

[Shri S. M. Banerjee]
ly and without any risk, and whether something has been devised.

Shri Krishna Menon: All steps taken in these areas are special in the sense that every possible precaution is taken to keep the aircraft in good condition and no aircraft can take off unless they satisfy those conditions. Inexperienced pilots do not go here. But, no precaution can be taken against turbulence of the weather or the nature of the terrain. If, unfortunately, the country is involved in military operations in these areas, there is no question of avoiding it.

12.11 hrs.

PAPERS LAID ON THE TABLE

NOTIFICATIONS UNDER THE INDIAN TELEGRAPH ACT

The Minister of Transport and Communications (Shri Jagjivan Ram): I beg to lay on the Table a copy each of the following Rules under sub-section (5) of section 7 of the Indian Telegraph Act, 1885:—

- (i) The Indian Telegraph (Second Amendment) Rules, 1961, published in Notification No. S.O. 492, dated the 4th March, 1961.
- (ii) The Indian Telegraph (Eleventh Amendment) Rules, 1961 published in Notification No. G.S.R. 1351, dated the 4th November, 1961.
- (iii) The Indian Telegraph (Twelfth Amendment) Rules, 1961, published in Notification No. S.O. 3020, dated the 23rd December, 1961.

[Placed in Library. See No. LT-83/62].

NOTIFICATIONS UNDER THE AGRICULTURAL PRODUCE (DEVELOPMENT AND WAREHOUSING) CORPORATIONS ACT

The Minister of State in the Ministry of Defence (Shri Raghuramalah): On behalf of Shri S. K. Dey, I beg to lay

on the Table a copy each of the following Notifications:—

- (i) G.S.R. 592, dated the 28th April, 1962, issued under section 3 of the Agricultural Produce (Development and Warehousing) Corporations Act, 1956.
- (ii) Notification No. G.S.R. 593, dated the 28th April, 1962, issued under section 10 of the Agricultural Produce (Development and Warehousing) Corporations Act, 1956.

[Placed in Library. See No. LT-84/62].

ANNUAL STATEMENT OF ACCOUNTS AND AUDIT REPORT OF THE ALL INDIA INSTITUTE OF MEDICAL SCIENCES

The Minister of Health (Dr. Sushila Nayar): I beg to lay on the Table a copy of the Annual Statement of Accounts and Audit Report of the All India Institute of Medical Sciences, New Delhi, for the year 1959-60, under sub-section (4) of section 18 of the All India Institute of Medical Sciences Act, 1956. [Placed in Library. See No. LT-85/62.]

12.12 hrs.

GENERAL BUDGET—GENERAL DISCUSSION—contd.

Mr. Speaker: We take up General Discussion of the Budget. Out of twenty hours, four hours and forty-five minutes have been taken up already. Fifteen hours and fifteen minutes remain.

Shri Morarka (Jhunjhunu): Mr. Speaker, once every year, on this very important occasion, Members of this House and the public outside get a chance to pass their verdict on the performance of the Government and examine the Government's policies, particularly financial, economic and fiscal. More often than not the Finance Minister, as the Government spokesman, receives brickbats and

boquets on behalf of the Government. This is not surprising because a tax-gatherer can seldom be popular with the tax-payer howsoever necessary the taxes may be and whatever their nature.

The main complaint against the Government is that heavy taxes are levied every year. It is true that heavy taxes are levied every year. But, they are levied to execute our Plan, the size of which was approved here. The Finance Minister has to find the necessary resources for the Plan. As far as possible, he sticks to the pattern laid down in the Plan. But, at times, he has to deviate to make good the short-fall in the one from the surplus in the other. In doing so, the Finance Minister has a very delicate and unenviable task to perform. He has to tax the people, tax them with their consent (in democracy) and tax them to this extent and yet hold the price line and stimulate incentives for more production, more savings and more investment. That, I submit, is not a very easy assignment. It requires deep understanding of men, matter and material. I think the Government, the Finance Minister, and his able officers deserve congratulations and great appreciation for handling this delicate task with such rare ability. There is another complaint, and I must say, a very familiar complaint, that the direct taxes are imposed proportionately less than the indirect taxes. This year, apart from the fact that the direct taxes levied are more than in the previous years, most of the indirect taxes levied are such that if you kindly examine them, you would find that very few of them would hardly touch the common man, whose cause we are all so anxious to espouse here. Out of the excise duties which have been levied the duties on tea matches, patent medicines and perhaps one or two other items alone would touch the common man. The total amount of excise duties on these items is not more than Rs. 10 crores. This amount of Rs. 10 crores has to be

realised from 444 million people, which means that per head it comes to less than 20 nP per year.

That apart, the main argument about direct and indirect taxes is that it is only in the capitalist countries, that is, countries which are essentially wedded to the philosophy of the capitalistic way of development that the percentage of direct taxes is higher than that of the indirect taxes. In all socialist countries, including the communist countries, the percentage of indirect tax is higher and the percentage of direct tax is lower. I have got here with me the figures in respect of all the countries, but I may tell my Communist friend who was so vocal yesterday that in Russia the percentage of the direct taxes is 15 and that of the indirect taxes is 85. In India, these percentages are 33 and 67 respectively. On the other hand, in America, the percentage of direct taxes is 86 and that of the indirect taxes is only 14 per cent.

It is a very simple proposition that it is only in a country where the personal incomes are very high, where the individual incomes are very high, that direct taxes can yield more revenue. In countries where the personal incomes are not so high, the revenues of the State have to be realised mostly through indirect taxes.

More than this, what happened last year, just on the eve of the elections? The Finance Minister brought his budget in which he levied indirect taxes to the extent of Rs. 62 crores and direct taxes only to the extent of Rs. 3 crores. With that budget, his Government and this party went to the 'common man' for his verdict. And what was the verdict of the 'common man'? We all know. It seems that the people here are more concerned about the 'common man' than the 'common man' himself. The 'common man', according to me understands more and appreciates more the national needs of revenue than the people who pretend to do that on his behalf in this House.

[Shri Morarka]

There is another lingering grievance that every year the hon. Finance Minister under-estimates revenue and over-estimates expenditure. I submit that this argument has some theoretical importance, but it cannot have any practical validity, less so, because of what the Finance Minister has recently stated, namely that taxes in a developing economy are raised not only to meet the revenue expenditure but also to meet the capital expenditure. Therefore, the needs of revenue here in this context are unlimited, and we cannot say that we have to confine our revenue or tax measures only to raising the revenue for meeting expenditure. It is true that our revenues are under-estimated and our expenditure is over-estimated. But it is not for lack of any precise data or want of competent officers. I submit it is a deliberate budgeting policy. It is a new budgetary technique and it is done in order not to give avoidable shocks to our economy. Psychology plays a most important part in the operations on the stock exchange and other regulated markets. The proof of the pudding is in the eating. It is during the last four years that the Finance Minister has levied or administered very heavy doses of taxation, and yet you find that the all-India index number of variable dividend securities went up from 126.6 in 1957-58 to 182.6 in 1960-61. In Bombay alone, it went up from 128.5 to 189.4.

What does this indicate? In spite of the fact that you have levied such heavy taxes, in spite of the fact that you raised these revenues, still you do not disturb the economic life of the country. I think this is a very wise policy and a very desirable technique that has been evolved.

One of the several merits that this Budget has is, according to me, its rational character. It is rational not only because it levies both direct and indirect taxes, not only because it distributes the burden to almost all groups of society, but particularly

because it introduces a certain rationalisation in the tax structure so badly needed. To the details I will come only at the time of the discussion of the Finance Bill, but I might mention that the proposed reform in the capital gains tax, recognition of the concept of self-employed people, special treatment to salaried income, more duty on super-fine and specially processed textiles, relief in inter-corporate dividends, increase in wealth tax, abolition of the expenditure tax, readjustment of tax rates on registered partnerships according to the number of partners, are some instances in point. The reduction of duty on tea export, of course, deserves special mention.

The Finance Minister says that out of the Rs. 1,100 crores, which is the target figure of additional tax in the Third Plan, he hopes to get Rs. 450 crores due to additional taxes levied last year. This year's taxation, according to me, will bring him another Rs. 400 crores. So, in the first two years, out of Rs. 1,100 crores, he would have provided for Rs. 350 crores, leaving a balance of Rs. 250 crores.

Shri Khadilkar (Khed): He is also joining the Finance Minister in under-estimating revenue.

Shri Morarka: When he gets his chance, the hon. Member might over-estimate it.

Mr. Speaker: Probably he may not get it.

Shri Morarka: It is understandable that when the alternative to this taxation is either inflation or stagnation, and for the purpose of not prolonging our poverty, people are asked to make sacrifices and taxation on this scale is levied. But then the question is whether this additional taxation collected in the name of the Plan is utilised for the Plan. That is a very important question and it deserves to be properly answered. Our past experience in this connection is rather unfortunate. In the Second Plan period, the additional taxation expect-

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ed was Rs. 450 crores. Actually, we realised Rs. 808 crores. But it is no secret that most of this amount was utilised for non-developmental and non-Plan purposes. Last year, speaking on a similar occasion, I had given some figures. I think they are important enough to bear repetition. The non-development expenditure, both of the States and the Centre, increased from Rs. 518 crores during 1951-52 to Rs. 586 crores in 1955-56. That is, during the First Plan period, non-developmental expenditure both at the Centre and in the States increased by Rs. 68 crores per year. During the Second Plan period, the same increased to Rs. 884 crores. That means, it increased by Rs. 300 crores per year. In the First Plan period it increased by Rs. 68 crores; in the Second Plan it increased by Rs. 300 crores. I find from the latest economic survey that in the First Year of the Third Plan, it has increased further by Rs. 42 crores, and the figure has come to Rs. 926 crores on non-developmental expenditure.

Sir, there are two dangers. One is that the revenue which you collect in the name of the Plan may not be utilised for the Plan at all. And secondly, even if it is utilised for Plan purposes, the targets may not be achieved and the performance which you promised may not be performed. In other words, you collect this tax from the people and you promise them in return certain achievements, but in point of fact what may happen is that when the Five Year Plan period is over, your achievements fall far short of the actual expectations.

Permit me, Sir, to give you three or four examples to make my point clear. These examples are only of basic items. Take coal. The target of additional production of coal during the Second Plan was 22 million tons. Against that, our actual achievement was 13·80 tons. In percentage, it comes to 62. Here are some other items:

Commodity	Target of additional production	Actual achievement	Percentage
Steel finished (M. tonnes)	3·08	0·92	30%
Cement (M. tonnes)	8·5	3·9	46%
Fertiliser nitrogen (000 of)	114	31	27%
Sulphur phosphate „	110	44	40%
Railway transport (M. tons)	55	41	75%
Irrigation (M. acres)	9	6	66%
Power (M. Kw)	2·4	1·3	54%

For national income, our target was 25 per cent, and the achievement was 20 per cent.

The point I want to make is this, that these are the basic things, and in these basic things, our targets have fallen short, though the money that we allocated has mostly been spent. To that extent I think we have failed in our obligations to the people, we have not been able to keep our contract with them.

The main drawback of the Plan execution is the slow progress of our various projects. Unless a project is

executed in time, if more time is wasted in the execution of a project, automatically the cost of the project goes up. Even if you do not include any improvements, even if the cost of the raw materials and components does not go up, if all other things remain equal merely because the project takes more time, the cost of the project increases. There is hardly any project among all the projects in the entire Second Plan which one can say has been executed in time. I, therefore, submit that the time has come when the Government must evolve some machinery, very strict machinery, to see that all these pro-

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jects which are included in the Plan are executed in time.

Three consequences follow if the projects are not executed in time. The first is that it upsets production in other spheres. For example, less production of coal and steel frustrated the production of other industries.

Secondly, it upsets our foreign exchange budget. On the basis of a certain production at home, we plan our import and export, but when that production is not available, we have to import more or export less, and to that extent our foreign exchange budget is completely disturbed.

The third consequence is that it is only production which controls inflationary tendencies, and if we go on spending money on these projects and the projects do not mature in time, and they do not produce goods, to that extent we automatically give an impetus to the inflationary forces. Therefore, it is essential, it is vital that something is done to see that all these projects are completed in time.

While saying this, I must also say that sometimes these projects are delayed and they enter into what I would call a vicious spiral. The delay in one also delays the execution of the others. For example, steel production was held up for want of coal; and coal movement for want of wagons; and wagon building for want of steel; transport for want of coal and so on. These are the vicious spirals in which this developing economy or the industrial projects can very easily enter. Therefore, to safeguard against that, it is vital that some machinery is devised, some vigilance committee is set up to see that the Plan projects are executed in time and without avoidable delay.

By all this, I may not be mistaken to mean that I am criticising the Plan. No; because I feel that even what we have achieved has been possible only because we have a Plan.

France, now one of the most developed countries, has come to realise the importance of the Plan; and they have some type of Plan; England has, recently, been clamouring for some Plan because, without a Plan, even the self-generating economy of England could increase its industrial production only by 4.5 per cent. whereas in this our comparatively under-developed economy it is 8 per cent. this year.

I come to another aspect; and that is wastage. I personally feel that there is room for improvement in that direction. There is leakage and wastage in government spending. The Auditor-General every year submits the Audit Report. That Audit Report is scrutinised by a very eminent committee of this House, the Public Accounts Committee. Even when irregularities are pointed out in those committees, I am afraid, the seriousness which the reports of that Committee deserve is not given to them. These are treated as routine and inescapable formalities of the parliamentary form of government. Surprisingly, their findings, serious as they are, are invariably treated in an unusually casual manner.

