

14.10 Hrs.

## GENERAL BUDGET—GENERAL DISCUSSION

SHRI M. R. MASANI (Rajkot) : Mr. Deputy-Speaker, Sir, that this Budget has, perhaps, received a friendlier welcome than most of those that have preceded it. I do not grudge that satisfaction to my good friend, the Finance Minister. But in case he thinks that the satisfaction or welcome is due to the merits of the Budget, let me caution him that this would be misleading himself. The jubilation is in the nature of relief, the relief that something much worse did not happen. This is the predominant sentiment to which immediate expression has been given widely the country and, particularly, by business and industrial circles. Mr. Laxman, one of our best cartoonist, summarised the position very well in the excellent cartoon he published entitled "Feeling Better?"

Sir, it reminds me of the story of a Jewish collective farmer and the Rabbi in the Soviet Union. The story goes back to the days of Stalin when they were particularly oppressed. When the farmer, that is, the Soviet farmer, found himself miserable, he went to a Jewish priest, the Rabbi, and told him that he was miserable and that he wanted some relief. He got a promise from the farmer that if he would be patient and carry out whatever he suggested, he would give him relief. The farmer said : "Yes, I will do whatever you advise me to do." Then, the Rabbi asked him, "What animals or cattle have you got?" The farmer said, "I have got one horse, one cow and some poultry, and I have got six children at home. We live in a little hut." The Rabbi told him, "From today, when you go back, take the cow into your hut." The farmer said, "I am already overcrowded." Then, the Rabbi told the farmer, "You have promised me to do what I say, take the cow into your hut and come to me next Sunday." The next Sunday, he asked, "How are you feeling?" and the farmer said, "Much worse". Again, he told the farmer, "Now, take the horse into your hut for one week and come to me next Sunday." The farmer came back next Sunday and said, "It is even worse." The hut has become filthy, stinking and all that." The Rabbi

told him, "Now, take all the poultry and keep them in your hut." This was also done. Then, when he went next time, the collective farmer said, "This is worst of all." Then, Rabbi told him, "Now, take the poultry out and come again and report to me next Sunday." When he came next Sunday, he said, "I am feeling better." Then, Rabbi told him, "Take the horse out of your hut." And, finally, when the cow was removed, the farmer came and said, "You have solved all my problems. I have no worries left."

Sir, this is the measure of the Finance Minister's momentary popularity. I regret that, unlike the collective farmer, I do not take a short view and, therefore, I cannot join in the jubilation, in the welcome, for the Budget.

If the Budget had been a good one, the hon. Minister could have expected my fullest support, but unfortunately, I think the view taken by business and industry is a very superficial and a short-sighted one. It reminds me of Sir Robert Walpole saying earlier when the people of London were jubilating, "They are ringing the bells now, but they will be wringing their hands soon." The day is not far when the same gentlemen who have rushed forward to welcome this Budget are going to get second thoughts.

Our angle from this Party and from these branches is primarily that of the consumer. We are a Consumers' Party. We are for the men who buy and the men who buy are every man, woman and child in this country. There is a second class for which we would like to judge everything and that is the peasant, the farmer. Judged from the point of view of the national economy, the consumer and the farmer, this is a bad Budget.

Let me first deal with the revenue side where I have not very much to say. I think, in regard to taxation, the Finance Minister very wisely came to the conclusion that there was nothing very much left to tax. The law of diminishing returns had set in and, therefore, quite wisely, he avoided adding to the burden of taxation. The orange had already been squeezed dry; only the poor remained to be bled.

All the same, I would like to welcome certain minor liberalisation measures that the budget embodies. First of all, I am

glad to say that the Finance Minister has carried out the half-assurance that he gave me across the floor last year in regard to the Annuity Deposit Scheme. I am very glad that he found it possible to dispense with that obnoxious measure. It is also good that, in regard to investment, the first Rs. 500 for dividend income has been freed of income-tax. It is good that the surtax has been lowered from 35 to 25 per cent. and the tax on dividends up to 10 per cent has been abolished. One can go on like this with two or three small measures.

But let me say this. Even with all these measures taken, it is a very poor thing compared to what Pakistan is doing in regard to giving incentives to enterprises in their country. In Pakistan, the exemption limit of dividends is not Rs. 500, it is Rs. 5,000. Educational allowances for children are Rs. 300 per child up to a maximum of Rs. 900 for those whose income do not exceed Rs. 25,000. There are more generous deductions for investment in life insurance, provident fund, etc. Above all, the statutory limit of exemption from income-tax is Rs. 6,000 as against Rs. 4,000 in our country.

Here, I am very glad that Mr. Bhoothalingam has in his Report, advocated the raising of the exemption limit from Rs. 4,000 to Rs. 7,500. If this is done, a large number of small taxpayers who should not be paying tax at all, would be relieved from this burden and may have a little more to spend or to invest. I would like to suggest to the Finance Minister that even in this Finance Bill, when it comes up before the House next month, he may raise the exemption limit from Rs. 4,000 to Rs. 75,000, as recommended by the expert whom they themselves appointed.

Most of the commentators saw this budget as a choice for the Finance Minister between additional taxation and deficit financing and felt that he was bound to choose one or the other. As if one has to choose between plague and cancer! My answer is that I choose neither, because there was the way out of good health. There was a third alternative which would have made both deficit financing and added taxation unnecessary, and

that was the way of cutting the bloated expenditure of the Union Government. In other words, the whole public discussion, if I may say so, in the press has been in regard to a false choice. The right choice has hardly been mentioned, I am sorry to say, even by our economic commentators, all of whom want to take the easy way out of jubiling too early. But that third alternative is the real one. If unnecessary and wasteful expenditure had been cut down, we could have balanced the budget *without* deficit finance and *without* additional taxation.

**SHRI RANGA (Srikakulam)** : He had himself agreed earlier.

**SHRI M. R. MASANI** : I am glad that our own Government, for which my Party is responsible, in Orissa has been one of the few State Governments, perhaps the only one, to have brought forward a surplus budget and to have refused to take the easy path of deficit finance.

**SHRI S. KANDAPPAN (Mettur)** : Madras' also.

**SHRI M. R. MASANI** : I am glad that, as usual, Orissa and Madras go together as the two well-governed States ruled by non-Congress Governments in the country, as I have been often told by people.

The Finance Minister will say; 'It is all very easy sitting where you are, to say that. But where is the scope for economy?' I would like to remind him that last year he had told us 'Be patient, next year, I shall cut and wield the axe'. I am very sorry that he has not found it possible to muster enough strength and courage to carry out that intention. If there is one big fault in this budget, it is the failure to carry out that hope and that assurance that we would live within our means and that this Government, for the first time, would learn to cut its coat according to its cloth.

**SHRI S. K. TAPURIAH (Pali)** + It never learns.

**SHRI M. R. MASANI** : There is ample scope for economy. Let us not believe the Finance Minister if he tells that this Rs. 300 crore gap could not have been avoided. There is first non-developmental expenditure, civil and military, unproductive expenditure which gives not a rupee

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back to this country. Unfortunately, that expenditure is going up twice as fast as developmental expenditure. If you take the base year 1964-65, up to today while the development expenditure both at the Central and State level has gone up by 27 per cent, the non-developmental expenditure has gone up by 55 per cent. If you take 1961-62 as the base with 100, then development expenditure has gone up to 205, while non-development expenditure went up last year to 290. In both cases, the rate of galloping expansion in the wasteful and unproductive expenditure is twice what it is of Plan expenditure. This means that less and less of our country's savings and less and less of our taxes is being devoted to fruitful and productive returns and more and more to wasteful purposes.

During the last ten or eleven months, I have had the opportunity as Chairman of the Public Accounts Committee to learn a little more about what goes on on the expenditure side of our balance-sheet. I had the co-operation of Members of my Committee in ample measure, and may I pay my humble tribute to the Members of the ruling party and of other parties who have worked along with me as one happy team without the slightest element of party politics? I think it is one of the finer things about our democracy that these financial committees are able to function as a microcosm of Parliament.

The experience that I have gained, however, is a very sad one. If I thought before that there was waste, that impression has been confirmed. If I thought before that there was hanky-panky and corruption, that impression also has been confirmed.

I have had the privilege of laying ten original Reports before this House since last May up to this morning. These cover six Ministries out of about twenty-five departments or Ministries which are relevant. A perusal of these Reports will show that they have uncovered or disclosed waste of public money or infructuous expenditure totalling Rs. 45,88 crores. This is just a very small cross-section of what is going on in the country. That will give some idea of the quantum of money that is being poured down the drain.

The Centre and the States today employ 6½ million employees, most of them under-

employed and under-paid. While I believe that all further recruitment should be stopped—retrenchment is difficult, but certainly I would expect Government to stop a single new man being taken on a single new post being created—I am sorry to say that this time, in the Demands for Grants so cheerfully passed by the Finance Ministry I find that that overgrown body, that parallel government, the Planning Commission, which has already been criticised by the Administrative Reforms Commission and by all of us for developing a big pay-roll and big staff and doing very little except ruining the country, has been given even more clerical and peon staff. It is unforgivable I do not know whether the Finance Minister is conscious of this horrible thing. I have the figures here. He has sanctioned the increase in the number of peons in the Planning Commission from 224 to 290 and of clerks and assistants from 557 to 1041. I want to ask him: Without even a Plan before the country, with a Plan Holiday that the country is enjoying at last, what excuse can there be for increasing the menial and ministerial staff in a body that should have been liquidated long ago for its incompetence?

I turn to Defence expenditure. It has been called the 'sacred cow of Indian economics' by a journalist the other day, because nobody has the courage to attack it. Certainly none of us wants that the defence of this country should be weakened in any way. That is farthest from our minds. We do not want the security and defence of this country to be weakened in the slightest. But surely defence and security are not proportional to the money sanctioned or spent! Mr. MacNamara, who recently retired as Defence Secretary of the U.S., has shown how by a resort to cost effectiveness that you can cut the budget and still increase the fire power and defence preparedness of a country.

Now, I have presented three Reports on the Defence Services and Defence Production. A look at these will be rewarding. I think I can say this with a sense of responsibility that if in the defence expenditure of over a thousand crores of rupees—it has already gone up this year by Rs. 45 crores more than last year, and crossed the thousand-crore-mark for the first time in our history—if the budget had

been cut by Rs. 100 crores, this country would not have suffered an iota in so far as its security and defence are concerned. Our Committee has recommended that, instead of the Ordnance factories trying to produce everything by themselves, it will be more beneficial to our defence readiness, defence posture and economy, if a lot of things were farmed out to other concerns to produce, as is done in the more advanced military countries of the world. This time the Ordnance and cloth factories have been allocated by the Finance Minister Rs. 119 crores. A very major cut could be made in this if the recommendation of the Public Accounts Committee could be carried out. But the sad thing is that the Finance Minister has recommended economy to everyone, to the citizen, to the State Governments, but not to the Union Government. That is the only exception from the golden rule of self-control and self-restraint.

