

GENERAL BUDGET 2004-05- GENERAL DISCUSSION

AND

DEMAND FOR GRANTS ON ACCOUNT - GENERAL - 2004-05

Title: Further discussion on the Budget (General) for 2004-05 and Demand for Grants on Account (No. 1 to 34, 36,37, 39 to 63, 65 to 73, 75, 76, 78 to 105) for the year 2004-05.(Not concluded).

MR. DEPUTY SPEAKER: The House will now take up further discussion on General Budget 2004-05. Item Nos. 14 and 15 to be taken up together.

श्री मोहन सिंह (देवरिया) : उपाध्यक्ष महोदय, हमारे देश की गम्भीर चुनौती इस देश की गरीबी है। आज UNDP के दस्तावेज़ पूरी दुनिया के सामने प्रकाशित हुये हैं। क्वालिटी ऑफ लाइफ के हिसाब से हिन्दुस्तान अपनी पोज़ीशन पिछले साल वाली मेनटेन किये हुये हैं और दुनिया के देशों की श्रेणी में हमारा 127वां स्थान है। सरकार तथा योजना आयोग की ओर से जो गरीबी के आंकड़े दिये जाते हैं, वे वास्तविक आंकड़े नहीं हैं। अगर उन आंकड़ों पर यकीन किया जाये तो आज देश में 27 करोड़ आदमी गरीबी रेखा के नीचे हैं और उन 27 करोड़ में से भी 10 करोड़ दरिद्रतम से दरिद्रतम व्यक्ति हैं। यह दुर्भाग्यपूर्ण स्थिति है कि हमने अपनी आर्थिक समीक्षा में इस बात को स्वीकार किया है कि इस देश में ग्रामीण क्षेत्र के 1000 आदमी में से 17 ऐसे आदमी हैं जो सालों-साल भूखे रहते हैं, उन्हें पेटभर भोजन नहीं मिलता है। शहरी क्षेत्र के 1000 लोगों में से 2 आदमी वर्षभर में आधा पेट भोजन करने के बाद जिन्दगी गुजर-बसर कर रहे हैं। गरीबी बेरोज़गारी से शुरू होती है। यदि देश से गरीबी दूर करने का प्रयास हम लोग नहीं चलायेंगे, जब बेरोज़गारी बढ़ती है तो गरीबी का फैलाव रोका नहीं जा सकता।

उपाध्यक्ष जी, हमारे देश में जो दस्तावेज़ सुरक्षित हैं, उसके अनुसार 4 करोड़ 27 लाख लोग बेरोज़गार हैं जो रोज़गार दफ़्तरों में अपना नाम लिखाते हैं। यदि बेरोज़गारी की रफ़्तार देखी जाये तो सब से ज्यादा पश्चिम बंगाल और केरल में क्रमशः 18 प्रतिशत और 14 प्रतिशत है। बेरोज़गारी की सब से कम वृद्धि बिहार और उत्तर प्रदेश में है लेकिन यह वास्तविकता नहीं है। ऐसा केवल इसलिए है कि उन राज्यों में साक्षरता, जागरूकता है और नौजवान लोग अपनी बेकारी दूर करने के लिये सरकार का दरवाजा खटखटाते हैं लेकिन जहाँ अशिक्षा है, वहाँ के नौजवान लोग रोज़गार मांगने के लिये रोज़गार के दफ़्तरों में नहीं जाते हैं।

लेकिन कुल मिलाकर रोजगार के मामले में पूरे देश की स्थिति भयावह है। भारत सरकार कृषि और उद्योग के क्षेत्र में जब तक भरपूर निवेश पर ध्यान नहीं देगी, ग्रामीण और शहरी स्तर की बेरोज़गारी कभी खत्म नहीं होगी। इसके लिए हमें एक अभियान चलाना होगा। एक अभियान पुरानी सरकार ने चलाया है, जिसे हम सड़कों के नाम से जानते हैं। एक महत्वाकांक्षी योजना, जिसमें अधिकतम लोगों को रोजगार दिया जा सकता है, पिछली सरकार ने एक स्कीम के तहत पूरे हिन्दुस्तान को सड़कों से जोड़ने की एक स्कीम चलाई। उसमें 13147 किलोमीटर सड़कें देश में बननी थीं और स्वर्ण चतुर्भुज योजना में लगभग पांच हजार किलोमीटर के आसपास सड़कें इस देश में बननी थीं। लेकिन कुल एक-चौथाई काम इन सड़कों के उम्र हुआ। जिन कंपनियों ने उनका ठेका लिया, उन्होंने उस ठेके में सबलैटिंग की और सबलैटिंग वाली कंपनियों ने उन ठेकों को पूरा नहीं किया। निजी क्षेत्र में कुल एक-चौथाई सड़कें उस महत्वाकांक्षी योजना के तहत बननी थीं। उन पर 54000 करोड़ रुपये इस देश के खजाने का हमें खर्च करना पड़ा।

उपाध्यक्ष महोदय, इस देश में हर आदमी जो पेट्रोल और डीजल लेने जाता है या गरीब किसान अपना ट्रैक्टर चलाने के लिए डीजल या पेट्रोल लेने जब पेट्रोल पम्प पर जाता है तो उसे भी डेढ़ रुपया इन सड़कों के बनने के नाम पर भारत सरकार को अदा करना पड़ता है। लेकिन उसमें काम क्या हुआ। मैं माननीय वित्त मंत्री जी से इन सड़कों के बारे में जानना चाहता हूँ कि कितने लोगों को इसमें रोजगार मिला, अभी तक कितनी सड़कें बनीं और कितने वॉर्षों में कितनी सड़कें बनने वाली हैं, यह वित्त मंत्री जी बतायें। छः लेन की सड़कें बनाने पर साढ़े आठ करोड़ रुपये प्रति किलोमीटर के हिसाब से खर्च होना है। वर्ष 1999 से जो भाव थे, उसके हिसाब से प्रधान मंत्री सड़क योजना में चार लेन की एक किलोमीटर सड़क साढ़े चार करोड़ रुपये में बनती है। इसका विकल्प यह हो सकता है कि रेलवे के पास बहुत जमीन है। इससे आधे पैसों में स्वर्ण चतुर्भुज रेल लाइन पूरे हिन्दुस्तान के बड़े शहरों को जोड़ने के लिए दो-तीन वॉर्षों के भीतर हम बना सकते हैं। देश में जो सड़कों की समस्या है उसका समाधान रेल के विस्तार से उसके विकल्प के रूप में हम शुरू कर सकते हैं। इसलिए हम वित्त मंत्री जी से आग्रह करना चाहते हैं कि सड़कों पर होने वाले निवेश को निकालकर वह पूंजी रेलों में निवेश की जाए। यह मेरा एक सुझाव है और इसे वित्त मंत्री जी को स्वीकार करना चाहिए।

