pay Rs. 8,000 a year towards his life insurance premium, must be a very rich man, and must be earning a lot, because if he is paying Rs. 8,000 a year, he must have a policy worth about Rs. 2 lakhs. I do not also know whether, if this amount is recovered by his nominees other than heirs, it will escape the death duty. This is just an illustration to show how all these taxation proposals will hit hard the poorer people, and the rich people will enjoy at the cost of the poorer people.

The Budget proposals do not indicate any definite steps towards arresting the growing unemployment in this country. Unless some provision for full employment is made in the Budget, the ideal of establishing a socialistic pattern of society cannot be secured.

As a lot has been stated in regard to this unemployment problem in this country, I need not go into any details about this matter. But I would certainly request the Finance Minister to look into this matter more seriously and devise some ways and means to arrest this growing unemployment menace. Now if we are committed to a socialistic pattern of society, it is our first consideration to eliminate not only unemployment, but also any disparity in the pay structures of those people who are employed today. If we look at the existing gulf between the pay of a Class IV employee and that of a Class I officer, we find that a Class I officer gets almost 150 times the pay paid to a Class IV employee. This disparity has got to be removed as early as possible.

MR. DEPUTY CHAIRMAN: It is time, Mr. Mukerjee.

SHRI B. K. MUKERJEE: Yes, Sir. I had to point out something very important. Committees after Committees were appointed by the Government of India to recommend and suggest ways and means of bridging this gulf between Class IV and Class I and the latest Committee was appointed in 1946 which reported early 1947. Let us see what that Committee said regarding bridging this gulf. The Central Pay Commission reported in April 1947 and on page 40, paragraph 61, they say:

"For this cadre (which means Superior Administrative Cadre) we suggest a scale of Rs. 1,600 to Rs. 1,800. The scale of Rs. 1,800 to Rs. 2,000 is intended for the Head* of the biggest Departments and would normally be the highest point which the permanent civil servant could reach in his service."

But what do we find today? These reports were published not in free India but before the country was free. When these Committees were appointed, the Britishers were ruling this country and they had many people in the higher superior post of the Gov-

ernment of India and in spite of that they wanted the Committee's recommendations for the reduction of the salaries of the highly and fabulously paid officers of the Government. But what is the position today? We find that these officers are getting Rs. 4,000 and Rs. 5,000 still and I hope, if we are committed to that slogan or to that aim to establish a socialistic pattern of society, it is high time that we should consider again the reduction of the highly paid salaries and the increase of the pay paid to the lowest staff and with a view to that I have got to recommend to the Government and to the Finance Minister to agree to the appointment of another fresh Pay Commission. That Commission should go into the question of how to reduce the pay of the highly paid officials and how to raise the pay of the lowest paid men and they will make recommendations to the Government and along with that they will recommend to the Government other things which are agitating the minds of the lowest paid people today. Now I will cite a few examples. (Time bell rings.) The terms of reference of that Committee may be to consider the question (1) regarding the concessions in travel on trains, (2) regarding their housing and other allowances, and (3) regarding the temporary workers. While we are discussing this Budget, we find in every Department more than 50 per cent, of the staff in the Government of India are temporary today and they are not permanent. As such they cannot be expected to be as efficient as we can ask them to be. This question also has to be considered as to how they could be made permanent.

There is another question *viz.*, there is not only disparity between the highest paid and the lowest paid but there is disparity among the gazetted ranks also. In the gazetted ranks we find two classes—Class I and Class II. Both types of officers perform the same amount of work and hold the same sort of posts but one gets a higher salary and the other gets a lower salary. I suggest to the Government that they must think over this matter 116 RSD—6.

and try to remove this disparity and amalgamate the two classes.

•MB. DEPUTY CHAIRMAN: Mr. Gurumurthy. Mr. Mukerjee you have taken 5 minutes more, already.

SHRI B. V. GURUMURTHY (Hydera bad): Mr. Deputy Chairman, I too cannot but join the chorus of praise sung in praise of our hon. Finance Minister for the able stewardship of our financial resources which had enabled and is enabling our Government to carry on remarkable progress in agricultural production, industrial production, coal and power production etc. Various river valley projects and industries are either completed or well under way to completion. Such a planned progress is bound to usher in an era of plenty and prosperity. Only the blind bats cannot see the pace of progress that our country is making day by day and year by year. All this record of progress would not have been possible but for the enlightened leadership of our Prime Minister and the innate cultural serenity of our people. Pandit Jawaharlal Nehru is not merely the Prime Minister of India today but an acknowledged world leader of thought and action. His wise-counsels have prevailed over many international conferences and prevented conflagration. Thus he has proved to be the foremost votary of peace and goodwill among nations. His theory of co-existence has been accepted by and large by a number of countries. Thanks to him, India today enjoys a unique and enviable position in the comity of nations. Foreign countries like America, England, Canada and other countries have nothing by praise for our country. Even Communist countries like Russia, China, not to speak of Yugoslavia, despite the denunciation from the Communist Party of India, are co-operating with us. Russia has agreed to set up a huge steel-plant in India at a cost of Rs. 400 crores. This speaks volumes for the soundness of our economy. Having solved our food and cloth problem, the Government is rightly concentrating on

IShri B. V. Gurumurthy.] the solution of our housing and unemployment problem. We know the solution of unemployment • problem fs a long way off but the provision of Rs. 10 crores made for low income housing is, in my view, the most significant feature of our Budget. Rs. 10 crores together with Rs. 7 crores set apart for industrial housing are sure to change the very face of urban India. Low income group house ownership together with peasant proprietorship in the rural areas is sure to constitute a bulwark for democracy against alien ideological onslaughts. A provision of Rs. 3-27 crores has "been made in the Budget as against Rs. 1-04 in the current year for the development of small scale industries. This is again a step in the right direction. Small scale industries or cottage industries in India have not flourished and it is Ironically said that illicit distillation is the only small scale industry in Indin that has flourished. This is perhaps due to the fact that our Government tries to encourage big industries ind also tolerate the small or cottage 'ndustries. Unless the spheres ol operations in these two sectors are clearly demarcated, the small scale industries or cottage industries cannot wirvive the competition from the bigger industries.

