

MR. DEPUTY-SPEAKER : The question is :

Clause 1, the Enacting Formula' and the Title were added to the Bill.

"That leave be granted to introduce a Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1981-82 for the purposes of Railways."

SHRI KEDAR PANDEY : I beg to move :

"That the Bill be passed."

MR. DEPUTY-SPEAKER : The question is :

"That the Bill be passed."

SHRI KEDAR PANDAY : I introduce the Bill.

*The Motion was adopted.*

† I beg to move :

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1981-82 for the purposes of Railways, be taken into consideration."

17.45 hrs.

SUPPLEMENTARY DEMANDS †† FOR GRANTS (GENERAL), 1981-82

MR. DEPUTY-SPEAKER : The question is :

MR. DEPUTY-SPEAKER : Now we take up Supplementary Demands for Grants (General), — discussion and voting.

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1981-82 for the purposes of Railways, be taken into consideration."

Motion moved :

*The Motion was adopted.*

MR. DEPUTY-SPEAKER : We shall now take up the clauses. The question is :

"That the respective supplementary sums not exceeding the amounts on Revenue Account and Capital Account shown in the third column of Order Paper be granted to the President out of the Consolidated Fund of India to defray the charges that will come in course of payment during the year ending 31st day of March, 1982, in respect of the following demands entered in the second column thereof —

"That clauses 2 and 3 and the Schedule stand part of the Bill."

Demand Nos. 7, 10, 13, 14, 18, 24, 30, 42, 48, 55, 59, 62, 70, 71, 96, 98 and 108."

*The Motion was adopted.*

Clauses 2 and 3 and the Schedule were added to the Bill.

Supplementary Demands for Grants (General) for 1981-82 submitted to the Vote of the Lok Sabha

No. of Demand	Name of Demand	Amount of Demand for Grant submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2		3
MINISTRY OF AGRICULTURE			
7	*Department of Food		10,00,00,000

† Introduced/moved with the recommendation of the President.

†† Moved with the recommendation of the President.



Mr. DEPUTY SPEAKER: Hon. Members have given notice of cut motions. Those who want to move them, may do so now

SHRI RAMAVTAR SHASTRI (Patna): I beg to move:—

"That the demand for a Supplementary Grant of a sum not exceeding Rs. 10,00,00,000 in respect of 'Department of Food' be reduced by Rs. 100."

[Justification of importing sugar from outside despite increase in production of sugar.](1)

"That the demand for a Supplementary Grant of a sum not exceeding Rs. 10,00,00,000 in respect of 'Department of Food' be reduced by Rs. 100."

Failure to bring down the price of sugar despite its import and increase in production](2)

"That the demand for a Supplementary Grant of a sum not exceeding Rs. 10,00,00,000 in respect of 'Department of Food' be reduced by Rs. 100."

[Failure to nationalise sugar mills](3)

"That the demand for a supplementary Grant of a sum not exceeding Rs. 10,00,00,000 in respect of 'Department of Food' be reduced by Rs. 100."

[Failure to make available the entire production of sugar through ration shops by abolishing the system of levy on sugar.](4)

"That the demand for a supplementary Grant of a sum not exceeding Rs. 10,00,00,000 in respect of 'Department of Food' be reduced by Rs. 100."

[Need to increase the quantity of sugar being supplied through fair price shops in rural areas.](5)

SHRI CHANDRASEO PRASAD VERMA (Arrah): I beg to move:

"That the Demand for a supplementary Grant of a sum not exceeding Rs. 10,00,000 in respect of 'Department of Food' be reduced by Rs. 100."

[Irregularities in fixing sugar prices](6)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 10,00,00,000 in respect of 'Department of Food' be reduced by Rs. 100."

[Need to check malpractices in the Food Corporation of India] (7).

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 3,22,000 in respect of 'Ministry of Civil Supplies' be reduced by Rs. 100."

[Need to improve the working of Consumer Co-operatives.] (8)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles Handloom and Handicrafts' be reduced by Rs. 100."

[Propriety in increasing the price of controlled cloth] (9)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles, Handloom and Handicrafts' be reduced by Rs. 100."

[Need to check malpractices in National Textile Corporation] (10).

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles, Handloom and Handicrafts' be reduced by Rs. 100."

[Need to give more encouragement to village and small scale industries](11)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles Handloom and Handicrafts' be reduced by Rs. 100."

[Need to make radical changes in the management of British India Corporation](12)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 5,50,000 in respect of 'Ministry of Communications' be reduced by Rs. 100."

