

LOK SABHA

Friday, 13th December 1957

Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

Economy Measures

108x. { Shri D. C. Sharma:  
Shri Bibhuti Mishra:  
Shri Gajendra Prasad Sinha:  
Shri Sadhu Ram:  
Shri Arjun Singh Bhadauria:  
Sardar Iqbal Singh:

Will the Prime Minister be pleased to refer to the reply given to Starred Question No 742 on the 9th August, 1957 and state:

(a) what further measures have been taken by the Government of India for effecting economy in their expenditure;

(b) the amount of money expected to be saved as a result of these efforts;

(c) the number of Government servants of Class I, II, III and IV who have been retrenched so far on account of these economy measures; and

(d) what measures are being adopted to see that the economy proposals are fully implemented?

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): (a) In the reply given to

Starred Question No. 742 on the 9th August, 1957, it was explained that with a view to achieve economy in expenditure all Ministries had been called upon (i) to scrutinize the present and projected activities to see whether some of them could be reduced, postponed or abandoned and (ii) to review the expenditure on staff and contingencies so that revised and more austere standards may be adopted. Efforts on the same lines have been continued during the last four months. It will be appreciated that the scope for further economies on these lines must diminish rapidly and Ministries cannot be expected to achieve fresh savings month after month. It should also be noted that the economy drive is aimed not so much at bringing about a reduction in the total out-lay but rather to ensure that the expenditure on non-essential and less important items will be reduced and men and resources released for expenditure on items which are essential.

(b) Approximate figures of the 'savings' expected to result from decisions taken during the months of August to November are given in a statement laid on the table of the Lok Sabha [See Appendix IV, annexure No. 18]. The figures also include items in respect of which the 'saving' has resulted from factors outside the control of the administrative Ministries, such as severe rationing of foreign exchange.

(c) From the beginning of the economy drive it had been decided that retrenchment of personnel should be avoided as far as possible. Economies in this field have been sought almost entirely by reducing the demand for the creation of posts and by leaving sanctioned posts unfilled.

(d) The implementation of the economy measures is supervised by a Central Committee consisting of the Principal Secretary, Ministry of Finance, the Home Secretary and the Director, Organisation and Methods, with the assistance of the Secretary of the Expenditure Division of the Ministry of Finance and his staff.

**Shri D. C. Sharma:** In the statement it has been said that these economies will be effected after taking into full account the proper maintenance of efficiency and integrity. May I know if any objective standards have been evolved to test the efficiency of the working of any Ministry and also of the integrity of any Ministry and if so, what are those objective standards?

**Shri Jawaharlal Nehru:** As I understand the hon Member, he asks me if any objective standards have been evolved to test the efficiency of a Ministry. Is that the question?

**Dr. Ram Subhag Singh:** Integrity of a Ministry.

**Shri Ranga:** Efficiency.

**Shri Jawaharlal Nehru:** So far as efficiency is concerned certain standards are applied. It is very difficult to have perfect standards of this type. But, certain standards about the amount of work done, what are called 'work studies' are undertaken—that is, how much time is spent on a certain quantum of work and how it can be reduced or increased. That is now a modern method applied to industrial techniques and now later to governmental and official techniques. As for integrity, it is much more difficult to measure. What one tries to do naturally is in a negative sense, any lack of integrity which is observed, is dealt with

**Dr. Ram Subhag Singh:** It is mentioned in the statement that orders have been issued to observe the utmost economy in the expenditure on travelling allowances and on items such as furniture, stationery, electricity, telegrams, telephones and the

like. May I know to what extent these orders are being followed by the Ministries concerned?

**Shri Jawaharlal Nehru:** How can I answer that question, unless accurate figures for each Ministry for telephones, etc., are compiled?