Now I come to the payment of privy pu^se to the princes. A provision of Rs. 5£ crores has been made in thf Budget as payment for the princes as privy purse and allowances to their relatives. I have a humble suggestion to make in this regard. Let the privy purse amount, of Rs. 5:5 crores be withheld for a period of five years and let all that money be pooled together and credited to the respective accounts of the princes. Let the princes formulate or constitute « Princes Industrial Development Fund to operate and run industries and also contribute to the industrial development of the whole country. Then they •ould not only be contributing for the welfare of the whole country, but wiH I

also be learning v. trade whicii they can profitably follow even in later years. Alter tha expiry of this period of five years, the privy purse money can be resumed or stopped as the case may be, under the Covenant.

Next, I would like to refer to the over-centralisation of the centrally financed industries. Any impartial observer would find that many of the industries financed by the Centre are either located in Bombay or Bengal or Mysore. This over-centralisation has hit the backward areas very much. This also engenders a lopsided development of our country and I submit that in the interest of the country as a whole, the backward areas should get priority and they should be developed alongside with other advanced and industrialised States. They should have the satisfaction that they are ateo following in the footsteps of their neighbours and that they are ge'.ting priority in the scheme of things envisaged by the Government of India. The case of Hyderabad would illustrate this point. Hyderabad, in the pre-Police Action days had complete b'ue-prints for making Manchrial a veritable Manchester of India. But after the Police Action, we regret to say that those plans have been completely shelved. I should say, the promise of a fertilizer plant for Hyderabad has also receded into the background. Incidentally, I might mention a word the state' of things that exists in Hyderabad as far as the present industries are concerned. We have got a difficult problem to face in Hyderabad State. We appreciate the action of the Government in giving 25 per cent, development rebate for starting new industries, but the difficulty of Hyderabad is different. The industries in Hyderabad need liquid cash to run them so as to •prevent further unemployment and also to keep up the proddction The unemployment in India in general and Hyderabad in particular, is very acute. Consequent on th° merger of the ex-Hyderabad Sta*¹-Railway with the Central R-rl-

ways, the people of Hyderabad were hit hard because the headquarters of the ex-Hyderabad State Railway, after merger with the Central Railways was shifted to Bombay. Here again, I would submit there was no justification for locating the headquarters of the Western Railways as well as the Central Railways at Bombay. Secunderabad would have been the ideal place for locating the headquarters of Central Railways. Formerly, the educated youths of Hyderabad used to be absorbed by this Railway and now all these chances are barred for them and excepting the recruitment of *khalasis*, no other recruitment is taking place there.

The integration of the airways, in whatever manner it might have been done, the country as a whole or certain units, has worked to the detriment of the Hyderabadis. The former employees of the Deccan Airways which were merged with the Indian Airlines, were later on recklessly and indiscriminately transferred from place to place and the chances of employment for the young men in Hyderabad have been removed. All these chances have been barred for them. So frustration and disappointment are writ large on the face of the youth of Hyderabad. With integration people expected that more avenues for employment would be opened up for them. But they are disappointed to find that even the existing sources are closed to them. As a remedy for all this, I would urge upon the Government to locate the headquarters of the Central Railways again in Hyderabad and also to shift the Repairing Base from Bombay to Secunderabad. I would also request them to start a fertilizer factory or some other centrally financed industry in Hyderabad to relieve the unemployment position there.

Finally I would like to speak about the cantonments, and more specifically about the Secunderabad Cantonment. The hon. the Defence Minister in his statement of 27th December said that

very far-reaching changes would be effect from the 1st of January throughout the cantonments. But even now although the elected members are there, they do not enjoy any status as that of their counterparts in the 3d-jointing municipalities and corporations. The Executive Officer even today is not accessible to the people and after 2 P.M. he is not at all available. This state of things will create doubts and suspicions in the minds of those who have been elected and in the minds of those who have voted for them, whether democracy has really dawned on them or not. I do hope the Defence Minister will take cognisance of this and also do justice to the people in the cantonment.

With these few observations, I would like to support, the Budget for the ^{year} 1955-56.

श्री आर० बी० झांगर (मध्य प्रदेश): माननीय उपसभापति महोदय, जो बजट हमारे सामने पेश किया गया है, उसका समर्थन करने के लिए मैं खड़ा हुआ हूँ। समर्थन करने का मेरा मतलब यह नहीं है कि इस बजट में जनता की सारी आशाएं या अपेक्षाएं पूरी हो गई हैं। समर्थन करने का मेरा मतलब यह है कि जिस उचित दृष्टि से बजट हमारे सामने पेश होना था, वैसी माधारण दृष्टि से पेश हो गया है।

मैं यह कह सकता हूँ कि देश में अनेक समस्याएं उम्मीद रूप धारण करके हमारे सामने पेश हैं। मैं उन समस्याओं की तरफ मंत्री महोदय का ध्यान आकर्षित करना चाहता हूँ। लोग आशा लगाए बैठे थे कि स्वराज्य प्राप्ति के बाद हम लोगों की समस्याएं हल होंगी, यदि पूर्णतः नहीं तो अंशतः अवश्य हल होंगी। लेकिन वास्तव में बात यह हुई कि उनकी समस्याएं बजाय कम होने के और ज्यादा ही बढ़ती गईं। देखो यह गया है कि स्वराज्य प्राप्ति के बाद भी लोगों में अभी तक सुन्न, शान्ति और समाधान नहीं है और उनके कष्ट उत्तरे ही हैं जिसने विदेशी हुकूमत के रूप में था। इसमें शंका नहीं है कि पूर्व बजटों

