

**SECURITIES HELD ON
CASH BALANCE
INVESTMENT ACCOUNT**

155. SHRI P. C. BHANJ DEO: Will the Minister for FINANCE be pleased to state the amount of interest received from the securities held on the Cash Balance Investment Account valued at Rs. 41 crores on 31st March 1952 and Rs. 65 crores on 31st March 1953?

THE MINISTER FOR FINANCE (SHRI C. D. DESHMUKH): Rs. 49-35 lakhs in 1951-52 and Rs. 153-88 lakhs in 1952-53.

INTEREST-BEARING FUNDS

156. SHRI P. C. BHANJ DEO: Will the Minister for FINANCE be pleased to state :

(a) the invested portions of the interest-bearing reserve depreciation and development funds of the Government as on 31st March 1952 and 31st March 1953;

(b) whether interest earned on the invested portions of these funds is credited to Government or to these funds; and

(c) whether the average rate of yield on invested portions of these funds during the years 1951-52 and 1952-53 was more or less than the fixed rate of interest allowed by Government on the average balances of these funds?

THE MINISTER FOR FINANCE (SHRI C. D. DESHMUKH): (a) to (c). The funds are not invested except for Rs. 47.18 lakhs out of the Railway Revenue Reserve Fund, but they are kept with Government. The interest on the funds and the interest earned by the investments are also credited to the funds. The yield on the investments was less than the rate of interest allowed.

RESERVE FUNDS

157. SHRI P. C. BHANJ DEO: Will the Minister for FINANCE be pleased to state:

(a) the rate of interest allowed on each of the interest-bearing re-

serve funds of the Government of India; and

(b) whether these rates of interest were raised after the rise in Bank Rate in November 1951; and if not, why?

THE MINISTER FOR FINANCE (SHRI C. D. DESHMUKH): (a) and (b). The rate of interest allowed by Government is the same as the rate at which Government charge interest on their Commercial Departments, Undertakings, etc., that is to say, at the average rate of interest on the Rupee and Sterling Debt of the Government of India. The rates adopted for the current Budget, Revised and next Budget were 3-12 per cent., 3-13 per cent, and 3-17 per cent, respectively. This is not related in any way to the Bank Rate.

**CENTRAL LOANS TO STATE
GOVERNMENTS AND
OTHERS**

158. SHRI P. C. BHANJ DEO: Will the Minister for FINANCE be pleased to state:

(a) the amount of interest-free loans given by the Central Government to the various State Governments up to 31st March 1953; and

(b) the amount of capitalised interest on the loans given for river-valley projects as on 31st March 1953?

THE MINISTER FOR FINANCE (SHRI C. D. DESHMUKH): (a) and (b). The particulars are being collected and a statement containing them will be laid on the Table of the House in due course.

THE BUDGET (GENERAL), 1954-55— GENERAL DISCUSSION— continued.

SHRIMATI SAVITRY NIGAM (Uttar Pradesh) •

श्रीमती सावित्री निगम (उत्तर प्रदेश) : अध्यक्ष महोदय, परसों में कह रही थी कि चाहे हमें कितना भी त्याग

[Shrimati Savitry Nigam.]

और कितना भी बलिदान क्यों न करना पड़े हम किसी के सामने मदद के लिये और रक्षा के लिये हाथ नहीं फैलायेंगे। मैं माननीय प्राइम मिनिस्टर (Prime Minister) के कथन का हार्दिक समर्थन करते हुए दुनिया के समस्त साम्राज्यवादियों को यह बता देना चाहती हूँ कि जब तक भारत में एक भी प्राणी जीवित रहेगा तब तक भारत की रक्षा के लिये या किसी की कृपा के लिये हम भारतवासी किसी के सामने हाथ फैलाने की इच्छा नहीं करेंगे। श्रीमन्, यदि और देशों को अपनी आटम (atomic) शक्ति पर नाज़ है, अपनी पाशविक शक्ति पर नाज़ है, तो हमें भी अपनी अहिंसा पर नाज़ है, अपने सत्य, अहिंसा और सत्याग्रह के मार्ग पर नाज़ है और गर्व है, जिस पर कि चल कर हमने आज़ादी हासिल की है और उसी मार्ग पर चल कर अपने देश की रक्षा भी करेंगे।

अब रही योजना की बात। योजना को भी हम हर हालत में पूरी करेंगे और बखूबी पूरी करेंगे, भले ही उसके लिये हमें बड़े से बड़ा त्याग करना पड़े, बड़ी से बड़ी तपस्या करनी पड़े। हमारी पंचवर्षीय योजना बड़े ही सुचारु रूप से चलेगी, चाहे हमें विदेशी सहायता मिले या न मिले। परन्तु संसार की वर्तमान स्थिति को देखते हुये और बदलते हुये समय में, चेंजिंग सरकमस्टांसेज (changing circumstances) में यह भी बहुत जरूरी हो गया है कि हम लोग अपने पूरे प्लान (plan) को और पूरे बजट (Budget) को फिर से रिवाइज (revise) करें, क्योंकि यही नहीं कि हमें अपनी पंचवर्षीय योजना को दुगुनी तेज़ी से चलाना है और पूरा करना है, बल्कि उसके साथ यह भी देखना है कि रोज़ूदा दुनिया में हमारी जो स्थिति हो गई

है, उसके हिसाब से सच्चाई को सामने रखते हुए एक नई तरह की अर्थव्यवस्था बनायें, एक नई बेसिस (basis) पर अपना पूरा एकनामिक सेट अप (economic set up) करें और वह एकनामी (economy) इमरजेंसी बेसिस (emergency basis) पर हो। श्रीमन्, हमें तुरंत ही डिफेंस का बजट (Defence Budget) बढ़ा देना चाहिये क्योंकि डिफेंस के बजट को बढ़ा कर ही हम अपनी रक्षा के साधनों को बढ़ा सकेंगे। संभव है कि उसके लिये हमें अधिक धन की आवश्यकता पड़े, लेकिन उसकी हमें चिन्ता नहीं होनी चाहिये क्योंकि यदि आवश्यकता पड़ी तो हम लोग नेशनल वॉलेंटरी कट (national voluntary cut) का एक बिल ला कर बड़ी खुशी अपने एलाउंसेज (allowances) का आधा भाग देने के लिये तैयार हो जायेंगे और हमें यह भी आशा और विश्वास है कि हमारे जितने मंत्रीगण हैं और जितने ऐसे अफसर हैं जिनकी तनख्वाह तीन सौ और चार सौ से ऊपर है वे सब भी अपनी आय का एक बहुत बड़ा हिस्सा देश की तरक्की के लिये और पंचवर्षीय योजना को पूरा करने के लिये सहर्ष देंगे। इसके अतिरिक्त हमारे उद्योगपति और पूँजीपति भी समय समय पर आवश्यकता पड़ने पर बराबर उदारता दिखाते आये हैं और हमें पूरा विश्वास है कि वे इस बार भी किसी से पीछे नहीं रहेंगे।

श्रीमन्, मैं प्राइम मिनिस्टर महोदय को यह विश्वास दिलाना चाहती हूँ कि हम सब तन-मन-धन से उनके साथ हैं और उसके साथ रहेंगे।

श्रीमन्, अब मैं थोड़ा सा इंडस्ट्रीज (industries) के बारे में भी कहना चाहती हूँ। आयात-कर हटा कर

वित्त मंत्री ने सचमुच वस्त्र उद्योग को बड़ी सहायता पहुंचाई है क्योंकि आयात-कर हटाने से छोटे उद्योगों को, काटेज इंडस्ट्रीज (cottage industries) को, खादी को और हैंडलूम (handloom) को भी बड़ी सहायता मिलेगी और बड़ा प्रोटेक्शन (protection) मिलेगा। परन्तु, मेरी समझ में यह बात नहीं आई कि मध्यवर्ग ने वित्त मंत्री का क्या विश्वास है? यह सही है कि निर्धनों में शक्ति नहीं है परन्तु उच्चवर्ग के साथ वे क्यों सदा इतनी कृपा करते हैं। जब कि इस बिना पर वह कोई नया टैक्स नहीं लगाने जा रहे हैं कि टैक्सेशन इनक्वायरी कमेटी (Taxation Enquiry Committee) की रिपोर्ट (Report) नहीं आई है तो फिर क्या बात थी, क्या आवश्यकता आ पड़ी थी कि मध्यवर्ग के लोगों की जो आवश्यक चीजें हैं, जैसे कि जूता, साबुन, सुपारी आदि उन पर कर लगा कर बेचारे पिसते हुए मध्यवर्ग को इन छोटी मोटी चीजों से, इन छोटे छोटे आरामों से वंचित कर दें। इनडाइरेक्ट टैक्सेशन (indirect taxation) का असर हमेशा मध्यवर्ग पर पड़ता है इसलिये यह जो जूते पर, साबुन पर और सुपारी पर टैक्स लगाया गया है उसको मैं बिल्कुल पसन्द नहीं करती और मेरी वित्त मंत्री महोदय से प्रार्थना है कि वे इस सम्बन्ध में पुनः विचार करें। जब कि पहले से ही २५० करोड़ का डिफिसिट बजट (deficit budget) था, तो फिर यदि १६ करोड़ और कुछ लाख रुपयों का डिफिसिट बजट और हो जाता तो कोई विशेष हानि न होती और इस तरह से पिसती हुई मध्यवर्गीय जनता को हार्डशिप (hardship) से बचा सकते थे। यदि उनको टैक्स लगाना ही था, तो ऐसी चीजों पर लगाते जिसका असर उच्चवर्ग पर पड़ता, जैसे कि थर्मस (thermus), मोटर पार्ट्स (motor parts), क्रिम

(cream), पाउडर (powder) आदि जो लक्जरीज (luxuries) की चीजें हैं उन पर टैक्स लगाते तो कहीं अच्छा होता। संभव है कि इन चीजों पर टैक्स लगाने के सम्बन्ध में वित्त मंत्री महोदय काटेज इंडस्ट्रीज को प्रोटेक्शन देने की आड़ लें, लेकिन यह बात ठीक नहीं है। काटेज इंडस्ट्रीज को यदि वह सचमुच प्रोटेक्शन देना चाहते हैं तो उनको तुरंत ही गांधियन टाइप आफ एकानामी (Gandhian type of economy) अपनानी चाहिये। बिना इसके अपनाये हुए वे गृह उद्योगों को और कुटीर उद्योगों को सही मानों में प्रोटेक्शन नहीं दे सकते। सब से पहली बात यह है कि उन मशीनों के इस्तेमाल और बाहर से मांगने पर तुरंत रोक लगानी चाहिये, जिनके प्रोडक्शन (production) से हमारे कुटीर उद्योगों पर बुरा और सीधा असर पड़ता है। एक बार यहां आश्वासन दिया गया था कि बीड़ी बनाने की मशीन उपयोग में नहीं लाई जायेगी लेकिन वह मशीन तमाम एग्जिबिशन (exhibitions) में दिखाई जाती है और सुनते हैं कि वह मशीन कुछ दुकानों में भी आ गई है और विक्रि रही है। यह सर्वथा अनुचित है।

इसके साथ ही साथ मैं यह कहना चाहती हूं कि हमने अब तक कुटीर उद्योगों के उत्पादन में सहयोग देने की पूरी चेष्टा की है, परन्तु कुटीर उद्योगों से उत्पादित जो सामग्री है उसके लिये हमने अब तक कोई मार्केट (market) ढूंढने की चेष्टा नहीं की है। एशिया के अनेक ऐसे मुल्क हैं जिन पर यदि थोड़ा सा गौर करें और ध्यान लगायें तो वहां इन चीजों का अच्छा बाजार बना सकते हैं। इसके लिये सब से अच्छा तरीका यह है कि विदेशों में शो रूम (show-rooms) बनायें और एग्जिबिशन करें और वहां अपने यहां की

[Shrimati Savitry Nigam.]

चीजों को दिखायें। मुझे पूरा यकीन है कि यदि ऐसा किया जाय तो आज हमारी कला की उन्नति इतनी मात्रा में हो चुकी है कि उन देशों में अवश्य ही इन वस्तुओं की अच्छी खपत हो जायेगी।

श्रीमान्, अब स्माल स्केल इंडस्ट्रीज (small scale industries) को भी प्रोटेक्शन देने का सवाल है, उसके लिये भी यह बहुत आवश्यक है कि बड़ी इंडस्ट्रीज को हम उन पर आश्रित कर दें। जब तक हम उन इंडस्ट्रीज को बड़ी इंडस्ट्रीज के कम्पलीमेंट (complement) के रूप में नहीं बनायेंगे, तब तक उन्नति होना कठिन है। जैसे हमें एक साइकिल की फैक्ट्री खोलना है तो हमें सिर्फ असेम्बल (assemble) करने का काम फैक्ट्री में करवाना चाहिये बाकी उसके छोटे छोटे पार्ट्स के बनाने के लिये छोटे छोटे इंडस्ट्रियल होम्स (industrial homes) हों। को-ऑपरेटिव सोसाइटीज (co-operative societies) बना कर उन पर वह जिम्मेदारी डालें कि वे पार्ट्स बना कर फैक्ट्री को सप्लाई (supply) करें। जब तक इस तरह का प्रबन्ध नहीं किया जायेगा तब तक उचित मात्रा में स्माल स्केल इंडस्ट्रीज को प्रोटेक्शन नहीं मिलेगा और वह पनप भी नहीं सकेगी क्योंकि उन्हें बहुत अधिक कम्पीटीशन (competition) करना पड़ता है।

इस बात की भी बड़ी आवश्यकता है कि हम एक रीजनल सर्वे (regional survey) करायें और देखें कि कौन कौन सी इंडस्ट्रीज ऐसी हैं जो कि मृत प्रायः हो चुकी हैं और कौन कौन सी इंडस्ट्रीज ऐसी हैं जिनको किसी विशेष स्थान पर शिफ्ट (shift) करने से उनको काफी

उत्पादन सामग्री मिलेगी और आसानी से उत्पादन को बढ़ा सकेंगी। इस तरह के रीजनल सर्वे से बहुत बड़ी सुविधा हो सकती है। इसके अतिरिक्त हमें एक बहुत बड़ी बेसिस पर, नेशनल बेसिस (national basis) पर इंडस्ट्रियल प्रोडक्ट्स की एग्ज्हीबिशन करनी चाहिये जिसमें देश में उत्पन्न होने वाली तमाम चीजों को दिखाया जाये ताकि लोग इसकी पूरी पूरी जानकारी हासिल कर सकें कि हमारे देश में किन किन वस्तुओं का उत्पादन हो रहा है।

इसके अतिरिक्त हमें गवेषणशाला अर्थात् रिसर्च इंस्टीट्यूट (research institute) भी बनाना चाहिये, जिसमें कि तमाम चीजों में रिफाइनमेंट (refinement) लाने के लिये, डिजाइनों (designs) को अच्छा बनाने के लिये बराबर रिसर्च होती रहे ताकि हम लोग दूसरे मुल्कों की बनाई हुई चीजों से कम्पीट (compete) कर सकें और उनके स्टैंडर्ड (standard) और डिजाइन को और अच्छा बना सकें।

इसके अतिरिक्त मुझे एक और बहुत जरूरी विषय पर वित्त मंत्री महोदय का ध्यान दिलाना है। लोग कहते हैं कि विदेशों से जिन वस्तुओं का आयात हो रहा है उससे हमारे कुटीर और ग्राम उद्योगों से उत्पादित वस्तुओं को हानि पहुंच रही है इसलिये उनका आयात बन्द कर दिया जाना चाहिये, लेकिन इस बात पर बहुत कम लोगों ने ध्यान दिलाया है कि देशी जामा पहन कर, देशी नकाब लगा कर बहुत से विदेशी कंसर्न्स (concerns) यहां फल फूल रहे हैं, पनप रहे हैं, वे अमर बेल की तरह बढ़ रहे हैं। इसकी ओर बहुत कम लोगों ने उनका ध्यान दिलाया है। ये विदेशी कंसर्न्स यहां की इंडस्ट्रीज को तो नुकसान पहुंचा ही रहे हैं परन्तु साथ ही

साथ इस देश से बहुत बड़ी मात्रा में यहां की पूंजी विदेशों में ले जा रहे हैं। मिसाल के लिए, हमारे देश में तमाम प्रकार के साबुन बनते हैं, लेकिन अभी भी लिवर ब्रदर्स (Lever Brothers) का साबुन बराबर सब साबुनों को हर बात में दबा रहा है और नुकसान पहुंचा रहा है। श्रीमन्, बहुत दिन पहले सन् १९४७ में श्री के० टी० शाह ने अपनी रिपोर्ट में कहा था कि :

"At the earliest opportunity these enterprises must be acquired by the Government."

