

these two areas have common customs, traditions and relationship. Many organisations have been demanding to declare this area as tribal area since long. I have met the Prime Minister and the Minister of Welfare along with a deputation and drawn their attention towards this problem but no action has been taken as yet. Hati Sabha is raising this demand at different places along with the people of this area. The local MLAs are also raising the demand along with the people of this area. I urge the Govt of India to declare that area as a Tribal area so that they may also get benefits like the Scheduled Tribe people living in neighbouring states.

(viii) Need to ensure Implementation of Assam Accord of April, 1995

[English]

DR. JAYANTA RONGPI (Autonomous-District) (Assam) : Mr. Deputy-Speaker, Sir, with your permission, I want to raise the following very serious and urgent matter under Rule 377.

A popular mass movement has been going on demanding Autonomous State in Karbi, Anglong and North Cachar Hills of Assam under the leadership of ASDC, KSA, NCHSF and DSU since 1986. After prolonged negotiation, an agreement was signed on the 1st April, 1995 in New Delhi between the movement organisations and the Government of Assam in the presence of the then Union Home Minister. The agreement envisages upgradation of the existing two Autonomous Councils of Karbi Anglong and North Cachar Hills under the Sixth Schedule of the Constitution of India by conferring upon them enhanced legislative, executive and financial powers. Certain clauses of agreement dealing with delegation of powers to the Autonomous Councils relating to the Departments of Law and Order, DRDA, Food and Civil Supplies, Transport etc. are yet to be implemented as the State Government has taken a position that further clearance from the Union Government is required on these matters. Therefore, the Union Home Minister should immediately take necessary steps so that further delay could be avoided in the implementation as a consensus was achieved on this matter by all sides at the time of the negotiations.

Secondly, the Union Government was to set up a system so that funds meant for the hilly areas and the Hill Councils of Assam reached the two Autonomous Councils at the earliest and without any difficulty. This has also not been done. Therefore, I draw the attention of the Union Government to take immediate measures so that the agreement is implemented, the commitments honoured and faith restored among the people.

SHRI E. AHAMED (Manjeri) : Sir, I would just like to remind the Chair about one matter. There was an assurance by the hon. Minister of Parliamentary Affairs that the Government would make a statement on TADA detainees when I referred to that point here, but that has not been complied with by the hon. Minister. So, the Chair may direct the Minister that as assured to the House he will have to come here with a statement.

14.53 hrs.

GENERAL BUDGET-1996-97—GENERAL DISCUSSION

[English]

MR. DEPUTY SPEAKER : Now, the House will take up General Discussion on the General Budget the time allotted is eight hours. Now I call Dr. Murli Manohar Joshi to speak.

[Translation]

DR. MURLI MANOHAR JOSHI (Allahabad) : Mr. Deputy Speaker, Sir, I am thankful to you for inviting me to speak on the General Budget 1996-97.

I have gone through the Budget and in my view such an insipid Budget might have ever been presented before. This Budget is devoid of direction and philosophy generally a Budget reflect the economic philosophy of the Government and ensure its direction. But there is nothing in this Budget on the basis of which we may say that it has direction and philosophy. This is a Budget of the Congress and it seems to be a copy of Shri Manmohan Singh's Budget. Had our all friends, particularly the friends Left Parties not joined this Government, they would not have supported this Budget. If you see the figures, you will find that the United Front Government has adopted the same thing in this Budget which was there in the interim Budget presented by Shri Manmohan Singh. The revenue receipts was Rs.1,27,000 crore in the Budget presented by Shri Manmohan Singh and it is Rs. 1,30,000 crores in the Budget of United Front Government. The Capital receipts were Rs.70,000 crore which are now Rs.68,000 crores. Total receipts were Rs. 1,97,000 crores which are now Rs.1,98,000 crores. The non-plan expenditure was Rs. 1,51,000 crores and this year it is Rs.1,50,000 crore. The plan expenditure was Rs. 50 thousands crores and this year it is Rs.54 thousand crores. The total expenditure was Rs.2 lakh 1 thousand crore and this year it is Rs. 2 lakh 4 thousand crore. The fiscal deficit was Rs.62 thousand crores and this year too it is 62 thousand crores. The amount under borrowing was

Rs.57 thousand crores and this year it is Rs.56 thousand crore. Had this Budget been presented in February and discussion taken place on it then, would our friends Shri Nirmal Chatterjee, Shri Basudeb Bhattacharya and Somnath Chatterjee have supported or opposed it? Now it is said that this Budget has been formulated on the basis of Common Minimum Programme. But there are differences among the constituents on several issues. I will give a few examples. There are differences among the constituents in regard to the disinvestment in public sector. There is difference between Shri Madhu Dandwate, Dy. Chairman of the Planning Commission and the Finance Minister. The Government wants to set up a Disinvestment Commission so as to disinvest five thousand crore rupees or five thousand one crore rupees. But Shri Madhu Dandwate says:

[English]

"The Government should seek to maximise internal resources generation by making PSUs profitable. This is a much better way to repay national debt instead of seeking to get rid of public sector."

[Translation]

He want that the public sector should be strengthened and it should be made profitable. The Finance Minister wants that the public sector should be dismantled gradually and its shares should be disinvested. The communist party is also not in favour of disinvestment. It also wants that the public sector should not be dismantled and it should be strengthened. I want to know the opinion of these friends towards the budget? They are supporting these policies. Does this Budget not reflects the same policies which were there in the Budget presented by Shri Manmohan Singh and in that case would you support the Budget? The special feature of this Budget is direct foreign investment. This is the main characteristic of the economic policy of this Budget. The Government wants that there should be direct foreign disinvestment of ten billion dollar or about Rs.35 thousand crore. Now the question is in which sectors and in what manner the direct foreign disinvestment will take place. In reply to a question in Rajya Sabha, we were told that out of the investment which took place last time, 54 percent went to the consumer sector and only 40 percent was used under capital goods. Will this amount of Rs.35 thousand crore be utilized in the same manner? Will it also be divided and Rs. 17.5 thousand crores on Rs.18 thousand crores or Rs. 19 thousand crores will go to consumer goods, in the preparation of junk food, Pepsi Cola, potato chips and cosmetics and shoe manufacturing? What does the Government wants to do? We would like to know in what way it wants to invest and what is the procedure

of direct investment and what are the priorities. There is no mention about it in the Budget. One does not come to know the sector in which this direct foreign investment will be made. If this investment is intended for the consumer sector, it would be a big misfortune of this country. It will be harmful for the country if 54 percent or 55 percent i.e. sixteen thousand crores of rupees out of Rs. 35 thousand crores are spent in this sector and we invest this big capital for the benefit of some elite class. Foreign loan is another important aspect of the economy of the Government. The Government sometimes wants to mislead the people. According to the Budget of the Government the internal debt amounts to Rs.5,52,744 crores and the foreign debt to Rs. 52,666 crores and the total comes to Rs. 6,05,410 crores.

15.00 hrs.

I can't understand how this debt of Rs.52,666 crores has been shown which today stands at Rs.3,50,000 crores i.e. around 93 billion. Why this Government keep the people in confusion? The Government does not want to tell the people the extent of indebtedness. At least they should have given the figures on the basis of white paper which was brought out last time. I can't understand the manipulation in the Budget.

The question is how this loan was utilised. What assets were created with the loan that the Government had taken during previous years. If we take Rs.6,05,410 as a loan, have we been able to create assets worth Rs.6,05,410 crore or atleast 90 percent assets out of this. The fact is that the Government created assets worth Rs.3,95,252 crores. Now the question is where are the balance Rs.2,09,457 crore. Has it been consumer? The Government have spent it i.e. the Government have met its expenditure by taking loan. It did not utilise the loan to promote industries of the country, to increase the agricultural production, to enhance job opportunities, to strengthen defence of the country but the Government spent One Third loan in its own way. If some private company had done it, the hon. Finance Minister would have declared the company bankrupt. On this basis, we can say that this Government is moving towards bankruptcy. It is misusing the hard earned money of the people of this country. Simultaneously it is misusing external as well as internal loan. Now we see the state of borrowings which is evident from the Budget. Payment of In 1995-96 debt repayment of Rs. 70,480 crores was made and as per figure of 1996-97, about Rs.68,558 crores is estimated to be repaid. In 1995-96, the total repayment of loan was 52,000 crores and this year it is estimated to be Rs.60,000 crores. Similarly, total repayment of loan was Rs.1,22,480 crores in 1995-96 and it is estimated to be Rs 1,28,558 crores in 1996-97. It is not clear if, this amount will increase and not.