[श्री आर० वी० हांगर]

सं यह बजट कुछ दूसरे रूप में हमारे सामने पेश हुआ है। नई समाज व्यवस्था की जो बात चीत अभी दश में चली हैं, उसके कुछ परिणाम इस बजट में अवश्य दिखाई देंगे हैं। वर्तमान परिस्थिति प्रतिकूल होत हुए भी माननीय मंत्री जी ने जो बजट इस रूप में हमारे सामने पेश किया है, उसके लिए वं धन्यवाद के पात्र हैं।

मैं इस बजट की तरफ एक दहाती दृष्टि से देखता हूं। मैं एक गांव में रहने वाले और रात दिन अपने खेत पर काम करने वाले की दृष्टि से इस बजट को देखूंगा। यह बात ठीक है कि थोड़ा बहुत पद लेने से और समाजदों के भाषण सुन लेने से मैं यह समझ लेता हूं कि बजट में क्या चीज है। लेकिन जब मैं अपने गांव जाऊंगा, अपने इलाके में जाऊंगा, अपने सूते में जाऊंगा, तो वहां के किसानों को, वहां के मजदूरों को, वहां के लोगों को क्या समझाऊंगा कि बजट में यह बात तुम्हारे लिए अच्छी है, बजट में यह बात तुम्हारे लिए फायदे की है, अभी मेरे दिल में इसका कोई प्रभाव नहीं पड़ा है। जब मैं अपने वहां जाऊंगा और जो कुछ मैं यहां समझा हूं वह वहां के लोगों को समझाने का प्रयत्न करूंगा, तो वं उसको समझेंगे नहीं। उनकी समझ में जो बात आती है वह बजट में लापता है। बड़ी मुश्किल यह है कि उनकी जो समस्याएं हैं, उनकी जो रोजाना की दिक्कतें हैं जब तक उनका हल वे इस बजट में नहीं पाते हैं तब तक उनका समाधान किसी बात से नहीं हो सकता है। गांव के लोगों की जो दिक्कतें हैं वे ऐसी जटिल नहीं हैं, गांव के लोगों की जो समस्याएं हैं वे ऐसी कुछ जटिल नहीं हैं कि जिनके हल होने में कुछ विशेष कठिनाई हो। जो मुझे बजट साहित्य मिला है यदि मैं उसको अपने वहां के लोगों के सामने रख दूं तो वं उसको पढ़ नहीं सकते और जो कुछ मैं यहां समझा हूं उसको भी वे समझ नहीं सकते क्योंकि मैं ऐसे गांव में रहता हूं कि उसके ठीक मील के दूरे गिर्द में मैं ही एक ऐसा अकेला आदमी हूं जो थोड़ी बहुत अंग्रेजी जानता हूं। दूसरे जहां केवल प्राइमरी तीसरी कक्षा तक लोग पढ़ें हैं,

उनके सामने मैं क्या कहूं, यह मेरे सामने एक बड़ा सवाल है। दहातियों की आदत होती है कि जहां चमत्कार देखा वहां नमस्कार किया। उनके लिए तो उनके फायदे जैसी बात होनी चाहिए तब तो वे कुछ समझें भी। माना कि उनकी समस्या उतनी जटिल नहीं है जैसा कि मैंने कहा, लेकिन फिर भी उनकी रोजाना की आवश्यकताएं तो उनके सामने हैं, जैसे पेट भर भोजन, बदन भर कपड़ा, और रहने को भाँपड़ी। इनका भी इंतजाम अगर सरकार से ठीक तौर से हो गया तो मेरा ख्याल है कि वे लोग भी समझने लग जाएंगे कि बजट में उनका कुछ हिस्सा होता है।

सब लोग जानते हैं कि दश में ज्यादा तादाद में जाता दहातों में रहती है, अगर सारी जनता कृषि योगी नहीं है पर बहुसंख्या में लोग कृषि योगी हैं। जब किसी कोने से सवाल होता है कि कृषि योगी लोगों के लिए सरकार ने क्या किया है, कारतकारों, मजदूरों के लिए सरकार क्या कर रही है तो पंचवर्षीय योजना की तरफ उंगली से निर्देश कर के यह सवाल टाल दिया जाता है। हम जानते हैं कि योजना में कारतकारों के लिए कुछ काम अवश्य हुआ है, लेकिन कारतकार होने की दृष्टि से मैं यह देखता हूं कि योजना पर ठीक तरह से अमल न होने के कारण उनके लिए कोई फायदा हुआ नहीं देखता। अभी कहा गया है कि फर्टिलाइजर, यानी खाद के इतने कारखाने खुल गए। हो सकता है उसके लिए कुछ इंतजाम शुरू हो गया हो, लेकिन जहां पर सिंचाई की व्यवस्था नहीं है वहां फर्टिलाइजर क्या काम कर सकेगा, यह मैं नहीं समझ पाता। खुद कारतकार होने से मेरे सामने यह दिक्कत खड़ी हुई, इसलिए मैं यह बोल रहा हूं।

दूसरी बात है, अन्न धानी की कीमत। उसकी कीमत इस साल हद से ज्यादा गिर जाने से कारतकार बिल्कुल बर्बाद हो गया है। जिस कारतकार ने हिम्मत से, ताकत से, इस दश में इतना अन्न उत्पन्न किया कि दश की अन्न समस्या बिल्कुल हल हो गई, उसकी हालत आज कैसी है? वह कारतकार आज बेकार हो