दूसरी बात यह है कि हमारे देश में जो क्षेत्रीय ग्रामीण बैंक हैं, वे आम जनता से जुड़े हुए बैंक हैं। वे बैंक बहुत दिनों से अपनी दशा सुधारने के लिए भारत सरकार से अपील कर रहे हैं, दरखास्त दे रहे हैं। वित्त मंत्री जी ने पहले ही दिन प्रश्नोत्तर में कह दिया कि उनका खुद का विचार है कि राष्ट्रीय स्तर पर इन बैंकों को जोड़ने के लिए वह किसी एक को एपेक्स पार्टी बनाने का प्रस्ताव मानने के लिए तैयार नहीं है। उन्हें प्रायोजित करने वाले जो कमर्शियल बैंक्स हैं, उन्हीं के जिम्मे, उन्हीं के उम्र उनके भविष्य को छोड़ दिया जाए। उसके पीछे तर्क यह दिया गया कि 51-52 बैंकों में जरूरत से ज्यादा घाटा है। वे कौन से बैंक हैं, जो पूर्वोत्तर राज्यों में काम कर रहे हैं, जो उड़ीसा के गरीब क्षेत्रों में काम कर रहे हैं। वही क्षेत्रीय ग्रामीण बैंक बुरी हालत में हैं जो जम्मू-कश्मीर में, आतंकवाद प्रभावित इलाकों में काम कर रहे हैं। वही बैंक घाटे से मर रहे हैं। लेकिन इन इलाकों में काम करने वाले व्यावसायिक बैंक क्या उस घाटे से जुड़ने का काम नहीं कर रहे हैं। ग्रामीण क्षेत्र की गरीबी को दूर करने का और ग्रामीण क्षेत्र में पूंजी निवेश करने का सबसे सशक्त माध्यम ये क्षेत्रीय ग्रामीण बैंक हैं। लेकिन वे गरीब बेरोज़गार नौजवानों को, कॉटेज इंडस्ट्रीज चलाने वालों और अपने हाथ से काम करने वाले छोटे किसानों को साढ़े बारह प्रतिशत की सूद दर के हिसाब ऋण देते हैं, क्योंकि उन्हें प्रायोजित करने वाले उनके अपने बैंक हैं, जो नौ प्रतिशत के हिसाब से उन्हें ऋण देते हैं। इसलिए जनता तक उसका कर्जा साढ़े बारह प्रतिशत के हिसाब से पहुंचता है। इसलिए मैं समझता हूँ कि इसका सर्व होना चाहिए। जितने किसान आज आत्महत्याएं कर रहे हैं, उनके उम्र बैंकों का कर्जा है और सबसे अधिक उन बैंकों का कर्जा है, जो क्षेत्रीय ग्रामीण बैंक के रूप में काम कर रहे हैं। यदि आप उनकी पूरी फीगर पता लगायें तो इस समस्या का समाधान निकाल सकते हैं।

व्यावसायिक बैंक ग्रामीण क्षेत्रों में अपनी शाखाएं नहीं खोलते हैं। ग्रामीण स्तर पर क्षेत्रीय गतिविधियां और व्यापारिक गतिविधियां बढ़ी हैं, बैंकों का कारोबार बढ़ा है, लेकिन मेरा दावा है कि पिछले दस वॉर्षों में जितने व्यावसायिक बैंक हैं, उन्हींने गांवों की ओर जाने की कोशिश नहीं की है। इसलिए हम कहना चाहते हैं कि क्षेत्रीय ग्रामीण बैंकों की दशा सुधारने के बारे में भारत सरकार को विचार करना चाहिए।

तीसरी बात सुझाव के तौर पर मैं कहना चाहता हूँ। वित्त मंत्री जी ने विनिवेश के बारे में बहुत अच्छी घोणा की, लेकिन जो अति घाटे के सरकारी उद्यम और उपक्रम हैं, उनको बेचने के बारे में या नहीं चलाने के बारे में सरकार की नीति पर विचार करने के लिए एक संगठन बीआईएफआर बना हुआ है। वह एक तरह का कोल्ड स्टोरेज है। इनकी दशा सुधारने के बारे में बीआईएफआर जितनी अड़ंगेबाज़ी संभव है, करता रहता है और पांच-छः साल से उसके सामने अनेक छोटे-छोटे उपक्रमों के मामले पैन्डिंग हैं, उन पर निर्णय नहीं होता। मेरा आग्रह है कि बीआईएफआर नाम की बला को खत्म करने का प्रयास किया जाए और जो घाटे के उपक्रम हैं, उनके विनिवेश या संचालन के बारे में त्वरित नीति कायम की जाए। लेकिन विनिवेश उस तरह का न हो जिस तरह का विनिवेश हमारे मित्रों ने गत चार वॉ में किया। सैन्टूर होटल का जिस रूप में विनिवेश हुआ, जिस रूप में उसकी बिक्री हुई, आज वह व्यक्ति जो फर्स्ट पार्टी के रूप में है, उसे चलाने की स्थिति में नहीं है और डेढ़ सौ करोड़ रुपये मुनाफा लेकर किसी थर्ड पार्टी को बेचने की स्थिति में पहुँच गया है। उसकी जांच होनी चाहिए कि पिछले चार वॉ में विनिवेश और सरकारी संपत्ति को बेचने का जो अभियान चला था, उसमें जनता की कितनी संपत्ति लूटी गई। इसकी समीक्षा होनी चाहिए और जांच होनी चाहिए। खास तौर से सैन्टूर होटल की बिक्री के मामले में जो लूट हुई है, उसका खुलासा देश के सामने किया जाना चाहिए, यह मैं वित्त मंत्री जी से खास तौर से आग्रह करना चाहता हूँ। उसी के साथ-साथ मेरे कुछ खास सुझाव हैं जिनको बहुत संक्षेप में मैं आपके सामने रखना चाहता हूँ।