SHRI RANGA : He has become helpless.

SHRI M. R. MASANI : I now turn to developmental expenditure which is supposed to be more productive. Certainly it is not a complete waste like the Civil Service expenditure. But I find there is an obsession that if you spend more and more on the Plan, then you get better results. I have not the time today to go into details. My time is limited. But may I commend to hon. Members a study of the investments in the first three Plans and a study of the rate of national income growth, food production and industrial development during these three Plans? I have got the figures here. They show very clearly that the more we invested in the Second and the Third Plans, the more ground we lost. As regards the Third Plan, which was the biggest, it was the most disastrous in our history. The Estimates Committee in its 30th Report has drawn the conclusion that spending more money on Plans does not produce the goods.

Our State enterprises are a sad story of waste. Bokaro, to which we are now allocating Rs. 110 crores, is the biggest White Elephant in this country. It could have been dropped altogether from this year's budget without any harm. The

factory has not been put up. Only workers' houses have been built. Nothing would have been lost if those houses are allowed to stand and if the project is postponed for five years. Rs. 110 crores could have been diverted to the needs of the people, to the needs of agriculture, or saved. But because of our commitments to a foreign Government on which we are leaning a lot, which we seek to placate, it seems that we could perform this elementary task.

Hindustan Steel is the biggest of these white elephants. We have invested Rs. 960 crores in HSL, and it is effecting an annual scale of Rs. 130 crores. That is, for every Rs. 100 of total capital employed, HSL effects a sale of Rs. 14 per annum. As it happened, the Jamshedpur plant of Tata Iron and Steel Limited doubled its production from one million to two million tonnes some time back. At that time, Rs. 60 crores more were invested by Tata Steel. At the end of the execution of the Two Million Tonne project, their annual additional sales were of the order of Rs. 40 crores. In other words, Hindustan Steel's sales ratio for Rs. 100 of capital invested is Rs. 14 crores, while Tata's was Rs. 66 crores for the same hundred rupees of investment. These facts have been published in a letter published by some friends of ours in Ahmedabad. They remain unchallenged and cannot be corrected.

Hindustan Steel admits a loss of Rs. 59 crores during the past seven years. (Interruption)

AN HON. MEMBER : Shameful.

SHRI M. R. MASANI : It is not shameful, for if the loss had been only what have admitted we might have been grateful! Now, Sir, if they had earned 10 per cent on the capital invested, as a normal business enterprise should on its share capital, they would have got another Rs. 371 crores of profit for the country and its revenues.

So, the total amount lost by Hindustan Steel to this country on the capital invested is Rs. 430 crores in seven years. In spite of that another Rs. 110 crores has been given to Bokaro and State enterprises, which are a drain on this country, have been given to Bokaro and State enterprises, vestment.

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That is why eminent socialists are now realising that Indian Socialism is a very poor advertisement for what they have tried to do in their own country.

MR. Lee Kwan Yew, the Prime Minister of Singapore, one of the most intelligent leaders of Asia, happens to be a socialist. He came to Bombay to talk to his fellow-Asian Socialists some time back and he made this remark :—

"It is pertinent to ask how is it that, in Asia, countries like Japan, Hong Kong, Formosa, Thailand and Malaysia, which have bustling free enterprise societies have achieved success, while countries professing socialism have failed to produce satisfactory results?"

And then, we had that great socialist in our country, the author of the *Affluent Society*, my good friend Mr. Kenneth Galbraith. He came full of admiration for our planning and our socialism. But, judging by his latest book called, *The New Industrial State*, he seems to have gone away bitterly disappointed with us. He says, talking about our pattern of investment :—

"In India and Ceylone, and also in some of the new African countries, public enterprises have not, as in Britain, been accorded autonomy. Here the democratic socialist prerogative has, in effect, been fully asserted... India, in particular, as a legacy of colonial administration, has an illusion of official omniscience which extends to highly technical decisions... The effect in these countries of this denial of autonomy has been exceeding inefficiency in operations by the public firms..." He goes on to say that :—

"In India and Ceylon nearly all public-owned corporations operate at a loss. The situation is similar in other new countries... One result is that a large number of socialists have come to feel that public corporations are, by their very nature, in the words of a Minister in a western country, 'remote, irresponsible bodies, immune from public scrutiny or democratic control.'"

This is a sad chapter and it is a pity that instead of cutting this cancer out, thinking of what to do with the State

enterprises, handing them over to people who can run them efficiently, another Rs. 400 crores are poured down the drain to add to the others that we have lost.

When the Administrative Reforms Commission, led by Mr. Hanumanthaiya, made its report in January, pleading for the acceptance of Prof. Galbraith's plea for even more autonomy, the *Times of India* reported from Delhi that the Secretaries' Committee had rejected the recommendations of the Administrative Reforms Commission. And why? The Report said :—

"The most important but unstated objections is that this would mean an abridgement of the administrative Ministries' powers of control and patronage. The location of important projects also becomes generally a matter of political, rather than economic decision."

I do suggest in all seriousness that the hon. Finance Minister and the Government join with us sometime this Session in having a full length, serious discussion on what is to be done with these State enterprises which are ruining the economy of this country. If they are to be run from now on, let us consider how they should be run. If there are defects which are inherent in them, as some of us suspect, let them be handed over, as in Germany and Japan, to those who can convert the losses into a profit.

Eschewing this path of economy, the Finance Minister has chosen to undergo a "revolutionary conversion," as it has been called by the *Economic Times*. A person who last year stuck to intellectual and financial probity and rectitude now comes before us converted to what I would describe as an irresponsible course.

This Budget is a gamble at the very best. I am prepared to concede it may just come out right. It is a gamble with the security and life and fortunes of our people. The root cause of it is the failure to curb expenditure, as I have already shown.

Therefore, driven to the choice between additional taxation which is not possible and deficit finance, the easy path of creating money with the facilities available at the Nasik Printing Press has been resorted to. Acharya Kripalani some years ago referred to deficit finance as "pick-pocketing." Certainly that is correct, because

money is being picked out of the pockets of the people when they are not looking. I would prefer to call it "legalised counterfeiting". The only difference between the hon. Finance Minister and myself today is that even if I do on a small scale what he is doing on a big scale, I would be quite rightly sentenced to prison, while he is immune. How is it that a man who saw all this last year clearly and set his face against it has this year come to us with an inflationary budget? Inflation, as we know, is anti-social. It is anti-socialist. It hurts the poorest people and the people with fixed incomes. It helps the speculators and blackmarketeers and the tycoons.

I apprehend that this country is going to pay for this budget in the months and years to come in rising prices, economic distress to the poor sections of our people and the consequent political instability, which we discussed only this morning.

The quantum of deficit finance is tremendous. Let us make no bones about it. This is deficit finance with a vengeance—Rs. 300 crores last year and Rs. 290 crores this year, i.e. a total of Rs. 590 crores in two successive years, aggravated by the reduction in the bank rate, because the reduction in the bank rate from 6 to 5 per cent creates credit and credit is the equivalent of money. The Explanatory Note on the budget itself admits that over-all deficit finance at the Centre has been rising steadily. It was Rs. 114.5 crores in 1961-62 and it rose to Rs. 172.76 crores by 1965-66, making a total of Rs. 782 crores during the Third Five Year Plan period. If to that you add the present Rs. 590 crores, you get over a twelve hundred of deficit finance already accumulated. On top of that, now we want to add this new deficit finance, this new inflation.

If deficit financing and inflation could have solved our problems, we did not need the Finance Minister to come to us in 1968 with this panacea. It has been tried out from the times of Jawaharlal Nehru and T. T. Krishnamachari. It has brought the country to its present pass of poverty and bankruptcy. Surely, this is not the answer to our problems.

Let me appeal, if I may, from Philip Drunk to Philip Sober. Let me remind the Finance Minister of what is said on

pages 99 and 100 of the Third Five Year Plan document. It said :—

"On a broad view of all the factors, the limit for deficit finance in the Third Plan period has been placed at Rs. 550 crores."

For five years, Rs. 550 crores was felt to be a tolerable dose. Anything more than that would be a lethal dose. In two years—last year and this year—the Finance Minister wants us to absorb Rs. 590 crores of inflationary finance. This massive inflation has to be judged against the backlog of the past rise in prices. Taking the wholesale price index as 100 in 1962-63, it rose to 105 in 1963-64, 119 in 1964-65, 129 in 1965-66, 149 in 1966-67 and 168 in 1967-68. That is, our people have had to pay an average annual rise in prices of 14 per cent over the past seven years. Today's rupee equals only 62P of the 1965 rupee. On this oppressive burden of inflation, comes this additional impost. I cannot help feeling that this may prove to be the last straw that breaks the back of our economy as it does of the proverbial camel.

The Government's case has been explained by Mr. I. G. Patel, one of its officials, at a press conference after the Finance Minister's speech. He has said that this deficit finance will not lead to a rise in prices. Certain factors, he mentions, would provide "a cushion" because of which there will be no increase in prices next year resulting from the uncovered Rs. 290 crores gap in the Budget. If this was true, many of us would stop criticising this Budget. But what is the assumption on which this cushion has been created? As far as I could understand the Government spokesman's remarks, this cushion would be provided by the increased volume of agricultural produce which would be reflected in two things—savings and investment from the higher rural incomes and a larger market for consumer goods which would in course provide more excise duties and so on.

I want Hon. Members to consider whether this assumption of the Finance Ministry is one that is justified by their own knowledge of our country-side and rural population. Is this assumption a valid one?

[Shri M. R. Masani]

First of all, has the agricultural increase been such as to make us relax, jubilate and think that all our problems are solved? The quantum of increase has been placed at a total amount of 95 million tons of foodgrains. But I notice that the returns given by the State Governments, if totalled up, only come to 89 million tons. However, let us accept 95 million tons as a fair guess of what the food production is going to be. 95 million tons is only 6 million tons more than the food production in 1964-65—nothing to shout about. Let us be grateful for small mercies, let us be grateful to our peasants for what, with all the adverse factors, they have been able to give us.