So far on the revenue receipts is concerned, 1995-96 the revenue receipts was Rs. 1.00787 crores and this year the receipts is estimated to be Rs.1.30.345 crores. If you see the ratio of total payment of interest and total revenue receipts you will find that it was 47.2 last year and 46.0 this year. A substantial part of the revenue receipts goes to the payment of interest. If we minutely look into it, we will find that the repayment of principal sum and the repayment of interest come to Rs.1.28.000 crores and the total revenue receipts comes to Rs.1.30.345 crores which shows that 98-99 percent share of total revenue is spent on repayment of loan. So you can not do any good for the country with this revenue receipts. You spend all your revenue receipts on the repayment of previous loan and the interest payable thereon. Barring this, you are left with no other alternative. The current Budget throws no light or to how the Government is going to take this country out of the debt trap. If you see the position of public debt of the country will increase at the rate of 11.27 percent in 1996-97 and reach upto Rs.6,15.000 crores. This Budget does not show how the Government will tackle the situation. The hon. Finance Minister has copied the Budget without any wisdom. No mind has been applied in the making of this Budget.

Now I will speak about the position of foreign exchange reserve. Debt is increasing. On the one hand our balance of trade is dwindling and on the other hand, scams in the foreign exchange are becoming a regular phenomenon in the country. In reply to a question No.152, dated 19.7.96, the Government stated in Lok Sabha, that as per the version of the Enforcement Directorate foreign exchange worth about Rs.546 crore was siphoned away to foreign countries illegally. Rs.546 crore is not a small sum. It may seem to be a small amount keeping in view the G.D.P. and the Budget of the country. But if one scam involving Rs. 546 crores has come to the notice then a huge amount of foreign exchange may be getting transferred abroad on the basis of fictitious documents. On the one hand the country is facing such a big financial crisis, on the other hand we are dealing with our foreign exchange in such a shabby manner. Under such circumstances I cannot understand how do you manage the economy of the country.

We know big scams in the banks have come to light earlier also. These taken place on the basis of fake receipts, involving thousands of crores of rupees. It was thought then that the Government would keep an eye on the bank scams and fake receipts, fake hundis, fake documents would not be allowed to operate in banks. But the Government admitted on 19.7.96 that such scams were taking place even then and even ordinary employees manage to transfer an amount of Rs. 546 crores to foreign countries in this way.

Our hon. Finance Minister has mentioned seven main objectives of this Budget. Economic reforms and liberalisation concern for the poor and providing them basic facilities, to ensure development in agriculture, industry and services for creating more job opportunities. You have given first priority to agriculture. Then you have mentioned fiscal farsightedness and to ensure long term economic stability. You have given an example of fiscal farsightedness as to how the revenue received by us is spent in repayment of debt. I can't say whether this farsightedness will come in 100 years, 200 years or in 250 years. I do not find that you are taking steps to make India free from debt.

I was very much surprised because a plea is being put forward that what is wrong in taking loan after all? The logic being given is that the rate of our savings is low in comparison to other countries. Hence, we should continue to take loan. It means that let the country remain indebted and there is no harm in it. Of course, we should be in the position of making repayment of loan. Now the Parliament or the country will decide. Whether you are in such a position or not. But I fail to understand as to why saving rate of other countries is more than ours. We have been taking loan from other. Their argument is that we should keep down our saving rate and take advantage of the saving rate of the others. This is a very strange argument. What type of economy in the world can be created by this thing? When did the developed countries of the world resort to this system? I would like to know whether Germany, Japan and America made advancement in this way? Whether the developed countries of the world made progress by keeping their saving rate low? The fact is that the saving rate of many countries particularly the countries of South-East Asia like Japan and China is upto 35-36-40 percent. So they have made advancement. No country can progress with its rate of savings being low.

It is said in the Budget that investment in the basic sectors would be increased. But unfortunately the foreign investment is being made in the consumer goods sector. About 54 percent investment is being made in the consumer sector. I cannot understand how will you invest in the basic sector. I find no such thing in the budget.

Now I will analyse the Budget. The Budget says that with a view to achieve increase in employment avenues, agro-based industries and services would be expanded. Now I will discuss about agriculture which should have been given an important place in the Budget but it has not given such a place. The percentage of rural population and those dependent on agriculture is about 77 percent and if the investment had been made in agriculture then it would have been beneficial for the majority of the people and the poverty would

have been removed and more employment opportunities generated. But what have you done? You take of agricultural and rural development. You say that you have increased investment in social securities and welfare.

This scheme was introduced by Shri Rao last year. There was no provision for it in the Budget of 1995-96. You have made provision for it in this Budget and you show as if you have done great justice to agriculture.

The Budget estimates for 1995-96 in respect of the Departments of Agriculture and Cooperation are Rs.1490 crore whereas the figures of Budget estimates for 1996-97 is Rs. 1471 crore. Thus, the Budget estimate this year has been reduced as compared to the last year. Similarly, the Budget estimate for Agriculture Research and Education for 1995-96 was Rs. 310 crore, whereas this year the figure has been reduced to Rs.289 crore. The Budget estimate for 1995-96 for Animal Husbandry and Dairying was Rs.344 crore which is Rs.264 crore this year. The total Budget estimate for 1995-96 was Rs.2144 crores and this time it is Rs.2020 crores.

Now we come to rural sector and employment. The hon. Finance Minister wants to increase job opportunities. Our Prime Minister has been claiming repeatedly that he is a farmer and will remain a farmer. He will serve the farmers and ensure their development. Is this development a reflection of his vision? You can see the condition of rural areas and employment. The Budget Estimates for 1995-96 in respect of Department of Rural Development is Rs. 1263 crore and it is now Rs. 2195 crore. For the Department of Wasteland it was Rs.60 crores earlier and this time too, it is Rs.60 crores.

15.13 hrs.

(Shri Chitta Basu *in the Chair*)

The Budget Estimates in respect of Department of Rural Employment and Poverty was Rs.6437 crores last year. It is Rs.6437 crore this year also. The Revised Estimates for 1995-96 was Rs. 8308 crores whereas it is Rs.8619 crores this year. If we agree with them and take 4 percent increase in inflation, then Rs.8308 crore should have become Rs.8640 crore but the inflation has increased more than 6 percent. Under this circumstance it should have been Rs.8692 crores. Thus, in fact it has been decreased. This has not been increased. It cannot result in expansion. This cannot generate employment.

I would like to dwell on the employment schemes. I had asked a question in this Parliament regarding fund allocated to Allahabad under Jawahar Rojgar Yojna and the number of job generated in a development

block. The Government replied that Rs.21.47 crores was allocated but they did not maintain the figures regarding the number of jobs generated in a development block. The funds are allotted by the Government. The Central Government allocates funds under the Jawahar Rojgar Yojna. I cannot understand why monitoring does not take place. Why not the information regarding the number of jobs generated and the number of jobs likely to be generated is maintained. So far as my knowledge goes, the Ministry of Rural Development has got the matter studied. It has stated that these employment schemes create jobs only for 15-20 days whereas you claim that you give jobs for 100 days. What type of an agricultural system you talk of? The Prime Minister talks of the interests of farmers. The Finance Minister says that the Government will generate employment. What type of employment will be generated. There is no employment in the Government, in the public sector. Similar in the case in the private corporate sector. There is no employment? Last time, I had asked from the Finance Minister in the Rajya Sabha about the information regarding the number of job opportunities generated under various schemes in the country? How many job opportunities have been generated with the help of external investment? The Finance Minister repeated every time that he had no figures and these could not be collected. If you can't collect the figures then what can you do? Why are you launching schemes? What kind of employment you are talking about? Who is the poor and the farmer you are talking about?

Mr. Chairman, Sir, the Government is making tall claims that allocation for the agriculture has been increased. If you see budgetary allocations for Department of Rural Development you will find that it has been increased for social security and welfare. Last year it was Rs.550 crores and this year it is Rs. 932 crores. Last time the Government had announced it on 15th August. So we would like to know in what manner Rs.550 crores was distributed from 15th August to 31st March? What was its result? How many persons have got social security from it? What welfare they got? You have allotted this money to give pension to the poor and aged persons. How many persons have received such pension? Did any one get pension or not? When you were in the Congress, your former Prime Minister had said that whatever money was allotted to the villages, 85 percent of it passed through many hands and only 15 percent of the money reached the village.