पहला सुझाव यह है कि वित्त मंत्री जी ने एक लाख रुपये तक की कर योग्य आय वाले लोगों को तो आयकर से मुक्त कर दिया, लेकिन सर्विस टैक्स बढ़ा दिया है। सर्विस टैक्स देने वाले कौन हैं? बैंकों में कारोबार करने के लिए जाइए, सर्विस टैक्स देना है। बीमा में कारोबार करने जाएँ तो सर्विस टैक्स देना है। तमाम बेरोजगारों के लिए जो सरकारी नौकरियों के लिए विज्ञापन छपते हैं, उनके फार्म भरने के लिए कभी 200 रुपये का ड्राफ्ट बनवाना पड़ता है तो कभी दाखिले के लिए 1000 रुपये का ड्राफ्ट बनवाना पड़ता है। अब उस पर भी सर्विस टैक्स देना पड़ेगा। ये सब जीवन से जुड़ी हुई सेवाएँ हैं। एक लाख रुपये तक की आमदनी वाला जो आदमी हमारे समाज में है, उसे टेलीफोन की आवश्यकता होती है। जो दैनिक जीवन से जुड़ी हुई हमारी सेवा की उपलब्ध वस्तुएं हैं, मैं वित्त मंत्री जी से आग्रह करूँगा कि उनको सर्विस टैक्स में एक सीमा बांधकर छूट दी जानी चाहिए, अन्यथा जो एक लाख की सीमा है, इसका कोई लाभ आम आदमी को नहीं मिलेगा। इस देश में जो टैक्स देने वाला व्यक्ति है, टैक्स का बोझा उसी की पीठ पर और उसी के सिर पर लादने का हर साल प्रयास होता है जो ठीक नहीं है। एक लाख रुपये से ऊपर और दो लाख रुपये के बीच की आमदनी के जो लोग हैं, वे भी कोई बहुत बड़े लोग नहीं हैं। उनके लिए किसी तरह की छूट इस बजट में नहीं दी गई है। मैं आग्रह करना चाहता हूँ कि कम से कम दो लाख की आमदनी तक के जो लोग हैं, उनको भी टैक्स में थोड़ी बहुत सहूलियत दी जानी चाहिए। मैं उसके समापन की बात तो नहीं करता लेकिन उनको छूट देने और राहत देने की अपील वित्त मंत्री जी से करते हुए आपको धन्यवाद देता हूँ कि इस बजट पर मुझे अपने दल की ओर से कुछ बातें कहने का अवसर दिया।

SHRI K.C. PALANISAMY (KARUR): Sir, today I have been given the rare privilege of making my maiden Parliamentary speech on the Budget proposals of 2004-05 by my most respected leader, Dr. Kalaigarnar.

In a House packed with senior Members, learned scholars and seasoned economists, I wish to give my humble views that tell the minds of the people of Tamil Nadu and that of my Party, the Dravida Munnetra Kazhagam.

Sir, the Budget proposals reflect the spirit and essence of the Common Minimum Programme. Shri Chidambaram has done true justice to the vision of Sonia ji, the President of the UPA.

The hon. Prime Minister Dr. Manmohan Singh ji's keenness to strict fiscal management is evident in the passing of the FRBM Act, 2004, thus ensuring the nation's economic health. This Budget, without doubt, is the result of the rich experience, deep knowledge and a clear vision of the hon. Prime Minister.

There is a saying in Tamil which says: "*Sattiyil Ulladhu than Agappayil Varum*". This means "What is available in the pot only will come out in the spoon". But our Finance Minister has disproved this saying by giving many a spoonful of incentives, relaxations, benefits and sops to almost every sector of economic activity in the nation.

Further, Shri Chidambaram has reached across to the rural India and touched the hearts of millions of farmers by this first Ever Green Budget. Let us not forget that 60 per cent of India still lives in the villages; and any thought of an economic change cannot be dreamed of without making the families living in the rural India prosperous. Therefore, the Finance Minister has quite rightly pressed the green button without compromising on the industrial development of the country.

The Budget document, without doubt, can be considered to be the road-map for the UPA Government for the next five years. Yes, this is a Budget that even Pandit Jawaharlal Nehru would have been proud of!

As a Member of Parliament from the DMK Party, I must thank the Finance Minister for fulfilling all the commitments that my leader Dr. Kalaigarnar has given to the voters of Tamil Nadu.

As an MP from Karur constituency in Tamil Nadu, I will be failing in my duty if I do not place on record my appreciation to the Finance Minister for his bold move of scrapping CENVAT and the removal of excise duty on pure cotton, wool and silk, thus giving the textile industry of our area the much-needed new lease of life.

The fifty-year-old textile industry will now start breathing afresh. The Manchester of South India will soon regain its past glory. Lakhs and lakhs of textile workers in the handloom and power-loom sector will now come out of their untold sufferings due to unemployment and poverty.

One more historic blunder of the NDA Government thus stands corrected by just one stroke of the pen. The Finance Minister has lived up to the Thirukkural that he quoted in his Budget speech and has indeed walked the path of honour and courage.

SHRI SURESH PRABHAKAR PRABHU (RAJAPUR): Mr. Deputy-Speaker, Sir, this is the first Budget presented by the UPA Government and therefore everybody is interpreting the election result which put the UPA in power. My friend Shri Rupchand Pal, the other day, was describing that it is the defeat of the neo-liberal policies of the previous Government and whichever Governments were following such policies have been defeated. That is why, the 'liberal' feeling is so strong that probably this first Budget which has been presented by the UPA Government has liberally used words like rural development and agriculture in such a big way that anybody will get swayed. But unfortunately, the provision that is required for these areas is not put. So, there is no money where the mouth is and therefore, unfortunately, this Budget has not fulfilled the type of expectations that were raised before it was presented.

Sir, it is true that we are now sitting in this side of Parliament, in the Opposition, because we lost power and the UPA has come to power. Why is this phenomenon now developing in the country? Every time a Ruling Party goes to the election, there is a very good chance that they would lose the election except the honourable exception of West Bengal where the Ruling Party has not lost power for many years and my friend Kumari Mamata Banerjee will explain why this has happened.

KUMARI MAMATA BANERJEE (CALCUTTA SOUTH): Sir, it is because they...(Interruptions)

MR. DEPUTY-SPEAKER: This is not going on record.

*(Interruptions) **

MR. DEPUTY-SPEAKER: Please take your seat.

...(Interruptions)

MR. DEPUTY-SPEAKER: Whatever is spoken by anybody without my permission will not go on record.

*(Interruptions) **

* Not Recorded.

SHRI SURESH PRABHAKAR PRABHU : Sir, I was saying that this Budget was presented amidst huge expectations and we are sorry to say that many of the programmes that this Government has announced in its Budget are nothing but repetition of the programmes which the previous Government was pursuing.

I must say that this is a merger than acquisition of the schemes, which were pursued in terms of merging several schemes of the previous Government and acquiring them in new names and repackaging and marketing them. Of course, I congratulate the hon. Finance Minister. He is a very intelligent and capable person for doing it in a manner that gives an impression that huge investment has been increased in the outlay that has been made for rural development and agriculture. I will go and find out how, unfortunately, the expectations have not been fulfilled.

Sir, the unorganised labour is 93 per cent of the total workforce of the country. The NCMP also talks about it, but, unfortunately, there is no provision for unorganised labour in this Budget.

Now I come to fishermen. We have nine huge coastal States. There is no mention about fishermen living around that area, unfortunately, neither in the NCMP, nor in the Budget. The fishermen, who also deserve a good deal, have got a raw deal.