लेकिन अब तक उस पर कुछ अमल नहीं हुआ। मैं यह जानना चाहती हूँ कि ये जो फिगर्स (figures) हैं वे कहां तक सही हैं, और क्या माननीय वित्त मंत्री भी हमारी तरह यह सोचते हैं कि इन विदेशी इंडस्ट्रीज में जितने विदेशी डाइरेक्टर्स (directors) सुशोभित हैं वेजों के समान हैं और हमारे मरीज देश को बराबर चूस रहे हैं। हमारे देश की विभिन्न आखाओं में जो रुपया लगा हुआ है उन पर कृपया गौर करें, जिनके आंकड़े करोड़ों में इस प्रकार दिए हुए हैं। ट्रेडिंग (trading) ८५.३२ करोड़, मैन्यूफैक्चर (manufacture) ६५.८४ करोड़, यूटीलिटीज (utilities) २०.५४ करोड़, ट्रांसपोर्ट (transport) ५०.२० करोड़, माइनिंग (mining) १३.१ करोड़, और मिसिलेनियस (miscellaneous) ७७.४२ करोड़ इस रकम से ५० प्रतिशत रकम सिर्फ दस इंडस्ट्रीज पर लगी हुई है। अब ज़रा आप विदेशी डाइरेक्टर्स के आंकड़े देखिये। जूट इंडस्ट्री (jute industry) में ६५ में से ५१ विदेशी मैनेजिंग डायरेक्टर (managing director), बिजली के कारखानों में ५७ में से २६ विदेशी मैनेजिंग डायरेक्टर और माइनिंग में २२ में से

१२ विदेशी मैनेजिंग डायरेक्टर हैं। इसी प्रकार से प्लानटेशन (plantation) में ३३६ में से २२० विदेशी डायरेक्टर हैं। श्रीमन्, जब तक श्री के० टी० शाह की सिफारिशों का इम्प्लीमेंटेशन (implementation) न होगा और जब तक हम लोग इस फारेन केपिटल (foreign capital) का इन्फ्लूएंस (influence) अपने देश की इंडस्ट्रीज पर से नहीं हटायेंगे मुझे यह संदेह है कि हम लोग किसी प्रकार भी, चाहे हम कितनी ही बड़ी रकम क्यों न खर्च करें, अपने देश की इंडस्ट्री को नहीं पनपने देंगे। श्रीमन्, यह बड़ा अच्छा अवसर है कि हम लोग छोटी छोटी कोऑपरेटिव फार्मिंग (co-operative farming) के द्वारा अपने यहां आर्मी (army) के लिये बूट, वर्दियां और सुरक्षा के सामान आदि बनाने का कार्य बड़ी आसानी से कर सकते हैं, और यदि ऐसा किया गया तो हम स्माल स्केल इंडस्ट्रीज की रक्षा तो करेंगे ही, साथ ही साथ अनइम्प्लायमेंट (unemployment) को भी किन्हीं न किन्हीं अंशों में रोकेंगे।

श्रीमन्, माननीय वित्त मंत्री महोदय ने सामाजिक ढांचे को बदलने के लिये जो सुझाव दिया है वह बहुत सराहनीय और प्रशंसा के योग्य है। लेकिन इसमें कोई संदेह नहीं कि सामाजिक ढांचे को बदलने की जिम्मेदारी हमेशा उच्च वर्ग पर आती है क्योंकि जनता की निगाह हमेशा उच्च वर्ग की ओर रहती है, वह उन्हीं के आदर्शों पर चलने का प्रयत्न करती है। इसलिये सबसे अच्छा काम यह है कि हम भी कुछ आदर्श उनके सामने रखें। कुछ बड़ी रकमें पार्लियामेंट के मेम्बरों और उप-मंत्रियों के भवन-निर्माण के लिये रखी गई हैं। अच्छा हो यदि इस रकम को चीखाई कर दिया जाय और लम्बे चौड़े फ्लैट्स (flats)

[Shrimati Savitry Nigam.J

की जगह सेवानाम की तरह के छोटे छोटे मकान बना कर उस खर्च को बचाया जाय। जब तक हम स्वयं सादगी पर न चलेंगे, हमारा कथन न तो जनता या अफसरों द्वारा माना जायगा और न उसका कोई मतलब होगा। इसलिये हम यह बड़ी आसानी से कर सकते हैं कि एक स्टैंडर्ड कलाथ (standard cloth), एक ही रंग का कपड़ा ऊपर से नीचे तक सब अफसर पहनने लगें। तो इस से निस्सन्देह सादगी तो आयेगी ही, साथ ही हम लोगों की आवश्यकतायें भी कम होती जायेंगी, और जैसा कि माननीय वित्त मंत्री महोदय ने कहा, कर्प्शन (corruption) रोकने का, अपनी आवश्यकताओं को कम करने का और सामाजिक ढाँचे को बदलने का केवल यही एक चारा है कि हम लोग सादगी पसंद बनें। इसलिये हमें इस पर तुरंत अमल प्रारंभ कर देना चाहिये। श्रीमन्, देश के आर्थिक और सामाजिक पुनर्निर्माण के लिये यह आवश्यक है कि हम अपनी शिक्षा पद्धति में शीघ्र ही क्रान्तिकारी परिवर्तन लावें। शिक्षा के लिये रखी गई आठ करोड़ की रकम का सभी ने स्वागत किया है। लेकिन सिर्फ बड़ी रकम देकर ही हमारा सन्तुष्ट हो उठना एक बहुत बड़ी नादानी होगी, क्योंकि यदि बड़ी से बड़ी रकम भी हमारे हाथ में है और उसका उपयोग हम न करें तो उससे कोई लाभ नहीं होता बल्कि हमारे लिये कठिनाइयां बढ़ जाती हैं। वर्तमान परिस्थिति में हमारी जो शिक्षा-पद्धति है, इसे हम अंग्रेजी शिक्षा-पद्धति कह सकते हैं क्योंकि इसमें न भारतीय आत्मा है और न भारतीय शरीर। हमारी शिक्षा पर रखी हुई रकम का आधे से ज्यादा हिस्सा हमारी बड़ी बड़ी यूनिवर्सिटियां (universities) खा जाती हैं, और यूनिवर्सिटियों को यदि हम अधकचरे, बेकार

और कुछ कलर्क, बाबू या बेकार ग्रेजुएट्स (graduates) बनाने की मशीन कहें तो अनुचित न होगा, श्रीमन्, यदि हम इन यूनिवर्सिटियों में से आधे से अधिक को टेक्निकल (technical) शिक्षा केन्द्रों में बदल दें, जिनमें हर तरह के टेक्निकल शिक्षण के हिस्से, सेक्शन्स (sections) हों, तो मैं समझती हूँ कि हम देश का बहुत बड़ा हितकर सकेंगे, क्योंकि आज एक बेकार ग्रेजुएट जहाँ देश का बोझ बना हुआ है वहाँ एक चतुर कारीगर देश के लिये एसेट (asset) है। इसके अतिरिक्त हमें ज्यादातर रकम यूनिवर्सिटीज सेक्शन्स (universities sections) से हटा कर तुरंत प्रारम्भिक शिक्षा, माध्यमिक शिक्षा पर इनवेस्ट (invest) करना चाहिये। श्रीमन्, यूनिवर्सिटियों की शिक्षा के विषय में मुझे यह जरूर कहना है कि थोड़े से लोगों को, अमीर या बेहद तीव्र बुद्धि वाले लोगों के लिये ही यूनिवर्सिटी शिक्षा की सुविधाएं दी जानी चाहिए।

बेसिक एजुकेशन (basic education) के बारे में बहुत कुछ कहा जा चुका है और उस पर इस सदन के माननीय सदस्य बहुत कुछ सुन चुके हैं कि बेसिक एजुकेशन हमारे देश की परिस्थितियों के इतना अनुकूल होते हुए भी क्यों फेल (fail) हुआ। इस पर काफी प्रकाश भी डाला जा चुका है, लेकिन मैं निवेदन करना चाहती हूँ कि बेसिक एजुकेशन का भार संभालने के लिये जब तक डायरेक्टर (director) से लेकर, आफिसरों (officers) और टीचरों (teachers) को बेसिक एजुकेशन का मतलब नहीं समझाया जायगा और उन्हें बेसिक एजुकेशन की ट्रेनिंग (training) लेने के लिये मजबूर नहीं किया जायगा, तब तक बेसिक एजुकेशन सफल नहीं हो सकती। इसके अतिरिक्त जब तक बेसिक एजुकेशन के प्रशिक्षण केन्द्र खोल कर बड़ी मात्रा में शिक्षकों को

तैयार न कर लिया जायगा तब तक कोई योजना, कोई भी प्लान (plan) सफल नहीं हो सकता। इस मामले में उत्तर प्रदेश ने बहुत सराहनीय और अनुकरणीय कदम उठाया है। वहां पर १५ लाख ३ हजार २ सौ शिक्षकों को ट्रेनिंग देने के लिये एक योजना बनाई गई है और नेशनल एक्सटेंशन सर्विस (national extension service) के अन्तर्गत एक विलेज एक्सटेंशन सर्विस (village extension service) द्वारा ८० लाख बालकों को शिक्षा देने का प्रबंध किया गया है। इसके अतिरिक्त मद्रास में बम्बई के शिक्षा शास्त्री श्री पालिकर की अध्यक्षता में जो सम्मेलन बुलाया गया था, जिसमें श्री बी० एल० डे० तथा जामिया मिलिया के उप-कुलपति श्री मुजीब साहब थे उसकी सिफारिशों को अवश्य मान लेना चाहिये। उन्होंने एक बात अत्यन्त आवश्यक कही है, वह यह कि हम शिक्षा पद्धति पर एक्सपेरिमेंट (experiment) करने के लिये और गवेषणा केन्द्र खोलने चाहिये जिनमें लोक पद्धति शिक्षा पर तरह-तरह के परीक्षण किये जाने तथा एडल्ट एजुकेशन (adult education) को वैज्ञानिक ढंग से प्रसारित करने के नये नये तरीके निकाले जाने की अत्यन्त आवश्यकता है। मैं चाहती हूँ कि माननीय एजुकेशन मिनिस्टर महोदय उस सिफारिश को अवश्य मान लें।

श्रीमन्, अंत में मैं इस अच्छे बजट के लिये माननीय वित्त मंत्री महोदय को धन्यवाद देती हूँ।

[For English Translation; see Appendix VII, Annexure No. 98.] 3 P.M.

PROF. G. RANGA (Andhra): Mr. Chairman, I wish to congratulate the

hon. Mrj. Nigam on the excellent speech that she has made just now. She has made very many constructive suggestions which I hope not only the hon. the Finance Minister and his Ministry but also the other hon. Ministers will take note of. Unlike many other hon. friends who spoke from the Treasury Benches, who were rather too anxious to eulogise the hon. the Finance Minister—God knows for what purpose—here is a Member of the Congress Party who has made so many constructive suggestions which, if taken note of seriously by the different hon. Minister concerned, would certainly rehabilitate their own party and their own Ministry much better than the speeches that came from many other hon. friends from that side.

Sir, I am extremely sorry to find **that** the hon. the Finance Minister does not seem to have taken sufficient note of the special circumstances that **have** come to overtake our country, especially in regard to defence, in regard to the world atmosphere as also the conditions that have come to prevail between ourselves and our neighbours, in formulating his Budget and in presenting his appreciation of the socio-economic conditions that face our country. I do not think it is right for him or for anybody else from the Treasury Benches to assume a kind of 4 simulated courage and then say, "Oh, we should not be panicky; we should not think in terms of war or anything like it." I have already sounded this note of warning on an earlier occasion; I think it is time for the Government to realise that just as it was necessary for them three years ago to formulate their Budget proposals with a view to implementing the Five Year Plan, it has now become necessary and it has become very imperative not only for the Treasury Benches but for all parties in this country to begin to re-think of the various plans and problems that we have in order to present them before the country in the light of these special circumstances.

Having said that, Sir, I am also sorry to have to observe that today we do not have a separate, full-fledged Defence Minister. I consider it to be a very great defect, indeed, in our national leadership today. In other countries, especially in England, they have separate Ministers not for the whole of the Defence Forces but separately for the Navy, the Army and the Air Force, not to speak of their own very able ministerial assistants or Cabinet assistants, whereas here, we do not seem to have realised even now at this late hour.....

SHRI S. N. DWIVEDY (Orissa): We have four.

PROF. G. RANGA:that we should have a full-fledged Minister of Cabinet rank, a highly placed Minister in charge not merely of Defence but of all the three great arms of our own Defence Force. I want the Government to give their earliest possible consideration to this matter. It is indeed wrong for the hon. the Prime Minister to saddle himself with not merely in the Defence Ministry but also in the Ministry of External Affairs. This is exactly the time—if it was not time for him and for them earlier—to free himself of these shackles and burdens and to give an opportunity for this country to be served properly, efficiently and ably. Apart from these two fronts—Defence and External Affairs—to be the Prime Minister of a great country like ours in these circumstances is itself a heavy enough burden for anybody, for the ablest of us all. I would not be satisfied with one man saddling himself with all these three great responsibilities in addition to various other minor responsibilities which he has cared to make his own pigeon. It is indeed a matter for very great regret.

Sir, if we were to look at the Budget proposals, the speeches that the hon. the Finance Minister has made as well as the Plan and the various suggestions made for re-organising the Plan in order to come with the unemployment problem that is facing the country, we cannot but compare their be-

haviour with one whose name is unspeakable but one who certainly allowed his capital to burn to ashes while he was enjoying his music. Sir, I feel that if only you had a different attitude—I am not speaking of policies—towards other democratic countries in the last five years, we could have got much more help, economic and otherwise—no military aid anyhow—and we would have found ourselves in a much stronger position than we are today. But that is all past, but where is the guarantee that the so-called economic assistance that the so-called democratic countries are supposed to be willing to give us for the next three or four years is likely to be given to us? In the same measure and in a greater measure now that we really need, and when there is not that assurance, is it not necessary that our Plan should be reorganized, that our budget also should be recast, that the hon. the Finance Minister should be willing to give a different advice, indeed, to our own people instead of lulling us into a false sense of prosperity by saying: "The real fear is not that we may live beyond our means but we may not be able to live up to our means."

Now this is a kind of an exhortation and an advice which I was least prepared to get from our Finance Minister under the present circumstances. In other days we used to get this kind of music, this kind of poetry from the other rulers, but I certainly was not prepared for this kind of a poetry and a poesy from the Treasury Benches all these days. I do admit it and I wish to congratulate also our nation upon the phenomenal progress that we are making on our agricultural and industrial fronts. It is not only for the Ministry to congratulate itself on it. It is for the people as a whole. They have been making supreme efforts and they deserve our congratulations. The Government, too, has made its contribution and to that extent the Government is entitled to its own meed of praise. But my complaint is that we are not making sufficient progress as much because of the

poverty of our own people as because of the lack of competent, energetic and revolutionary leadership in our Government. We are witness, Sir, to the admission on the part of our hon. Ministers that they are not able to get enough of work from their own Ministries, from their own civil services and ministerial servants although they are being saddled with three times as many people to-day as they used to have before the war. Several friends had drawn the attention of the Government as well as the House as to how the expenditure on the civil side of this Government has gone up phenomenally, and in spite of it the Government is not sufficiently efficient.

Take again the question of industries, Sir. We seem to be taking pride in the fact that we are able to export our textiles, but are we taking sufficient care to see that, if it became impossible for us to import the products of mother industries which are needed in order that our textile mills should be kept in proper production position, we have in our country the necessary industrial equipment to provide us with the necessary machinery? We have not got it. The TEXMACO is still in its infant stage and I do not think it would be possible for it, whatever might be the encouragement that Government might be giving within the next three or four years, to make India self-sufficient in that direction.

SHRI GOVINDA REDDY (Mysore 1: Spinning frames are being manufactured.

PROF. G. RANGA: Not to the fullest capacity.

Then there are the heavy chemicals where also we have made a start. I am glad to notice at long last that some start has been made in these various directions, but where are we? Do we not find it necessary that we should catch up with our times, the times that have become specially important because of the circumstances which have overtaken us today? Years ago it was, I think, Netaji Subhas Chandra Bose who laid special stress upon the urgency of the development

of the mother industries in our country. We take pride and justifiably so upon our Chittaranjan, upon our Sindri and the various other ventures that we have started and we have been fortunate enough in putting them into production. But is that enough? I know the Treasury Bench also are prepared to agree with us that all these performances are not enough.

But then what is it that we are trying to do in order to push up this rate of progress? And they say, "Yes, we are going to do it. We are giving so much money to the State Governments and we are giving ourselves also so much money in developing all these things. In spite of it we are obliged to borrow from the people themselves" (without saying that they are borrowing' "Rs. 250 crores by way of deficit financing or inflation or whatever it is or issuing money through Treasury Bills. How much more do you want us to raise?"

It is easy for me, as I happen to be on the Opposition side, to find fault with deficit financing, but I am not able to justify any criticism of deficit financing under the present circumstances for the simple reason that I am not prepared to advise the State Governments to raise any more tax revenues and impose them on the shoulders of our farmers, our own agriculturists. I am not happy over these new excise duties. The only item on which it would be possible for me to expect the Government to raise more money than they propose to do is the income-tax, corporation tax, super-tax and all that kind. I know also the limitations in the amount of money that they may possibly be able to raise, but that is no reason why Government should have proposed to follow the policy that they have placed before us, to give these people the feeling of prosperity and of satisfaction saying: "We are not going to touch your pockets, but we are going to touch the pockets of these millions and millions and millions of people." This only shows the strength of or-

[Prof. G. Range.] ganization, **the** strength of money, the strength of propaganda and publicity. Here are these people, a few lakhs of them. They are so powerful with their press, with their organizations, with their own ability to reach the Government and explain things in a manner which will be explicable, which will be intelligible, which will carry the force of their conviction, that they are able to get this favour from the Government

Having said that, when I am not prepared to condemn the Government for their deficit financing—although **I am not happy about it; nobody** is happy and even this Cabinet may not be happy about it—what is it that I have to ask the Government to do? Two things, Sir. One is to borrow the money here, from this country, from our people, in an open manner instead of borrowing it this way. It is, to put it in a crude way, by cheating the people, by robbing the people, Rs. 250 crores of rupees! From whose pockets is it going to come? From the rich, **from the poor, from** the middle classes, from anyone or all of these people. But why camouflage it? That is why fundamentally I am opposed to this kind of inflationary policy. Therefore it would be more honest and decent for the Government to say it openly and then ask them to lend money.

There was a time, Sir, when I had not left the Congress, but so many of us formed ourselves into a special sub-committee and we made a suggestion to the Government that they should pursue a policy of compulsory savings and we wanted them to start first with the Government officers here and the State employees. Should we not expect that this is just the time when they should be thinking on some such lines in addition to reaching the general public in a voluntary manner and asking them to lend them sufficient funds? They may never be able to borrow very much more than Rs. 250 crores, possibly. But then I want them to try and borrow abroad. They should have borrowed a long long time ago

very much more. It is time now. Here are those friends who go about saying that they do not agree with us on the political front, but when it comes to the economic front they would not mind co-operating with us. Let us put them to a test. Let us ask them to lend us Rs. 500 crores or Rs. 1000 crores and let us get as much as we possibly can before the general conditions worsen. I am not afraid of borrowing abroad. So long as we keep our eyes wide open, so long as we do not allow any strings to be tied to the loans that others might be willing to give to us, we should be able to borrow to the maximum possible capacity.

Fortunately our credit is very high; as is indicated by the hon. the Finance Minister himself, we are able to withdraw a portion of the rupee debt that we kept with the Monetary Fund. Under the circumstances, could we not expect that it would be possible for the Government to borrow money this way instead of loading our own people with these objects? I want the Government to explore those possibilities. I know the dangers, too, but we are running so many other risks. Let us run this risk also. I am not afraid that merely because we borrow abroad our independence is likely to be conditioned. Possibly these people from abroad may not be very co-operative but then they say they want to co-operate with us and that is why I repeat what I have said that it is best that we do put them to a test.

Then there is this defence expenditure. When I come to the question of Defence, it is easy for me to say that what we spend is too much. We were saying it when the British were there and afterwards too. To have to spare 50 per cent, of the total national General Revenues at the Centre is not a thing that anybody can be very happy about, but it is there. Therefore, would it not be possible for the Government, is it not their duty to think of the development of the railways, of the road communications, of inland water communications, coastal shipping and of the development of communica-

lions in strategic areas in such a manner that, should such a misfortune overtake us and we come to be faced with a serious situation, we would be better fitted than we are today? And it is from this point of view, Sir, that I do welcome the additional expenditure that the Government of India proposes to incur upon the development of communications in our North-East frontier. But that is not enough. I also welcome the additional expenditure that they propose to incur upon the development of the backward classes and their welfare, but that is not enough also. When I was speaking on the Railway Budget I made mention of some railways and I expected the hon. the Railway Minister to give a proper reply. When you think in terms of expanding the present railways, of constructing new railways, you must keep in mind prominently the strategic interests that they can be expected to serve.

Then, there are these armament factories. One of our hon. friends the other day drew the attention of the Government to their inability to manufacture certain armaments and earlier I had made a suggestion—it was repeated by several other hon. friends and I repeat it again now—that it is time now for us to go in not for these heavy machines and heavy armaments but for more and more of the smaller type of arms so that our money might be put to much better use than at present. While I am on this point, I would also like to repeat another suggestion I made that instead of spending more than Rs. 1 crore upon rehabilitating our existing armaments, it might be much better to go in for new ones just as the other country has been doing in the last five or six years, as otherwise we might find ourselves at a very great disadvantage.