I would like to know that as to how this much of money is being utilised? What has been its result? Why job opportunities do not increase. A large number of people live up for jobs. This Budget does not throw light on this. You never try to see whether job opportunities

have been generated in proportionate to the money allotted and claims made in this regard. Then in what way the rural development will take place?

You distribute pension to the aged or give money to some pregnant women. How the development of far off villages can take place. How this can help in the increasing the production? This is only an assistance, a 'dole'. It has no relevance in the rural areas from the point of production. If investment in the rural areas does not increase or capital is not formed in the rural areas, all your schemes will go in vain. We see that there has been less capital investment and capital formation. The capital formation has come to half in the agricultural sector. This is a matter of concern. If capital formation does not take place in agricultural sector then on whose mercy will you leave 77 percent people? Will you like to leave them on the mercy of foreign multinational companies? Will you leave them to survive on debt or make them slave to live?

I do not know in what way you are developing your agricultural sector. The Prime Minister daily announces that we will develop agricultural sector and improve the lot of farmers. But I am finding no improvement in the lot of farmers. If you exclude social security you will find that there has been decline in the allocation for the agricultural sector. This is very disquieting.

The situation of drinking water in the villages is very bad. It was told that potable water would be supplied to all problem villages by the initial years of the Eighth Plan. But this target is still to be achieved. According to the survey held in 1991-93, it has been revealed that only 56 percent towns and villages, which cover 48 percent population, have received drinking water. What is your conception about rural development. You had allocated Rs.1170 crores for 1995-96 in respect of rural water supply and sanitation. You have allocated the same amount in 1995-96 also. If you take into consideration the inflation you will find that the amount has been reduced and not increased. I cannot understand what are you doing for the development of villages. Great injustice has been done to agriculture. As a result, no progress has been made in the agricultural front. This investment in agricultural sector in 1980-81 was Rs.4,636 crore and this actual investment in 1992-93 was 4,613 crore. The capital formation in the agricultural sector in 1980-81 was 18 percent which was reduced to 9 percent in 1992-93. Is it the development of agricultural sector. There is no incentive in the Budget for the development of agriculture. If this is the condition of agricultural sector even after the announcements of the Prime Minister and the budget speech of the hon. Finance Minister for 77 percent population then I would say that the Hon. Finance Minister has no knowledge about the

agriculture. Do you or your Ministry know about the farmers, agriculture and the plight of 77 percent people? Are you, except destroying our industry by reducing custom duty for the benefit of multi-nationals, doing something else? When I see the figures of agricultural production it worries me greatly.

I would like to tell that in 1990-91 the annual growth rate in production of foodgrains was increasing at the rate of 1.01 percent which came down to 1.41 percent in 1995-96. Wheat production was increasing at the rate of 10.59 percent in 1990-91 which came down to -0.41 in 1995-96. The production of pulses was increasing out the speed of 10.54 percent in 1990-91 which came down to 5.32 percent in 1995-96. Similarly, the production of total foodgrains which was increasing at the rate of 3.31 percent reduced to -0.46 percent in 1995-96. This is the development of agriculture which you are bringing about. If this is the progress of agriculture then I will say that you are taking the country to the verge of starvation. The Budget does not give any ray of hope in regard to the foodgrains. I would submit that in 1991 the daily availability of foodgrains was 510 grams, which reduced to 466 grams in 1993. On the one hand you say that we have storage of large quantity of foodgrains and on the other hand this is the position of its availability. Thirdly, we are told that if we allow market forces to act freely there will be no malnutrition in the world. So in the case of foodgrains we should put no restriction on market forces. You have put restriction on market forces with the result that per day availability of foodgrains has gone down from 510 grams to 466 grams. I am much worried about this situation because agriculture experts in the world have been warning that in the next forty years there will be acute famine and China, and all other countries of Asia and Africa will be hit by the famine. Now you tell me that under such condition from where will you import foodgrains. If such a huge population is hit by the famine then the western countries, who have surplus of foodgrains, will be able to feed China, Central Asia and Africa whose population comes to about one billion. Will not our food security become insecure? I would like to state clearly that you should not keep the people of the country in dark in the matter of foodgrains.

The provision made for irrigation surprises me. When I go through the budget and the economic survey, realise how what cleverly the Government keep the people in dark. It is said that budgetary allocation for irrigation has been increased by Rs.900 crores. But this increase has been made for major projects and on-going projects. This allocation has not been increased for minor irrigation and medium irrigation projects. The money is utilized for big projects. Why the money is being invested in these big projects? Whether the

country lacks irrigation potentiality. I would like to tell you that in our country about 14 million hectares irrigation potential is lying unutilised. This is not an ordinary thing. It is given in the Economic Survey that about 89.42 million hectares irrigation potential should have been created but only 1.45 million hectares irrigation potential per year has been increased in the last 46 years. But what we find today is that about 9 million hectares irrigation potential is lying unutilized. The figures given in the survey surprises me.

[English]

The achievement upto Seventh Plan as given in the Economic Survey 1991-92 is 32.91 million hectares in regard to the major and minimum irrigation potential.

[Translation]

The utilisation was 27.89 million hectares. Then minor irrigation potential of 46.83 million hectares was created and the utilisation was of 43.53 million hectares. The utilisation of total 79.74 million hectares potential produced is 71.42. You have shows it here as 79.74 but when you write 'seventh plan document'. you say in the economic survey of 1992-93 that the achievement was 76.5. Now you see.

[English]

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : Joshiji, just one second. I want to make a submission.

In the other House, the debate starts at the same time at 2.30 p.m. The other House wants me for five minutes there. Then, they will resume the debate. They are also insisting that I should be there when they start the debate. So, let me go there for five minutes and come back.

DR. MURLI MANOHAR JOSHI : Should we adjourn the debate?

SHRI P. CHIDAMBARAM : I am only telling you that why I will not be here.

MR. CHAIRMAN (SHRI CHITTA BASU) : He may not be here for five minutes. Other hon. Ministers are also here.

SHRI P. CHIDAMBARAM : Do not be under the impression that I am walking out of your speech.

SHRI NIRMAL KANTI CHATTERJEE (Dumdum) : There should be a provision that his better-half should be on that side.

DR. MURLI MANOHAR JOSHI : His other-half!

[Translation]

It means that there is a gap of 7 million hectares. Suddenly the Economic Survey 1992-93, says.

[English]

Up to the Seventh Plan document and as given in the Economic Survey 1992-93, the achievement is 79.74 million hectares and the utilisation is 79.42 million hectares.

[Translation]

This 3.24 million hectares is missing. Where has it gone? It was very much there in the economic survey of 1991-92. How where has it gone in 1992-93?

So if you see minutely you will find 11-12 million hectares irrigation potential is still lying unutilised. It costs Rs. 60 thousand to create one hectare irrigation potential. If 12 million hectares irrigation potential is not utilised then it means that it is a scam involving Rs. 72 thousand crores. Where has it gone? The money has been allotted for it. It has been shown in the plan. There is a scam of Rs. 72 thousand crores committed in respect of irrigation. Has it gone to ministers, engineers, contractors but no water reached the fields of villagers. I think this is the biggest scam of our economy. Your economic reviews shows this. This Rs. 60 thousand is based on old prices and if you take the current prices into account, it may come to Rs. 70 thousand per hectares then it will be a scam of Rs. 84 thousand crores. I would like to know from the hon. Finance Minister what provision he has made in the Budget so as to utilise the irrigation potential? This potential can only be utilised when you make investment under minor irrigation. When you Budgetary allocation covers irrigation potential then only it can be utilised fully, otherwise it will remain unutilised. This scheme will remain on papers or water will go on collecting in the dams. It will not reach the farmers. I demand that it should be got investigated. I would like that the Ministry of Finance as well as the Minister of Agriculture and the Minister of Water Resources should also see it
...(Interruptions)

AN HON. MEMBER : The Minister of Water Resources is also sitting here.