Sir, population is one of the major problems of the country. In fact, the per capita income is falling and not growing enough despite the growth in our GDP. The population increase is so much that per capita income really falls. Therefore, the prime need of the hour is to come out with a population policy, which is really to control the population. But unfortunately, none of the two documents, the NCMP or the Budget, talks about population control. I think, there should have been some incentives provided in this Budget for population control.

The organised labour, which again deserves a good treatment and the NCNP also talks about it, has got nothing. The most organised labour, one of the ancient or traditional industry in the country, is in the textile industry. For the National Textile Corporation, which employs a large number of workmen working in Mumbai, Ahmedabad and many other places, unfortunately, there has nothing been really provided. The employees of many other public sector undertakings got golden handshake, but the employees of the National Textile Corporation and the textile workers really did not get the type of deal that they deserved. Therefore, the organised labour, particularly the NTC workers and textile workers in the city of Mumbai, have really suffered as a result of that.

The working community was expecting that probably the rate of interest on Provident Fund rate would be increased. We are also hoping that there will be some announcement. Of course, this is not relating to budget, but this is something different. Probably we should hope to hear something and that will be a good news for the

workers.

There were some very good programmes carried out by the NDA Government, particularly the programme carried out by my good friend, Maj. Gen. Khanduri - that he mentioned - of rural roads and rural connectivity. There was a programme of finding out whether we can solve the problem of drought-flood-drought syndrome, which has been plaguing the country for a long time and we were trying to explore the possibility of solving the problem. Even today, there are a large number of people suffering because there is too much of water in Bihar, Assam, and some parts of West Bengal, and at the same time, other parts of the country are suffering because there is no rain. We were thinking of exploring that possibility also. But there is no mention about it. Probably, the Government is not thinking of tapping it.

There is no mention about the Sagarmala Project, to develop our entire coastline in the process of developing the lives of the fishermen. It was announced by the previous Prime Minister on the 15th of August last year. There is no mention about it. In fact, when the hon. Finance Minister was Finance Minister in the previous UF Government, he had said that 'America is rich because they have roads and not that roads have made because America rich'. We thought that that philosophy would be taken forward. There would be more provision for roads and that we would be able to connect different parts of India, the villages, with the main land. But, unfortunately, there is not enough provision that has been made for that.

Urban poor have also been ignored. Mumbai is home to 63 per cent of the people living in slums and Mumbai is one of the most populist city in the country. Unfortunately, there is not enough provision for the urban poor in this Budget, though 40 per cent of the revenue of the Central Government comes from the city of Mumbai. Therefore, they have been deprived of getting something from this Budget.

Handloom weaving, which is a major secondary activity in rural areas, has not got the type of deal that was expected by it.

As far as industry is concerned, the hon. Finance Minister talked about automobile industry and I really congratulate him for that because that is an industry which is going to be a flagship for the country. It has been really growing after liberalisation and we are seeing how liberalisation benefits a particular sector. Now that industry is not only competitive within the country but has become a sourcing hub for the global industry.

Similarly, there could have been a deal which should have been given to the pharmaceutical industry. I remember when I was the Minister of Chemicals and Fertilisers, we had started a scheme of providing Rs.150 crore for research and development. Probably, this particular Budget should have provided for that.

It is because that is one industry which, after IT, can really become globally competitive industry and can earn a lot of foreign exchange, can create job opportunities, and can also solve the health care problem by developing molecules, by developing new drug delivery system. That is what, unfortunately, has not been provided for.

Sir, I congratulate the Finance Minister, of course, for making a provision for social sectors. This is something which is a welcome measure in this Budget. It is because we always talk about China, and China has developed because there has been a social sector development. Sir, Mao Tse-Dung has really laid the foundation of an economic reform because from 1949 to 1978, the social indices of the Chinese were improved so much that probably an economic reform could be launched. So, people gave credit to Mr. Deng what he did in 1978, but the foundation of that was laid during 1949. Therefore, this particular Budget talks about social sector and I really wish to congratulate him for that.

Sir, our former Prime Minister, Shri Rajiv Gandhi had said that when one rupee is sent by the Central Government for rural development programmes, probably, 10 paise to 12 paise only reach the final destination. Probably, we are hoping that having identified the problem, he may be able now to take up the corrective step. Probably what we really need to do now is to reform the administrative set-up which consumes so much of money, so much of pilferage, so much of leakage, and finally the quality of service that the end-user gets is something which is deplorable. Therefore some change in administrative reform is really required. In the absence of that, we are building a rocket but we do not have a rocket launcher. The rocket building is a programme that we have talked about but rocket launcher is an administrative support. If you do not change that, probably many of our schemes though well-intended will not reach the final destination as we have seen during the last few years. Therefore, unfortunately, not much has been done on that part. In fact, the Prime Minister, while addressing the nation had said that this is a major problem. Probably, we are hoping that having identified the problem, there will be some provision made in that.

Sir, the petroleum subsidy in this Budget has been reduced by Rs.3014 crore. I do not know whether this will mean that Budget is now not providing anything for it. So, probably having dismantled the administered price mechanism, I want to know whether we are moving towards the system whereby the market will determine the price that the

consumers will have to pay. Is this the policy?

We have also really not identified that there is a problem of man-animal conflict. Shri Baalu was the Minister of Environment after me. I was the Minister of Environment. In the city of Mumbai, in many places, there is a growing man-animal conflict. We need to protect the forests. We need to have wildlife habitat. Unfortunately, this growing man-animal conflict is creating an impression that animals do not have place to live and, probably, man only can take over that. There would have been more provisions in this Budget to make sure that such man-animal conflicts are avoided. Unfortunately, there is a provision in this regard.

Sir, education cess, which has a multiple charge, is going to be charged not just once but on many people. A person will have to pay taxes in many places wherever he is recipient of a service. Therefore, it is really going to target that or it is going to affect that part of the society which is most vulnerable and which is going to use the service in a manner they require it for day-to-day use. Therefore, they will be very adversely affected. I am sure the Government which cares for the poor and for the common man, would certainly look into it in a different way.

Sir, Transaction Tax is something about which, I think, the Finance Minister said he has had open mind and he is looking at it. So, I would not like to comment on it but something like this is needed to be looked at. Tax is not charged on profit. This is irrespective of whether you have profit or not. The Transaction Tax will still have to be paid. So, actually speaking, it is a tax which is not related to profits. It should not be really in the Income Tax Act. But, in any case, it is something which really needs to be looked at. It is because a large number of people, particularly those traders who get their earnings on a day-to-day basis are deprived of a job only because this Transaction Tax will affect them. But I am happy that you are looking at it afresh, and we await your final response on this matter.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): Sir, I am waiting for an opportunity to make a statement. I hope I shall get an opportunity on Monday to clarify the question of Transaction Tax. I have heard all of them and surely we will come back with a statement which satisfies every player in the market.

