

## ORAL ANSWERS TO QUESTIONS

## Fourth Plan

61. Shri A. K. Gopalan:  
 Shri P. Ramamurti:  
 Dr. Ranen Sen:  
 Shri Dhireswar Kalita:  
 Shri Indrajit Gupta:  
 Shri Yashpal Singh:  
 Shri Eswara Reddy:  
 Shri Prakash Vir Shastri:  
 Shri Bibhuti Mishra:  
 Shri K. N. Tiwary:  
 Shri Madhu Limaye:  
 Dr. Ram Manohar Lohia:  
 Shri George Fernandes:  
 Shri Vasudevan Nair:  
 Shri C. Janardhanan:  
 Shri S. R. Damani:  
 Shri Baburao Patel:  
 Shri K. Halder:  
 Shri Ramachandra Ulaka:  
 Shri Dhuleshwar Moona:  
 Shri K. Pradhani:  
 Shri Hoerji Bhal:  
 Shri R. Barua:  
 Shrimati Tarkeshwari Sinha:  
 Shri Ram Charan:  
 Shri K. M. Abraham:  
 Shri P. P. Ezhumalai:  
 Shri Viswanatha Menon:  
 Shri Umashankar:  
 Shri K. Anirudhan:  
 Shri Sradhakur Supakar:  
 Shri N. B. Laskar:  
 Shri Swell:  
 Shri S. C. Samanta:  
 Shri A. K. Kisku:  
 Shri S. N. Maiti:  
 Shri Trilok Kumar Chaudhuri:  
 Shri B. M. Banerjee:

Will the Minister of Planning be pleased to state:

(a) whether the Prime Minister indicated at the Chief Ministers' Conference held recently in Delhi that the Fourth Plan programme would have to be reviewed in the light of the food, prices, resources and foreign exchange situation;

(b) if so, when the review is likely to be over; and

(c) when the draft plan will be finalised and laid before Parliament?

The Minister of Planning, Petroleum and Chemicals and Social Welfare (Shri Asoka Mehta): (a) to (c). The Draft Outline of the Fourth Plan is being reviewed in the light of the changes in the economic situation that have taken place since it was published. The review will be completed as soon as possible.

Shri A. K. Gopalan: May I know whether it is a fact that the World Bank and the Aid India Consortium are scrutinising the projects that are to be included in the Fourth Plan and, if so, whether the Government of India has accepted the position of the World Bank and the Aid India Consortium being the final arbiters in this matter?

Shri Asoka Mehta: The final arbiters of the Plan are the Members of Parliament. As far as the World Bank and the Aid India Consortium are concerned, they have to look at the Plan and decide where and how far they would be willing to provide the assistance that we ask for.

Shri Hanumanthaiya: Why should they have the right to look into our Plan? That is the fundamental question.

Shri A. K. Gopalan: A Draft Plan has already been submitted to the Parliament. May I know whether another Draft Plan is to be submitted and, if so, what are the basic changes in it and what is the reason for that?

Shri Asoka Mehta: During the current session we shall have the annual plan for 1967-68.

Shri A. K. Gopalan: Is it a new draft plan?

Shri V. Krishnamoorthi: Let it not be called Five Year Plan.

Shri Asoka Mehta: The Five Year Plan has always to be broken up into annual plans. As far as the Five Year Plan is concerned, the draft plan was discussed in various committees of Parliament. We are also having discussions with the Govern-

ments that have been formed in the States, and as soon as the review is over, it can be finalised; a real review can start only when the various budgets are available; we hope to finalise the document after it and bring it before the House.

**Shri Chintamani Panigrahi:** Are we to understand that for the last two years only annual plans are being formulated and Five Year planning has been completely given up? Does it mean that for the next three years we shall go on only with annual planning?

**Shri Asoka Mehta:** The Five Year Plan outline is before us. We have also reached agreements with 16 out of 17 States about the Five Year Plans for the States. Unfortunately, there has been marked fluctuation of the resources available for the Plan. For instance, when a review of the current year's resources was made in October, 1966 in consultation with the State Governments, the resources that the States would be able to provide for the annual plan were worked out at Rs. 408 crores. When a similar review was made in April, 1967, the resources came down to Rs. 283 crores. When a further review was made recently, the resources have come down to Rs. 225 crores. We are, therefore, going into this fully with the States. I would like to point out that as a result of increase in dearness allowance, the States' resources have been eroded to the tune of Rs. 500 crores over the Plan period. As a result of certain concessions in taxes and certain subsidies etc. given they have further gone down by Rs. 140 crores. Therefore, the total erosion has been of the order of Rs. 640 crores, and we have got to discuss with the States whether to this extent the plans should be revised or whether they have some other suggestions in this direction.