DR. MURLI MANOHAR JOSHI : He is present here. That is why I am saying to him. The Minister of Water Resources should tell us where has this 11-12 million hectares of irrigation potential been utilized. You have provided Rs. 900 crores in the Budget for big dams. Why? It it because one gets large amount of kickback? A single project costs Rs. 2 to 3 hundered crores. Therefore, there is no scope for kickbacks and hence, no Ministry is prepared to give heed to it and improve the agricultural system. I would like to tell you and I am very much concerned that if you do not set the thing right then you can't remove poverty from the country,

which is the objective of your Budget. Moreover the agricultural management will not also be set right.

I am amused at the way the Government mislead us by giving such figures in respect of rural poverty. In 1987-88, the Lakadawala Commission made an estimate which showed that rural poverty was 39.06 percent and the urban poverty was 40.12 percent. Today this figures have changed. Now the rural poverty is 40 percent and the urban poverty is 39 percent. About 7-8 years back the villages were more rich and cities were more poor. But during these 7-8 years, cities have become more rich and the village have become more poor. But the economic survey of 1995-96 revealed that the percentage of poverty was only 28 percent and Shri Manmohan had said that in 1995-96 the poverty was only 21 percent. Further, it was said that the total poverty was 18.96 that is 19 percent. This much of difference cannot be there because on the one hand Lakadwala Commission says that the poverty is 39 percent and on the other, Manmohanjanji and Chidambaramji claim that the poverty is only 19 percent. I cannot understand this riddle of figures. The Government is not disclosing the figures of National Sample Survey regarding poverty held in 1992-93. I am much concerned that poverty in this country has increased and the Finance Minister says in the Budget that they want to remove poverty but no measures have been mentioned in this Budget to remove poverty. You have scaled down allocation for the programmes for alleviating rural poverty as well as urban poverty. If you bring down investment and allocation for poverty alleviation programme then how can you alleviate poverty.

Nothing has been said in the Budget to increase employment avenues in the small scale industries and in agricultural sector. No job Apportunities have been created in big industries and in public sector during the last five years. What do you want to convey through your Budget speech? That is not reflection the Budget. You are trying to mislead the country. Similarly, you have said that you want to make more investment in the basic sector.

The budgetary allocation for 1995-96 in respect of power sector is Rs. 23, 795 crores and for 1996-97, the allocation is Rs. 24.270 crore. If we take 4 percent inflation, which the Government announces, then Rs. 951 crores should have been added to Rs. 23.795 crores and the amount would have increased to Rs. 24,270 crores. But if you see the figure of inflation correctly, you will find that it is about 6 percent and the increase in it should have been Rs. 1400 crores. Thus the allocation should have been Rs. 25-26 thousand crores in respect of Power sector. We want to know what the Government want to do for the power sector.

In this sector, the present installed capacity in the country is 88 thousand MW. It was said that during the Eighth Five Year Plan 30 to 32 thousand MW additional capacity will be installed. But the progress made till now does not show that it would be more than 16 thousand megawatt. This is the maximum, otherwise in the opinion of experts the installed capacity will not be more than 14 thousand megawatt. If the schemes are completed in the Eighth Five Year Plan itself the capacity will be 14 to 16 thousand megawatt. It means there will be a gap of 14 thousand megawatt. In the Ninth Five Year Plan nearly 40 thousand megawatt is proposed to be installed. In that situation there will be a gap of 55-56 thousand megawatt. The total installed capacity will be of 88 thousand megawatt and the gap will be of 50 thousand megawatt. What kind of power policy is this. From where do you want to start work? From where the money will come for it? The way you are inviting foreigners to invest money here and they will be generating power worth Rs. 4 crores to Rs. 5 crores per megawatt then the whole country will be sold to foreigners to generate 40-50 thousand megawatt power and there will be no generation of power. Why the Government wants to keep the country in the dark in regard to power. I will tell you how investment is bieng made in power sector.

I had been to Uttar Pradesh. The central Government has knowingly made the Uttar Pradesh Electricity Board idle. At present the Board has no on-going project. The vidyut parishad cannot do any work except installing poles and wires.

SHRI ILIYAS AZMI (Shahabad) : You are right. They are not even installing wires.

DR. MURLI MANOHAR JOSHI : Anpara 'C' project worth Rs. 4 thousand crores was proposed to be launched. The Electricity Board of the State Government had completed Anpara 'A' and 'b' projects. But the hon. Prime Minister and Shri Mulayam Singh handed it over to a foreign company named Hundai. Will the Government admit this fact?

SHRI P.R. DASMUNSI : 'Hundai' signed the agreement in Lucknow.

DR. MURLI MANOHAR JOSHI : I have studied the cost of it. Today there is no discussion on Power. When there will be discussion on it. I will tell you in what way the State Electricity Board and the public are being looted. I would like to know from the Members of Left parties and Janata Dal, who used to oppose the investment alongwith us four-six months back, whether they will support it. Will such a step be in the interest of farmers? All the engineers in Uttar Pradesh will become jobless. At present the U.P. State Electricity Board has no civil engineering job and there is no work with them to set-up a new plant. So the electrical

engineers and civil engineers will be rendered jobless. Their work will be restricted to transmission only. You have been responsible for ruination all such Boards. Your Power policy is not in the interest of the country. I would like to warn through this House that if such power policy continue to be in force then there will be power riots in many parts of the country. The people need electricity but they will not be able to get the electricity. Some houses will have electricity while some others will not. If such will be the condition then the country should be ready for the riots. If there is no power, tubewells will not be operated and if in that case it will affect cultivation. Then the country will move towards food riots. Shri Janeshwar Mishra is smiling but there is no reason to smile. It is a matter of concern.

THE MINISTER OF WATER RESOURCES (SHRI JANESHWAR MISHRA) : Someone is saying from the back benches that now these people will start power riots after communal riots.

DR. MURLI MANOHAR JOSHI : These very people used to foment communal riots and now they will incite people for power riots and food riots. They are responsible for all riots. Whenever there will be discussion on communal riots in Uttar Pradesh and Bihar then I will tell the facts. These people incite others for indulging in caste-riots and communal riots. To which direction your Budget is moving? What is the philosophy in it? What are the allocations made in the Budget reflecting? In which direction the Budget is taking the country? I would like dwell upon this subject.

You have curtailed the allocation the allocation for the atomic energy sector. You have increased allocation for nuclear Power projects. But if we take into consideration the inflation then the amount stands reduced in the real terms. Similarly, the situation on energy front is very bad. The Minister of Energy is not here. But now I will request the Government to, at least, bring out a white paper on power position. They should tell the people how the problem of energy in the country can be solved. No attention has been paid towards it in the Budget. Our Finance Minister has been repeatedly talking about welfare. Charity is being distributed in the name of welfare as if beggars are being given two annas, eight annas, one rupee. Provision of Rs. 5 crores has been made for the old people in the country? If the population of the country is 95 crores and the percentage of the aged is 10 percent then the number of the aged comes to 9.5 crores and the Government say that they will construct houses for them with Rs. 5 crores. I fail to understand how they will carry out this work. Rs. 10 crores have been allocated for women development Corporation. We have great sympathy for women. There are nearly 47-48 crores of women in the country and Rs. 18 crores have been allocated for their welfare. The

Budget mention that National Sickness relief Centres will be set up. The member of blinds, lepers T.B. patients in the country is the highest in the world and the Government is allocating only Rs. 5 crores for the treatment of their sickness. They cannot give medicines worth a single pie. What is the condition prevailing in the AIMS? What is the condition of the Government hospitals. Where are you distributing this Rs. 5 crores? All this amount will be spent on T.A. D.A. in the Government offices. A substantial sum will be expended in the payment of rent of houses, purchasing of cars, telephones etc. Lorry or Bus operators will be given ex-gratia payment of Rs. 50,000 which comes to Rs. 5 crores. You have allocated Rs. 5 crores for the welfare of coolies also who work hard day and night. Do you consider this country as a beggar. The coolies could have paid this much of amount. Why are you playing joke in this way with the country. You are insulting the people of this country. Are you distributing charity? Do you consider this country as a beggar as you are giving Rs. 5 crores, 3 crores, 2 crores. Is this our view about social welfare. You see the condition of scheduled castes and scheduled tribes people. In 1994-95, the plan outlay for the welfare of the S.Cs & S.T and the handicapped was 1.17 percent. It was 1.2 percent in 1995-96 and in interim Budget 1996-97 it was 1.10. Now it is 1.07 percent in regular budget. In 1993-94 it was 1.07 percent and in 1996-97 also it is 1.07 percent. If you take into consideration the inflation, you will come to know that this figure has declined and has not increased. This is 1.07 percent of the total outlay allotted for the welfare of SCs STs and the handicapped which was also 1.07 percent in 1993-94. In 1991-92 it was probably maximum i.e. 1.18 percent. It was nearly the same in 1994-95. Now it has been scaled down and you say that we will work for the betterment of the people and upliftment of the poor. In this manner, how the upliftment of the poor will take place. The outlay for the SCs/STs is declining. If the Prime Minister had been here, I would have been very happy.

