

SHRI M. VALIULLA: What is the strength of this institution?

SHRI K. D. MALAVIYA: This centre has got provision for the training of 150 blind trainees.

DOLLARS AND GOLD

*107. SHRI M. VALIULLA: Will the Minister for FINANCE be pleased to state the sterling area's dollar position at the end of 1952?

THE MINISTER FOR FINANCE (SHRI C. D. DESHMUKH): The sterling area's dollar position is indicated by the level of its Central Reserves of gold and dollars. These reserves stood at \$1,846 million at the end of 1952. During 1952, the reserves fell from \$2,335 million to \$1,700 million by the end of March 1952; thereafter there were minor fluctuations from month to month, with a generally rising trend.

SHRI M. VALIULLA: Is it not a fact that a Commonwealth Finance Ministers' Conference was held in the month of January to see that more dollar was there for the Commonwealth countries and that some resolutions were passed in that Conference?

SHRI C. D. DESHMUKH: A Conference was held and whatever information I had to give, I have already given to the House on a former occasion.

SHRI M. VALIULLA: What were the steps taken by India to improve the dollar position from that time onwards?

SHRI C. D. DESHMUKH: Generally, Sir, we have tried to stimulate exports by liberal licensing and reduction or removal of export duties and by reduction in imports principally of food-grains and cotton. As a result, towards the latter half of the year 1952 there was a considerable improvement in our own contributions to the Central Reserve.

SHRI M. VALIULLA: So far as India is concerned, what was the position of

India at the end of 1952? Are we to pay or are we to receive from foreign countries?

SHRI C. D. DESHMUKH: We do not pay or receive money from foreign countries but our *pro forma* account of dollars shows—we receive and make payments in sterling—that we were in deficit, that is to say, our withdrawals were greater than our contributions to the extent of \$112,000,000 taking 1952 as a whole, but for July, August, September, October, November and December, we had consistent balances. It was one million in July, 7 millions in August, 16 millions in September, 18 millions in October, 20 millions in November and 14 millions in December.

SHRI M. VALIULLA: The Finance Ministers' Conference in January 1952 decided that the sterling area as a whole can balance the position by the second half of 1952 at the latest. Has this target been reached?

SHRI C. D. DESHMUKH: I have not got information for the whole of the sterling area, for which I am not responsible, but we have attained our target.

SHRI B. GUPTA: May I know whether it was agreed in the Commonwealth Finance Ministers' Conference that India should import only British goods in order to improve the sterling position?

SHRI C. D. DESHMUKH: No, Sir.

SHRI B. GUPTA: May I know whether India's sterling balances are being used for improving Britain's position in regard to dollar?

SHRI C. D. DESHMUKH: I do not follow the question.

MERGER OF DEARNESS ALLOWANCE WITH WAGES

*108. SHRI B. V. KAKKILAYA: Will the Minister for FINANCE be pleased to state:

(a) whether Government have taken any decision on the recommendations of the Gadgil Committee regarding the merger of dearness allowance with wages; if so, what is the decision; and

(b) when Government propose to implement the recommendations of the Committee?

THE DEPUTY MINISTER FOR FINANCE (SHRI M. C. SHAH): (a) and (b). The Report of the Gadgil Committee is still under the consideration of Government and a decision is expected to be announced very shortly.

DR. R. B. GOUR: May I ask, in view of the fact that there is a lot of difference in the degree of neutralisation, in the cost of living by the D.A. paid by various industrial centres—in Ahmedabad it is 100 per cent., in Bombay it is 90 per cent., in Sholapur it is 60 per cent. and in Hyderabad it is only 50 per cent. at the 1949 level and at which level it has been pegged—what steps do Government propose to remove this discrepancy?

SHRI M. C. SHAH: The question was with regard to the implementation of the Gadgil Committee's recommendations. I said that the Government was considering the question and that a decision would be taken very soon. I do not understand how this question arises.

DR. R. B. GOUR: My point is that, while implementing the recommendations of the Gadgil Committee that 50 per cent. of the D.A. should be merged with the pay, if you merge 50 per cent. of the D.A. in Ahmedabad and the same 50 per cent. in Hyderabad also, the difference will be very great because in Hyderabad the D.A. is only 50 per cent. of the cost of living at the 1949 level.

MR. CHAIRMAN: All that will be taken into consideration.

DR. R. B. GOUR: Has the Government considered that point?

SHRI C. D. DESHMUKH: This question refers to the dearness allowance paid to the employees of the Railways and other Government servants. It does not refer to the dearness allowance in industrial undertakings in general.

DR. R. B. GOUR: In that case, would this apply only to the Central Government servants or also to the servants of the Hyderabad Government?

SHRI C. D. DESHMUKH: Only to the servants of the Central Government.

SHRI B. V. KAKKILAYA: May I invite the Minister's attention to the reply to a question in the other House in November that this question would be taken up very soon. May I know why there has been such a long delay in taking a decision?

SHRI C. G. K. REDDY: It is still very soon.

SHRI C. D. DESHMUKH: It is a very complicated issue, and nothing is lost by this little delay which is necessary for a full consideration, because that will not affect the date from which the decision will take effect.

SHRI B. V. KAKKILAYA: Does the Government know what loss it entails to the employees of the Government?

SHRI C. D. DESHMUKH: There will not be any loss to them, because the decision will take effect from the 15th July.

SHRI B. RATH: May I know whether "very soon" will continue even till 1956?

REVENUE FROM EXCESS PROFITS TAX

*109. SHRI GOVINDA REDDY: Will the Minister for FINANCE be pleased to state the amounts of excess profits tax collected in the current year up to the end of January 1953?

THE DEPUTY MINISTER FOR FINANCE (SHRI M. C. SHAH): The