गया है। समय पर उसको अपने माल की वांछ्य कीमत न मिलने से उसका खयाल "अधिक अन्न उपजाओ", अधिक अन्न का उत्पादन करो, इसकी तरफ न जा कर कौश क्रॉप या मनी क्रॉप की तरफ खयाल जा रहा है। नतीजा यह होगा—हो सकता है इस साल न हो, अगले साल हो—कि हम लोग अपने देश में फिर से अन्न धानी की कमी महसूस करने लग जाएंगे। आज कार्तकारों की माली हालत बहुत ही खराब है। मैं अपने अनुभव से कहता हूँ कि जब हमारी खेती का वक्त आता है, तब किसानों को सठ साहूकारों से आठ रुपया, दस रुपया सैंकड़ा माहवार के हिसाब से सूद पर कर्ज निकालना पड़ता है क्योंकि उनके पास पैसा नहीं होता। कर्ज देने के लिए साहूकार लोग भी कुछ कामना बनाए हुए हैं। तो हम लोगों को, यानी किसान लोगों को, कर्ज निकालना कोई आसान बात नहीं है, और जरूरत के वक्त साहूकारों से कर्ज लेने के लिए हमको अपनी जमीन की शर्तिया, यानी कंड़ी-शनल बिक्री करनी पड़ती है। अच्छी उपज हो गई तो कर्ज का रुपया दकर जमीन छुड़ा ली, नहीं हुई तो साहूकार के कब्जे में वह जमीन चली जाती है। जैसा मैं कह चुका हूँ यह मैं अनुभव से कह रहा हूँ कि समय पर किसानों को कर्ज नहीं मिल पाता, और मरें खयाल में बजट में इसके लिए कोई इंतजाम नहीं है। मैं जानता हूँ कि राज्य सरकारों में तकावी के रूप में किसानों को कुछ पैसा मिलता है, वह भी कभी समय पर कभी बेसमय पर, पर कोई खास उपयोग उसका नहीं होता है। अगर सरकार की तरफ से यह इंतजाम हो जाए कि किसानों का खेती के समय कम सूद पर आवश्यक रुपया मिले, तो मेरा खयाल है कि कार्त बढ़ने लगेंगी और वे सुखी हो जाएंगे, और आज जो खेती की नई पद्धतियां इस्तेमाल हो रही हैं, जैसे एक जापानी पद्धति है उनको वह अपनाने लगेंगे। मैं हाथ से खेती करने वाला हूँ, मैं जो पुरानी पद्धति चली आई हुई है उसी से काम करता हूँ, भले ही जापानी पद्धति को देखते हुए जितनी उसमें लागत लगती है उतना पैसा हम लोगों के पास न होने से हम नुई पद्धति को नहीं अपना सकते हैं, पर हम चाहते

हैं कि हमारे पास इतना पैसा हो कि हम भी उसी से काम कर सकें क्योंकि इस वक्त पैसा न होने से वह पद्धति हमारे लिए ठीक नहीं साबित हो सकती है। दूसरी ओर एकाध आदीमियों ने जिन्होंने ज्यादा पैसा खर्च किया, उनमें किसी को कृषि पीड़ित, किसी को कृषि समूह, आदि जो उपाधियां हैं, वे मिल गईं। लेकिन सामान्य कार्तकार जो दहात में हैं उसके पास लागत का ज्यादा पैसा न होने से वह खेती का पूरा इंतजाम भी नहीं कर सकता है। इसलिए मेरा कहना है कि इस सम्बन्ध में कोई ठोस योजना हो, जैसे तो योजनाएं बहुत सी होती हैं, मगर योजना ऐसी होनी चाहिए जो अमल में लाई जावे और उसके लिए मैं नमूनापूर्वक वित्त मंत्री से सूचना करूंगा। उदाहरण के बतौर मैं यह कहना चाहता हूँ कि पंचवर्षीय योजना में मकान बनाने के लिए ५० करोड़ रु० रखे गए, १० करोड़ रु० साल के हिसाब से देखा जाए तो २ साल में २० करोड़ रु० खर्च होना था, परन्तु देखा यह गया है कि उसमें सिर्फ १० करोड़ रु० तक खर्च हुआ है। तो आजकल यह बात होती है कि योजना बनती है, काम पूरा होता नहीं है, खास काम तो योजना को अमल में लाने का है, योजना किताबों में रह जाती है, पैसा खजानों में रह जाता है और लोगों को उसका पूरा फायदा नहीं मिलता। यह दिक्कत हमारे सामने है, भले ही इसका सम्बन्ध केन्द्रीय सरकार से हो या राज्य सरकार से हो। लेकिन एक बात निश्चित है कि काम जो होना चाहिए था वह नहीं हुआ है।

दहातों को आप जानें दीर्घाए शहरों में जो स्लम्स (कुबिस्तियां) हैं उनकी ओर दीखए। जैसे वालों ने बड़े बड़े मकान बनाए, शहर आबाद किए, बड़ी बड़ी इमारतें बन गईं, लेकिन अभी भी कितने दिनों से बड़े बड़े शहरों में ये स्लम्स हमारी नजरों में आते हैं। मेरा ऐसा खयाल है कि ये जो कुबिस्तियां हैं उनकी जमीनें जैसे वालों की हैं और वे लोग गरीबों को वह धिगाए में दू दंतें दे जाते हैं लोग छोटे मॉटे गच्ची मकान वहां रहने के लिए बनाते हैं जो कि जैसी ही हालत में पड़े रहते हैं। इसलिए मैं कहूंगा कि ऐसी जो

[श्री आर० बी० डांगर]