The other day I put a question to elicit information about the number of officers who have been given any punishments as a result of the findings of the Public Accounts Committee or the Estimates Committee. I wanted information only for the last 2 years; and the Home Ministry informed me that the information is being collected and would be laid on the Table if and when it is collected.

Here, I want to raise a question of propriety. When irregularities are pointed out either by the Public Accounts Committee or the Estimates Committee, the only thing that is being done is that they appoint another committee to investigate those irregularities. This other committee is more of a departmental nature than of a judicial or quasi-judicial type. Such committees have, I am

sorry to say, more often than not, done the work of whitewashing. They have justified everything that the Ministry has done; and they have, more or less, given the go-by to the findings of either the Auditor-General or the Public Committee.

I beg to submit that if any further inquiry is necessary, after the report of the Public Accounts Committee, then, the inquiry must be made not by any Ministry or the Ministry's officers but by some independent judicial officer. The Auditor-General is supposed to be independent. Our Public Accounts Committee is supposed represent the sovereign and supreme body, and yet, these reports are over-ridden and white-washed by another departmental committee. I submit that that is a visible lacuna in our parliamentary system and Mr. Speaker, it merits your attention. The difficulty deserves to be removed.

I wish to say a few words about exports. This budget has created a feeling of disappointment among many people, particularly the exporters who expected that in view of the Mudaliar Committee Report there would be certain positive incentives given for export. I agree that the least satisfactory part of the entire budget is the treatment given to the exports. The only positive incentive given to exports in the budget proposals is for tea. There, the Finance Minister has reduced the export duty and the excise duty on exportable tea, giving relief to the extent of 24 nP to 29 nP per kilogram. This no doubt would help the competitive position of our tea in the international market, but so far as incentives are concerned, I beg to submit that they are all of a negative character, and some of them, I should say in all humility, are no incentives at all.

For example, the Finance Minister has imposed an excise duty on jute goods. The imposition of an excise duty on jute goods would no doubt discourage consumption of jute goods

at home, but that would hardly give any impetus or incentive to the exporters to export them. The Finance Minister has also given a ten per cent rebate on the profits of exports. But the Finance Minister has himself admitted in his speech that exports are also made at a loss. The biggest subsidy or incentive if at all needed was needed by those people who were exporting the goods at a loss. These people are not going to get any relief. It is only the people who export goods at a profit, even if the profit is less, that would get some relief, namely, 10 per cent rebate in their taxable income.

On this matter of export, I would like to give one quotation from the latest ECAFE report. It is on page 3164. It says:

The most depressing feature of Indian economic development over the last decade is the stagnation of exports. Even ignoring the prosperous period of 1951-52, when exports rose to over 7 per cent of the national product, they fell from 5.8 per cent in 1950 or 5.1 per cent in 1953 to 4.3 per cent in 1960."

A little later, the report says:

"Promotion of India's trade, however, could have been more effective; it has neither fully adapted to market requirements, nor made a maximum effort to increase competitive efficiency."

The Finance Minister himself, on page 2 of his budget speech says as follows:

"The most critical shortage which we face and which operates as a major limiting factor in everything that we do is of external resources."

Committees after committees, commissions after commissions have examined this problem and everyone of them has suggested the imperative need to increase our exports. This year, it was expected that the

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budget would do something substantial in that direction, but I am sorry to say that this has been a very disappointing aspect of the budget, namely, that it does not give any substantial relief, and therefore, the results one may expect from these incentives are bound to be moderate and modest.

Before sitting down, I would briefly refer to the performance of our public sector. In paragraph 15 the Finance Minister has reminded the public enterprises of their responsibilities and the expectations that the third Plan has from them. Out of Rs. 450 crores which are expected from these enterprises, Rs. 300 crores are expected from the Centre and Rs. 150 crores from the States. This is over and above Rs. 100 crores expected from the railways. Among the public enterprises are included power plants, irrigation works, fertiliser plants, steel plants, etc.

While it is difficult to say about the contributions our power plants and irrigation works would make, it is almost certain that industrial and commercial undertakings are not likely to fulfil our expectations. About their working at present, one can say that Government is suffering from an incredible sense of complacency and therefore is often mistaken in taking an unjustifiably optimistic view. The managerial problems concerning our huge public undertakings are bound to become more and more complex as time goes by. Very little, if anything, has been done so far in this direction. Technical needs are being catered to some extent and some trainees are sent abroad and prepared for the job, but precious little is done so far to build the top managerial class. The commercial side in an industrial undertaking is as important as the technical side and if that is left weak the concern would always suffer from a serious handicap.

At present, the fort of these undertakings is held by some experienced

administrators, both active and retired. Those officials are more accustomed to run over-bureaucratised machinery than a modern industrial venture. Though their commonsense does not fail them to keep the wheels of the industry running, it is hardly enough to introduce managerial efficiency and economy which are so essential for any successful working of a commercial and industrial concern.

In conclusion, my only suggestion is that the retiring age of the competent Government officers should be extended by a suitable period. I say this because I feel that training such people takes a lot of time. We have not got enough people trained to take over those jobs. Such people as are here now are retired, according to me, at an early age. While they are active, they have to spend their lives away in solitude whereas we need them so urgently and badly. I will conclude with a quotation from the report of the World Bank team which recently visited India to examine the railway administration:

"It would be extremely desirable that the retirement age of the members and officers of the Board and the railways be extended to at least 60 years so that their experience can be available to the railways for the additional period."

I am not referring to the railways alone; I am saying this for the entire administration.

Shri Prabhat Kar (Hooghly): Mr. Speaker, Sir, Member after Member refers to export, commerce, trade, etc., but excepting the Finance Minister, no other Minister is present here. It was expected that at the time of the general budget discussion at least all the Ministers would be present, but.....

Mr. Speaker: It is not possible to have all the Ministers, but some more Ministers may be present.

Shri Prabhat Kar: At least their representatives should be here.

Mr. Speaker: The Home Minister is here. There are certain Deputy Ministers who are sitting behind.

Shri Prabhat Kar: Ministers of Commerce and Industry and Planning should be here.

The Minister of Finance (Shri Morarji Desai): The other House also is discussing the budget simultaneously.

Mr. Speaker: One or two other Ministers may also be present, though it is agreed that the Finance Minister has to take the whole burden. Members might say afterwards that their points have not been answered, but when the Finance Minister takes the responsibility of answering to the whole debate, we need not much bother.

Shrimati Renu Chakravartty (Barackpore): Mr. Speaker, Sir, to call this budget a socialist budget would be a euphemism. It is a budget of an intelligent person no doubt, who talks of welfare and cuts the pocket of those who can ill afford to pay the extra amount which is every year fleeced out of them. Those who are almost at subsistence level. He talks of socialism, but peculiarly enough, as my friend, Shri Morarka said, the stock exchanges boom. He professes to bring about social justice and demolishes one by one—the wealth tax on the corporate sector and now he has followed it up by abolishing the expenditure tax. He talks of planning, and yet he rejects all economic and social controls, specially the much needed control for stabilisation of prices. To sum up, it is a capitalist budget with a sprinkling of welfare measures mis-termed as socialism, and it is a self-defeating budget as far as quick regeneration and planned development of India goes.

But I want to mark, however, one difference between this budget and

the earlier one. Shri Desai, being intelligent, knows that Rs. 57 crores of indirect taxation in 1961 cannot be followed up by another big lash of Rs. 44 crores without some softening up of resistance. That is why he has brought in a small measure of direct taxation in the form of slight increase in the corporate tax, capital gains tax and wealth tax. This shows that public opinion can still put pressure to defeat such policies which hit the people, and we say that it is a step in the right direction though it is but a drop in the ocean of that sea of wealth which still floats about, and about which we are always told the Government does not know where that wealth is,—it is neither in the share market nor in the speculative market nor in the secret vaults which we know are there in banks, in Bara Bazar and other places!

Now, Sir, these new direct taxes disproves another point. It has always been flung back at us, who have always insisted that there should be more direct taxation, that we have reached the saturation point". The very fact that in this budget even a Finance Minister like Shri Morarji Desai has inflicted some more direct taxation proves that saturation point was never reached and there is still quite some margin left. As yet, however, the proportion of direct taxation to indirect taxation remains at 2:3. My hon. friend Shri Morarka has already pointed out about the over-collection and under-estimation of budget receipts. But one thing which he has not pointed out is that this over-collection is always more in the sector of indirect taxation than in the realm of direct taxation—for example, I was just looking as to how much of actual realisations have been made in wealth tax and expenditure tax between 1959 and 1962—I find that the percentage is much lower than indirect taxations. This is the reason why we say that even the amount of indirect taxation

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which has been shown is but an invisible one, it will be far exceeded and the pressure on the common pocket will be much greater.

I do not want to touch the point about non-developmental expenditure because Shri Morarka has already said about that. But I would like, certainly, to touch on one point which, very cleverly, Shri Morarka has not touched, and that is about the question of abrogation of the expenditure tax. Now, what is it that Shri Desai has told us?

Shri Morarka: I said that it was a rationalisation of the tax structure.

Shrimati Renu Chakravartty: That again, I would say, is euphemism because according to Shri Morarji Desai, the reason for doing it is that it is not bringing in much of revenue nor is it producing savings. Let us remember what Shri T. T. Krishnamachari said at the time he introduced this tax. Shri Morarji says that it has been abolished because it has no backing of historical experience. True. But it is something which we have introduced because of the special conditions prevailing in India where evasions are also great. Again, he says:

“Expenditure tax has contributed little to restraining ostentatious expenditure and for promoting savings.”

But look at what Shri T. T. Krishnamachari says:

“While we should not allow any income to escape, we must also understand that the income is not the main thing for this tax because if we do not get income from this tax we get it from the other side. If a person does not pay the expenditure tax that means he does not spend. Money is available for the community by way of savings. Wealth is created which will attract wealth tax.....the operation of it will undoubtedly take time and we

cannot see the results in a year or two.”

Yet, within three years, Shri Morarji Desai has scraped it. Should not the princes and richer sections of our people have reason to be grateful to him? Brick by brick, even this effort to check evasion has been smashed. How fatuous is the plea that it brings less than what the machinery of collection costs? Yet, only in 1959 Shrimati Tarkeshwari Sinha said in reply to a question that separate costs did not arise as the collection machinery was an integrated one. This was a sort of pincer movement to surround the tax-evaders by the wealth tax, by the capital gains tax, by the expenditure tax as well as by the gift tax, and this has been corroded. And we fear this is the beginning of certain further concessions, may be in the future.

Now I should like to come to certain interesting observations made by Maharani Gayatri Devi yesterday. With all deference to her and her eloquence—I am sorry, she is not here now—we want to say this. She spoke eloquently of the poor man's burden and in the refrain pleaded relief for the rich man's burden too.

I would only ask her: has not the Finance Minister, who is a gallant man, acted in favour of the poor hard-worked rajas when he abrogated the expenditure tax? It is the princes who are benefitted most by it. Even at the time of the discussion on the Expenditure Tax Bill and, later on, when we had asked questions again and again as to how much expenditure tax has been realised from the princes, we were given evasive answers. Then she talks of over-spending and non-development expenditure. A very right and correct point. But are lavish durbars to the Queen of England where even Congress Chief Ministers are dictated to as to how to wear clothes and what to wear and shikars and Polo matches for Mrs. Kennedy productive of anything except show-

ing except showing our slavish mentality of a bygone era? She talked of privy purses being given up when pensions are given up. What equation is there between the pension of an army sepoy who gets the royal sum of Rs. 24 for his entire family and that of those whose privy purses come to Rs. 5 crores, who live in multiple palaces and forts full of jewels and priceless gems with luxurious sojourns in the Swiss Alps, Monte Carlo, London, Paris and New York? How can they be made synonyms or interchangeable terms for what she calls "their generations of toil and service for their people"?

We know the Swatantra Party uses the discontent of the people against Congress policies and by beating the Congress and the Finance Minister with this, wants to get away with certain more concessions for the rich at the cost of the poor, and I am sure the Finance Minister is not very allergic to it. But I would like my Congress friends, and certainly we on this side, to beware of this. And that is why we say that Shri Morarji Desai's budget is a retrograde budget from all concepts of planned economy aiming at reduction of disparities.

Now I come to another point. When in a budget you have done away with the expenditure tax, in such a situation, you are asking us, the ordinary people, to welcome it. I do not know where Shri Morarka met people who were welcoming the increase in excise duties. I think he is more loyal than Shri Morarji himself, because Shri Morarji himself will not be prepared to say that the people are welcoming this.

Shri Morarka: I never said that the people are welcoming the increase in the excise duties. Either the lady Member was not attentive, or she is misinterpreting me.

Shrimati Renu Chakravartty: I certainly would not like to underestimate his intelligence.

In this background, when we examine this plea of the Finance Minister to cut consumption after dispensing with the expenditure tax, can we not with reason ask whose consumption do you want to cut? It is the consumption of those who can ill-afford to cut it down any further. It is the consumption of the middle classes, the small traders, the workers, the government employees, the agricultural labourer and middle class peasants who are every day struggling to give two square meals to their children, to pay for the education of their children, to pay their house rent and meet the expenses of medical bills. Are not the majority of our people nearer the line which marks the bare subsistence level, if not starvation level?