Sir, take the question of Navy. We are spending quite an appreciable amount of money on the Army and on the Air Force, but not so much on the Navy. In this connection, the merchant navy is an auxiliary source of strength. We had prolonged discussion on this subject the other day, but **141 C.S.D.**

the House was not satisfied, nor was the hon. Minister. I would like more attention to be given, Sir, for the development of our Navy. Sir, I do not know what we call the Commander-in-Chief of the Navy.

MR. CHAIRMAN: Vice-Admiral.

PROF. G. RANGA: Who is the present Vice-Admiral of our Navy, Sir?

THE DEPUTY MINISTER FOR DEFENCE (SARDAR S. S. MAJITHIA): Vice-Admiral Pizey.

PROF. G. RANGA: Is he an Indian, Sir?

SARDAR S. S. MAJITHIA: No, Sir.

PROF. G. RANGA: Who is the Air Vice-Marshal, Sir?

SARDAR S. S. MAJITHIA: Air Vice-Marshal Engineer. He is an Indian.

PROF. G. RANGA: I am very glad about that. What about the Navy? Why is it that in several of our key positions in the Army—whether you call them experts or consultants—in the Navy and in the Air Force, we have foreigners? How long are we going to depend upon these foreigners? I would like the Government to consider the advisability of sending away these people and placing those who are just behind them in their places and see to it that they are given refresher courses or special training so that our Indians would be able to give better service, good enough service to us, instead of having to keep these foreigners.

SARDAR S. S. MAJITHIA: That is already being done.

PROF. G. RANGA: I am very glad indeed.

We are now becoming self-sufficient in food, but our friends do not seem to lay sufficient stress upon the extraneous, providential or fortuitous circumstances that have helped us during the last one year. Let them make provision for a repetition

[Prof. G. Ranga.J of the earlier unfortunate circumstances and experiences. If they were to keep those experiences and those circumstances in mind, they would not feel satisfied with what they propose to do now to build up a reserve of one million tons and they would not be so complacent, as they seem to be today, but on the other hand they would strengthen their Food and Agriculture Ministry and its activities.

It is true that we are self-sufficient in cloth and we are also able to export more. But we are still dependent upon the imports of long staple cotton. We have been making some experiments in raising long staple cotton in different parts of the country, especially in Gujerat and other areas, but more has got to be done in this direction. In oilseeds we are self-sufficient and we are exporting also certain oils. On that front we made a mess during the last two or three years by imposing export duties and we lost more or less our market for our linseed. Of course, it is fortunate that the Government have adopted a policy of not allowing any ground-nut oil to be exported. But while we are being satisfied with our self-sufficiency in regard to oil, are we sure that we are putting it to the best possible use so that it will not be necessary for us to depend upon imports for the products or the bye-products of oil? An experiment is being made in the South about lignite coal. We have huge deposits there. Are we satisfied with the pace of the work that we are doing there? In regard to this they have told us that it would be possible for India to manufacture synthetic oil in this country from lignite coal more cheaply than would have been the case earlier. But I want them to make much greater effort and more energetic effort in that direction.

With regard to rubber we made soaae effort during the last war. We find even in Delhi there are lands which can produce those trees which would yield rubber to us. We have neglected it all these six or seven years.

i Manufactures from rubber were given | protection but I want the Government] to take greater interest ita the production of rubber in different parts of the country. Possibly the cost of production is muGh higher in our country, but looking at it from the strategic point of view I would like them to consider that any price that they may be willing to pay for rubber would not be grudged by the nation, because rubber is one of the most important strategic materials in times of crisis.

The hon. the Finance Minister drew some satisfaction from the fact that our exports have looked up and our imports are going down. Would it not be much better that we should import more and more of the capital goods which would go to the building up of mother industries in this country? Are we making sufficient efforts in that direction? As the hon.. Mrs. Nigam has suggested—as so- many other hon.. Members have been suggesting both in the former Parliament as well as in this Parliament—we should take special steps to stop all imports of luxuries, any kind of luxury- the use of which can be dispensed with, and in their place let us import capital goods. If these democratic countries are not willing, for their own reasons, to supply capital goods to us within the time that we have at our disposal, let the Government explore other possibilities; The time has come when it is not right for us to jump from one end to the other and go and embrace these totalitarian countries. True; but at the same time the time has come, as I have said, when we should be willing to import all the machinery that we want* whatever machinery the other countries are prepared to supply us. It does not matter from which quarter, that comes. Whichever country is willing to give and co-operate with us in this direction, we should avail ourselves of them. Therefore I want more imports in this direction. So far as* our exports are concerned, let us concentrate on those exports which would not do us any harm. We are exporting so many of our valuable minerals. Day after day, my hon. friends are not

tired of telling us that they are happy that scrap iron is being exported because they are not able to make use of it. I do not know when this song is going to stop. Would it not be possible to sing the song saying that we ■ would be able to develop the necessary ability to utilise all our strategic minerals to our own advantage and for our own benefit? And if at all we have any exportable surplus, we should only export goods manufactured out of them and not the valuable minerals themselves.

Sir, I am not afraid of this deficit financing and, therefore, I agree with the hon. the Finance Minister. Indeed, the Congress and so many of us who believe in democracy have been pleading for a deficit budget provided that deficit can be made good not necessarily in the manner in which the hon. the Finance Minister proposes but in some such way as I have suggested during my speech.

The manner in which the Government of India- propose to raise funds for their ways and means expenditure is not quite satisfactory. I would like Government to give some consideration to these and see whether they cannot possibly improve upon the methods they propose to adopt.

They are giving a lot of loans to the State Governments; it is good; it is more than Rs. 200 crores. But what machinery have they got to see that the State Governments make an economic use of the money thus borrowed, that they use it to the best possible advantage? They have none. In fact, there is an impression, there is a fear in the minds of many of us that the .funds made available for use in scarcity areas, etc., might be made use of to meet the ways and means demands and afterwards the Government will have to face the people and say, "what can we, the Government of India, do? We are unable to press on the State Government for the return of the loan. Therefore, for God's sake, excuse us". Now, it has become not the relation between the mother-in-law and the daughter-in-law, but it is the

relation of the mother and the daughter. Now, again, this is a big hole in the entire financial economy of the country. I would request the hon. the Finance Minister to assume political courage and devise such means by which it will be possible for us to see that the States can give full satisfaction about the disposal of the funds placed with them.

[MR. DEPUTY CHAIRMAN in the Chair.]

Again, Sir, they want to spend a lot on buildings. I, for one, would agree that it is a great employment potential; this will go to relieve a large amount of unemployment in the country. Buildings are rising, some six storeys high, in Madras, the Reserve Bank of India is building a huge structure in Delhi; the Industrial Finance Corporation and several other organisations are coming out with their huge building programmes. Sir, I may tell you that one atom-bomb will make a story of all these things. Therefore, why can't you wait for a year; would it not be useful for us to wait for some time instead of wasting huge sums of money on these buildings?

AN. HON. MEMBER: If there were no big buildings?

PROP. G. RANG A: If we have small buildings, the atom bomb will not find it profitable to land on them. Please, may I remind you of what Gandhiji has said in this respect: "Atom bombs may destroy other countries but not this country". We are not living in overcrowded cities like Paris or London. I want the Government to spread out and not concentrate their buildings in one place. With their means of communication, with aeroplanes and their rail ways and their roads they can spread themselves out. If they did so they would not be running too great a risk and that is why I am anxious that we should not be satisfied with* this Delhi capital. Years ago, the late lamented Ramalingam Chettiar used to tell us: "For God's sake, do not put all your eggs in one basket".....

THE DEPUTY MINISTER FOR FINANCE (SHRI M. C. SHAH): Where do you want it to be? Vijayawada?

PROP. G. RANGA: Whether you have it at Vijayawada or Ahmedabad, it does not matter to me so long as you have it spread out in a number of places.

SHRI GOVINDA REDDY: Let us not have any fear complex!

PROP. G. RANGA: Fear? You have been to jail and I have been to jail. I do not think we are afraid of these things. We have been taught in the same school, that of Mahatma Gandhi, but at the same time, he had not been fiddling, as you now want to. Let us spread out our building programme also over as many places as possible in the country to see that we do not run too great a risk

SHRI T S. PATTABIRAMAN (Madras) : Perhaps he advocates 'mobile' cities!

PROP. G. RANGA: Then, Sir, the Government wanted to re-organise the land policy of the country. They have brought 10 lakhs of acres under cultivation with the help of the Central Tractor Organisation. Very many acres are required to be placed at the disposal of displaced persons. But, what does the budget say? Only a few lakhs of rupees are to be placed at the disposal of this scheme.

There is again, Sir, the question of urban housing. Rs. 6 crores have been allotted for this. I am not satisfied with this. I want to have at least Rs. 30 crores spent on rural people, homeless people. I made this complaint last year, I made it the year before; and I would continue to place this complaint at the doors of the Government so long as Government do not realise the necessity of improving rural housing.

I am rather unhappy that the hon. the Finance Minister, who is generally so very keen on being consistent—I do not know why it was so—appeared to be so very inconsistent in this. He said that he was not going to make

any large-scale change in the present structure of taxation until the Matthai Committee had made its report. At the same time he has attempted to raise some revenue by means of additional taxes. It is right that when our revenues from the import duties are going down, it should be the duty of any Finance Minister to raise an equal amount of money from excise. This, I think, is a very important principle which ought to be left for detailed consideration by the Taxation Enquiry Committee. In spite of that, he himself has proposed the new taxes. I submit that these two new duties are likely to affect not only the lower middle classes but also the masses. The hon. Mr. Rajah also made a joke by saying that the hon. the Finance Minister was not willing to allow the common man to enjoy chewing the betel-nut and spitting it. I do not mean to say that this thing should be or should not be taxed. That can be taxed provided you give more than compensatory satisfaction to the poor people. After all, they are ordinary masses. We are building all these huge structures, these multi-purpose projects, and so on. The ordinary people do not know where and when these projects will yield results. But they are only aware that you put your hands in their pockets the moment they begin to use the betel-nut or use a bit of soap or use chap-pals. By imposing these taxes which ultimately affect the poor masses, you are making a free gift of your argument to be used by the members of the Opposition. I am telling you for your own benefit that this is not the way to go about it.

I must say, Sir, that once before, I drew the attention of the Government* to the ever too much stress laid on indirect taxes in relation to direct taxes. This time I will have to lay stress on the need for spending more on villages. I have already mentioned with regard to rural housing; I feel that too much is being spent on cities— by the States as well as the Centre, both taken together. They may ask: "What about community projects, tube-

wells; irrigation projects and so on? Examine all these things." Sir, I can only say that I would like the Government to give greater consideration to this point and see whether it would not be possible for them, even in the course of the next year, to reorientate their own policy of State expenditure. They will see to it that more will come to be spent on these things, not merely 60 per cent, in the villages and 40 per cent, in the towns, but proportionately to their population, proportionately to their production and proportionately also to their strategic importance.

Then, Sir, there is the question of recruitment—in charge of which I suppose my hon. friend is there sitting—recruitment to the Army, the Navy and the Air Force. Whom do they recruit? How do they recruit? Is it not a fact that the rank and file of our own defence forces come from the villages? And yet they are all at the bottom rung of the ladder and they are paid so little. And very often, indeed, there is not much security of tenure, too, for them, and when they leave their service and go back again to their own villages, they shift the burden of having to look after them to the Labour Ministry. This is how they have been treating our rural folk—very unfairly. You look into the personnel of your own army, the rank and file. Are you quite satisfied?

SARDAR S. S. MAJITHIA: There are very good officers in the ranks.

PROF. G. RANGA: Quite right. Who can say that South Indians have not made good officers? They have much better officers than many of you. But that is not my point, Sir. I want them to consider this point only. I do not want any weightage for the claims of these different people in different parts of our country. Let them examine it, and if they find that there is no ground at all for my complaint or for my figures, very well, then they are welcome to it. But it bears examination as to how much of this money on our defence forces is being

spent on northern India. How was it that Punjab and North West Frontier Province were more developed than (An hon. Member: India is one.) My hon. friend says 'India is one.' What does it matter whether it is food or *Miasma*? (Interruption.) All the defence forces Budget will be spent on the Ganges and the Jamuna and the Bay of Bengal, but nothing at all on Nerbada or Krishna or Cauveri or anywhere on these places. It is time, if we want to defend our country properly and effectively, that we should see that there are people from every part of the country and that they are treated in a proper and decent manner.

SHRI M. S. RANA WAT (Rajasthan): Do you propose regional armies?

PROF. G. RANGA: Why not we leave it to the experts who have made a mess now?

SHRI J. S. BISHT (Uttar Pradesh): Why do you raise these questions of caste?

PROF. G. RANGA: Here is the hon. Member who says 'caste'. The trouble is that caste is so much in their heads while we are all the time talking of non-communalism. I am not bothered about caste. It was Sardar Vallabh-bhai Patel, let me tell you, who had the courage to go to Amritsar himself and tell them that no longer could people depend upon (Interruption.) Therefore, I say now that it is necessary for my hon. friend to re-examine this whole policy. I have already given him the benefit of doubt. If possibly he feels that my fears are unjustified, he is welcome to it. I am prepared to accept it. But don't you think that it bears examination? I am not flinging any accusation against anybody.

Then I come, Sir, to these various items of expenditure on developmental services that the Government of India has proposed, and I have listed over 62 items. I may tell you quite frankly that I am in agreement with them. My only complaint is that they do not pro-

iProf. G. Ranga.J

pose to spend enough in India on these considerations. I will only mention a few items on which I suggest that more should have been spent. They want to spend only Rs. 5 lakhs at Jamnagar on research into indigenous medicine. Is that satisfactory? The Information and Broadcasting Ministry wishes to spend on films, books and literature about Rs. 41 lakhs. I am in favour of it. Government wants to spend only Rs. 15 lakhs more on geological survey. And the other day they told us that they did not know that iron-ore was being exported from Nandikondat to Bezwada! More has got to be spent. (Interruption.) What you propose today is very inadequate. Subsidy to shipbuilding has got to be very much more. Similarly, on the maintenance of national highways they want to spend Rs. 415 lakhs. This, I suppose, is in addition to what the State Governments are trying to spend. But this is not enough. Specially in the strategic areas, on the development of inland water transport they want to spend Rs. 4 lakhs. Do they mean anything serious at all about these things? There is then, Sir,

MR. DEPUTY CHAIRMAN: I have got 16 names on the list, and you have already taken 43 minutes.

PROF. G. RANGA: I am so sorry, Sir. I wish to conclude by saying that it is not possible for me to condemn this Budget outright, and it would be wrong for anybody to think that faced with these circumstances, the hon. the Finance Minister could straightway make a very much better Budget than this. But at the same time I have made some suggestions and I would like those suggestions to be seriously considered. I give the hon. the Finance Minister credit for financial honesty or what they call financial integrity, and I want him to see to it that the finances of this Government are placed on an even keel in a wiser manner, or I should better say in a better manner, in a more masswise manner, so that it might be possible for him as well as for this country to feel, in the

course of the next year, that after all we are not given the wrong lead. It may not be possible for him to give the right lead. I do not think even a super-man can give us the absolutely right lead, whichever Party may be in power, because we are living in such troubled times. Therefore, I wish to offer my wholehearted co-operation to the hon. the Finance Minister as well as that Party, and the other Parties too, in the united efforts that we should make and we would make in order to see that our country is strengthened and our independence safeguarded.

KUMARI SHOILA BALA DAS (Orissa): Mr. Deputy Chairman, I congratulate the hon. the Finance Minister on the way in which he has prepared this Budget. This Budget has been framed in such a way that it has been accepted with mingled feelings. On our side hon. Members have accepted it and thanked the hon. the Finance Minister and congratulated him on presenting it to the country, and on the other side the Opposition has criticised the Budget, as it is the duty of the Opposition to criticise everything which comes from this side. I would like to tell you in this House, Sir, that during the last two years of my experience here, I have learnt much from the Opposition. My eyes have been opened to many things which I did not know before. I found that the Opposition many a time made constructive suggestions and I think that, if my Government had accepted some of those suggestions, the position of the Government would have been very different from what it is today.

The Opposition said that in this Budget the hon. the Finance Minister has very carefully and thoughtfully exempted the common man, *i.e.*, the villager, as he is not required to pay any duty on soap and cloth. But they forget that the common man is found not only in the villages but also in the streets, in the *gullies* and in the *busties* of every town and city. What about

these common men? Are they not going to pay the duty on soap and cloth?'

Sir, I do not wish to say anything about the merits and demerits of the Budget simply because I am ashamed to tell you that I have not studied the Budget at all owing to my defective vision but from what little I have seen -of this Budget or what little I have heard of it here from this side and the other side, I feel that it would have been better if the hon. the Finance Minister had not taxed the common man's soap and cloth. He could easily have taxed the rich people. There are duties on luxury goods. He couki /have increased those duties. What about cigarettes and tobacco, luxury cars, perfumes of all kinds, powders, lipsticks, etc? Also, the cutlery and -crockery which the rich people purchase for their comfort are there. If these goods had been taxed even 100 -per cent. I am sure the rich people would have paid it, because they have purchasing power, whereas the common man cannot pay even two pice more than he is paying today. The common man cannot get even two square meals a day, though our hon. Food and Agriculture Minister said the other day that there is self-sufficiency in food. 3 would like to ask, "Where is this self-sufficiency, when the common man. cannot get even two meals a day?" You know that the market price of rice has gone up. Perhaps our hon. Food and Agriculture Minister does not know that it has gone up from six annas to ten. I would say that there is self-sufficiency in food only when I find that the common man can get rice at three or four seers per rupee, not before that.

Sir, my province is a rice-growing . province. I would like to know what "has happened to the good rice that we have had all along. The other day the hon. the Food Minister said that all the bad rice comes from Orissa. In my State we have got very good rice, too. I would like to say to tho hon. 'the Food Minister that he collects and puts all the bad rice in the control shoos to be given to the people and ?sends all the good rice to the black

market so that the dealer could get more profit. I must say that, if he had efficient men in his Department, all the good rice would not have found shelter in the black market.

Much has been said about the Five Year Plan. I am sorry to say that I have not seen the work of the Five Year Plan because I have not visited the Community Projects, but I do believe that the Five Year Plan has done some good even though not to the extent that money has been spent on it. There is the unemployment problem and I do believe that the Five Year Plan has to a certain extent solved 'this problem but not altogether. The problem is getting acuter and acuter every day, and what is my Government going to do about it? Unless you tackle this problem, the young men who are unemployed will join the Communist Party. Will that be good for the Government? Government should try and find out some' means to give employment to our unemployed men.