SHRI SURESH PRABHAKAR PRABHU : Thank you very much, Sir. I think your responsiveness will really be appreciated.

Sir, there are seven parameters which the Finance Minister mentioned in his speech. He said that the guiding economic principles for formulation of Budget are these seven economic parameters. There is no doubt that none of the Members in this House will question that. This is something which we really need to do. This could be a national programme of seven economic parameters but, unfortunately, when we go through these parameters, we have to find out whether each one of these parameters has been mentioned and the whether budgetary provision, that has been made, meets the objective of this parameter.

The first one is that the Finance Minister wants to maintain growth of seven to eight per cent on a sustainable basis. That is most welcome. In fact, China has been having a growth rate of more than 10 per cent for several years. China's challenge is now to reduce the growth rate, our challenge is to increase the growth rate. How has China been able to increase their growth and why are we failing to do that? Still we are struggling. Just for the first time we have got more than eight per cent growth rate. What is the growth that we are going to achieve? How are we going to achieve it? That is the most important question.

Yesterday, one of my friends, while talking, said that the growth is not something which should be enamoured. I do not know. The reforms decade is the decade of 1990s where the growth has been 5.8 per cent. The growth in 1970s was 2.9 per cent. So, the growth rate of 2.9 per cent became 5.8 per cent during 1990s. Therefore, how is this growth going to be attained? There is no spelt out policy. For example, last year, the growth was really attributable to 52.4 per cent increase in domestic demand; investment accounted for 25.6 per cent; and external resources accounted for 2.4 per cent. So, what is the challenge now? Are you going to create more domestic demand or are you going to have more investment? If you want more domestic demand to come in, there is no incentive to spur the demand. There is no incentive to make sure that the demand for goods and services will increase and will spur demand and, therefore, I would certainly like to know from the Finance Minister about this. In fact, he knows that China has now the exports of 500 billion dollars and it has an economy of almost 1.5 trillion dollars. If we want to achieve the growth rate of seven to eight per cent, which we all support, then how are you going to do that is a challenge and we would like to be enlightened on that. Besides setting the objective, there is no way that we can really make it happen.

The second objective is quality basic education and health care. Again, this is the proposition which we all support. We have given some slogans in the past and we have talked about education and health to all for a long time. Unfortunately, we have not really reached it. One of the reasons why this is not happening is this. We must find out the quantitative analysis as to why the health care services as well as the educational institutions are lacking. We can provide money. It is not a problem. Money is required undoubtedly and I welcome that there is an increase in

the Budget for both. Unless we have such analysis on ground level situation, we cannot achieve it. All that is required has to be given at the same time. We have to have a classroom, we have to have a teacher, we have to have a blackboard and we have to have salary for the teacher. If we keep providing these on piecemeal basis, finally the service suffers and we are not able to get what we really want. Therefore, we must do this quantitative analysis. I would like to urge the Finance Minister and the Government to do this first. Providing money is a welcome measure but in the absence of that, we will really have this problem. Therefore, I would request them to do this.

14.57 hrs. (Mr. Speaker *in the Chair*)

In fact, in the last five years, the expenditure on both, education and health, has doubled. We have identified the problem. Therefore, money is not an issue. The issue is health care, delivery system and educational dispensing system. Therefore, we really need to do that. In fact, I would rather urge the Government to come out with a White Paper as to how many schools and institutions do not conform to the type of quality that we expect from them. Then only, we will be able to achieve it. Probably, both the Ministries of HRD and Health should try to do this.

Unfortunately, India ranks 127th among the 174 countries, as far as Human Development Indices are concerned. Therefore, there is no denying the fact that we need more allocation, we need improvement in services but mere allocation without attendant challenge that is facing will not give the result.

The third objective is generating gainful employment in agriculture, manufacturing and services. This is again something on which nobody will be going to challenge. We have got 4,31,00,000 registered unemployed in the country today. Out of them, 70 per cent are educated. They passed 10 plus. Therefore, we must have the profile of those unemployed and then we must decide what type of jobs we can offer to them because if we just offer the jobs which the unemployed are not interested in, we will not be able to get them jobs. So, the profile of the unemployed and the type of job opportunities that we are going to create must match. Otherwise, it will not really be serving the purpose. We should not create mock jobs which is now popularly known as 'hourly jobs'. We should create jobs which are more stable and which will give more stability to the employees. Therefore, we really need to do this. For that, we must also keep in mind what the Economic Survey points out. It points out that there is a declining labour intensity in manufacturing. Therefore, we have seen more GDP and less job creation, and we have described this phenomenon as a jobless growth. How are we going to create more GDP and at the same time create employment? That is a challenge and we would like to join in that. You must come out with a policy as to how we are going to do it. Unemployment is going to increase by 1.9 per cent, and, therefore, Kerala is ...(*Interruptions*)

15.00 hrs.

15.02 hrs.

GENERAL BUDGET -2004-05 â€” GENERAL DISCUSSION

AND

DEMAND FOR GRANTS ON ACCOUNTâ€”GENERAL -Contd.

SHRI SURESH PRABHAKAR PRABHU (RAJAPUR): They are saying that unemployment is going to grow by 1.9 per cent per annum. Then, the additional incremental growth has to be much faster because we have a backlog and we have more unemployed people coming into the market. Therefore, this is a challenge which we really need to see.

Shri Mohan Singh was mentioning about Kerala. Unfortunately, Kerala has the least growth in employment. The employment growth is .07 per cent, the lowest in the country. We must really find out why this is happening because Kerala has the highest social indices. Irrespective of that, they are not able to grow and create more employment that is required. Therefore, how should we be doing it? Is it probably because the economic policy that they have been pursuing is responsible or something else? That needs to be found. Despite having such good indices, we are not able to grow. Therefore, we really need to look into that.

Sir, I would request the Finance Minister to study the experience of the Chinese wherein they grow in manufacturing, whether it is in footwear or in toys or in garment, a huge employment has been created which

actually can counter this jobless growth. We will be able to create more jobs. For that, more incentives need to be provided. Unfortunately, we do not find a mention about that.

The other industry is construction where the multiplier effect is 1:100. Once that is created, we will have a tremendous impact, and this is what even the N.C. Gupta Committee of the Planning Commission had identified as one of the sectors where job creation can be high. Therefore, we really need to do that.

The Business Process Outsourcing (BPO) is another area, particularly when 70 per cent of our educated unemployed people are 10 plus educated. Therefore, they are the ones who are the right candidates for the BPO. Therefore, they can also be involved. Unfortunately, as you know, some of the BPO companies are facing tax problems in which the deemed income is sought to be taxed, and we need to remove such barriers so that more jobs can be created because India is no longer the only destination where the BPOs can be located. Therefore, we need to look into the other areas.