Now I come directly to the question of prices. The Government has no right to inflict more excise duties and more indirect taxation when it has refused to hold the price line. It is no use telling us that you are holding the price line after August up to December 1962 and that the line has been held at the index figure of 128. Actually, if you see the all-India cost of living index, taking March 1950 figure at 100, in July 1961 it was 125. As a matter of fact, if we are to see the actual increase in the prices of food articles, fuel and power, textiles, vegetable and fruits, fish, meat eggs and tea we will see how much they have gone up. Only yesterday I was looking into one of the papers in our State and I found the price of rice in West Bengal is increasing at the rate of 1 nP per kilo gram each week. And the Food Minister tells us that the off-take from the fair price shops in Calcutta has suddenly jumped to 309 tons during the week ending April 29th from 91 tons in the week preceding. These are very disconcerting features. Moreover, I am quoting figures of prices which we never get in the retail market at all. Here the prices quoted are for the wholesale markets, but when we go to the markets we find the prices are much higher. Apart from this, even if you take these indices, you will see that

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the trend is far from being arrested; actually, the trend is of increasing prices. Then the rents of houses have gone up like anything and even Government does not pay city compensatory allowance or house rent allowance in many places. In this background, whose consumption do you want to cut?

Then, in regard to excise duties, we are told every time that their impact on the consumer will not be much. Only the year before last we were told by the Finance Minister that by the imposition of the additional excise duty on from there would be an increase of 1 nP on 12 cups of tea and, therefore, it will not affect anybody. But does anybody remember that even though the excise duty was only 1 nP on 12 cups, when we went to buy loose tea we found that its price had increased? The same thing is going to happen in the case of these levies also, whether we admit it or not. Already the prices have gone up for not only tea but cloth matches and other commodities. Just now I have received a short note from the Kanpur Gunny Traders Association that on 23rd April the excise duty on jute manufactures has been passed on to the second and third transferees and they are being forcibly made to pay the whole excise duty. That is to say, the duty, instead of coming from the pockets of the owners, is being passed on to the consumers. This is the way in which the excise duties are really passed on to the ordinary consumer.

Then I come to another point, and that is on the policy of the Government in helping small industries like the handloom industry. Now the Government is trying to put the handloom industry on par with the big industries like textile mills. This has happened last year also and it has happened again this year. For example, take the handloom industry. I come from the State of West Bengal where we have many small units; we do not have big powerloom units like

those obtaining in Bombay. Here we have got about 5,000 workers working in the power looms. In the Hindustan Cotton Mills, Belghoria the employer has reduced the looms from 96 to 24 with the result that hundreds of workers are thrown out of employment. The Jatia Cotton Mills of Howrah, of course, is a bigger unit with a paid-up capital of about Rs. 8 lakhs. It used to pay a compounded levy of Rs. 70,000. If he has to pay at composite mill rate he will have to pay Rs. 2,75,000 or more in the form of levy. It is, therefore, impossible for him to carry on.

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Another industry which has been badly hit is the rubber proofing cloth industry, which also comes under this duty. In West Bengal there are seven or eight small units of this type of rubber-proofing cloth industry. These are medium sized factories mainly concentrated in our State. They produce things which are used by hundreds of men and women, things like bazar bags, school bags for children, etc., which are sold at 12 annas or so. These bags find a ready market in Bengal, South India and all over the country. About 33 lakhs of yards of handloom cloth, especially from Kerala is consumed by this industry. If the excise duty is to be made applicable to handloom cloth this industry will switch over to mill cloth. Double textile rubberised cloth which was cheaper than canvas cloth will become more expensive. The excise duty expected to be realised is not more than Rs. 17 lakhs. Even this will be circumvented, because tarpaulin will be going in for jigger-process waxing. I would ask the hon. the Finance Minister that if the policy of Government is to help small and medium sized industries, they should seek steps to prevent this industry from closing down. I would also like to say that the rubber proofing cloth should be exempted from excise duty and power-loom units up to 100 should not

be charged as much as products of composite mills.

Coming to export excise drawbacks to promote exports, if we want to increase our exports to earn foreign exchange, in a planned way we must not think of robbing the exchequer by giving these drawbacks. We must realise that we have to contend against political groupings of West European countries, in the ECM and their African associates which put out of bounds our trade with them. Secondly, our main foreign exchange earners, like tea and jute especially are dependent on exporting houses which are dominated by foreigners. Thirdly foreign shipping freights and bottoms still determine our pattern and competitiveness of our trade. Therefore the drawbacks permitted on exports does not touch the fringe of the problem. My hon. friend Mr. Morarka referred to excise on jute. Now, Sir, we are against having any excise duty on jute in order to restrict the consumption of jute manufactures within the country. It is a well-known fact that our jute trade in the foreign markets has been suffering from many ups and downs. We are increasing our trade. But it is an industry where looms are often sealed, chronically pestered by unemployment. When it is reviving by a bigger internal market we should see that nothing is done in the name of exports to hamper this industry again. At the same time we do not want these bonus incentives which I think Mr. Morarka was pleading for in the case of jute exports. If you put an excise duty on jute sacking, what will happen is that it will be passed on to sugar, or added on to rice or other food-grains, or cement. It will ultimately be passed on to the consumer. By allowing these drawbacks for export promotion we would only be allowing the foreign exporters and auctioners to build up their profits in tea and jute at the expense of the Indian exchequer.

In tea you can control the auction market only when we can get out of the grips of Mincing Lane in London,

only when we can control the Brooke Bonds, Liptons and Jardine Hendersons. Secondly, why should we permit foreign exchange build up in the hands of the private sector? On the 4th of May in answer to a question in this House it was found that 950 accounts have been declared to the Reserve Bank of India totalling Rs. 3.30 crores kept in foreign banks. This is nothing. I am sure my hon. friend Mr. Bajaj can tell us in secret more foreign accounts which are there.

Mr. Speaker: Why should Mr. Bajaj be chosen?

Shrimati Renu Chakravartty: I say so because he is a friend of mine and he may tell me in secret.

Shri Hari Vishnu Kamath (Hoshangabad) : Why in secret?

Mr. Speaker: The hon. Member is not keeping the secret of a friend with herself.

Shri Kamalnayan Bajaj (Wardha): I am not in the habit of divulging the secrets of the people as communist usually do.

Shrimati Renu Chakravartty: I meant it only in joke and did not mean Shri Bajaj has a foreign account.

Foreign trade if it is to be for purposes of gaining foreign exchange for planned development must be in the hands of State Trading Corporation. The thirty-five crores of rupees of profits of the STC is not bad. I know that the performance could have been much better. Instead of rebates on tea and high spending in the USA by the Tea Board with declining export markets in the United States of America, we must organise selling tea outside the grip of Mincing Lane. Only state ventures can break international cartels, monopolies and regional commercial groupings.

Uncompetitiveness of prices is always laid down at the gate of

[Shrimati Renu Chakravartty]

workers' wages. Why not at the door of undue profits? Yet see what *Capital* says: "Profits and turn-overs during the past year have risen." My hon. friend Mr. Morarka also says this is true. Government we find has no grip over the cost structure of manufactures, what is the amount going towards raw materials, labour cost, capital cost, depreciation and profits. Further, at the root of unstable prices is the refusal to lay down floor prices for agricultural raw materials before the sowing season. What is the use of appointing enquiry committees after enquiry committees. The Asoka Mehta Committee suggested the establishment of a Price Stabilisation Committee. We go on clamouring for the fixation of minimum price of jute and cotton before the sowing season, so that there may be a stable supply of raw materials at proper prices. But this is never acquiesced in. That is why we say that uncompetitiveness of prices cannot always be put down to workers' wages. And yet what does Nandaji say? He says that real wages of workers have gone down. So, let us not pat ourselves on our back by saying that we have done well by labour. Foreign exporting houses and big business firms will really gain by this export drawing back which has been permitted. Without state-trading, this incentive for increase in foreign exchange earning for planned development will remain a chimera.

The Federation of Indian Chambers of Commerce and Industry has in the meanwhile submitted an intelligent memorandum. Like *Oliver Twist* they are never tired of asking for more.* They ask: What is the use of this drawback? We should be permitted to have liberalisation of currency retention. They have made an interesting suggestion regarding imported dye-stuffs. In short they say: We should be permitted to earn as much profit as we like and sell to whomever we like; in other words, allow us to indulge in as much profiteering as we can; please do not touch us.

Now, Sir, the last point which I would like to make is regarding a point which the Finance Minister himself made. He asked: how shall we have development? He has put it in a rather attractive form. He said that "even with the increase in the size of our Plans, we are unable to accommodate all the legitimate aspirations of our people, for more schools and roads for more power and drinking water, for more transport and employment opportunities". These are no doubt sentiments which find an echo in the hearts of all our people. But can we not ask: Why is it impossible to nationalise banks which would give double-edge of putting huge resources of Rs. 1,857.16 crores of deposits as well as the power of controlling prices by controlling power of hypothecation. We saw how helpless the Reserve Bank of India was in checking the selective credit control applied to foodgrains. We were often told that money was taken not in the name of foodgrains, but actually speculation was carried on in the name of foodgrains. What about the secret vault resources? Apart from gold and bullion, we are told that actual notes and currencies, black moneys, are escaping taxation. They are not of a small order.

It is widely known that a good part of the difference between bank deposits and money supply with the public, which is almost about Rs. 1,000 crores, is black money, speculative money, money which neither the Forward Markets Commission nor the Government have ever cared to assess, far less to control.

Is this a planned economy where neither bank advances are controlled for planned development, nor does it use all the invisible sources of money for public good and national regeneration? An we find from *The Capital* that Shri Morarji Desai in Bombay has been properly pressurised to tell the big business that "we are not going to nationalise banks". Not

only that. I do not know whether he has said "at the moment"; but as far as I can make out, it is a blank cheque, that they will not be nationalised, even at a future date, maybe.

Why was it impossible to use the L.I.C. funds totalling Rs. 560.38 crores? These are long-term deposits and are eminently suited for planned development. Why should these nationalised funds be used to maintain the buoyancy of the share market which to a socialist should have no part to play in our economy, not even capital formation, because it works on the basis of speculation, scares, artificial shortages and cornerings.

What about the privy purses of Rulers? If others are asked to tighten the belt, why not first ask those who have enough room to spare between the belt and their opulent body? They should be asked to make sacrifices.

Therefore, to pose the question of lack of resources in such an innocent way as to give the impression that all resources have been tapped and the only thing left is to fleece the common man who is already stumbling under the heavy burden of rising prices and reduced real wages, is not honest, far less is it the sign of a socialist conscience.

We want development. But if increased production and income is to create greater inequalities, then there is no need to go into long-winded theories of the futility of "equalisation at the lowest level" or "dispersal of poverty" as the Prime Minister said. If the process of the so-called "levelling up" leads to greater disparities and the crushing down of the lower rungs of the society including the middle classes who form the bulk of our people, we need not be apologetic about levelling down. The Swatantra's would be a great deal better people if the idle rich worked and lived a simpler life. Let all those who are truly desirous of giving birth

to a more equitable society and who are at least sentimentally attached to the ideals of socialism and the right of giving an equal opportunity to all the children born to us, let them see the real face of this budget. This is a budget which does not bring about regeneration and a quick development and a planned development of our society.

Mr. Speaker: Shri Inder J. Malhotra. There is a long list furnished by the Congress Whips. I would advise the Congress Members to take as little time as possible, in order that I may be able to accommodate a large number of speakers.

Shri Inder J. Malhotra (Jammu and Kashmir): Sir, the budget that has been presented to this House this year has been termed on the one hand as a capitalist budget and on the other as a more socialistic budget. Only a few minutes back the hon. lady Member from the Communist Party remarked that the budget is an absolutely capitalist budget. In my opinion the budget proposals are neither capitalistic nor socialistic to the extent, that even the Congress Party, according to its basic policy of a socialistic pattern of society, would like to have.

As in the previous years, this year also the burden of taxation has again been put more on the common man, and more especially the middle classes of this country have been affected to a greater extent.

13.16 hrs.

[MR. DEPUTY-SPEAKER in the Chair].

On the one hand, we have a goal before us for the achievement of a socialistic pattern of society in this country, and a welfare State. Under a welfare State, relief is to be given to the common man every year, not that every year more taxation is to be put on the income of the common man. We can only achieve a welfare State and a socialistic pattern of

[Shri Inder J. Malhotra]

society when, after the budget proposals are presented to the Parliament, there is a general feeling among the masses that this year Government has given some relief to the masses.

In my opinion the Indian people would not hesitate to give a part of their earnings and their income by way of taxation to the Government if they are assured that with this money they will be provided with a better administration and that more amenities would be given to the Indian people.

We had the First and the Second Five Year Plans and we are now having the Third Five Year Plan. Crores of rupees have been spent on this planning and on the various plan projects. I would say that we have achieved something, but we have not achieved to the extent to which we could have achieved with the amount that we spent and with the huge administrative set-up that we have in this country.

What happens when a project is planned? The financial sanction is given. Then the first step which is generally undertaken, whether it relates to a Central Ministry or the State Ministries or any other Government department in this country, is to have an increase in the existing staff. I have observed this with minute details, and there are a hundred and one instances of this in various departments of the Government. To implement or carry out an additional project, recruitment of additional staff is unnecessary. This saving in expenditure could very easily be brought about by better co-ordination at the administrative level between the Centre and the States and between the different Central Ministries even.

