

the Central Government's attention to the demand for introducing Vayudoot service between Faizabad (Uttar Pradesh) and Delhi.

There are a number of justifications for introducing this service from Faizabad. Faizabad is a zonal headquarter where Ayodhya, a place famous for its religious importance, is situated. There are two universities in Faizabad. Faizabad airport is the nearest air connection for tourists bound for Shravasti. This airport is also close to the unit of Indian Telephone Industries being set-up in Mankapur in Gonda district. This is enough justification for starting the Vayudoot service. All formalities relating to departmental surveys have been completed. A written communication was received from the Ministry an year ago assuring that this service would be introduced shortly. Barbed-wire fencing has already been put around the airport complex.

I request the Civil Aviation Ministry to make arrangements to introduce a Vayudoot service between Faizabad and Delhi on either Gorakhpur-Faizabad-Delhi or Faizabad-Kanpur-Delhi or Varanasi-Faizabad-Delhi routes.

[*English*]

(vii) Need to check influx of people from Darjeeling to Sikkim.

SHRIMATI D.K. BHANDARI (Sikkim): The continuing influx of people from Darjeeling into Sikkim due to the disturbed situation there has created serious problems. Their number has already crossed twenty thousand. This has become a heavy burden for a small State like Sikkim to bear any longer. It is high time that the Centre comes to the aid of Sikkim by intervening in this situation so that the influx is stopped and congenial situation is created in the disturbed area for return of these people. A fresh initiative is

urgently called for and the Centre must bring the parties concerned to the negotiating table to reach a peaceful and amicable settlement of the Darjeeling problem. Keeping in view the highly strategic and sensitive location of the affected region the situation is too serious to be allowed to linger on further.

12.21 hrs.

GENERAL BUDGET, 1988-89 — GENERAL DISCUSSION —*Contd.*

[*English*]

MR. SPEAKER: Now, we take up further discussion on the General Budget.

[*Translation*]

SHRI MANOJ PANDEY (Bettiah): Mr. Speaker, Sir, today we are going to have debate on Budget in the House but I do not know what has made the opposition Members hysteric that they are bent upon creating noisy scenes and do not want to allow the proceedings to continue. They can leave the House if they so desire ... (*Interruptions*)

Mr. Speaker, Sir, I fully support the Budget presented in the House. The special feature of the Budget is that it is farmer oriented, but despite this the opposition Members are opposing it.

Sir, the saddest thing about the Opposition is that they have never been able to mould themselves in accordance with the wishes of the people. (*Interruptions*)

It is highly shameful that these people are now joining hands in a bid to stall the proceedings of the House. Sir, you must do something to prevent such things in the House. The outside world is working smoothly as it was working in the past, but

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the Members of the Opposition are trying to stall the proceeding of the House to achieve their political motives. Sir, if some Members have faith in democracy then through you I would like to appeal to all of them to present their viewpoint and also listen to our views on the Budget presented in the House. (*Interruptions*)

[*English*]

MR. SPEAKER: I have never denied you the opportunity to speak and have the floor. Give me a No Confidence Motion.

(*Interruptions*)

MR. SPEAKER: One minute...

(*Interruptions*)

[*Translation*]

MR. SPEAKER: Look, I have not learnt cowing down others through threats. Proceedings of the House cannot be stalled by threats. Only through convincing arguments, you can make your point in the House. You can force a *bandh* by threats only outside, not here.

Professor Saheb, what you have to say...

(*Interruptions*)

MR. SPEAKER: You can give me a No-Confidence Motion and I will take it up. No question of adjournment.

(*Interruptions*)

SHRI MANOJ PANDEY: Mr. Speaker, Sir, the situation outside is absolutely normal. It is highly shameful for the Opposition parties that they do not have faith in democracy. They are not going to allow the House

to function smoothly. The behaviour displayed by the Opposition Members in the House is highly shameful.

(*Interruptions*)

[*English*]

MR. SPEAKER: Order, order. Are you giving it to me? If you want to give me a No-Confidence Motion, I will accept it. Adjournment motion is disallowed...

(*Interruptions*)

MR. SPEAKER: No Adjournment Motion. If you want to give me a No-Confidence Motion, I will accept it...

(*Interruptions*)

MR. SPEAKER: Look here one minute. You should listen. I am not going to be cowed down by this act, not at all.

(*Interruptions*)

[*Translation*]

You can call a *Bandh* forcibly outside the House, but you cannot stall the proceedings of the House like this.

[*English*]

MR. SPEAKER: Anything is allowable under the rules. I will allow you No-Confidence Motion. Give me now...

(*Interruptions*)

MR. SPEAKER: Give me now, I will allow it. No Adjournment Motion. I have disallowed it...

(*Interruptions*)

MR. SPEAKER: Why are you denigrat-

ing yourself? Why are you degenerating this House?...

(Interruptions)

MR. SPEAKER: No question of Adjournment Motion, Mr. Saifuddin Chowdhary. Stick to rules...

(Interruptions)

MR. SPEAKER: Why don't you give a No-Confidence Motion?...

(Interruptions)

MR. SPEAKER: Don't shout at me. Go to your seat...

(Interruptions)

MR. SPEAKER: I am not a shop-keeper...

(Interruptions)

MR. SPEAKER: No, I am not a shop-keeper...

(Interruptions)

MR. SPEAKER: No hon. Member has been allowed, except Shri Manoj Pandey...

(Interruptions)

[*Translation*]

SHRI MANOJ PANDEY: Mr. Speaker, Sir, if this is their behaviour, then they are murdering democracy. *(Interruptions)* They want to rule like this. The way they have behaved today in the house, it is highly shameful. The behaviour of the leftists of West Bengal in the House today is similar to their behaviour with the people of West Bengal. All of us object to this and want to tell them that their West Bengal type vandalism

will not be allowed in this House. *(Interruptions)*

We would like to tell them that if they do not have faith in democracy, then why do they talk about masses? They have no right to talk about the people. Today when India rests on a sound footing and is trying to march forward, their behaviour in the House is highly shameful. What they are doing here is being watched by the people sitting in the visitors' gallery and their doings in West Bengal are also not a secret. *(Interruptions)*

I would like to forewarn that the Members belonging to the opposition parties, especially leftist parties, who call themselves to be the saviours of democracy are in fact murderers of democracy. It is highly shameful. We shall not allow West Bengal type situation to develop in the august House. This is totally wrong. The behaviour of the opposition Members in the House is highly deplorable.

Sir, the proceedings will not be allowed to be stalled at their instance. This august House represents the sentiments of the people through their elected representatives from all over the country. People of the country know very well what leftists have done in West Bengal. They will never forgive them for their behaviour in stalling the proceedings of the House. *(Interruptions)*

Sir, they are throttling democracy. They have behaved in the House today in the same fashion they do in West Bengal. We will not allow West Bengal Assembly type situation to develop in this august House... *(Interruptions)*... This House is not West Bengal Assembly. This is the House of whole of India. We strongly deplore the attitude adopted by these Members today. Proceedings will not be allowed to be stalled at the instance of a few Members. Today all the shops are open and buses are also plying as usual. They have lost their cool in

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the face of failure of *bandh*. The political gimmick they have played today will not be allowed to work in future. (*Interruptions*)

Sir, through you I would like to request the Hon. Prime Minister to dismiss West Bengal Government. They have no right to obstruct the proceedings of the House. I once again request the Central Government to dismiss the West Bengal Government immediately.

SHRI BANWARI LAL PUROHIT (Nagpur): Mr. Speaker, Sir, our is a democratic country. Therefore, it is our duty to strengthen this democracy... (*Interruptions*)

The people of India have sent each Member of Parliament to this House by electing them with a huge margin of votes. The poor people of this country have elected us to this House to find solutions to their miseries as well as the sufferings of those labourers who live in villages and slums. We have been elected by the public to this House for this specific purpose... (*Interruptions*). I feel distressed when I see that the democracy is being murdered here. Today, we are not paying attention towards our country and its 70 crore people. These 70 crore people are looking towards this House and we are encouraging and allowing those persons who are bent upon creating chaos. The question before us today is whether we have come here to think about the miseries of the poor people or to indulge in such indecent acts. The whole country is looking towards us. We have never seen such a disgraceful thing in the history of Parliament of India. This is our sacred duty to uphold the dignity of the House... (*Interruptions*). It hurts me to see them creating uproarious scenes. Some of the Opposition Parties have given a call for *Bharat Bandh* but they should know that throughout India, business is normal in different markets; all the buses are plying and the work is going on very

smoothly. The people of India have not expressed their faith in them.

Mr. Speaker, Sir, I want to submit that never in the history of India such a fine Budget has been presented. This is for the first time that the Government have tried through this Budget to wipe the tears of poor farmers, poor labourers and bonded labour and has, thus, created a new history. This is for the first time that the Government has seen to it that the common man and the middle class people are not burdened further. It has also been kept in mind that the prices of essential commodities do not increase so that the salaried class is not affected... (*Interruptions*). Concession has also been given to farmers on fertilizers so that they could get fertilizers at cheap rates. Mr. Speaker, Sir, I think that there are certain rules and procedures which govern the proceedings of the House and you are the protector of these rules. I therefore, request you, Sir, to stop such Members who are creating tumultuous scenes in this House and if they do not act according to your ruling, you must use your authority and ask them to leave the House so that we may be able to raise the voice of the poor people in the House. I think they have no right to suppress the voice of the people in the House. (*Interruptions*)...

[*English*]

MR. SPEAKER: What Mr. Purohit says only will go on record.

[*Translation*]

SHRI BANWARI LAL PUROHIT: In a democracy, no one has any right to waste the time of the House. I again request you to assert your authority and stop the uproar which is going on in the House. I am here to support the Budget and to raise the voice of the poor people, I would like to request the Prime Minister that there is a need to irri-

prove the standard of living of the slum dwellers through the provisions of this Budget. Further, I would like to request him through you, that there is a need to increase the amount which is given to a family living in slums. *(Interruptions)*... In the same way, there are big cities, towns, corporations, Municipalities which have to develop and improve their respective areas but neither they have sufficient income of their own nor adequate aid is granted to them. I, therefore, most humbly request the Hon. Prime Minister to arrange for more funds for the improvement of housing facilities and roads in the slums in the cities. We have made a lot of efforts to improve their standard of living but much remains to be done.

I would particularly like to speak about my own city, Nagpur, at this occasion. Being centrally located, Nagpur is the heart of India. The roads and highways which link other parts of the country to Bombay, Calcutta, Madras and Delhi pass through the heart of Nagpur city... *(Interruptions)* I request the hon. Minister that it is necessary to construct a Ring Road by-passing Nagpur city. At present there is no such ring road and the result is that the school going children oftenly meet with accidents involving trucks. At least 70-80 innocent persons mostly school going children, meet with accidents involving trucks every year in Nagpur City. The ordinary citizen of Nagpur is always apprehensive whether his children would return home safe or not. Therefore, I am to request that keeping in view the problems of Nagpur and other similar cities, a provision should be made to construct ring roads... *(Interruptions)*

Mr. Speaker, Sir, the situation today is that the rural population is rushing towards cities. The villagers are going to cities in search of employment. As a result the pressure is increasing on the necessary resources such as electricity and water. Previously, the population of Nagpur city was five

lakhs but now it has increased to 17 lakhs, out of which, 5 lakh people live in slums. This is our foremost duty to pay attention towards these people. I would like to urge upon the Government, through you, that the Government should first pay attention towards the problems of these lakhs of people who are leading hellish lives in slums. The works for the improvement of slums are not being done properly. Firstly, the funds allocated for this purpose are meagre and secondly, this amount goes from the Central exchequer to the Corporation through the State Governments. But a major part of the funds allocated for improvement of slums is pocketed by the contractors and officers. *(Interruptions)*. Mr. Speaker, Sir, as pointed out by my colleague, the amount allocated by the Central Government to West Bengal is not being utilised fully. The employees of the Municipality are their workers and they pick the pockets of the poor people *(Interruptions)*. Therefore, the Government should pay special attention towards it. What is their character? They do not distribute the entire amount received from the Government. *(Interruptions)*... The Indira Awas Yojana should be extended to our cities. As far as our policy regarding industries is concerned, there is a need for radical changes in this policy. The change required is that the incentive, which is given to backward regions and backward districts should be given by taking the *Taluka* as a unit. The Government should pay attention to the backward *talukas* in order to remove this regional imbalance. *(Interruptions)*...

Mr. Speaker, Sir, in the end, I support this Budget and thank the Hon. Prime Minister on behalf of the people of the country and on my personal behalf. Sir, I request you that such type of rowdism should not be allowed inside the House. Some authority has been given to you as Speaker by the Members sitting in the House. If anybody creates disorder, then you should take action against him. That is all I have to say. *(Interruptions)*

SHRI VILAS MUTTEMWAR (Chimur): Mr. Speaker, Sir, I rise to support the Budget presented by the hon. Finance Minister because this Budget is for the welfare of the poor and the farmers. The persons whose brokerage has stopped with the presentation of this Budget and those who have lost confidence of the people, are creating disorder and are trying to paint this Budget as anti-farmers and anti-labour. But the public did not agree with them and the result is that the work in the whole country is running smoothly and they have also received news to this effect. The business in the country is also running smoothly. These persons talk about labourers but they have nothing to do with labourers. The Bharat Bandh has affected them the least. The labourers outside are hungry whereas these opposition Members have come here after taking their meals. (Interruptions)... Today, the poor person has no work to do but the allowance of Rs. 75/- has been earned by these opposition Members. (Interruptions) Mr. Speaker, Sir, please direct them to take their seats. (Interruptions) Mr. Speaker, Sir, these Members cross floor quite frequently and thus, act like monkeys... (Interruptions)... The buses are plying, trains are running, the shops are open but they have not relished all this. You please do not go by what they say. The opposition do not want progress of the country. They want to block the progress of the country. They want the production of this country to come to standstill. They talk about the poor but always act against their interests. They have nothing to do for the poor. (Interruptions). Such type of person have been elected to the House... (Interruptions).

Mr. Speaker, Sir, these opposition Members treat West Bengal as their paternal property but the people of West Bengal have undersicod their true self and they did not participate in *Bharat Bandh*. That is why they feel enraged and want to create a scene in the House. They could not do anything outside the House but have become extra

active inside.

In spite of a severe drought, there has been no death due to starvation in the country. People are getting foodgrains. The farmers want to become self-reliant and the Government is trying to make the country self-reliant in every field. The opposition Members are disturbed because the farmers are happy with this pro-farmer Budget. They are upset also because this Budget is pro-employees. They do not wish well of the country and do not want to see the people happy... (Interruptions)

The opposition leaders are shedding crocodile tears. You would have noticed in these eight years how many of them have espoused the cause of the people and the workers. They have nothing to do with the problem of labourers. They talk about them just for the sake of their politics... (Interruptions)

The people do not have faith in their utterings and are looking for them outside the House. The people of the constituencies of these Members who gave a call for *Bharat Bandh* have reached the capital while looking for them. They are afraid of facing the public and, therefore, cannot go outside. You will have to give them protection. Now, they have developed a cold feet... (Interruptions)...

Mr. Speaker, Sir, a provision has been made in this Budget for the development of farmers. It promises the protection of the interests of the workers and carries a provision for the coming generation and the uneducated. The opposition is upset because villages have been electrified and the drinking water and other facilities have been made available there. The arrangements to impart education in villages have also been made. Our leader, Shri Rajiv Gandhi and our party is committed to electrify every village and to give employment to every unem-

ployed person. (*Interruptions*)

Mr. Speaker, Sir, the size of India's first Budget was Rs. 1500/- crores. But now our resources have increased to such an extent that even a small scheme requires crores of rupees. Previously, we had to import food-grains from foreign countries but now we have become self-reliant in this field. (*Interruptions*)...

Mr. Speaker, Sir, the farmers are looking to this House with great expectations. They believe that ruling party has to play a very responsible role in democracy. Likewise, the opposition has also to play a very constructive role. But the opposition never cares for the feelings of the people. (*Interruptions*) They have not played the role of a strong opposition in the Parliament. They gave a call for *Bandh* when they failed to have their way.

Our Party which has a history spanning over 103-104 years had taken a pledge to serve our country and it continues to work for the fulfilment of that aim. (*Interruptions*) People of this country are so awakened and sensible that they cannot be entrapped by the opposition parties. People know pretty well which Government can protect their interests, the interests of the labourers, farmers, and the unemployed youths. The opposition Members neither know the importance of irrigation and rural roads nor are they aware of the grievances and problems of rural people. (*Interruptions*)

Mr. Speaker, Sir, kindly make them understand that it is not too late for them to mend their ways. (*Interruptions*) The people have understood that only Shri Rajiv Gandhi can protect the interests of this country. They should also accept this truth. They cannot dethrone our party by raising false slogans and creating rumpus. Shri Rajiv Gandhi alone commands that power which protect 80 crore people of this country. (*Interrup-*

tions) Mr. Speaker, Sir, people of this country are challenging that no one can oust Shri Rajiv Gandhi. People of this country are rallying round Shri Rajiv Gandhi. (*Interruptions*)

Mr. Speaker, Sir, the words 'Long Live Rajiv Gandhi' are renting the air. (*Interruptions*)

13.00 hrs.