कुबीस्तियों की जमीनों हैं कम से कम उनका सुधार की दृष्टि से सरकार कानूनन अपने कब्जे में ले ले, यानी एक्वायर कर ले और उस पर छोट-छोट सुभीते वाले मकान बनावे और उन लोगों को कम किराए पर उठावे। इतना ही नहीं, मैं यह भी कहना चाहूंगा कि जब मकान की लागत का मूल्य किराए के रूप में वसूल हो जाए तब वह मकान उन्हीं काश्तकार और मजदूर लोगों के नाम पर कर दिया जाए। इससे शहरों की अवस्था में सुधार होगा, गरीब लोग मकान के मालिक होंगे और सरकार भी गरीब वर्ग के लोगों के धन्यवाद की पात्र होगी। यदि ऐसा हो जाए तो जैसा कि मैंने पहले कहा "जहां समस्कार, वहां नमस्कार" हो जाएगा। इससे मैं समझता हूं कि हर एक गरीब आदमी, किसान और मजदूर को भालूम हाने लगंगा कि हां, बजट में उसका भी हिस्सा है। जब तक हमें उनका खयाल नहीं होता, तब तक वे अपने देश के स्वराज्य को, उसके बजट को और उसके शासन को क्या समझें? अगर ऐसा हो जाए तो वे समझने लग जाएंगे कि हमारे फायदे की कुछ चीज, कुछ अंश, बजट में हमारे सामने हैं।

इन बातों की तरफ मंत्री महोदय का ध्यान आकर्षित करते हुए अपने इन सुझावों के साथ इस बजट का समर्थन करता हूं।

श्री आर० बी० अग्निभाज (मध्य प्रदेश): उपाध्यक्ष महोदय, अन्य मित्रों के समान मैं भी बजट का स्वागत करता हूं। परन्तु इसके साथ ही यदि मैं केंद्रीय सरकार और देश में विभिन्न विभागों में जो प्रगति हो रही है, उस के सम्बन्ध में भी अपने कुछ विचार व्यक्त करूं तो अनूचित नहीं होगा।

सबसे पहले शिक्षा को लीजिए। हमारे देश के संविधान में यह कहा गया है कि हमारे देश का कोई भी नागरिक अथवा बच्चा अशिक्षित नहीं होगा। और एसी उम्मीद की जाती है कि पन्द्रह वर्ष के अन्दर देश में जो अशिक्षा फैली हुई है उसका हम नाश कर

देंगे। इस देश में केंद्रीय सरकार के लक्ष्य बहुत ही धीरे-धीरे और प्रांतीय सरकारों के धीरे-धीरे कदम बढ़ रहे हैं। मैं आपसे यह प्रार्थना करूं कि जिस गति से, जिस प्रभाव से और जिस दृढ़ता से शिक्षा बढ़नी चाहिए वैसा शिक्षा में सुधार नहीं हो रहा है। हमारे देश के नेता, शिक्षातज्ञ, शिक्षा मंत्री, भारतवर्ष के प्रधान मंत्री और देश के सभी लोग यह दुहाई देकर कहते हैं कि हमारी शिक्षा की पद्धति खराब है, जड़मूल से खराब है, इसको उखाड़ कर फेंकना चाहिए।

श्री एस० एन० द्विवेदी (उड़ीसा): आप युनिवर्सिटी शिक्षा चाहते हैं ?

श्री आर० बी० अग्निभाज : जी, मैं आपको बताता हूं, सुनते ही जाइयें।- सबसे पहले आपसे ही शिक्षा शुरू हो।

तो मैं आपसे प्रार्थना यह करूं कि हम लोग इस शिक्षा की बुराई को तो समझते हैं, परन्तु क्या कारण है कि न तो प्रांतीय सरकारें उसे बदलती हैं, न युनिवर्सिटीयां उसको बदलती हैं, न शिक्षा बोर्ड उसको बदलता है, न शिक्षा मंत्री ही उसको बदलते हैं और न केंद्रीय सरकार के शिक्षा विभाग को ऐसा करने की ताकत है और न भारतीय सरकार में बदलने की ताकत है। यदि नहीं तो इसका प्रयत्न कौन करेगा ? शिक्षा के विषय को इस तरह से कंठम करके हमारी शिक्षा पद्धति में सुधार होने वाला नहीं है। इसीलिए मैं आप से प्रार्थना करता हूं कि हमारी प्राथमिक शिक्षा से लेकर विश्वविद्यालय की शिक्षा तक, वहां तक कि रिसर्च और जो दूसरे विभाग हैं, वहां तक शिक्षा पद्धति में आमूल परिवर्तन होना चाहिये। अब परिवर्तन केवल युनिवर्सिटी कमिशन बना देने से या कोई माध्यमिक शिक्षा बोर्ड बना देने से या कोई बोर्ड बना देने से पूरी नहीं होगी। मैं चाहता हूं कि यदि आप शिक्षा पद्धति में आमूल परिवर्तन करना चाहते हैं तो यह आवश्यक है कि प्राथमिक शिक्षा से लेकर विश्वविद्यालय की शिक्षा तक,