By way of example, I would like to say that at the Centre we have the Ministry of Food and Agriculture and another Ministry, namely the Ministry

of Community Development and Co-operation. My observation is that as far as the practical experience of the common man, especially of the farmer is concerned, by having this bifurcation of responsibility at the Centre, and so at the State level, the poor farmer is made to suffer. What happens is that the supply of seed and fertilizers is to be arranged by the Ministry of Food and Agriculture. Its distribution is to be done by the Ministry of Community Development and Co-operation. The Ministry of Community Development and Co-operation tells the farmer that since the supply is short they are not in a position to supply. On the other hand at certain places the supply is more and they say that the farmers are not ready to have the supply. Such confusion exists in a very important field of administration. This field of administration is so important to the common man, to the farmer, that greater and more vigorous co-ordination is required at the Central and also at the State level.

Our Prime Minister time and again emphasises this aspect that we have to achieve the socialistic pattern of society in this country. There is no doubt about his sincere intentions and his sincere efforts. My hon. friend Shri Ansar Harvani, yesterday, while participating in the discussions, remarked that our Prime Minister has the head of a socialist but he is surrounded by rightists and so nothing is progressing in this country. I would only like to say this that Shri Ansar Harvani, being a congressman and having been associated with the Congress organisation for at least 10 or 12 years more than me, should at least realise that if our Prime Minister feels, at any time, that in the fields which he likes to progress in this country according to the basic policies of the Congress, there are bottle-necks and that there are certain people to whom he has given the responsibility, who are not working according to the basic policies of the

Congress, the hon. Prime Minister would not stay in that position even for a single minute.

It is another matter beyond doubt that some people have been given great responsibility at the Centre and even at the State level in the Congress Ministries to go ahead with full speed to achieve socialism in this country. That there are certain sections who have entered the great Congress organisation and somehow manoeuvred to position in the Ministries may be a factor which is working against the basic policies of the Congress organisation. But, on the whole, the position is not so bad as probably visualised by my hon. friend Shri Ansar Harvani, which made him say that even our great Prime Minister has become helpless.

Keeping in view the observations and remarks made by both the sides of the House and my personal observations also, I would only say this that our Prime Minister is over-busy with other matters of international importance and he probably gets very little time to go into more details as far as the implementation of the various development projects in the country is concerned. My suggestion is this. Since the situation is this, I would suggest that there may be created at the Centre a position of Deputy Prime Minister who should be wholly and solely in charge of development projects in the country and he should devote his full time to economic policies and see that the various Plan projects are implemented fully. Unless there is a thorough and complete co-ordination between planning and implementation, nothing much can be achieved and that is why we always feel that, keeping in view the money we spend and the large number of administrative officers and other government establishments, we are not achieving what we should have achieved.

Now, I would pass on to the speech made by the Swatantra party leader

(if not inside the House, at least outside the House) Shrimati Gayatri Devi. It is very heartening to listen to such sympathetic words from the former Princes of this country, that overnight they have developed a liking, a love for the common man, for their uplift and for their progress. I would only like to know from such Princes why, when under the British rule, they were, to some extent, wholly and solely in charge of the States, not only in charge administratively, but practically the state subjects were owned by these Princes, at that time, this love and sympathy for the common man did not enter the hearts of most of these Princes. After realising that now India is progressing ahead with speed towards a socialistic pattern of society, and if the Princes, with their accumulated wealth, just sit quietly, away from the political life of the country, in another five or 10 years, they would be absolutely forgotten, they thought of entering the political body of India and with that accumulated wealth, which belongs to the people of India, they spent in the elections, they formed a political party in the name of Swatantra Party and became the so-called representatives of the people, and they have made it a fashion to voice the peoples grievances in this House and in certain State Assemblies also. I would only suggest to Shrimati Gayatri Devi that since, now, she has become a peoples representative, as her first gift to the common man, let the Maharaja of Jaipur and other members of the royal family give up their privy purse.

To justify the privy purses given to the Princes. Shrimati Gayatri Devi said that it is a sort of a pension. Now, pension is given to those persons who have served the country, who have served the people to their fullest capacity, with sincerity and honesty. Pension, in a socialist India, cannot be given to persons who have accumulated people's wealth and if they are not satisfied with that wealth and if they still want to have more wealth

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of the people in the name of pension, then pension is...you have rung the bell: I will finish in one minute. In the end, I would say this. Instead of emphasising or instead of imposing more taxes, I would appeal to the hon. Finance Minister that he should explore and find other avenues which could be savings in administrative expenditure so that some relief can be given to the common man.

Shrimati Yashoda Reddy (Kurnool): Mr. Deputy-Speaker, Sir, it is neither an easy nor an enviable job, in any country, even if it is a country with a buoyant economy, to balance the budget. And yet, in a country like ours, which is very poor, and which has been impoverished for many centuries, where we have to get any amount of financial assistance for the massive needs of the Plans, it is certainly a more tough job. In this context, I should congratulate the hon. Finance Minister for having struck a golden mean between too much of taxation and deficit financing, both of which would have led to inflatory conditions.

Shri Morarji Desai is a man of surprises. Last year, before the elections, when everybody expected that he would not tax heavily, he, with a clarity of his own, knowing what he wants and having the Third Plan in his mind, did not keep quiet but taxed the people, even exposing himself to the risk of personal criticism before the elections. This year, when we thought that there would be a heavy taxation, especially with an overall deficit of Rs 147 crores, and the increase in dearness allowance sanctions and the increase in defence expenditure, he has given us a pleasant surprise.

Though many people from the Opposition have said that we have not progress in planning, at least we should not be over-critical. We should

release what we have achieved, and how and in what circumstances we have achieved it. We might not have got everything that we wanted to achieve, but we should not forget what we have achieved.

When we began our Second Plan, the sterling balances were only to the tune of Rs. 746 crores, and they came down to Rs. 136 crores by the end of the Second Plan, and by July, 1961, they were only Rs. 98 crores. In spite of that, in spite of our production not being much, because of the control efforts that we had undertaken, our import and export position was much better, and we got Rs. 665 crores from our exports, which represented an increase of 5 per cent. But the money which we had was not enough.

Though there was criticism from the other side that foreign help need not have come in, I, for one, believe that especially in under-developed countries, foreign aid is absolutely necessary, and without foreign aid, we cannot have even a beginning. Though ultimately we should depend on our internal resources through taxation, exports, savings etc., in the initial stages, we should not forget that foreign aid is necessary. And I am extremely grateful to the countries which have given us foreign aid.

Coming to the immediate taxation proposals, I would like to refer to one or two specific proposals, before I go into the economic policy of the country. For the first time, the incidence of indirect taxation has come down, and that is a very welcome measure, and I congratulate the Finance Minister on that.

The increase in the corporate tax by five per cent. is a very welcome measure, as far as I am concerned. Though many people, especially the capitalists have said that it is anti-

capital and that it will not result in capital formation, I feel that that is a wrong criticism to make. Usually, these capitalists are the people with the loudest voices, and they cry at everything. But even their own barometer, namely the stock exchange, which gives an idea of how capital formation will be affected, has shown an upward rise. The buoyancy of the stock exchange has shown that whatever the capitalists are saying has been belied. Moreover, in our economy today, it is not very difficult for the corporate sector to absorb increased corporate tax by five per cent. Our economy today is more or less on the basis of the war economy, a closed economy; because of want of funds practically our imports are nil, and even the risk about which the private industrialists say so much is practically nil because there is no competition in the internal market. Moreover, these capitalists forget the special concessions that they are enjoying. They have got exemption in respect of export earnings, and a five per cent. reduction on the statutory percentage of minimum distribution of profits. So they can easily absorb not only this five per cent. increase in the corporate tax but even more than five per cent. and at least next year, the Finance Minister should think of increasing this tax.

I congratulate the Finance Minister on his having increased the capital gains tax and also the wealth tax. But there is one thing on which I would like to differ from him. So many of my hon. friends from the Congress side have welcomed the abolition of the expenditure tax. But, I, for one, feel that it should not have been done, because as has been rightly pointed out by one hon. Member, it was known even when this tax was introduced that it would not fetch enough revenue. The Finance Minister has said that he has scrapped this tax on three grounds, namely that firstly it did not yield any significant income, secondly that there

was no restriction on consumption and thirdly that it did not check conspicuous expenditure. I feel that this would have been a good source for at least knowing where the black money had come from, and we would have known at least the capitalist friends' income, if this expenditure tax had not been removed.

I would submit that taxation is not the only way of controlling the economic policies. Here, I would like to say a few words on the philosophy of Government, especially in regard to the economic development of the country.

We have been wedded to the socialist pattern of society, and so much has been said about it from all sides of the House. Taxation may be one form of solving the economic problems, but I, for one, do not believe that taxation alone would solve our problems. Our troubles are based more on social inequalities, administrative irregularities and executive inefficiencies. Besides, there is also the charge that price level is not being controlled and the problem of unemployment is not being solved.

When I say 'social inequalities', I do not know whether I shall be able to express myself very clearly. The difference in the incomes between the highest in the land and the lowest in the land should certainly be narrowed down. But as the Prime Minister has said very correctly, socialism does not mean just chopping down the rich and then bringing them down to the level of the poor. I do not believe in that sort of socialism, certainly, but the minimum wages and the minimum standards of the people at the lower rungs of the ladder should certainly be raised.

When we view the question from this aspect, we should know the enough clothing and such social and minimum wages or the minimum remuneration that the people who are employed in our country are getting; whether it be in the agricultural sector or in the industrial sector, whether it be organised labour or unor-

[Smt. Yasohda Reddy]

ganised labour, the minimum wages which are paid are not very remunerative. I feel that Government should give immediate thought to these things.

One of the major aims of our policy should be to raise the standards of living in the poorest area and of the most disadvantageous classes through appropriate plans of development and employment. I also suggest that the minimum wage legislation should be enforced in the unorganised sector of the industry and the organised sector of agriculture over as large an area as possible. In the organised sector of industry, collective bargaining and standardisation of rates of remuneration should be actively encouraged. Thirdly, there should be a progressive increase in the salaries of the lower level employes so that the difference between the salaries at the highest and the lowest level is not very great. Fourthly, the standards of remuneration or earning at the highest level in private business should be made amenable to public regulation. These things should be immediately taken into account in the economic policy of our Government.

No doubt, in mixed economy the private industry and the private sector should get incentive. I do not say that they should not get incentive and everything should be taken up by the public sector. But, rightly or wrongly, the term 'incentives' is usually associated with money or the relief that the rich people get from direct tax and so on. But money is not the only incentive. Incentive means something more than money. The incentive that a hundred people at the top may get by the reduction of direct tax or by the abolition of direct tax bears no comparison with the incentive in the form of psychological satisfaction which the millions of people get when they are given enough wages, when they are given enough food, when they are given enough clothing and such social and humanitarion benefits. The incentives

which they get into their psychological being, the spirit of satisfaction which they get that they are getting enough for their work, the fact that they are being paid for their work and that all their labour has not been wasted and that they have got the fruits of their labour and these have not been diverted to the richer classes, is something for greater than the incentive which a few rich people may get. Incentive should not always, therefore, be associated only with the money aspect or the aspect of capital formation. Incentive means incentive among the hundreds of millions of our people in the lower strata, and incentive can be given to them only through the social welfare policies of Government. This is one important thing which Government should remember.

Many hon. Members have spoken about the administrative deficiencies, especially about the huge wastage that is there. In this country which is a big country undergoing planned development, there has, no doubt, been an increase in the number of Departments and officers. But I should like to say one thing about the 'ax proposals. Year after year, taxes are imposed. But Government must also know how much of tax evasion is going on. If as one hon. Member pointed out yesterday that there was tax evasion to the tune of Rs. 250 to 350 crores, is correct, that it is very serious. When in a country like India, there is tax evasion going on, it should be considered not only a crime, but it should be considered as something more than a crime, it should be considered as a sin. When a person murders somebody else, we give him capital punishment. But here are the people who suck the blood of the people. We get money from the poorest men by taxing them and by making them undergo sacrifices, but these rich people who can well afford to give the extra fat away to the country go on evading taxes day by day. Evasion never takes

place in the case of indirect taxation because the poor man cannot evade the tax levied on consumption goods which he has to buy. On the other hand, the rich people, who have got the power to evade tax, should not be let off. As was said in another connection, they should be hung by the nearest lamp-post, as the saying goes. A special treatment should be given to such people who suck the blood of the country; they should not be allowed to remain in India free without adequate punishment.

Another thing I want to say is about the employment and social policies. It has been noted that there has been a continuous and significant increase in unemployment in areas since 1951-52. In the last few years, unemployment has increased by more than 35 per cent. If the urban population has increased by 4 or 5 per cent. per annum, there is unemployment at double the pace in towns. This unemployment at the urban level is also due to the migration that has taken place from rural to urban places and increase in population. Even in the rural areas, though no useful data are available, the Agricultural Labour Inquiry shows that there is a fall in self-employment, and the rural population are offering themselves for wage employment. Studies reveal that neither in, agricultural nor in the total urban sector are employment opportunities being created as fast as the flow of labour. Even in our large scale industries, the overall increase in production is not able to absorb more than 0.23 per cent. of the total labour. Again, even in the traditional industries, where the market was sheltered for their products, they gave only fuller employment to the already employed, not extra employment.

