

(b) if so, the reasons therefor;

(c) whether the Government propose to grant House Building Advance to its employees to purchase flats/plots from prime builders particularly in Delhi;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF URBAN AFFAIRS AND EMPLOYMENT (DR. U. VENKATESWARLU) : (a) Yes, Sir.

(b) The reasons for the inability of the Government agencies to meet the housing demands in Delhi are :

- (i) Rapid growth of urban population of Delhi due to continuous immigration of people from other States;
- (ii) scarcity of serviced land;
- (iii) slow pace of acquisition of land due to legal and regulatory problems;
- (iv) acute shortage of funds for development of infrastructural services and amenities;
- (v) poor affordability of a large section of people to acquired legal shelter.

(c) to (e) No such particular proposal is under consideration as under the existing rules house building advance is admissible for purchase of ready built houses/flats from private parties also which include registered builders, architects, house building societies etc.

Subsidy Policy

3512. SHRI R. SAMBASIVA RAO : Will the PRIME MINISTER be pleased to state :

(a) whether the Planning Commission has recommended the phasing out of subsidies;

(b) if so, whether Planning Commission during its meeting with various Chief Ministers on the Ninth Plan allocation impressed upon them the need to phase out such subsidies, especially those in power and water sector;

(c) if so, the extent to which the Chief Ministers have agreed to the proposal of the Planning Commission in this regard; and

(d) the time by which a final decision is likely to be taken by the Government for phasing out the subsidies?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION (SHRIMATI RATNMALA D. SAVANOOR) : (a) Planning Commission has underlined that subsidies have become an important and growing component of public expenditures. Further the Commission has indicated

that although it would not be desirable for the Government to maintain fiscal neutrality between rich and poor sections of society, whatever subsidy being extended should be transparent and closely targeted.

(b) to (d) During Ninth Plan discussions with Chief Ministers of various States, Planning Commission impressed upon them the need for recovering user charges and costs on services being rendered by the Government. Broadly Chief Ministers have agreed to look into the matters of subsidy and cost recovery in power and water sectors in right earnest. A definite time frame for taking a final decision for phasing out of subsidy has not been decided as on date.

Permanent Seat in UN

3513. DR. T. SUBBARAMI REDDY :

SHRI SONTOSH MOHAN DEV :

Will the PRIME MINISTER be pleased to state :

(a) whether the latest move of the US in supporting India's case of membership in the UN Security Council is a welcome step;

(b) if so, whether the US has also taken a decision to provide limited aid to Pakistan;

(c) whether both the decisions show that there is a change of attitude by the US in support of India;

(d) whether this is likely to help both countries to improve its relations; and

(e) if so, the steps the Indian Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SALEEM IQBAL SHERVANI) : (a) The latest US statement on the matter of membership in the UN Security Council mentions that, in principle, the US supports developing countries representation in the Security Council as permanent members. These new members could be either named or rotational. The US statement does not specifically name any developing country for permanent membership of the UN Security Council. The US has supported Germany and Japan as new permanent members.

(b) The US Senate has passed an amendment to the US Foreign Assistance Act of 1961, lifting some restrictions on US military and economic assistance to Pakistan, which had been put into place on account of Pakistan's externally assisted nuclear weapons programme. The amendment, if passed in to law after due process, would allow programmes relating to military training of Pakistani defence service officers and extension of Overseas Private Investment Credit (OPIC) and Exim Bank guarantees to US corporations engaged in projects in Pakistan.