The outlay for Health and Family Welfare has been declining. In 1994-95, the plan allocation was 2.97 percent, in 1995-96 it was 2.88 percent and in 1996-97 it is 2.69 percent. Is it the Health and Welfare measure? Will they bring about social justice in the country? Will they improve the standard of living of the people of this country? You have increased allocation for health by Rs. 195 crores out of which Rs. 172 crores is for allopathy and Rs. 23 crores is for Ayurveda and Homeopathy. In India, even today, 70 percent people depend on Ayurveda and Unani system of medicine. Last time, with great difficulty we got a separate department for Ayurveda and Homeopathy created. Only Rs. 23 crores have been allotted for the maintenance of this Department. For allopathy Rs. 172 crores have been allotted. I have no opposition to this allocation for

allopathy. You may set up good medical institutes and invest money in them, give quality surgical treatment to the people, bring down the charges of open heart surgery and kidney transplantation. I am not against all these things. But I am surprised to see that you have set apart only Rs. 23 crores for Ayurvedic and Homeopathic treatment which is the expenses on the Directors of the Department and their offices. What kind of health management is this? In which direction your Budget is moving? What is its philosophy? I can't follow. Probably, its philosophy is to copy others.

As Shri Manmohan had said that by pouring old wine into new bottle we should try to show the deteriorating economy in a rejuvenated form. There is nothing new in the Budget.

The Budget allocation for science and technology has also been declining. It was 0.33 percent in 1994-95 and 0.31 percent in 1995-96. For 1996-97 it is 0.297 percent. Our finance Minister and the Prime Minister talk of science and technology. The Finance Minister has announced that science and technology is getting substantial sum. How much sum is allocated under it? Mere giving money does not make the things work. It depends on the share in total plan allocation for science and technology. No country can progress without science and technology and you are making fun of it. Allocation for research in agricultural sector has decreased and we are lagging far behind in Seed technology. Production of new seeds has completely stopped. If the seed technology does not make progress and the quality of seeds is not improved continuously, there will be no increase in production. So you will have to give heed towards agriculture, Defence and Science research.

Presently, the laboratories in the country are in great need of fund. If they require Rs. 150 crores and Rs. 200 crores for modernisation, the Government grants them Rs. 25 crores, 30 crores or 40 crores. It would be better if they don't grant fund to them. Otherwise they give full amount. Laboratories can't sit idle for two years after requisitioning an equipment. You give them everything lock, stock and barrel. You modernise five laboratories but do it completely. Do not cut jokes with us in the name of modernisation.

The Budget allocation for women and Child Development was 1.09 percent which declined to .97 percent in 1995-96. This is the situation. The situation in the education field is very bad. The Government says that for education the Budget allocation for this year is 3.89 percent. Rs. 1400 has been increased. Did you increase this allocation for the Universities? Did you increase it for Engineering and Medical Colleges? Did you increase allocation for centres of Excellence? No, this Rs. 1400 crores have been increased for giving lunch to the students of Primary Schools. I am not against

it. But you have clubbed it with education. You have allocated this fund for nutrition. You have granted it for increasing quality of life. Why are you clubbing it with education? Is this allocation meant for constructing buildings, purchasing scientific equipments, text books or giving better pay scales to teachers? You have allocated this amount for nutrition. But we are told that this amount of Rs. 1400 crores is being given for education. It has no link with education. I am in favour of nutrition. The children should get it. You transfer this amount to that account and say we are giving it to nutrition. But it has been shown that the Budget allocation for education has been increased to 3.89 percent. Don't indulge in such kind of cheating. This will not help in the development of education. The rate of literacy among SCs/STs is very low and particularly in respect of tribal women the rate of education is very low. Their condition is very miserable. They are subjected to high handedness and the main reason of it's that they are uneducated. They are not economically strong. You have done nothing for them.

Defence is an important department of the country. What is happening with the security of the country. In 1990-91, the Defence Budget was 3.9 percent. Today it is 2.4 percent. The Budget of Pakistan is 6.5 percent and the Budget of China is 6.5 to 7 percent. Today China is giving missile to Pakistan. There is news in today's newspapers that Pakistan is making missiles. So under these circumstances, we will have to give heed to the defence of the country seriously. I would like to remind you that long back, I had sent in regard to the defence of the country — Arms in violence and forms in peace. We had sent armies to plough the fields. With the result when China attacked us, we were a defeated nation. Instead of giving attention to the security of the country, coffee machines were made. My submission is that we should not play with the security of the country. The Defence Budget of the country should be increased. You have allocated Rs.27-28 thousand crores in the Defence Budget. I would like to demand that this should be increased to Rs.31-32 thousand crores. At present, about 75 percent of the Budget is expended on pension, salary and civilian expenditure. Then, what is left? You have not purchased any arms for the last ten years your Air Force, Navy are in procession of obsolete equipments. This Budget reflects such type of negligence towards defence of the country. Probably the allocation has been scaled down due to American pressure or to show to the world that India is scaling down allocation for defence or to show this to the IMF and World Bank. I would like to tell you that in this country, industrial progress can take place with progress in defence. When you manufacture tanks, the whole lot of mechanical industry is concerned with this. Metal industry progresses. When space work is taken up then thousand of scientists manufacture equipments

which have international market. In the case of science and defence we will find that the industrial progress of the country is very essential. China has made industrial progress and we cannot say in case of Pakistan that it has done nothing. But if you say that if money is spent on the defence then what will be the fate of development. It is a very old and wrong theory. Defence and development can also go together. There are a number of such areas where the defence and the industrial progresses and the educational development of the country go side by side. If you invest properly in DRDO and develop in a correct way the Defence Institutes, technology will develop in a large scale which will be beneficial for the country. You may recall that when America refused to give us super-computer. Then our scientists manufactured super-computers and we are now earning foreign exchange in the international market. So I say that if you scale down the Defence Budget and ask in this way then it will not be good. I am unable to understand the direction of the Budget.

[English]

MR. CHAIRMAN : Dr. Joshi, your Party has been allotted two hours and eleven minutes. You have already taken more than one hour. I have a list of 12 speakers.

DR. MURLI MANOHAR JOSHI (Allahabad) : Sir, I am just concluding... (Interruptions)

SHRI NIRMAL KANTI CHATTERJEE : Time overrun is normal in our economy.

DR. MURLI MANOHAR JOSHI : I think you are supporting me.

MR. CHAIRMAN : Time and cost escalation.

(Interruptions)

[Translation]

DR. MURI MANOHAR JOSHI : I would make a submission to the hon. Minister sitting here on behalf of the Finance Minister that I feel concerned for the future of the poor of this country after going through the budget. I feel concerned for the defence of the country. I feel concerned for the farmers, drivers and scientists of the country. I have already mentioned about the petroleum sector when there was discussion on it. So I would not like to repeat it. But the country has been burdened with such a huge budget which has not needed at all. The hydro Carbon industry has earned an income of Rs.23 thousand crores. The Government had withdrawn Rs. 4 thousand crores. From the oil pool during 1980 but it has not been repaid till date. I am also concerned about small scale industry. The small scale industries generate maximum employment yet no investment has been made in it. Textiles, small scale industries and

gems -jewellery are such industries which give employment to large number of people. I can't understand how have you increased allocation for other sectors. You say in your speech that you will increase employment opportunities but you have presented an anti-employment Budget. This Budget is anti-poor anti-farmer, anti-people and this Budget is not in the interest of the country. I would request my friends sitting on the other side that they should oppose this Budget tooth and nail as they used to do earlier. They should not let such anti-people budget be passed. It need be, try to remove this Government which has presented such an anti-people Budget, otherwise the people of this country will not pardon you. This Budget is against your avowed policies and which is not in the interest of the country. I will request the hon. Finance Minister to enumerate the changes and philosophy in the Budget. Change it according to the interest of the poor, the country and to the youth of the country. Thousands and lakhs of educated engineers, doctors are very much worried for the jobs. They are the talents of the country and you have done nothing for these talented persons. You are compelling all the talented persons either to migrate to foreign countries or turn rebels. I warn you that you should change all these economic policies, otherwise no one will support this Budget.