I rejoice to find that the Five Year Plan has given birth to a baby girl, called the Women's Social Welfare Board, and the guardian of this baby girl, I am proud to say, is again a woman, and the Government trusts this woman. She is incharge of this baby girl and Rs. 4 crores have been placed in charge of this woman to be distributed among women's associations in the country for expansion and development and also to start new women's associations where it is required. "But I am afraid that this baby girl will not "be able to spend this money discreetly, because I will give some examples from which you will find that the money which has been given to this Social Welfare Board is not properly spent. This Social Welfare Board got applications from throughout the State Of 'Orissa, and according to their discretion, "they distribute money to various women's agencies. They have got some agencies to work for

[Kumari Shoila Bala Das.]

them. They are called Advisory Panels. They have got three such * panels—the Children's Panel, the Women's Panel and the Delinquent Children's Panel. Now, I want to say something about the Panel for Women and you will see how money is being wasted by this Panel. This baby girl is not yet grown up enough to take charge of so much money. I have got *u* programme here which has been sent to me in my State about the prospective visit of the Panel for Children and this is a five-day programme. You will be surprised to see how these Panels travel. They travel by plane in a right-lordly fashion or in air-conditioned first class carriages. They are received by the State Government and taken to the Government House as guests or they are taken to the State Circuit House where they are provided with all creature comforts, and yet they get T. A. from the Social Welfare Board. Now, this Panel is supposed to see the Children's Associations and the work which is being carried on in the State about children, but instead of that, this programme has been made by the State Government in consultation with the Deputy Health th Minister. Now, in this programme you will find four hours' visit is given to Government institutions. Can you tell me what this Children's Panel has got to do with the Government institutions? It is women's voluntary work they are going to see. Instead of that in this programme we find four hours are to be given to the Government Medical Institution. So four hours have been wasted. Then I find that on the same day they have got three hours to go and see the poor cottage industry. Then they have to be entertained for two and a half hours. So three hours are given for this purpose. I would like to know what these women have got to do with the inspection of the Cottage Industries. That is a Department for another Women's Board. But here I find this Panel does not understand what its business is. They only go to places. Again I find two hours

are given in the two days for the Press representatives. What are they going to do with the Press? What things are they going to say to the Press? They themselves do not know for what purpose they have come to my State and yet here I find two hours are given to the Press representatives. Then the funniest thing is, on the next day they want to spend seven hours to go to a State which was a Ruler's State before and is now merged. It is 80 miles from Cuttack and they want to go in a motor car, take rest and have lunch with the Deputy Health Minister, see only the Government Medical Hospital and the place where the Deputy Health Minister has started a small Children's Welfare work. Is it worthwhile going 80 miles and seeing only this work, whereas there are half a dozen Children's Associations in my State which can be easily seen and the problem could be solved. The most regrettable part is, though this is the Children's Panel, they never thought that it is their duty to see hundreds of leper children in Cuttack. My State Government does not do much for the leper children and it is only the missionaries who are concerned with it and they only give some grants to them and they think that their duty has been done; though it is the duty of the Health Department to see that we do not become lepers because all these children who have leper parents may be infected in a very short time and it is a great problem. These leper children should have a hostel which should be segregated from their parents but instead of solving this problem, this Children's Panel, who go to my State, only go for pleasure and for their own enjoyment. Another thing is, today I had a letter from the Secretary of the Social Welfare Board that the Women's Panel is coming to my State today to* see my institution—Maternity and Childⁿ ren's Welfare Board. They will arrive today from the South and they will leave that place tonight. Can you imagine what they can see in a few hours' time in Puri and other places where there are many Women's Associations who require grant and want* that this Women's Panel should go aiwl>

visit them? Instead of that they just come to the town, enjoy life, attend parties, have dinner in the Government House, get T. A. and D. A. and come back from the State. This is the work that your Welfare Board is doing.

Again, I should like to tell you that it is much better that instead of wasting the money on this Panel, you should abolish this Panel. The Chairman of the Social Welfare Board should advertise in paper, she can get a number of applications and the applications should be sent in duplicate forms, one to the Board and the other to the Government and the State Government should be asked to forward this application with their recommendation so that there will be no bogus association and you can do away with the Social Welfare Board.

Now, about this Women's Panel which has already come to my State today, I should like to say this. They left the place on the 5th February, they had a month's trip. They went to Madras, Madura, Trichinopoly, Bangalore, Travancore-Cochin and all these places of archaeological interest and then at last they have taken a trip to Ceylon. I do not know whether the Social Welfare Board is going to pay for their trip to Ceylon even but I know this much that they will be the State guests of the Government of Ceylon. Now on their way back they cannot afford much time for Orissa. They are only coming for a few hours just to say that they have visited in Orissa one Women's Association and on their word will depend the grant.

I think this baby girl should be taken into care though we have got a guardian, some experienced guardian to look after it but still this baby girl needs looking after. Otherwise the money which has been given to the charge of this baby girl will be wasted and the Women's Associations or the Children's Associations would not be benefited.

I Now, I should like to say a few words about rehabilitation. The Government is spending much money for rehabilitation. Whether the Government is justified or not I am not going to say anything but it is enough that Government has spent much money. A couple of years ago a few thousand displaced persons from East Bengal came to Orissa. Whether it is through the fault of my Government or through the fault of these displaced persons, I do not know, they ran away from Orissa. Now, again a fresh batch has come. I have not seen this batch yet nor have I gone to their camp. But friends who have gone to see the camp have come and told me that these displaced persons have got real and imaginary grievances. One thing I found out is that these displaced persons think that it is not their own fault that they have left their homes and come here. They think that it is the duty of our Government to feed them, to maintain them, to look after them and if the Government fails to do it, naturally they feel disappointed. I tried to help some of their women by taking them in my institution to give them training in sewing, knitting, etc. But I found, though we had to give them Rs. 16 a month as allowance, they do not like to do any work. They only came to get the allowances. Again, in our Women's Association we tried to get hold of these women and teach them sewing, knitting, etc., in order to see that they would be able to get some money. But I found they were so lazy. These women from East Bengal, they do not wish to do any work; they do not like to earn money by doing honest work; but they want that the Government should support them. Sir, in this connection I would like to ask a question of the hon. the Rehabilitation Minister....

AN HON. MEMBER: But he is not here.

KUMARI SHOILA BALA DAS* He is not here, but this is the Budget discussion and the hon. the Deputy Minister for Finance who is here will.

fKumari Shoila Bala Das.] I am sure, make it a point to tell the hon. the Rehabilitation Minister about this. Sir, in August last, I sent a few questions for information and I got the reply, that "the information is being collected and will be laid on the Table of the House in due course." Six months have elapsed but this "due course" has not yet come! I do not know what Government mean by "due course". Is it one year? Is it two years? Or is it even half a dozen years? But this information has not yet come, and I should like to add that by nature these questions are quite simple ones. And our Government can give the answer to these questions, unless there is something wrong somewhere and the Government feels uncomfortable to give the information. Here is a small question, Sir, that I asked: "What is the total number of the moveable and immoveable evacuee properties in Orissa which have already been vested in the Custodian?" The second question was: "What is the total amount of the property and the estimated* monthly income from all the various evacuee properties which have been vested in the Custodian?" And then: "Whether all income from these evacuee properties is collected regularly, if not why not; whether any large amount of arrears in respect of these evacuee properties has accumulate^ and will Government lay a statement on the Table snowing how from month to month, these arrears have accumulated?" Sir, do you think these questions are wrong? What is there in them, that my Government cannot answer them? And not only that. The hon. the Rehabilitation Minister also does not insist on the Government giving the answer, on giving the information asked for in these questions. The Custodian is generally appointed with the consent of or with the approval of the hon. the Rehabilitation Minister and it is hrs duty, when questions of this nature *are* sent to find out the information, to Insist on having the information from the State Government. You may not think that I am saying it wrongly, but ♦ *eems to me that there is something

wrong somewhere, or my Government, feels uncomfortable to give tht a-swer to these questions. What is thfcre in these questions? I will say it is the fault of the hon. the Rehabilitation Minister not to insist on the information and by doing this, by not getting this information, he is winking at cor-riiDtion. Now, this should be stopped. And if the Central Ministers do not act strongly and promptly, Sir, you will never be able to root out corruption which you know is growing daily.

Now, I would like to say something about the Income-tax Department and the Customs. I am not going to say anything in spirit of criticism, but m.y object is to draw the attention of the hon. Minister to this and to see that the name of the Congress Government is not tainted. As you know, that name is already tainted and the Congress is losing ground. Therefore, I say this corruption must be stopped. I know it is very difficult to put a stop to corruption. But if my hon. Ministers are strict—they are no doubt honest about it: I believe they are honest, but if they are strong too—they will be able, to a certain extent, to put a stop to corruption.

Sir, you know the Income-tax and the Customs are central subjects and these two departments give revenue to the Central Revenues. If these two departments are corrupt, then the Government loses the revenue. I approached the hon. the Deputy Finance Minister some time ago and brought some cases beforp him. And I may tell you that he is always prompt in taking action. As soon as I approached him he took action. But what can he do, Sir? He is a mighty person, no doubt about it. He* occupies a high position in the Government. • But what can he do? He has to depend on the administrative machinery—the Ministry. And, Sir, I regret to say that this Ministry is not always competent to do the work fairly.

Then. I would like to say another llifng. In the Income-tax Department in my State—I am saying it from my

personal experience; for you know I am constantly asking questions about income-tax—I found in 1949 that big cases were pending and such cases were pending even till 1952-53. May I know why these cases, these big cases remain pending for such a long "time"? Is it because the Income-tax Officer does not find it suitable to pass his order? And do you know, Sir, these big cases are always cases of business *men*? And you also know that in the lives of businessmen, there are ups and downs and they may sustain losses or they may leave the State, and if they do that, you lose all that revenue. What precautions, Sir, does the Income-tax Department take to see that they do not lose this revenue? Today the hon. the Deputy Finance Minister said that so many thousands of cases are still pending, up to 31st March. What can we do? He can pass orders to the Ministry. The Ministry will pass the orders to the Board. The Board will pass orders to the Commissioner and the Commissioner to the Assistant Commissioner and then it will go to the Income-tax Officer. And these Income-tax Officers, I have seen in many cases, have heard the cases, examined the books, scrutinised the accounts, but they do not pass the order. Then in the meantime, Sir, perhaps this particular officer is transferred and when he is transferred, the new officer comes and he wants a trial *de nouo*. Look at the harassment of your assessee, and naturally on account of these harassments, your Government is losing ground today. The hon. Deputy Minister for Finance, I know, is very keen on putting down corruption. I do hope, Sir, that he will try to make the officers do their work a little more efficiently. I find fault with the Commissioners. You know, Sir, these Commissioners are mighty powerful officers. They can promote a person, send a man to the seventh heaven or they can mar the future of a junior officer. The promotion depends on the remarks of these Commissioners. Therefore, Sir, I would like to suggest for the consideration of the hon. the Deputy Finance Minister that he should send out instructions that the Assistant Commis-

sioner, when examining these offices, should, while sending the report, send a copy to the Board so that there would not be any fear of this paper being tampered with in the office of the Commissioner.

Now, only one word about the Customs Department. I do not wish to say much about this as I have already approached the hon. the Deputy Finance Minister who has promised to look into the matter. Still, I would like to draw the attention of the hon. the Deputy Finance Minister

SHRI V. K. DHAGE (Hyderabad): Also of the hon. the Finance Minister.

KUMARI SHOILA BALA DAS: to the question of the Preventive Officers. You know, Sir, that in the Port of Calcutta, there are innumerable Preventive Officers. Their basic pay is about Rs. 88—I may be wrong and the hon. Minister may correct me—and with the Dearness and other allowances they get a pay of Rs. 165/-. By doing overtime work they may get up to Rs. 300. If you look at the way they live in Calcutta, I do not think even the hon. the Deputy Finance Minister will be able to live in that style. I would like to know how these Preventive Officers live in such a style? Why do not the superior officers go into this matter and see about them? You all know, Sir, and I have heard, that 90 per cent, of these Preventive Officers in the Calcutta Port are corrupt. Sir, I do not know why the hon. the Finance Minister keeps these Preventive Officers as a fixture in one Port? There are so many Ports in India. Why can't they be transferred every two years so that they may not carry on even illegal business?

With these few words, I want to say once more, Sir, that I am not saying anything in a spirit of criticism but my object is that this Government which we have got after Independence should see that its name is not tainted by pure neglect. You must see that your officers do their work properly. Thank you, Sir.

KUNWARANI VIJAYA RAJE (Bihar): Sir, looking into the Budget proposals, I must confess that I feel no enthusiasm for the simple reason that the common man does not seem to have come off well under the proposed increase in the excise and import duties. Moreover, Sir, I do not think that there is anything exhilarating about these proposals. However, Sir, before I proceed, I would like to offer my sincere thanks to the Union Government for having sanctioned a sum of Rs. 37 crores for the Kosi Project. It is indeed a great pity that this scheme was not given topmost priority as it would have stopped a recurring loss of crores of rupees to the people of Bihar and it is unfortunate that the Central Government thought it proper to come to the aid of Bihar only after this tremendous catastrophe. However, Sir, now that the matter has been taken up in all seriousness, I am sure millions living in the Kosi River area will have a sigh of relief.

Sir, I would like to draw the attention of the Government to another river project in Bihar known as the Gandak project which is under contemplation. It is impossible for the State Government with its slender resources to take up this scheme without sufficient financial aid forthcoming from the Centre. I hope that the Government will give serious thought to this scheme and sanction the necessary finances which are so very essential for the development of Bihar.

Sir, I would also like to avail of this opportunity to voice the feelings of the people of Chhota Nagpur over the composition of the Damodar Valley Corporation. May I point out to the Government that there is strong resentment felt in Chhota Nagpur as the representative of the State of Bihar does not come from the area which is so vitally concerned with this project?^ hope, Sir, that in constituting the new

Board, Government will give due consideration to the sentiments of the people of Chhota Nagpur.

Sir, more than half of the period of the first Five Year Plan is nearly over. In Bihar, apart from the River Valley Projects, some other schemes, for instance, medium and minor irrigation works, Community Projects, etc., have not made the desired progress, which is evident from the following words of the Finance Minister of Bihar. While presenting the Budget he has admitted that "we were unable to spend as much as was budgetted for on Irrigation, agriculture, Community Projects and the Damodar Valley Corporation, not to speak of other minor items." For instance, on the Community Projects, during the years 1952-53 and 1953-54 while a sum of Rs. 140.61 lakhs should have been spent, only a sum of Rs. 103.95 lakhs has been spent. Thus, the expenditure has been less by Rs. 36.66 lakhs. All these figures include loans from the Government of India, grants from the Government of India and the States contribution to the Community development blocks. Similarly, Sir, between the years 1951-52 and 1953-54, while the planned expenditure on the Five Year Plan was Rs. 3,729 lakhs, actual expenditure is Rs. 3,667 lakhs. Again, in the case of expansion of primary education and appointment of new teachers and social instructors, although the Government of India have sanctioned about Rs. 41 lakhs, nothing so far has been done in this respect in my district of Hazaribagh. I am told, Sir, that this amount of Rs. 41 lakhs is now going to be transferred to the local bodies fund to save it from lapsing. Now this can hardly be called expenditure. Moreover, it defeats the very purpose for which the Government sanctioned* this amount. I do not know, Sir, if there is a system prevalent in the Government to check the expenditure incurred from these special grants. If not, I do think it is advisable that there should be some kind of a measure by which the Centre can exercise proper control over the grants that are given to the State?.

Sir, in our planning we have not given due importance to one fundamental question and that is the employment of the educated. Before we plan for their employment, I think that the time has now come when the educational policy of the Government should be revised.

Sir, turning out a large number of graduates every year from our universities has, in my opinion, done more harm than good inasmuch as on the one hand these graduates are uprooted as it were, from their ancestral vocation of life, namely, agriculture and such others and, on the other, having found no employment they go to swell the ranks of the unemployed. Frustrated in life, they naturally take to anti-social activities. I feel, Sir, that the growth of these secondary schools and colleges should be restricted and instead Government should introduce compulsory primary education so as to make every one literate. The admission to secondary schools and colleges should be on a selective basis.

Sir, returning to the problem of the employment of these educated people, I would like to submit that the proposal of now absorbing these educated men in primary schools does not even touch the fringe of the problem, and unless the Government comes forward with some comprehensive scheme, I am afraid this problem will continue to grow into alarming proportions.

Sir, it is accepted on all hands that teaching which is one of the noblest professions, is the most neglected today. The amount that teachers receive as their salaries is hardly sufficient to cater for their daily requirements. The recent disturbances in Bengal, I think, are proof enough of the utter frustration and discontent that prevails among the people of this noble profession. Sir, it may be very easy for Government to declare these strikes as illegal and communist-sponsored, but may I know what other alternative Government has allowed to these hungry and dissatisfied persons? Sir, what we see today is only a violent reaction of the frustrated men who try to break the fetters of poverty through

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method, shall I say, of seeking emancipation. We may condemn the violent method but, then, who is responsible for this tremendous upsurge that is gradually enveloping our country? Government will have to find a solution soon for it will not be a wonder if the scene that was enacted in Bengal should find its echo in every State in India and nobody but the Government will be responsible for fomenting these ideas of desperation. It is our sad experience that an agreement is invariably reached when the hands of the Government are forced in this undignified manner. This only strengthens the views of the people that the only effective way to seek redress of their grievances is through violence.

Sir, I would also like to draw the pointed attention of the Government to some other hardships that these poor teachers have to undergo. That is the utter irresponsible and indifferent attitude of the authorities concerned towards the welfare of these teachers. Sir, some of these teachers received the Government stipends

MR. DEPUTY CHAIRMAN: It is State subject.

SHRI H. C. MATHUR (Rajasthan)- In the Five Year Plan it is being discussed, the assistance which is given from the Centre

MR. DEPUTY CHAIRMAN: It is entirely for the State.

SHRI H. C. MATHUR: This is the step which has been taken and the unemployment problem is certainly being solved because it is also from the Centre that the funds are being made available for these primary schools and for the employment of more teachers. That is primarily under the Plan.

KUNWARANI VIJAYA RAJE: There are also complaints, Sir, that even in the case of awarding scholarships there is a lot of discrimination and one cannot help thinking that allocations are made without all-round consideration of claims. I hope, Sir, that the Govern-

LKunwarani Vijaya Raje. I ment will take necessary steps to remove the cause of such hardships to its poor teachers who are gradually losing hope.

Another menace that is facing us today is the growing corruption among the rank and file. The Government seem to be content only with drawing up plans, holding meetings, etc., to avoid this problem. At a recent meeting of some social organizations in Patna, they had decided to enlist support and also raise a volunteer force from among writers, poets, ballet-actors, and cinema producers, to create public opinion against corruption. Sir, this may seem a laudable move, but the approach does not seem to me a practical one. Swami Vivekananda has rightly observed that the greatest insult to a hungry man is to offer him religion. I am of the firm opinion that the most effective way to fight corruption is by improving the economic condition of the people. Government will have to find out ways and means of increasing the wealth of the country by rapid industrialization and by developing the rich mineral resources of the country. I have already, while speaking on the Andhra Bill, pointed out the rich mineral potentialities of Chhota Nagpur. If the State Government have not the finance to take up this matter, I think the Centre should take up this all-important work. Through industries we can solve the problem of unemployment to a great extent.