**Shri Ranga:** The only thing that remains is a declaration of insolvency.

**Dr. Ranen Sen:** Some time ago, it was known that the Planning Commission or the Government of India

were refusing to make adequate allotments for the Fourth Five Year Plan to the States, and the State Governments were anxious about the share that they would get for the Fourth Five Year Plan. When the Aid India Consortium or the World Bank were giving help or instructions or advice to the Planning Commission and the Government of India, was this question of giving help to the State Governments for the Fourth Plan allotment discussed, and if so, what was discussed?

**Shri Asoka Mehta:** This question does not arise as far as the World Bank or the Consortium or the Soviet Union or any of the East European countries or any other sources from whom we seek credits or concerned, they are not concerned whatsoever with what we do about financing the State plans.

**Shri Hem Barua:** Some time back the President of the World Bank visited this country and had a series of talks with our Ministers. In that context, may I know how far it is a fact that the President of the World Bank has suggested some Indo-Pakistan joint projects? If he has suggested like that, what is the reaction of the Government to that, and has he assured us of any financial aid for the implementation of our Plan?

**Shri Asoka Mehta:** In so far as the discussions of the President of the World Bank with me are concerned, no reference to Pakistan was made.

**श्री क० ना० तिवारी :** अभी स्टेट्स के जो चीफ मिनिस्टर हैं उनके साथ आपकी कॉन्फ्रेंस हुई थी। स्टेट्स में लैंड रेवेन्यू में छूट दी जा रही है, वाटर रेट्स में छूट दी जा रही है और डा० ए० वगैरह सब बढ़ाया जा रहा है। इस तरह से उनके जो खर्चे हैं वे बढ़ रहे हैं और आमदनी कम होती जा रही है। मैं जानना चाहता हूँ कि क्या आपकी उन से इस सम्बन्ध में भी कोई बात हुई और इस सब का स्टेट्स

के डिबेलेपमेंट पर क्या असर पड़ेगा, इसके बारे में भी बात हुई यदि हां, तो उनका रिएक्शन इसके बारे में क्या था ?

**श्री अशोक मेहता :** जी हां, इन सभी सवालों के बारे में, डिप्टी प्राइम मिनिस्टर ने श्री मैन जो हम लोगों की राय है उसको स्टेड्स के चीफ मिनिस्टर्स और फाइनेस मिनिस्टर्स की खिदमत में पेश किया था । उन्होंने अपने क्यालात भी कुछ रखे थे । लेकिन करीब करीब सब ने यह बताया कि उनको थोड़ा समय चाहिये और बजट बनाने के बक्त वे फैसला करेंगे कि क्या करना और क्या नहीं करना है । उन लोगों के साथ हम लोगों की बातचीत चल रही है । प्लानिंग कमीशन और विभिन्न मिनिस्ट्रों की जॉयंट टीम मुक्तानिफ स्टेड्स में जा रही है । और इस बारे में उन ने बातचीत कर रही है ।

**Shri Indrajit Gupta :** The hon. Minister stated in his original reply that the delay in finalising the Plan was due to certain changes which had taken place in the meantime. May I know specifically what are the changes which had taken place in the sphere of anticipated or committed foreign assistance for the Plan? Delay can only mean that the earlier expectations have either been belied or the amount that was expected has been cut down. Specifically what are the changes in that respect which have led to the delay?

**Shri Asoka Mehta :** As far as external assistance is concerned, the hon. Member knows that we have been negotiating with a number of countries. He is also aware of what assistance has been promised by the Soviet Union and some of the East European countries. He is also aware of the assistance that has come during the first and second years of the Plan from the consortium over which the World Bank presides.

As to what will be the total quantum of external assistance that will be available will be decided after the final Plan has been drawn up, and then the parties concerned can say how much or to what extent they would want to assist us.

**Shri Indrajit Gupta :** My question has not been answered. He is only telling me what I am aware of. I wanted to know what changes, if any, are there noticeable in the trends or the commitments or the expectations which were there earlier as regards foreign assistance.

**Shri Asoka Mehta :** As far as any changes are concerned, non-project aid has been flowing in more or less according to our general expectations. But as far as project aid is concerned, negotiations for it have not moved forward as we had hoped them to.

**Shri D. C. Sharma :** From what the hon. Minister of Planning has said, it is obvious that the cake of our resources for the Fourth Plan is getting smaller and smaller every day and the cake of our needs for the Plan is getting bigger and bigger every day. May I know from him if the axe is going to fall on the public undertakings or some other bodies will be taken into account so that the gap between the two is bridged?