Government should, therefore, give more thought and attention to small scale industry, industry which could not only adopt advanced techniques but also take in extra labour. I need not give more details about these

things, because the hon. Finance Minister knows them and he can easily ask his administration to give him some suggestions in the matter.

There is one thing I would like to say. It is that prices have not been controlled by Government in spite of all their efforts. I do not attribute it to lack of machinery, as some people have suggested. There is ample amount of machinery in the Plan itself. But I ascribe this absence of co-ordination and control to the inefficiency of the Administration. Programmes of production, distribution, allocation of controls, fiscal measures, credit supplies and restrictions and monetary devices are already in the Plan. It only remains to integrate the working of each of these mechanisms so as to contribute to an even tempo of activity and development. All controls over foreign trade and exchange must be integrated into the above overall programme. Short-term requirements should be reconciled with the long-terms ones.

Price control is a very important thing. Whatever may be our plans, whatever may be our achievements on paper, it is what the poor man gets by way of food, clothing and housing that is more important than anything else. We should build the nation that way. We should give the people the psychological satisfaction that the Government are doing their best.

There is one thing I would like to say about my hon. friend, Shrimati Gayatri Devi's suggestion about the privy purses. Much has been said about it. Let not the hon. Minister be led away by such apparently innocent remarks that the Princes could be compared with the poor pensioners. If they could be so compared, I would be happy if India had such pensioners equal to the Princes. But the comparison is almost preposterous. Let the hon. Finance Minister remember that there is no point in making poverty bleed, but certainly

[Smt. Yashoda Reddy]

there should be fun in bursting vanities. Let him remember this and let him start with the privy purses and not pensions.

श्रीमती लक्ष्मीबाई (विकाराबाद) :

उपाध्यक्ष महोदय, इस सदन के बहुत से माननीय सदस्यों ने फाइनेंस मिनिस्टर साहब को बजट प्रस्ताव पेश करने के लिए बधाई दी है। मैं भी उन बधाई देने वालों में शरीक हो जाती हूँ।

यह सही बात है कि हमारे देश में बहुत काम हो चुका है और अभी भी हो रहा है। लेकिन कुछ लोग जो कि भ्रंश होकर देखते हैं उनको देश में कोई तरक्की होती नहीं दिखाई देती

श्री उ० सू० त्रिवेदी (मंडसौर) : क्या किसी आनरेबुल मेम्बर को भ्रंश कहना उचित है ?

श्रीमती लक्ष्मीबाई : वे कहते हैं कि कुछ नहीं हुआ है मगर ऐसी बात नहीं है। देश में काफी काम हुआ है और देश ने प्रोग्रेस भी की है। लेकिन इतना मैं अवश्य कहूंगी कि इससे ज्यादा अच्छा काम हो सकता था और इसके मुकाबले देश अधिक तरक्की कर सकता था बशर्ते कि ऐसी बातें जो कि आनरेबुल मेम्बर कहते हैं और वह सही भी हैं उनको सरकार मानती और उनके अनुसार अमल करती।

“जनवाक्यं कर्तव्यं”

ज्यादा लोग जो कहते हैं उसको मानना चाहिए और उसको दृष्टि में रख कर अपना कानून बनाना चाहिए। अब इतना बड़ा हाउस बैठता है और कई बातों की सूचना देता है लेकिन गवर्नमेंट सुनती नहीं है। इसमें गवर्नमेंट की गलती मैं नहीं समझती क्यों कि मैं ऐसा सोचती हूँ कि यहां एक प्लानिंग कमिशन बैठा है, बहुत बड़े तर्जुबेकार लोग

बैठे हैं, उनके मशविरों में कुछ गलती है, मैं ऐसा महसूस करती हूँ। जितना वह प्लान करते हैं उसमें से ६० परसेंट प्लानिंग तो हमारे देश के लिए मुफीद ही नहीं होती है। प्लानिंग कमिशन वाले बैठ कर सारे प्लांस बनाते हैं लेकिन खेद का विषय है कि वह बाहर के मुल्कों की बैंक ग्राउण्ड में इनको बनाते हैं। सब कुछ वहां की किताबों से लेकर लकीर के फकीर की मानिन्द बनाते हैं लेकिन यहां की हालत देख कर नहीं बनाते हैं। फर्स्ट प्लान चला गया, सेकेंड प्लान चला गया और अब थर्ड प्लान हमारे सामने आया है। इस की ड्राफ्ट आउट लाइन बनाते वक्त सब एम० पी० जी० को बुलाया और डिसकशन भी किया। कई एक बातें उसमें रक्खी गयीं मगर प्लान में उनको इम्प्लीमेंट करने के लिए तैयार नहीं होते हैं। यहां की हालत को ध्यान में न रख कर बाहर के मुल्कों की नकल करते हुए जो प्लान रक्खा जायेगा जाहिर है कि उन प्लांस में डिफेक्ट्स रहेंगे। मैं अपील करती हूँ कि आप यह बातें उन तक पहुंचा दीजिये। प्लानिंग कमिशन वालों को इस मुल्क की हालत को ध्यान में रखते हुए अपनी प्लानिंग करनी चाहिए। उनको खास तौर से इस देश के एग्जीक्यूटिव चरिस्ट्स लोगों अर्थात् देहात में बसने वाली जनता की जरूरियात को ध्यान में रख कर अपने प्लांस बनाने चाहिए।

अब मैं पंचायत समितियों के बारे में कुछ निवेदन करना चाहूंगी। पूज्य बापू ने जिस राम राज्य का स्वप्न देखा था उसमें पंचायतों का प्रमुख स्थान था। पंचायतों का हमारे देश में बहुत महत्व है और यह एक बहुत अच्छी चीज है। असली लोकतन्त्र के ढांचे में पंचायतों का बहुत ही महत्वपूर्ण स्थान है। हमारे गांवों में जो पंचायत समितियां स्थापित हैं वे आम तौर पर अच्छा काम कर रही हैं। लेकिन चूकि उनको तर्जुबा नहीं

है और पड़े लिखे नहीं हैं इसलिये कभी-कभी उनके काम में गड़बड़ हो जाया करती है। जहाँ तक मेरे आंध्र प्रदेश का सम्बन्ध है यह पंचायतें बड़ा अच्छा काम कर रही हैं। इन ग्राम पंचायतों की बदौलत हम को जनरल एलेक्शन में बहुत मदद मिली है। पंचायतों से काफी गड़बड़ हमारी कम हो गयी है।

हमारे आनरेबुल दोस्त बाज दफा ऐसी बातें कह देते हैं और वह इतनी बेहूदा बातें होती हैं कि जिससे काफी तकलीफ हमें पहुंचती है। हमारी जो नीति होती है व प्लान होता है उसको वे लोग बेढंगा बताते हैं और उसका जवाब हमें देना पड़ता है। जाहिर है कि हम गैर जिम्मेदारी से उनकी बातों का जवाब नहीं दे सकते हैं। अब हमारे वह आनरेबुल दोस्त काफी गैर जिम्मेदाराना बातें करते हैं लेकिन कुछ बातें जो वह कहते हैं सत्य भी होती हैं और उन बातों का हमारे लिये जवाब देना मुश्किल हो जाता है और उनका जवाब हमें नहीं मिलता है।

यह सही है कि आप ने गांवों में पंचायतों को बहुत पावर्स दी हुई हैं लेकिन वहां की हालत क्या है? दुकान तो खुली हुई है लेकिन वह खाली है, सामान नहीं है, पैसा नहीं है। प्लान की सेकंड स्टेज से हम बाहर आ गये हैं लेकिन वहां पर पैसा नहीं है। एडमिनिस्ट्रेशन है, जीप्स हैं, ऐक्सटेंशन आफिसर्स हैं मगर एग्रीकल्चरिस्ट्स को मदद करने के लिये वहां पर फण्ड्स नहीं हैं। इसलिये पंचायतों को खाली पावर देने से ही काम चलने वाला नहीं है। मैं अपने फाइनेंस मिनिस्टर साहब से अपील करना चाहूंगी कि वह देखें कि पावर्स के साथ-साथ इनको जरूरी फण्ड्स भी मिले और मेरा सुझाव है कि स्टेट्स गवर्नमेंट्स का जो टोटल रेवेन्यू हो उसमें से कम से कम २५-३० फीसदी पैसा पंचायतों को जाना चाहिए ताकि

कुछ ठीक से काम कर सकें। मैं रूह या न रूह लेकिन मेरा ऐसा विचार है कि यदि यह ग्राम पंचायत अच्छा काम करेंगी, जिला परिषद कायम करके उनके द्वारा काम चलाया जायेगा तो १०-२० साल के बाद एम० पीज० की तादाद कम की जा सकेगी, इतनी तादाद नहीं रह जायेगी और इतना खर्चा यहां करने की जरूरत नहीं होगी। गांवों की पंचायतों और जिला परिषदों को ताकत देने से ही सच्चा प्रजातन्त्र इस देश में स्थापित होगा। हमारे देश में जो प्लानिंग होता है, उस में बहुत गलतियां हैं। प्लानिंग कमीशन ने कहा है कि थर्ड फ्राइव यीअर प्लान के टारगेट्स पूरे होने पर गांवों में ५,३०० की जनसंख्या पर एक इंजीनियर, ५,००० पर एक डाक्टर और पच्चीस हजार पर एक एग्रीकल्चरल प्रोजेक्ट मिलेगा। अभी तक तो तीस फ्रीसदी टारगेट्स भी पूरे नहीं हुए हैं, लेकिन जब थर्ड फ्राइव यीअर प्लान के टारगेट्स पूरे हो जायेंगे, तो पच्चीस हजार की जनसंख्या पर एक एग्रीकल्चरल प्रोजेक्ट होगा। मैं पूछना चाहती हूं कि क्या एग्रीकल्चर इतना तुच्छ सबजैक्ट है। वह एक टैक्निकल सबजैक्ट है। आज हमारे देश में स्थिति यह है कि जो लोग गरीब हैं और जिन के पास दिमाग नहीं है, एग्रीकल्चर उनके हाथ में रह गया है, जिसका परिणाम यह है कि हम को बाहर के मुल्कों से अन्न मंगाना पड़ रहा है। अगर एग्रीकल्चर का काम साइंटिफिक तरीके से किया जाये, तो प्रोडक्शन अच्छा होगा और हम को अपने देश के लिए बाहर से अन्न लाने की जरूरत नहीं पड़ेगी। अगर यहां पर किसानों को ठीक प्रकार से मदद मिले, उन को समय पर पानी और खाद दी जाये, उन को सुधरे हुए तरीकों से बुवाई, कटाई और कीड़े आदि मारना सिखाया जाये, तो हमारे देश में पर्याप्त अन्न पैदा हो सकता है। जैसा कि अभी एक माननीय सदस्य ने भी कहा है, आखिर हम कब तक बाहर का गेहूं, चावल और नमक आदि खाते रहेंगे? प्लानिंग कमीशन से यह बात पूछने वाला कोई नहीं है।

[श्रीमती लक्ष्मी बाई]

प्लानिंग कमीशन वाले यहां बैठे-बैठे सीलिंग निश्चित करने का कानून बनाने की बात करते हैं। हिन्दुस्तान में सबसे पहले हैदराबाद स्टेट में हमने सीलिंग लगाई थी, क्योंकि वहां पर उस की ज़रूरत थी। हमने यह तय किया था कि एक एग्रीकल्चरिस्ट की, चाहे वह बड़ा हो या छोटा, बेसिक इनकम ८०० रुपए सालाना हो और सीलिंग उससे लगभग साढ़े चार गुना, अर्थात् ३,६०० रुपए सालाना हो, चाहे बड़े से बड़ा फमिली हो। लेकिन इसके मुकाबले में हम देखते हैं कि प्लानिंग कमीशन में एक-एक साहब ढाई-ढाई हजार रुपये महीना पाते हैं। वे दूसरों के बारे में तो सीलिंग लगाने का मशवरा देते हैं, लेकिन अपने लिये कोई प्लान नहीं बनाते हैं। हम देखते हैं कि प्लानिंग कमीशन पर होने वाला खर्चा लगातार बढ़ता जा रहा है। १९५३ में वह १३२५ हजार रुपए था और १९५७-५८ में वह बढ़ते-बढ़ते ६७६१ हजार रुपये हो गया। अब जो बजट हमारे सामने रखा गया है, उसमें उसके लिए ९५२३ हजार रुपया रखा गया है, जिसका अर्थ यह है कि १९५३ से आज तक प्लानिंग कमीशन का खर्च आठ गुना बढ़ गया है।

यह कितने आश्चर्य की बात है कि इस देश का ६४ से ७० परसेंट रेवेन्यू एग्रीकल्चर से आता है, लेकिन एग्रीकल्चर का काम करने वालों के लिए ३,६०० रुपए सालाना ग्राम-दानी की सीलिंग रखी गई है, जबकि यहां पर एक आदमी को तीन हजार तक वेतन मिलता है। जहां तक किसानों का सम्बन्ध है, सब पैसा चोरी हो जायेगा, पटवारी और पटेल सब खा जायेंगे। ऐसे प्लान यहां पर बनाए जाते हैं। ये बात यहां पर कहते हुए मुझे कोर्ट शक या गर्म नहीं है। विरोधी पक्ष वाले जो कुछ कहते हैं, उन की बात तो छोड़ दीजिए, लेकिन हम लोग अपने तजुबों के आधार पर जो कुछ कहते हैं, उसको तो सरकार को सुनना चाहिए और सुनना