एक ही साथ उसकी जांच पड़ताल की जाय। किन्तु वह शिक्षा ऐसी न हो कि एक प्रान्त में एक शिक्षा पद्धति हो, दूसरे प्रान्त में दूसरी शिक्षा पद्धति और तीसरे प्रान्त में तीसरी तरह की हो। इसके साथ ही यह भी नहीं होना चाहिये कि एक ही कोर्स के लिए अलग अलग टैक्स्ट बुक्स हों। डिस्ट्रिक्ट कॉन्सिल के लिए अलग टैक्स्ट बुक्स हों, लोकल बोर्ड्स की अलग हों और यूनिवर्सिटीयों की अलग हों। आज यह देखने में आता है कि हर साल पुस्तकें बदली जाती हैं। एक लेखक से पुस्तकें लिखवा ली गईं, एक दो साल तक चलती रहीं और तीसरे साल वे बदल दी जाती हैं। इसलिए यह शिक्षा पद्धति के जो खाते हैं, वे एकजामिनर्स, पुस्तक लिखने वाले और टैक्स्ट बुक बेचने वालों के खाते बन गये हैं। आज देखने में यह आता है कि एक गरीब आदमी जो तीस, चालीस या पचास रुपया माहवारी कमाता है, जब अपने बच्चों को एक वर्ग में शिक्षा देकर दूसरे वर्ग में भेजता है, उसका दूसरा बच्चा पैदा होता है और जब वह उसी क्लास में जाता है तो दूसरी पुस्तकें पढ़नी पड़ती हैं। यदि उसका एक जिले से दूसरे जिले में, एक प्रान्त से दूसरे प्रान्त में तबादला होता है तो उसे भिन्न भिन्न प्रकार की टैक्स्ट बुक अपने बच्चों को पढ़ानी पड़ती हैं। इस तरह से आप देखेंगे कि शिक्षा के क्षेत्र में पुस्तकों का, छपाई का और सब चीजों का दुरुपयोग किया जाता है। मैं चाहता हूँ कि जब हमारा देश एक हो गया है तो उसमें एक ही तरह की शिक्षा पद्धति भी होनी चाहिये और सारे भारतवर्ष के लिए एक ही पुस्तकें बननी चाहिये। यह नहीं होना चाहिये कि हर छः महीने के अन्दर टैक्स्ट बुक बदली जायें बल्कि पांच, दस या पन्द्रह वर्षों के बाद बदली जानी चाहिये। इसका कारण यह है कि हमारे देश में एक ही हज़मत है इस लिये सम्पूर्ण देश की एक ही शिक्षा पद्धति होनी चाहिये। अगर हमने ऐसा किया तो बच्चों की पढ़ाई में कम खर्च होगा और शिक्षा में भी प्रगति होगी। शिक्षा का विषय

बहुत ही महत्वपूर्ण विषय है, इस पर देश को उन्नति निभर करती है। हमारे देश में जो शिक्षा विचार हैं, उन्हें इस बात पर विशेष ध्यान देना चाहिये कि हमारे बच्चों की प्राथमिक शिक्षा से लेकर यूनिवर्सिटी तक की शिक्षा किस तरह की होनी चाहिये। जो सज्जन इस दिशा में काम कर रहे हैं, उन से मेरी प्रार्थना है कि वे इस विषय पर विशेष रूप से ध्यान दें।

अब मैं आपके सामने कुछ शब्द भाषा के सम्बन्ध में कहना चाहता हूँ। हमने हिन्दी भाषा को राष्ट्रभाषा के रूप में घोषित कर दिया है। किन्तु आप पोस्ट ऑफिसों का स्टाफ देख लें। अभी हाल ही में पोस्ट ऑफिस द्वाारा दिल्ली में दुनिया के डाक टिकटों की एक एक्जिबिशन हुई थी। वहां पर जितने भी भारतीय टिकट दिखलाये गये थे उनमें "इंडियन पोस्टेज" लिखा हुआ था। उन टिकटों पर "भारत डाक टिकट" छपा हुआ नहीं था। इस सम्बन्ध में मैं अपने वित्त मंत्री जी से भी प्रार्थना करूंगा कि हमारे देश को स्वतंत्र हुए सात साल हो गये हैं किन्तु हमारी देश की मुद्रा पर अभी भी अंग्रेजी में एक रुपया, चार आने, एक पैसा, दो पैसे छपे हुए हैं। यद्यपि मैं मानता हूँ कि संविधान में हमने हिन्दी के लिए पन्द्रह साल की अवधि रखी है जिसमें से आठ साल व्यतीत हो चुके हैं, सात साल बाकी हैं, पर यदि अभी से इस दिशा में कार्य प्रारम्भ कर दें और दीर्घमानी से करें तो क्या यह कोई पाप हो जायेगा?

दूसरी बात यह है कि हमारी राष्ट्रभाषा का स्वरूप इस तरह का होना चाहिये जिससे देश का प्रत्येक व्यक्ति आसानी के साथ उसको समझ सके। आज हम अपने देश में सोशलिस्टिक पैटर्न आफ सोसाइटी की स्थापना करना चाहते हैं किन्तु उसका अर्थ यह नहीं है कि हम देश में एक वैस्टेड क्लास पैदा करें। आज हम बड़े बड़े नेताओं की बातें सुनते हैं, बड़े बड़े शिक्षा और भाषा विज्ञान जानने वालों की बातें सुनते हैं उन

[श्री आर० यू० अग्निभाज]