**Shri Asoka Mehta :** The Plan consists of two parts: the public sector investments and the private sector investments. As the Economic Survey has pointed out, savings in the economy have gone down. How large the public sector can be depends ultimately upon the willingness of the governments concerned to mobilise private savings for public purposes. These are questions which have ultimately to be decided by the governments concerned. The erosion that has taken place, as I pointed out, is of the order of Rs. 640 crores so far as States resources are concerned; it may be of the order of Rs. 400-500 crores as far as the Centre is concerned. It is entirely up to these governments to

decide whether if the economy picks up, they would want to make a larger effort at mobilising resources to maintain public sector investments or permit those resources to remain in other hands.

**श्री बलपाल सिंह :** क्या इस योजना का कोई पहलू ऐसा भी है, जहाँ फनसरेटेन्टी न हो? क्या कोई मान लेना कि जिस योजना प्रायोग के मेम्बर भी नियुक्त नहीं हो सके हैं, उस के द्वारा बनाई गई योजना चल पाएगी? मैं यह जानना चाहता हूँ कि सोचने में कितना टाइम आता है और बॉक्स में कितना टाइम जाता है।

**श्री अशोक मेहता :** मैंने मेम्बर साहब की छिदमत में पहले भी भर्ष किया था कि हर साल का एनुअल प्लान पार्लियामेंट के सामने आता रहता है। मैं यकीन दिला सकता हूँ कि जहाँ तक एग्रीकल्चरल प्रोद्युस्य और प्लान का सम्बन्ध है, उस में प्लानिंग कमीशन या सरकार की तरफ से कहीं भी कोई भी कमजोरी या रुकावट नहीं आती है।

**श्री बलपाल सिंह :** योजना प्रायोग के मेम्बर कब तक नियुक्त हो जायेंगे?

**अध्यक्ष महोदय :** श्री बाबूदेवी।

**श्री अटल बिहारी वाजपेयी :** क्या इन सबरों में कोई सफाई है कि बिस्व बैंक भारत सरकार पर इस बात के लिए दबाव डाल रहा है कि जब तक हम मुरादा पर होने वाला खर्च कम नहीं करेंगे, तब तक हमें पूरी प्राथमिक सहायता देना उस के लिए मुश्किल होगा?

**श्री अशोक मेहता :** बिस्व बैंक के प्रीजिडेंट ने जब मुझ से बात की, तो उन्होंने डिफेन्स का बिन्दु भी नहीं किया।

**श्री मधु सिन्घे :** माननीय मंत्री ने पहली टीम बोझनाओं का सम्बन्ध जरूर किया होगा और उन को पता चला होगा कि उन में दाम के बारे में बिताने की सुझाव दिये गए थे, वे सारे सत्कार्य और बेमसलब थे। मैं यह जानना चाहता हूँ कि क्या बीबी योजना

बनाते समय औद्योगिक चीजों के दामों और खेती की चीजों के दामों में, जिन में खाद्य की फसलों के दाम और दई, ईश और घाट आदि व्यापारिक फसलों के दाम आते हैं, संतुलन रखने के बारे में कोई निश्चित और ठोस योजना सामने आयेगी।

**श्री अशोक मेहता :** जहाँ तक फूडवेन्च के दाम और उस के पलावा दूसरे एग्रीकल्चरल फार्म, फैसफार्म, के दाम का सवाल है, मेम्बर साहब को पता है कि एग्रीकल्चरल प्राइसिब की तरफ से इस बारे में जांच-पड़ताल की जाती है और उस के द्वारा जो दाम तय किये जाते हैं, सरकार की तरफ से उस पर सोच विचार कर के दाम घोषित किये जाते हैं। इंडस्ट्री की चीजों की प्राइसिब के बारे में मुकल्लिफ तरीके से यह कोशिश की जाती है कि उनके दाम भी कुछ उम्मीद के मुताबिक रहें, लेकिन धमो कोई ऐसी योजना नहीं बनाई गई है, जिस से सारा इन्फ्लेटेड प्राइस स्ट्रक्चर फिक्सड और स्टेबल रहे।

**श्री मधु सिन्घे :** मैं यह जानना चाहता हूँ कि जब योजना कमीशन समुल्लिख नीति निर्धारित करने के लिए है, तो क्या वह इस बारे में कोई कार्यवाही कर रहा है या नहीं या माननीय मंत्री का यह कहना है कि यह असम्भव है?