Prices of essential commodities are still higher than the pre-war rates and the wages have not been correspondingly increased. It is impossible, therefore, for the wage-earners to cater to their daily necessities of life and they have no other alternative left but to indulge in corrupt practices. If the Government can produce more wealth, then naturally there will be better distribution of wealth, and crimes, which are to-day on the ascendancy, will be checked and controlled.

SHRIMATI VIOLET ALVA (Bombay):
Mr. Deputy Chairman, the subject is

so vast that I have decided to confine myself mainly—and I say mainly—to Defence.

Sir, in budgeting for a total expenditure of Rs. 467 crores, Rs. 205 and odd crores have been allotted to Defence Services. The hon. the Finance Minister has made it very plain in his speech that we are not embarking on any expansion of our Defence Services. His other observation is that only the Air Force has been given just six crores more to bring it to a standard of reasonable efficiency. I do not know what that means. The hon. the Finance Minister himself must explain to us the meaning of reasonable efficiency in these days of up-to-date armaments. He has also stressed the recent developments on and behind our frontiers and what that would mean to this country. The situation certainly is worsening and we have come to a stage when we can no more conceal our feelings on that point. The Dollar-studded jackboot of the American military aid is there with one foot on land and one on sea. I mean West and East Pakistan. But we have faith in ourselves, in this vast and ancient land. We do not believe in the ideology of aggression. We have faith, as our forefathers had. Here I may point out that some Walter Robertson has had to admit in one of his lectures, the sam^e gentleman who said that he wanted to dominate the whole of Asia until China cracked up internally. He says: in a U. S. I. S. pamphlet entitled *Responsibility of the United States in the Far East*: "It is much easier for us to provide weapons, however costly the operation may be, than to provide conviction and faith. It is essential for the Asians to have something to , fight with, but it is even more important for them to have something to fight for—or rather for them to realize how much they have to fight for, including the chance to achieve something better." Even this American gentleman knows what India feels today. Of all the Asian countries that we have, we in India never had faith in foreign military aid or any aid. but

we have lost even our conviction that they had goodwill towards India. Let us not make any bones. Things have gone far and that is why we have to go back on the subject of this 43 per cent, of the national Budget. What are we going to do? Our eyes go back to the other countries, far backward once upon a time than we, who have lined up and gone far ahead. I shall read, Sir, from the hon. the Finance Minister's speech where he says that a country's inherent strength depends upon the economic development of the country. Sir, we are to realise the economic development of this country, but what are we doing? Time is too short for me to expand on the development plans of this country. Nor am I an economist. There are wiser heads in this country who have planned and who have tried to bring about planned economy. There was the Bombay Plan that said that you need a pair of hands and natural resources and we should go ahead. Have we gone ahead? I shall read from one of the State Government's publications—*Location of Steel Plant in Orissa*. I am just reading this and posing this question to the hon. the Finance Minister for he must find out the ways and means by which we can co-ordinate Defence and economic purposes in this country. I am quoting from that book "In this age of steel, steel is the industry of all industries and in fact the status of the steel industry in any country is a measure of that country's industrial progress and of economic development. The per capita production of steel in a country may be taken as a fairly accurate index of the living standard of its people and of its development activities." Living standard of the people, and my emphasis is on that. How are you going to raise the living standard of the people, when this is the state of affairs in this country? I continue: "Among the advanced countries of the world India has very much lagged behind in production of steel, although it is richly endowed by nature with unlimited raw material resources to take a leading place in the world in

iron and steel production. In raw materials India possesses advantages which no other country in the world, not even the U. S. A. or the U. S. S. R. enjoys. Compared to the U. S. A. 's 10,000 million tons of iron ore of all grades and the U. S. S. R.'s 3,000 million tons of ore with over 50 per cent, iron-content, India possesses 10,000 million tons of very high quality ore with over 60 per cent, iron and 25,000 million tons with over 50 per cent, iron-content." When we read this, when we observe and question what is happening, we do feel that things are looking very dismal. When we go ahead in the same publication and look at the figures we see: "There has been no increase in production of iron and steel in India since the pre war days, during which period most other countries have rapidly forged ahead. During the war years till the end of 1945 the average annual production of steel in India has remained static at about 1.3 million tons." I will give you some comparable figures of per capita production of iron and steel: U. S. A.—1,210 lbs.; Britain—670 lbs.; Russia—260 lbs. There are other small countries but I shall not take the time of the House. And for India the figure is 12 lbs. Sir, for how many years have we been free now? Let us take into account the number of years since we have achieved independence. I shall again quote from this publication: "The total world production in 1947 was about 159 million tons out of which India's production was only 1' 3 million tons, i.e., less than even one per cent. The present requirement of steel is 2.7 million tons against which the estimated production from the existing plants after expansion is 1.59 million tons. These figures clearly show the urgency for increasing steel production in India—I shall again refer to the Finance Minister's speech: "The rate of development in the country has been somewhat slower than what was anticipated"—and why have we not lived up to our anticipations? ".....by the Government of India in the beginning of 1954?" They have estimated the consumption of iron and

[Shrimati Violet Alva.] steel in India in 1958 at 2-428 million tons and the total production after taking into consideration the expansion of the existing plants at 1-836 million tons, leaving a deficit of 592,000 tons of finished steel and about 200,000 tons of pig iron. Sir, if we go back to the hon. the Finance Minister's speech, he has explained why we fall short of the target that we had placed before us. He says: "The strike in a steel plant resulted in a drop in the production of iron and steel, the total for which is now estimated at a little below the 1-1 million tons reached in 1952. Similarly the production of copper dropped by nearly a sixth on account of a strike." Sir, it is all very well that we have our own planned economy in this country but when so many years have gone by—over half a decade—one must stand and think where we are drifting. One must look around when the circumstances look so gloomy and foreboding around our borders. What are we going to do? With half the Budget spent on the Defence Services, there is very little left. I must here refer to an observation made by Prof. Maurice Dobb. I am not quoting any one else but an English Economist, a Lecturer in and Fellow of the Trinity College, Cambridge, who has written this book "*Soviet Economic Development since 1917*". We are not concerned here with the forms of ■ Government that any country proposes to adopt but we are concerned in seeing how they developed, for we shall have to take lessons from those countries whatever the ideologies which they may have. He observes on page 278: "During the second Five Year Plan period the growth of heavy industry was considerably more rapid than that of manufactured consumer goods. At the moment in this country we stand up and say the same of textile industries. What is the matter with us? Why don't we talk of heavy industries? We talk of textile industries, cottage industries and so on. How will all that grow without heavy industries? I continue to quote:

"This was mainly due to the circumstances, that in the course of the

fulfilment of the Second Five Year Plan it became necessary for us to introduce major corrections into the plan for the development of industry. As had been the case under the first Five Year Plan, the international situation compelled us to increase the rates of development that had been laid down for the defence industry."

Has the international situation worsened, for us? Again:

"This made it imperative to accelerate considerably the expansion of heavy industry at the cost of reducing to a certain extent the rate of growth of light industry."

"In the case of heavy industry, the production of pig-iron showed a marked improvement, the 1937 output being more than double that of 1932". This, Sir, happened in Russia. "On the other hand, steel slightly surpassed its target; coal doubled up its 1932 output. The achievements of the machine-making industry were once more outstanding. The industry as a whole registered a threefold rise of output as against the twofold increase which had been its target. The motor-car industry was exemplary in exactly fulfilling its bold target of an eightfold increase. Mainly as a result of these successes in engineering, the country was able to go ahead."

Sir, you may say this is the result of dictatorship. We may not like dictatorship in this country. But this result was the outcome of practical planned economy. They knew what they wanted and knew what they were about.

Now, I shall quote a passage from Maurice Dobb, page 312. The hon. the Finance Minister and we may not believe in the ideology of the Soviet Union, but let us see what they have achieved; it indeed would touch the core of our hearts: "Twice within a quarter of a century, twice since the inauguration of the Soviet regime, the people of that country have seen their land ravaged by wars far more deadly than anything that has visited our own

island within modern times. Twice, weakened and overwrought by the years of famine and carnage, they have had painfully to bend already aching backs to rebuild their shattered economic system, in many cases from the foundations. Having rebuilt, they have set themselves further tasks, which fifteen years ago strained the imagination of the world and were dismissed **abroad** as brittle dreams. Many have marvelled that men and women could possess the endurance to do such this Revolution, however, is a strange fire which not only consumes but also produces new elements with unfamiliar qualities. No mere heady propaganda or iron hand but only a rare spirit forged in a people by its history, a boundless faith in their own ability to wring achievement from the future, is capable of inspiring men to endure and to strive as the Russian people have done. Least of all people on earth, can they wish to see another war in **our time.**" What fine observations made by an English economist, an unbiassed scholar! Let us put ourselves in the picture that I have framed before you by quoting this passage. We are also at the cross-roads of history in this country. We must also have a purpose and we must also co in for planned economy in the true sense. Our Government in the past has tried its best, and its very best, out it must be admitted, whether it is, this side or that, that the results have *not* been commensurate with the efforts we have put in.

Sir, if I probe into the Defence budget figures—and if the hon. the Finance Minister feels that I should not, I want to say that the Finance Ministry has taken this responsibility—if you read the "Defence Service Estimates" page 106. The hon. the Finance Minister has a Financial Adviser. I shall read only **one** line from that report: "In fact, he (the Financial Adviser) asks every question that might be expected **from an intelligent** tax-payer bent" on getting the best value for his money." Sir, it is with this sentence in my hand that I assert that it is the 141 C. S. D.

right of every tax-payer to demand an explanation and question the result of all that is being done under the Five Year Plan and with this larger allotment to the Defence Services.

Sir, the Defence Appropriation Committee's Report has not been placed before us. The last one we received was the Appropriation Accounts of the Defence Services for 1950-51, and the Audit Report thereon was given to us last year. The Public Accounts Committee also have nothing to say yet on the Defence Services. We are kept in the dark every time we come to the question of Defence. We do not know where to touch because the Reports come too late, after almost **a third of a decade or a half.** Nevertheless, we have to find out what has happened to this vast allotment to our Defence Services. Before I probe into that, I want to say one thing more and I want to make one observation about our immediate neighbour, China. China, Sir, became free a little before or after us. What has happened there? These are not fibs; these are facts of history. We may have quarrel with the form of Government; we dare not quarrel with the result and say that we are better off:

"This year, China enters upon her First Five Year Plan of economic construction. Within the next six years, the Soviet Union is going to help us construct and modernize ninety-one enterprises. By the end of 1959, including the fifty enterprises which the Soviet Union has been helping us to build and re-build during the last three years, a hundred and forty-one huge enterprises and projects will have been constructed or renovated. When the construction of these enterprises is completed, China will be an industrially independent nation, with a solid foundation for further industrialisation."

Here are facts and figures. China is receiving help. So are we. China is building up. Are we? That is the question today. Sir, China is building up very fast. Before we can wink, she will

(Shrimati Violet Alva.] be ready with all her huge industrial equipment and we shall not have begun.

Coming back to Russia. Russia had borrowed hardly £4 million in the initial stages of her Plan. She levied taxes. Whatever measures were used, she raised 9/10ths of her money for her Plan from inside her own country. That is why, Sir, what I want to jhasise here is that unless a possibility of co-ordinating defence with economics is visualized, we may find ourselves in the dark. In Britain, this co-ordination is done—the hon. Prof. Ranga took up this point but he did not expand it much—in Britain it is done by a Minister without Portfolio, this co-ordination between defence and economics, **for** the whole country. That is what we should do at this stage in our own country.

Finally, Sir. I feel that the kernel of any plan is a production plan, which is a complex of output programmes for all the main products of the economic system, embracing real expenditure and real product input and output in each case. And I have amply quoted facts and figures to show that it should be so.

Sir, I shall stop here. These are things which the Defence Ministry should take up with the Finance Ministry. In any case, we expect that defence and economics be co-related from now on for the future.

Coming now to defence, without having any audit or other reports, or the reports of the Public Accounts Committee on this subject. I wish to point out one or two things that I have gathered which have happened in Shantinagar in Korea. Sir, I would like to ask the hon. the Finance Minister whether the three Indian correspondents attached to the N.N.R.C. at Shantinagar were permitted to send ily desrjatches to India on the India- Army Signal Wireless system to their own papers and perhaps there was n news agency too. Is it a fact

that this service was given freii throughout the correspondents' 'stay for four months? And if it is so, why? The papers that were represented in Shantinagar were all well-to-do in their finances, and they were accredited to the U.N. Command. If they have used the military sign?..! wires to despatch about 3,000 words per day for four months, they must pay for it, especially when we talk of economy, why should we let our newspapers go? We do not mind if the struggling for finances. But why should three correspondents from India be allowed free service? .Sir, they should be charged *on* a commercial basis, and if they are not already charged, the amount must be collected on whatever basis the Government thinks fit, and that amount should go to the Defence Services Welfare Fund or to any other fund which is for the use and benefit of the defence services.

Then, Sir, there is another thing that happened there. Our officers, quite a number of them made a number of trips to Tokyo. We would like in this House to know why they we'nt to Tokyo so often. Of course there were duties. But my point here is that all those who went to Tokyo up and down were not strictly on duty. And then, I also want to tell the House that there was a telephone system by which they could have contacted the Indian Embassy staff in Tokyo. Sir, I want further explanation on these points from the hon. the Defence Minister because they involve money. And when we are talking of budgetary provisions, we must question these things. If we leave them to a future date, it will take four years for them to come to us, because we still have to receive the accounts • of 1951-52, 1952-53 and 1953-54, and also the Public Accounts Committee has not finalised its reoort on defence. I am merely drawing attention of the House to this fact that if something is happening, and if we know about it, it is the bounden duty of this Government, when its attention is drawn to these

things, to look into them and find out whether they are true or not. And, therefore, Sir, I shall look forward, as others in the House will look forward, to an explanation from the hon. the Defence Minister, whether these things are true, and if so, what action has been taken by the Government?

Now, Sir, I shall go to India's defence structure. Time and again, we have » spoken from this House, as also members from the other House, about India's defence structure. But nothing has happened so far. The first thing to recognise and to realise is that India's defence organisation is a relic of the foreign rule. How far have we been able to reorientate it? We talk of reorientation of our educational and other policies. We want reorientation of so many things. But when is it going to happen? I hope it does in our life time. The reports of the Peel Commission drawn up in 1859, the Eden Committee in 1878 and of the Simon Commission in 1929, give us the idea of the policy underlying the British Indian defence system, and their declared policy was—of course it is well-known and I need not dilate on it— first, the prevention from attacks of threatened aggression, and secondly, making impossible the armed rebellion and resistance inside the country. We have been participants in non-violent struggles. We know what the British defence services were in this country. The Britishers did not think it advisable to introduce into India army reforms which corresponded with the Cadwell Reforms in the U. K. and the like reforms in the continent of Europe. The Cadwell Reforms came in the seventies of the nineteenth century. By those reforms Britain decided and ensured expansion of her defence forces at home with increased military efficiency. The co-ordination was complete, and from the time of the Cadwell Reforms this co-ordination goes on in Britain. Sir, in Britain it happened in the seventies of the nineteenth century. It is time that we also should look around and take some lesson of what is best. If we do not like this

neighbour or that neighbour, let us go to England. We are in the Commonwealth. Why don't we take the British example? We are in the Commonwealth. Let us accept that as a model. Let us do something for this correlation between defence and economics.

Then, Sir, I shall come to the last point, and that is this. Under the different heads Rs. 49 lakhs have been allotted for the territorial army. Rs. 49 lakhs out of a budgetary provision of Rs. 206 crores, when we are standing here facing such dangers from the other side of our border. Faith we may have, but we have to put our shoulders to the wheel also. Mere faith does not work miracles in a scientific age. Faith we have. But let us bend and work. How small is the territorial army in this land! Every progressive country of Europe has a short service system which takes every boy between the age of 14 and 20 for two years for vigorous military training. We have here the N. C. C. which is also a very, very minor thing to talk about. What about our thousands of miles long shore? I said something about this last year also. Our fishermen even should be trained up in some sort of defence methods, may be preventive. We have immense manpower, but when we talk of planned economy, we forget about the manpower that can be turned into man hours and the amount of work that can be achieved through physical fitness and discipline by which we can work and plan for large-scale and heavy industries.

Sir, in times of danger, we must have a second line of defence. Who will give us this second line of defence, I want to know. In peace we have to be strong and prepared, if not for aggression or war, for at least facing the dangers that may overtake us. We have no second line of defence when the regulars in the Defence Services will be called away in times of crisis. I suggest that there should be compulsory military training. When we talk of compulsory military training, we are told in this House

[Shrimati Violet Alva.] that it is not possible because we do not have rifles and uniforms enough to go round. If we cannot find rifles and uniforms for our men, at least we can impart a sense of discipline to them, which will make them mentally alert. When they become mentally alert, they will be physically fit; when they are physically fit, they will increase the wealth of the nation, and with this increase in the wealth of the nation, you can have planned economy to carry through your production.

Then, my second suggestion is that our Army men and also our Territorial Army men should be trained in guerrilla warfare. I know that a section of this House may be inclined to laugh it away, but it is very important, especially to fight infiltrations. We talk of infiltration here and infiltration there, but what are we doing about it? The Government must teach our Army men and Territorial Army men the art of guerrilla warfare. We have read in the papers that Pakistan, after getting military aid from America, is going to recruit tribesmen in the Northwest Frontier. This seems to be their long-range policy. They are going to recruit the North-West Frontier tribesmen. What are they going to do with them? Nothing may happen, but let us prepare. I suggest this to the hon. the Finance Minister and to the hon. Defence Minister, for they are jointly responsible for the defence expenditure, that they should do something to re-orientate the whole system and begin to manufacture defence equipment, even blunt knives. It is time that we have some armament factories, but how can we have these factories, when our steel position is so bad, when our cooking coal position is so bad, when our metallurgical coal position is so bad, when our chemical industry is so bad, when everything is so bad? We have not reached the targets that we had set for ourselves. But a beginning must be made—and at once.

I then come to this question of unemployment. What is going to be the

attitude of the unemployed youth who may get into the negative attitude of frustration? When they get into a negative attitude of frustration you know the danger to the country. I shall not say it in plain terms. If we cannot raise the standard of living of the masses, what is the use of this Budget? What is the use of this Five Year Plan? Seven years have already passed. We have received so much of technical aid, but we still have so much of unemployment in the country. We are not able to tap the resources, the physical resources, of the people who are ever so ready. We do not know how to tap that energy. Sir, other countries also have had this problem of unemployment, but they have solved it in a practical way. You will say that I am an extremist, but I do say that, if we cannot give them money, let us give them at least food, housing and clothing, and give them work. We must have the firmness to see to it that no young man idles away in this country. We have a number of advisers in this country. They know their subjects well. They have produced plans, but we see that their plans miscarry year after year. When are we going to be able to sit back and say that our targets have been achieved, that we have overshot the mark? We have overshot the mark in textiles no doubt, but what about sugar? What has happened to jute? What has happened to mica? We produce 80 per cent. of the world's high grade mica. We should be earning dollars through it. Can't we earmark these dollars and use them in a way that will produce wealth? Wealth must be interpreted in terms of purchasing power. What is the value of your Budget otherwise? It means nothing to the man in the street. The man in the street does not feel that he is with you or, *vice versa*, that we are with him. We have to bring him nearer to us or we have to <40 nearer to him. I have seen a number of film documentaries recently. In them I find that Government officers go to various villages often with hats and collars and ties. I say this because it

is gratifying to see that hon. the Prime Minister has himself expressed his opinion on dress. The officers look so distant from the villagers. They go there with their hats and goggles. If the villagers can do without goggles, certainly the officers can do without them, too. When are we going to feel that this is our land, that this is the good earth, that we go from the capital *of Delhi to the villages, to the good earth and feel one with it? That is the feeling that we have to bring about in this country.