[*English*]

MR. SPEAKER: Hon. Members, I am pained and hurt to see the negation of democratic procedures. It is your House. Everything allowable under the rules will be allowed. But no one will be allowed in the House by retrograde steps. I will not accept any *Bandh* here. I will accept anything under the rules, you are welcome.

I adjourn the House for lunch till 2 pm.

13.00 hrs.

The Lok Sabha adjourned for Lunch till Fourteen of the Clock.

The Lok Sabha re-assembled after lunch at two Minutes past Fourteen of the Clock.

[MR. DEPUTY SPEAKER *in the Chair*]

GENERAL BUDGET, 1988-89 — GENERAL DISCUSSION — *CONTD.*

[*English*]

MR. DEPUTY SPEAKER: Shri Vilas Muttemwar may continue with this speech.

[*Translation*]

SHRI VILAS MUTTEMWAR: Mr. Deputy Speaker, Sir, it was hoped that the opposition Members would return to the House

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and would listen to the voice of the people who have foiled the *Bandh*. Members, who were creating rumpus since morning are not interested in the problems of the farmers and the labourers. They are only interested in weakening the country by employing different intrigues. They have earned a bad name and, therefore, are not to be seen in the House. The time of the next election is approaching and none of them would return to this House... (*Interruptions*)

Justice Sen Gupta has asked the Government of West Bengal, which is claimed by the Opposition to be an excellent Government, to provide protection to the Department of Railways against the persons who want to force a strike. But instead of giving protection, the State Government itself has joined the strike. So, the opposition has no right to demand more funds for that State from the Prime Minister. They cannot make proper use of the funds. They need money not for the development of the State, but for the destruction of the State and the country. They talk big about the socialistic philosophies and well being of the world but all this is sheer hypocrisy. They are merely puppets in the hands of some foreign power. They have no affection for the country. Although they are divided themselves, yet they talk of unity and integrity of the country. Now these leftists who consider themselves as intellectuals have been taken in by the communalist and opportunist forces. Leaders of Jan Morcha are using the leftists for their own selfish ends. Shri Arun Nehru and Shri Arif Mohammad Khan who used them as sheath are more in the news. The people are neither with Jan Morcha leaders nor with leftist forces. The latter always talk of cadre-based party but their own party has now become a goonda-based party. People of India have come to know their true colours and now they cannot be taken in by them. The proof is that today's *Bharat bandh*, the call for which was given by them with a lot of

fanfare has totally flopped. But they were boasting of its success. Mr. Deputy Speaker, Sir, had this *Bandh* been a success — it is another matter that the people did not support it — it would have caused a loss of Rs. 750 crores thereby creating a huge deficit in the Budget. It is the Opposition not the people who support the *Bandh* call. They have been defeated in politics and people have exposed them. Then, how can they dare to talk about the Budget? They do not want to maintain the dignity of the House. Neither they have any love for the people nor for the nation. There is a couplet by Akbar Allahabadi :-

“Kaum ke kaam mein Lunch khatta hai
beth ke hukamon ke sath Ranj leader ko
bhut hai, mager aaram ke sath.”

They are the leaders of this type. They do not bother for the farmers causes. Only the Government headed by Shri Rajiv Gandhi has been able to fulfil the demands of farmers and labourers. That is why they did not support the call for *Bandh*, which has been given with the motive of removing those very persons from power who met their demands. The people are looking for them because they have not kept their promises. The masses are so enraged that you will have to make security arrangements for them when they go to their respective constituencies. By employing different tactics they try to oust the Government which protects the interests of the people. But they are not going to succeed in their attempt. The way today's call for *Bandh* has flopped, has proved this point. Annual Budget is a mirror of the performance of the ruling party. It also reflects the priorities given by the Government to different sections of the society. Although every section has been given relief yet we feel that still a lot remains to be done for the farmers. Efforts are being made to provide them some more relief. It is the concern of our party and our leader to provide facilities of education, irrigation and

electricity to the villages which lack such facilities. Our population is growing fast day by day and it would reach the 100 crore figure by the turn of the century. We have to increase our crop production if we want to be self dependent. But the opposition talks of stopping production. How far it is justifiable? Is it the only role the opposition has to play? We have to provide irrigation facilities to the farmers who are the backbone of our economy. Ecological balance has been disturbed. We would have to increase the sources of irrigation so that the farmers could cultivate with confidence and the country could become self-reliant in the matter of crop production. I am distressed to note that the allocation for irrigation in this Budget is insufficient. It is being said that there is a huge backlog of the irrigation projects, which would be cleared first before taking up new projects. It would not be proper because there are different political philosophies at work at State level and very often projects are sanctioned in a particular political environment rejecting other good and viable projects.

We should also pay attention towards economic disparity which is the main cause of discontent among the people. Our first priority should be to provide every village with irrigation facilities. All efforts should be made for the progress of the farmers. Country would be prosperous if the farmers prosper. Only farmers can lead the country to a better future. Today the opposition has tried to harm the dignity of this House. Instead of having a thought provoking and lively discussion here for the self-reliance of the country, the opposition today has resorted to violence as they have no faith in the constructive discussion in the House. I oppose it and the people also do not like it. The Government headed by Shri Rajiv Gandhi has won the hearts of the people. Keeping in view the praise his Government has earned from the people, we are sure that the opposition can neither remove him nor force him

to deviate from his chosen path howsoever hard they may try. Instead they themselves will be removed from the scene. With these words I support the budget. I express my gratitude to the Prime Minister and at the same time I also thank you.

[English]

SHRI MUKUL WASNIK (Buldhana):
Mr. Deputy Speaker, Sir, I rise to support the Budget proposals proposed by the hon. Finance Minister, Shri N.D. Tiwari. We are today discussing a very important document before the House but as has been rightly pointed out by my honourable colleague, Shri Vilas Muttemwar, the Opposition today, instead of building India strongly to face the challenges which are posed before the nation, are trying to break the nation. On the one hand, the Congress under the leadership of Shri Rajiv Gandhi is trying to build India and on the other hand, the Opposition is trying to break the nation. We are appealing to the people, to the working men in the country and the farmers of our country to increase productivity but these people sitting in the Opposition and are now outside the House, are appealing to the nation to stop work. The country is faced with so many problems and the problems before the country cannot be solved by stopping work or doing less work; instead they can be solved only if productivity increases. Today people have given various opinions about the Budget proposals. Some have called it as a poor man's Budget. Some have called it a rural-oriented Budget and some have called it as anti-people Budget and agriculture-oriented Budget. But Sir, please permit me to say that this Budget is not meant for one section of the society but this Budget is every man's Budget. The Budget proposals submitted by the hon. Minister reflects the aspirations of the people. This Budget has come at the end of marathon drought, the drought which has raised its ugly head over the last consecutive three years. Drought had cre-

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ated such an economic situation and that economic situation should be kept in mind and it is on that basis you should analyse the Budget proposals which have been placed before the House.

When we go through the Economic Survey of India, we have found that there are some strong points and there are some weak points. Before we go into the details in analysing the Budget, we should try to find out as to which are the strong points and which are the weak ones.

If we see the strong points, the first point which comes in front of us is that there is a rapid and sustained growth of industrial sector. There was drought but still there has been considerable increase in the industrial production, whether it is petroleum, coal, energy, tele-communications or steel. In every sector, there has been growth and there has been a record growth over the period as compared to the last year. We have also seen that there is an inherent strength of agricultural economy despite successive years of bad weather. There has been drop in agricultural production. We have reached 150 million tonnes last year and that has been dropped to 144 million tonnes but you see and remember the situation over the years. One decade earlier, when there was drought, the agricultural production had dropped down in the country at that time. We had been able to face the drought only because of effective and proper management. We have also seen that there is growing resilience in the industrial and other non-agricultural sectors unlike in the agricultural sector. There has been a fall in agricultural production but that has not resulted in the fall of industrial production. We have also seen that there is ability to maintain the tempo of infrastructure development in the face of adversities. This is very clear. The figures are in front of us. We have also seen that there is emergence of healthy

trends in the falling trade account and a capacity for responsive economic management in the face of massive and un-anticipated changes in the economic environment. These are the salient features. There are the strong points which have been built over the years by the Government which has been run by the Congress people in the country. These have been the efforts which have been started by Pandit Nehru and today the Prime Minister Rajiv Gandhi is carrying forward. These are the efforts of late Shrimati Indira Gandhi who had against all adversities started green revolution in the country when, from the experts and from the technical people, there was a lot of opposition to the ideas she had initiated. Even though these are the salient features, there are some weak points which we should discuss and which should be of concern to all of us at the time of discussing this document.

There is continued sensitivity of agricultural production, especially food production due to variations in weather. There was drought. There was flood. Due to all these things, our agricultural production has dropped down. Our target is 160 plus million tonnes for this year's agricultural production. To achieve that, we will have to produce about 25 million tonnes of foodgrains? Are we in a position to achieve that? With such variations in the weather conditions, will we with the policy which we have adopted be able to cope up with the weather conditions or are we going to say that if the weather is good, we will be able to produce better agriculturally? There had been an investment of Rs. 20,000 crores to bring substantial land under irrigation. But we have seen that after spending so much of money on irrigation facilities, we have come to a stage where we can say that lot of eggs have been put into one basket rather than spreading them and dividing them in other baskets putting one in each basket. Because of our wrong planning in the irrigation sector, we have seen that in many places, there has

been water-logging and this has created some problems in front of the agricultural people. There has also been the vulnerability of the general price level to the sudden shortages in agricultural supplies. There was a shortage. There was steep rise in prices of various agricultural commodities. This has to be checked. We have to see that even if there is a temporary shortage in some of the commodities supplied from the agricultural sector, it should not affect the market adversely. We should try to find out ways and means to check it. There has also been a regular pressure for high levels of Government expenditure which limits the scope of fiscal policy to contain inflation. How are we going to contain inflation if the Government expenditure is not contained? On the one side we are all talking about the deficits and about inflation. But how are we going to contain it? Our revenue expenditure is mostly on Defence, Industries and interest payments. That we cannot cut down. We talk about cutting down the Government expenditure. How are we going to cut down? Time and again there has been talk about cutting down or controlling Government expenditure.

We should try to find out ways and means as to how we are going to cut down the Government expenditure and the revenue account should not go into the deficit. This has started in 1980-81 with some Rs. 700 and odd crores of deficit in revenue account and today it has reached almost Rs. 9400 and odd crores of deficit on this account. We should definitely try to find out ways and means to contain this expenditure. I feel that top priority should be accorded to all measures for reducing the cost and raising the productivity. I am talking about raising the productivity, specially because we are in that direction of raising productivity. But in that direction with all the economic problems faced by the country, the problems are created by the Opposition Parties also. So we appeal to all the people in India

including the Opposition that if the country is to march forward, it cannot march forward with funds, you will have to increase productivity and not by stopping the means of increasing productivity. Plan priorities should also be re-allocated. Timely completion of the projects in hand should be ensured, to avoid under all circumstances the growing incidence of cost over-run. I can only quote an example from my constituency, of an irrigation project. It should have been completed this year, but because of some reasons or the other, or because of red tapism in the Government and the bureaucracy, we have found that the project has not been completed. It is now said that that project will be completed after five years. If the project is delayed, that will create other problems in front of us.

More employment opportunities and greater demand for industrial products can best be provided by taking up housing and rural construction activities on a massive scale. We have seen it in Maharashtra. There is a unique scheme, called the Employment Guarantee Scheme. Government of India should try to analyse and study that Employment Guarantee Scheme, and find out ways and means of providing employment opportunities at a greater level to the people of India, in order to generate more employment opportunities.

Sir, the public sector, which is the most important arm, should also generate more surplus, and contribute adequately towards financing the Plan.

I will like to point out here that though there is a considerable deficit, this deficit can be contained, as has been done last year. Last year, when there was a deficit of Rs. 5800 crores, people sitting in the Opposition had started saying that this could not be contained. The Prime Minister, when giving his Budget speech, had made it clear that he did not like the deficit, and that he would try

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to see that it was contained. But the people sitting in the Opposition said that this could not be contained, and that this would rise, not by Rs. 100 crores, Rs. 200 crores or Rs. 300 crores, but they targeted it to increase by Rs. 2000 crores, Rs. 3000 crores or Rs. 4000 crores. We have found, over the year, that the Government, by proper management, had been able to contain the deficit, and that we had been successful, even though there was drought.

At the end, I will only point out that the country cannot move forward if the Government alone feels that the country should move forward. The country can move forward only if each person in the country, each citizen of the country behaves in a manner which will bring fruitful results, which will increase productivity, which will bring a feeling of sincerity, a feeling of hard work and a feeling of devotion towards the country today, at a point of time when we are faced with several problems. This is the point which I would like to make.

At the end, I will only say that the Budget which has come after three consecutive years of drought, is reflecting the aspirations of the people. It has already been welcomed by one and all. People are trying to give it various colours, but the colour is one; and that colour is the colour of the Indian people.

I support the Budget moved by the hon. Shri N. D. Tiwari.

SHRI M. Y. GHORPADE (Raichur): Mr. Deputy Speaker, Sir, What we saw this morning was a very extraordinary sight. It is very unfortunate that the same Opposition which was so articulate yesterday and expressed so much concern regarding unemployment and the hardships faced by many people in this country, today indulged both inside the House and outside the House, in certain actions in a manner which would not

improve, but worsen those very problems.

Permit me to say that it is this contradiction between professed objectives and behaviour that is at the root of the problems of this country. But, fortunately, the sinews of Parliament, the sinews of this country are strong enough to face, withstand and survive such aberrations which, we can only hope, will come down, because of the wisdom which this country has.

The Finance Minister, in his Budget speech, has welcomed everybody, from both the sides of this House, to make this Budget debate a memorable one.

If I remember right, he said, let us make this budget debate a participatory and constructive endeavour to evolve a national consensus on how to achieve our objectives. In stead of participating in the budget in that spirit, the opposition did something which does not certainly bring credit to them or to anybody else. I hope at least now they will realise the mistake that they have made and take part in the debate in the spirit in which they are expected to do so.

The budget, itself, if I may say so, is a very commendable and constructive effort to maintain the tempo of development in this country in an extremely difficult situation. That is the job of the Finance Ministry not to be defeated by the situation but to protect the tempo even in a difficult situation. If I may just quote some figures, I think the Finance Minister deserves the credit for having limited the deficit in the current year to Rs. 6.80 crores and substantially honoured the commitment that the Prime Minister had made to this House when he presented the budget; and he has limited the deficit to Rs. 6000 crores even in spite of having to spend as much as Rs. 2000 crores, which was not anticipated from the Centre on drought. After increasing plan expenditure by Rs. 1248 crores, the current plan, as you know, has

gone up to Rs. 25701 crores, which is Rs. 1248 crores more than what was envisaged; and in spite of non-plan expenditure going up by Rs. 1971 crores to Rs. 41,236 crores and, last but not the least, after having transferred to all the States as much as Rs. 24,870 crores. It is significant that even after doing all this, he has been able to limit the current year's deficit to Rs. 6080 crores. This also proves the strength of our economy that in spite of the terrible drought that we had gone through, the growth rate has not become negative; we have a positive growth rate of 1.5 per cent, which may be compared to a negative rate of 4.7 per cent in 1979-80.

We talk of inflation. It is true that the prices have gone up by 9.8 per cent. But it is good to remember that the prices had gone up by more than 20 per cent in a similar situation in 1979-80. In spite of all this hardship, the industrial growth has been 8 per cent; power in the last 9 months has gone up by 7.6 per cent; coal has gone up by 10.2 per cent and export by 25 per cent and import by 14 per cent.

Now, I come to the budget proper presented by the Finance Minister. I think the most important

Feature of the budget is the fact that the development expenditure in the year 1988-89 has gone by 11 per cent compared to the current year. In other words, in these four years, 86 per cent of the plan would have been achieved in financial terms and no doubt it will be the endeavour of everybody to see that it is also achieved in physical terms. The deficit for the budget year is Rs. 7484 crores; and this has been achieved in spite of limiting the net additional indirect taxation to only Rs. 545 crores, that is all the net addition of which the States' share is Rs. 124 crores.

It is true that the market borrowing is Rs. 7000 crores; it is also true that the net

external aid is Rs. 3734 crores. But I must emphasise that the deficit this year has been limited to Rs. 7484 crores, after providing a massive development outlay of Rs. 28715 crores as compared to Rs. 25700 crores last year, after transferring to the States as much as Rs. 26348 crores as compared to Rs. 24,870 crores last year and after providing Rs. 13000 crores for Defence as compared to Rs. 12000 crores last year, after providing Rs. 14000 crores by way of interest and composed to Rs. 11450 crores, after providing subsidies of Rs. 5300 crores as compared to Rs. 4310 crores last year and after providing Rs. 47892 crores of non-Plan expenditure as against Rs. 41,236 crores last year.

This year's Plan has been financed Rs. 16000 crores out of budgetary resources and as much as Rs. 12700 crores from internal and extra budgetary resources of the public sector enterprises. So far as the share transferred to States is concerned, out of Rs. 26000 crores only about Rs. 10682 crores is the share of taxes given to the States.