But, Sir, these are cyclical swing of the pendulum up and down. For instance, during the two years ending 1966-67, agricultural production fell by 16 per cent. In 1966-67 it went up again. But, in the meanwhile the population has also gone up by 7½ per cent. Therefore, I cannot help feeling that the net outcome of the so-called bumper harvest is that whatever was lost by the farmer has been made good and that our food increase has kept pace with our increase in population. If that is so, there is very little surplus left for additional savings against which Rs. 300 crores of currency can be pumped into circulation.

We must remember that our country, unfortunately, thanks to the neglect of the Congress Government of agriculture for twenty years and its wasting on the steel plants thousands of crores of rupees that should have gone into irrigation and fertiliser because of the Stalinist obsessions of a former Prime Minister, has today only 17 per cent of its crop area irrigated. Can a country, 83 per cent of whose crop area is unirrigated, afford to say: now we have crossed the barrier and everything is going to be all right? Until this change in irrigation is provided, the situation will always be precarious and the danger of grave shortages of food may recur even in a year or two again. So this temporary increase means very little. It is a very fragile reed on which to build an inflationary budget.

As far as I could understand Mr. Patel, his point was that because the volume of goods and services have gone up in the

country, the volume of money can also be increased. But there is a fallacy there. The volume of goods and services may go up without adding to the volume of goods and services in circulation. Supposing I am a farmer and I double my crop, but I go and bury it underground immediately or bury the gold that I get for it, it does not add to the volume of goods and services in circulation in the country. In other words, the money in circulation has to be balanced against the volume of goods and services in circulation. The whole point is. Will the additional harvest go into circulation in monetary terms? Will it form part of the market? Will it effect the economic process?

I am very glad that, in order to get this surplus into circulation, the Finance Minister has not done the wrong thing which he was advised to do by some urban people, and that was to tax the farmer. I am very glad that he has desisted from this ill-advised step. I am glad because it would have been an act of gross injustice if, in the very first year when the farmer was getting justice for a change, an effort was made to put an oppressive tax on him. Let us consider the fate of our rural population. The farmer has just come out of two famines in many parts of the country and he is trying to recoup his losses. The farmer's income is still lower than that of the corresponding class in the urban areas. The parity of prices has been unfair to the farmer for generations. For the first time, the parity of prices has shifted to the rural people. Would it be fair then to try to squeeze him the moment he has got a fair deal for the first time in recent history?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI): Where is he being squeezed?

SHRI M. R. MASANI: The urban people have denied him a fair price for his produce and he is forced to pay the blackmarket price for fertilizer, for iron and steel and so on even today. I am glad the Finance Minister has asked this question. I will answer him. In the United States the farmer pays Rs. 2,576 per tonne for DDT as a pesticide. What is the Indian farmer paying for his DDT? It is Rs. 4,500 per tonne. It he not being

squeezed? Why is it that the urban population, why is it that industry is allowed to squeeze him to that extent? In fact, even today the price of rice has gone up only proportionately to the price of industrial products. Till last year it was still lagging behind the rise in industrial prices. I will give the figures. The general index of prices at the close of March 1967 was 194 with 1952-53 price as 100. The price of rice lagged behind at 176. Therefore, last year the rice grower—I am not talking of wheat—was getting less for his tonne of rice than what he was getting in 1952-53. These are government figures and not my own.

The point I am making is that Agriculture is the key to our prosperity and our future. For twenty years we have neglected it because of an obsession for heavy industry imported from the Soviet Union. The importance of agriculture cannot be exaggerated. It is necessary, after twenty years of forced industrialisation, that we turn back to put our basic industry on its foot, and that is agriculture. Even today it is neglected. Look at the figures of expenditure on industry and on agriculture now. In the Third Plan, which everyone agreed neglected agriculture, agriculture got 20.4 per cent of the total outlay, while industry got 20.09 per cent. In other words, in the Third Plan they were running neck to neck, but the difference was that while 70 per cent of the people were working in agriculture, only a small minority were working in industry. That was the social justice given to farmers. What is the position today? In 1967-68 it is 23.3 per cent for agriculture and 23.16 per cent for industry, still running neck to neck. One would have thought that agriculture should have been given at least twice as much as for industry. That is what it should be, and that is why I say it is a bad budget which does gross social injustice to the poorest people in our country.

Now the farmer is asked to go into the market with his surplus savings. But have we done so far anything to create trust or hope in the farmer? Has the Government gone to him with justice, has industry gone to him, have the banks gone to him? No. The farmer is the forgotten factor. Now, suddenly, if you ask the far-

mer to come and buy shares, he will not do it. He must be got to the market by a psychological process.

I would like to ask the Finance Minister this question. Does he think that the agricultural policies of his Government are such as to give the farmer hope and confidence and make him shed his distrust and pessimism? I say that the present food policies of the Union Government are reactionary and are inhibiting the farmer from coming to the market. The price of the produce is kept down by artificial zonal barriers and even from district to district. Secondly, by forced levies and monopoly procurement, he is denied a fair price for his produce.

Now, until these policies are reversed, you cannot expect the farmer to do anything. You cannot expect him not to hold his grain and sell it where he can or eat it. In other words, we have an agricultural policy which is bound to defeat the hopes of Mr. Morarji Desai and Mr. J. G. Patel.

If they really want this dose of deficit financing to be absorbed, then may I suggest to the Finance Minister to use his good offices to secure a change in the agricultural policies which will make them saner and more progressive? I suggest four or five concrete measures to cope with this gamble which he has taken and may yet prove to be a success. If these suggestions are carried out, I believe we might get away without a rise in prices.

First of all, abolish all zonal barriers and other barriers and make India a Common Market. The whole of Europe has become a common market. But our country is being divided into several sovereign States. Secondly, abolish levies and procurement measures and let Government buy in the open market at prevailing prices like anyone else. Let there be a floor price, but no maximum price. Now, I will be told "How will you feed the people who are on rations? How will you feed the poor people in the towns and in the countryside?" I suggest a constructive answer to that. I am not suggesting the scrapping of rationing yet although, I think the time is coming when that should be done. What I suggest is a replacement of the crude, out-of-date, system of ration-



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ing by a system of dual pricing by which only the under-privileged people in the cities and villages, that is, those who do not have any land at all or those who do not pay income-tax upto a certain figure, will be given the ration at subsidised rates in fair price shops. Let you and me, Sir, not have the ration; let us go and buy in the open market and pay a higher price. Today, the result of rationing is artificially to create a scarcity because, along with the poor man who needs the ration, I and also my wife will be tempted to buy the ration because it is cheap! Drive us to the open market to buy the grain at a higher price. I would suggest that there should be a dual pricing policy where the poor people are given the ration and the rest, 80 per cent, those who have got some land and those who pay income-tax, are left to themselves to buy from the open market in so far as grain is concerned. If this happens, I suggest you will be able to stop the import of foodgrains. Your distribution policy will be rationalised and it will be such as to bring out the foodgrains in the country. Mahatma Gandhi had said that and his experiment was tried and it succeeded many years ago. I ask the Finance Minister to pick up courage and follow his own master whom he appears to have forgotten in so far as these policies are concerned.

**SHRI MORARJI DESAI:** You have forgotten him long ago.

**SHRI M. R. MASANI:** I am more faithful to him than you.

I suggest if these three or four measures are carried out, it will no longer be necessary to import foodgrains into the country. I think the import of foodgrains is a scandal and a waste of money. It should stop immediately, but it cannot stop if you do not do these things.

Finally, I support the Finance Minister in his effort to create a buffer stock. I agree that there should be a buffer stock for emergencies. But I have been trying to wonder whether he is serious about a buffer stock. He has provided for Rs. 140 crores expenditure for 3½ million tonnes for setting up a buffer stock. I would like him to explain this figure because it is beyond my intelligence. As far as I can make out, buying 3½ million tonnes

and putting them away would cost Rs. 180 crores, whether the foodgrains are imported or indigenous. Where are the silos and the storage facilities for 3½ million tonnes? I am surprised to find that the amount allocated for storage facilities is Rs. 2 crores. Now, I would like to suggest to the Finance Minister to investigate this before he replies to the debate. I am told that all these storage facilities will require, according to the figures of the F.A.O. adapted to our needs, Rs. 200 crores to create storage facilities in a modern way. If that is so, it means one of two things, that either the expenditure sanctioned is ridiculous or there is no serious intention of setting up a buffer stock of 3½ million tonnes. I would like the Finance Minister to elucidate this.

This leads me to put a few questions to the Finance Minister which I would like him to answer. If the next Monsoon turns out to be unfavourable, what will be the consequences of his gamble? Will not the Rupee collapse with a vengeance? Will not our people lose all faith not only in the Rupee but in the whole economic process? Will not Industry, which is today jubilant, face an erosion of its profits through the increased cost of raw materials and the increased Dearness Allowances caused by the rising cost of living? Will not the knowledge that deficit finance is going to raise prices be a spur to increased speculation and turn money away from investment to speculation? Fourthly, how will he face the State Governments, to whom he is preaching the virtues which I am preaching to him, when he is not practising them on himself. Is the country not being taken along a path which would face us with another Devaluation such as the one we went through only two years ago? I think these are questions which are worth pondering over by my hon. friend.

There must be some reason why a man of principle like my hon. friend, who is undoubtedly trying his best, has been driven to this reckless and irresponsible path. The answer is that when you ride a tiger, it is very hard to dismount it! My hon. friend is riding the tiger of the old policies of twenty years which he is unable to change or discard. In other words, the reason for this bad budget is

political weakness at its roots, political weakness of this Government, which is unable to take harsh and realistic decisions which may incur the wrath of this little pressure group or that little lobby. Mr. George Woods, a great friend of this country, said as much when he came to UNCTAD a few weeks ago and I quote one remark from out of his very important speech. He said :

"One of the serious liabilities of some poor countries is leadership that does not lead." (*Laughter*)

I do not want to join them in this laughter. I think, if there is lack of leadership on that side, there is lack of leadership on this side also. It is lack of leadership on the part of all the politicians in this country which is letting down this country. While, of course, those who are in Government are primarily responsible, I think we should be honest enough to realise that the faults that we see in them are, to some extent, in us also. I will give two examples...

SHRI HEM BARUA (Mangaldai): Mr. Woods said that he did not have India in his mind when he said this.

Shri M. R. MASANI: I happen to know Mr. George Woods. He is an extremely charming and polite gentleman from whom such a remark can be expected.

I can give two examples of weak leadership on the part of this Government. On 22nd June, 1966, my colleague, Prof. Ranga, and I went and called on the Prime Minister at her invitation. She had just devalued the rupee and wanted to meet Opposition leaders to discuss the implications. We were the only Opposition leaders who went to see her...