[Propriety in constituting the Telecommunication Services Review Committee](13)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 1,000 in respect of 'Capital Outlay on Defence Services' be reduced by Rs. 100"

[Propriety in having a permanent Defence exhibition in Pragati Maidan New Delhi] (14)

"That the Demand for a supplementary Grant of a sum not exceeding Rs. 16,45,00,000 in respect of 'Department of Power' be reduced by Rs. 100".

[Need to give maximum assistance to Bihar State Electricity Board to remove heavy shortage of electricity in Bihar State] (15)

[Shri Chandradeo Prasad Verma]

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 16,45,00,000 in respect of 'Department of Power' be reduced by Rs. 100."

[Need to give more loans to BHEL](16)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 4,46,000 in respect of 'Department of Ocean Development' be reduced by Rs. 100."

[Proper ty in setting up Department of Ocean Development,] (17)

SHRI RAMAVATAR SHASTRI:  
I beg to move:—

"That the Demand for a Supplementary Grant of a sum Rs. 56,74,83,000 in Respect of 'Textiles Handloom and Handicrafts' be reduced by Rs. 100."

[Unnecessary increase in prices of controlled cloth.] (18)

"That the Demand for a Supplementary Grant of a sum not Exceeding Rs. 56,74,84,000 in respect of 'Textiles Handloom and Hand crafts' be reduced by Rs. 100."

[Failure to bring down the prices of controlled cloth] (19)

"That the Demand for a Supplementary Grant of a sum Rs. 56,74,83,000 in respect of 'Textiles Handloom and Handicrafts' be reduced by Rs. 100."

[Failure to nationalise British India Corporaion and all Jute Companies](20)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles Handloom and Handicrafts' be reduced by Rs. 100."

[Failure to resolve the crisis being faced by handloom industry.](21)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles, Handloom and Handicrafts' be reduced by Rs. 100."

[Failure to nationalise all private textile mills](22)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles, Handloom and Handicrafts' be reduced by Rs. 100."

[Porviding special concessions to textile mill owners.](23)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles Handloom and Handicraft.' be reduced by Rs. 100."

[Failure to step up the production of Janta cloth.](24)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles, Handloom and Handicrafts' be reduced by Rs. 100."

[Need to bring down the prices of Jantta cloth](25)

"That the Demand for a Supplementary Grant of a sum not leaxceeding Rs. 56,74,83,000 in respect of 'Textiles, Hahdloom and Handicrafts' be reduced by Rs. 100."

[Need to provide more financial assistance to those engaged in handloom industry.](26)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles, Handloom and Handicrafts' be reduced by Rs. 100."

[Failure to supply yarn at cheap rates to handloom industry.](27)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles, Handloom and Handicrafts' be reduced by Rs. 100."

[Failure to check malpractices in yarn, being supplied to handloom industry.](28)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles, Handloom and Handicrafts' be reduced by Rs. 100."

[Failure to provide adequate loans on easy terms to those engaged in handloom industry.](29)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles, Handloom and Handicrafts' be reduced by Rs. 100."

[Need to purchase fabrics manufactured by handloom industry by Government](30)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles, Handloom and Handicrafts' be reduced by Rs. 100."

[Failure to guarantee the sale of handloom cloth.](31)

"That the Demand [for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles, Handloom and Handicrafts' be reduced by Rs. 100."

[Failure to check malpractices in the cooperative societies established in handloom sector.](32)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles, Handloom and Handicrafts' be reduced by Rs. 100."

[Failure to formulate a poor-oriented textile policy.](33)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles, Handloom and Handicrafts' be reduced by Rs. 100."

[Failure to check malpractices in the sale of controlled and Janta cloth.](34)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 56,74,83,000 in respect of 'Textiles, Handloom and Handicrafts' be reduced by Rs. 100."

[Failure to develop markets for the sale of goods manufactured by handloom industry.](35)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 6,00,00,000 in respect of 'Information and Publicity' be reduced by Rs. 100."

[Need to provide more concessions to small newspapers.](36)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 6,00,00,000 in respect of 'Information and Publicity' be reduced by Rs. 100."

[Need to stop blackmarketing and profiteering in newsprint.](37)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 21,56,00,000 in respect of 'Petroleum and Petro-Chemicals Industries' be reduced by Rs. 100."

[Need to nationalise all the private petroleum companies without giving any compensation.](38)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 16,45,00,000 in respect of 'Department of Power' be reduced by Rs. 100."

[Failure to check import of 2x33 megawatt units which could be made available in short time.](39)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 16,45,00,000 in respect of 'Department of Power' be reduced by Rs. 100."