पड़ेगा, लेकिन वह सुनती नहीं है। इससे हम को बड़ा दर्द होता है।

जहां तक एजुकेशन का सम्बन्ध है, उस के क्षेत्र में बड़ी गड़बड़ है। कहीं मल्टी-परपज स्कूल हैं, तो कहीं बेसिक स्कूल हैं, कहीं इंगलिश स्कूल हैं, कई प्रकार के स्कूल हैं, लेकिन बच्चों की पढ़ाई ठीक प्रकार से नहीं हो रही है। आज स्थिति यह है कि बहुत सुन्दर प्लान चल रहे हैं, कांग्रेस बड़ा काम कर रही है और सरकार में अच्छे लोग काम कर रहे हैं, लेकिन उन अच्छे लोगों को भी बच्चों को अच्छे तरीके से शिक्षा देने वाला और बताने वाला कोई नहीं है। आज उन अच्छे ट्रेनिंग नहीं मिल रही है। सब लोग गड़बड़ करते रहते हैं। यहां से लेकर वहां तक चोरी होती है और सच्चे दिल से काम कोई नहीं कर रहा है। इसलिये बच्चों की पढ़ाई नहीं होती है।

जब मैं स्टुडेंट थी, तो हमारे यहां आन्ध्र प्रदेश में लोग कहा करते थे कि इंगलिश कमजोर है, उसको ट्यूशन लगानी चाहिए, लेकिन आज हम देखते हैं कि वर्नेकुलर लैंग्वेजिज में, तेलगू और कन्नड़ में, ट्यूशन लगानी पड़ती है। इस का क्या कारण है? पहले इंगलिश में बच्चे कम परसेंटेज में पास होते थे, लेकिन आज वर्नेकुलर लैंग्वेजिज में भी कम परसेंटेज में पास होते हैं। मैं कहना चाहती हूं कि एजुकेशन ही हमारी सामाजिक व्यवस्था की बूनियाद है। उस से बच्चों को ज्ञान दिया जाता है और देश के अच्छे और योग्य नागरिकों का निर्माण किया जाता है। दूसरे मुल्कों में एजुकेशन पर जितनी तबज़्जह दी जाती है, उतनी हमारे मुल्क में नहीं दी जा रही है।

हमारे बीच में जो सब से खतरनाक और शैतान चीज है, वह है बाजार-भाव और कोई उस को रोकने की कोशिश नहीं करता है। मैं गांव-गांव फिरती रहती हूं। हमारे यहां बहुत गड़ बनता है और उस के अलावा आलू, प्याज और मिर्च भी पैदा होते हैं। जब फ़रवरी

में, इलैक्शन से कुछ पहले, हम किसानों के पास गए, तो हम ने देखा कि उस समय, जब कि गुड़ बनता है, बीस से पच्चीस रुपए प्रति पल्ला, जो कि १२० सेर का होता है, गुड़ का भाव है। किसान को कटाई, मजदूरी और गुड़ की पकाई पर बहुत खर्च करना पड़ता है। वह बेचारा रोता है। चूंकि वह पहले ही पैसा एडवांस लेता है, इसलिए कर्ज देने वाला अपना पैसा लेने के लिए उस के पीछे-पीछे भागता है। तुरन्त पैसा प्राप्त करने के लिए किसान सारा गुड़ बाजार में बीस, पच्चीस रुपए के भाव पर बेच देता है और रात-दिन गुड़ बाजार में जाता रहता है। मैंने उस समय देखा कि किसानों ने गन्ना काटा नहीं और बैलों के खाने के लिए छोड़ दिया। जब मैंने इम का कारण पूछा, तो मुझे बताया गया कि हम को गुड़ पकाने का बर्तन नहीं मिलता, इम लिए गन्ना बैलों के लिए छोड़ दिया। यही हालत मिर्च वगैरह की है। बाजार में गड़ आने के बाद उस को एक दो महीने गोदाम में बन्द रखा जाता है और फिर उस का भाव ७०, ७५ रुपए तक बढ़ा दिया जाता है। यह खतरा शैतान है। उगाने वाले और खाने वाले को कोई लाभ नहीं होता, लेकिन बेचने वाले की जेब भर जाती है।

मैं मिनिस्टर साहब से कहना चाहती हूँ कि सब लोग यही कह रहे हैं कि प्राइसिज पर कंट्रोल किया जाये, लेकिन वह बार-बार कहते हैं कि प्राइसिज में राइज नहीं हुआ है। लेकिन वह इस बारे में क्या जानते हैं? वह कभी कुछ खरीदते नहीं हैं। उन को मालूम नहीं है कि बाजार में क्या चीज मिलती है। तीन साल पहले जब मैं दिल्ली आई थी, तो साबुन दो रुपए, १२ आने के भाव पर मिलता था, लेकिन आज वह चार रुपए, चार आने में मिलता है।

मैं कहना चाहती हूँ कि पैसा प्राप्त करने के लिए सरकार सब तरह के टैक्स लगाए,

लेकिन उस रीसे को खर्च करते समय पूरा ध्यान रखे। हम देखते हैं कि गवर्नमेंट डिपार्टमेंट्स में वेस्टेज होता है। सैक्रेटरीज और दूसरे बड़े-बड़े अफसर प्लेन और रेल में सफ़र करते हैं, लेकिन बैठ कर काम करने वाले कम हैं। एक्सीन्यूशन कम होता है।

मिनिस्टर साहब यहां पर बैठे हुए हैं। वह बहुत अच्छे मिनिस्टर हैं। टैक्सिज के बारे में मैं कुछ नहीं कहना चाहती हूँ, लेकिन मैं बताना चाहती हूँ कि भ्रमर एक एक-फूल से पराग ले कर उस की हनी, शहद, बनाता है। यह आवश्यक है कि खर्च करते वक्त पैसे का पूरा ध्यान रखना चाहिए। आज लाखों करोड़ों रुपए की स्कीमें बनती हैं, जिन के लिए पैसा पंचायतों से दिल्ली तक पहुंचता है। पुराने जमाने में नदियां नीचे जाती थीं, लेकिन आज वे नीचे से ऊपर जाती हैं—पैसा नीचे से ऊपर जाता है। अन्त में मैं यही कहना चाहती हूँ कि खर्च करते वक्त ध्यान रखना चाहिए, ताकि वेस्टेज कम हो।

14 hrs.

Shri U. M. Trivedi: Mr. Deputy-Speaker, Sir, I must first apologise to you for not being present here yesterday when my party was called on to take part in the discussion. The fault was not mine; the fault was that of the railway administration that I could not reach here. My train running only 5 hours late. (Interruption).

While discussing the Budget from various sides, it appears to me that we, who are neither leftists nor rightists, do not understand in what direction we are moving. The Congress talks of a socialistic pattern of society and the Communists want to pull the legs on the Congress towards the communistic world. We have not understood the game fully. However, I will place my case before the House as an ordinary man in the street.

What is noticeable in our country today is that the officers have started

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behaving in a very irresponsible manner and disrespectfully towards the Constitution. I use these words in a very responsible manner. What we find is from the reports of the Public Accounts Committee, that the recommendations and suggestions made by the Public Accounts Committee are entirely ignored. And, this is being done, not today, not yesterday; but for the last 7 years. It is growing. No attention is paid to what the Public Accounts Committee says.

What is the object of a Budget? The object of a Budget is this. The Budget is designed to provide for parliamentary control, for administrative accountability, for the auditing of transactions, for ensuring that the expenditure incurred by the Government is in a specified manner and by the specified authority.

We have a clear example of ignoring Parliament, entirely, by the Delhi Administration very recently. At page 102, of the Forty-second Report of the Public Accounts Committee, it has been remarked:

"On 31st March, 1956, the State Government withdrew a sum of Rs. 19,90,000 and lodged it in the current account of a departmental officer (outside Government account) with the State Bank of India. The State Government did not utilise the money for the purpose for which it was intended and with the repeal of the Part C States Act the Delhi State was integrated with the Union Government on 1st November, 1956. In spite of repeated Audit objections the Delhi Administration did not refund the amount into the treasury for a long time."

It took them full 4 years to refund this money. And the explanation that was given is this.

"The representative of the Ministry of Finance stated that where States were given grants

for certain schemes they virtually had full powers to spend the money in other schemes also."

A more daring statement against the Constitution than this could not have been conceived by anybody. That is why the Committee felt:—

"The Committee feel that there should be no scope for doubt in such financial matters. In future, the Ministries concerned with sanctioning of grants and loans to States should take proper steps to ensure that the funds are properly utilised by the latter or refunded promptly when not required."

This unholy manner in which the Constitution is disregarded by the officers must be put an end to. It is not the money which belongs to a particular department; it is money which has to be accounted to Parliament and must be used only in the specified manner and by the specified authority as indicated in the Appropriation Act and not otherwise.

I will now come to the Budget proposals that are before us. It has been remarked by several speakers who preceded me that over-budgeting has been a special feature of ours; under-estimating our income and receipts and over-estimating the expenditure is generally indulged in. So much so, in 1959-60, about Rs. 90 crores remained over as savings. This is not proper estimating. Estimates are meant for particular purposes. You cannot have, 'Just take this money; we have to spend or we have not to spend', attitude. That attitude of the various Ministries must change.

The way in which the hon. Finance Minister has presented his case to the House as to why he needs more money requires some probing. Unfortunately, everyone advises us to gird up our loins and to tighten our belts for the sake of the country. We can do more than that. We are prepared to fight

for our country and lay down our lives. The whole position is whether this suggestion of girding up the loins and the tightening of the belts should come from those who live in luxuries unheard of in any part of the country.

Look at the report we have got about our Missions abroad. In what manner have they behaved; in what luxury have they lived? If one just goes through the Public Accounts Committee Reports, and the various reports of the Estimates Committee, one will be surprised to find the manner in which money has been wasted by the Missions. They action a most irresponsible manner. I invite your attention to the very first words that I uttered; that is, that these officers do not pay any attention whatsoever to the parliamentary control over expenditure.

We have irregularities from the Missions of which there have been reports. They have indulged in costly luxuries; costly articles have been ordered; costly furniture is enjoyed at their residences; no rent is being charged, forged account; have been prepared and false bills have been presented. All sorts of things have happened. A motley crowd of allegations that can be laid at their doors are there. It is not at one place. I will give the names to the House, the names of those Missions where all these things were found. Even stocks could not be physically checked to know whether the things had existed or not. They are Colombo, Belgrade, Paris, Bonn, Brussels, the Hague, Prague, Moscow, Rangoon, Dacca, Jedda, New York, Sourabaya, Bangkok, Geneva, Vienna, Ottawa, Rio de Janeiro, Peking, Rome and Santiago. These are the places where all these objections were taken but were not remedied. It is a malady which must be rooted out. If there are persons who do not want to listen to parliamentary control, they do not deserve to hold the high officers to which they have been posted. If they

cannot afford to have constitutionality and parliamentary control and they want to do as they like, they do not deserve to be retained in our services.

A few years before it happened. In one of our Embassies, officers from top to bottom, if I remember right, the number is 83, prepared false bills. They did us in the eye to the tune of a crore of rupees. After 11 months it was found out that we had been done in the eye. Investigations were carried on. The Public Service Commission recommended the dismissal of the top officer concerned. But, unfortunately, the prestige of our country was at stake, that the dismissal of such a high official would affect us internationally, and the intervention of the Prime Minister prevented the dismissal of that gentleman. Such things are recurring over and over again, and these must be stopped.

Shri Morarji Desai: Which embassy and when?

Shri U. M. Trivedi: I cannot give the name of that embassy. You can ask the Public Accounts Committee. Now, we are suggesting that we will have to meet both ends, and it also appears very reasonable that the expenditure must be met from the receipts, and that is why certain suggestions have been made by the hon. Finance Minister that certain further taxation has to be levied. But before that is done, has the Government applied its mind to the wasteful expenditure that it goes on incurring? Have we plugged the holes? Have we plugged the leakages? Have we been able to conserve all that we have received or all that we have got, so that the further burdens of taxation may not fall on the people? That is the ordinary method of budgeting. We should not merely proceed to tax because we want to tax. Tax may be a necessity for meeting the expenditure but tax cannot simply be a means of raising capital for the purpose of raising it. Therefore, when we examine the

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various Governmental reports and the various data that are available to us, we will find that we in our country sometimes inludge in very infructuous expenditure, and we do not try to plug the loopholes.

Numerous examples can be given by me. I have studied these things. But I will confine myself to a few instances only and shall give a few examples. We have started a silver refinery. What for have we started it? Just to obtain the silver from the old coins which are now made obsolete. Why was the silver refinery necessary? Why could not those coins be sold in the market ordinarily at the value of the contents of silver therein? Is this refinery necessary for obtaining the silver from these coins? Now, what are we going to do with that? Since then, our coins are exhausted. Have we examined the whole report about the silver refinery? If we examine it, we will find that lakhs and lakhs of rupees have been wasted even in the setting up of the refinery. It took three and a half years before this refinery was set up, and every time when we were trying to set it up, lakhs and lakhs of rupees—about Rs. 14 lakhs or Rs. 15 lakhs—have been wasted in getting it set up. Now we are faced with this quandary: what are we going to do with this, as soon as the quaternary coins have been melted and the silver contents are withdrawn. We are now thinking about it and consulting others. They will have a copper refinery out of it for which it is not fitted.