In the end, I strongly oppose this Budget.

[English]

SHRI SHIVRAJ V. PATIL (Latur) : Mr. Chairman, Sir, I remember 1980 when the Budget was presented by Shri Venkataramanji and from the Opposition benches, the former Prime Minister had spoken against the Budget. I was given an opportunity to speak immediately after he had spoken. In fact, when I spoke then, I had opposed many of the points which were raised by the Opposition benches.

Today, I stand here not to please or not to displease anybody, not to oppose for the sake of opposition or not to support for I should support it because we are sitting here. I would like to take a very realistic stand. I am not going to quote facts and figures in my speech. I would rather like to emphasise upon the principles and policies on the basis of which the Budget is formed.

15.58 hrs.

(Prof. Rita Verma in the Chair)

One of the things which is said about the Budget is that it represents continuity. I think for development and advancement, continuity is required. If there is no continuity, the development and progress cannot take place. At the same time, change is also required. Change and continuity are required for development and progress. So, if this Budget represents continuity,

it cannot be objected to. If the policies are good, if the policies are acceptable, there is no point in setting them aside and trying to invent new policies. If they are good, they should be accepted and acted upon.

While presenting this Budget, the Finance Minister said that it reflects the policies contained in the Common Minimum Programme. Well, we all know that this Government is a coalition Government. This Government had to develop a sort of consensus, out of which the Common Minimum Programme has emanated. If the Budget is using the policies which are mentioned in the Common Minimum Programme, nobody can have any objection to it.

The hon. Prime Minister has been saying that agriculture is the backbone of the country.

16.00 hrs.

So, we shall have to take care of agriculture and the agriculturists in India and adopt such policies which can really help agriculture. I do think that this is a correct policy to follow. The only question which has to be asked in this respect is whether all that is required for the development of agriculture has been provided through this Budget for this year or not. Are we adopting those policies which can really help agriculture?

One of the most important things which is required in the present day agriculture is the credit itself. What is the volume of credit that is going to be made available to an agriculturist? In 1990, Rs. 9,000 crore were given as credit to the agriculturist. In 1996, that figure has gone up to Rs. 26,000 crore. This is a big jump and the tempo which has been created by providing this big credit is reflected in the production that we find in agriculture. If we really want to help agriculture and the agriculturists, the volume of credit should be quite big. Agriculture requires many other things. The farmers have been asking for remunerative prices. One of the dilemmas before the Government is how to give remunerative prices to the farmers and how to provide foodgrains to the consumers at acceptable prices. This is really the dilemma. We shall have to apply our mind to find out as to how this problem of giving remunerative prices to the agriculturists and making foodgrains available at acceptable prices to the consumers is solved. In my opinion, if we produce more and if the agricultural produce is turned into finished goods by establishing agro-based industries in the country and by exporting the agricultural produce and the finished goods to foreign countries, this problem can be solved to a very great extent. I am not going to say that this will solve the problem entirely, but it can solve it to a great extent. Are we having that kind of a policy? If we have that kind of a policy, let us implement it; let us produce

more, let us have more agro-based industries, let us export to other countries, also get good prices for the agricultural goods and commodities and then return those prices to the agriculturists so as to give them remunerative prices and so as to see that the consumers also get the foodgrains at acceptable prices.

The third most important point with respect to agriculture is research and development. What is the amount of money we are using to encourage genetics in India? What is the amount of money which we are using to manufacture new implements which can be used by the small holders? What is the amount of money which we are going to use to produce new varieties of seeds which are resistant to the drought, which can grow in the areas where the flood has taken place, which are resistant to pests also. These are some of the things which have to be very carefully examined. It is not possible to deal with all these points while dealing with the Budget in general. When we discuss the Demands for Grant for Agriculture, we will be able to discuss all these points. But if we are really wanting to help agriculture and the agriculturists, we shall have to see that the fertility of the land is protected. We shall have to see that the irrigation facilities are used in a very scientific manner for which some provision has been made in the Budget, and it is good.

The water resources have to be used in a parsimonious manner. It is not possible for us to use the water resources in a manner which will leave some areas dry and some areas irrigated. So, these are some of the points which I wanted to make with respect to agriculture.

About employment, now the Budget says that the old schemes will be continued. We welcome it. The question is whether the old six schemes, if continued, will meet the demands for employment of the people. The demands have gone up. It would be necessary to improve upon the old schemes. One of the most important things is that the educated ones are unemployed and the problem of the educated unemployed persons in the country is very delicate. It has to be handled. Is there any scheme with us to handle it. By increasing the investment, having more industries and doing agriculture in an intensive manner, having wasteland development, having forest development, using the ocean resources and using the potentialities in the space, we can generate employment and it can be used. But do we have the schemes? Do we have the plans? Are we thinking in these directions? That is the real question. It would be necessary to have something of that kind to provide employment to the people.

Employment is nothing but a right to live. Right to work is nothing but a right to live. If a person does not have an industry with him, if he has no agriculture with him, if he is capable of working and if he is not given the employment, I think, in a way, we are denying him the right to work and the right to life also. So, the problem of employment is not just a problem of providing some jobs but it is a problem which has to be looked into from a different angle. This is a sort of right to live given to the people.

About education, Dr. Joshi, while speaking on the allocations made for Education, did say one thing. I think I can agree with him. Of course, the allocation has gone up. But then, the Finance Minister very brilliantly has put that across to us and to the people. The allocation has gone up. But a major portion of that allocation is going to be used for providing mid-day meals to the children. It is not going to help the primary education also to the extent it should, leave aside the secondary education and the tertiary education. That is why this amount of money, which appears to be very attractive, is not really sufficient. It is good that the allocation has gone up. But it is not sufficient.

About health, now we have two new schemes. I think these schemes should be welcomed. They would certainly help the people to have better medical facilities provided to them. But is the amount of money which is provided for giving health facilities to the people, going to be sufficient? In my opinion, it is not going to be sufficient.

Coming to Housing, I would say that fortunately for India, it has been possible for us to provide foodgrains and clothes to our people. Also, some facilities for education and health have been provided to us. But up to this time, we have not paid enough attention to provide shelter to the people. The Indira Awas Yojana is one of the schemes which is used for providing shelter to the people. It is very good. But we have not been able to provide shelter to the people living in the rural areas as well as in the urban areas. If we are not able to provide shelter so far, now is the time when we should decide that something very concrete and substantial has to be done to provide not only a plot, not only a small amount of money for getting shelter but actually real shelter. Some sort of a house has to be provided to the needy people. In this respect, I think the Budget is not very satisfactory.

Coming to drinking water, the problem of drinking water is becoming very difficult to tackle.

Specially in some of the States in Southern India, the drinking water problem is becoming very very difficult. And as the time passes, it is going to be more difficult. Funds are provided by the State Governments and by the Central Government and they are used. But

what are they used for? They are used for having tubewells, the tubewells which work hardly for two years or three years and afterwards they dry up. The money which is used for providing drinking water is really not helpful. In a way, it is wasted. It is not wasted for one or two years but it is wasted. When a question is put across to the Government - it was put to us also when we were a part of the Government - "Are you doing anything concrete to provide drinking water to the people or not?" The reply given sometimes by some of us was and probably is: "What can we do if it does not rain?" The human ingenuity is not that weak. We can do lot many things to provide drinking water. Some solutions can certainly be found out. There should be short-term, medium-term and long-term plan for providing drinking water. It should be decided that the water which is collected at placed should be taken to the villages through the pipes and not in that open canals; it should be decided that the rivers can be plugged at different places so that water recedes into the soil and it becomes available later on. There are many village tanks which can be desilted. We can develop the technology and we have a technology for turning sea water into potable water. Those equipments can be made available to the people living in the coast-line areas on a large scale. And the problem of drinking water can be solved to a very great extent. The difficulty with this is that we have a very short-term plan and a short-term view of this problem. And that is why, it has not been possible for us to solve it effectively. Even in Delhi sometimes we find that there is water shortage in spite of the fact that Delhi is on the bank of river Yamuna. This problem is really a very important problem not only to the people living in the cities but also to those living in the villages because in cities the problem is not very acute, but in the villages, it is more acute and something has to be done. Our Government says that education will be provided to all the children up to the level of primary stage; then health facilities will be given to the people; then the housing will be provided to the people and the drinking water will be provided to all people by the turn of this century. If this is our design, if this is our plan, this is what we want to do. The question really which is to be asked by us is, whether we are having scientific plans - short-term, medium-term and long-term - for this.