**श्री अशोक मेहता :** इस के बारे में जो कुछ हो सकता है वह हमारे ड्राफ्ट में पेज किया गया है। इस से ज्यादा कुछ हो सकना नामुमकिन बीछता है।

**Shri B. Barua :** In view of the rising prices in the country, are we to understand that the Government is finding it difficult to come up with a firm plan and programme before the country, and that it is because of this that the foreign loan is also not coming as the Government expected?

**Shri Asoka Mehta :** It is not only a question of rising prices. The hon. Member is right, because the prices have risen by 41.5 per cent in the last three years, but the economy today

is in a phase of depression and recession, and one has to envisage to what extent there will be the necessary buoyancy in the economy. The buoyancy in the economy will be ultimately determined by the improvements that will take place in agriculture. We have our own assessment and estimate, but one has to be a little cautious about it. As the hon. Member is aware, the national income in the last three years has more or less remained where it was, if anything, it is a little lower than it was in 1964-65. Whether the national income will move forward adequately depends upon one's assessment of agricultural production. We are doing it very carefully in full consultation with all concerned, but we would like to be doubly cautious before we finally decide about it.

**Shri Shri Chand Goel:** In view of the horrible picture that has been drawn in the book which was supplied to the members yesterday, the Economic Survey, where the conclusion has been drawn that there is no escape from the fact that in future it will not be possible to meet the demands of development as well as of non-development expenditure, I want to know whether the Government has in view to drastically cutting down the plan targets? Secondly, what is going to be the policy of the Government with regard to the projects which are in hand and which have not been completed?

**Shri Asoka Mehta:** As far as the first part of the question is concerned, Government's policy is that all the outlays whether developmental or non-developmental should be within the resources that are available and that could be mobilised. Secondly, the non-developmental expenditure will be kept as much under control and check as possible. The very document which the hon. Member referred to points out that every effort will have to be made in this direction and as soon as we have some improvement in our agricultural production, the effort will be to stop up our development programmes.

As for the second part, projects that are already on the ground and are moving forward are being carried forward and care is taken to see that no new projects are started till the economy regains the buoyancy.

**Shri Sradhakar Supakar:** To what extent will the size of the Fourth Plan differ from the draft plan which was presented to this House last year? Will it be according to the availability of external resources or according to the internal performance of the economy?

**Shri Asoka Mehta:** The various components that go to make up the Plan are, firstly, the base aggregate level at which are the existing taxes and revenues that are collected and the expenditure that is made by the eighteen Governments in India. That is the first thing. One has to find out what is available. Secondly, we should know the additional mobilisation of returns either in terms of tax or loans or small savings. The third is the external credit. All these are relevant factors... (Interruptions).

**Mr. Speaker:** We have spent twenty minutes on one question. At this rate we can dispose of one question per day. All right. If Members want it like that, let it be so... (Interruptions.)

श्री बनिजार्ड जे० पटेल : अध्यक्ष महोदय  
एक ही प्रश्न में साक्षात् बन्ता लग गया है,...

**Mr. Speaker:** I have called Shri Umanath now. One from this side and one from that side.

**Shri Hem Barua:** One from the Centre also.

**Shri Umanath:** The Fourth Plan had been submitted to this Parliament and is ending discussion, which means that Parliament is seized of the draft Fourth Plan. It is reported in the papers that the Minister had stated that the outlay had to be pruned to the extent of Rs. 4,000 crores. What is the basis on which

he had made this calculation? Secondly, what led the Minister to give it out to the Press when the whole thing is before Parliament? Why should he announce it to the Press without taking Parliament into confidence?

**Shri Asoka Mehta:** I have made no statement that the Plan would be pruned to the extent of 6,000 crores. I am grateful to the hon. Member for bringing this to my notice. There is not the slightest basis for this and I have made no such statement. Because a certain thing is before Parliament, should I refuse to answer questions put to me by the Press even when Parliament is not in session? It is for you to decide, Sir, whether as a Minister I should refuse to answer questions about the Plan, when they are put by the Press.

**Mr. Speaker:** No, no. Mr. Viswanatham.

**Some hon. Members:** One from this side.

**Mr. Speaker:** Centre also, one from the Centre also.

**Shri Tenneti Viswanatham:** Is it true that the President of the World Bank has suggested to the Minister in his talks that if India should expect the same measure of external assistance as was originally anticipated, then India should make up with Pakistan before such expectations could fructify? This is what the papers have reported. It is up to the Minister to contradict it.

**Shri Asoka Mehta:** I have replied to this question: (a) the President of the World Bank never brought Pakistan in his discussions with me; and (b) as far as external assistance for the Plan is concerned, this matter has to be negotiated with a large number of countries; these are matters for their own Parliaments also; they do not suddenly decide and say, "Yes, this will be given." This is a matter which has to be gone into from year to year, and that is

the responsibility of my colleague, the Finances Minister.