MR. DEPUTY CHAIRMAN: You have already taken more than 45 minutes.

SHRIMATI VIOLET ALVA: I will finish in less than two minutes. Then I come to the question of purchase of armaments. We purchase armaments from this country and that country. We are very well aware of what the High Commissioner for Britain said in Madras on American military aid to Pakistan. I need not repeat it here. We are also aware that the War Office in Britain is one with this American military aid to Pakistan. We are in the Commonwealth. A day may come when even from the Commonwealth we may not get armaments. We do not know how history will tell its tale and what we shall do for the purchase of our armaments. We are now purchasing armaments from countries which may refuse to supply them to us at some stage. Should we turn to the other side? History alone will show what we shall have* to do. One need not dwell on it here-, but it is time that we produce a magnificently large

* Territorial Army and also start an armaments *factory, not on* the ambitions scale that the U. S. A. or Britain or Russia has done, but we can start giving them even home-made weapons, with the help of which our soldiers will stand up to a man, should any danger threaten this country. Sir, our hon. Prime Minister has taken a bold and lofty stand and we are all one with him in that stand. To a man we are one with him, and the way we implement our desire to stand by him

as one man will be the way to bring security to this country.

SHRI B. GUPTA (West Bengal): Mr. Deputy Chairman, in his Budget Speech the hon. the Finance Minister has again sought to present an astoundingly unreal picture of the economic situation in the country. If he has done so, it is because he dare not face the realities of the situation., because the policies pursued by the Government are so bankrupt that they compel him to turn his back on the realities of the situation. He has tried to buttress his case by dishing out some futile statistics and has tried to mate out his case on the basis of the increased food production and on the basis of increase in production in certain industrial concerns. But that would not be a proper way of trying to appraise the economic situation in the country. The reality, however, is entirely different. What we, who see things from the common man's point of view and not from the point of view of elevated bureaucracy, see today is the deterioration in the economic situation of our country. It is, therefore, useless to look at merely the index of industrial production of this or that industry. It is equally useless only to emphasise that we have produced some more foodgrains over the last year or that we have got some stocks in our hand. In a country like ours, which is under-developed, the economic situation has to be judged by the living standards of the people. It is to be judged from the point of view of how we are trying to mobilise the productive power of the country for creating wealth. It is to be judged from the point of view of how we are trying to eliminate the dependence of our economy on the foreign imperialists. It is to be judged, above all, from the point of view of the material and cultural well-being of our people. The hon. the Finance Minister in his speech has not at all bothered to take the people into account. He has not bothered at all to consider the problems of the masses and in a country like India, the workers and peasants constitute more than 80 per cent, of the total

[Shri B. Gupta population. That pMure is not before his view. We are discussing the economic situation alter having spent over the last three years of the Plan a sum of nearly Rs. 1,000 crores and we find that the spending of that amount has not gone even to arrest the deterioration in the economic situation, let alone improve it. Leaving aside the statistic of which our hon. Finance Minister may be enamoured, let us turn to our people, the workers and the tillers of the soil. You find growing unemployment which even the hon. the Finance Minister cannot today deny. In his speech he has stated that the number of unemployed registered with the Exchange continually increased from 4,25,000 in March 1953 to 5,22,000 in December 1953. We find from the Journal of Trade and Industry that in September alone about 1,21,600 new unemployed registered their names with the Exchanges; but all that would still be an under-statement of the reality, because the Unemployment Exchanges in our country are very few and far between and the overwhelming majority of the unemployed do not have even the opportunity of registering their names. Thousands and hundreds of thousands of the unemployed go without registering their names at all. I come from a State which is supposed to be one of the industrial places in India and there we find the West Bengal Government have bluntly declared that the unemployment has so grown in the country that it is not possible today for the Employment Exchanges to register all the unemployed. They said that the Exchanges had reached the saturation point. If we examine the figures of unemployed in the country, we find that in 1953 they rose to about 26 lakhs including not only the industrial labour but also the office workers. It was expected of the hon. the Finance Minister that he would take note of this situation in a much more serious manner than he has done. It was expected of him that he would make some provision for the unemployment benefit, for the unemployment bonus. The workers have demanded that the Central Govern-

ment should set apart a sum of Rs. 50 crores for the benefit of the unemployed and we find that nothing has been provided except a facile promise that something will be done by way of development with a view to providing employment to the unemployed. The workers will have no cause for satisfaction from these promises which mean nothing to them. In the rural areas again the unemployment has been growing. It has been stated even in the earlier report of the Government that out of the 249 million agricultural population, 199-2 millions have work only for 3 months and the position is continually deteriorating and we also find that this is admitted in the report of the G. M. F. Enquiry Committee where certain very powerful observations have been made on these aspects of our economy. Therefore, in the countryside again unemployment not only remains as it was, it is growing more.

[THE VICE-CHAIRMAN (SHRI B. C. GHOSE in the Chair.)]

According to our estimate, about 10 crores of the agricultural population can be safely regarded as unemployed and their number is growing. During the past year or so, evictions have taken place on a large scale and due to the growing want of the people many peasants have been forced to sell their lands and driven to destitution. Now we find in Bengal and other places this process is continually growing. Therefore in the country side—and what after all is India if you leave the countryside out of the picture?—you will see a growing picture—a most alarming picture of poverty, unemployment and of social break-up. That is something to which I should like to draw the hon. Finance Minister's attention. Now these figures of unemployment do not merely testify to the immensity of the problem of unemployment itself but at the same time they also underline the fact that the vast human resources of our country are still allowed to run to waste. They are not being harnessed.

to productive purposes; for creating wealth which we all need for the advancement of the country, for the material and cultural well-being of our people.

If you come to living standards of the people, you will see that there is no cause for complacency. On the contrary, the picture continues to be grave and tragic. Even the hon. the Finance Minister admitted at the end of December 1953 that the price index stood at 392.6. If you look at his own speech, you will find that it is 18.1 higher than in December 1952. This is certainly not a sign of improvement. Even on the basis of his admission, there cannot be any affirmation that the conditions are improved. In August last year the index of food articles rose to 407 points compared to 344.5 in the same period the previous year. Now the increase of food prices means impoverishment of the people and mass suffering on a very wide scale. This is what we find. We find that even in January last the wholesale prices were showing an upward trend. Taking the hon. the Finance Minister's words as they are, it would appear that the prices ruling still are very high and are at least 4 times the pre-war prices. And as you know, the incomes of the people, especially of the lower income groups, have not at all kept up with that rise. As a matter of fact, the rise there has been very, very negligible. What does it mean? It means the aggravation of the sufferings of the people. It means loss of purchasing power. It means the impoverishment of the vast masses of the people. That surely, is no picture of economic prosperity.

Now, taking the middle class into account, the class about which the Congress leaders are particularly concerned and which provide the cadre of the Congress Party, you will see that in a place like Calcutta, the middle-class have to spend nearly 70 per cent of their income on food items alone. So they are left with another 30 per cent of their income to meet all other expenses. Sir, the story is obvious enough and I need not dilate upon

it. It is no wonder, therefore, that middle-class discontent against the Congress regime is growing. Of course, they know it and they have

>■ means of trying to suppress and deal with this discontent. Therefore,

and the police and the military are coming out in the streets of Calcutta to shoot down the people. But that will not solve the economic crisis. That may, of course, kill a few people. That may create disturbances and upset the social life. But certainly that will not lead to the economic advance or the prosperity of our people. That is a picture again which is not there reflected in the hon. Finance Minister's worthy Budget speech!

Sir, now let us come to the hon. the Finance Minister's production figures. It is true that in certain industries or rather industrial concerns, there had been some increase in production. But these are mostly industries which are connected with the Five Year Plan or schemes thereunder, or which are under the grip of the foreigners or of the multi-millionaires, the monopolists. That the cement industry would be enjoying a heyday on account of the Five Year Plan is something which was forecast by Mr. Somani a few years back, and now they are reaping the harvest—thanks to the Five Year Plan and its construction. It is no use telling us that story over and over again, because we know that. Now, we are told the same thing about the textile industry. The textile industry, undoubtedly, has shown an increase in production. But for whom and for what? In order to build up the exports, Sir, in a country which suffers from want of cloth, where millions of the people are unclad, we find that cloth is being exported outside with a view to earning foreign exchange, and also filling the coffers of the multi-millionaire friends of the Congress. This is no sign of improvement. You make the mill-owners and the profiteers produce goods. They add to their wealth and they sell their products in the market. But the question is, are the people getting any benefit? Are these conditions modifying the needs of the people?

[Shri B. Gupta.] pie? You will find that the consumption of these articles is much less than before. Even after spending 800 crores on the irrigation and power projects at the end of the Five Year Plan, we would be perhaps consuming, according to the Government's figures, two ounces less of foodgrains than we used to do in the years 1934 to 1938. So let us not talk about these things, that we are advancing on the food front. First give food to the people and then talk about it.

With regard to cloth, we know prices of *dhotis* have gone up and the overwhelming majority of the consumers are not in a position to buy cloth and now, of course the Government is coming out with fresh taxation on that commodity so that larger numbers of people are kept off the market and denied the use of cloth.

About industrial production I would not like to say much. I would only say that the picture is not as rosy as he tries to paint it. There are industries where there is positive decline in production. They are: Coal, pig-iron, steel ingots, and metal castings, semi-finished and finished steel, aluminium, copper, diesel engines, power plants, sewing machines, machine-tools, electric lamps, radio receivers, super-phosphates, jute sacking, soap; these are some of the industries which according to the Government's own figures are registering a decline and have registered a decline during the last year. Therefore, it is not as if industries have all shown increased production. Certain industries certainly are making some progress, but not even the national units of these lines are making progress, because in some of the industries which are controlled by the British and the multi-millionaires, we find that the smaller and medium industries, especially the Indian concerns, are being squeezed out of existence. That surely is not a sign of industrial development.

Besides these industries that I have mentioned, those like the belting in-

dustry, potteries, small engineering concerns, are going out of existence. Then mica and shellac are in a state of collapse and that is something which is known to you. Soap-works, Indian soap concerns are going out of existence and many such works have already closed down. Here I have before me a memorandum of the Bengal National Chamber of Commerce, submitted to Shri K. C. Neogy, Member of the Planning Commission, dated the 28th August, which clearly tells us which are the industries that are going out of existence, which are the industries that have been caught by the economic crisis. Sir, here is this memorandum submitted, not by the Communist Party or the opposition, but by a section of businessmen and millowners, and here is this memorandum which tells us an entirely different story. It goes to Mr. Neogy in order to seek some redress against foreign competition, against the closing down of industries, against the crisis that has beset those small and medium industries all along the way. This I would have read out, but there is not enough time and so I will not. But here is the memorandum to which I have referred and surely the Government is aware of it. But obviously it did not suit the hon. the Finance Minister's case and therefore he has totally ignored it. But since we are in a position to do it, it is our job to place these things before the House and the hon. Members of the Congress Party, who, I hope, will kindly read and see what it stands for; after all they pay for the Congress election funds and their prayers should not be totally ignored. Now, how has this progress been made? It has been made by those industries if the progress is at all made by intensification of the exploitation, by increasing the work-load of the workers. Take, for instance, the jute industry where the production is kept at a high level. They are doing it, not by industrial expansion, nor by bringing better machinery, but by intensification of the exploitation of the jute workers. There you see that mills are running for 12* hours a week and 12 per cent, of the looms are almost sealed, and even so

they are, we find, keeping a very high rate of production. How has this been done? I have got a number of figures. The I.J.M.A.—Indian Jute Mill-owners Association—says that the average number of hours of work per worker in July of last year stood at 206.2 as compared to 187.7 hours in June of that year. Every month the work-load is increasing. Similarly, you will find in the engineering industries also, which are controlled by the British, the workers today get much less share than before in the new value added by manufacture. That is an economic term which I believe the hon. the Finance Minister would understand and hon. Members of the House would understand much more, because they would be more interested in these things.

Sir, that is another picture. Jute has it been done? How is it being done? It is by exploitation of labour, by denying the workers in the jute industry even their minimum. The jute workers of Calcutta have been denied bonus, though they are giving dividend bonuses, though they are declaring dividend bonuses and transforming reserve capital into share-capital.

Again, Sir, we find that in certain other industries there is a production cut. In some cases the cut had been forced as a result of the unpatriotic and anti-national import policy of Government. In others we find the cut is intentional as in the tea industry, because they want to benefit the bigger units. In the chemical and engineering industries you will find the installed capacities not being fully utilised. In the engineering industry 50 per cent, to 75 per cent, of the installed capacity is lying idle and in the chemical industry 56 per cent, to 83 per cent, of the installed capacity remains unused. That surely is *not* a picture of economic advance. That picture is something which can be easily described as a picture of decay.

Agriculture, Sir, is another sector of our economic life. As I have told you, unemployment there is colossal. We are told that 5 million tons more

of food grains had been produced last year. Very good. Of course, the hon. Mr. Kidwai was telling the other day that Government's figures were wrong. I leave it there between the hon. Mr. Kidwai and the hon. Mr. Chintaman Deshmukh to decide as to which figures are right; but we know that the Government's figures, like the hon. Ministers, often go wrong. Assuming, Sir, that the figures are right, what does it mean? Does it mean that the people are getting more food? Not at all. Now, Sir, we are consuming, as I have said earlier, much less food than before the war and yet we find that there is a talk about stocks. The hon. Mr. Kidwai is very fond of parading his stocks. He says "we have got stocks", "a closing stock of 15 lakhs of tons" and the hon. Mr. Chintaman Deshmukh echoes these things from the hon. Mr. Kidwai. Of course, we know that if the prices had been a little higher and if you could deny more people their food, your stocks would have been much higher than they are today. It is a hoarder's logic. We would like to know, Sir, how many mouths you have fed. During the last one year there was famine, there was hunger...

THE DEPUTY MINISTER FOR FOOD AND AGRICULTURE (SHRI M. V. KRISHNAPPA) : There is starvation and people are dying!

SHRI B. GUPTA:....and even according to the Government estimates, 2-3 crores of people had been affected by famine or what they call scarcity conditions. There is no good coming and telling us that the food front is happy and fine.

SHRI M. V. KRISHNAPPA: People are dying!

SHRI B. GUPTA: Now, Sir, I would not deal with the other aspects of agriculture. In Bengal, for instance, 42 per cent, of the agricultural population is either entirely landless or sharecroppers and the number is increasing every day. Now, in the all-India picture, the same thing repeats. It is a picture of great alarm; it is a picture

[Shri B. Gupta.] of horror; it is a picture of decay and it is a picture of sorrow and shame. I think having that picture in view, nobody would dare to rise up and say that the economic position in the country is improving.

Now, Sir, I would like to draw the attention of the House to the continued domination of British capital. I need not repeat what I have said earlier in the course of the various debates. I would only like to emphasise the current facts with regard to this stranglehold. No attempt has been made to stop the remittance of Rs. 30 crores and more abroad. This money should be tapped. Why should this money be allowed to be carted away from the country when we are suffering from want of capital? Do not you have the powers to stop this and to lay your hands on this and see that that money is ploughed back into industry rather than be taken away out of this country? Actually the real amount would be much more than the figure given by the hon. Shri Chintaman Deshmukh whose friendship towards the British is proverbial. After all, I know, Sir, in the Cabinet meeting when the hon. the Prime Minister proposes making a statement about the Americans, there are hon. Ministers who oppose it and there are hon. Ministers who remain neutral.

SHRI M. C. SHAH: How do you say that?

SHRI B. GUPTA: You have got people who do that. After all the hon. Deputy-Minister would not be knowing it because he does not attend Cabinet meetings.

Now, Sir, I come to the jute mills. I have taken the figures from the journal of the Indian Jute Mills' Association and you will find that almost all the British owned jute mills made more profits last year than in the year before. That is a fact which I took from the books of the Mills themselves. They are not imaginary figures but figures supplied by the Mills themselves. You will find that on a sample survey it has been found that twelve

jute mills made a gross profit to the extent of 47.5 per cent, of their own paid-up capital in the fiscal year 1952-53 and that that trend of high profit is still being maintained. The Government does not seem to bother about it, it does not seem to consider it necessary to interfere in this matter so that some money is found for the workers' bonus as also for capital purposes.

There is also the Titaghur Paper which is again owned by the British and which made a profit to the extent of 85 per cent, of its paid-up capital last year alone. These are significant facts; you are not touching them at all. Then, there are the British Banks—half a dozen of them—which are making profits which come to about 50 per cent of the total profit made by all the scheduled banks in India. What sort of a patriot are you? What sort of a nationalist are you that you allow a handful of British banks to run away with the lion's share of the profits earned on the soil of our country? Can't you stop it? You can; but there is some trouble, the contamination has been much too incurable and it cannot be easily cured.

Then comes the case of Lever Brothers and I am going to tell you a story about it. Lever Brothers control about 50 per cent, of the organised soap market in India and 70 per cent, of the unorganised soap market. Even so, the Government was contemplating allowing them to import machinery worth Rs. 25 lakhs so that they might expand further as a machine of exploitation. This same concern was given a permit by the Commerce Ministry to import cotton, oil seeds from the United States of America to compete with the vanaspathi producers here,—I mean the indigenous manufacturers in India. Now, they knew beforehand, i.e. Government would ask certain people to import cotton oil seeds from the United States provided such people had proper business with that country. Having known that, they immediately managed to start the same business; later on came the notification and Lever Brothers were qualified to get

the permit for import and the permit was readily given. This is a very serious thing. I have got certain other very interesting facts.

They are allowing the British concerns to bring in fittings of buildings from abroad. In Calcutta, the Englishmen have started a Calcutta Residential Syndicate; they have built one ten-storeyed building and they are building more. They had been allowed and given permits to import fittings which can be easily purchased in the Indian markets. It is a condition that they should be allowed to import such things from abroad. The Syndicate is making constructions in Ali-pore for accommodating the British. Not only have these people been permitted to bring in such fittings from abroad but even the Hijli Institute has been permitted by the Commerce Ministry to import such fittings for its buildings. Those are materials that could be bought here in the Indian market.

What is most interesting is the following. A foreign concern, W. J. Bush and Company, is importing certain essence of ghee which on being mixed with vanaspati would make vanaspati smell like ghee. There has not even been an attempt to check it. Now, I do not know how many of you are using that kind of ghee produced by an unholy combination of vanaspati made here and the essence of ghee imported by W. J. Bush and Company from abroad.