I wish the Opposition was here because they have made much of all these points and we could have liked to have replied to them more pointedly. The question is whether this deficit is inflationary? Is it going to destroy the country or is it going to strengthen the country? Obviously, the whole answer cannot be given on the floor of this House because to some extent the answer depends on what type of harvest we are going to have. It is no use saying that anything, we do in this country is independent of monsoons. It is dependant on the monsoons to some extent. But the Finance Minister deserves credit for having done his utmost to maintain the tempo of development in spite of all these difficulties.

Within the time that has been allotted to me, I would only like to emphasise that, for

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the first time rural orientation in the Budget has been frank and full and it has given rise to a fresh perception of the problems that are faced with. Otherwise, the impression was that the budget was some financial mechanism and it was only meant for those who own the industries or who pay taxes. But today the manner in which the Budget has been presented relates much better to the entire problem faced by the country, particularly in the rural areas.

I particularly welcome the emphasis on agriculture, the statement that in the next two years agriculture will be given a special emphasis. That means, it is a national declaration of the awareness of the crucial role that agriculture plays in the development of this country. We all know that if five per cent growth rate has to be maintained it can only be done if the agricultural growth rate, taking the Plan as a whole is not allowed to slow down. Therefore, the budget is an expression of that determination.

Rural development, emphasis on employment, agriculture, social security and housing, these are the five elements which I would just choose to particularly welcome on this occasion.

As regards Agriculture benefits by fertilizers discount of 7.5 per cent yesterday, Shri Somnath Chatterjee said that we do not know what this discount is, whether it will reach the farmer. But nothing has been left ambiguous. We have been told that this will result in the price of urea going down by Rs. 8 per bag. So also interest on the crop loans has been reduced by one and a half to two and a half per cent. Bank credit is to go up massive by Rs. 3000 crores and there is a commitment in the budget that banks and cooperatives together will not leave any grey areas or any other credit gap for agriculture.

Sir, I also welcome the National Agricul-

tural Credit Relief Fund and the JALDHARA Scheme. JALDHARA scheme will provide the marginal farmers the benefits of the pump sets for irrigation on nominal rental/lease charges. A massive programme called KUTIRJYOTI will bring light to five lakh households, who are the poorest of the poor.

I hardly speak This is a subject on which I would like to express some points. So I may be permitted ten minutes more .

Sir, the National Scheduled Castes and Scheduled Tribes Finance and Development Corporation will build one million wells for the Scheduled Castes and Scheduled Tribes. I welcome this scheme. I also welcome the Small Industries Development Bank. Then Sir, in the handloom sector, the subsidy on janata cloth has been increased from Rs. 2 per sq. metre to Rs. 2.75 per sq. metre.

The Finance Minister also made an assurance that a comprehensive view will be taken on rural employment. I do welcome the various measures proposed to be taken on housing. I do not have time to go into it. Under the Social Security concept, the premium can be paid partly out of the Social Security fund and partly be the beneficiary .

A scheme to benefit three to four million people by life cover under IRDP is a major policy move, which I am sure the country especially, people in the villages will appreciate in full measure.

I will cut out the points which I had listed to welcome and I will merely indicate the areas which require watching. These are constructive suggestions.

First of all , the area, I think, which require watching is the revenue deficit. The revenue deficit of Rs. 9,842 crores, to my mind, is more alarming than the deficit itself. and the revenue deficit should not be al-

lowed to go up and something could be done to bring it down, then only it is a right step in the right direction.

The second area which requires watching is the Tax G.D.P. ratio and it should not go down. Then, the direct tax-indirect tax ratio also should not go down. Therefore, the Tax G.D.P. ratio and the Direct Tax Indirect Tax ratio should not be allowed to slide down.

I think this is a very important factor in today's management of the Indian economy.

The third very important factor is borrowing. I feel the gap between the cost of borrowing and the return of borrowing should be comprehensively studied and there should be national debate on this. There is no reason why the return from the use of various types of borrowings should not be equal to the cost of borrowing, otherwise this gap of five to six thousand crores will cause deficit. Especially when you are borrowing not only to cover the capital expenditure but also a part of the revenue expenditure, it is necessary that a national policy is arrived at with the national consensus and with an objective that the total return on various types of lending is equal to the total cost of various types of borrowing.

So far as public sector enterprises is concerned, much has already been said and it is my belief and conviction that if the Government is very clear as to which public sector is to raise how much by way of internal resources and what should be the cost effectiveness and productivity. There is no reason why our public sector enterprises should not do better than what they are doing at present.

My last point is on wage price spiral. I wish the Left wing opposition was here, because, to my mind, this is a very fundamental issue i.e. linking of wage, with the

cost of living index. As the cost of living index goes up, the wage automatically goes up. As a result of that, again the cost of living index goes up. This is what the economists call 'dod chasing its own tail'. This is a vicious circle which the nation must make up its mind to break. I say this because all the time increases in salaries and wages are granted by Government because prices of certain commodities have gone up in the cost of living index. I can say with a certain amount of confidence that money is not spent on those items. The increased salary is not spent on those items but is spent on various other items. Therefore, one way of solving this problems is to delink this automatic linkage and agree to protect the real wages of the people by directly supplying certain commodities and services. Supposing, we say that certain commodities will be supplied, so much per family at a certain price, whatever happens to the economy, and certain other services like housing and schooling, then this vicious relationship between the cost of living index and automatic wage increases can be controlled. I say this because in the industry with which I have been related for so many years, the employees there have been very happy with this approach. I have been able to give the employees of my industry certain essential commodities at prices obtaining 10 years ago. And there is no automatic DA increase. Specially the women of those families insist that the subsidised provision of essential commodities is a much better system which protects them better than automatic increase in monetary DA.

Having said this, I wish to thank you Sir, for your indulgence in not once again ringing the bell. I only want to say in conclusion that I only hope that our opposition has been more positive and constructive in their criticism and not so negative as they were yesterday. I hope in the remaining days of the Budget discussion, they will come forward with responsible suggestions. It is no use

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saying that this is wrong or that is wrong. They should have the political guts to come out with constructive suggestions which cannot be hundred per cent popular. I hope the Opposition will rise to the occasion.

SHRI SURENDRA PAL SINGH (Bulandshahr): This year's Budget like all the other budgets of the previous years, has received its full quota of bouquets and brickbats. But there is a distinction. This year's Budget, in my opinion, has received more bouquets than at the other budgets previous to it, except for a very few incorrigible critics, who never find anything good in the Congress Party's policies this Budget has been received and welcomed by every one throughout the length and breadth of the country, as a very progressive, very practical, balanced and liberal Budget—a Budget which has not imposed any extra burden on any one. On the other hand, it has tried to give relief to every section of our population and specially to our farmers and the rural poor. That is how it should be. It is time, in my opinion, that the Government took note of the woes, sorrows and problems of those people who are living in rural areas. I am glad that due note has been taken of that and the Government's thinking is reflected in the present Budget as far as farmers are concerned. After all, seventy-five per cent of our country's population lives in villages. More than fifty-five per cent of our national income is derived from agricultural sector. If very valuable raw material is not provided to our industry by farmers, then the industry will come to a grinding halt. So, the agricultural sector plays a very important part and the importance given to it in the present Budget is most welcome.

I am very happy that never before has any Finance Minister and the Prime Minister shown so much concern for the problems of the farmers and the rural poor, as has been done by the present Finance Minister, and I

congratulate him on behalf of those farmers who are inarticulate, not well organised, but who still perform a very important rôle in a silent and dignified manner. Farmers feed this nation during peace time and shed their blood for the defence of the country in times of war. So, these measures which the Government has taken, are most welcome and we appropriate.

Having said that, I admit that a great deal has been done for the farming community. But in my humble opinion, there are two or three or four other measures which can be adopted by the Government for the benefit of the farmers. and I would like to enumerate them for the benefit of the hon. Finance Minister.

First of all, my suggestion is that all banks which are operating in rural areas, either singly or collectively, should construct all-purpose godowns in all *mandi* towns so that the farmers living in that area can place their produce in those godowns at the time of harvesting, and are not forced to indulge in distress selling. The condition of 90 per cent of our farmers is such that they cannot hold back their produce. Per force they have to sell their produce immediately after the harvesting, when they get the lowest price. When the prices increase, the advantage of that goes to the middle men and not to the farmers. If we have such godowns at *mandi* towns, the farmers can take advantage of it. They can place their produce in those godowns, and against those deposits, the local banks must be directed to advance loans up to, say, 80 per cent of the value of the produce on very favourable terms. Either they can charge rent for the the space or they can charge a very nominal interest on loan. Later on, when the prices increase, the farmers will have the choice to sell their produce in the market, earn more money and pay back the bank loan. This I think, will go a long way in helping the poor farmers in a very practical way.

Now I come to the agricultural prices . A great deal is being said that the farmers are getting remunerative prices. I have disagreed with that all along and disagree with that even now. Technically I agree that the price that you are paying to a farmer today does cover his cost of production and it also leaves a margin of profit. But the profit is not enough to look after the other needs of the family. After all, he is not a machine to just produce grains. He has to look after his family, he has to educate his children, he has to spend on the medical aid, on marriages, and so on and so forth. So, the margin of profit which he is getting from these prices, is not enough to look after his needs, and that is why I do not call it remunerative. I would beg of the Government to think over this question again. They should come to a decision whereby our farmers get a proper price for their produce. As things are at present, I would suggest that as far as the two important commodities are concerned, that is, sugarcane and wheat—because the area where I come from, grows these two commodities; we do not grow any rice or anything else—the proper price for sugarcane would be Rs. 30 per quintal, as against Rs. 25 or Rs. 28 which is being given at present—of course, the demand is much more, but Rs. 30 per quintal would be reasonable - and for wheat it should be Rs. 175 per quintal. So, the prices should be fixed at that.

Then, my suggestion is that whatever price is fixed after due consideration, it should be linked up with the All India Wholesale Price Index and the Consumer Price Index so that as soon as these two index numbers go up, the prices of farmers produce go up automatically. I think it is a very fair proposition and I would request the hon. Finance Minister to think over it so that this problem of prices can be solved amicably in a suitable manner.

Sir, the other point is that the farmers have great difficulties in getting loan for their

non-agricultural activities. My suggestion in this regard would be that the farmers should be issued, what is called a 'Jothbahi' or the record of their holding, in which would be mentioned the value of their land also. And by mere production of the 'Jothbahi' at the bank, the bank should advance loan to the farmers, without going into the cumbersome procedure, without causing any harassment and they should be advanced loan on the same basis, on the same terms and conditions as is given to their counterparts in the cities or rural areas for commercial activities or industrial activities apart from agriculture.

The fourth point is that there is an increasing unemployment in the agricultural sector among the rural youth. Now, you must do something for them also because everyday their number is increasing they are facing greater hardship and difficulties and I suggest that the Govt., should have a second look at our Industrial Policy, and as far as possible all small-scale industries should be diverted to the rural sectors from the cities and towns. I feel that all small-scale industries with a capital of Rs. 15 lakhs or below should not be allowed to be set up in cities and towns. All these entrepreneurs who are asking for new licences should be made to go to the rural areas so that they can provide employment to our youth and unskilled labourers also. They can also generate economic activities in that area which in turn help the population in a very big way. There are so many things needed for the farming community. I would say that their basic needs are primary schools, roads, electric power and dispensaries. What the farmers say today is this: "Give us four things—power, roads, schools and water and we will take care of everything else". So, these basic things to the rural sector should be made available as far as possible because as I have said in the beginning, you give them what they need and they will greatly appreciate that.

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Sir, I would like to request the hon. Finance Minister to give thought to these points. Now, Sir, a word about the poverty alleviation programme. Conceptually, those programmes are excellent. There are no two opinions about that. But I find in their operation, things go wrong because I feel that there are some basic defects in their operation. Firstly, the aid under IRDP and under various other schemes is given to the recipients through the Government machinery and the banks and the Government machinery, I am sorry to say, is corrupt, lethargic and unsympathetic and so are the bank officials, with the result that this nexus between the Government officials and the banks and those dealers and agencies who supply the goods to the community—I mean whether they are selling pump-sets, or buffaloes or cows or bullock-carts whatever they are, one has to buy them from those certified and authorised agencies—is so deep rooted that out of the aid given to a recipient, nearly a third or 25% of that is taken away by these people and he is left high and dry and even the element of subsidy is already gone. So, my suggestion would be—I am airing the views of those whom I met in rural areas—why do not give this aid direct to the recipient?. You can maintain a list with the Block Officers of those people who are eligible for aid and the list can be prepared with the help of the Tehsil official and can be kept with the BDO. As soon as an eligible person comes to you, you can give him the aid and eliminate the middlemen altogether. This is my point. Then later on when question of subsidy comes, all that is needed is to certify from the local Pradhan and Block Pramukh. I am not saying the B.D.O. on purpose. They are public representatives, they are accountable to the public. If they indulge in malpractices, they will be hauled up and they will be accountable to the people. After all, there are loopholes everywhere. I cannot say that is a fool-proof suggestion. At least it will improve matters. My point is that your

aid is not going directly in this hands. He is suffering harassment, he does not get what he is given, and the second defect is that whatever you are giving to him it is not sufficient for his needs. You cannot pull him out of the morass of poverty with the amount that you are giving him. That should be increased because the person who is getting your aid has so many needs so many requirements, and his priorities are quite different from what you think they are. He takes your aid and he does not necessarily use it for the purpose for which it is being taken. So in my humble opinion we are trying to spread our resources over a very large area unnecessarily. If we can narrow that down and increase the allocation to each individual by, say, 20 per cent or 30 per cent and give him a little more than what we are giving, it is quite possible that we may be able to do something substantial for his upliftment. At the present moment, I am sorry to say, this amount is all going into a bottomless pit, and whatever figures are being fed to you by the Department concerned are all an eye-wash. If you go to the village level and see what is happening, you will find that the poverty is where it was. There is a very marginal effect. So, this whole scheme requires a second look. As I said, the conception is very good, I have nothing against it, but implementation is faulty, and some way will have to be found so that a proper use can be made of the aid given by the Government.

Sir, I will now like to draw the attention of the Government and the hon. Finance Minister towards the neglect of our three or four very important natural resources which also have a bearing on our existence in this world. That is land, forests and ground water. I shall first take up land. What is the position today? Out of the total land area of this country, only 270 million hectares have the potential for bistic production that is good for cultivation. Out of this, 90 million hectares of land has already been degraded-degraded to an extent that that land has gone out of produc-

tion. Not only that. Another 80 million hectares is being degraded gradually because of wrong agricultural practices and because the health of the soil is being neglected. This is very serious matter because land is our very valuable asset and we should see to it that it does not admonish very easily. So, I request the hon. Finance Minister to make more allocation of funds for land reclamation as the neglect is not only administrative but also, financial. You have already set up a Board for reclaiming wasteland, but there is no cohesion in that body, there is a lot of infighting going on there, and they lack financial resources with the result that they are not able to achieve their basic objective. So, something should be done and the whole machinery should be tightened up to see that firstly, our land is not allowed to become degraded, and secondly, what has been degraded is reclaimed as early as possible because we cannot afford to allow our land to diminish like that.

Sir, the other natural resource is the forest, which is also a God's gift, and without which we cannot survive. According to the ecologists the country should have one-third of our land area under forest cover. But the position today is that is only 15 per cent or half of the actual requisite forest cover. This is posing a great difficulty and the entire ecological balance is being upset and what happened recently—the drought and flood is the direct result of that and I need not spell out the havoc that this kind of thing might play in future to our very existence. My only suggestion in that regard is its importance be realised about. This subject should be taken away from the State List and it should be brought on the Union List. I feel, Sir, that in these circumstances forests cannot be safe so long as they are under the control of the State Governments. They State Govts. have no regard for forests, they cut them down right, left and centre, a great deal of damage is being done and I think the Central Government should take them in its hand so

that the work of afforestation and the work of stopping of damage to forests is taken in real earnest.

15.00 hrs.

Underground water is also very important from irrigation point of view. The level of groundwater is going down in every State very rapidly and very alarmingly and something has to be done about that. My suggestion would be that instead of building big dams which would damage our ecology, we should, in my humble opinion—I am not an expert—build low barrages at suitable places all along the rivers. These arranges would raise the water level by say, 7 feet, 8 feet or, 10 feet. Each barrage will create a sort of a lake or a reservoir behind it. It would not damage the land on either sides of the river. The water will be contained inside the river basin. But you will have a reservoir of water all through the year which can be beneficial in several ways. It will automatically increase the level of ground water all-around. It will be useful in times of drought etc. and also in the lean period when you want irrigation, you will have extra water stored for that propose. It can be used for generating electricity which would be less costly than your Hydel Schemes. This is a suggestion which should be considered very seriously because it does not involve too much of expenditure very seriously because it does not involve too much of expenditure as compared to bigger schemes. If this staken up, I think, our immediate problem of ground level water will be solved. It is necessary that the withdrawal of water is done judiciously and we should also see to it that we recharge underground reservoir to a proper level. Unless we make proper assessment of ground water, we should not go on with indiscriminate withdrawals of water.