SHRI HEM BARUA: He came from Bombay.

Shri M. R. MASANI: I came from Bombay.

We were the only Opposition leaders who went to see her because all the other opposition leaders felt annoyed that they were faced with an accomplished fact and they told her that she should stew in her own juice. We are a chivalrous Party. We could not leave a damsel in distress without responding to her call...

SHRI HEM BARUA: That is why you came down from Bombay!

SHRI M. R. MASANI: Yes; I came all the way from Bombay and Prof. Ranga came all the way from Madras. (*Interruptions*). We took a lot of trouble not only in coming but we even studied the subject very hard and we gave her a note on the 22nd June, a copy of which I have in my hand.... A great deal of expert thinking and planning went into this note. (*Interruptions*). We discussed it for an hour or more with her and we tried to educate her on the implications of devaluation. We suggested to her certain follow-up measures which in our view were essential if devaluation was to succeed. I will not take the time of the House... (*Interruptions*). We discussed it for over an hour with her and showed her the way. She promised to consider these proposals. One of them was that the export duties that had been levied should be immediately reduced and cut out. I am sorry to say that not one of these suggestions—eight suggestions were there—was given effect to by this Government. Every one of the measures that should have followed devaluation was completely ignored. It is not very surprising that devaluation has failed in the hands of a weak and miserable Government like this. On the eve of this Budget, they have taken one step out of those eight. Belatedly after two years of damage, they have removed these silly export duties which were levied and which completely undid the benefits expected of devaluation. All the remaining seven measures are still to be carried out. That was one example of the wretched, weak, miserable leadership which this country is suffering from.

The other was the payment of Dearness Allowance last year. Last year the Finance Minister, trying to carry out his righteous policies, his correct policies, refused to give dearness allowance in cash because it would be inflationary. He proposed that out of Rs. 61 crores payable, Rs. 31 crores should be set aside in the Provident Funds scheme and Rs. 31 crores should be paid in cash, but only after six months in order to retard the inflationary effect. But what happened? He was overruled by his colleagues, by his own party and his own Government because they were weak and they were frightened of

[Shri M. R. Masani]

facing small vocal elements. The result was that Rs. 37 crores was paid across the counter immediately and only Rs. 24 crores were put in the Provident Fund. The result was another spurt of inflation.

15 HRS.

I come, therefore, to the conclusion that this Budget is yet one more example and one more testimony to the fact that this Government has neither the courage nor the capability to solve this country's problems. They are not only weak in calibre but they are also weak in strength, in the support of the people. They got only 38 to 40 per cent of the popular vote in the last general elections. 60 per cent voted against them. They are frightened men and women who know that the country is not behind them. That is not the kind of Government that can deliver the goods today. What we need is a Government that has the majority of the people, two-thirds of the people at least behind it, which can boldly face small elements which seek their own interests to the detriment of the community.

Therefore, all I can say is that this Budget is yet one more nail in the Congress Government's coffin. The only fear I have is that by the process of drift and by this process of aggravating the economic situation, they are imperilling our young political democracy.

SHRI SHANTILAL SHAH (Bombay—North-west): I rise to support this budget and to congratulate the Finance Minister on the proposals that he has put forward. The budget has been framed under very difficult circumstances and in an unusual situation, and I am sure that the Finance Minister has done his best.

I shall deal with some of Shri M. R. Masani's points. The first point that he dealt with was about deficit financing. It is true that last year the Finance Minister had told us that there would be no more deficit financing. A number of people were afraid that rigid as he is he would stick to his statement of no deficit financing and would not do anything else in that direction. But now he has become flexible. Is he to be blamed for being flexible or is he to be blamed for being rigid?

Deficit financing by itself is neither good nor bad. It is a remedy which if well utilised will certainly give energy to the economy. If it is not properly utilised, then it will do harm. In any economy when productive resources are being built up, it is bound to happen that for some years in the beginning there will be inflation but it must immediately be followed by production of goods. Suppose you are building an irrigation reservoir or a dam. It may take about four or five years to construct it. During those four or five years it will all be investment only, money going into the pockets of the labourers or the contractors or the workers which will add to their power to buy but there will be no corresponding goods immediately. But after four or five years, when incomes begin to come, when the irrigation begins to yield results or electricity produces goods, then that deficit financing will have a beneficial result. Therefore, to say that deficit financing is always to be avoided is as wrong as saying that the deficit financing is good and it should be resorted to. The correct criterion in this context should be whether deficit financing is productive. If it is non-productive, then it will be wrong. If the money is going to be spent merely on administrative expenses or merely on salaries which bring no goods or services, then it might do harm to the economy.

15.04 HRS.

[SHRI C. K. BHATTACHARYYA *in the Chair*]

Therefore, if we resort to deficit financing where it will help production either immediately or in the short run, I do not see anything wrong in it. It is true that our deficit financing has not been well handled. It is no use, however, going over the past, but let us see what can be done. I had a feeling, in fact, when I read the Economic Survey and read some of the speeches of the Finance Minister, it gave an impression in my mind which I shared with a few of my friends that the Finance Minister was preparing our mind for a deficit, an uncovered deficit, of about Rs. 150 to 200 crores. Well, he has brought it up to Rs. 300 crores. Now I have a feeling.....

SHRI HEM BARUA: Your feeling was right.

SHRI SHANTILAL SHAH : I believe he has certain ideas at the back of his mind which perhaps he has not put in his budget speech because he is not sure which way they will work out. As I visualise some of those ideas, there might be recoveries of tax arrears in the coming year which might reduce the deficit in the budget. That can only happen once, twice or thrice; it cannot happen for ever. Secondly, he might also be thinking that there will be better realisation of tax next year. With a good harvest and revived industrial activity, excise duty and income tax might bring a much better income than what he has put in the budget. I believe he has something secret up his sleeve and if his hopes come true, deficit financing may have to be there.

A third possibility is that he undertakes economy measures which he has not been to do up till now.

SHRI M. R. MASANI : Why not ?

SHRI SHANTILAL SHAH : It is a valid question. I do believe there are many areas where this is a possibility. I am going to deal with them later. I agree that economy is the greatest need of our administration. We can create money, but that does not bring results. The position of the Finance Minister is, if I may say so, like that of a good housewife. Within the means he has at his disposal, he must give us the best food possible.

Now, it is true that a good housewife may go on borrowing. There is no mint at her disposal. But if she goes on doing it, ultimately the home will become bankrupt. In the same way, if the Finance Minister does not economise and does not ask us, as he has done, to live within our means, we might some day come into difficulty. I am however convinced that serious attempts are made to avoid deficit financing. As regards economy measures, some might be taken; I am going to refer to some hereafter.

Or it might quite prudent to allow even a small amount of deficit financing. A little dose of deficit financing is not always wrong, does not do any harm. My only hope and expectation is that he does not come forward after six months with a supplementary budget of additional tax-

tion. That is one fear in my mind and I hope that it will come true. If at all he comes forward with a supplementary budget, let it be a budget of hope and not of taxes (*Interruption*). I am not an expert adviser or trained economist. I am speaking as a layman.

The first point concerning economy is that to which Shri Masani referred—defence expenditure. Nobody will grudge any amount being spent on protecting the country. That is farthest from our mind. Our defence forces must be strong, well equipped and valorous....

SHRI HEM BARUA : Nobody will grudge ? Pakistan does.

SHRI SHANTILAL SHAH : When I referred to 'nobody', I referred to 'nobody' in this country.

SHRI HEM BARUA : I thought he was overlooking Peking Radio and Radio Pakistan broadcasts.

SHRI SHANTILAL SHAH : I am not, as I said, for weakening the defences of the country. But I will give an instance which Shri Masani also gave. When Mr. MacNamara became US Secretary of Defence, he abolished a large number of garrisons. Factories were examined, a number of establishments were cut down. The result was a saving in defence expenditure without the least detriment to the fire-power and military strength of the country.

We do agree that we ought to spend enough money to make our defences strong. Yes, but what is enough and whether our defence can be maintained at the same strength with some economy and some retrenchment is a matter to be considered. If rationalisation is good in industry, it is also so in defence. Therefore, what I am suggesting is not that we should economise on defence expenditure in a way which will hurt our capacity to defend, but certainly there are avenues in which economy and rationalisation can be affected. That is one source where something deserves to be done. I will come to the other economies later.

The second point Shri Masani referred to was with reference to prices. It is true that we are all consumers but at what level shall we stabilise the prices. It is very difficult to forecast and to judge what

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should be the optimum level of prices. I would suggest that with my little knowledge, if we can bring our economy back to the prices which were prevalent two years ago, that is to say, to a level before the two droughts and before the two wars, that might be a good level at which the prices should be stabilised. How are they to be stabilised is a question; it might require fiscal measures and also monetary discipline. But the agriculturist should not be the only man to suffer. If the prices are to be brought down, as agricultural prices are now falling, then, the consequences will be disastrous. The economy of any country, may be industrial or agricultural, has its base on agriculture. If agriculture is sound, steady and prosperous, then our country will be sound, steady and prosperous. If agriculture is not so, then amount of industrialisation, any amount of factories, is not going to help. Therefore, the farmer becomes important.

Now, supposing we reduce the prices, if the prices of agricultural commodities are allowed to fall, what may happen? The farmer will either go from the foodgrains to cash crops, or in the alternative, he may not put the necessary inputs, and not buy fertilisers, insecticides and employ water for irrigation, and he will economise within himself so that something is left to him, with the result that the total agricultural production in the country will suffer. Therefore, in trying to bring down the prices, a sudden fall in the prices would be as disastrous as a sudden rise in the prices.

In doing this, we have another economic aspect. As agricultural prices fall, as they have been falling today, and they have a tendency to fall, it must be borne in mind that the agriculturist and the landless labour are also consumers of the goods, and if the agriculturist's buying capacity is reduced, who will buy the industrial goods? Who will buy the cloth and who will buy the transistor? Therefore, in order to see that the industrial activity is kept at the optimum level, the consumers also must have the funds and the wherewithal to buy. At the same time, supposing the agricultural prices were pushed up very high, cloth will then be-

come costly and other articles of consumption will also become costly. It is what may be called an economic scissors. You are between the pricing policy and the agricultural production, and agricultural policy and industrial production. One cuts against the other, and you will have to find a balance between the two so that it will lead to a stable economy in the rural and urban area in the agricultural and non-agricultural sector. It is a matter for the economists. The economist has to advise and the advice has to be followed.