The other area, I think, should be the service exports – not just domestically. China's service exports account for 50 billion dollars. Therefore, I think that is another area which we really need to cover.

Then let me come to the third objective of promoting investment. Again there is something which nobody can find fault with. But what is the GDP composition that the Finance Ministry would like to have? How much of the investment would you like to make in services, in manufacturing and in agriculture in the next five years so that investment should grow? There has to be a clear strategy. I would feel that a clear strategy should be defined and spelt out which would really help us.

But, in the *Economic Survey* you have mentioned one thing. This is something which I would like to know. Do you think, for investment, whether it is a cause or a constraint? It says, "That some rigidities of labour laws are acting as an impediment to efficiently building large firms." Is this your problem? If this is identified as a problem in the *Economic Survey*, I would like to know what would be the response to that. Having done that, the capital expenditure this year is down by Rs.20,000 crore. When we are spelling out as our cause for bigger objective of investment, Rs.20,000 crore is a dot. In fact, the capital expenditure to GDP ratio has come down to 2.96 per cent from 4.05 per cent. Therefore, we really need to do this.

Again, if you want to promote investment, we will have to have savings. Otherwise, we will have to only promote investments through borrowings. If you want more savings, the saving rate of 24 per cent, in which case, the households should contribute the most. Of course, the corporates rank second. For example, let us take the household savings. If you want the households to save more, there is no incentive in this Budget to promote savings. If you do not have savings, how do you attend to investments? I will come to corporate a little later. When we are expecting more tax to be collected from the corporates, how do you expect that they will save more and at the same time they will also pay more?

This is something which is a contradiction.

Thirdly, the Government is a dissaver. How you are going to identify the areas of dissavings of the Government is also a challenge to increase the savings rate and promote investment. We see that there is a growing gap – it is pointed out in *The Economic Survey* but I would not take the time of the House by reading it out – between savings and investment. We are not finding that the savings are finding their way into something else and that all the savings are not getting converted into investments. Thus, there is a growing gap between savings and investments. We really need to look into how we could channelise these savings into productive investments and also look at why there is a growing gap between our FDI approvals and FDI disbursements. There is a growing gap between the FDI approval rate and the FDI disbursement rate and we would have to look into how to bridge that gap as well.

Earlier, when the hon. Minister of Finance was the Minister of Finance in the United Front Government, he had set \$ 10 billion as the FDI target. This year, the Common Minimum Programme has not mentioned about it.
...(Interruptions)

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): I had said, 'three times'.

SHRI SURESH PRABHAKAR PRABHU : I know that but it is not mentioned clearly. Probably a quantification was not deemed necessary because it is too high an objective. We really need to look into how we are going to achieve that.

Another interesting aspect which I think the hon. Minister of Finance should look at is the bank deposits, which is a source of savings. There is a growing increase now in demand deposits. They have grown by 30.3 per cent last year but the time deposits have declined by 15.3 per cent. Therefore, we do not have long-term investments. We must have some provisions to make sure that we would be able to create more long-term tenable savings.

The fourth objective is the objective of providing hundred days' employment to one member in each family. How much is the amount required for this? One estimate made by an economist says that the amount required for this is Rs. 50,000 crore to Rs. 60,000 crore. I would be very happy if you say that it is going to be done at a lesser amount; but if it is going to be the amount that I stated, how much is the amount that you have provided? In fact, for rural development, the provision is Rs. 1,1456 crore this year while the provision for rural development last year was Rs. 15,519 crore. This year, the rural development provision has come down by Rs. 4,000 crore. When it comes to rural roads, 1.6 lakh habitations require road connection. The money required for that is Rs. 1,30,000 crore but unfortunately there is any hardly provision for increasing the allocation here. Of course, I know that part of the money for rural roads comes from the diesel cess that is collected but besides that providing rural road connectivity has employment generation capacity and therefore it should be done.

If the hon. Minister of Finance was actually thinking of coming out with hundred days' employment in a year for our youths, he could also use the water programmes. Water programmes like desiltation could be linked to the hundred days' employment scheme so that at the same time we would be able to create employment and also solve the problem of scarcity of water in many areas. Unless we come out with programmes like this, we would not be able to achieve this objective.

The allocation for the KVIC is welcome but I would like to bring to your notice that the measure that has been initiated would probably unintentionally affect the match box company located in Maharashtra. My friend in whose constituency the company would be affected is not here. The workers have sent a representation that they would be severely affected. ...*(Interruptions)*

श्री मोहन सिंह (देवरिया) : यह शिवकासी के लिए है।

SHRI SURESH PRABHAKAR PRABHU : It is not deserved and as a result this company is likely to close down. The workers would be rendered jobless. I am sure, my friends from the Left parties would be very much concerned about this.

MR. SPEAKER: You can also mention about Wimco.

SHRI SURESH PRABHAKAR PRABHU : Under the Sampoorna Gramin Yojana, this year, 100 crore mandays' employment was the target. Last year, the allocation was Rs. 9,639 crore for this programme. This year, it is Rs. 4,590 crore.

The other day, the hon. Minister of Finance was explaining to Shri Rupchand Pal that he should compare BE with BE and not RE with BE. In his own Budget speech, when he talked about the revenue deficit, the hon. Minister had talked about the deficit as compared to the revised figure. So, obviously, when you are taking the revised figure and going scheme by scheme, comparing the RE with the BE is also inappropriate.

I have to state that he would not be able to create hundred days' employment without making adequate provisions. You must keep in mind that the employment growth from 1994 to 2000 was 1.07 per cent while employment growth during 2000 to 2002 was 2.07 per cent. This is the figure given in *The Economic Survey*. Obviously, this is something which has been corroborated and therefore I am using it.

The fifth objective is achieving growth in agriculture. We all strongly support it. Agriculture is the most important economic activity in this country. Ours is still an agrarian economy. Though we have only 24 per cent of GDP from agriculture, more than 60 people are living on it. This is the root cause of poverty because sixty per cent people share 24 per cent revenues whereas 40 per cent people share the remaining 76 per cent of revenues. So, an increase in allocation for agriculture is most welcome.

What is the strategy? What is the new deal? The new deal is repackaging of the old scheme. I welcome to what you have done. The excise relief is most welcome. We welcome it. But Gross Fixed Capital Formation is now 1.3 per cent of the GDP. So, in spite of this, it is not there.

When we are talking about doubling of credit...*(Interruptions)*

MR. SPEAKER: I hate to interrupt your most beautiful and important speech to ask how long you will take. I just want to know.