Lastly, I would sound a word of caution to the hon. Finance Minister, who is a capable man, about the big deficit in the

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Budget. This big deficit can cause many problems as has been highlighted by many hon. Members and I am sure by others who will speak after me. would do the same. This is a very extra large deficit, as I said which can cause problems for us all later on, unless properly managed. It can lead to inflation, lead to rise in prices and all the other economic evils which flow from it. As I said unless it is managed properly I know our Finance Minister is a very able man. He managed financial affairs very deftly, he is capable and intelligent. I am sure, he will certainly handle the problems very well. But only thing I want to warn him about and that is the machinery through which he is to implement all the proposals is not up to the mark. It has many defects. As I said officials are unsympathetic. Sometimes, they are corrupt and they are inefficient. So, you will have to tighten the machinery to see that all your proposals are properly implemented and there is no wastage of Government money. If you can do that, I am sure you can tide over the deficiency and we need not fear about a very large gap in our Budget.

With these words, I support the Budget.

SHRI SATYENDRA NARAYAN SINHA (Aurangabad): Mr. Deputy Speaker, Sir, I am sorry the Opposition is absent from the House. Yet I will have to refer to some of the remarks made by two hon. Members, Mr. Madhav Reddi and Mr. Somnath Chatterjee. Mr. Madhav Reddi started by reading the appeal made by the Finance Minister during the Budget speech wherein he has taken an opportunity to request all hon. Members of Parliament to make this year's debate on the Budget a participatory and constructive endeavour to evolve a nationally accepted strategy to achieve our goals.

15.04 hrs.

[SHRI ZAINUL BASHER *in the Chair*]

This is a very significant appeal made by the Finance Minister and I thought, while reading out this quotation, Mr. Madhav Reddi would display the spirit with which this appeal has been made in making criticisms of the Budget. He would be offering some constructive criticisms, some suggestions which could be acted upon. But beyond pointing out shortcomings or deficiencies and putting questions, he did not make any constructive suggestions. Likewise, Mr. Somnath Chatterjee also spoke of high expenditure, large deficit etc. in the end he said that the Budget is anti-poor, anti-people and pro-monopolist. These are familiar slogans which we are hearing in the House being repeated year in and year out whenever the Opposition participated in the discussion. I thought that the discussion on this motion would be more meaningful and more constructive. I was surprised to find that the Opposition Members find nothing in this Budget for the poor.

The Finance Minister had been faced with constraints. He had to manage the economy which has been hit by draught and floods, on the one hand and, on the other, there was a menacing inflationary pressure. Within this constraint, he has tried to frame his Budget and present it to the House which, in my opinion, is an admirable performance and it has been welcomed by every section of the society.

He has provided for concessions to the rural and vulnerable sections of the society, the Scheduled Castes and Scheduled Tribes, the poor who are living in the rural areas the agriculturists and this tried to regenerate, as Mr. Bhagat said, the rural economy and provide a boost to productive activities in their rural sector. If this is not concern for the poor, what is it? The concern shown by the Finance Minister and the various concessions provided in the Budget, is the recognition of the debt that the society owes to those who are living a deprived life

in the rural areas. The question is, which Mr. Singh who preceded me has raised just now very aptly, how are we going to reach these benefits to the people. The subsidies, the Kutir Jyoti, the Jal Dhara and the village Abadi Environment Scheme should reach the target groups, in the quantum in which these are proposed. Mr. Madhav Reddi also posed the same question. What is the mechanism? You have provided for these reliefs and concessions. How are you going to ensure that they reach those target groups? This question is really troubling us and we would not be able to give any answer. Mr. Singh has suggested that the BDO and the village Pradhan should be involved in this matter. I would go a little further because, as far as I know, the Prime Minister is very anxious that whatever facilities are being provided for, should reach the farmers and whatever relief is being given should reach the target groups and an impact should be created on them that these are the things which the Government is giving to them. But we find that this is not the position today in the rural areas. That is why the Prime Minister has appointed a Committee also under the chairmanship of Rao Birendra Singh in the AICC to find out what measures should be devised and evolved so that these benefits reach the target groups.

SHRI SURENDRA PAL SINGH: Earlier it was a problem to find a solution.

SHRI SATYENDRA NARAYAN SINHA: In fact, it is for the Opposition also to make some suggestions to the Government. At the block level, it is not only the Village Pradhans, Pramukhs and the BDO but I think that we should have some responsible Opposition members also to watch the implementation of these programmes. In doing so, they do not have to say later like, "You are all doing it in a partisan manner and malpractices have crept in; reliefs are not distributed properly." This is really a very vexed

question and I would submit to the hon. Minister to see to it.

Sir, we talk of the rise in prices. My hon. friend and so many others have also referred to the large deficit and the mounting expenditure. It appears that we have a high-cost of borrowing and the interest rate or interest liability is playing a very dominant role in debt servicing. Whatever expenditure we are incurring is not productive, is not yielding results. At the same time, I would like to say that I am not afraid of the large deficit because in a developing economy, a certain amount of inflationary pressure is bound to occur. We have to depend upon a certain amount of deficit. But if the various organisations of the Government work properly, if the agricultural sector improves its production and achieves the target that we have laid—165 million tonnes for the next year and 175 million tonnes for the end of the Seventh Plan—and if we reach that target, if the industrial sector also cooperates and the growth of production goes up, if it is maintained at 8 per cent or if it goes to 10 per cent then it will be possible for us to absorb a large part of the inflationary pressure in the economy. The economy will get strengthened. It would be possible to absorb it. Therefore, the emphasis should be laid on—as has rightly been placed—agricultural production. Unfortunately, the drought and floods in many areas have upset all our calculations. There is drop of production by 15 million tonnes or so. But it is a heroic task in having placed our target at 175 million tonnes for the Seventh Plan. To achieve this, apart from the bigger efforts put in by the Kisans and the agriculturists, it is for all of us to create a climate where the industrial production rises. Take the case of the Public sector Undertakings. Only half of it is yielding dividends and the other half is not being run efficiently. If you think of retrenching the employees, not carrying a large number of employees who are not wanted—the other day my hon. friend Prof. K.K. Tewary said about Golden hand-

[Sh. Satyendra Narayan Sihna]

shake: Give them large amount of money and get rid of them; then you will be faced with stiff opposition from the trade unions, the Leftist-Unions, particularly, they will not allow to do this. You can find this particularly in the coal sector. If we do this we will be faced with the problem of going directly to the labour and speaking to them. To cite an example, I would like to say that in other countries they exclude every possible waste. I found in other countries as to how the people work. To my mind the example of South Korea comes. I found that in South Korea for instance, they have put up a Steel Plant. They conceived of the Plant in 1968 or so. The ground breaking took place in 1972 and by 1978, 9 million tonnes target wasn't only achieved but they exceeded it. When I asked them as to how they could achieve this because we could not do it any of our Steel Plants—they said that they included all possible wastes and put their full efforts in it. The other point is that they all depend on imported iron ore. But, unfortunately, that kind of mission is lacking here. If the Opposition had been here, I would have made an appeal to them also like this: "If you want the country to progress, if you want the country to progress towards the goal of socialist society, if you want poverty to go and if you want to solve the unemployment problem, then all of you should cooperate with the Government on issues that concern us." And then a consensus could be evolved by talking across the table and then all of us should work together irrespective of party affiliations so that the country in the economic field go ahead. There is no denying the fact that our economy is in a bad shape today. We are borrowing. Our interest rate is rising and going up to Rs. 14,000 crores. As I have read somewhere that a time will come when we will be borrowing which will not be enough even to pay the interest. This is an alarming situation.

So, we have got to analyse the whole

thing. Why is it that we are having this expenditure deficit in the revenue account? I find that the deficit on current account is growing from Rs. 175 crores in 1980-81 to Rs. 8,497 crores in 1987-88. And it continues to grow. Reasons have to be analysed. It appears that investment that we are making are not giving enough revenue to create surplus. My Hon. Friend, the Minister of State for Finance who is deputising for the Finance Minister will agree that in public sector undertakings we find that they are not creating surpluses as we expected.

Secondly, there is runaway expenditure and cost of administration is far in excess of benefits which we are providing. All these factors seem to persist and the Economic survey has highlighted that "Despite buoyance, revenue rose from 10.6% of GDP in 1984-85 to 12% of the GDP in 1987-88. The expenditure also rose sharply from 12.1% to 14.5%." This is an alarming situation. We cannot just say that we cannot make an economy in the expenditure, we cannot do anything and we go on watching helplessly the rise in expenditure. This is depending heavily on borrowing. This kind of management of economy will not help this country. We have got to analyse the situation, go deeper into it. Whether we can do this even with regard to plan projections? While the whole Plan projections on the revenue account have been upset and we are not able even to meet plan expenditure from revenue. We are depending heavily on borrowing to pay for the plan implementation. Therefore, this is a serious situation and I would like my Hon. friend to look into this problem seriously because every Member who has spoken in this House has drawn attention to this fact and has also expressed concern about it.

I would quote details. We are continuing to pay for the last seven years and form borrowings we are pay for revenue account deficit. This is the time that you must this

process and you should not depend on borrowings to borrowing to pay for your revenue account deficit.

Now, the expenditure side has three major components—the administrative which you call revenue account and then Defence (*Interruptions*)

I have just started building up.

MR. CHAIRMAN : You have taken twenty minutes.

SHRI SATYENDRA NARAYAN SINHA : Will you give me five minutes more?

And then interest rates. With regard to administration first—I will take up this issue first— I would submit that yesterday as Mr. Bhagat said that we should see whether our administrative expenses are cost effective. I was told yesterday that there is a Cabinet Committee on expenditure. I do hope that this Cabinet Committee is being assisted by some kind of experts who are having a close look on the expenditure side, to find out areas where economy can be effected because we just cannot sit by and allow the expenses to go up

As far as I know the Finance Ministry's authority must remain undiminished as it was before and the Finance Minister should be able to say no to proposals for creation of posts and incurring of expenditure if they are not warranted by the circumstances. You have got to enforce discipline all over, even in the States.

I know that there is a case for having small districts in the provinces as the unit of development. But what is the top heavy expenditure on that? Is it cost effective? The cost of delivery of services has to be analysed. If it was spending on Rupee then it must be able to provide benefits of at least two rupees, but if you are spending two rupees

and provide benefits of one rupee, then it is not proper. This has to be studied in depth and proper advice should be given to the Cabinet Committee on expenditure. This should be taken very seriously.

With regard to Defence I know that our sovereignty and integrity cannot be compromised and we don't want to effect savings there if they are going to undermine the effectiveness of our Defence. But what happened in US ? The US Congress has effected savings-cut in the Defence expenditure—and yet their effectiveness is not decreased.

We all know the importance of technological developments. We have developed surface to surface missiles and all that. We are spending money on R & D too. I think that we should be able to effect some savings here. Because last year we had provided for Rs. 12500 crores. With your commitments in Sri Lanka, you have been able to effect saving of Rs. 500 crores at which Mr. Madhav Reddi was wondering as to how you have done this magic. If you can effect an economy of Rs. 500 crores in one year despite your additional and extra commitments in Sri Lanka, why could you not effect savings here, making economies here? If you don't mind, you can have a Committee of Parliament to interact with the Defence authorities to find out if there could be economy in the Defence expenditure keeping in view the effectiveness of our Defence forces. This matter must be gone into. I most seriously suggest to you that you would kindly look into this.

The public sector undertakings are also going to the market borrowings, paying an interest at the rate of 15% to 15%. Our interest rates are the highest in the world. Are you going to manage the economy with this kind of high rate of interest? This point has to be taken into consideration.

[Sh. Satyendra Narayan Sinha]

The other day I received a report from a friend who told me that with regard to NRI investments on which you are paying 11 % interest - I don't vouch for its correctness, but this is the report that I have got - people there borrow money from the European banks at 6% and send the money to you here as NRI amount on which they earn 5% more. Without moving their muscles or exerting at all they are making money and you are paying them. If it was so, why can't we go to the European market and borrow money at 6% because the World Bank and the European banks have said despite what you say of our economy - that India is the best bet for investments. You are following the policy of liberalisation. You should go in for borrowing from the European banks at 6% interest. This will substantially reduce your expenditure on interest payment.

You may get it inquired whether it is a fact or not and if there is any truth in what I say then you should immediately take corrective measures and borrow money directly.

Now, what we have to do is to build our economy on known strength. What is our known strength? Our known strength is that we can produce foodgrains. We have become self-sufficient. It is because of drought and floods that we have suffered a fall in production. Now we can concentrate on this and try to achieve the target that we have placed before us. You have provided for 2 million hectares of irrigated land. We are creating that irrigation potential on the papers but what is the percentage of utilisation of this irrigation potential?

There are so many irrigation projects which are going on for years and years. Take, for example, Gandak. It was started in 1950s. It has not been completed so far and in many areas there is water logging. It is creating another problem there. Several

hundred acres of land are submerged. People were complaining about it that drainage should be started. This is our area of strength but it is unfortunate that we are still dependant upon monsoons. By now we should have been able to insulate our agriculture from the vagaries of monsoons. After 40 years of Independence if we are not able to do so then, I think, it is a big failure. We have got to do this.

Now, I would like to say something about the tax base. It is not wide enough. Although 6 million people have been brought under the tax net yet there seems to be that the tax base is not wide enough. Indirect taxation constitutes about 85 per cent of our net tax revenue. This matter has to be looked into and what you can do about providing relief in his respect.

As regards NREP I have already said that if you are going to place emphasis on it then you must also think of some agency. The other day Mr. Poojary was answering questions here on the Floor of the House and he was asked; Why is it that the minimum wages are not being paid to the workers. It is a government sponsored scheme and still minimum wages fixed by government are not paid. It is breeding dis-content. In many parts of Bihar there is much dis-content on account of non-payment of minimum wages. This has to be looked into.

There is a laxity on the part of the Government machinery if they are not able to ensure this. Therefore, I will submit that the Government should tighten up its machinery. The implementation machinery has to be tightened because it is in the field of implementation that we have been recording failures.

I support what Mr. Singh has said that you have got to think of ways and means of improving the implementation machinery so that whatever concessions, welfare meas-

ures, you are suggesting, are properly executed and implemented and people get the benefits provided for. With these words, I support the Budget proposals.

[*Translation*]

SHRI RAM SAMUJHAWAN(Saidpur):
Mr. Chairman, Sir, I am grateful to you for having given me time to speak. I rise to support the Budget for 1988-89 presented by the hon. Finance Minister.

I express my thanks to the hon. Finance Minister for giving a number of facilities to the villagers, mainly farmers in this Budget after many years. The concessions given to the farmers in fertilizer, electricity, water or in many other things are quite commendable. The opposition says that the farmers vote in favour of the Congress, but it is not so, Bharat Bandh called by the opposition has been a flop and that is why they are furious and are not present in the House.

The Government must pay special attention to the problem of unemployment in the villages. There are many educated unemployed youths in the villages who are frustrated due to unemployment. What is needed is to set up small scale industries in the villages instead of giving them clerical jobs, so that these educated youths could earn their livelihood in the villages itself. 80 per cent farmers of our country live in villages. A large number of them work as agricultural labourers in the fields, but they do not get their full wages. The Government has fixed minimum wages which vary from Rs. 12 to Rs. 16 in different States. But in Uttar Pradesh even today the agricultural labourer gets half kg of grains, some other items and a small field for cultivation which is not adequate. As a result a large number of poor farmers are migrating to the cities. Although, the whole country is facing the problem of pollution, yet it is more acute in the cities. Therefore, we have to prevent

those poor farmers from coming to the cities. They are becoming a burden on the cities. So if small scale industries are set up in the villages, the poor people can earn their living there itself.

I want to submit a few points about my constituency Saidpur-Ghazipur. This constituency constitutes of some blocks which fall in three districts—Ghazipur, Jaunpur and Banaras. The Government's policy is to set up heavy or small-scale industries in every district. But I would like to point out that these industries are being set up in only some selected districts whereas some districts are totally ignored. I want to submit that if these industries are not set up constituency-wise, the unemployment from some areas of a constituency, which fall in different districts, can never be removed. My constituency has three Assembly segments which are reserved for scheduled castes, I want that a committee should be set up to go into the question of finding ways for the upliftment of this backward area and a heavy industry should be set up there. That area is not as developed as other reserved areas are because it falls in many districts and is, therefore, somewhat neglected. Due to this the people of that area are suffering. They want that the Government should set up such an industry there which could provide them a living.

So, far as the question of education for the poor is concerned, I know that the Government is doing a lot for the scheduled castes, but the problem is that the funds allocated for them do not reach them because of middlemen. They remain content with whatever they get because they are not awakened. The funds allocated for them should directly reach them. They can buy sheep, goat, bull or can construct a house from that money. But as has been pointed out by other hon. Members also, what happens actually is that those funds are pocketed by the officials right from the block level

[Sh. Ram Samujhawan]

up to the bank which sanctions loan and, thus, the poor do not get the funds allocated to them. The Government must pay attention to it. Government employees talk in favour of the poor outwardly, but in reality, they pocket most of their funds. So, I submit that the facilities should be directly given to the poor by the Government.

At the same time, I request that the exodus of villagers to cities should be checked. There should be fixed minimum wages for all of them in the villages, so that they can earn their living there itself. With a view to facilitating the development of backward areas, the Government should set up a committee which should give suggestions for the employment and progress of the poor people, scheduled castes and scheduled tribes. The educated unemployed whose number is very large should be given loans to set up their own industries or any other type of business through which they could become self dependent.

With these words, I support this Budget which takes care of the interests of the poor and the labourers.