की भाषा गोरखधन्वा बनी जाती है। उन लोगों को स्मरण रखना चाहिये कि अभी भी इस देश में लगभग ३० करोड़ जनता ऐसी है, जो अशिक्षित हैं। अगर हमने भाषा को कोठन बनाया तो इसका मतलब यह होगा कि देश में वैंस्टेड वर्ग पैदा करना चाहते हैं। वैंस्टेड इंटरस्ट्स का। जितनी कोठन भाषा होगी, जितनी संस्कृत मिश्रित भाषा होगी, उसका अर्थ यह होगा कि वही लोग नौकरी में जा सकेंगे जो कि संस्कृत भाषा के विद्वान हैं, जो फारसी भाषा के विद्वान हैं, बाकी जो लोग हैं वे कपूर में समा जायेंगे और इनएफिशियेन्ट समझे जायेंगे। इस तरह से ये लोग देश में एक वैंस्टेड इंटरस्ट्स क्लास की स्थापना करेंगे जिसमें हरिजनों और आदिवासियों को दबाया जा सकेगा। जिस तरह से आज इन लोगों को अज्ञानी और अयोग्य कहकर दबाया जाता है उसी तरह से भविष्य में भी होता रहेगा। जो लोग आज देश में राष्ट्रभाषा को संस्कृत मिश्रित राष्ट्रभाषा बनाना चाहते हैं, उसका प्रचार कर रहे हैं, वे देश में वैंस्टेड इंटरस्ट्स पैदा करके देश को पुनः इनएफिशियेन्सी के नाम पर दवाने की कोशिश कर रहे हैं। इस लिए मेरी प्रार्थना यह है कि जो भाषा विज्ञान के जानने वाले हैं, जो राष्ट्रभाषा को उन्नत करना चाहते हैं, उनका यह परम कर्तव्य हो जाता है कि देश के लिए इस तरह की सीधी सादी भाषा बनायें जिसको देश का प्रत्येक नागरिक आसानी के साथ सीख सके। नहीं तो उसी तरह की परिस्थिति होने वाली है कि जब अंग्रेज यहां पर थे, तो जो अंग्रेजी भाषा का ज्ञान रखता था वह सिर पर बैठता था और बाकी लोग गुलाम समझे जाते थे। इसी तरह से संस्कृत जानने वाले लोग, जो हमारे बड़े बड़े नेता हैं, गवर्नर हैं, मिनिस्टर हैं, और सुप्रीम कोर्ट के जज हैं, उनके नाम में नहीं लेना चाहता हूं, और भी कई प्रकार के लोग हैं, जो कि इस तरह की बातें करते हैं, देश की राष्ट्रभाषा को संस्कृतमयी राष्ट्रभाषा बनाना चाहते हैं। वे लोग चाहते हैं संस्कृत भाषा, जो

कि एक विशेष वर्ग की भाषा है राष्ट्रभाषा के रूप में हो। मैं यह मानता हूं कि संस्कृत देवताओं की भाषा है, मैं उसको प्रणाम करता हूं और चाहता हूं कि वह देवताओं की भाषा बने। किन्तु अगर वह भाषा एक्सप्लॉइटेशन का सिद्धान्त बन जाती है तो वह असुरों की भाषा हो जाती है। इसीलिए, यदि आपको सम्पूर्ण समाज को उठाना है तो आपको उसी भाषा का प्रचार करना होगा जिसको देश का प्रत्येक नागरिक, आजके हमारे प्रजातंत्र में, गणतंत्र में, आसानी के साथ समझ सके। इसी तरह की भाषा का हमें राष्ट्रभाषा बनाना होगा।

श्री एच० पी० सक्सेना : आप क्या चाहते हैं? आप तो संस्कृत में भाषण दे रहे हैं।

श्री किशन बन्तु : आपके हर वाक्य में दो शब्द संस्कृत के हैं।

श्री आर० यू० अग्निभाज : आपको सँकड़ों और करोड़ों के लिए भाषा को ठीक तरह से समझना और बनाना है। इसीलिए मैं आप से प्रार्थना करता हूं कि मैं भी संस्कृत जानता हूं और शायद वे जो संस्कृत के जानने वाले हमारे मित्र हैं, उनसे अच्छी संस्कृत जानता हूं। किन्तु इसके बावजूद भी मैं आपसे जो प्रार्थना कर रहा था वह एक राष्ट्र के उत्थान के लिए, पूरे समाज को आगे ले जाने की दृष्टि से कर रहा था। इसीलिए मैं चाहता हूं कि यदि आप राजनीतिक सामाजिक और आर्थिक, ये तीनों अधिकार प्रत्येक भारतीय नागरिक को बराबर देना चाहते हैं, तो कम से कम हमारे देश की भाषा ऐसी हो, जिसको प्रत्येक व्यक्ति सुगमता के साथ समझ सके, बोल सके और व्यक्त कर सके।

इसके बाद मुझे यह कहना है कि हमको एक सोशलिस्टिक पैटर्न आफ सांसाइटी बनानी है।

श्री एस० एन० द्विवेदी : उसका राष्ट्रभाषा में कहिये।

श्री किशन बन्तु : "सोशलिस्टिक" शब्द को राष्ट्रभाषा में कहिये।

श्री आर० यू० अग्निभाज : एक सामाजिक ढांचा, एक समाजकी ढांचा हमको बनाना है।

हम उस हाथ को बनाना चाहते हैं। हमें इस बात को अच्छी तरह से समझ लेना है कि हम प्रत्येक व्यक्ति को बराबर बराबर की आर्थिक स्थिति पर लाने का प्रयत्न कर रहे हैं या नहीं। यदि हम प्रत्येक व्यक्ति को एक समसतह पर लाने का प्रयत्न कर रहे हैं तो तब तो ठीक है और यदि हम अपने बजट के द्वारा उसमें सफल नहीं हो रहे हैं तो उसमें फिर कोई सराबी है। एक सामाजिक सतह पर सब को लाने के लिये कम से कम हमारा यह उद्देश्य अवश्य होना चाहिये कि जो एक लिविंग वीइंग है, जिसको जीने का अधिकार है, उसकी आमदनी हम निश्चित कर दें कि एक आदमी, एक व्यक्ति, कम से कम एक हजार रुपये पर जीवित रह सकता है, दो हजार रुपये पर जीवित रह सकता है, तीन, चार या पांच हजार रुपये पर जीवित रह सकता है। यदि हम इस निश्चय पर पहुँचते हैं कि एक आदमी पांच हजार रुपये में ज़िन्दा रह सकता है तो मैं कहूँगा कि उस सतह तक किसी तरह का इंकम टैक्स या सुपर टैक्स नहीं लगाना चाहिये और इससे ऊपर की जो आमदनी है उस पर खूब बढ़ा कर टैक्स लगाइये। उसके ऊपर की आमदनी के लिये साढ़े चौदह आने का टैक्स भी ठीक है। साढ़े चौदह आने टैक्स लगने पर भी बहुत से लोग १० लाख और १५ लाख रुपये साल भर में अपने पाकेट में रख लेंगे और जिसकी आमदनी पांच हजार रुपये सालाना है वह ढंढ़ सौ या दो सौ रुपये टैक्स देंगे। इसीलिये मैं आपसे कहूँगा कि यदि आप एक आदमी को ज़िन्दा रखने के लिये पांच हजार रुपये साल आवश्यक समझते हैं तो पांच हजार तक की आमदनी को बिल्कुल टैक्स फ्री कर दीजिये और जो १४ आने २ पाई का टैक्स है उसे बढ़ा कर १५ आने ६ पाई कर दीजिये, सिर्फ उनके पास दो पैसा ही रहने दीजिये, इस पर भी वे २० या २५ लाख अपने पाकेट में रख लेंगे। इसीलिये मेरी प्रार्थना है कि आप पांच हजार तक को टैक्स फ्री कर दीजिये और उन पर जो टैक्स आप लगाइये वह इनडाइरैक्ट टैक्स लगाइये, परोक्ष टैक्स लगाइये, बाजार की मार्फत लगाइये। इंडिरैक्ट