My suggestion firstly is that agriculture ought to be given protection, not in the sense of giving subsidy, etc. But the farmer ought to get a fair return. If the country is strong in agriculture, then the rest will follow. Now, Mr. Masani has asked how much of the agricultural produce will go into the market. Will it be as much as the increase in the crop? Normally, the farmer keeps in his home one year's consumption for food, whether it is wheat or rice or any other grain. The ordinary man in the village also must conserve at least one year's stock for consumption at home. For the last several years, those stocks have been depleted. The first effort of the farmer and the small man in the village, taluk or town would be to build up his own stock and not to bring it to the market. I do not expect that all the increase in production will immediately come into the market. But, at the same time, if it does not go into the market, should we allow the prices to rise beyond what they are today?

Therefore, it is necessary that there should be procurement, and it is necessary that in future another scarcity should be avoided. It is necessary to build up a buffer-stock so that when prices are very high, the buffer-stock can be released to keep the prices in check. These are matters for constant vigilance and constant examination of the various factors which affect the prices. And if this is done, I am sure this deficit financing, of which Mr. Masani has made a grievance, will be a remedy for the good health of the economy, and it will not do harm which may happen if we are not able to take care of this. I wish good luck to our country rather than entertain the fears which Mr. Masani has.

Then I come to economies in administration. I have referred to defence. I also wish to refer to the public sector. Mr. Masani referred to Hindustan Steel making a loss. On the top of it, a few days ago, they gave an advertisement in the newspapers which was totally misleading. If anybody, who read it did not look at it closely, he would have felt that the Hindustan Steel was doing well. They have mixed up the figures for 3 or 4 years. If Hindustan Steel are not doing well, is it not better to say so rather than spend money and put in an obviously misleading advertisement? If an industry is not doing well, they should say that they will improve and not create an illusion that the industry is doing well, when it is not.

Mr. Masani said, they do not make a profit. I will point out another thing. Government borrows, let us say, at 6 per cent. The return from the public sector is 3 to 4 per cent.

SHRI M. R. MASANI : Half per cent.

SHRI SHANTILAL SHAH : Even if it makes no profit every year, there will be loss, because the total investment does not bring a return on the capital at the rate at which Government has borrowed the money. If it brings a return at the rate at which we borrow, we shall break even. If it does not, we will be incurring a permanent loss. Something ought to be done to bring these public sector undertakings into a good financial shape.

I come to publicity. I do not know how many Members of Parliament read all the papers they get. I got a lot of things and even if I were to read all the 24 hours, I would not be able to read all of them. I agree that Government viewpoint should be explain to the public. There are technical matters on which the people ought to be educated, I agree. But mere propaganda coming from Government source does not carry conviction. I would lay down a test. Suppose 5000 copies of a magazine are being distributed. At the end of the year, please put in a business reply card saying "If you wish to continue please return this card". If the reader is interested, he will send it to you. If he is not interested, please cut down the printing. This type of economy

can be made in every department. If there is a proper examination, economies should be possible.

I will now refer to a point which has been very much agitating the labour in Bombay and Ahmedabad in Maharashtra and Gujarat. That is with reference to the textile industry.

SHRI K. N. PANDEY (Padrauna) : Kanpur also.

SHRI SHANTILAL SHAH : Yes. I thought Madras also deserves the same consideration. But I mentioned Gujarat and Maharashtra because I have a little closer knowledge about these two States. It is true that some of those textile mills were mismanaged. It is true in some cases, those in charge of the management did not husband their resources. But what is the fault of the person employed? It is no use saying, this man has mismanaged, therefore take away the managing agency; or, he has committed defalcation and so, send him to jail. It is the employment, continuous production of goods and income to Government through excise which are matters of serious concern to all of us.

It is quite possible that in the coming year, the textile industry may have a better time. There are two prospects for it. Firstly, the price of cotton may fall below the present level to the level which I said was good enough in 1965-66. It is also possible that with the fall in the consumer price index, DA may go down and there may be a better margin to the industry. But both these factors will take at least a year to have any effect. I do not think the textile industry in Gujarat and Maharashtra has energy enough to last one year. There are certainly some very good units which will survive. But, as it is, the distress today is very great and I would suggest in all seriousness that at least a temporary relief for a year ought to be given till they regain their strength and are on their feet again.

I find that a provision for Rs. 1½ crores has been made in the Budget for the proposed Textile Corporation. Half of it is as equity share capital and the other half is put down as loan. Would it be possible

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to see that the whole of it becomes equity capital, because if half is share capital and half is loan the borrowing capacity disappears and if the whole were capital then the borrowing capacity to that extent will be increased. Rs. 1½ crores for trying to rebuild the textile industry is a mere fleabite. Today in Bombay there is a textile unit consisting of six different units. They are making a loss of Rs. 1½ crores per year. If it is to go on at this rate the whole of the money set apart will be swallowed by that single unit in a single year. Therefore, that is no remedy. For the time being it is all right. If a person is sick, let us help him till he regains his health.

Let us consider what they did in other countries. In the United Kingdom, when they found that their colonies were becoming independent or were about to become independent and they would be losing their market in textiles, they reorganised the whole textile industry in Manchester and Lancashire. At one time they used to export to India dhoties and sarees. Now they do not manufacture grey, they do not manufacture dhoties and sarees. The whole industry has been so re-organised that they today import grey, do dyeing, bleaching, finishing, sanforizing and other processes and then export their finished goods.

What is happening in these areas? Textile mills are coming up in almost every State in the country. Textile mills are coming up also in Africa which was a traditional market for our textile goods. I do not know how long we will be able to compete with Pakistan, with Hong Kong and China in exporting our goods to those countries. The result would be that the textile industry if it is not able to compete will go into ruins. I am suggesting something like what was done in the United Kingdom. There the industry, labour and government all combined in the reorganisation of the whole industry. A number of persons were thrown out, but the Government and the trade unions looked to it that they were re-trained and put into the same industry in some other process or in other industry where re-training was easy and could be done within a short time. I am of the

view that the textile industry particularly in the mofussil areas will not be able to stand the strain of the present economy. Most of the mills began as ginning factories built up by persons dealing in cotton. Those ginning factories became spinning mills and those spinning mills became weaving mills. All that continued till it was profitable. But that machinery has not been renovated. It does not require any expert knowledge, if an ordinary man enters a textile mill he can say that a particular mill is sick and it is beyond redemption. In such cases the only possible solution is to scrap that mill and build another if you want to give employment. But to say that all the sick mills can be put into health merely by giving money through a corporation is a remedy which may for some time be good.....

\* SHRI MORARJI DESAI: That is not the idea.

SHRI SHANTILAL SHAH: I hope it is not so.

SHRI MORARJI DESAI: It is not.

SHRI SHANTILAL SHAH: I will accept it.

Now I will come to some part of the budget which I consider a bitter pill to swallow. Having heard the budget and having read the reports accompanying it, I have come to the conclusion that the pill, though bitter, ought to be swallowed. I am not referring to cloclates. I am specially referring to the postal rates. As I said, I have come to the conclusion that this bitter pill ought to be swallowed. But what I am saying is that the pill may be made small that it may dissolve easily; it must not be so long in the mouth that the bitterness will last too long.

Here I make two suggestions. The Tyagi Committee has said that a large number of post offices which are making losses have been continued and are likely to be continued for ten years. Now, why should an undertaking which runs on commercial lines continue a post office which is running at a loss for ten years? The Tyagi Committee has stated, in two or three years one is able to judge whether a particular post office is going to make its way or not. If it is not going to make its way, then the village teacher can be entrusted with the running of that post

office. He will be only too happy to get a little more remuneration, the villagers will be happy that the post office continues and the undertaking will not lose heavily on that post office.

The post office is being treated as if it is a charitable social service organisation. There are business and industrial organisations which ought to run on profit. Then, there is public charity on which you spend but do not hope to earn a profit. Then, there is public utility where you may not make a profit, but you cannot afford to make a loss for a long time. In such circumstances, what is to be done? A public utility may not make a profit, but as the Committee has stated, if the postcards had to be subsidised by 40 per cent, newspapers ought to be subsidised to a lesser degree, who pays for all this? Either the consumer of the postal services pays or the general taxpayer pays. In these circumstances, what I would suggest is this. I understand that the actual cost of the postcard will be about 8 paise and with the cost of transport it comes to 10.73, as mentioned in the report. Since then it must have become 11.73. So, even then there is a loss. But at least the cost of manufacture of the postcard ought to be recovered. There is no reason for subsidising beyond that level. Therefore I have said that the pill though bitter ought to be swallowed.

Even when the price of the postcard in India will be cheaper than the price of the postcard in many other countries. In Annexure III of the report there is a very interesting document which gives comparative prices of the postcard in other countries. I do not want to read the whole of it but one thing which strikes me forcibly is the price of postcard in USSR. It has been stated there that the postcard in USSR costs 10 kopeks. In the margin it is mentioned that it is equal to 83 paise. If we, therefore, raise our price to 8 paise, even then we shall be paying only one-tenth of what they are paying. Assuming that the Russians are ten times richer than us, even then we are charging less. I hope our Communist friends, who plead for the poor men will read this part... (Interruptions). I do not wish to enter into a political argument. Whatever is Russian, in their eyes it is glamorous. They are so dazzled by the glamour that they lose their sense of perspective.

Take the case of newspapers. In India the newspapers are charged 2 paise as postage. In Russia it is 1.2 kopeks or 10 paise. Last year there was a proposal to increase it to 5 paise. When there was opposition, it was dropped. This year the same proposal has been brought in. I can speak with some knowledge of the newspapers. The 8-page newspapers which are published in the cities do not depend very much on the post office. They have a city edition and their mofussil edition is despatched by rail or plane. The *Times of India* or the *Hindustan Times* do not care very much for the postal services. It is the newspaper in the district town which has to send its paper by post. Take Kutch for example. Except for a small stretch of railways, there is no means of communication except the post office. So, they have to send newspapers only by post. What I would suggest is that the rate for 8-page newspapers may be raised from 2 to 3 paise, but for newspapers of less than 8 pages, newspapers of only 4 pages or 6 pages a lesser rate may be charged so that the small newspapers which are circulating in the districts will not be affected adversely by this measure.

There is one more suggestion that I want to make and that is about local postal rates. I understand that the post-office levies are not based on the distance. The distance from here to Mathura may be less and from here to Amritsar may be more. But the postcard is carried at the same price. What is the justification then if the postcard is carried from Bombay to Bombay at a lower rate? Why should it be charged at a lower rate? Either take a radical view that we will charge according to the distance or take the view that, irrespective of the distance, the same charge will be levied on everybody. There is no point in saying that within the city, a lesser charge, and outside the city, a bigger charge.