[English]

SHRI T. BASHEER (Chirayinkil): With pleasure I rise to support the Budget 1988-89 presented by the hon. Finance Minister. When I participate in the discussion of the Budget, my Opposition colleagues are not here. We all know what we have witnessed today morning in this House. It is a shame for all of us in this House and it shows how the Opposition parties take democracy and how they behave in a supreme forum of this democratic country. Today it is Opposition Bandh. But the people have rejected that bandh. I am happy to say that in the reports which are coming, the people of India have already rejected their call for bandh and strike. I have complete reports here. New

Delhi is normal. In New Delhi the Opposition *Bandh* did not make any impact. In Bihar it made only a little response. In U.P., the *Bandh* was a complete flop. Almost everywhere, the *Bandh* was a complete flop. In Kerala it was partial. I got some reports about Kerala as to what their Government are doing there. The whole Government machinery was used for this strike. I had talked to my friends. I have got the reports from them. About 35 buses, which belong to Vikram Sarabhai Space Centre of Thumba were blocked by the CPI(M) people and did not allow them the move. These buses were carrying the workers who were reporting for their duties. What happened, then? The police did not act. Instead, they were taking a helpful attitude and were helping the people who were on strike. You can yourself imagine that if a Government machinery takes such an attitude, what will be the fate of the country.

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): It was the lock-out of the State Government.

SHRI T. BASHEER: Yes. In HMT, Kala⁷ masserri, the lady workers who were going for their duties were man-handled by the CITU workers and the Marxist *Goondas*. The Police kept silent. It is a paradox. Yesterday somebody raised from the other side that Doordarshan is functioning in a partial manner and the Central Government is creating anti-*Bandh* propaganda through the Doordarshan. The elected Government of Kerala is using all its machinery for *Bandh*. For that they have no complaints. But here they are making the complaints that the Central Government is using Doordarshan for the anti-*Bandh* propaganda. You see the double standard adopted by these Opposition Parties. I am not going to take much of time on all these aspects.

Many friends have said about the productivity and all that. We all know that what will be the result of this Opposition *Bandh*. Yesterday Mr. Chatterjee said that this Budget is anti-people and anti-poor. I do not know what does he mean.

I am very happy to say this Budget is welcomed by all sections of the people of this country, especially by the poor people, marginal formers, weaker sections and middle income groups. This Budget is welcome by all those sections because, this Budget is for those Sections of the people. I must congratulate the Minister for this rural-oriented Budget. This Budget will definitely stimulate the rural economy of this country. Number two: it will strengthen the agricultural sector of this country. Our country's economy is mainly an agricultural one. Poor people the middle income group and all the sections of our society are benefited by this Budget.

Our country is passing through a difficult period. There have been four successive years of poor monsoon, and this has caused serious hardships. The country has experienced an unprecedented drought, the worst in this century. We should see the Budget in this context. This Budget has been prepared on the basis of the problems that have emerged on the economic scene of our country. I would like to say that his Budget has a clear direction.

I would like to mention a few features of this Budget. First of all its thrust is towards the agricultural sector. Our country's economy is primarily agricultural. Because of the policies pursued by the Government, our agriculture has made a significant progress. So, we succeeded in facing natural calamities and similar situations. The hon. Minister has correctly put it. He has said:

"We have to give a major thrust to agriculture in the remaining years of the 7th Plan"

In the Budget, Plan outlays for agriculture and irrigation have been increased by about 40%. The hon. Minister in his Budget speech has assured greater resources for achieving agricultural targets, and to make more allocations which are necessary. The hon. Minister has announced a number of benefits to the farmers. I welcome those announcements because these benefits will defiantly be a blessing to our agriculturists who work in the rural areas of this country.

I am sure that the steps taken by the Minister to bring down the cost of agricultural credit are important, welcome steps. In addition, I find that the direct finance to agriculture by public sector banks is being raised to 17% of the advances them. This will increase the availability of credit to agriculture by Rs. 3,000 crores.

Another welcome step which will definitely help the agriculturists is also there. The farmers will appreciate it. I congratulate the Minister for the discount on fertilizer prices. This will give a great relief to our agriculturists. For example, this will make for reduction in the price of bag of urea by Rs. 8.80. It will be a great help to our farmers.

Another programme is *Jaladhaara*. This is an imaginative and useful scheme for the farmers. But I would like to tell hon. Minister as my senior colleagues put it, that this should be implemented properly. I also ask the Minister; what will be the mechanism for implementing this scheme, to enable its benefits to reach the targeted group, the farmers, in a proper way?

That is the main question. So, government should think of it.

Another announcement made by the hon. Minister is the new strategy of giving a service area of about 15-20 villages to each branch of banks. This will definitely help the farmers to meet their credit needs. But in this

[Sh. T. Basheer]

case also proper implementation should be done because we know the attitude always of banks; and if that attitude still continues, I do not know what will happen to this very imaginative and useful schemes. So, government should think about implementing it strictly from this point of view.

Another important feature in the budget is social security schemes. The hon. Minister has announced so many social security schemes. These schemes are all for the poor people, for the weaker sections of this country. And I wonder how the opposition members always say that these schemes are anti poor people schemes, etc. The insurance protection scheme for the huts of landless labourers and other poor families will be a blessing for the poor in rural areas. Setting up of a social security fund is another important step. Another scheme announced by the hon. Finance Minister is the group insurance scheme for regular income groups like teachers and shop-keepers. In this case also the question is the implementation. But the government must think and evolve some effective mechanism to implement these schemes.

Another thing is about our anti-poverty programme. We have to reiterate our commitment to Indiraji's war against poverty. The emphasis in the budget on anti-poverty programmes undertakes that commitment. The budget envisages schemes and programmes for the rural poor.

I would like to draw the attention of the House to a few points relating to the problems of my State. I will be failing in my duty if I do not touch upon the serious problems of my state Kerala. Kerala has a limited land area of 39,000 sq. kms. The density of population is the highest in the country. The problem of unemployment in Kerala is acute. The figure of educated unemployed stands at a staggering figure of 25 lakh. Kerala has

great potential for development of material and human resources which remained untapped. Kerala is a State which is industrially very backward. There is no heavy industrial unit in the public sector except HMT unit in Kalamassery. There is no major railway industrial establishment. So, I would like to urge upon the government to take steps to set up such industries in the public sector in Kerala.

Another point is about the traditional industries in Kerala. The traditional industries like coir, cashew and handloom in Kerala are in doldrums. These industries are the means of livelihood of lakhs of people in my State, especially in the rural areas. So I urge upon the Government to formulate some projects to revive those traditional industries in the State. Our hon. Minister for Industries is also here. I am happy that actually both the Ministers are here now.

Yet another point I want to make is, sometime back I have raised this point here, about the thousands of young men from Kerala who are working in the Gulf countries. At one stage the inward remittances from the Gulf countries were more than our State revenue per year. But the Gulf boom is over. The exodus back home has begun. This will have serious repercussions on the economy of the Kerala State. My impression is that the former Government of Kerala submitted some proposals to the Central Government to rehabilitate them and I would urge upon the Government to consider this aspect and to give all help from the Central Government to implement those projects and to rehabilitate those people who are coming back from the Gulf countries.

With these words, I have pleasure in once again supporting this Budget.

SHRI GOPESHWAR (Jamshedpur): This is a rational budget and it has its own balanced approach towards several pro-

grammes affecting the economy. Today we are having a lot of problems in the public sector. I am sorry to say that some persons have called for a strike in the public sector for three days—yesterday, today and tomorrow,—and in Coal for six days.

The month of March is the most important month for any industrial undertaking to cover up the losses, the backlog and all that. And if they do not work properly in March, it reflects in the losses for the coming year. Why this strike call in the month of March and that also now only in the public sector undertakings? Why not in the private sector?

Recently in the public sector the employees have got Rs. 700 crores as interim relief and also got a D.A. rate of 1.65 per cent. There is nothing like that in the private sector. These so-called trade unions centres in the country, have not even served a strike notice, they have not even served the demands on the private sector for the dearness allowance rate that has been given to the central undertakings. They have not even asked for interim relief. But they have gone on strike knowing full-well that this strike will cost a minimum of Rs. 30 crores of loss per undertaking, and they would not be able to make up this loss. This will be adding to the increasing losses. Already the public sector units are making heavy losses. And then they talk of privatisation! And the workers, they will lose their wages, in respect of those who have gone on strike. It is very interesting that those friends, particularly my friends in Parliament, the hon. Members have they lost wages for these three days? And are they not showing their attendance for 14th, 15th and 16th and will they not get their own wages, daily allowance and everything for these three days?

But the workers will lose heavily. This is a contradiction of how things are moving. The Government is considering setting up of a Standing Committee of Public Sector Enterprises with the representatives of the public

undertakings and labour. We are trying to show that this public sector system will continue, but that had been given a very severe jolt, I would say it is a very unfortunate attack on the public sector system, by those who are crying only for the public sector. Sir, I am very happy that the employees of the public sector undertakings by and large have refused outright to be guided by them. I am very happy to say that most of the workers have already joined duty and in some places, for example in Bhilai Steel Plant, the attendance is one hundred per cent. In some States — Kerala and West Bengal — there have been bomb attacks in one or two units and some of our boys have been injured. I am very happy to say that the workers under the banner of INTUC have been resisting with a sense of nationalism under the guidance of Shri Rajiv Gandhi, and they are showing that the working class have rejected these people who are talking so much of working class.

16.00 hrs.

[SHRI SHARAD DIGHE *in the Chair*]

Now, I would like to say certain things about the Budget. What is the industrial growth and how do you want to add the industrial growth? Personally I feel that the present system of working for the industrial growth will not work. The so-called system of Planning Commission is now obsolete and it requires modernisation, re-thinking, a perspective thinking — not the thinking of yesterday for tomorrow, which is nothing but a post-dated cheque — and the Planning Commission requires re-hauling and re-vamping. The representatives and experts of all shades of opinion, of science, of technology, sociology, workers, should be there in the Planning Commission. Only then, the Planning Commission will work.

Then, the public sector is being guided by the Bureau of Public Enterprises. The

[Sh. Gopeshwar]

Bureau of Public Enterprises should be under the Finance Ministry and not under the Industry Ministry, because it has to take care of the employees in the Industry of all the employing Ministries and those who are not in the Industry Ministry rather feel, out of sort. It is necessary that the Bureau of Public Enterprises, as it was before, should be under the Finance Ministry.

Now, I would like to say about the features of the Budget. You have allocated Rs. 13,000 crores for Defence, I can understand and appreciate. The other allocation was Rs. 12,000 crores for paying interest and the major allocation was Rs. 800 crores for variable Dearness Allowance—payment for the compensation of inflation. But, there is no such allotment for other things. We may have hundred and one items. The export and import oriented economy has to go. The whole Budget has no features, which would help the growth of the human being. There is no growth for employment. The employment rate will be 'zero'. We have already got thirty million people in the employment exchanges searching for employment. Besides this, there will be further registration of three lakh workers this year. How are they going to be taken care of? That means, this Budget does not have any consideration for human role, which is a very important thing.

Another aspect, I would like to say, is consumption. Now, we have a total population of eight hundred million. The population which can take care of consumption is hardly ten crores out of eight crores. So, there is no consumption for the remaining 70 crores of population. They cannot consume, they cannot purchase as their purchasing power is nil. What are you doing for that? What is the step you are taking for that? You are not taking any steps. Rather you are mopping up income-tax deductions from the salaried class. You are not able to show any direction towards mopping up black-money which is

ruling the country. But you are only taxing, exacting from those who are wage earners and thereby there is a very serious situation. On resource utilisation, we have been pressing that there should be a 10 per cent provident fund deduction. That will itself mean about Rs. 100 crores coming as revenue. In the banks, the provident fund is deducted only on basic wage. It should be on the dearness allowance also as in other industries. This thing can bring about a lot of money and at the same time there will be saving also.

I am sorry to say that the public sector undertakings have been given a directive by the Government not to recruit even one worker. For the last three years, there has been no recruitment in the public sector undertakings. I have given you the figures of unemployment. What is this Budget which does not help and how do you want to see the future of so many millions of people without jobs? Will that not disturb the social fibre of the country? It has to be taken very serious note of.

About industrial sickness, there are now more than 150 thousands units which are sick. And a minimum of 500 to 600 units are getting sick every year. There is a very serious situation there which should be taken care of.

In the case of textiles, I understand that you are giving so much of money for modernisation of textile units. But what about the textile labour? 175 thousand workers are idle and there is no scope for them. I suggest, that there should be a textile labour policy.

About prices, you have yourself admitted by providing Rs. 800 crores as compensation for inflation that there is possibility of a further escalation in inflation. And therefore, you have provided for that. There is no balanced approach. I suggest that there should be one National Incomes. Prices and

Wages Commission which will go into the totality of the whole thing. There should be uniformity of DA; there should be uniformity of approach of DA; there should be uniformity of approach to take care of the prices and also other related matters. I suggest that this matter should also be considered by the hon. Finance Minister.

With these words, I hope that there would be some re-thinking and some consideration.

DR. PHULRENU GUHA (Contai): I stand to support the Budget for 1988-89. The Finance Minister must be thanked for the admirable Budget he has presented this year. The facilities offered to the poorer sections will certainly help them. But the Government should keep in mind the accelerating prices of essential commodities and ensure that these be kept down.

This year's Budget deserves commendable congratulations because it is pro-people. It gives concessions to millions of farmers, who form the backbone of our national economy, by reducing the prices of urea by Rs. 8.80 per bag. The proposal to set up a National Agricultural Credit Relief Fund to provide relief to farmers will help them immensely. The proposal to consider the pension scheme for journalists is very much welcome. Concessions given to the small scale industry and some other industries, are also welcome.

There are many points one would like to point out. But I know the time is limited. So I would like to point out certain things which, I think, most of my colleagues, will not bring out.

If allocations of crores of rupees for defence was made to face any military challenge from America backed Pakistan or from other places, people would have accepted it. But I must say that we are very happy that the

Defence expenditure, whatever be the reason, is less this year than last year. It gives very much mental relief to the common people. There are losses in some public sector enterprises. It cannot be allowed any further. I suggest that a new thinking must be evolved. We cannot go on with the same thinking any more. It may be considered that all employees of public sector may be appointed on contract basis. The renewal of contract should be considered on the basis of performance only.

I further suggest that no bonus should be given to anybody if the unit does not make any profit. I say most humbly that this issue should be discussed and something must be decided about this.

I like to point out one very important national issue, that is, the family planning. Crores of rupees are spent on this account but not much effective service is forthcoming. I strongly appeal that a review must be done why the scheme is not effective. I would request the Government that a new thinking for the effective implementation of this scheme must be sought. I can give a number of examples but I have no time, so, I am not going into it.

With very heavy heart I point out that the working of the Central Social Welfare Board, along with the State Social Welfare Advisory Boards, must be improved. I am one of those who were connected with this organisation from the very beginning. It would not be wrong if I say that I was a part of this organisation for a very very long time. I feel very sad that this organisation, which deals with women and children, is not functioning very satisfactorily.

I may mention that some socio-economic programmes are not working properly. There are a number of examples but I give only one example. These schemes are to be implemented for earning by women. In

[Sh. Phulrenu Guha]

some socio-economic programmes, women are trained because money is provided, but women do not get opportunity to earn, which is the main objective of the socio-economic programmes. I feel that either the planning is wrong or no good management and marketing facilities exist.

In the beginning of seventies a scheme for short stay homes was started. It may be remembered that after a great deal of persuasion, only two such homes were sanctioned by the authorities because the authorities were not sure of the utility of this scheme. But now it is proved that the service of this scheme is very much needed for the country. So, there may be more short stay homes, and I would request that more money should be allotted for that. In this connection, I like to mention that the salary of Psychologists must be raised. It is not easy to get proper Psychologists, leave aside Psychiatrists, in the district towns, if proper remuneration is not offered to them.

In the changed circumstances, the Government should come forward to help the voluntary organisations to open old age homes. The scheme should be for three types of people. One category should be of those who are completely helpless. They should be given full help. The second category should be of those who need partial help. These people should pay according to their capacity. There is third category who have money but they need help to look after them. This category should pay fully. They must be told that the Society is to look after them, they have to pay fully, they cannot keep money for their children who are not looking after them, whatever may be the reason.

Sir, before I conclude, I would like to point out that there is a great scope for improvement in cashewnuts and deep-sea fishery in my constituency, Contai. I would

request the Commerce Ministry to look into these points. I further request that there are certain crafts such as mat and others in West Bengal. These crafts are to be developed and the craftsmen are to be helped. Sir, there are many points to mention, but the time is limited and before you ring the bell, I would like to conclude my speech. So, with these suggestions, I support the budget most heartily. Thank you, Sir.

[*Translation*]

SHRI RAM SINGH YADAV (Alwar): Mr. Chairman, Sir, I support the Budget proposals for 1988-89 presented by the hon. Finance Minister. Sir, it is true that in his budget proposals, the hon. Finance Minister has estimated the deficit to be of the order of Rs. 7484 crores, but yesterday, when the opposition Members initiated the debate, they expressed apprehension that since this is deficit financing, it will result in inflation and increased prices, which will have an adverse effect on our economy. I do not agree with them, because many countries including the developed nations like America, England and France have deficit Budgets today so much so that American Budget have deficit to the tune of billions of dollars. So it is a routine thing for a developing country to present a deficit budget because it is essential to do accelerate the rate of growth of the economy. Therefore, we cannot but appreciate this Budget.