We have the example of waste in the Indian Airlines Corporation. We had about 12 Vikings to be sold. We were offered for each Viking over £25,000. When the proposal was made to sell them, the proposal went through the Ministry. The Ministry sanctioned it. Some correspondence ensued. From 1957 we were trying to sell

them, but from 1957 to 1960, we could not sell those Vikings. Ultimately, when we sold them, we sold them at scrap value, namely, Rs. 20,000 each. The aircraft for which we had been offered Rs. 3,25,000 each, were sold at a scrap value of Rs. 20,000 each. What a colossal waste has been caused? What action have we taken against the officer or officers concerned, for having done us this wrong? The excuses offered are very flimsy. They cannot stand the test before any court; Nobody is going to swallow these stories which were given by the officers. These officers are trying to behave with Members of Parliament who sit in the Public Accounts Committee as if they are small bodies. These officers feel that since they are coat and patloonwallas, they know better than the dhotiwalas and kurta-walas. That is the attitude. This attitude of the officers must be made to change.

Then there is the question of control of Parliament. There are certain Central universities, some universities which are maintained by the Centre. We have been asking for their accounts to be submitted, as audited, and placed before the Public Accounts Committee. Somehow or other I do not know why—these universities have become so chary that since 1953 all attempts at getting their accounts audited have failed, and up to date they have not submitted their accounts.

Then, if we add to this the various discrepancies and the various lapses that have taken place, we will find that a total amount of nearly Rs. 30 crores have been lost to the country. I am not talking of these persons who swallowed the money, who illegally have taken away our money. I am only talking of those things where, on account, we find that monies have been lost to us by bad handling. I would say that in all these instances, there is a clear case of malfeasance and mis-

feasance. Even to some extent, I could have excused the question of non-feasance, but when there is the question of malfeasance and misfeasance, it is high time that we took it into our head to bring these offenders to book so that such things may not recur again and again in our country.

There was a case of surcharge on pig iron. The content of iron in the pig iron was not tested and the surcharge was levied at a very low rate, with the net result that when the iron content in the pig iron was tested, we found that we had lost Rs. 150 lakhs. I cannot understand how this leakage took place in our country. We ought to have learnt a lesson from an example from the war days. During the war days, a building was said to have been built somewhere in Madhya Pradesh at a huge cost, and some recovery of rent was made. Ultimately, it transpired—it was brought to notice—that having collected this fictitious rent from some fictitious concern, suddenly the source of income disappeared. We tried to find out where these buildings were, from where all these rents were coming. And it is on record in the Public Accounts Committee that these buildings were not traceable and the persons who handled this money and gave these figures had disappeared somewhere in Pakistan. Such a thing happened. It looks a fairy tale. Are we going to swallow all these fairy tales here? It is high time that we looked up and plugged all these leakages that are taking place in our country.

We have a further leakage in food-grains. You will find that at one place our report shows that the movement of 224 lakh maunds of wheat and rice is not accounted for. Where is this rice, where it moved, how it moved, etc., are not to be found anywhere on record. It is 224 lakh maunds. Is such a thing possible without any sort of connivance on the part of the officers concerned. It must be a colossal waste that has been caused to our country.

I submit all this in all humility to the very intelligent Finance Minister whom we have got. He has been an officer and he has risen from smaller ranks. He must know how to plug these things. These things must be stopped if we want the progress of our country not to be hampered. On the one hand we are trying to gird up our loins and tighten our belts. On the other, those who are there, in the know of affairs, do us in the eye and make us look like fools and idiots, and these are things which must be put a stop to.

Then, loans have been advanced to TISCO and IISCO. We have suffered a loss to the extent of Rs. 2 crores by way of loss of interest. Everywhere we have got instances of gross malfeasance and nonfeasance. The officers who commit these acts of ignominy escape and enjoy all the luxury and comfort unheard of in the history of our country and the poorer people have to bear the brunt of this ignominy perpetrated by them, because they have to pay heavy taxes by way of excise, direct taxation and various other methods by which the burden has been increased in our country.

We have another example of a very glaring thing which we must look into very seriously. The communist Member, Shrimati Renu Chakravartty, pointed out that we must have all the monopoly of trade in this country, supplying food, supplying little necessities of life like pencils, holders, pens, betel nuts, etc; everything that they can conceive of must be supplied by the State Trading Corporation. In other words, the ideal of communism is to control everything and make the poor people slaves. We are far from it; we do not want to be slaves and I hope that the dream that the communist party has of making our country a nation of slaves is not going to be achieved, at least within another fifty years and never again they will think of it. Yet, the conception is before them. I will warn the Government. Has it been very paying to

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establish these monopolies of trade by the Government? Have the State Trading Corporation, the Indian Airlines Corporation and the various other bodies which have been set up at the cost of the exchequer, at the cost of the nation running to crores and crores of rupees, yielded any proper return?

Rs. 869 crores have been invested in them. What is the return? Even if we get a return of 5, 6, 7 or 8 per cent, which the International Monetary Fund wants to charge us, see what a huge amount we will get. We will save all this taxation. But we are not getting that return. I have calculated some figures and I will give them. The 73 undertakings in the public sector on which the total investment upto the end of March 1961 was Rs. 606 crores yielded a return of Rs. 2.01 crores only in 1960-61, i.e. a return of 0.35 per cent. In 1961-62, after an additional investment of Rs. 103.5 crores, the yield is not expected to exceed Rs. 1.65 crores, i.e. a return of 0.24 per cent. The budget papers show that in 1962-63, there will be a further investment of Rs. 160.10 crores taking the aggregate investment in State enterprises to Rs. 869 crores. While such a large investment must be made to yield satisfactory results, the actual position is that because they are yielding a negligible amount, taxes are being levied or increased to offset the loss which burdens the economy.

It is in this manner that we are made to suffer. I will not grumble the taxation, but I will certainly grumble the leakage in our country, particularly when the waste appears to be very purposeful and is due to the malafide work on the part of certain officers, who have not worked in the interests of the nation.

The burden is falling on the heads of the poor people. The levy on matchsticks has been increased. The excuse given is that the middleman earns

more profit and we want to deprive him of that profit. Is that an excuse for raising the tax on matchsticks? The excise duty has been raised. Similarly, on every little conceivable thing where some relief could be granted to the small industrialist or small-scale industry, that has been deprived.

In para 42 of the Finance Minister's speech, he has said:

"It is proposed to convert the duty on unprocessed woollen, rayon and art silk fabrics to a duty on yarn and processing, so as to release the powerlooms from excise control."

A very good idea; nobody likes these excise officers probing into your affairs every now and then and at every stage.

"The loss in revenue will be made good partly by an increase in duty on yarn and partly by a duty on processed fabrics. As a result of these changes, only a small number of units will need excise control in future."

All these are very pious thoughts.

"As a fair quantity of yarn is imported, these changes will result in a loss of Rs. 50 lakhs in the revenue from excise duty, but there will be a net increase in revenue of Rs. 1.16 crores on account of increased countervailing duty on yarn."

The whole question is, is it going to help a man with a single powerloom? Originally when this scheme was formulated and later on when it was countermanded to a certain extent, the arrangement was made that there was full exemption from excise duty to a single powerloom and there was a compound duty leviable on 4 powerlooms. Then there was a standard duty of 11½ per cent imposed on factories running more than 4 powerlooms. What will happen when this proces-

sing duty is levied? What will happen to the poor people with one power-loom? They will have to pay this process duty wherever they go for purposes of processing. The process duty will kill them and keep them outside the orbit of any competition and they will simply starve. All the persons who are carrying on this business in Punjab will be very badly hit. I will, therefore, request the Minister to kindly see to it that these people will not be hit by this very method by which he wants to give some relief from excise. It may be that some traders, some small merchants and industrialists, carrying on their work in Surat and Ahmedabad might get some benefit out of it, but the benefit will not be all along. Specially those who are dealing in woollen goods and processing woollen goods in Punjab will be hart hit on account of this.

While speaking on this question of taxation, may I bring one more thing to the notice of the hon. Finance Minister? He has very wisely suggested the raising of the corporation tax. But his pious hope that the equity shares will be flowing will certainly disappear in thin air when we calculate this mathematically; the raising of the corporation tax will out at the very root of the equity shares.

The Finance Minister has made an assertion that the equity capital will flow into the companies and that the companies will not have to depend upon bank finances. In my opinion, it is merely a pious hope. Investigations show that with the loss on grossing of profits they will now be faced with the prospect of lower dividend as a result of increased corporation tax and with such a dividend outlook equity capital will certainly become more shy.

Sir, I am not concerned very much with the incidence of taxation, because, after all, as the hon. Finance Minister says, only about a million people are hit by this direct taxation and it is not much in that sense. But one thing has struck me during the

course of this debate, I have not heard Maharani Gayatri Devi when she spoke, but I heard Shrimati Renu Chakravarty who just preceded me when she said about hitting the princes. It has been the burden of their song, that the princes must be deprived of their privy purses, I hold no brief for them. Somehow I do not like many of them. But, in our country, where we always try to keep our promise, where we always live by our promise, where we strive to be honest and want to be honest to ourselves and to the nation, I would like to remind the House of an assertion made by Sardar Vallabhbhai Patel in the White Paper. We must bear in mind that we cannot neglect these people, we cannot run them down simply because they happen to be princes. On page 124 it is said:

“The capacity for mischief and trouble on the part of the Rulers if the settlement with them would not have been reached on a negotiated basis was far greater than could be imagined at this stage. Let us do justice to them; let us place ourselves in their position and then assess the value of their position and then assess the value of their sacrifice. The Rulers have now discharged their part of the obligations by transferring all ruling powers and by agreeing to the integration of their States. The main part of our obligation under these Agreements, is to ensure that the guarantees given by us in respect of privy purse are fully implemented. Our failure to do so would be a breach of faith and seriously prejudice the stabilisation of the new order.”

Let us not forget that some of them behave in a very patriotic manner, and what we give to them is just a compensation which we agreed in principle to give. It is no use now going back on that simply because they happen to be princes. In this great country of ours where there is the constitutional guarantee given to

[Shri U. M. Trivedi]

each one of us that no man will be deprived of his property except by due process of law, if we are not going to become communists or follow communist ideas, let us adhere to our promise.

An Hon. Member: Follow the rajahs.

Shri U. M. Trivedi: I do not care for rajahs nor for you. I care for the promise made on the floor of the House. We will have to abide by that. That is the whole thing.

श्री गणपति राम (मछली शहर): उपाध्यक्ष महोदय, यह कहां का न्याय है कि किसी के लिए तो ४० मिनट दिया जाय और किसी के लिए एक मिनट भी न हो। अब हमारे सरोखे लोग भी बजट पर बोलना चाहते हैं। मेरी समझ में नहीं आया कि किसी को पार्टी लीडर होने के नाते समय दिया जाये, किसी को फारवर्ड बैंचर्स होने के नाते समय दिया जाये, और किसी को लेडी होने के नाते समय दिया जाये लेकिन हम बैंकवेंचर्स को समय न मिले। इसलिए मैं चाहूंगा कि हम बैंक बैंचर्स को भी समय दिया जाये। चूंकि यह कौमन लोगों का बजट है इसलिए कौमन बोगों को बोलने का भी अवसर दिया जाना चाहिए।

श्री रघुनाथ सिंह (वाराणसी): उपाध्यक्ष महोदय, मैं एक बहुत गम्भीर विषय की ओर सदन का ध्यान आकर्षित करना चाहता हूँ। भारतीय जनता ने राज्य-क्रांति के द्वारा भारतवर्ष की आजादी हासिल की। महात्मा गांधी के आशीर्वाद से यह भूखंड न्यास के रूप में थाती के रूप में हमें प्राप्त हुआ है। लेकिन पूर्व से एक भयंकर खतरा उत्पन्न हो गया है जिससे जाहिर होता है कि हमारे भूखंड का एक बहुत बड़ा भाग शायद १० वर्ष के बाद हमारे हाथ में नहीं रहेगा। मेरा लक्ष्य असम की तरफ है। सन् १९६१ में असम की आबादी

९०,४३,७०७ थी जब कि आज असम की आबादी १ करोड़ १८ लाख है अर्थात् दस वर्ष के अंदर २८ लाख १६ हजार आबादी असम की ज्यादा हुई। १९६१ की सेंसस रिपोर्ट से यह बात जाहिर होती है कि असम की आबादी ३४.३ परसेंट ज्यादा हुई है। लेकिन इसी के साथ सेंसस की रिपोर्ट को देखने से आपको मालूम होगा कि मुस्लिम आबादी ३८ परसेंट बढ़ी और बाकी आबादी सिर्फ ३४ परसेंट बढ़ी। सन् १९५१ में जहां हिन्दुओं की आबादी ६५ परसेंट थी, मुसलमानों की आबादी २२ परसेंट थी, ईसाईयों की आबादी ६ परसेंट और ड्राइवल ऐरियाज की आबादी ५.८८ परसेंट थी १९६१ में हमारे कैलकुलेशन के अनुसार, क्योंकि सेंसस में जाति के अनुसार आंकड़े नहीं दिये गये हैं, हिन्दुओं की आबादी ६१ परसेंट हो गई अर्थात् ४ परसेंट कम हो गयी। मुसलमानों की आबादी २६ परसेंट हो गई यानी २२ परसेंट से ४ परसेंट ज्यादा हो गई। लेकिन बंगाल के पेपर्स आजकल जैसा दे रहे हैं उस के अनुसार देखा जाये तो होता यह है कि ५७ परसेंट हिन्दुओं की आबादी है और ३० परसेंट मुसलमानों की होगी। चूंकि यह बंगाल के पेपर्स हैं इसलिए मैं यह नहीं कह सकता कि वे ठीक हैं या नहीं लेकिन मैं ने जो हिसाब लगाया है उसके अनुसार हिन्दुओं की आबादी ६१ परसेंट और मुसलमानों की आबादी २६ परसेंट है। इसी हिसाब से अगर आबादी ज्यादा होती गई तो फल यह होगा कि सन् १९७२ में जाकर जब दूसरा सेंसस होगा तो मुसलमानों की आबादी ४० परसेंट हो जायेगी और हिन्दुओं की आबादी ४७ परसेंट हो जायेगी.....