**Shrimati Sushila Rohatgi:** In order to carry the Plan to its logical conclusion and for effecting economy, is the Government planning to effect some retrenchment in the military installations and the personnel of various institutions in the country, especially in Kanpur?

**Shri Asoka Mehta:** As far as planning is concerned, defence is not under our jurisdiction. I know nothing about what is being done in the Defence Ministry.

**Shri D. N. Patodia:** As the Administrative Reforms Commission, after careful consideration, has submitted that the present set-up of the Planning Commission is not suitable for planning out the schemes and have therefore recommended major changes in the Planning Commission, will the hon. Minister say whether any such proposal is being contemplated to make a complete, overall change in the Planning set-up and in that case whether the revised fourth Five Year Plan will be made out only after the Planning Commission is reconstituted?

**Shri Asoka Mehta:** The recommendations of the Administrative Reforms Commission are before the Government, and are being currently considered. The decision of the Government on these recommendations will soon be announced.

**Shri Buta Singh:** It is only in this House that we are concerned with the draft outline and the finalisation of the Plan. Outside, the great people of India are the least concerned about the five year Plans because of the poor implementation of the past Plans. May I therefore know whether in the revision that is being made of the draft outline, any special steps are being taken by the Government to remove the disparity between the richest and the poorest people of this country and, if so, what are those steps?

**Shri Asoka Mehta:** It is not only in this House but in the legislatures of the 17 States and the legislatures of 10 Union territories, there is the same kind of interest as there is in Parliament. Secondly, I do not accept that in the last 15 years we have not implemented our plan proposals. Thirdly, as to what steps are being taken, they are already in the draft outline. If any further proposals are made, they will be announced.

**Shri S. M. Banerjee rose—**

**Mr. Speaker:** We cannot discuss the whole of Planning in the Question Hour. But if Mr. Banerjee is still insisting, what can I do?

**Shri S. M. Banerjee:** I am prepared to go without the chance of putting a question, if the whole of the Question Hour can be saved by eliminating me.

**Mr. Speaker:** If you want to put a question, please put it. I will allow you.

**Shri Manibhai J. Patel:** A point of order.

**Mr. Speaker:** Let us hear his point of order first.

जी वधिवाई जे० वरेल : मध्यम महोदय नेरा प्वाइंट ऑफ ऑर्डर है। यह कहला प्रश्न जो पूछा गया था, इस के तीन भाग थे केवल इनका ही उत्तर यहां आना चाहिये था, लेकिन आगे बढ़ते से यही प्रश्न चल रहा है। प्रश्नों के लिये कोई समय निर्धारित होना चाहिये। भारत की जिसनी संसदीय नीति या विज्ञान समारोह हैं, सब में अधिक प्रश्न लिये जाते हैं.....

मध्यम महोदय : आप बैठिये।

जी वधिवाई जे० वरेल : नेरा कहना यह है कि यदि एक ही प्रश्न में आवाज बढ़ा लेने, तो हम लोगों में जो और प्रश्न पूछे हुए हैं, उन का नम्बर कम आयेगा, उन के लिये ही

फिर कोई मुंदाइन नहीं रहती है। मैं चाहता हूँ कि आप इस के लिये व्यवस्था दें।

**Mr. Speaker:** The *vyavastha* is you must sit down.

**Shri S. M. Banerjee:** In reply to a question, the Minister said that the rise in DA is one of the causes why plan expenditure is being increased. I want to know whether he is aware that even today the Central Government employees are entitled to another slab of increase in DA on the basis of the second pay commission's report because there has been a 10 point average rise? Is it a fact that the Planning Minister is standing in the way of the Finance Minister giving that increase?

**Shri Asoka Mehta:** It is entirely up to the State Governments concerned to decide whether they want to increase their non-developmental expenditure and decrease developmental expenditure.

**Shri S. M. Banerjee:** I was asking about Central Government employees.

**Shri Asoka Mehta:** There is no question of my being able to stand in the way of any Government wanting to do what it wants to do. I can give my advice.

**Mr. Speaker:** Next question.

**Shri S. M. Banerjee:** I was asking about the Central Government employees, Sir.

**Mr. Speaker:** I have passed on to the next question.

### Public Undertakings

- \*62. **Shri Virendra Kumar Shah:**  
**Shri N. Sankaranta Nair:**  
**Dr. Karal Singh:**  
**Shrimati Nitarp Kaur:**  
**Shri C. C. Banti:**  
**Shrimati Sharda Shastri:**