Sir, besides, some concessions have also been given in this deficit Budget. When we see the deficit budget, we should also view it from another angle. We should see whether it is based on the policies, which help in increasing our national production besides increasing avenues of employment for the unemployed and generating additional resources for the common man. When we view it from that angle, we find that this Budget will increase production and generate more employment opportunities.

Sir, this Budget is a step forward towards realisation of that pattern of socialistic society, which our leaders like Mahatma Gandhi, Pandit Jawahar Lal Nehru, Shrimati Indira Gandhi, our hon. Prime Minister Rajiv Gandhi and the Congress Party had envisaged.

I call this Budget a budget on socialistic pattern also because the hon. Finance Minister has received the revenue receipts from those people who are resourceful. Only those people have been taxed who are in a position to pay these taxes. These revenues are being spent on the drought-hit people as also on those who are unable to afford even the basic necessities of life, this being the commitment of our party.

I appreciate the special concessions given by the hon. Minister to the farmers, because in many States of our country the drought has hit consecutively for four, five years. I come from Rajasthan, the State which has been hit by drought for the fifth year in succession. Our neighbouring State Gujarat is facing drought for the third year in succession and the states of Haryana and western U.P. are also facing drought situation. Is it not necessary to raise more funds to fight this drought? We are raising these funds from those who can afford. The money thus raised should be spent in the areas where it is needed most.

The opening of banks for the farmers and especially, the credit facility given to them are other commendable steps taken by the hon. Finance Minister but he has lost sight of one essential provision. Has any provision been made for writing off rural credit? You have said that there is a provision in this regard, but how much it will be effective in reality is not mentioned anywhere in the Budget. My suggestion is that the Government should establish a rural credit bank or create a fund for this purpose. You should consider how to write off the

credit of the farmers of those States which are facing drought for the second year in succession. Today, the country needs the farmer and labourer. How can we expect a farmer, who is facing drought for more than two years, has nothing to eat, is unable to feed his cattle and has no drinking water, to repay the bank loan in time. It is simply not possible. Therefore, the hon. Finance Minister should make a clear provision for writing off the loans of such farmers. This provision is very necessary.

The subsidy given to the farmers in the form of fertilizers goes to the owners of fertilizer factories. The farmers should get this subsidy. The farmer should be given pass-book from the bank in which entries regard of his land holding should be made so as to fix the limit of loan required by him for two crops. He should get loan from the bank accordingly. The Central Government should give this subsidy to those banks who give subsidy to the farmers.

The provision made by the Government in regard to the rural credit is that the public sector bank will give 17% of its total loan to the farmer. The ceiling for this purpose is Rs. three thousand crores. Will the marginal and small farmers of a village be able to get its full benefit? It is necessary that you should give instruction to such banks for the implementation of instruction regarding rural credits so as to benefit the farmers.

This Budget envisage increase in foodgrains production. In this year's annual plan, the target is 175 million tonnes of foodgrains production. That means it should be increased by at least 25 million tonnes. According to the Budget, this desired increase in foodgrains production can only be achieved if 2.5 million hectares of land is brought under irrigation and credit, fertilizer and seeds are made available to the farmers. If it comes true, then the opposition's apprehension that the foodgrains produc-

[Sh. Ram Singh Yadav]

tion cannot be increased to 175 million tonnes this year, will prove to be baseless.

The farmer will be able to produce 175 million tonnes of foodgrains provided the promises made in the Budget and the Schemes proposed therein are implemented fully by the State Governments.

I would also like to say that the need of the hour today is that the farmer should be paid remunerative price for this produce. Along with this, it is also essential that vegetables, fruits and other such commodities should be exported. Similar export incentive should be given to fruit and vegetable growers as in the case of industrial units. By this, the Government will be able to earn a huge amount of foreign exchange and farmers will also be encouraged.

My second suggestion is that you should make some provisions for the farmers at national level. Today we are importing large quantities of edible oil and oilseeds. We shall have to make some provision in this regard so that there is no need to import them. You may be aware that mustard seed and *taramira* is grown in Rajasthan, Uttar Pradesh, Haryana and Madhya Pradesh on a large scale. I can say it with challenge that during the last 10 years production has not been as high as this year. But I regret to say, that there is a lobby in the country which pressurises the Government for importing edible oil. I want to say that the decision of importing edible oil is taken by the Government. After all what are the reasons that the Government is being influenced by these pressure groups? I feel that there is no need of importing mustard seed and Rape Seed oil. I want to inform the hon. Minister that the price of mustard seed was Rs. 1000 per quintal three months back whereas it is Rs. 700 per quintal now and the price can further slump to Rs. 400-500 per quintal on arrival of the new crop in the market. Therefore, it is

essential to give incentives to the farmers and this can be done only when the policy of the Government aims at providing benefit to the farmers. The Government should not accept any such proposal which denies incentives to the farmers. You will have to pay special attention in this direction.

There is a lobby in the country which is thinking in terms of importing foodgrains. You will have to pay attention towards it too. Subsidy is granted to F.C.I. and farmers alike on fertilisers. This benefits the urban consumers to a great extent. If the Government decides to import wheat, the farmers will not get remunerative price for their produce. Under such circumstances, the farmers will not like to produce wheat and rice, and they will start producing other cash-crops. As a result of this the nation will suffer a huge loss and the farmers will also not be able to increase their production. Therefore, I would urge the Government not to take a decision regarding importing of foodgrains at least before July. I think that if such a decision is taken just now there will be no buyers in the market to lift the next crop which is likely to arrive soon and it will create critical condition for the farmers.

Besides, there is a great scope for improvement in export-import policy. Unless we do not increase our exports, we cannot strengthen our economic condition. There is a proposal to import insecticides. In this connection, I would like to suggest that incentive should be given to insecticides industry so that there is no need to import them. The lesser we depend on imports, the stronger will be our economic condition.

A colleague from the opposition stated yesterday that balance of payment position is no good. I do not agree with it because the World Bank has mentioned in this connection that India's balance of payment position is far better than that of other countries and it has further strengthened the country's

economy. Here I would like to cite World Bank Annual Report, 1987. It is stated therein:

[*English*]

The World Bank Annual Report, 1987:—

"A major contribution of the Bank, both directly and through the consortium of donors headed by the Bank, has taken the form of a large volume of concessional assistance provided to support India's balance of payments while adjustment to the major changes in the worsened world economic situation takes place. India continues to need a large volume of foreign assistance in absolute terms if the higher rate of investment and growth required to achieve improved standards of living is to be attained."

[*Translation*]

It implies that foreign loans are essential to cope up with the demands of developing economy and swift pace of development. There is no need of panic due to these loans. But I would like to submit here that keeping in view the present growth rate, the deficit at the end of 7th five year plan should have been Rs. 14,000 crores, whereas within a period of 4 years, our deficit has risen to Rs. 26,000 crores. The deficit is thus increasing every year. Our planners, economists, the hon. Finance Minister and the Ministry of Finance should ponder over the ways to contain this deficit. The only way to overcome this is to increase our production. Our target was to increase agricultural production by 4 per cent during 7th five year plan but we have been able to achieve only 1.5 per cent increase. We have achieved a target of 8 per cent in industrial sector and our posi-

tion during 1987-88 is far better. We will be benefited if we enhance our targets. I would like to submit that we have been benefited by the liberalised trade policy adopted for the industrial sector in India to a great extent, I would like to quote from the World Development Report 1987, it has been mentioned therein:—

[*English*]

World Development Report, 1987:—

"By 1985, the Government had relaxed its capacity licensing requirements for two-wheeled motor vehicles and had eased its restrictions on technical collaboration with foreign firms. The result was a rapid expansion of capacity. The larger scooter manufacturer in India is now expanding its capacity to 750,000 vehicles in a year and will eventually become the fourth largest in the world. And competition between companies has stimulated the production of technically superior products at international standards of price and quality."

[*Translation*]

I mean to say that our liberalised industrial policy has been appreciated all over the world and it has strengthened our economy and its rank among world economies has improved further. We have progressed a lot. I support these Budget proposals and thank you for giving me an opportunity to speak.

SHRI D.P. YADAVA (Monghyr): Mr. Chairman, Sir, I welcome this Budget. I do not welcome it simply because it contains detailed figures and statistics but I welcome it because it has a policy, a philosophy, a direction and has a definite objective. What

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is the aim of this Budget? To a layman like me the aim of this Budget is to wipe off tears of the poor who had been a neglected a lot all along.

We cannot eradicate poverty with a magic wand. Eradication of poverty would depend on the stress that has been laid in this regard in this Budget, and it would affect production and productivity. We can discuss a few main points of this Budget. What is planning; what are the new steps proposed in this Budget and what are the points which have been left out. Members of Parliament should be consulted and improvement should be effected. When we go to villages and towns, we find that the increase in sales tax or in income tax does not affect life as much as the fact whether we have achieved self-reliance in our basic requirements. Today we find that there is no dearth of cement in the villages. There was a time when there was stiff competition to obtain cement dealership but now there is nobody to opt for its dealership. There is cement glut in the market. It means that our country has become self-sufficient in cement which is essential for infrastructure development. I congratulate hon. Vengalraoji for it.

Now we come to fertilisers. There was a time, about 4 or 5 years back when a urea bag was priced at Rs. 175. Now a urea bag is available in the market for Rs. 121, Rs. 119, Rs. 118 or Rs. 120. Have we succeeded in achieving the aim of self-sufficiency? So this is all about cement and fertilisers.

So far as steel is concerned, 10 to 15 years back when I was a Member of this House, people used to come to us and request us to arrange some permits of steel for them. We asked them what they would do with the permits. They used to reply that as it was profitable it would add to their income. But now nobody comes forward to obtain a

permit, because there is no shortage of steel in our country. There is no shortage of steel and cement, bricks and sand, whether a bridge or a house is to be constructed or any other developmental work is to be accomplished. There is no shortage of any building material in the country. Therefore, we have achieved the desired self-sufficiency in the field of construction. Our leadership has proved, through this Budget that we are not weak in any field.

Now about coal. We have achieved success with respect to coal. It is definitely a bold step and is a matter of pride for all of us.

About planning, I would like to submit that everybody should know what provisions have been made for different sectors. For example, we would be spending Rs. 1295 crores on agriculture and it will lead to increase in agricultural production. Similarly, we are going to spend Rs. 2200 crores on poverty eradication programmes; Rs. 529 crores on rural employment, and Rs. 430 crores on water supply schemes. In the field of energy viz coal and petroleum we would be spending Rs. 9196 crores. We are going to spend a huge sum of Rs. 5572 crores on Transport, which includes surface transport etc. Rs. 751 crores will be spent on science and technology and environment which is not a small sum. We are going to spend Rs. 3268 crores on social services. Whether it is education, social services or health services, we intend to spend huge sums on them.

Similarly, you may be aware that the operation blackboard which has been launched in this Budget to implement new education policy is definitely a new feature and altogether a new concept. When people say what is new in this Budget, we can tell them about the provisions that have been made in the fields of agriculture and labour in this Budget. That is definitely a matter of pride for us. The subsidy will be going to the farmers directly. We are thinking of having

one-window system. The Hon. Prime Minister has constituted a Committee at the party level to see as to how maximum benefits can reach the farmers. Accordingly, we will make provisions in this Budget so that the benefits reach the farmers. As regards creating infrastructure, there are 40,000 branches of the various banks in the rural areas. I want to tell you about my district Monghyr. There are about 170 branches of different banks in my district. 170 branches for 20 blocks is not a small number. Indeed, it is an achievement. We see that even then we are not making the desired progress so there are some shortcomings somewhere and they must therefore be removed.

The most important requirement next to food is of shelter and Rs. 100 crores have been earmarked for it. There is a proposal of a pension scheme for the scheduled castes and scheduled tribes which would provide social security to them. In the field of minor irrigation projects, we are making definite progress. Without delivering a long speech, I want to submit that the provisions made for the journalists are welcome but you must add the term *Mufassil* here. Some arrangement should also be made for their housing. There are some working journalists who do not own a house either in their native place, or in Delhi or Patna. Therefore, arrangements should be made to provide them housing facility. Besides, there is another section — the lawyers — who do not get a fixed salary... (*Interruptions*).

The Government pays salary to the judges and to other people but not to the lawyers. The role played by the lawyers during the freedom struggle cannot be forgotten and today also they are fighting to eradicate poverty. Therefore, I want to submit that the Government should think sympathetically about the lawyers also because their plight is not very happy. Some pension or relief should be provided to them, so that they can lead a better life.

Now I want to submit about the teachers. Shri Parashar who is himself a teacher is sitting here. The school and college teachers attend seminars on unity and integrity in various parts of the country. My submission is that they should at least be given concessions in railway fares. We say that national unity should be our prime concern, but if the teachers are not able to attend the seminars then how can the message of national unity be spread. Therefore, if you want that teachers should attend such seminars in large numbers you should provide them concessions in railway fares.

How can the Budget meet our expectations. I think there is need to pay some attention in this direction. I was just thinking as to which type of Budget will be most effective. The Budget encourages consumerism. However, if there is a ceiling on consumerism it would end wasteful expenditure. Therefore, it has to be seen as to how far it can be consumer oriented. There must be some limit to it so that in the name of consumption there is no wasteful expenditure. Hence, there must be a balance between consumption and waste. Secondly, we need to pay attention to the consumer orientation of the Budget. Instead of being consumer oriented our Budget should be utility oriented. We have to set a target, a goal and give a direction to our Budget in order to make it effective.

Another point which I have observed is that the Hon. Prime Minister expects that by the end of Seventh Five Year Plan 175 million tonnes of foodgrain should be produced annually in the country which means that foodgrain production will have to be increased by 30 to 35 million tonnes. Government is providing fertilizers and agricultural implements. Under the '*Jaldhara*' scheme pump sets are being distributed. You may provide everything but unless transfer of technology takes place, the target will never be reached. Therefore, there must

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be technology transfer for agricultural development. I know that there are some resource constraints but it needs urgent attention. I want to cite an example. There is a simple equipment called the seed drill by which both seed and fertilisers can be put into the soil at the same time during the sowing period. This saves 50 per cent of fertilisers and seeds. The seed drill is used in Punjab, Gujarat and Maharashtra but not in the areas between Kanpur and Bengal. Because we are not using this equipment, in these areas we are putting double the amount of fertiliser in the fields. This is just an example to show how important it is to have the transfer of technology. The farmers should know as to when pesticides should be put in the fields. If it is put after the paddy crop has been affected, then the crop cannot be saved. Wheat crop is susceptible to 'Katwa Pillu'. It should be destroyed as soon as it starts affecting the crop. Aerial spraying and putting insecticides will not serve the purpose once the crop is already affected and the pest is in flying stage. Therefore in order to achieve an optimum growth of agriculture, transfer of developed technology is very essential. Arrangements have to be made for technology transfer in order to achieve optimum productivity.

I would like tell you that expenditure should be curtailed. When we talk of giving facilities to the Members of Parliament the journalists say that they should not get these facilities. I would suggest that a commission consisting of journalists should be set up in this regard. If we go through the features of the various Parliament of the world. We find that the facilities enjoyed by the members including the Ministers there is for more than the facilities provided to a Member of Indian Parliament. I would urge the government to provide at least one tenth of these facilities to the members of Indian Parliament. I was reading about the facilities provided to the Members of the American Parliament. Each

member gets 4 or 5 million sheets of paper per year for publicity and for having correspondence with his constituents. The paper is also of a high quality. This is just an example. I would like that this should be rationalized. A Member of Parliament who represents 15 lakhs of people should get all these facilities. The Government need not raise their salary, but they should enjoy all facilities. I received a telephone bill for Rs. 2000. If a person from my constituency comes and requests me that he wants to make a call to Monghyr, I cannot refuse him because if I do so he will not cast his vote in my favour next time and he will also lodge a complaint against me. Thus we have certain compulsions, which should be favourably considered. Shrimati Sheila Dikshit is present here. She should bring a Bill in this regard in this session and help the poor Members. It will benefit the hon. Minister as well.

Another point which has struck me is that our non-plan expenditure has increased. It is necessary to identify non-plan or infructuous expenditure. Infructuous and wasteful expenditure should be curtailed wherever it is incurred.

We have also to undertake manpower planning. We shall have to replace audit oriented planning by output oriented planning. We have to pay attention to the non-plan expenditure especially at the State level.

Finally, I want to conclude by referring to my constituency. The Budget should be pragmatic and meet the actual requirements of the country. All types of medicines are not suitable for all types of diseases. Every disease can be cured by a particular medicine. Bihar, particularly southern Bihar, is very backward in the matter of roads and railways. Before constructing roads or taking up other schemes the local people should be consulted. Similarly, the local people should be taken into confidence while allocating

funds and keeping in view the requirements of the area that will be beneficial to them. Priority should be given to the construction of the National Highway. The construction of lateral road in the *Terai* region has been pending since long. The Chhitauni-Bagha bridge should be constructed immediately. The Government should spend on these heads even if it has to curtail other expenditures. The Central Government should undertake this task.

With these words, I thank you and support this Budget.

[English]

SHRI SOMNATH RATH (Aska): Mr. Chairman, Sir, I rise to support the budget. This budget is constructive, positive, growth oriented and unique for which the Finance Minister deserves congratulations for his creditable performance under the dynamic leadership of Prime Minister.