...*(Interruptions)*

SHRI SURESH PRABHAKAR PRABHU : Sir, I need some more time. I have just come to agriculture. It is most important and closer to your heart. So, please give me some more time. ...*(Interruptions)* Doubling of credit when we are talking like this, there are four institutions through which the credit will be doubled. What is the situation of that? It is not the credit which is an issue. In fact, if you look at it, in the last five years how much is the credit that

we have given.

15.41 hrs. (Shri Varkala Radhakrishnan *in the Chair*)

Now, I come to Kisan Credit Cards. There are about 4,14,00,000 Kisan Credit Card holders and how much is the aggregate credit. It is Rs. 97,710 crore as of 31.3.2004. So, credit is not a problem. In fact, in 1997-98, the credit was Rs. 32,000 crore and in 2003-04, it went up to Rs. 80,000 crore. So, is the credit a problem or the credit delivery mechanism a problem? The real problem really lies in the credit delivery mechanism. In fact, I will tell you that there are four institutions through which we give this credit. One, we try to give this credit through the cooperative mechanism. The cooperative banks are now under the Land Development Banks. Most of them are under liquidation. The District Central Cooperative Banks, 143 of them, are under Section 11 (1). Now, State Cooperative Banks, seven of them, are under Section 11 (1). When you take primary agricultural credit societies, there are 40,000 out of one lakh which are defunct and, therefore, which is the credit mechanism which we are going to take it there is a challenge.

If we talk about RRBs, which you mentioned, I welcome that you want to now make the sponsor bank responsible, which is the right approach. But 14,500 rural branches have given only eight per cent credit instead of 25 per cent. Therefore, where is the mechanism? The Vyas Committee had identified it. There is no mention about Vyas Committee. In fact, this could have been acted upon immediately. So, the problem in the rural credit is not something of availability. Its availability to the farmers is a problem, but not availability or increasing outlay here is a problem. Actually, disbursement is a problem. Now, you have said to make a Task Force for looking into the cooperative structure. In fact, there was a Committee, Kapoor Committee was appointed and there was a Vikhe Patil Committee which had gone into it. They had already identified Rs. 15,000 crore which are needed to cure this problem. Now, the amount must have gone to Rs. 20,000 crore. So, when we have a problem where there is a bleeding taking place, we do not appoint a Task Force of doctors. We actually do the surgery. So, what is required is the urgent surgery. I would request the hon. Minister of Finance and the Government to do this surgery because the farmers are committing suicides and, therefore, we really need to take an urgent action. They are not committing suicides because they are not getting credit. In fact, they are committing suicides because the loans that they have already taken, they are not able to service it. So, the challenge is to increase their purchasing power and increase their income. Therefore, I am sure, you must be able to do that. I request the hon. Minister of Finance to look into that. ...(*Interruptions*)

MR. CHAIRMAN : One thing I have to do is to request you to conclude your speech.

...(*Interruptions*)

SHRI SURESH PRABHAKAR PRABHU : We need an approach of 'Farmers Club' for every village. That would be the club formed by the farmers themselves. In my own constituency, I have created such Farmers Club for every village. This can be started not only at low cost but also at zero cost operation wherein the people themselves do it on a self-help basis and this is something which we really need to do.

The next point is infrastructure development. We all agree on this. But power is one of the major infrastructure constraints for the country today. What are we really asserting? We have decided to review the Electricity Act. Probably, the review is complete because the hon. Minister of Finance has now provided some fiscal benefits for the unbundled entities. So, probably, I am happy that it is completed. I have, in fact, presented a Bill to this very august House, Electricity Bill, which was debated by amongst the large number of people because it is the outcome of a large consultation and, therefore, I think, it will be done.

The Inter Institutional Group that you have is something, which I have got a personal experience as to how it is useful. I am sure, it will definitely be helpful. But it needs some support from the Ministry of Finance because unless you have an institutional support like this, it will not help.

There is one suggestion. You please also offer some support to renovation and modernisation of the existing power plants. They can create ten thousand capacity within the shortest possible time with almost no investment and the addition can be fast. So, probably, providing some fiscal incentives for renovation and modernisation of existing power plants will go a long way in improving our power position.

Accelerating Fiscal Consolidation Reform is one of the objectives. There is nothing wrong with that. But about FRBM, which you notified on 5th July and three days later you have said when you presented the Budget to this House that you are now going to amend it.

Therefore, Sir, if you want fiscal consolidation, three days after it is modified you are going to extend by one year the deadline for actually attaining the objective. How is it going to be done? I would really request you to clarify this. I have three points on this. How much is going to be the fiscal deficit as a revenue deficit for this year? This is what

is projected here because this has three important points. How much is the growth in GDP because that will determine in reference to the GDP how much is the revenue deficit and what percentage of the revenue deficit and for that we need to know the GDP growth.

The Reserve Bank of India projects 6.5 per cent growth in GDP. Is this the growth that you are contemplating? Secondly, on revenue, how much is the revenue? The corporate taxes are going to be increased and the projection is 40.4 per cent, in services it is 70.4 per cent and in income-tax it is 26.4 per cent. If this is what is projected as a revenue, then how much is the GDP growth? The actual deficit, fiscal as well as revenue deficit, will depend upon this as well as the expenditure. Therefore, I am sure that you will be able to look into that while replying to the debate.

I have one point on guarantees. I am happy that you have already mentioned in the Fiscal Responsibility and Budget Management Act that you will have to restrict the guarantees. I would request the Government to come out with a new idea of giving complete details about guarantees provided, about the losses of the special purpose vehicles which are guaranteed by the Government and also the losses of the State Electricity Boards which will finally, if not calculated with the fiscal deficit, have an impact on fiscal situation of the country. So, when you are talking about the fiscal consolidation, these issues also must be kept in mind. Therefore, you really need to do that. Several States were given guarantees ten times more than their probable revenue of the year. Therefore, with such a situation, we really need to do that.

Regarding VAT, there are some concerns which have been expressed. I am sure that you will take them into account. For the integration of services and manufacturing, VAT is a welcome thing. Probably and eventually we will move towards a State and Central consolidation also in that. I am sure, you will look into it.

You have not made any provision in this Budget for exchange fluctuation. You normally make provision for exchange fluctuation for IDBI, for ICICI etc. But there is no provision here. With this, is the hon. Minister of Finance trying to say that the rupee is going to appreciate and not depreciate? Is it something that you are trying to say? This is something which we would like to know as to what is the trend of the rupee going to be because there is no provision for this year in this Budget for rupee fluctuation.

Reforms are something which is an objective. I am very happy that my friends in the Left Parties are also supporting the reforms. They have been mentioned it in the CMP. We would like to know what is the reform, what is really meant by this so that there is no confusion, there is no ambiguity about this. What is the position that is going to be undertaken? If you are really coming out with that, we will be very happy to know that. We will look on to that.