टैक्स कम आमदनी वालों पर न लगाइये। यह मेरी प्रार्थना है, यह मेरा सुझाव है। इसके बाद मैं यह भी कहूँगा कि यदि आप आवश्यक चीजों पर टैक्स लगायेंगे तो इससे जनता में संतोष नहीं होगा और जनतंत्र क्या है, इसका उन्हें अनुभव नहीं होगा।

सरदार रघुबीर सिंह पंजहजारी (पेंप्स): बाकी कल कह दीजियेगा।

MR. DEPUTY CHAIRMAN: Please finish.

श्री आर० ब० अग्निभाज :

मेरी प्रार्थना यह है कि आप जो एक्साइज और कस्टम्स ड्यूटीज लगाते हैं उसके बदले आप उन कारखानों और कलाओं को अधिक सहायता दीजिये जो कि विदेशी वस्तुओं के कम्पटीशन में पड़ चुके हैं। उन को सहायता दीजिये ताकि वे बाजार में अच्छे और सस्ते साबित हों। यह तभी हो सकता है जब कि या तो ऐसी इंडस्ट्रीज को गवर्नमेंट अपने हाथ में ले ले या यदि वे व्यक्तियों के हाथ में हैं तो भी उन्हें समुचित मदद दे कर इस स्टैंडर्ड पर ले आये कि वे विदेशी माल से मुकाबिला कर सकें। वे व्यक्ति पूँजीवादी हों तब भी उनका माल पहले दश में खर्च और विदेश वालों का बाद में। यदि हमने इतना किया तो हम समझ सकेंगे कि राष्ट्रीयता के युग में एक कदम आगे बढ़ा है।

मुझे आपसे और भी बहुत सी बातें करनी हैं। जैसे कि प्राहिबिशन की चर्चा चली। मेरा कहना है कि प्राहिबिशन डिपार्टमेंट को जो एडमिनिस्टर करते हैं, पुलिस वाले, एक्साइज डिपार्टमेंट वाले और अफसर, जब तक वे शराब पीना बन्द नहीं करते तब तक आप उनसे क्या प्राहिबिशन करायेंगे। प्राहिबिशन डिपार्टमेंट की यहां चर्चा होती है और वह हमारा सिद्धांत भी है तो मेरा कहना है कि उसके लिये हमें एक नियम बना लेना चाहिये कि कोई भी आदमी जो शराब पियेगा, गांजा पियेगा या भांग पियेगा वह प्राहिबिशन डिपार्टमेंट में नहीं लिया जायेगा। इसी तरह से सामाजिक

[श्री आर० व्० अग्निशोक]
न्यायता को ठीक करने के लिये हमें एक
निष्पक्ष बनाना पड़ेगा.

श्री व्० एस० बिष्ट : प्राहिदिशन का
प्राधिकृत मत क्या है ?

श्री व्० व्० अग्निशोक : जी हाँ, केंद्र में भी
आ रहा है। प्लानिंग कमिशन ने इसके लिये
एक कमेटी बैठाई है, इसकी कल्पना आपको
हानी साहिब।

MR. DEPUTY CHAIRMAN: Yes, it
is time.

श्री आर० व्० अग्निशोक : इसी तरह से
छुआछूत का प्रश्न आता है। समाज में हर
एक को दंडित सड़क से जाने का सवाल है,
मौद्रिक प्रवृत्ति का प्रश्न आता है। तो इसके
लिये सरकारी अफसरों पर यह प्रतिबन्ध लगाना
होगा कि यदि कोई छुआछूत को मानेगा तो वह
सरकारी नौकरी में नहीं लिया जायेगा। जब
आप ऐसा करेंगे सभी समाज का डंका बजता
सकता है। जब तक आप ऐसा नहीं करेंगे तब
तक हम सोशलिस्टिक स्टेट, सामाजिक समता
और समाजवाद की कितनी ही बातें कहें परन्तु

वह बहुत दूर रहेगा। मुझे आशा है कि माननीय
मंत्री जी मंत्र सद्भावों को मान कर जिस
डिपार्टमेंट से वे सम्बन्धित हैं उसके द्वारा
गवर्नमेंट की पालिसी को मोल्ड कर के समाज
की भलाई करेंगे। इन शब्दों के साथ मैं बजट
का समर्थन करता हूँ।

ANNOUNCEMENT RE BUSINESS ON 11TH MARCH 1955

MR. DEPUTY CHAIRMAN: I have to
inform the hon. Members that as the Private
Member's legislative business entered in the
List of Business for tomorrow, 11th March
1955, is not expected to take much time of the
House, the Chairman has decided to allot the
time available after the disposal of the Private
Member's business tomorrow for further
discussion on the General Budget.

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

The House then adjourned at five
minutes past five of the clock till
eleven of the clock on Friday
the 11th
March, 1955.