[Failure to purchase 2x33 megawatt unit from Bharat Heavy Electricals Limited.](40)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 105,00,00,000 in respect of 'Other expenditure of the Ministry of Finance' be reduced by Rs. 100."

[Failure to improve the working of nationalised banks.](41)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 105,00,00,000 in respect of 'Other expenditure of the Ministry of Finance' be reduced by Rs. 100."

[Failure to check irregularities in nationalised banks.](42)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 105,00,00,000 in respect of 'Other expenditure of the Ministry of Finance' be reduced by Rs. 100."

[Failure to stop loans being given to big industrialists, profiteers and grain racketeers by nationalised banks.](43)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 105,00,00,000 in respect of 'Other expenditure of the Ministry of Finance' be reduced by Rs. 100."

[Failure to provide loans to farmers, small industrialists, unemployed, artisans and cottage industries entrepreneurs from nationalised banks.](44)

SHRI beg M. BANATWALLA (Ponuan): I bdg to move:—

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 35,76,000 in respect of 'Cabinet' be reduced by Rs. 100."

[Shri M. Banatwala]

[Setting up of the Economic Administration Reforms Commission.](45)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 6,00,00,000 in respect of 'Information and Publicity' be reduced by Rs. 100."

[Need to abolish the custom duty on newsprint](46)

SHRI SUBODH SEN (Jalpaiguri):  
beg to move:—

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 105,00,00,000 in respect of 'Other expenditure of the Ministry of Finance' be reduced by Rs. 100."

[Failure to release loans to small farmers under I.R.D.P. scheme by the nationalised banks in time in West Bengal.](47)

"That the Demand for a Supplementary Grant of a sum not exceeding Rs. 105,00,00,000 in respect of 'Other expenditure of the Ministry of Finance' be reduced by Rs. 100."

[Failure to release loan to the physically handicapped for gainful employment by the nationalised Banks.](48)

MR. DEPUTY-SPEAKER: Prof. Satyasadhan Chakraborty.

PROF. SATYASADHAN CHAKRABORTY (Calcutta South): Mr. Deputy-Speaker, now we have got another opportunity to discuss the health of our economy, the problems it is facing and also to evaluate the policies that are pursued by the Government. Now, at the very outset I want to know what the assessment of the Government is regarding the health of our economy. Only the other day the Finance Minister Mr. Venkataraman smilingly said that the shape of the economy is good; and that it is improving and we are looking for better days. But unfortunately from the newspaper report we can see the Prime Minister herself has told the country that we are facing a very grim situation on the economic front. Which one is correct? The smiling face of Mr. Venkataraman or the grim face of Mrs. Gandhi? I want to know. A casual observer of the economic situation will come to the conclusion that the situation is grim and our whole economy is almost in a shambles. What are the problems? First of all, it is the uncontrolled inflation. Prices are rising. Unemployment is growing and also, our balance of payment position is going from bad to worse. We are facing the problem of a restricted market. We are facing the

problem of the incapacity to utilise the capacity of our industrial units. We are facing the problem of not only rising prices, and unemployment, but from the point of view of the common people, the problem of making both ends meet. If this is the situation, if there is sky-rocketing of prices, unemployment reaching as high a figure as more than 3 crores, with widespread unemployment in the countryside and unemployment among the educated youth, what is the prospect of our economy? From the World Bank report, we find that India is one of those very few—unfortunate countries whose economic condition is worse. According to the World Bank report for 1981, our GNP—gross national product—per person in terms of dollars is only 190, while it is 260 in China, 230 in Sri Lanka, 370 in Indonesia, 210 for the low-income countries grouped together and 1420 for the middle-income countries grouped together. Why is this spiralling inflation? The Finance Minister is selling the idea that our inflation is imported inflation. Today it is because of the rising prices of petroleum. It may be, they say, due to famine relief. But statistics show that the prices have been rising continuously for three decades; and the rate has accentuated from 1.5% in the fifties to 6.1% in the sixties and 9.7% in the seventies. I will give some more figures—13.9% in 1966-67, 11.6% in 1967-68, 20.2% in 1973-74, 25.2% in 1974-75, 17.1% in 1979-80 and 19.5% in 1980. If this is the picture, we must conclude that there must be some chronic factors which are responsible for this price increase. It is precisely the policies that the Government had been pursuing which are responsible for this rise in prices. You will agree with me, Mr. Deputy-Speaker, that the result of this inflation.

MR. DEPUTY-SPEAKER: I may not agree with you also.

SHRI SATYASADHAN CHAKRABORTY: If I present you with the facts and if you still do not agree, I would say, you are running away from the facts.