The additional expenditure to meet the unprecedented drought and floods has been met by additional resource mobilisation and cut in the expenditure. The cautious monetary and fiscal policy of government and Reserve Bank could prevent the aggravation of the price rise. There is a check on the side of budgetary deficiency to contain inflation and the budget has taken care of all the sections of the society — farmers, farming workers, consumers, weavers, weaker sections and also unemployed and poor people. It is meant to re-organise the drought economy to raise production. It is growth oriented with relief to all the areas, such as, agriculture, industry especially the public sector, to alleviate poverty, provide employment, housing, group insurance, enhanced standard deduction upto Rs. 12,000/- and for power generation. It provides relief for environment, education, health, drugs. Certainly, it is a rural-biased budget and meant to boost the agricultural production. It is

undoubtedly performance-oriented for rural development.

The rate of interest on crop loan has been reduced. Agriculture credit has been increased by Rs. 3,000 crores. About Rs. 1,000 crores more have been allotted by way of subsidy to the inputs to the farmers. The fertiliser factories are being asked to give to the farmers a discount of 7.5 per cent in the notified price of fertilisers. It is proposed to attach 15-25 villages to the branch of a bank making it responsible to give credit facilities to the villagers. The special provision of *Jaldhara Kutirjyoti* and housing are new conceptions of this budget.

Sir, owing to the worst drought during the agricultural year 1987-88, it is expected that there will be a sharp fall in the agricultural produce up to 130 million tonnes.

Over 70 per cent of land in India is still unirrigated. For water supply, it depends on vagaries of monsoon. So, top priority should be given to irrigation. The irrigation projects in hand are to be completed under a time-bound programme and no plea should be taken that there is a financial constraint. High priority should be given to the chain of tubewells wherever it is possible. A proposal has been sent by the Orissa Government for *Rushikulya* a command area development scheme in the agricultural district of Ganjam. I would suggest that it should be implemented. It has also been discussed at the Central level. The irrigation projects should be completed within the time so that they boost the production.

Our scientists are able to develop seeds of certain foodgrains which can stand the stress of moisture. Wide publicity is to be given and farmers should be encouraged to use these seeds.

Water management is most important. Besides irrigation, the water management

[Sh. Somnath Rath]
should be taught to the farmers.

The country has developed science technology. The production of surface-to-surface missile in our country is not a small achievement for this Government and the scientists. So, when the Opposition criticises that relief has been given to *Kajal* only, I say that they have not gone through the provisions of the Budget. The relief has been given from *Kajal* to computer. It has been lost sight of by the Opposition.

As you know, the expenditure on defence, subsidies and interest puts a great pressure on the finance. Defence is a must. In the budget, about Rs. 1,000 more crores have been given by way of subsidy to the farmers. This subsidy should reach the farmers. The Government has made a very good framework of the Budget but the administration should see that it percolates to the grass-root level and benefit the beneficiaries. Then and then alone the production will increase and we can make the country self-sufficient.

17.00 hrs.

Another point that we have been speaking in this House is about the self-sufficiency of irrigation in this country to connect different rivers in the country just like that of Russia so that the water which flows from one end to the other end towards the ocean, causing havoc during the floods, can be better utilised for irrigation and till today no specific study has been published or the investigation is not complete. We have got a separate Ministry called the Water Resources Ministry. I hope, the Ministry will rise to the occasion and see that long term problem of irrigation could be solved.

Another aspect is about the talk of black money. In this House, we have discussed about the utterance that ex-President has

come out saying that Rs. 30 to Rs. 40 crores were offered to him by certain persons to fight the Presidential election and if it is so, it is high time that the Government should investigate into the matter and take drastic steps regarding the black money which is responsible to upset our finance, and the Budget of the country.

About planning, we have got District Planning Boards but these District Planning Boards are functioning now for name sake only. They must be made active and the plan should come from the district level so that the growth will increase taking into account the infrastructure prevailing in that district.

We have gone to other countries abroad and we all know that democracy stood the test of time in India. About democracy in other countries, for example, in Britain there is a Parliamentary system of Government. There are two main parties, the Labour and the Conservative. In America with the Presidential system, there are two main parties. Before the election, they say who will be the leader if that party comes to power and who will be the Prime Minister and who will be the President. In India, unfortunately, there is no opposite political party to the Congress (I). The Congress is the only political party which has existed for a long time and that is the only party that can rule India. The Opposition house is divided and today there is *bandh*. In this fortnight, we had two *bandhs*. Yesterday the Railway Minister stated in this House that there will be colossal waste of public funds if there is a strike. What is the use of *bandhs*? When the Opposition is divided, when they are not able to say who will be their Leader in case they come to power, then what is the use of wasting the human and public resource by calling a *Bandh* when the Congress Party is able to say that we can rule, we have ruled and we will rule and our Leader is Rajiv Gandhi; I ask our Opposition Parties, who is their Leader whom they want to make the

Prime Minister? Under these circumstances, the Government must be very-very positive to see that the provisions made in the Budget which are meant for growth, and which are meant for rural poor, farmers should be implemented in right earnest and the production should increase so that the deficits can be met.

I would once again thank the Finance Minister and hope that the implementation will be done in right earnest, though there are certain hurdles. The hurdle is the States implement these projects and schemes and while implementing, they divert the funds. The Opposition Members said that the funds allotted for fighting the drought had been mis-utilised. I want to know from the hon. Members of the Opposition, who has mis-utilised it? It is their States who had mis-utilised the funds. So, if their States have mis-utilised it, then who is to be blamed. It is not the Centre which is to be blamed, but it is they themselves who are to be blamed. Under these circumstances, the Centre must have a supervising agency or monitoring agency to see how best the provisions made in the Budget to help the poor, to raise the standard of living to alleviate the poverty are implemented in right earnest.

[*Translation*]

SHRI KAMLA PRASAD SINGH (Jaunpur): Mr, Chairman, Sir, I whole-heartedly welcome the Budget presented by the hon. Minister of Finance. Many hon. Members have expressed their views on the Budget and I also want to say a few words on it. This Budget is being welcomed all over the country. The Budget presented by the Finance Minister under the stewardship of the Hon. Prime Minister would benefit all sections of society. No section has been left untouched whether it be farmers, labourers or rural people. This Budget is going to benefit people of all sections of society. I would like to congratulate the Hon. Prime Minister Shri

Rajiv Gandhi and the Finance Minister for it. Right now country is facing severe drought. Initially it was felt that the country will not be able to face unprecedented drought, but the Government has successfully helped all sections of society by distributing foodgrains and employment generation for the people. There is not even a single person who may have died due to starvation. It may not be surprising, if the hon. Members of the opposition give statistics to prove their point and counter the claim of the Government because they do it just for the sake of opposition. They do not have constructive approach to development. At present, large foodgrains stocks are lying in the country. We had 23 crore metric tons of foodgrains in July 1987. In addition to this, many developmental programmes were also started by the Government like construction of approach roads in order to provide employment to the people. They were paid wages both in cash and kind. 'Food for work' programme helped in mitigating their sufferings. No amount of appreciation of the Government in this regard would suffice.

Sir, in addition to this the Government also provided drinking water and irrigation facilities to reduce the impact of drought in the country. It is true that there was acute drinking water problem but the Government took timely steps to make drinking water available in villages and localities. The Government also tried to solve the problem of scarcity of fodder at some places by taking appropriate steps.

Sir, despite this the farmers and other sections of society are facing several problems. The poor are in distress. This is because as a result of untimely rains the remaining Kharif Crop in some areas has been infested by insects and has been destroyed. My suggestion to the Government is that, in addition to relief assistance, spraying of insecticides should also be undertaken free of charge in the affected areas.

[Sh. Kamla Prasad Singh]

Undoubtedly, Government has made arrangements to provide seeds and fertilisers to the farmers for Rabi Crop. It is sad that majority of the tubewells in my constituency, are out of order and farmers are therefore, finding it difficult to irrigate their fields. I would like to draw the attention of the House to the paucity of funds in this respect in the Budget. In my opinion farmers and poor depend on tubewells, and therefore, more and more allocation should be made in the Budget for maintenance of tubewells and other facilities.

So far as the question of electricity is concerned, I believe that adequate funds should be sanctioned for it in the Budget otherwise our economy will collapse. No other developmental work can be undertaken nor farmers will get water for irrigation. Therefore, on priority basis funds should be allocated for electricity generation.

So far as the question of education is concerned, the Government is aware of the problems. I would like to draw your attention to many Primary and Junior High Schools in my constituency which are without buildings. Even if they have their own buildings they are in dilapidated condition. For promotion of education many appreciable steps have been taken by the Government and required allocation has also been made, but merely giving Rs. 10,000 or Rs. 20,000 to schools is going to be of any help. I would request the Government to allocate adequate funds for construction of school buildings so that proper education facilities in all schools are made available.

In my constituency, Jaunpur, a cable factory was to be set up in Sataria, but due to some reasons the pace of progress has slackened. During his stint in the Ministry of Industry the present Finance Minister had

announced that allocation of Rs. 60 crores would be sanctioned for early completion of the project. We are fortunate that he is now, in charge of Finance Ministry. I, therefore, request him to provide adequate resources and thereby help in early completion of projects. I would also like to apprise the Hon. Prime Minister, through you, about the backwardness of my constituency Jaunpur. Jaunpur district is a backward area. I would urge the hon. Minister to mobilise resources for early completion of this cable factory.

I would like to repeat once again today in this august House that there is the need to set up industries in my constituency Jaunpur. Besides big industries, small scale industry should also be set up there. The unemployed educated youth of Jaunpur continue to migrate to Bombay, Calcutta and Delhi in search of employment. If a core sector industry and a few small scale units are set up in Jaunpur, the unemployment problem can be solved to some extent. Therefore, I request the Government to set up a heavy industry and several small scale units in Jaunpur to solve the problem of unemployment so that the youth can look after their families instead of running away in search of employment to other places.

Sir, in addition to these difficulties, I would also like to submit that a network of approach roads is being laid in the country. This has been done to fulfill the desire of late Prime Minister Shrimati Indira Gandhi who thought that unless a network of approach roads is not laid, the poor farmers will not be benefited. Once these are constructed the farmer will be willing to go to the city and sell his produce and get remunerative price. Sir, today the hon. Members of opposition are not present in the august House, I wanted to tell them that construction of these approach roads has been done keeping in view the interests of the farmers. Through these roads the farmers can hope to sell their produce like wheat, rice and sugarcane at

remunerative price in the market. Keeping these things in view the Hon. Prime Minister Shri Rajiv Gandhi did not stop construction of these approach roads. Due to this the farmers are able to earn remunerative price for their produce. I would like to thank the Government, the Hon. Prime Minister and the hon. Finance Minister for it.

Sir, I would like to submit that earth work has completed on some roads constructed under RLEGP, but as funds are not being made available for metalling them, they are getting washed away. Therefore, there is the need to allocate funds for making them all weather roads. Similarly, funds should also be allocated for metalling roads constructed under other programmes. Besides, Sir, funds are not allocated for repairing the roads constructed for repair and maintenance of roads constructed under these programmes as is done in case of P.W.D. This work will benefit the masses. For these programmes funds should also be allocated wherever required on priority basis. With these words, I whole-heartedly support and thank the hon. Finance Minister for presenting such a Budget.

[English]

PROF. NARAIN CHAND PARASHAR (Hamirpur): I support the Budget presented to this House by Sh. i N.D. Tiwari. The comments which have come out in the Press have given a rural orientation to the Budget. One of the papers has called it a Jai Kisan Budget and the other that it has got the Tikait virus! So, in a nutshell it can be said that the Budget is rural oriented and gives more to the rural sector but not at the cost of the urban sector.

There are some welcome features and the honourable Finance Minister has been pleased to announce the setting up of the National Agricultural Credit Relief Fund which will be helpful to the people in the

villages. Then, also rural housing will get a boost with a provision of additional Rs. 1000 crores through national housing bank and similarly the social security fund. So, some of the measures including the launching of Jaldhara and Kutir Jyoti for providing electricity to the poorer sections of the society which are welcome features and they need appreciation of all sides.

Reeling under drought some parts of the country were badly in need of funds, and other parts were reeling under the floods; so they were also in need of immediate relief. So, the Finance Minister had to have a very difficult exercise under the shadow of drought on the one hand and flood on the other. Yet, he has been able to carry on with the task, and also fulfil the promise made by the Prime Minister last year when he presented the budget on the 28th February, 1987, that the deficit would be contained within limits. So, the Finance Minister this time has been able to keep that limit in view

Unfortunately, however, the expenditure has grown considerably and concern has been expressed from various sections on the growth of expenditure and the mounting expenditure on that. There is a deficit between the revenue receipts and the revenue expenditure and the result is that the Finance Minister had to take recourse to certain imports. He was almost forced to keep the surcharge imposed on account of drought and also enter into new avenues for raising resources.

All these are the compulsions under which the economy has been labouring and the complete or incomplete stagnation in agricultural production on account of the failure of rains has cast its shadow on the exercise undertaken by the Finance Minister.

In spite of this, a brave effort has been made to support the plan and we are now in

[Prof. Narain Chand Parashar] the position to claim that about 86 per cent of the Plan would be fulfilled by the end of the year and therefore there would be some relief on that score.

On this score, I want to make a comment regarding the plight of special category States. It appears that the National Development Council and the Planning Commission and the Prime Minister are out to and eager to help the difficult areas located on the borders of the country, the hilly areas, backward areas, tribal areas, and therefore the concept of special category States and various area development plans like the Hill Area Development Plan, the Drought Area Development Plan, the Desert Area Development Plan. They have been brought into play and the people are given high hopes. But what happens is that though allocations are made and special category States get priority and weightage in allocations they get 90 per cent of the allocations as grant and only 10 per cent as loans, as compared to the other States where the ratio is almost fifty-fifty. But what happens is that down below, the administration does not respond. You allot money for special category States, but what about the administrative infrastructure down below. The norms remain the same, the criteria remain the same and the end result is that these States instead of marching forward or at least keeping pace with the rest of the country, lag behind because everywhere the Finance Ministry puts it down saying, 'well, this workload is not sufficient, so a post office cannot be sanctioned; a postal division cannot be sanctioned; a telegraph office cannot be opened; a public call office cannot be opened because the number of calls is not sufficient'. You can create a separate State, you can give Statehood to Goa, but you cannot create a postal circle for Goa. Mr. Finance Minister, this is a very sad reality of the situation — Assemblies are there, fullfledged States are there; and the States are equal at the time of voting

the Constitution Amendment, but when it comes to having some facilities at the grass-root level, at the district level, at the block level for getting the branch, then these States are left high and dry. The same criteria are applied. To quote one instance, the United Commercial Bank was given nineteen licences under the New Branch Expansion Licensing Policy for the Seventh Plan. It refused to open even a single branch in Madhya Pradesh, saying that all these were the desert branches and they would not get sufficient funds; and the result was that these branches had to be allotted to other sectors. So, this is one instance. Similarly it is very difficult for any facility to come up in those States because the workload remain the same. Unless you remove this concept of workload or give at least thirty three per cent weightage in all these calculations, these areas of the country will not come up or will not catch up with the rest of the country and whatever your concessions, whatever your slogans may be, these States will remain where they are. So, I plead for a new approach. Unfortunately, the Finance Minister has missed this approach. I wanted to highlight this. What is happening? Since 1st January 1984, there is a ban on recruitment to the existing vacancies and also on fresh recruitments. With the result, nothing can be done without the approval of the Ministry of Finance and every Ministry has become dependent upon the norms of the Ministry of Finance. An Officer in the Ministry of Finance today is more powerful than the Secretary of any other administrative Ministry. If he wants to get a post sanctioned; if he wants to have an office opened; if he wants to have any worthwhile executive unit opened to re-organise within his own Department, the Ministry of Finance puts it down all these proposals in the name of curbing the expenditure. If the Seventh Plan is to have any meaning for the people, then the simple question would be asked, what about the target? Six thousand post offices were to be opened in the sixth Plan, but not even a single post office

was opened because the Ministry imposed a ban and with the great difficulty, 215 Members of Congress Parliamentary Party had to approach the Prime Minister for necessary sanction for getting these post offices opened.

What about the upgrādatiōn? This is a far more difficult job and it cannot be undertaken. What I mean to say is that, you curb the expenditure; all right, you move in various directions and control your deficit, but please see, for Heaven sake, that the Seventh Plan targets are fulfilled and the people down below are able to get the benefit of whatever promises you have made in the Budget.

The Budget appears to be all rosy to the people when they read it. But will they get encouraged by it? Does the farmer or the Scheduled Caste man or the person below the poverty line, who is sitting in the village get the feeling of safety and a smile from the Bank Manager? It is meant only as a tool for the purpose of furthering the interests of those people who are sitting there as masters. Unfortunately, our experience is that you have created a big impression about the Budget, but you have failed to link the public representatives with this set up. The voice of the members of Panchayat, Assembly and Parliament has no meaning so far as implementation of your programme at the grassroot is concerned. Unless you associate yourself in a representative capacity with the delivery of these very items at the grass-root level, to the villagers, to the sections for whom they are meant, persons below the poverty line, Scheduled Castes and Scheduled Tribes, unemployed and you are able to give them the hope that their applications would be entertained and would not be rejected outright, till then nothing would happen. Is it not a fact that in all the anti-poverty programmes and in various other programmes launched by the Government of India including the 20-Point Programme it is the well-to-do who are getting the benefit of

these programmes and the poor man is still to get the full benefits. He may be getting benefits partly. I do not blame the system, but please do something because your system is not supported by public participation at the grass root level.