I will now take up another question. The Government issues a circular to the British firms to find out the employment position in those concerns, that is to say, to find out how many Indians are employed and how many non-Indians are employed. The Bengal Chamber of Commerce and Industry issues a circular to its Members, circular No. 4, in which it says, "you are requested kindly to refrain from taking any action in compliance with the notice beyond such preliminary steps within your own organisation as you may consider desirable with a

view to the preparation of the required data."

Data had to be cooked up. A circular is issued to the British concern belonging to the Bengal Chamber of Commerce and Industry so that they can manipulate their books in order to bluff the Government of India. The gentlemen of the Government of India go to Calcutta and feel very happy in their company and make very elegant speeches. It is an everlasting shame that such people should not have gone to put some of these traders into prison rather than try to placate them.

Now, Sir, here is the circular. I do not know if the gentlemen of the Ministry are aware of such a circular but some of them, for a change, might like to read it.

Now, Sir, this is the position. Everywhere you see the British are being placated, and I know, along with the British there are certain multi-millionaires of whom Daulatram Rautmal, Kishachand Devachand and Birlas are particularly favoured. They know what is going to be the export and import policy of the Government and I know for certain there is a relative of an hon. Minister who used to sit in a particular P.T.I. office with a view to finding market-reports so that he could advise his clients. He is supposed to be adviser to a number of firms on export and import. I would like the hon. Minister here to stand up and say if there is not such a person who has been sitting in the P.T.I. office with a view to doing certain other business than journalism.

SHRI GOVINDA REDDY: I want to lay the documents he has referred in proof of his allegation, on the Table of the House.

SHRI B. GUPTA: If you would wait for a little more time I would have more stories to tell you. *

Now, Sir, about exploitation. The exploitation of the British is allowed to continue. We have heard of it

Sydney Conference. We had been told about the Colombo Plan Consultative Conference where the great ones of the India Government spoke. Sir, what do we find there? Has there been any attempt to see that the raw materials that we export outside are not sold at a price which is harmful to our national economy, are not sold at a price which fleeces our peasantry? Nothing of the sort.

Here you will find that in 1951-52 we sent 254,000 tons of jute manufactures from India to the Dollar area and got 87.30 crores of rupees. That was in 1951-52. In 1952-53 we sent 3,04,600 tons of jute manufactures abroad but got only 59.93 crores of rupees. We had sent much more than before and got much less. This is exploitation. That was our trade with the Dollar area and in this Journal of Industry and Trade it is clearly stated that during the last year our jute exports abroad fell only by 8 per cent, whereas the value we got for them fell by 42 per cent. This is a gross example of unequal trade which is used as a means of plundering the peasantry of our country, sucking the blood of our country and taking away the resources of our country. Now, these gentlemen are laughing. I do not know how long they will laugh.

SHRI H. P. SAKSENA (Uttar Pradesh) : May I know if the hon. Member himself examined the figures and found that the prices had really fallen down to such an extent? Did he himself do it. Sir?

SHRI B. GUPTA: Now these gentlemen are laughing. I do not think they are laughing in Travancore-Cochin like that, but let them laugh here.

SHRI H. P. SAKSENA: They are laughing in PEPSU.

SHRI B. GUPTA: Now the raw materials that we are sending are registering declining prices. Mr. Maudling, who came from the British Treasury to India went back to England and admitted that the prices were rapidly falling. In the Colombo Plan Consultative Conference it has been so

stated. In various other reports it has been stated, but not a word has been said as to how the Government of India is going to protect our agriculturists against this deliberate coldblooded brow-beating of the prices of raw materials by the Anglo-American imperialists. Nothing has been said. You cannot say such a thing? because you have developed a kinship towards them.

THE VICE-CHAIRMAN (SHRI B. C. GHOSE): Mr. Gupta, your time is up.

SHRI B. GUPTA: You are from this side. For that I won't ask you to be partial but to be just only.

THE VICE-CHAIRMAN (SHRI B. C. GHOSE): I would give you only five minutes more.

SHRI B. GUPTA: Now about deficit financing. Many of the hon. Members have sufficiently spoken on this subject. I would only like to say a few words. We are not necessarily against deficit financing. It is not our contention that deficit financing is always bad. But what we want to make out here is that deficit financing must be so administered that it does not hit the people, but it helps the production and development of our economy. Now in that light we must judge what they are doing. Now, Sir, we know that this deficit financing is accumulating every year. We are not surprised because you will remember that for the last two years we had noticed such symptoms in our hon. Finance Minister. Now the disease has become a little malignant today, but I would not be concerned with personal malignancy if it were not for the fact that it might hit the people and make their situation worse than it is already. Deficit financing requires a correct taxation policy because it is essential to mop up the extra profits and extra purchasing power at the high level, that is to say, you must introduce a policy of taxation which will enable you to get the additional money from the corporations, from the multimillionaires and big people. Nothing of the kind is done because income-tax

is where it was before. Corporations and the business elements and big business are getting concession after concession. It is necessary to control the prices, especially the prices of food. You have introduced the policy of decontrol and you have stopped the food subsidy. When that is the case you cannot possibly keep the market in check; you cannot possibly keep the economic situation under your control and that is yet another factor to which I would like to draw your attention. Then again it is going at an accelerating speed. Now, all these are very dangerous signs. I do not say that tomorrow they will create havoc in the country, but it will lay the basis for a very great crisis for very severe blows to the economic life of our people. Now I would like to ask: Was it not necessary and could you not tap the profits of the multimillionaires? Could you not tap the profits of the British? Could you not tap the accumulated funds that lie with the Indian Princes? Could you not economise expenditure on certain items? That way you could have found money. You could have found the money from the Princes and the zamindars, from the British and foreign exploiters, from the Birlas and Dalmias. You have done nothing of the sort. You are launching upon deficit financing and, at the same time, instead of taxing the rich, you are launching upon new imposts on the common people and that is why we get certain new indirect tax proposals. Therefore, Sir, I say that it is a very dangerous game the hon. the Finance Minister is playing. He may burn his hand but the people will not allow him to burn the country. That is the point, and I would like to that the budget proposals still continue to be formulated on the same old pattern and there is no cause for any hope. There is no cause for any relief in the economic situation in the country.

Finally, I would like to say that as long as these gentlemen remain tied to the policies of certain imperialist powers, as long as these gentlemen

remain allied so irrevocably to their multi-millionaire friends and the princes, the country cannot expect much from them. The country can do well by trying to chase them along the Travancore-Cochin way.

6 P.M.

SHRI GOVINDA REDDY: Mr Vice Chairman, I would begin by welcoming the hon. Shri Sundarayya's assurance of wholehearted co-operation on the foreign policy front. I would at the same time appeal to him and his party and all the other hon. Members on that side to extend to the Government their fullest co-operation on the home front also. We know that we are in a situation which requires the fullest co-operation of every citizen and the expression of the highest patriotic sentiment from every one and I have no doubt that hon. Members on the opposite side will do their best to co-operate.

Well, Sir, there are some provoking points raised by hon. Members. One was raised by the hon. Mr. Rajah who condemned the Five Year Plan. He said it had not made any progress and that he would believe in the Five Year Plan only when the Ganges is made to flow in front of his door, as Ganges was brought down from the hills to the plains in the past. Well, it was rather unfair on the part of the hon. Mr. Rajah to have said so. Well, Sir, he expected the hon. the Finance Minister to be a Bhagiratha to bring down the Ganges, in front of his door. Rather he wanted the hon. the Finance Minister to be a Kubera, whereas he wanted the hon. the Planning Minister to be a Bhagiratha to bring down the Ganga. Well, Sir, we all know from the epics how long Bhagiratha took to bring the Ganges here. He had to perform efcopado tapasya for thousands of years to bring down the Ganga in those days and how could the hon. Mr. Rajah expect within the space of three years—we are on the fourth year of the Plan now—to achieve such won-

[Shri Govinda Reddy.] ders? If he has only eyes to see, as hon. Mr. Sarwate pointed out the other day, he can see the magnificent work done by the Five Year Plan, the magnificent progress that has been achieved in the projects.

The other point which I would like to refer to is about the remarks made by the hon. Member who has just now sat down. He was criticising the attitude of the Government towards the unemployment problem. There is, Sir, the unemployment, problem in the country, nobody has ever denied it, and the Government have recognised that the unemployment problem is a major problem in the country today. But the way the hon. Mr. Gupta put it is very curious. He tried to blame the Government for it. While agreeing with him that there is the unemployment problem. I would like to point out to the hon. Member his own share, the share of his party members in increasing unemployment in the country. They have a very curious method. First of all they believe that there is a Utopian country to our North. They believe in it themselves, hypnotise themselves and make other people also believe in it and hypnotise them too. They go to industrial labour and say, "There is a Utopian state where you will have all rights and no responsibilities. You will get that state only if you will drive out this party." They go to the agriculturists and say, "There is a country where you can grow without sowing; where you have plenty. Only these people are standing in your way." All these stock phrases they use and then they make the industrial labour idle; they make the agricultural labour idle; and they promote strikes and all that. I ask the hon. Member who blamed the Government for this unemployment problem whether he has not a good share in it, a large share in it. Let him only stop doing that and we can see to it that the unemployment problem vanishes.

A point which the hon. Mr. Ranga made was about the industries. He "was criticising the Government for

not having a scheme or a regular plan for mother industries. He said that this was a matter that the Government should have attended to first and that the Government had not set their eyes on it. If there is to be a mother industry we must have a father industry. To think of these basic industries we must have a steel industry which is the father industry and as we all know the Government have made their best endeavour to have a steel industry on a major scale and we must all congratulate the Production Ministry on having attained a very favourable agreement to promote the steel industry here.

*The other point which has been referred to was with regard to Defence. They say that at least under the present situation we must increase our security and strengthen our defence forces. I entirely agree with them and I would have myself expected that in this budget a larger provision was made for defence. But I am surprised that hardly Rs. 6 crores were made available in addition to the previous revised figure and even that was done in the normal course. I can well understand the delicacy of the Government to launch, in any measure, on strengthening our defence forces because we are ourselves committed to the creed of non-violence. Well, Sir, it is not inconsistent with the creed of non-violence to have a strong defence. We all know the parable of the cobra. In a few words, it is this. A cobra heard a sage preach nonviolence, asking people not to hurt anybody, and the cobra was convinced that it was true and took to its practice from the next day. Some two or three days later, when somebody found the cobra not moving he brought others to see it. Gradually people began to come and tried to hustle the cobra out. They first began to throw some small pebbles, but it wouldn't move; even young children began to poke it with small sticks and so on. After all these troubles, the cobra went to the sage and asked him: "Look here,

you preach non-violence and I am trying to adopt it; the result is that I have to bear all sorts of pricks and thrusts and torture." The sage replied: "I asked you not to bite, I never meant that you should not even 'hiss' and scare away people. You should certainly have hissed at those people and the children and thus scared them away." So, we must have at least sufficient defence equipment to scare away people who have aggressive intentions and designs over *us*. I hope Government are not unaware of this and will do their best in this direction.

I now come to the budget proper. I must congratulate the hon. the Finance Minister on presenting his speech which is very lucid and which is a clear exposition. Even a layman who does not know financial matters can easily follow his speech. I agree with him in the analysis which he has made in regard to the economic situation. The hon. Mr. Gupta also referred to it. The hon. the Finance Minister has dealt with the fall in the cost of living index figure on the one side and, on the other, he has also spoken of the rise in the production index figure. If we have to follow the fall in the cost of living index figure, we have to be very careful in drawing conclusions from it. The index figure describes the situation, the improvement in the *economic* situation, *only* in a very broad way, and only in a general sense can we say there is a fall in the price level. But, if we try to measure the economic welfare of the masses, the index figure is no sure guide; it is only of an academic interest. Therefore, in the matter of taxation, when we try to measure the economic welfare of a society, we should take into account not the general index figure alone but the price level of the necessities of life. Well, Sir, the price levels of the necessities of life in the past have been very violent. There have been upheavals. Take, for instance, the price of chillies; take, instance, the price of tamarind; take, for instance, the price of onions.

These are all necessary for the poorest of men. The prices have doubled, trebled and have even gone up ten and fifteen times their normal price level. Well, Sir, when we look at these prices and compare them, we should be very careful in deducing the same lesson as we deduced from the general price level. If the hon. the Finance Minister wants to take this fall in the price index figure as a justification for the imposition of levies, that will not be proper. Well, Sir, this brings me directly to the excise levies that have been imposed. The hon. the Finance Minister honestly believes that there would not be violent repercussions from this imposition. And he believes that the prices may not go But I have humbly to bring to his notice, Sir, that market functions in a different way. We all know how it functions. As soon as the market hears that there is a proposal for a peace conference, at once without rhyme or reason, the prices of all the shares fall. And as soon as we hear of a U.S. Pakistan military Pact, at once the Prices shoot up. There is no rational basis for this. That is the trend of the market. So, if we presume that by the raising of these levies only the proportionate rise will follow in respect of these commodities, I am afraid we are wrong. The prices of these commodities will rise and will shoot up and they will rise not in arithmetical but in geometrical proportions. So, Sir, I would like to submit to him that this is no sure guide, and that we have to reexamine these levies in terms of our social welfare.

[MR. DEPUTY CHAIRMAN in the Chair.]

Well, Sir, there is the levy on betelnuts, on soap, on footwear and on all kinds of cloth. We shall examine how far these levies can be justified, we have been advocating in the press, on the platform, and everywhere in our election manifestos that we will raise the standard of living of the people. We should try to see whether we are consistent with that when we impose these levies. Sir, we know that the man in the street and almost every

[Shri Govinda Reddy.] other man in India uses betelnuts. We know, Sir, whenever anybody meets any of his relatives or friends, he oils *pan supari*. And in any ceremonial functions like marriage, etc., *pan supari* is used on a very large scale. In my community as well as in other communities, in marriages this offering of *pan supari* is a big ceremony. And on such occasions we distribute *pan supari* to all our friends and relatives. We heap up *pan supari* and distribute it on such occasions. Well, these customs are there. It may be good if these customs are not there. I would be happy if we can abolish these customs, but as long as they are there, are we not now adding to the burden of the common man by imposing this? It is a question which has got to be seriously examined. I believe the *supari* rate has already gone up to Rs. 5 a seer. I should not wonder if it goes still higher. Take soap. We want, every one to be clean and so to use soap. Even the villager has learnt to use soap. If we add even a pice to the cost of the soap that he is using, it will be a burden to him. Take again cement. We want our villagers to change their living modes. We want them to live in comfortable houses, strong houses. They have to use cement for that. Moreover, we have taken up these big projects where the Government itself would want cement. Where is the point in levying a cess on cement? After all, what is the amount that we get? Rs. 11 and odd crores. Could we not get this Rs. 11 crores and odd by other means? In my opinion, this is a bad psychological approach. I do not mean to say that this will create large scale discontent in the country, because comparatively it affects only the middle class, the lower middle class and the poor, but to the people who entertain the faith that the budget of a national government should not now add to the burden of the common man, this, I am afraid, will be a serious dis-arrangement. I believe that the time has come for us to determine once and for all the main characteristics of our national

budget. Considering our finances, considering that the scope for raising our revenue through taxation is narrowed down to the very minimum limit considering also the poverty of the country, we must make it clear that our budget must be a budget which will not touch the common man. I do not mean to say that the common man should not share his burden, because he enjoys amenities provided by the State, but not at the present time. Until such time as prosperity spreads to the masses as it has in England, until such time as the Five Year Plan projects yield results and thereby add to the welfare of the common man, I am afraid we should not touch him, and it is not good to touch him till then. If we can make him understand that he has nothing to fear from the budget, I think we will be making a very good psychological approach to him and we will be having the people's fullest co-operation.

There is one danger about these excise duties. These duties fall on the consumer as we all know. Ultimately they shift the burden on to the consumer.

Next I would like to refer to one or two trends which the hon. the Finance Minister has introduced in his speech. Of course, as is usual with him, he has softly introduced them. He says:

"I have approached the problem of dealing with the revenue deficit, not so much from the orthodox' angle of balancing the revenue budget, as from the larger angle of raising as much as is practicable by way of additional revenue for meeting the increased expenditure on development, which is what I responsible for the revenue deficit."

That is No. 1. The other trend is:

"The whole problem of regulating the import duty on essential raw materials came under review in that context and, while obviously no final view has yet been taken, it

is felt that a move towards for gradual replacement of impose duties on raw materials by excise duties on the goods manufactured from them could be made."

Sir, I do not profess to be an expert in financial matters. I am only a student, and I agree that the hon. the Finance Minister is endowed with abilities, with supreme abilities, in that direction. Therefore, I am not arrogating to myself any knowledge. I am only voicing my fears before him. Well, let us examine and see whether there is any room for balancing our revenue budget or not. He says that it is an orthodox angle and he wants to depart from it. I do not think it is his idea to give up this altogether. In a poor country which has limited sources of revenue and no possibilities of taxation, the only course of saving ourselves and running the administration of the country is to try to balance our budget. Well, there is scope here to balance our budget. We have, by these additional duties, raised only eleven and odd crores. This amount we could have easily balanced in our budget, in my opinion. There are different departments to whom sanctions are made and proper utilizations have not been made and irregular expenditure has been incurred. There have been departments where stocks have been rotting. In one department there are stores which are rendered surplus and therefore declared surplus of about Rs. 66 lakhs. This is the figure of store items the book value of which is mentioned. But in the same section of that Department there are stores the value of which is not mentioned which will easily run into lakhs. I am going, through the audit reports and the Public Accounts Committee Report and I find that there are many departments where we have idle surplus stores. We have the Disposal Department which is admittedly not very active. Supposing we put this Disposals Department in order and see that these surplus stores are disposed of, we will be able to realize a larger amount of money. It may amount

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to some crores and that will be very useful for our capital expenditure. As I was saying, there are ways and ways where we have to plug wastage. I have marked these here in the P.A.C. Report.