This national registry for all citizens is a welcome thing. In fact, I would request that it should be integrated with the accounts of the country so that a lot of black money and a lot of accounts which are not properly maintained, not properly mentioned will automatically get addressed to. Therefore, this national registry should be linked with that. I look to that.

Sir, I am winding up. Higher and more efficient fiscal devolution is another objective. The objective is laudable. More devolution is really required. But, unfortunately, what is the situation? In this Budget there is, actually speaking, no real allocation increase for the States. So, the States get loan from the Central Government. I can understand that there is some incremental cost. But the differential in the cost of loans that is given and the interest rates that the States have to pay to the Central Government is sometimes as high as three per cent and that is putting out an unbearable burden on the finances of the States whereas 87 per cent of the State finances' amounts are now used for consumptive expenditure. Therefore, you really need a repairing of that.

On the Backward States Commission which you are going to appoint, I would request you that it should be not said exactly 'Backward States Commission'. There are some supposedly forward States, but there are some backward areas, the pockets of under-development within these prosperous States. So, probably, the approach should not be Backward States Commission but it should be Backward Districts Commission which should go into the districts. In any case you are talking about devolution and you are talking about decentralisation. You have got a Ministry now created for it and Shri Mani Shankar Aiyar is going to look into the local self-government. So, why do you not look at how we will be able to make sure that these areas in which the backward districts, particularly the district from which I come from, are developed?

Sir, this is my final point on water. I have to drink water after this! So, let me talk about water. This is the most welcome initiative that you have said that you want to come out with water bodies to be used with traditional knowledge. I would request the Government that it gives an impression that it is going to solve the water problems of the country. It will solve it in a great way. There is no doubt about it. It should be done and try to exploit fully. But what is the limitation and what is the potential of this programme? I would request you to please enlighten the House so that we will all know how much is the problem of the water which can be solved by recharging some of the defunct bodies. This is the most welcome thing. I appreciate it. At the same time, it should be done. For that I

would give you a small suggestion and I will wind up my speech with that. If you really want to do recharging, you must first survey all these villages with remote sensing to find out where are such areas, where are such water bodies which can be recharged.

Secondly, this should be put before the *Gram Sabhas* because the people in *Gram Sabhas* themselves know, and not the officers who are going from outside the villages, which are the water bodies which can be re-charged. Certainly, we need to make sure that this is integrated with the people of the country. If they are going to do it in an integrated manner, this will definitely help to solve some of the water problems of India, which is welcome.

Sir, I thank you for your patience and giving me time to speak.

SHRI P.K. VASUDEVAN NAIR (THIRUVANANTHAPURAM): Mr. Chairman, Sir, I am supporting this Budget. My understanding is that this Budget is welcomed by large sections of people in the country.

After the elections, there is a big change in the political scenario and people have great expectations. This Government, which is supported by the Left Parties also, has aroused such expectations. In the Budget, there is a re-orientation, compared to the previous Budgets of the NDA Government. There is a change in direction. That is why, we welcome it. The emphasis is now on the regeneration of the agrarian economy, of the small-scale and traditional industrial sector so that more employment is created and the weaker sections of the society are taken care of.

In the name of reforms, the NDA Government had plunged the country in such a miserable situation. I do not want to go into the details of it. One feature of the present agrarian economy is that suicides are being committed by thousands of peasants in many States. In Andhra Pradesh the number is the largest, but there are many other States where this is happening. So, this is a national phenomenon. That is why, I say that during the last five or six years of NDA Government, the economic policy of globalisation, liberalisation and privatisation that was followed unscrupulously - I should say, without any consideration for the common man, for the agriculturists, for the poor man - has landed our economy in a very miserable, critical situation. This phenomenon of large-scale suicides by peasants is the result of that kind of a crisis. Now, this Budget has tried to take a different turn to have a re-look at the whole situation, and the priorities have changed. That is why, we welcome it.

Now, it is a fashion for some people to say, when such Budgets are prepared and presented, that the framers of the Budget are resorting to populism.

Populism is considered to be something in favour of the common man, and the common people. It is a criticism of the Budget. What does it mean? Actually, we, from the Left, always raised the issue of reforms and said that it is all right, but for whom? We have said that the issue of development is all right, but for whom, and for whose benefit? Who should be the main beneficiaries of all this? This question was always ignored in the name of reforms. Production, productivity and creation of wealth alone will not help the people. We, of course, welcome a populist approach. Our hon. Prime Minister has characterized populism as economic reforms with a human face. But I would like to emphasise here that whatever you do for the people, for the workers, for the peasants, for the common man is not a charity to them. They are the creators of wealth and they deserve it. It is their right.

It was made clear by my colleague from the CPI (M) last time that we, the Leftists, are not against reforms. But what kind of reforms are we referring to? What is the end result of the reforms? Who are going to be the actual beneficiaries of the reforms? That is where we underline our anxiety, and that is the basic difference. So, when we have our reforms, the productive forces would be unleashed, and workers, peasants would be given what is their due, and that is all. It is not a charity for them by giving them some crumbs. Sometimes, when you mention populism, you mean that you would give them some crumbs. No, Sir, our understanding is not like that. Of course, I do not know whether the Congress, Shri P. Chidambaram, or Ministers like him will share my views on this aspect, but this is our understanding.

Now, what is the meaning of the election results? Of course, we could not have a proper discussion and evaluation of such an important and earthshaking event like the last elections in this House. It was because the Motion of Thanks on the President's Address could not be discussed. During that period, the House was always in turmoil, and even now the situation almost continues to be like that. So, there was no scope for such an evaluation, but it was a very important aspect.

Now, our view is that this election result shows that the economic policies pursued by the NDA Government were rejected by the people and rejected by the country. Of course, there are other aspects of the NDA Government's policies like communalism and all that, but I am not dealing with those now since we are discussing the Budget. I think we should understand it. I do not know whether the friends on my right are able to understand it, and whether they are trying to honestly self-criticise and trying to find out whether they should correct themselves. This is a different matter, and it is left to them to do it ...(*Interruptions*)

SHRI KHARABELA SWAIN (BALASORE): Sir, I come from a poor State like Orissa. We have brought victory for the NDA. Do you mean to say that a poor State like Orissa rejected the economic policy of the NDA Government?

SHRI P.K. VASUDEVAN NAIR : My dear friend, I have very little time with me, and that is my difficulty.

So, it was a rejection of the economic policy of the BJP Government because that policy was anti-worker, anti-farmer, and anti-people.

MR. CHAIRMAN : Shri P.K. Vasudevan Nair, as you are not going to conclude today, you can continue your speech on Monday. It is now time for taking up the Private Members' Business.