The second question which we should ask ourselves is: Are we developing the machinery required to implement those plans at the national level, village level, district level and the State level also? Are we trying to find out enough funds for this purposes? Then only we can make this claim. Otherwise, if we keep saying that by the turn of the century, all these facilities will be provided and if we do not provide enough funds in our Budget, whom are we deceiving? We are

sufficient amount of money on research and development which is relevant, which is area-specific to them. Then we can have more funds for that. But public sector industry is also not spending enough amount of money. We should ask the public sector industry to spend enough amount of money. The private sector is certainly not spending enough amount of money on research and development. They should also be asked to spend more money. When I was there, they earned Rs. 500 crore because of concessions given in income tax for the development of science and technology. The Government is also helping them. But it is necessary that they should do something more research and development. If individual industries cannot do it, cooperatively they should do it; jointly they should do it; only then it is possible. I am a little dissatisfied with what has been done for research and development.

I was very happy to read in the newspapers that the Prime Minister had released the Technology Vision 2020 which is prepared by the scientists in India after the work of three years. I had the opportunity of discussing as to what they want to do with respect to that Technology Vision and all that. I am satisfied that it is a good Vision and it is going to be helpful. I was very enthusiastic to find out whether sufficient funds have been provided for that. But I am really a little disappointed that sufficient funds for research and development are not provided. If there is no adequate research and development taking place, agriculture cannot develop, we cannot have better health facility, we cannot have population control, we cannot have the best transport facilities provided in the country and industry certainly cannot develop. Something more has to be done.

We understand the difficulties of the Finance Minister. It is easy for anybody who is sitting on the benches other than the Treasury benches to ask for more money. That can be done if the Finance Minister can ask his other colleagues that this is the area which has to be considered properly and some more funds have to be found out for them.

Coming to the infrastructure, there are two areas which are identified by the Government: one is power and the other is transport. Very eloquently and properly a presentation was made on these two points by Dr. Joshi also. What do you want to do with power? How do you want to produce power in this country? We want to produce power in this country by having more generating sets established. What are we going to do for that? We are allowing the private industry to enter this area; we are allowing foreign industry to enter this area and we are establishing new power stations in this country and have more power stations. But what about the power stations which are already established

and not using their sufficient capacity? There are some States in the country which are using the capacity of the power station to the extent of 15 to 20 per cent. If we have the capacity established and if we are using that capacity in this inefficient manner, power availability is going to be a problem. What are the areas, what are the technologies you want to use for generating power? I do think that coal deposits are limited; oil deposits are limited. But atomic energy resources are not limited. We shall have to have a very careful look at it. Japan is producing energy by using atomic energy and nuclear technology. Japan is a country which has suffered. Yet, Japan is one of the countries which is using the atomic technology to produce power.

I think, by using atomic technology, they are producing energy to the extent of thirty per cent. France is doing the same thing. Many other countries are doing it. Why should we not use this technology in our country to produce more energy? Why should we shy away? It is a reality of life and we cannot shy away.

The non-conventional source of energy is a perpetual source of energy which is going to be available to us. The solar energy is going to be available to us. We are emphasizing on bio-energy and not on solar energy. We are emphasizing to some extent on wind energy, and solar energy is not being used. It is necessary for us to use solar energy, the wind energy and the wave energy. The thermal difference also produces an energy which has to be used. We shall have to focus more in the area of non-conventional sources of energy, if we really want to be self-sufficient in power. Hydel energy is also useful but there are so many problems when we try to use hydel energy. We shall have to have a very scientific look at the problem of providing power to our industry and agriculture. Unless that approach is adopted merely providing a few crores of rupees here and there or allowing the private sector or the public sector is not going to help us in the manner in which the help should be made available to us.

The Budget says that a certain amount of money is provided for road transport. Very good! We welcome it. But have we looked at the problem of transport from a comprehensive point of view? We are talking about road transport alone. The problem of transport in India and in countries like India, that is China and Brazil and the problem of transport in countries like Canada and America are different. We shall have to be very careful about the plans that we make and projects that we start to provide transport facilities in our country. Unless we have a comprehensive look, it is not possible. When we think of providing transport facilities to the agricultural and industrial sectors in the country, it is necessary for us to have a look at the road transport, the railways, the

waterways and the airways together. Unless you mix the facilities, unless you use all these systems by having a comprehensive plan, you would not be able to do that. Unfortunately, attempts were made to make a comprehensive perspective plan for 25 years to provide transport facilities in India in a very systematic manner. If the people want to carry the goods to longer distances, they prefer railways or waterways and if they want to carry the goods to a shorter distances, say, 5000 kilometres, they prefer roadways. We shall have to have a look at the requirements of our country. We shall have to find out as to how the railways, the roadways, the waterways and the airways can be developed in the country. They should be developed in a comprehensive manner. Only then the transport facilities could be provided to us. It is not only that the money should be made available, the vision is also important. If that vision, that scientific approach is missing, then nothing can be done. The Budget is not a statement of income and expenditure alone, the Budget is a sort of an instrument which is used for the development of the country also. The principles are projected through the Budget. We shall have to see whether any thinking on these terms has been done.

I am of the view that the Minister of Finance has very graciously agreed to provide more funds, if needed by the Ministry of Defence in future. What does that indicate? It indicates that the Ministry of Defence needs funds and the Government and the Minister of Finance realize that more funds should be given to the Ministry of Defence. But let me put it across to this august House that the development of the defences cannot be done in this fashion. Defence always requires a long term approach. You cannot say that if funds are needed it would be given to you. Unless they know what kind of funds are going to be available for them in twenty years' time, in ten years' time or five years' time, and what kind of funds are going to be available annually, they would not be able to plan in a fashion in which the planning has to be done for the preparedness of the Defence. Now, what is indicated in the Budget is that the funds would be made available. I do think that it is a good thing that it has been promised. But the same time we would have appreciated it very much if the money would have been made available at the initial stages itself.

Defence is something which cannot be prepared in one year's time or in four years' time or five years' time. We shall need a long term approach for the preparedness of the Defence. That depends on the preparedness for the threat perceptions. That depends on the threat coming from different directions and that kind of approach has to be accepted.

On the one hand, I am very happy that it has been realised that more funds, if needed, would be made

available to the Defence Ministry. On the other hand, I am not that happy because the funds should have been given at the beginning itself. If it would have been done, they would have been in a better position to plan at least for one year and remain prepared. The Defence expenditure is not an infructuous expenditure. In India there was a time when we thought that Defence preparedness was not necessary and that we could protect our sovereignty and territory and the borders by using the principles which we had used for acquiring our independence.

But after 1962, our approach was completely different. Whatever money was required, was easily given to the Defence Ministry. We are in the third phase now. In this third phase, money is given but it is given a little grudgingly. Money is given but then it is weighed against the requirements for the development. It is not a wrong policy. It is not wrong to do that. We shall have to develop the economy of the country, we shall have to maintain peace and tranquility in the country and we shall have to have good relations with other countries of the world. But, at the same time, let us not forget that war is very costly but getting defeated in the war is more costly. Let us not forget that the preparation for war cannot take place in one year's time and not even in five years' time. Unless we have a long term approach, it cannot be done. That is why the approach to the Defence problem has to be scientific. It has to be done in such a manner that it can really satisfy the requirements of our country. Probably, we are not going in the wrong direction and we are going in the correct direction. But here and there, more corrections are required as we are committing some small and big mistakes.

I am very happy to hear in the Budget speech that the Ninth Five Year Plan Approach Paper will be prepared and that Paper would contain the plans and programmes of the Government to provide welfare facilities to the people. I am really very happy about it. I am very happy that this exercise is being done to prepare the Ninth Five Year Plan.