You have now thought of district planning which is a very good idea. You have thought of block planning. And you have two years of the Plan left with you. Who will prepare these plans? Will the physical targets be fixed? You will only allocate this much amount for roads. But one kilometre of railway track in Himachal Pradesh or Jammu & Kashmir or hills of Uttar Pradesh will cost ten times as compared to the same track in the lower portions of that very State or the neighbouring State. So the result is that you would say that you have allotted Rs. 5 crores for the railway line in Himachal Pradesh or Kashmir or somewhere. But the fact is that Jammu-Udhampur railway line for which the then Prime Minister, Shrimati Indira Gandhi, laid the foundation stone in 1983, is still to take off and even a single kilometre of track has not been laid because it costs more than Rs. 1 crore per kilometre whereas in other areas it is possible to construct 10 kilometres within that amount. Therefore, when you talk of financial targets, talk of physical targets. Unless the physical targets are fixed, all planning and all talk of planning becomes meaningless because the Railway Convention Committee has given a report that there are 24 railway lines for which the Prime Minister or the Minister of Transport laid the foundation more than 10 years ago and most of them are not even half complete. Total completion is ruled out. According to one answer given in Lok Sabha 134 projects costing more than Rs. 20 crores are not keeping the schedule of completion or construction. They are jaggig far behind. So there is cost over-run. Therefore, unless something is done to complete the targets in terms of physical targets and not in terms of financial targets, the hope for the country is not bright.

[Prof. Narain Chand Parashar]

I am happy that 40 per cent of the allocations are for the agriculture and water resources. But there is a snag. There is no proper monitoring. An irrigation scheme, which has a command area of, say, 100 hectares at the time of launching, ultimately ends up with only 10 hectares. There is no proper legislation for distribution channels. People refuse to allow channels to be constructed because you have not empowered the Executive Engineer for carrying the distribution channel to the field. There are various other schemes which are already held up because there are various snags. So financial allocations are all right, because they present a very good picture in the Budget. But what about the snags, maybe, due to legislation, or due to centralisation. Please remember that the Central Government should not stand for centralisation. It should stand for de-centralisation of authority and process of implementation at the block, district and state level. We stand for unity and not for uniformity. We stand for strong Centre and not for centralisation in every aspect. With the result, no road can be constructed, no school can be built, no programme can be launched unless the Central Government from here, the Minister of Environment, gives you the clearances for felling 10 trees and by that time the entire region will be in the grip of drought.

The well cannot be constructed, the irrigation channel cannot be laid down, the electric line cannot be planned because you have created a centralised Act. So, what I mean is that the legislative support to your financial targets, the physical achievement of the various schemes that you have in mind and also the popular participation, are the essential ingredients for the sound implementation of the various proposals contained in this Budget, and unless this is done, things will not be easy.

Now I come to the schemes under

Energy and Power. You have created a good hope that the hydel generation would be there, electricity would be generated from the various projects. Himachal Pradesh alone can supply electricity to the entire North, but the resources are not there. So, where there is potential, you have not given the financial resources and where there are no resources, you are having plan for linking the big rivers and all that. So, please look to the States where potential is there and protect the rights of the riparian States. What happens when the dams come up? Our roads are submerged, our bridges are submerged. You carry the water, you carry the electricity. Dr. K.L. Rao went to Bhakra and started weeping. I took him there. I said: "Dr. Rao, see this Bhakra Gram Panchayat, the village. There is no electricity." He sanctioned the scheme immediately. There is no drinking water in the Bhakra villages because all the wells have been submerged. So, when you are thinking of building projects, big dams and things of this type, look to the people who are being ousted also, look to the areas which are being submerged also. Give them royalty.

I would plead with you for one or two moments for one thing that this Budget should also do something to contain the rise in prices. Not much has been said about this. We have to tackle this problem number one effectively. Giving a little exemption to the income-tax payers, giving relief to the salaried class, providing Rs. 800 crores to the people who are going to get additional D.A., is not sufficient for the country because the common man who is tilling the field, who is working under a big landlord, is not getting fixed salary. He is at the mercy of the grain dealer, he is at the mercy of the store keeper. The consumers' interests have to be protected. So, please do something about the rise in prices. In answer to one of my questions, it was revealed that keeping 1960-61 as the base year, the purchasing power of rupee, as on date, is 13.55 paise. If that is the

poor purchasing power of the rupee, what about the common man? So, I plead for the common man because he is the hardest hit in view of the rising prices. Budget gives high hopes for reviving the rural economy and giving a boost to agricultural production. Also enough concessions have been given in it. Though the Railway Budget and the hike in the price of petrol and in telecom and postal rates had frightened the people earlier, but fortunately, the Finance Minister has held his hand back and given some relief by way of concessions. So, all these concessions and incentive are quite good. But my points would be well made if there is popular participation of the people, members of Panchayat Samitis, Zila Parishads, Assemblies and Parliament, in all Government of India operations, involving banking, etc. and things of this type and also if special concessions, in relaxation of norms are given and if small manageable executive units are created at the level of all these special category States and for all the people who are the focus of your attention, the objects of your mercy, and the recipients of the compassion. They will stand to benefit only if the administrators of all your Departments at the block level, at the district level and at the State level, look with a heart full of sympathy and with a face covered with smile and not with a frown towards the man who is the master, who is the voter of India and who is the common man. With these words, I support the Budget and congratulate the Finance Minister for giving a rural orientation to the Budget and the economy of the country

[*Translation*]

SHRI MADAN PANDEY (Gorakhpur): Mr. Chairman, Sir, Budget is that mirror of a country, which reflects the factual conditions. When we see in this mirror, this year, we find that our present Finance Minister has presented such a Budget before us that we do not have words to express our apprecia-

tion, while the opposition is feeling extremely abashed. This is causing them frustration. They displayed this frustration, by leaving the House instead of participating in the discussion. The criticism of the Budget by a few opposition members yesterday, was nothing but giving vent to their frustration. I want to submit that a common man's Budget has been presented for the first time during the four years. We saw the budget presented by a Raja and now this years budget has been presented by a party worker. It has provided relief in the real sense to the farmers, for which they had been waiting since long. Provision has also been made in this budget to provide loans to the farmers. They will prosper in no time if this programme is implemented properly. We have also made provisions for housing in the Budget. There are three basic necessities of a country. We used to raise a slogan during our childhood — *Maang Raha hai Hindustan, Roti Kapda Aur Makan* (The people of India are in dire need of three basic necessities of life, food, clothing and shelter.) This is the first Budget which has provided for all the three basic necessities of life. Provision has been made to increase agricultural production so that there is no shortage of foodgrains in the country. We have fixed a target for the farmers. Suitable arrangements like providing irrigation facilities to the farmers through "Jaldhara" and other scheme and providing subsidy on fertilizers have been made in this year's Budget.

The revised Estimates of total expenditure in the Budget for 1987-88 is Rs. 66,161 crores which is the highest ever. It is such a balanced Budget that if it is implemented in the right spirit this year, I think that our economy and planning will reach such a stage that infrastructure for development could be provided in every corner of the country. We will be able to create an atmosphere of industrialization every where. If this Budget is implemented smoothly it will create a good atmosphere in the country. The

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country can progress rapidly if these frequent 'Bandhs' are put to an end. They are like speed breakers on a smooth road. We are fortunate that Congress is ruling the country today. It is most unfortunate that the opposition which is supposed to play constructive role, is not doing so at all. They are not discharging their duty to the democratic set up.

When we consider the different aspects of the Budget we find that we ourselves have to give the constructive suggestions which should have come from the opposition. The Members of Congress party are compelled to play the role of opposition too. Our planning has reached such a stage today, that it is capable to meet the challenge of unprecedented drought which has hit the country continuously for the fourth year. Today our economy is capable of creating infrastructure in those parts of the country which lack them. We will have to see, it in historical perspective. We shall have to study the schemes in this regard during the British rule. They also made schemes for our defence from the invaders. I know that this is not a Railway Budget. It was presented separately but as I was not given an opportunity then I want to express my views now whether they are considered or not.

In this General Budget, you will have to bear in mind the Defence of the country and provide railway lines wherever possible. You must think from this point of view. I had said last time also that there is only one bridge between Sonpur and Hajipur on Gandak which flows in East Uttar Pradesh and Western Bihar. There is possibility that we may need an alternative route keeping in view the crucial circumstances that our country is facing. Our enemy is not happy with our progress and is making efforts to ruin us. Late Shrimati Indira Gandhi had laid down the foundation of Chhitauni-Bagha bridge in Western Bihar. Lakhs of people were present on that occasion and crores of

rupees were spent on it, but now the project has been shelved. The proposal has been thrown in the waste paper basket. This is just one scheme about which I am speaking. All such schemes should be studied thoroughly. Our economy has now reached such a stage where we can spend Rs. 80 to 90 crores or even Rs. 100 crores to construct a railway line or a road bridge.

Next comes economic discipline. Discipline is required in all the departments of Centre and the State. There is a long standing demand for gauge conversion on Bhatni-Varanasi Section. I am speaking about it now because I did not get a chance to speak on the Railway Budget. I want to submit that originally Rs. 11 crores were to be spent, the scheme would have been completed. There is no doubt that Shri Madhavrao Scindia has performed well in the Railways. He sanctioned an amount of Rs. six and a half crores last year and has provided Rs. 8.6 crores for this work this year. If Rs. 50 crores are provided gauge conversion will be easily possible, and the eastern part of Uttar Pradesh which is the most backward area in India will make progress. I would urge the hon. Minister to pay attention in this direction in the next Budget. I am not saying what should be done now, but we must learn a lesson in future. Successive drought for fourth year in the country is alarming and is an indication that the cycle of season has changed and we must be ready to face it. I know about Uttar Pradesh. A few Tehsils in Mirzapur and Allahabad were considered to be drought prone areas and we had been demanding to provide facilities there. Tehsils Meja and Karchhana in Allahabad, and Mirzapur city were believed to be drought hit. There are schemes which can meet the challenge of change in the cycle of seasons. There was a scheme to set up a grid which could cater to Southern and Northern areas. Now the economy of this country is capable to undertake such ambitious schemes. The country can progress only when such ambitious plant are imple-

mented. The time has come when imported wheat, rapeseed and mustard oil will not help us much. The economy of this country demands that our planning should be such that it may enable us not only to become self sufficient but also to fulfil the needs of those non-aligned countries which we are leading. I would request you to bear this message in mind during the next Budget.

Mr. Chairman, Sir, besides these issues which I have just mentioned, there are some problems in our area. I have observed that the funds allocated are not being spent wisely. We are thankful to you for providing the funds. But if those funds are misutilised we are responsible for it. Nobody else is responsible for it. The Opposition Members can do nothing except criticizing. This responsibility also lies upon us.

I have reviewed the conditions of farmers in eight States. I have noticed that the funds allocated to Bihar are equal to other States. Shri Yadav will pardon me, if I say that M.Ps. should visit these area. We will have to construct approach roads in Uttar Pradesh and other places. There are no approach roads in those backward areas of Bihar where massacres take place due to tussle of the rich and the poor daily. We had to keep our jeep in which we travelled, about 3 kms away, from the village. But we could not even find way to go on foot to that village. Besides Bihar, other areas should also be identified, in this respect and the funds for development should be properly utilized.

Whether it is roads or canals there is need to change our thinking. A water grid system should be developed. We should change our out look regarding electricity. If electricity could be generated from gas plants efforts should be made in the backward areas, in the this regard. There should be no difficulty in the identification of the areas facing power shortage. Till now I have been speaking about the national issues and now I would like to submit a few points about

my constituency. Gorakhpur is the most backward area of the country. A Fertilizer Plant had been established there in 1960. The technology in that factory has become out of date now and it has turned sick. It is on the verge of closure. There is need not only to revive it but perform a major surgery on it. Only these efforts will be fruitful.

The Fertiliser Plant should be gas based instead of being naphtha based. We have got land, trained personnel and infrastructure. I, therefore, request him to accept the scheme of re-modernising the Gorakhpur Fertiliser Plant. If it is not feasible to take up the work in the next one or two years, a provision should be made to undertake the same within the first two or three years of the next plan period. If it is not done, this industry will collapse in the eastern region of Uttar Pradesh. Subsequently the doors of progress will be closed for the farmers and labourers, in this region.

As regards the railway lines, I would like to state that the Ministry of Railway should be instructed to convert the narrow gauge lines which had been constructed by the British regime, into broad gauge lines. This is what of our economy needs today. We should have such a railway system that a person starting his journey by train from one end of the country should be able to reach the other end without any change of train. There is also a need to lay new lines. The Britishers had laid railway lines according to their own requirements. But now, adequate arrangements should be made to provide railway lines in the areas which have none.

With these words, I thank the hon. Minister who is a friend of mine and who has also been my co-prisoner on several occasions. At the same time I would like to remind him that nothing has been said about the passes issued to freedom fighters. The freedom fighters are a dying race. Only a few of them are alive now and their number is fast declining. If the railways to not have

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adequate funds for this purpose, this Budget should make such a provision so that the freedom fighters could get the opportunity of travelling throughout the country.

With these words I thank him once again.

SHRI RAM NAGINA MISHRA (SALEM-PUR): Mr. Chairman, Sir, I thank you for providing me an opportunity to speak on an important subject like the Budget.

Mr. Chairman, no amount of appreciation of the Budget which has been presented by the hon. Minister of Finance would suffice. I think it is for the first time that I have come across a rural oriented Budget. The hon. Minister has diverted his attention from cities towards the villages. Never before have such facilities been made available to the villages. I would like to express my thanks to the hon. Minister for this and would expect that in future also he will take similar interest in the villages.

Mr. Chairman, Sir, it gives me great pleasure to say that the farmers are happy that the Central Government has given them some monetary benefits, from Rs. 50, to Rs. 400 through this Budget. They have been given concessions at the rate of Rs. 9/- per jag of urea. This concession has benefited all categories of farmers, whether he is a small marginal or rich farmer. Now-a-day every farmer makes use of urea. Now the farmers would be getting loans from the banks at a low rate of interest. Previously they used to pay compound rates of interest against such loans. This is for the first time when a Finance Minister has acted vigilantly and carefully. I thank him for this.

Just now Shri Pandey was speaking about the Members of opposition. I find that they have since left the House as they do not have any point to criticize. I read in the newspapers and have also come to learn

that the opposition is very apprehensive of the Budget. They describe it as an election Budget. They say, that otherwise such a good Budget would not have been presented. We have no remedies for such apprehensions.

Sir, Parliament is the supreme body in the country. It represents 70 crore people. Our Government has accepted the principles of socialism. In this connection I would like to point out that a man in a village after toiling hard acquires 30 to 50 acres of land. But now a ceiling has been fixed on this small property and it has been restricted between 18 and 27 acres. Further, zamindaries of landlords and kings have been abolished. But when these village landlords visit a city and come across big palatial buildings worth crores of rupees it pinches their hearts. Now the question is that when ceiling can be imposed on village land, why cannot it be imposed on urban property. It should be applied to urban property also. When the Government talks about socialism, it should ensure that laws are made for all. On the one hand, the Government fixed a ceiling on land of those villagers who comprise 80 percent of the country's population and on the other hand, it exempted the city dwellers from such restrictions. The hon. Minister of Finance should therefore ensure that a ceiling is also fixed on the urban property as in the case of village land which has been restricted between 18 and 27 acres. If the price of the land is computed at Rs. 50,000 per acre, the total cost of 18 acres of land works out to Rs. 9 lakhs only. But people in the cities possess property worth millions of rupees. Therefore the ceiling should be applicable to all. A limit should be fixed at certain amount, say Rs. 2 crores or Rs. 4 crores.

18.00 hrs.

The Government should seize property beyond that limit and distribute the same among people as has been done in case of

agricultural land. In this way property worth billions and billions of rupees could be taken from people and utilised for country's development. It is only then that our Government could be called a truly socialistic Government.

[English]

MR. CHAIRMAN: Mr. Mishra, you can continue to-morrow. Now, Secretary-General.

18.01 hrs.

MESSAGE FROM RAJYA SABHA

[English]

SECRETARY-GENERAL: Sir, I have to report the following message received from the Secretary-General of Rajya Sabha:-

"In accordance with the provisions of rule III of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to enclose a copy

of the Constitution (Fifty-ninth Amendment) Bill, 1988, which has been passed by the Rajya Sabha, in accordance with the provisions of article 368 of the Constitution of India, at its sitting held on the 15th March, 1988."

(CONSTITUTION (FIFTY — NINTH
AMENDMENT) BILL AS PASSED BY
RAJYA SABHA

SECRETARY GENERAL: Sir, I lay on the Table the Constitution (Fifty-ninth Amendment) Bill, 1988, as passed by Rajya Sabha.

MR. CHAIRMAN: The House stands adjourned to meet again at Eleven of the Clock on Wednesday, March 16, 1988.

18.02 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Wednesday, March 16, 1988/Phalguna 26, 1909 (Saka).