MR. DEPUTY-SPEAKER: I said, I may not agree with you.

SHRI SATYASADHAN CHAKRABORTY: What happens when there is inflation? It is simply the transfer of assets from the poor to the rich. Unfortunately, this is what is happening in our country. This is the most civilised way of plundering the people. In the primitive stage, the accumulation of capital was through open plunder. But today the civilised way of plundering the people is to increase the prices. When prices rise, real wages fall. Naturally there is a transfer of assets from the poor to the rich and the gap widens.

What is happening in the international market? The prices of things which we import, are rising and the prices of things which we export, are falling. Still our economy is almost a colonial economy. What are the things we are exporting in the international market? Mainly the primary products. What are the things we are importing from the international market? Mainly the finished goods. Naturally What is happening Assets are? being transferred from our country to the industrialised European countries, mainly the imperialist countries. What is the Government trying to do? Instead of judicious husbanding of our internal resources, cutting the profits, controlling black-money and siphoning off unearned income the Government is giving concessions to the multi-nationals to plunder our country and to the propertied classes to increase their profits. The Central Government is talking of wage freeze to plunder our people. Any student of economics will explain that in the days of high inflation if there is wage freeze, as is suggested in the Sixth Plan, the wage earner's real income goes down. He becomes poorer. You know that in the days of high inflation it is the business people and the propertied class who are in a position to increase their assets and income. It is a deliberate policy pursued by our Government.

Why is it that the trade gap is going up to more than Rs. 5000 crores? It is because of our wrong policy of import. Why is it that we are not trying to have import substitution? Why is it that even we are importing unnecessary things, luxury items when the country is suffering? Our efficient Finance Minister would say that they are importing them to control prices. How is it that when the production of primary things like foodgrains and other things are going up, we are importing wheat and sugar? The general answer to this problem is this as many members of the Treasury Benches say well, if there is an increase in production, inflation will be controlled and the prices will come down. It is not so. The production of foodgrains has gone up, but the prices have not come down.

On top of that, what are we doing? We are going to mortgage our economy to the imperialist countries. Recently, our country has entered into a deal with the International Monetary Fund for getting the biggest ever loan form that institution. This is the biggest loan ever sought by India and this is the biggest loan ever extended by the IMF. What is the reason for our going to seek this loan? The reason advanced by Shri Venkataraman is that we are going to have a large trade deficit, but we will have to import machinery and other equipments for our development purposes. All right. But what are the conditions

that have been imposed by the IMF? According to press reports, Shri Venkataraman said that there is nothing derogatory to the prestige of our country. Will he explain the conditions imposed by the IMF? Then only we can judge and decide whether they are derogatory or not.

Normally IMF extends this facility to those countries which are facing trade deficit. Then again, stringent conditions are attached to those loans. Normally they suggest to those countries to overcome structural problems. What are the conditions imposed? They normally relate to control of expenditure by government, fiscal and monetary management and welfare activities. For example, Tanzania wanted to get loans from the IMF. The stringent conditions imposed by the IMF so much irritated President Nyerere that he termed the IMF as the International Ministry of Finance. Actually, the IMF has become the International Finance Minister Jamaica wanted to get a loan from the IMF. Serious terms were dictated to Jamaica. They had to devalue their currency, curtail their welfare activities and submit to the dictates of the IMF. But what was the result? The economic crisis accentuated, unemployment rose, trade deficit widened and ultimately there was no rescuing of the economy because of the IMF loan.

May I cite another example? The Conservative Government of Great Britain sought and obtained an IMF loan and accepted the stringent terms dictated by them. With what result? Great Britain is in serious economic difficulties with rising unemployment and price rise and a bigger trade deficit.

18.00 hrs.

So, this is no answer to our economic problems. Further, IMF imposes its own economic and political philosophy on the recipient countries. Through the IMF and the world Bank the imperialist countries dominate the economies of developing and under-developed countries. Taking advantage of the economic crisis in our country, the imperialist countries are trying to dictate economic policies to us and our Government are going to submit to these dictates.

Otherwise, the Government should say on what terms they are going to accept this huge loan from the IMF.

MR. DEPUTY-SPEAKER : Mr. Chakraborty, I think it is now 6 o'clock. You can continue later, You have almost completed your time.

SHRI SATYASADHAN CHAKRABORTY : Can I continue tomorrow?

MR. DEPUTY-SPEAKER : Yes, you will continue.

18.01 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Wednesday September 9, 1981/ Bhadra 18, 1903 (Saka).