SHRI MORARJI DESAI : Not now.

SHRI SHANTILAL SHAH : If I am wrong, I am very sorry.

My suggestion, therefore, is that there is no reason why a public utility service should run into a loss. I wish to assure the Minister-in-charge of Communications that as far as I and my constituents are concerned, we can say, this cannot go on making a loss. The post-offices must put their finances right. My only suggestion is



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that people should have a pill a little smaller, bitter it may be, so that they can swallow it more easily.

This is all I have got to submit on the Budget.

**SHRI C. CHITTYBABU (Chingleput) :** Mr. Chairman, Sir, at the outset I am very sorry to say that the Honourable Minister of Finance has placed a deficit budget for 315 crores of rupees for the year 68-69. The Hon'ble Minister has not even left the small children from the tax by way of taxation to confectioneries.

I do not know when Mr. Morarji and Dr. Ram Subagh Singh wrote in postcard last, that too at their own expense. Immediately on assuming office Dr. Ram Subagh said that he would reduce the rate of post card from 6 paise to 5 paise. His promise is not fulfilled by Mr. Morarji in this budget.

The Finance Minister expects to raise about 60 crores of rupees by way of taxation. I do not know how he is going to meet the balance. He may have to mint more money from Nasik as he had done before. This will have an adverse effect on the budget of the State governments. Great damage to the state budgets will be caused by minting more currency. In this connection I wish to inform the House that the Chief Minister of Madras, Arignar Anna had presented a Surplus budget thus satisfying the assurances made by him at the time of elections and also controlling the price level in our state. For the information of the Finance Minister I wish to state that most of the Southern states have placed by only surplus Budgets. The Budget presented by Mr. Morarji will ruin the State Budgets. It is virtual sabotage of the State budgets. Further Mr. Morarji with his hold on the Reserve Bank of India is throttling the State Govts, by not allowing overdrafts from the Reserve Bank to the State Govts. Fortunately for him and unfortunately for others Mr. Morarji is in possession of the Nasik press. Incidentally I may state that the State Govt. of Madras is not contemplating any request for overdraft from the Reserve Bank.

A country's economy is either based on Agriculture or industry or both. We have been miserably failing in Agricultural production. Still we need the PL 480 assistance. We are importing foodgrains from

USA. May be, in the near future we may import Chappathis. Mr. Morarji's claim that there would be bufferstocks carries no conviction. Again in the industrial field it is yet another case of miserable failure. Here we have the peculiar situation of having had three 5 year plans and the Govt. faced with unemployed Engineers. The cause for these ills can be directly traced to the faulty planning. The plans have been made for 5 year terms. It becomes too late before the Government could correct the faults in the planning. What is the sanctity about 5 year terms? Why not we have 2 year plans. This will have some positive advantage. We may be able to formulate the subsequent plan in the light of the results achieved in the previous 2 year plans. The Government may if need be think of having General elections once in 6 years, so that three 2 year plans are completed between one General election and the other. The State Govts. should be given more powers to implement the plans. For achieving some positive results even in the 2 year plans the State Govts. should be given more powers. There should be considerable decentralisation of powers from the centre, to States. The States have in fact, been demanding for increased powers.

Now-a-days we hear a lot of talk of National integration. The Finance Minister being a senior person in Govt. is aware that there is considerable regional imbalance in the location of industries. Giant industries are located in the North and as a result employment potential and the standard of living in these areas have increased. Why should not government think of spreading industries throughout the country? Instead of feeding a white elephant like Bokaro in North the Govt. should establish steel plants in Salem, Vizag and Hosur, in South. This will greatly satisfy the people of South. For this there should be a give and take policy.

Recently the Chief Minister of Madras requested the Central Govt. for setting up a factory for manufacturing electronic equipments involving a capital outlay of 10 crores and which will provide employment for 3500 skilled workers. Secondly for the location of heavy plates and vessels project in the State with the Rumanian collaboration, thirdly the second unit of Indian Telephone Industries. These things should be done to enable the State

to solve the unemployment problem and improve the economy of Tamilnad and also the whole of India.

The Finance Minister is aware that all the state Govts. owe considerable money to Central Govt. towards the loan, and this heavy burden is causing considerable strain on the economy of the States. I would request the Finance Minister to write off the loans given to State Govts. for the past ten years or at least five years. But I am not hopeful whether Morarji known for his adamancy will show any clemency. He had even bluntly turned down the request of the Chief Minister of Madras for a moratorium on the loan, in view of the heavy commitment of the Tamilnad Govt. due to the one rupee a measure programme. Today on the floor of the House I assure the Finance Minister that if he would give Madras Govt. Rs. 10 crores as subsidy for agricultural purposes, the Govt. of Madras would fulfil the maximum demand of our neighbours.

The Finance Minister who believes in extracting every paisa from every source should also see that whatever his ministry owes is also paid promptly. Huge amounts as service charges to the Madras Corporation are due by the Central Govt. Though such dues have been paid to the Bombay and Calcutta corporations, the Corporation of Madras is yet to be paid. During my Mayoralty I came to Delhi and could get just 2 lakhs as first payment in 1965. The entire corporation of Madras is greatly agitated due to the non receipt of the amount from 1954 to 1967, even though several requests were made.

Sir, Mr. Morarji and Gold, they say, go together. But his Budget speech is silent about the all destructive gold control. The Gold control has brought untold misery and suffering to hundreds and thousands of Goldsmiths in this country. There is much harassment by the officials and the goldsmiths' life has become miserable. I request the Finance Minister to go into the working of the Gold Control from the human angle and not from Morarji angle.

Handloom industry is one of the major vocations of the South. The export of handloom cloth has been greatly affected by the taxation policy of the Centre in the past. There is a heavy fall in the exports

and consequently the weavers are in a sorry plight. The bleeding Madras was exported in good quantities USA. Now due to the fall in export of "bleeding Madras" the weavers are shedding tears of blood. Govt. should think of giving export incentives to individual weavers and also to co-operatives. The Union Govt. should see that a world market is created for Handloom products.

Before concluding I would like to add a few words about my constituency. The Kalpakkam atomic power station has not been provided with adequate funds. The progress is very slow, and only residential accommodation is going up. The Engineers are doing clerical work. There is no sign of any machinery or anything connected with the station, other than living quarters. The work turned out is disproportionately small when compared to the large establishment. Therefore, there is a clear need for a parliamentary committee to go into the work of the power station proper. The annual provision of funds is also quite inadequate and it should be raised suitably. There should also be provision for laying a railway line from Chingleput to Kalpakkam via Madras. This is quite necessary for the Atomic Power Station. Instead of the provision for the siding at Chingleput, a regular line may be provided to Kalpakkam Atomic Power Station.

I can take pride in having four major tourist centres in my constituency. They are Mahabalipuram, Vedanthangal, the famous Kanchipuram and lastly the town of eagle worship, Tirukalikundram. Mahabalipuram with its remarkable pallava architecture is as famous as Ajanta, if not more. It has always attracted tourists of the world. So also Tirukalikundram which is on the way from Madras to Mahabalipuram. Unfortunately in spite of heavy traffic these points are not connected by rail. It is upto the Tourist Ministry to put its weight for the establishment of a circular railway from Chingleput - Tirukalikundram - Mahabalipuram - Tiruppur - Kelambakkam - Tambaram. Again, the Pallava temple and the inimitable architecture with a great historical background could well provide for a Sound and Light show as is done in Delhi at the Red Fort. Such a show will attract more

[Shri C. Chitty Babu]

tourists, and the Finance Minister can hope to have a sizable increase in the foreign exchange due to the increased flow of foreign visitors.

Kancheepuram silk saris, as the Prime Minister may be aware, are famous throughout the world. The Union Government which earns foreign exchange by the export of these saris does nothing to help this industry. The silk-sari-weaving industry in Kancheepuram needs active help from the Centre. The Union Government should establish a zari industry in Kancheepuram, to enable the silk-weavers to get zari easily and cheaply. At present they have to go to far off places for the purchase of zari for the silk-sari-weaving.

In my constituency there is a big river called the Palar. Literally it means the river of milk. But it is neither full of milk nor full even of water. It is a river of sand. This is due to the fact that the waters of the Cauveri are withheld by Mysore. Foreign experts who have explored the bed of the river Palar have stated that there is a very large quantity of water down below the bed of the river. I request that the Union Government should formulate a scheme for the utilisation of this water for agricultural purposes. The underground water is stated to flow into the sea without serving any useful purpose. This matter was brought to the notice of Dr. K. L. Rao personally by me, and I hope the eminent engineer-cum-Minister will look into this immediately and formulate a scheme in this regard. This scheme would greatly benefit the people of Chingleput and North Arcot districts.

Today, we hear, day in and day out, of many disputes in our country. Some of these can be traced rightly to our Constitution. Our Constitution has been amended many times, sometimes to suit the need of the people and many times to suit the needs of Government. In spite of so many amendments there are many controversies which could not be solved. We have controversies, for instance, on the powers of the Speakers, on the powers of the Governors and the President. I feel that the urgent need of the hour is to go into the working of our Constitution with a high-powered committee of eminent men who could suggest suitable modifications

and amendments to the Constitution. The country's administration is passing into the hands of the younger generation and we need a dynamic Constitution to suit the changing pattern of the federal set-up.

Before I conclude, I would once again request the Finance Minister to reconsider the tax structure and the burden on the common man.

