

cooperative societies has been to encourage activities involving transactions with members. A very limited exemption of Rs 20 000 is allowed in respect of transactions of cooperative societies with non members

Excise Duty on Spinning

6551 DR LAXMINARAYAN PANDEYA Will the Minister of FINANCE be pleased to state

(a) whether the Wool and Woollens Export Promotion Council (WWEPC) has made any representation to the Government for review of the excise duty and countervailing structure, and

(b) if so, action taken in the matter?

THE MINISTER OF STATE OF THE MINISTRY OF FINANCE (SHRI M V CHANDRASHEKHARA MURTHY)

(a) Yes Sir

(b) The request have been examined and it has not been found possible to accept the same

Fiscal System

6552 SHRI V SREENIVASA PRASAD Will the Minister of FINANCE be pleased to state

(a) whether the attention of the Government has been drawn to the news-item captioned "Indian fiscal system needs overhauling appearing in Statesman dated April 22, 1995,

(b) whether an international financial institution has described India's fiscal reforms and pace of liberalisation a temporary phenomenon

(c) if so, whether the Government propose to contemplate any serious efforts to strengthen its fiscal system, and

(d) if so, the details thereof

THE MINISTER OF STATE OF THE MINISTRY OF FINANCE (SHRI M V CHANDRASHEKHARA MURTHY) (a) to (d) As per the news item captioned "Indian Fiscal System needs overhauling published in the Statesman dated 22nd April, 1995, the Institute of International Finance, Washington, 'has noted a sense of complacency in fiscal reforms and pace of liberalisation in India in early 1994", and has hoped that it will just a temporary phenomenon

There has never been a sense of complacency and Government has continued with the process of liberalisation and reforms since their introduction in 1991-92. Fiscal deficit which was 8.3 per cent of GDP in 1990-91 was reduced to 6.7 per cent of GDP in 1994-95 (RE). Fiscal deficit would have been still lower but for sudden increase in the collection of small savings and consequent increase in the loaning to States. Fiscal deficit is estimated to decline still further to 5.5 per cent in 1995-96

[Translation]

Expenditures on Central Government Employees

6553 DR CHINTA MOHAN

SHRI GUMAN MAL LODHA

SHRI NAWAL KISHORE RAI

Will the Minister of FINANCE be pleased to state

(a) the total number of employees working in the Government of India at present

(b) whether the annual amount being spent on the Central Government employees is increasing continuously during the last three years,

(c) if so, the year-wise amount spent on Central Government employees during 1992-93 and 1993-94 and 1994-95

(d) the percentage of this amount constitutes of the annual GDP,

(e) whether any target has been fixed by the Union Government to reduce this percentage in the coming years, and

(f) if so, the targets fixed in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF FINANCE (SHRI M V CHANDRASHEKHARA MURTHY)

(a) The estimated strength of Central Government (Civilian) employees as on 1st March, 1995 was about 39.45 lakhs

(b) Due to increase in Dearness Allowance annual increments and upgradation of cities for the purpose of HRA, CCA etc the annual amount being spent on the Central Government employees has been increasing during the last three years

(c) and (d) The year wise expenditure on Pay & Allowances of Central Government (Civilian) employees during the same period and expressed as a percentage of annual GDP are as follows

Year	Expenditure (Rs Crores)	Percentage of Col (2) to GDP
1992-93	12976	1.846
1993-94	14570	1.853
1994-95 (Estimated)	15532	GDP yet to be worked out

(e) and (f) While no targets have been fixed to reduce the percentage of annual expenditure on pay and allowances to the GDP efforts are continuing to reduce the number of posts in the Central Governments