**Mr. Speaker:** It is a very general question.

**श्री विभूति मिश्र :** इस स्टेटमेंट के देखने में पता चलता है कि फूड एंड एग्रीकल्चर विभाग में १२ लाख, ८२ हजार ८० काम किए गए हैं। किसी प्रॉजेक्ट में कहा गया है: "Projects wholly or partly postponed or abandoned or reduced in scope" तो मैं प्रश्न करता हूँ कि जो जानना चाहता हूँ कि फूड प्रोडक्शन पर इसका क्या असर पड़ेगा।

**श्री जवाहरलाल नेहरू :** डिपार्टमेंट ऑफ एग्रिकल्चर की कुछ इमारतें बनने वाली थी, वह रोक दी गई है— २ लाख ८० को। और कुछ और re-designing and construction of shell type roof godowns, Calcutta and Delhi postponed, यानी मराना बंद कर दिया गया है।

**Shri Dasappa:** May I know whether these measures of economy embrace these autonomous corporations also?

**Shri Jawaharlal Nehru:** Economy should embrace everything. I cannot precisely say what specific instructions or directions are sent to them. They are supposed to carry out these measures of economy as much as anybody else.

**Mr. Speaker:** Shri Thimmaiah. Not one of the hon Members who have tabled the question gets up. Then, at the end, when I proceed to the next question, they get up and say, my name is there.

**Shri Thimmaiah:** May I know whether the Government has issued any directions to the State Governments to take certain economy measures and, if so, has the Government any information as to how far these

measures have been taken by the State Governments?

**Shri Jawaharlal Nehru:** Government does not issue any direction on this subject. The word, perhaps, is not happily conceived. But, the Government is constantly referring the matter to the State Governments. As Prime Minister, I have written to them about this on several occasions. The Home Minister writes to them. Apart from this, the Director of Organisation and Methods Division is in contact with them.

**Shri M. R. Krishna:** May I know whether this non-filling of certain posts will affect the filling of reserved vacancies? You said that some posts are not going to be filled up.

**Shri Jawaharlal Nehru:** That I cannot say. I do not know if such vacancies would be involved.

**Shri Ranga:** Has the possibility been examined, of economy by bringing down the top levels of our salaries that have been in practice on the lines suggested by the last Pay Commission?

**Shri Jawaharlal Nehru:** No salaries have been reduced. No attempt has been made to that end. Because, that involves considerable constitutional changes almost. I do not think purely from the point of view of economy that has much effect. It has a considerable effect: psychological reaction. The sums involved by and large, are not great. There are a limited number of people. But, I believe that certain economies have been effected in two ways. One is actual certain 10 per cent reduction or something or this has been converted into savings.

**Shri Hem Barua:** From the statement it is evident that certain economy is going to be made on the Railways, and on Steel, Mines and Fuel. May I know if these economy measures are going to affect the Calcutta suburban railway electrification and aids to self-sufficiency such as oil drilling?

**Mr. Speaker:** That is going into details.

**Shri Jawaharlal Nehru:** I am afraid I am totally ignorant of the subject.

**Some Hon. Members rose—**

**Mr. Speaker:** Hon. Members will kindly go through the list and then if there is any particular point which requires further elucidation, they may table questions later on.

#### Directorate of Export Promotion

\*1082. { **Shri Shree Narayan Das:**  
**Shri Radha Raman:**

Will the Minister of Commerce and Industry be pleased to state:

(a) the constitution, organisation and precise function of the Directorate of Export Promotion;

(b) the extent of work so far done by the Directorate; and

(c) the position of exports before and after the formation of this Directorate?

**The Minister of Commerce (Shri Kanungo):** (a) The constitution, organisation and function of the Directorate of Export Promotion were detailed in a Government Press Note issued on the 13th September, 1957, a copy of which is placed on the Table of the Lok Sabha. [See Appendix IV, annexure No. 19].

(b) and (c). The Directorate of Export Promotion was constituted at the beginning of August 1957 and it seems it is too early to even attempt to establish any direct correlation between the work performed by the Directorate and export earnings.

**Shri Shree Narayan Das:** May I know whether the setting up of this directorate has involved any expenditure; if so the extent of the expenditure involved?