Now, a sort of philosophy is being developed according to which the plan is not necessary for the development of the country. The plan is necessary for the development of individuals, for the development of industries and for the development of organisations and that plan may not be necessary for the development of the country. Plans need not be very rigid. They should not create difficulties and restrictions for individuals or for the public sector or for the Government sector. But they can give the priorities and they can give the directions. It can be a mega plan or a long term plan. That kind of a plan is necessary. I am happy that that is being done.

Standing on the floor, the only request that I would like to make is that let is not be done only in the Ministry. Let that Approach Paper come to this House. If you think that you should know what kind of an annual budget is going to be there or what kind of an annual plan is going to be there, then why should not Parliament know what kind of Approach Paper you are going to prepare? You prepare the Approach Paper and present it to the House so that you could get the suggestions from the Members and whether to accept or not to accept it can be decided by you. But it should not be a Paper prepared and used by the Government and Parliament is kept in oblivion as to what kind of direction you would like to take while preparing the Ninth Five Year Plan.

The Ninth Five Year Plan should also be presented immediately after it is prepared; it should be presented to the House. Let the people know what is actually going to be spent on agriculture, on employment on industry, on research and development, on education and on transport. Let the hon. Members know it.

We are all talking in a very loud voice that nothing should be kept secret while discussing the Budget of the Defence Ministry. But we are not very particular about discussing the approach paper, the Five Year Plan and the mid-term appraisal of the Five Year Plan. I think, these are the most important things and fortunately for us, the present Government has said that they are going to have the Ninth Five Year Plan; and before that, they are going to have the approach paper on the Ninth Five Year Plan. We would request that those two documents should be presented to the House so that the hon. Members can express their views and the Government can take advantage of the views expressed by the hon. Members.

Of course, we know that the Planning Commission is not a constitutional body; it is not even a statutory body; and yet, it is planning for the entire country, in consultation, of course with the State Governments, the Chief Ministers and the others. But the Parliament also should know that. The Parliament is a place where that should come first, it should be discussed after it is prepared and then it should be implemented.

One more thing which I find in the Budget is about the Centre-State relations—the federalism. We welcome this idea. This country is full of diversity. But there is a thread which binds this country. We would be happy if more powers which can be given to the State Governments are given to the State Governments and Consultations of all kinds with all the authorities in the country can be done on this point. But while doing so, let us be very very clear that we shall have

to be very balanced. If the Central Government is asked to make the allocations to give a certain amount of money to the State Governments and if the Central Government is not in a position to find out whether that amount of money is spent properly or not, what are going to be its implications? On the one hand, the kitty should be shared by the Union and the State Governments, and on the other hand, let there be a collective responsibility and a collective accountability also if we loss sight of this very important fact, the people will be ultimately asking that this was the money which had come to your coffers, where has that money gone? Then, you will not be in a position to say where that money has gone. If you are going to accept the principle of federalism by all means - except the principle of financial federalism and political federalism or any other kind of federalism you want—you accept it, But while doing it, a balance has to be struck. If we move from one extreme to the other, if the pendulum moves from one extreme to the other, it is likely to create problems.

Madam, if my time is over, you can indicate.

MR. CHAIRMAN : No. You can go on.

SHRI SHIVRAJ V. PATIL : If the pendulum swings from one extreme to the other, sitting in this House, if we are not taking cognisance of these facts they would create problems in the future. By all means let us have federalism which is provided in the Constitution; if need be, if everybody asks and if Parliament also agrees, let us have a new kind of system of federalism through our Constitution by introducing some modifications here and there. But while doing that, on the one hand, they should have the liberty, the authority and the power to get the money and to spend the money and on the other hand, they should be acceptable not only to the State legislatures, but also to some body which has a national outlook; it should be acceptable at least to the Planning Commission; it should be acceptable at least to the Finance Ministry. They can find out whether the money has been properly spent or not.

Now we are saying that the schemes will be continued and the money will be given to the State Governments. If money is given to the State Governments for those Central Government schemes, for which the funds are given by the Central Government - it should be 'Union Government'; we do not call it Central Government, we call it Union Government only because that is the correct expression - and if we see that that money is not spent by them, what do we do?

Now, for instance, take Rs. 1 crore given to each of the Members. There was a demand that this money should go directly from the Union Government to the Collectors and the State Governments should not interfere. Why? Why was that kind of demand made?

That does not cover the entire gamut. But it gives an indication as to why that kind of demand was made. This is applicable to the funds which are given to the Gram Panchayats under the Jawahar Rozgar Yojana also. Why are the funds given? If they do not reach the Gram Panchayats, the purpose of giving the funds to the Gram Panchayats is also not served. Ultimately, the people for whom the funds are provided in the Budget also do not get them.

I am not objecting to having a look at the federal relationship between the Union Government and the State Government and also between the Union and the State bodies. But I am cautioning that there is another aspect. That other aspect also should be kept in mind before taking decisions in this respect.

While concluding my speech, I would say that this Budget is quite sweet in certain respects, it is quite sour in certain respects and quite bitter also in certain respects. What are the areas where the Budget has done well? I think, the approach which is accepted with respect to agriculture might have satisfied us. But that is an area which has given a hope to the people that in agriculture something better would be done.

Health is one of the areas in which some new schemes have been invented. They are likely to help. A lot of money, which is already allocated for primary education, is going to be spent on Mid-day Meal. There is a substantial increase in that and we should welcome it.

As far as industry is concerned, the Finance Minister is very clear that industry should be given impetus because in industry we are weak.

As far as deficit financing is concerned, I think, he has tried his best to see that the gap is reduced. He has tried to see that more taxes are not imposed on the people. He has also tried to see that the help given to the poor will continue. At the same time, if there is some infructuous expenditure committed, that would be reduced and some savings will be done. I think, this is a good part of the Budget.

What are the areas in which we are not fully satisfied? Housing is one of the areas in which we are not satisfied. Sometimes more has certainly to be done. If it is not possible to do it this year, let us think about it for the entire year and have something new to provide housing facilities to the people, especially in the slum areas and the rural areas.

Employment is something in which we shall have to do something more. What has been done to provide employment to the people from the rural areas? In the case of uneducated and unemployed persons, it is good, but as far as providing employment to the educated

people is concerned, we may not be satisfied with what we are doing. We shall have to do a little more.

About drinking water, I do think that something better has to be done. The most important thing is to be clear in our mind that this is not something which entirely depends on the nature, and the human beings are helpless in this respect. We shall have to discard that idea and do something more. I am not fully satisfied with what has been done about the basic minimum services.

What are the bitter areas? In my opinion, the bitter areas relate to the provisions made for research and development. We are not satisfied with it. Mr. Joshi was right in saying and I agree with him. They have pragraph which is having the title of 'other welfare measures'. Some Rs. 5 crore or Rs. 10 crore are there. I do not think it was necessary to mention that in the Budget speech itself. If it was mentionable in the Budget speech, there should have been some substantial amount. If you give Rs. 5 crore to Rs. 10 crore, to *Hammals* and to the welfare societies of women, then it is meaningless. Sometimes we do think that we are mocking at ourselves. That should have been avoided. That is my way of thinking.

I would say that the Finance Minister was to perform a difficult job and he has performed it in a very very sagacious manner. The Budget is certainly balanced. Not Budget can satisfy all the Members in the House and all the people in the country but he has done his job. At the same time, I do have a feeling in my mind that it is not as bold or as brilliant as the Finance Minister is. It is a Budget which is following the beaten track. It is a Budget which could have given many many new ideas and there is no dearth of ideas. You may have dearth of funds but there is no dearth of ideas. If you project the ideas through your budget, plans and speeches delivered by the President to Members of both the Houses of Parliament, you have given a direction to the Members of Parliament and to the people in and outside the country also that this is how we can tackle the problem. When there is dearth of ideas, when there is no brilliant programme or plan or policy projected, then we feel a little sad and dejected. I would say that this is a balanced Budget but not a bold Budget and not a brilliant Budget. But this is a Budget which has been made in the circumstances in which the Government had found itself. Probably, it could not have done better than what it has one and so, it deserves the support of the House.

MR. CHAIRMAN : I shall now request the Minister of External Affairs to make a statement on India's position with regard to the Comprehensive Test Ban Treaty.