श्री काशी नाथ पाण्डेय (पदरौना) :

सभापति महोदय, मैं समझता हूँ कि चीन और पाकिस्तान की चढ़ाई के बाद, तथा देश में जो सूखे की हालत थी उस से हमारे अर्थ पर बहुत बुरा प्रभाव पड़ा। यही नहीं कि सूखा रहा, बल्कि उस से हमारा उत्पादन भी घटा। सूखाग्रस्त लोगों को जीवित रखने के लिये जो प्रयास किया गया, निःसन्देह इस प्रकार की आर्थिक स्थिति में हमारे देश में इस से बेहतर बजट और कोई नहीं हो सकता था। ऐसे कठिन समय में भी हमारे वित्त मंत्री जी ने सन्तुलन रखने का जो प्रयास किया है, उस के लिये मैं उन को बधाई देता हूँ।

इस बजट को पेश करते हुए उन्होंने करीब करीब 300 करोड़ रु० का घाटा दिखाया है। वैसे आंकड़ा तो कम का है, लेकिन उस को भी हम मान लेते हैं। आज श्री ममानी ने कहा है कि डेफिसिट बजट से महंगाई बढ़ेगी। लेकिन हकीकत यह है कि डेफिसिट बजट से देश में महंगाई उस समय होती है जब उत्पादन भी घटा हो। ऐसे समय में डेफिसिट बजट होता है तो निःसन्देह चीजों के मूल्य बढ़ते हैं। लेकिन आज की परिस्थिति में, जब कि हम देख रहे हैं कि हमारे यहां रबी की फसल अच्छी होने वाली है। उस के साथ साथ फाइनेंस मिनिस्टर ने और भी बहुत से यत्न इस सम्बन्ध में किये हैं, यदि वह कार्य रूप में परिणत हुए, तो मेरा खयाल है कि आवश्यक वस्तुओं की कीमतें बढ़ेंगी नहीं। वैसे जैसा श्री शान्ति-लाल शाह ने कहा यह हो सकता है कि बहुत सी चीजों की कीमत पर कुछ प्रभाव पड़े क्योंकि आज रिसेशन है। बहुत सी इंडस्ट्रीज को

जिस तरह की सुविधायें वित्त मंत्री जी ने दी हैं उन से हो सकता है कि और इंडस्ट्रीज कायम हों जो बन्द थीं वे चलें और हम को उन से एक्साइज ड्यूटी मिले। वित्त मंत्री जी का हम ऐसा प्रयास भी देखते हैं कि आज जो दबा हुआ इनकम टैक्स है, कुछ निकले तथा जिस इनकम टैक्स को लोग बचाने की कोशिश करते हैं आज के बदले हुए ऐटमास्फि-अर में लोग उस को दें ताकि हमारी मूल्य वृद्धि का जो डर है वह दूर हो जाये।

मैं एक चीज और भी कहना चाहता हूँ कि मुद्रा स्फीति को रोकने का एक और तरीका होता है। इस के बावजूद कि वित्त मंत्री ने बहुत काफी यत्न किये हैं, मूल्य वृद्धि न हो इसके लिये सेविंग की भी जरूरत होती है। उन्होंने जितनी भी स्कीमें सेविंग की रखी हैं उन में जनरल प्राविडेंट फंड की जो स्कीम है वह बहुत आकर्षक है। यदि वह कार्य रूप में परिणत होगी तो उस से इस का बहुत विस्तार होगा और उस से आज नहीं तो कल बहुत काफी पैसा सरकार के पास आयेगा। इस तरह की स्कीम की तो बहुत ज्यादा आवश्यकता थी। शुरू में प्राविडेंट फंड स्कीम लागू करने के लिये मजदूरों को बहुत लड़ना पड़ता था। स्कीम लागू होने पर मजदूर को बहुत सन्तोष होता है क्योंकि जब वह नौकरी से अलग होता है तो उस को प्राविडेंट फंड के जरिये से काफी इक्वटा पैसा मिलता है। यहां पर यही नहीं है कि उस को इक्वटा पैसा मिलेगा बल्कि उस पर उस को इनकम टैक्स का रिबेट भी मिलेगा। इसके अलावा क्यूमुलेटिव टाइम डिपाजिट स्कीम जो है वह भी एक ऐसी चीज है जो कि इनकम टैक्स में रिलीफ देती है। इस तरह का जो प्रयास वित्त मंत्री ने किया है उस का असर अवश्य होगा और मेरा अनुमान है कि इन सब चीजों से शायद मूल्य वृद्धि न हो।

श्री मसानी न बोलते हुए प्लैनिंग कमिशन का जिक्र किया। मैं जानता हूँ कि स्वतन्त्र पार्टी के कुछ लोग प्लैनिंग के विरोधी हैं।

श्री मसानी ने कहा कि वहां पर चपरासी बहुत ज्यादा हैं। मैं कहना चाहता हूँ कि जहां पर मेरा दृष्टिकोण यह है कि ज्यादा से ज्यादा कृषायत पब्लिक सेक्टर में होनी चाहियें, वहां अगर कोई सब से कठिन समस्या सामने है तो वह बेकारी की है। श्री मसानी और स्वतन्त्र पार्टी का यह सिद्धान्त है कि छोटे लोगों को कम करो और बड़े लोगों की तन्ख्या बढ़ाओं। लेकिन इस का कोई औचित्य मैं नहीं देखता। गवर्नमेंट सर्विस में कहीं भी एक आदमी की तन्ख्या छः या दस हजार रुपया नहीं होती है। श्री मसानी ने जो कुछ कहा उस का मतलब यह है कि जहां पर भी चपरासी इतने ज्यादा हैं वहां पर उन का लेना बन्द किया जाये। यदि उन का इशारा यह था कि उन की संख्या कम की जाय तो यह तो सम्भव नहीं है। हां यह हो सकता है कि यदि उन को वहां से हटाना हो तो उन को दूसरी जगह पर काम करने का मौका दिया जाए। मैं बिल्कुल प्राइवेट सेक्टर के खिलाफ नहीं हूँ। लेकिन अगर श्री मसानी यह चाहते हैं कि देश में बेकारी बढ़े तो मैं आप से बतला रहा हूँ कि इस प्रकार से बेकारी बढ़ जाने से देश की आर्थिक स्थिति का सन्तुलन बिगड़ जायेगा। अगर ज्यादा आदमी कहीं पर हो तो ठीक है, उन का रेशनलाइजेशन होना चाहिए, लेकिन दूसरी तरफ इस तरह की स्कीम भी होनी चाहिये कि वह आदमी कहीं न कहीं पर काम करे। केवल यह बतला देने से कि ज्यादा आदमी हैं, काम नहीं चलता है। आज देश में क्या स्थिति है इस को आप देखिये। मैं आप को बतलाना चाहता हूँ कि रिसेशन की क्या हालत है। आज एक लाख 20 हजार आदमी कलकत्ता शहर में कम कर दिये गये और वह अनएम्प्लायड हो गये। इस से श्री मसानी को खुशी जरूर होगी, लेकिन जो आदमी अनएम्प्लायड हो गये उन की बेकारी की समस्या कैसे हल हो ?

हमारा दृष्टिकोण प्लानिंग का है और डेमोक्रेटिक सोशलिज्म की हम बात करते हैं।

## [श्री काशीनाथ पांडेय]

कल मधोक साहब जब बोले तब उन्होंने अपने भाषण में कहा कि यह जो डेमोक्रेटिक सोशलिज्म की बात की जाती है यह परस्पर विरोधी बात है। डेमोक्रेटिक सोशलिज्म किस को कहते हैं शायद इसको समझने के लिए वह थोड़ा सा वक्त नहीं लगा पाए हैं। डेमोक्रेटिक सोशलिज्म का मतलब यह है कि सोशलिज्म बाई डेमोक्रेटिक भीज। यह डेमोक्रेटिक सोशलिज्म है। अभी तक जहां जहां सोशलिज्म आया है वह उस तरीके से नहीं आया है जिस तरीके से हम यहां लाने की कोशिश कर रहे हैं। दूसरे ही ढंग से दुनिया के देशों में सोशलिज्म आया है। हिन्दुस्तान ने अपनी आजादी की लड़ाई को नान-वायोलेंट तरीके से लड़ा है और नान-वायोलेंट तरीकों में हमने अपनी आस्था प्रकट की है। हमारे देश की हकूमत का जो ढांचा है वह प्रजातांत्रिक ढांचा है। ऐसी हालत में हमने निश्चय किया है कि डेमोक्रेटिक सोशलिज्म यहां होना चाहिये। सोशलिज्म के लिए यह जरूरी है कि उत्पत्ति के माघन और वितरण दोनों ही समाज के हाथ में हों। इसी चीज को सामने रखकर गवर्नमेंट ने तय किया है कि पब्लिक और प्राइवेट सेक्टर दोनों साथ-साथ चलें और जो मूल चीज है, जो कुंजी है उसको पब्लिक सेक्टर में लेने की कोशिश की जाए। सिद्धान्ततः यह बहुत ठीक बात है।

लेकिन मैं एक बात कहना चाहता हूँ। जहां तक पब्लिक सेक्टर का सम्बन्ध है बाबजूद इसके कि मैं पब्लिक सेक्टर के पक्ष में हूँ और हर किसी को होना भी चाहिये, उसके वर्किंग से आज असन्तुष्ट हूँ। देश की जैसी हालत है इस में यही एक सेक्टर है जोकि गरीबों को रोटी दे सकता है, ज्यादा एम्प्लायमेंट दे सकता है। लेकिन पब्लिक सेक्टर का जो वर्किंग है वह चिन्ता पैदा कर रहा है। ऐसा क्यों होता है? जब से यह नारा लगा है देश में कि पब्लिक सेक्टर में नफा होना चाहिये, तब से मैनैजरोँ या प्रबन्धकों द्वारा प्राइवेट सेक्टर की जो खराबियाँ थीं

वे इस में भी आ गई हैं। किसी को भी आप देख लीजिये। रांची को आप देख लीजिये। हैवी इलैक्ट्रीकल्ज को आप देख लीजिये। स्टील प्लांट्स को आप देख लीजिये। आपको पता चल जाएगा कि सभी जगह पर इंडस्ट्रियल अनरेस्ट है। वहां पर मजदूरों में असन्तोष है। जो मजदूर हैं वे फोन करें कि पब्लिक सेक्टर हमारे पक्ष में जाता है यह भावना उनमें आज नहीं है। यह बात आई० एन० टी० यू० सी० के प्रेसिडेंट की हैसियत से कही थी कि जिस वक्त मुझे किसी इंडस्ट्री के राष्ट्रीयकरण के हक में कहने के लिए कहा जाता है या जब उसके राष्ट्रीयकरण का सवाल आता है और मुझे उसको सपोर्ट करने के लिए कहा जाता है तो मेरे पैर कांपने लगते हैं। इसका कारण यह है कि मैं देख रहा हूँ कि मजदूरों की दुर्दशा वहां क्या है। प्राइवेट सेक्टर की हालत को भी मैंने देखा है। मैं तो सोचता हूँ कि आखिर इस देश का होने वाला क्या है, क्या इस देश का वनेगा, कहां हम जा रहे हैं?