Some 8 or 10 instances I have taken and in the Defence Department here there is the audit report for 1952—that is the latest report we have got—here it mentions several cases which have staggering figures of irregularity. One thing I would very humbly submit to the hon. the Finance Minister is that when an expenditure is audited and an auditor objects to it, replies to that objection are very slow in coming. The P.A.C. have remarked that in spite of repeated reminders, audit objections are not being replied to. There is no lapse in the hon. the Finance Minister's effort to get replies. The Finance Ministry has done its very best. In fact there are Financial Advisers for every wing of the Military Department and for these Projects and they are giving financial advice

I must appreciate their work but their audit objections have not been replied to regularly. There are audit objections pending for three years. There are audit objections which have not been replied to for four years. It is one direction in which Government has to exert themselves. The Finance Department and the Cabinet must exert themselves. If they exert themselves then we can make tremendous progress and save these things. In the same connection I must refer to another point and that is, taking disciplinary action against officers who are found to have misused moneys or who have been found to have wrongly applied money or who have been found to

be guilty of corruption. The Government had not planned till very lately—till that famous case, of which we all know, occurred. Even the

U.P.S.C., as the P.A.C. Committee remarked, are very slow in disposing of the references made by Government for taking disciplinary action. I am making these statements from the report of the P.A.C. They are not my remarks. I have no time, otherwise I would

[Shri Govinda Reddy] have read out from the reports I have here. It takes some time. The Executives or the Heads of the Departments are also not discharging their proper functions in making a report against the officers who are guilty of these things and in taking disciplinary action against them and in reporting cases of such irregularities to the proper authorities concerned and in expediting replies to the audit objections. This is a direction in which the Government will have to strike and if we should try to plug in these holes where wastage occurs, where idle funds are locked in and where inefficiency and corruption prevails, I am sure that we will be able to balance the Revenue budget. The other point which I would like to submit in connection with the first trend which the hon. Minister pointed out is this. We have to devote our serious thoughts to our administration: we have inherited this costly administration and it is not of our making but how long can we continue this costly administration? Is it justified? Nobody can say that this administration can be supported by the country. The poor taxpayer cannot support it—it is admitted on all hands. When shall we begin to rationalise this administration, in cutting down or scaling down the civil expenditure? A beginning has to be made. I believe unless we make that beginning, unless we tone down the cost of this administration to some reasonable proportions to the per capita income, we will not make any headway. We may have projects, we may have other things but as long as there is this wide gulf between the salaries of the officers who are to administer the country, poor people and the average man, we will have no welfare in the country. Last year also I made this suggestion to the hon. the Finance Minister. He worked out how it would look. He said that the savings that would be got by means of cutting down the salaries and the salary structure would be about two and a half annas per head. I do not dispute that. It may be only so much. It may be

such a ridiculously small figure. But it is not the actual amount of the saving that matters. That very fact would have a very important psychological effect. As soon as we scale down the expenditure and bring the highest officer to the standard of the average man in the country, all these differences in treatment would go. The officers and the men would feel like blood-brothers and the officer would feel it his duty to strive for them, to slave for them whether he is getting the proper remuneration or not. I believe, Sir, our official structure has got that patriotism and they will certainly respond if only we make the attempt. And unless we make that attempt there is no safety for us. We cannot afford to indulge in the pleasure of riding this white elephant any longer.

I will now come to the second point which.....

MR. DEPUTY CHAIRMAN: It is already time.

SHRI GOVINDA REDDY: I will just finish this point and then end. I had some more points, but I will not take them up now. There is increased reliance placed on excise duties in preference to customs revenue. I admit customs revenue would not be steady. Last time, I said, customs revenue would register a heavy shortfall and it has happened, but to say that we should now switch ourselves on to excise duties in preference to customs duties is something which has given rise to some doubts in my mind. Our industries are still in the infant stage. Of course, we have extended protection to them over a fairly long period but it must be admitted that they have not come to that stage when they can meet their own needs, when they are able to face competition of highly developed industries. When our industries are still in the infant stage, if we impose excises on their products what would be the result? The result would be that you will be adding a burden on

the consumer and you will also be making the products of such industries unsaleable. I am afraid, Sir, that this is bound to affect the industrial structure of our country. Of course, we have greatly to rely upon excise duties when we have an industrial system which is entirely as progressive as we find in the West, when our main plank of economy is industry; then, of course, we have to place more reliance upon our excise duties but not till then. I humbly beg to submit to the hon. the Finance Minister that this, in my opinion, is not a sound proposition to follow, at least for the present.

Now I would like to support the case that has been put forward for the Honnemardu Electricity Project, the blessings of which cannot be overstressed. It will be able to serve many States in the South and I hope, Sir, that the hon. the Finance Minister will give his favourable consideration to this project.

I support the Budget all the same, and I would like the hon. the Finance Minister to bestow some consideration on the arguments which I have placed.....

SHRI M. C. SHAH: Yes.

SHRI GOVINDA REDDY:here, however, inexperienced he may consider me to be.

SHRI KISHEN CHAND (Hyderabad): Mr. Deputy Chairman, I shall confine my remarks entirely to the income and expenditure side of this Budget. Before I consider these items, we must make a survey of the general economic conditions prevailing in the world for our entire import and export policy and the income derived from the import and export duties will depend upon it. The hon. the Finance Minister has stated in his speech that the world market has changed from a sellers' market to a buyers' market, that the stockpiling in America has been discontinued and that there is a possibility of a recession happening in America. At least a five per cent-recession is almost certain in America

and as American trade is almost 50 per cent, of the world trade, even a five per cent, recession in America is going materially to affect our trade in this country. Therefore, Sir, we have got to devise ways and means of so I adjusting our export and import trade that we sell our exportable goods at the highest possible price and import articles at the cheapest possible price. We see, Sir, that our neighbouring countries, in particular China, are making rapid progress. Several hon. Members know that certain European countries have made rapid progress even after the devastation of the last War. Our country's progress is not rapid enough. I would humbly request the hon. Finance Minister to give up some of his orthodox policies and to take up a bold stand so that by some sort of multi-lateral bartering system we can push up our export trade in certain monopolistic commodities like tea and jute and get imports of machinery at the cheapest possible price so as to set up basic industries which may later on manufacture machinery in our own country.

With these preliminary remarks I come to our Budget. I find, Sir, that the hon. the Finance Minister has embarked on a very dangerous policy of imposing excise duties. Sir, if we consider the burden of direct and indirect taxes, we will find that the customs duties yield Rs. 175 crores and the Union excise duties yield about Rs. 103 crores including the ne-v taxes. That means a total of nearly Rs. 288 crores.

Sir, in the States, the sales tax, the land revenue and all that fall on the poorer section of the population This Union excise duty and the customs duty directly or indirectly by raising the price of the imported articles and by reducing the internal price of the exported articles, is eventually hitting the poor man in this country, the agriculturist, the small trader in the urban area and the small manufacturer in the urban area.

[Shri Kishen Chand.]

Sir, as compared to this burden of nearly Rs. 450 crores of indirect tax, taken together for the Centre and the States, the direct tax is only of the order of Rs. 160 crores. I submit, Sir, that the hon. the Finance Minister should be very careful when he is propounding this theory of levying an excise duty on goods produced in this country. The direct effect of the new duty imposed on soap will be that the Indian manufacturer in the organized soap section will disappear.

Some time back the hon. Minister for Commerce & Industry stated in this House that Lever Brothers were prepared to reduce the price of their soap but he did not permit them to reduce their price because the Indian competitor would have disappeared completely. Now, the imposition of this excise duty will permit Lever Brothers not to increase the price and to pay the excise duty from their own profits. The cost of production in the case of the poor Indian producer of soap being higher is not in a position to pay that excise duty from his profits. The result will be that we have to raise the price of soap while Lever Brothers will not raise the price of soap and the net result will be that the small ones left to Indian industry in the soap section will disappear. We find that the foreign investor is slowly and gradually getting a hold on our economy. Even at present 50 per cent, of the total invested capital in organized industry in India is in the hands of the foreigner and if permission is given to him, slowly and gradually he will drive out all the medium-scale and small-scale Indian-owned industries. Sir, in this background, to levy an excise duty on soap and other items will result in this that we will in course of time ring the death-knell to Indian industry.

As regards the direct tax it is quite true that the foreign-owned firms have made larger profits and it may also be true that the very big industrialists of this country may have

made profits, but the medium-scale industries and the small-scale industries and the cottage industries and the small-scale traders are very heavily hit. I think it is very dangerous to make any predictions, but my contention is that the income from the customs duty and the income from the income-tax will go down in the years to come as I see it today. The effect may not be felt for a year or two but it is coming. If we see the collections of the income-tax in this year we find that the collections in the first three quarters was less than in the corresponding period of last year and it is only the desperate collections of the last quarter that may permit the hon. the Finance Minister to reach the estimates in the last year's budget.

So, Sir, with this picture of our income, with these sources of our income being limited and restricted and with no possibility of expansion what is the alternative? The alternative is: We must cut down our expenditure. Sir, let us examine the items of expenditure in our Budget from year to year. I have to point out that the expenditure on every item is increasing year by year and the figures are so arranged that the ordinary layman cannot understand them and cannot criticise them. Heads are grouped together so that if an hon. Member tries to criticise he is generally caught up in these figures. May I point out that in the Direct Demands on Revenue, the amount paid to the States as their share of excise duty has been included to the extent of Rs. 18 crores. So that if from the Budget Estimate of Rs. 32 crores for Direct Demands on Revenue you subtract Rs. 18 crores representing excise duty, it leaves a balance of Rs. 14 crores, being the expenses of tax collection. Only three years, back this amount was only Rs. 10 to Rs. 11 crores. In this matter of tax collection alone the expenses have gone up by about Rs. 3 crores.

Then we come to the Debt Services. The net figures is only Rs. 35

crores though it is stated as Rs. 40 crores here, because it includes Rs. 5 crores, being for the avoidance of debts. If we see the Explanatory Memorandum and the Annexure, we find that there is a continuous increase in interest payments. I will come to the Government's policy of borrowing in the market a little later, but I want to point out here that the interest charges are continuously going up from year to year on account of the wrong policy of borrowing followed by our Government.

SHRI M. C. SHAH: How wrong?

SHRI KISHEN CHAND: I will point out how it is a wrong policy of borrowing. Then, regarding Civil Administration, the hon. Mr. Rajah made the mistake as any layman will make, of pointing out that the expenses have increased from Rs. 51 to Rs. 86 crores. I admit that in these Rs. 86 crores there are certain items of grant to Education and similar items, but even if you subtract these additional items, you are still left with a figure of about Rs. 68 crores. It will be clear by again referring to the Annexure and the Explanatory Memorandum that our expenses on Civil Administration are going up steadily from year to year by opening up new Departments who simply add to the red-tape without adding anything to efficiency. In reply to a question one of the hon. Ministers has stated that the number of officers and employees, as compared to pre-war years, in the Central Secretariat is nearly four-fold. Sir, in the years before the war in the unified India the total expenditure on Civil Administration was about Rs. 12 to Rs. 13 crores, but now that has gone up to nearly Rs. 68 crores excluding all the expenditure on new items which was not incurred in those days. That means the expenses have gone up nearly five-fold.

Then, I come to the Defence Services. Here also, the expenditure has been mounting from year to year. During the last four years, the expenditure has gone up from Rs. 150 crores to Rs. 205 crores. I admit that

it is the primary duty of our Government to defend our country, but certainly we cannot afford this high expenditure. It will be taking our country towards bankruptcy and putting an end to all measures of progress. But if we carefully analyse this Rs. 205 crores, we will find that at least Rs. 50 or 60 crores are being spent on the purchase of equipment. The hon. Mrs. Violet Alva has just now pointed out that we are purchasing all out-dated military equipment from European countries and the U.K. This out-of-date material has been accumulating during the last five or six years. The expenditure on this has mounted up to Rs. 250 or Rs. 300 crores. If our Government had been wise enough and had foreseen that there was no danger of a war after the World War II, they could have imported the machinery and plant required for making defence equipment and made all armaments in our own country, instead of throwing away Rs. 250 or 300 crores in purchasing junk from foreigners. If we had only been far-sighted, we could have imported this machinery.

An hon. Member was making a reference to 'together industries'. This expansion of the steel industry should have come into being in 1947. Instead, we have, in 1954, come to an agreement with a German firm; it will come into production in 1958. What was the harm if an agreement had been entered into in 1947 so that it might have come into production in 1951? Why did not our Government give a loan to the Tatas when they asked for it in 1947—when they wanted only Rs. 10 crores to double their capacity? Now, the new factory is going to cost our Government Rs. 78 crores. The Government policy and the policy of the Finance Ministry is just to make an orthodox budget, from year to year, without any vision or a long-term plan; they say that this is the expenditure and they have to provide the income for it. This is not going to solve our problem. We will have to consider that we should give up this type of annual budgets but

[**Shri Kishen Chand.**] draw up the budget for the next five years in which we try to provide for these basic industries which are going to relieve our country from the dependence on foreigners in the matter of defence and in the matter of armaments.

Then, Sir, we have adopted a policy of lending money to the States. The hon. the Finance Minister has pointed out that the total debt due from the States is about Rs. 600 crores. The sources of revenue of the States are very limited. The States have now embarked upon a policy of multipoint sales tax. The result is that the cost of consumer goods has gone up tremendously. The resources of the Central Government are a little more expansive and therefore I would suggest that we will have to be very careful and ask the Taxation Inquiry Committee to go thoroughly into the matter of finding out how it is possible to replace this Union Excise Duty and this multi-point sales tax by one turn-over tax—a reasonable turn-over tax which does not raise the price of articles and which does not lay a heavy burden on the consumer. Then alone can we have an equitable distribution between the Centre and the States. **Just at present, by a multiplicity of agents, some collecting excise revenue, some collecting sales tax between the States, the poor trader is harassed so much that it is hampering his business very much.** I suggest that when the States cannot possibly afford to pay the interest and cannot possibly afford to give any contribution to the projects, will it not be far better for the Centre to complete all the projects themselves instead of charging the States any interest because, hon. Members will find that the interest charged to the States is about Rs. 15 crores. Instead of charging interest to them they can complete the projects and make a water levy. That will be more equitable than charging interest to parts of the same unit. It is very wrong on principle that the Centre charges interest to the States.

Then, Sir, the hon. Finance Minister has stated that industrial production is going up. The hon. Member who preceded me on this side has clearly pointed out that except for one or two industries production has gone down. And that increase in production in those one or two industries has been due not to extra employment, not to setting up of new factories, but due to the greater use of the same machinery and the extra hours of labour put in by the labourers in that industry. Sir, the development of indigenous industry has completely stopped in this country. There is no saving and there is no means of starting new industries, and all this is due to the financial policy of our Government. As I said, Sir, it is partly due to the wrong borrowing policy of our Government. A few years back we believed in the lower rate of interest, and it was quite right. The rate of interest on Government securities was kept down at two and a half per cent, or two and a quarter per cent. The investor could see that instead of investing in Government securities if he invested his money in industry, he could get better returns, and so he was taking a risk. Now if Government is giving a high rate of interest, no investor will invest his money in industry, but he will invest naturally in Government securities. So the entire market is captured by Government securities and nothing is available for the private sector of industry. Further, Sir, in ordinary times the banks used to purchase the Government securities. When the banks had taken the Government securities, the banks could borrow from the Reserve Bank or from the Imperial Bank on the security of Government bonds and lend to the industrialists. Now the Government has started the idea of Treasury Bills. They are short-dated Treasury Bills. If the bank invests its money in Treasury Bills, it cannot borrow on the security of Treasury Bills. The whole capital of the bank is being locked up in Government securities and Treasury Bills and there is an acute shortage of

money in the money market for being

lent to industrialists and traders. The result is that the plight of industry at the present moment at least in the indigenous sector is very, very hard; and if things go on like this their result will be realised in two or three years' time. Such things take time.

Again, Sir, we find that our Sterling Balances are going up. It is a thing over which we should not feel happy. If the Sterling Balances are going up it reveals that we are trying to support the sterling area at the cost of our country. We should have utilised the sterling balances either to liquidate foreign investment in our country or we should have utilised the sterling balances for importing basic machinery to make other machines. We are just attending various conferences of Commonwealth Finance Ministers, and agreeing to a policy of giving strength to sterling. We give every sort of preference to Commonwealth countries. I ask, "Is it in the interests of our country?" What is the good of having Rs. 722 crores. in the Sterling Balances held in England on which the Government of India gets an interest of only 1J per cent.? If we had imported machinery for Rs. 700 crores to set up very heavy chemical industries, the country today would have been independent of foreign help. We are going in for dollar loans in spite of the fact that we have now a surplus in the balance of payments in respect of dollars. We have considerable Sterling Balances, we have 1 surplus in dollar payments and yet we are going in for World Bank loans at the rate of 4J per cent. How is it justified that we pay 4J per cent. to the World Bank, while we get only 11 per cent. on our Sterling Balances? Cannot we adjust the two? Th? World Bank loan is only for about Rs. 113 crores. We can easily adjust Rs. 113 crores out of our Rs. 723 crores of Sterling Balances and yet have a substantial surplus of Rs. 610 crores to be utilised for our other needs. The hon. Mr. Ranga said that he would not mind foreign loans if they did not come with any strings attached to them. It has been often

discussed in this House that you cannot have foreign help without any strings attached to it. We know what in ordinary life is the relationship between the borrower and the lender. Sir, we want our country to develop. We have got the examples of other countries who have developed without getting anything from foreign countries. I do not want to repeat the cases of Soviet Russia or China, but even our neighbour, Burma is going ahead and will be making a great headway very soon by their new economic policy. In the matter of balance of payments, luckily we have a favourable position and this favourable position is due to our better food production and less of imports from other countries. What use are we going to make of this favourable balance of payments position? Are we going to use this favourable position for the rapid industrialisation of our country or are we going to keep this balance like the Sterling Balances in the Bank of England or in the Pool to strengthen the position of the Sterling and of the Commonwealth countries? **Why** do we want to be economically subservient to the Commonwealth? I do not see any reason for that.

Then, I come to the National Income Committee's report to which the hon. the Finance Minister has referred. If you see that report, you will find that, though our *per capita* income is now Rs. 260, the *per capita* income of the agricultural population is only Rs. 180. Sir, is it possible for any agriculturist to exist on Rs. 180 a year, *i.e.*, Rs. 15 a month and that, too, with these inflated prices of agricultural products? s,

Several hon. Members have pointed out that in the first three years of the Plan we have spent only about Rs. 1,000 crores. We have not assessed whether we have got the full benefit of that thousand crores of rupees. In the next two years we want to finish the remaining Rs. 1,250 crores in some way **or the other.** **Hon.**

[Shri Kishen Chand.] Members know that in every year's budget when the month of February or March comes, there are unspent balances in every Department and they are very keen to spend the un- spent balance without due regard to the nature of expenditure. Therefore how is it possible for us to spend Rs. 600 crores in this 4th year of the Plan? The result will be that we shall somehow or other spend it whether we get any benefit out of it or not which is another matter. Therefore, I would ask the hon. Finance Minister to lay much greater stress on proper spending. That is much more important. I submit that in our Five Year Plan on our projects we are wastefully spending money, that we are not getting the full return from these projects because our rates of construction are estimated on the basis of rates prevailing in the U.S.A. and the U.K. As we get world tenders, the rates are generally based on world prices. Ours is a poor country and vsre can manage things much cheaper.

Sir, I would submit to the hon. Finance Minister very carefully to scrutinise and see that we get full return *Lex* the money spent on the Five Year Plan. Then we come to the question of unemployment

M}R. DEPUTY CHAIRMAN: It is time, Mr. Kishen Chand.

SHRI KISHEN CHAND: Sir, I want to speak for another five minutes."

MR. DEPUTY CHAIRMAN: You have taken half an hour. Please wind up.

SHRI KISHEN CHAND: I want five minutes more. Can I take it on Saturday?

MR. DEPUTY CHAIRMAN: All right. The House stands adjourned till 2 P.M. tomorrow.

The Council then adjourned till two of the clock on Friday, the 5th March 1954.