जहां तक प्राइवेट सेक्टर का सम्बन्ध है उमका मोटिव यह होता है कि पब्लिक की कास्ट पर, कंज्यूमर की कास्ट पर जितना भी मुनाफा कमाया जा सके, कमा लिया जाए। मसानी साहब ने कहा है कि रिजनल रिस्ट्रिक्शंस जो हैं उनको रिमूव कर दिया जाए, मूवमेंट पर जो रिस्ट्रिक्शंस लगी हुई हैं उनको हटा दिया जाए, जो वैरियर हैं उनको समाप्त कर दिया जाए। यह वैरियर खराब हैं। उनकी यह बात ठीक हो सकती है। हमारे मसानी साहब व्यापारिक हितों को रिप्रिजेंट करते हैं। मैं जानना चाहता हूँ कि क्या वह कोई एम्प्लॉयर्स इस तरह का दे सकते हैं कि जिस वक्त शॉर्टेज आफ फूड हो या किसी दूसरी चीज का शॉर्टेज हो और इन बैरियर्स को हटा दिया जाए तो वह प्राइसिस में संतुलन रखेंगे। अगर वह इस तरह का आश्वासन देने की स्थिति में नहीं हैं तो इन बैरियर्स को रखना ही पड़ेगा।

आज उन्होंने किसानों की हिमायत की है और उनकी दशा को सुधारने के लिये राम बाण औषधि भी बताई है। लेकिन मैं पूछना चाहता हूँ कि आज तक जो मिल मालिक हैं या जो कारखानेदार हैं उनका दृष्टिकोण इनके प्रति क्या रहा है? उनका दृष्टिकोण यह रहा है कि किसानों से कच्चा माल तो इनको सस्ता मिले लेकिन जो फिनिशड गुड्स बनती हैं उस कच्चे माल से, जो पक्का माल बनता है उसका ज्यादा दाम लिया जाए। प्राफिट ही उनका एक मात्र मोटिव रहा है।

यह जो सब चीजें हैं इन को दृष्टि में रखते हुए पब्लिक सैक्टर को आगे बढ़ाने की कोशिश गवर्नमेंट की तरफ से की जा रही है। काफी उस में पैसा भी लगा हुआ है। लेकिन मैं समझता हूँ कि उस में आज जरूरत इस बात की है कि बहुत से प्राइवेट सैक्टर में जो मैनेजर हैं, जिन को इस लाइन का अनुभव है—आप ऐसा न समझें कि वे मैनेजर कंपिटलिस्ट हैं—उनको अगर इस पब्लिक सैक्टर में लिया जाए, उनकी सेवाओं का अगर पब्लिक सैक्टर में लाभ उठाया जा सके, उनको अगर पब्लिक सैक्टर में एम्प्लाय किया जाय तो काफी लाभ हो सकता है। बजाय इसके कि वहां पर भी गवर्नमेंट सर्वेंट्स को लिया जाए, अगर इनको लिया जाए तो जो यूनिट्स हैं, मैं समझता हूँ कामयाबी के साथ चल सकते हैं। यह जो गवर्नमेंट आफिसर्स होते हैं यह ठीक है कि उनको जहां वे काम करते हैं, उसका अनुभव होता है लेकिन फॅक्ट्रियां और प्लांट चलाने का अनुभव उनको नहीं होता है। जहां-जहां भी पब्लिक सैक्टर में इनको लिया गया है वहां-वहां आप देखें तो आपको पता चलेगा कि पार्टीबन्दी अफसरों की हो गई है और उसकी वजह से वहां के मजदूरों की दशा और इंडस्ट्रियल पीस की दशा बहुत ही खराब हो गई है। मैं समझता हूँ कि अब उनको चलाने के लिए एक नया दृष्टिकोण अपनाने की आवश्यकता है।

15.56 HRS.

[MR. DEPUTY SPEAKER in the Chair].

जो बजट पेश किया गया है उसको देखते हुए मैं कह सकता हूँ कि समय की जो मांग थी उसका ध्यान रखा गया है। आज के समय में हम बहुत कुछ आशा भी नहीं रखते थे कि बहुत उछलकूद हम मचा दें। बहुत आशाएँ भी हम नहीं रखते थे। लेकिन समय को देखते हुए बहुत बढ़िया बजट पेश किया गया है, ऐसा मैं अनुभव करता हूँ। मैं इस बात को मानता हूँ जैसे लोग कहते हैं कि गवर्नमेंट का जो खर्चा है वह कम होना चाहिये। आज आप देखेंगे कि डिफेंस पर कितना खर्चा हो रहा है। शान्तिभाई ने भी कुछ बातें कही हैं। कोई चीज हुई होगी अमरीका में। लेकिन आप देखें कि अमरीका की भौगोलिक स्थिति ऐसी है कि वहां पर किसी भी मुल्क द्वारा चढ़ाई करना जरा आसान बात नहीं है। इसलिए अगर मैकनमारा साहब ने कोई इकोनोमी कट लगाया है अपने डिफेंस के बजट में तो वह सम्भव हो सकता था। लेकिन हिन्दुस्तान उस स्थिति में नहीं है। हिन्दुस्तान को दो तरफ से खतरा है, एक तो पाकिस्तान की तरफ से है और दूसरे चीन की तरफ से है। ऐसी हालत में अगर डिफेंस बजट में कोई कमी की जाती है तो इसका मतलब देश को खतरे के हवाले करना होगा। मैं इसके पक्ष में नहीं हूँ।

एडमिनिस्ट्रेटिव एक्सपेंडीचर को कम करने का सवाल भी पैदा होगा। इसको कम करने की गवर्नमेंट ने काफी कोशिश की है। जहां पर 1954-55 में एडमिनिस्ट्रेटिव एक्सपेंडीचर 17.01 था वहां आज यह 10.7 है। अभी भी मैं समझता हूँ कि इकोनोमी का स्कोप है और इकोनोमी की जानी चाहिए।

कभी-कभी देखा जाता है कि बड़े-बड़े अफसर काफी से ज्यादा तादाद में रख लिये जाते हैं। लेकिन जो बर्क लोड स्टी कराने वाला एक विंग है वह सब से पहले यही

[श्री काशीनाथ पाण्डेय]

देखता है कि जो छोटे-छोटे मजदूर हैं वे अगर एम्प्लायड हैं उनको पहले साफ कर दो। इकोनोमी अगर की जाती है तो उसका सब से पहला शिकार यह वर्ग होता है। जब किरफायत की शुरुआत की जाती है वह मजदूरों की छंटनी से ही की जाती है। यहीं से वह शुरू होती है। पब्लिक सैक्टर में देखा गया है कि पहले तो मनमाने ढंग से अफसरों को भरती कर लिया जाता है और जो सिफारिशी होते हैं जैसे जैसे वे आते हैं उनको ले लिया जाता है। लेकिन बाद में वर्क लोड स्टडी जब होती है, मैनपावर कमेटी जो होती है वह आ कर स्टडी करती है तब मालूम होता है कि अमुक जगह पर इतने आदमियों की जरूरत है और उसके बाद स्कीम बनाई जाती है कि इस फैक्ट्री में तीन हजार या चार हजार या दस हजार फाल्टु कर्मचारी हैं और इनको निकाल दिया जाए। इसका नतीजा यह होता है कि ज्यों ही छंटनी शुरू होती है त्यों ही लड़ाई शुरू हो जाती है। मजदूरों और मालिकों में जब झगड़ा शुरू हो जाता है तो फैक्ट्री कहां से चल सकती है। अब तक तो आपको इतना अनुभव हो जाना चाहिये था कि अमुक फैक्ट्री हमें लगानी है और इस में इतने आदमियों की जरूरत होगी। आपके पास मैनपावर कमेटी है वह इसको पहले से ही देख सकती है और उतने ही आप एम्प्लाय कर सकते हैं। दो चार दस इधर उधर हों तो उनको एबजावर्ड किया जा सकता है। यह कोई मुश्किल बात नहीं है। जब आप ह्यूज नम्बर को एम्प्लाय करते हैं और बाद में खयाल आता है कि यह नम्बर बहुत अधिक है तो आप छंटनी शुरू करते हैं। इससे कठिनाई पेश होती है।

खुशी की बात है कि इस बजट में वित्त मंत्री जी ने कहा है कि जिस इंडस्ट्री में जिस तरह के रा मैटीरियल की जरूरत है, उसको रिस्की दिया जाए ताकि उस रा मैटीरियल के सम्बन्ध में वह रिस्चं करे, उसकी क्वालिटी

और क्वांटिटी दोनों बढ़ाने की कोशिश करे। यह बहुत अच्छी चीज है। हमारे यहां शूगर इंडस्ट्री है। सब से ज्यादा अगर कोई परचेज टैक्स लेती है, तो यू० पी० लेती है और एक्साइज इयूटी भी गवर्नमेंट बहुत लेती है। जहां तक गन्ने की उत्पत्ति का सम्बन्ध है यह कह दिया जाता है कि उत्तर भारत में गन्ना ठीक पैदा नहीं होता है, उसका जो उत्पादन है, प्रति एकड़, वह कम है। मैं जानना चाहता हूं कि इसके सम्बन्ध में आपने कौन सा प्रयास किया है। महाराष्ट्र में जहां पर गन्ना ज्यादा पैदा होता है वहां पर तीस मर्तबा पानी दिया जाता है और वहां पर नहरी पानी है। लेकिन उत्तर प्रदेश और बिहार में तीन बार भी पानी कहां वे दे पाते हैं। यह दोष किस का है। आपने इतना पैसा लिया लेकिन क्या आपने कभी इस क्षेत्र में डिवेलेपमेंट कार्य करने की कोशिश की ?

यह ठीक है कि आपने कुछ रिलीफ दिया है अगर फैक्ट्री वाले रिस्चं करें इसलिए कि कच्चे मान की क्वालिटी और क्वांटिटी को बढ़ाया जा सके। लेकिन आप देखें कि आपने एक ला भी पास कर दिया है कि जमीन की सीलिंग होना चाहिये। ऐसी हालत में अब यह जो रिस्चं है यह कहां होगा ? जिम फैक्ट्री के पास कोई लैंड नहीं है वह क्या आममान पर रिस्चं करेगी ? केवल प्रोपो-जल रख देने मात्र से कुछ नहीं होता है। आपको कुछ इयवस्था भी इसके बारे में करनी चाहिये थी। हर फैक्ट्री प्रयास करें कि मिलें कोओप्रेटिव तरीके से या और किसी तरीके से लैंड लें और उस में रुपया लगायें और अच्छा बीज तैयार करें ताकि लोगों को लाभ हो। मैं समझता हूं कि जिस परपज के लिए आप इस स्कीम को लाये हैं, वह परपज सर्व नहीं होगा।

MR. DEPUTY-SPEAKER : The hon. Member may resume his speech on Monday. We have to take Private Members' Business now.