श्री इन्द्रजीत गुप्त (कलकत्ता-दक्षिण पश्चिम): इस से बजट में क्या होगा ?

Shri Raghunath Singh: I can speak on anything during the discussion on the Budget. This concerns the security of the country.

Shri U. M. Trivedi: You are right.

श्री रघुनाथ सिंह : इसदे: साथ ही साथ जो ११ जिले असम के हैं उन में से ४ जिलों की तरफ मैं आप का ध्यान आकर्षित करना चाहता हूँ जो कि पाकिस्तान से सटे हुए हैं। वह जिले हैं नौगांव, ग्वालपाड़ा, दोगांग और सिल्चर। यहाँ की ४० परसेंट आबादी मुसलमान हो गई। आप सेंस की रिपोर्ट उठा कर देखिये कि क्या कहा गया है। अगर इन ४ जिलों में ४० परसेंट मुस्लिम आबादी हो गयी, नेफा एरिया असम से मिला हुआ है और उसका क्या हश्य होने वाला है आप इससे भ्रंदाजा लगा सकते हैं। एक तरफ तो नागालैंड की डिमांड है। और दूसरी तरफ मुस्लिम इनफिल्ट्रेशन है। फन इस का यह होगा कि भारत की आजादी के साथ जो भूखंड हमें प्राप्त हुआ था वह भूखंड हमारे हाथ में रहेगा या नहीं इसमें हम को संदेह मालूम होता है। मेरे संदेह का कारण क्यों है इस को मैं उदाहरण देकर बतलाता हूँ कि बर्मा ने सन् १९४७ में अपने को कांस्टिट्यूशन में एक सैकुलर स्टेट डिक्लेअर किया। लेकिन बर्मा में अराकान एरिया ठीक ईस्ट पाकिस्तान की सीमा से सटा हुआ है और वहाँ पर मुस्लिम इनफिल्ट्रेशन जैसा कि ईस्ट पाकिस्तान से वैंस्ट पाकिस्तान में हो रहा है असम में भी उसी प्रकार का इनफिल्ट्रेशन प्रारम्भ हुआ। उसका फन यह हुआ कि अराकान में मुजाहिद पार्टी संगठित की गई। उस ने बर्मा गवर्नमेंट को चैलेंज किया कि चूकि अराकान एरिया में हमारी आबादी ४० परसेंट से कुछ ज्यादा है लिहाजा हम बर्मा के साथ नहीं रहना चाहेंगे। या तो हमारी एक सैप्रेट स्टेट होगी या फिर हम ईस्ट पाकिस्तान में मिलना चाहते हैं। केरेन के लोगों ने जैसे कि बर्मा में एक आवाज उठाई कि हमारी एक सैप्रेट स्टेट होगी उसी प्रकार से मुजाहिद लोगों ने आवाज उठाई कि बर्मा में हमारी अलग स्टेट होगी। उसका फल क्या हुआ यह आप अखबारों में देखते रहते हैं। रेलगाड़ियां चलना असम्भव हो गया और रायट्स हुए। इस सब का परिणाम

क्या हुआ? लास्ट ईयर बर्मा ने डिक्लेयर किया कि वह एक नान सैकुलर स्टेट है। जो स्टेट सन् १९४७ में सैकुलर स्टेट थी वही बर्मा सन् १९६१ में नान सैकुलर स्टेट हो गई। बर्मा वालों ने इस खतरे को देखा कि अगर इस तरीके को नहीं अपनायेंगे तो इससे भी बुरा हश्य होने वाला है। इसका नतीजा यह होगा कि बर्मा का एक तिहाई हिस्सा जो कि बर्मा का भाग है वह बर्मा के हाथ से निकल जायेगा। या तो सैप्रेट स्टेट होगी या वह पाकिस्तान में जाकर शामिल हो जायेगा।

जो लोग बर्मा के इतिहास को जानते हैं...

उपाध्यक्ष महोदय : माननीय सदस्य बजट के बारे में कुछ कहें।

श्री रघुनाथ सिंह : यह सब कुछ बजट के बारे में ही है। जो कुछ मैं कह रहा हूँ, उसका सम्बन्ध मिनिस्ट्री आफ होम अफेयर्स से है। (Interruptions)

Mr. Deputy-Speaker: It is not proper to speak about Burma in this discussion.

श्री रघुनाथ सिंह : मैं तो एक एग्जाम्पल दे रहा हूँ कि पाकिस्तान ने जो कुछ बर्मा में किया है, वह हिन्दुस्तान में भी वही करने जा रहा है। इसलिये उस खतरे से हमको सावधान रहना चाहिये। मैंने आपके मामले एक कन्क्रीट एग्जाम्पल रखी है।

इसके अलावा बर्मा में एक और घटना हुई। यहाँ से पाकिस्तान के लोग वहाँ गये, उन्होंने बर्मा औरतों से शादी की और उनके बाल-बच्चे हुए, जिनको वे छोड़ कर चले आए। इस प्रकार जब उनकी जन-संख्या काफी बढ़ गई, तो वह जहरवादी काम कहलाई। उन लोगों ने बाद में एक मेपरेट स्टेट की आवाज उठाई। पार-साल बर्मा में हिन्दू-मुस्लिम रायट हुए—बौद्ध लोगों और मुसलमानों में नहीं, बल्कि हिन्दुओं और मुसलमानों में बड़े पैमाने पर रायट हुए।

[श्री रघूनाथ सिंह]

आज ईस्ट बंगाल से आसाम में इतने ज्यादा लोग आ रहे हैं। हमें उनको रोकना चाहिये। मुझे अफसोस के साथ कहना पड़ता है कि हम उन लोगों को अपने देश में आने से रोक नहीं सके हैं।

इसके बाद आप देखिये कि ईस्ट पाकिस्तान से रोज १२५, १४०, २००, ३०० लोग, जो कि माइनरिटी कम्युनिटी के हैं, बाकायदा वेस्ट बंगाल में चले आ रहे हैं। उसका फल क्या हुआ? जैसा कि आजकल बंगाल के अखबार बहुत जोरों से कह रहे हैं, उसका फल यह हुआ कि मालदह में रायट हुआ और पाकिस्तान के डिप्टी हाई कमिश्नर वहां गए। इस रायट के बाद एक महीने के अन्दर ईस्ट पाकिस्तान में गोपालगंज, ढाका, राजशाही, पावना, रंगपुर और वरीसात आदि जगहों पर रायट हुए। लेकिन वहां जाने के सम्बन्ध में हमारे हाई कमिश्नर को वह सहूलियतें नहीं दी गई, जो कि भारत में पाकिस्तान के हाई कमिश्नर को दी गई। मैं सरकार से यह पूछना चाहता हूँ कि १९५० में जो नेहरू-लियाकत पैक्ट हुआ था, वह आज लागू है या नहीं। उस पैक्ट का प्रोग्रामबल इस प्रकार है—

“The minorities will look to their own government for protection.”

उस पैक्ट में एक धारा यह भी है कि अगर अल्प-संख्यकों पर अत्याचार हो, तो पाकिस्तान के लोग हिन्दुस्तान में जा सकते हैं और हिन्दुस्तान के लोग पाकिस्तान में जा सकते हैं। मैं सरकार से यह पूछना चाहता हूँ कि अगर हिन्दुस्तान में खुदा-न-खास्ता कोई रायट होता है, तो यहाँ की सरकार की तरफ से जो सहूलियतें पाकिस्तान के हाई कमिश्नर, डिप्टी हाई कमिश्नर और दूसरे अधिकारियों को दी जाती हैं, वे सहूलियतें ईस्ट पाकिस्तान में, जहाँ कि सात जगह

रायट हुए, हमारे हाई कमिश्नर को क्यों नहीं दी जा रही हैं। मैं चाहूंगा कि अगर उनको वे सहूलियतें नहीं दी जा रही हैं, तो रेसीप्रोकल बेसिस पर हमको भी उसी नीति का अनुकरण करना चाहिये।

Shri Sham Lal Saraf (Jammu and Kashmir): Sir, I seek your guidance on one point. The hon. Member is not speaking on the budget as such. He is speaking on a subject on which we will not get an occasion to reply. I am only submitting that if the hon. Member sticks to budget matters now and speaks on this when the Demands for Grants of the Ministries of Home and External Affairs come, we will also have an opportunity to say something on that.

Shri S. M. Banerjee (Kanpur): Sir, on a point of order.

Shri Shree Narayan Das (Darbhanga): Before the general discussion on the budget was taken up, the hon. Speaker was pleased to say that certain principles should be kept in mind by hon. Members before they take part in this debate. According to the hon. Speaker, an hon. Member can speak on anything on the Finance Bill. But, so far as the general discussion on the budget is concerned, he has to limit his speech to matter of financial policy and taxation matters.

Shri Raghunath Singh: But I am speaking on policy matters.

Mr. Deputy-Speaker: The hon. Member can very well speak about this on the occasion of the discussion on the Demands for Grants relating to the Ministry of External Affairs. Now he should confine himself to the proposals in the budget.

Shri Raghunath Singh: On the general discussion of the budget I can speak on any demand. That is the rule.

Mr. Deputy-Speaker: Order, order. The reference to Burma has nothing to do with this discussion. In this context, we are not concerned with what happened in Burma.

Shri Raghunath Singh: I have given a concrete example as to what happened in Burma.

Mr. Deputy-Speaker: We should be careful while speaking about friendly countries. I would advise the hon. Member to confine his remarks to the budget.

Shri Raghunath Singh: Only one word more about this point.

Shri Abdul Ghani Goni (Jammu and Kashmir): When an hon. Member is speaking on the general budget, I think he can speak on any and every subject. (*Interruptions*).

Shri Raghunath Singh: Yes, why not?

Mr. Deputy-Speaker: The hon. Speaker has already made it clear as to what all things can be said during the discussion on the general budget. Let us follow that.

Shri Raghunath Singh: I will speak for one more minute on this point.

गोआ के करीब बीस हजार लोग पाकिस्तान में हैं। उन लोगों को पाकिस्तान सरकार की तरफ से यह अल्टीमेटम दिया गया है कि या तो वे पाकिस्तान के सिटीजन हो जायें, या उनको पाकिस्तान को छोड़ना होगा। दो तीन दिन पहले इस सदन में इस बारे में सवाल भी उठाया गया था। मैं बताना चाहता हूँ कि ईस्ट पाकिस्तान के सोलह हजार नेशनल सीमिन के तौर पर कलकत्ता में रजिस्टर्ड हैं। अगर पाकिस्तान गवर्नमेंट अपने यहां रहने वाले गोआ के लोगों के बारे में इस प्रकार का कानून बनाती है कि या तो वे पाकिस्तान के सिटीजन हो जायें, या उन्हें पाकिस्तान छोड़ कर जाना पड़ेगा, तो फिर हमें भी ईस्ट पाकिस्तान के सोलह

हजार लोगों के बारे में यह कानून बनाना चाहिए कि या तो उनको हिन्दुस्तान का नेशनल होगा होगा, या उन्हें हिन्दुस्तान छोड़ना चाहिए।

अब मैं बजट पर आता हूँ।

उपाध्यक्ष महोदय : माननीय सदस्य तेरह मिनट ले चुके हैं। अब दो मिनट में वह खत्म कर दें।

श्री रघुनाथ सिंह : जहां तक विदेशी व्यापार का सम्बन्ध है, १९५२ में, जब कि यह देश रिपब्लिक बना, हमारा एक्सपोर्ट ७२९ करोड़ और इम्पोर्ट ९७१ करोड़ का था, जिन में २४२ करोड़ रुपये का गैप था। उसके बाद १९६० में हमारा एक्सपोर्ट ६२३ करोड़, इम्पोर्ट १,०११ करोड़ और इस प्रकार गैप इन दि बैलेंस ऑफ़ ट्रेड ३८८ करोड़ का हो गया, जब कि इस अवधि में हमारे देश में डेवलपमेंट और तरक्की हुई। इसका अर्थ यह है कि इन दस बरसों में हमारा एक्सपोर्ट १०६ करोड़ रुपये का कम हुआ और इम्पोर्ट ४० करोड़ रुपये का ज्यादा हो गया। अगर यही स्थिति रही, तो हमारी इकोनोमी ठीक ढंग से नहीं चल सकती।

इस सम्बन्ध में मैं एक उपाय बताना चाहता हूँ कि बाहर का व्यापार कैसे बढ़ सकता है। जहां तक साउथ ईस्ट एशिया का सम्बन्ध है, मलाया में हिन्दुस्तानियों की तादाद १० परसेंट, सिंगापुर में ८ परसेंट, और बर्मा में ११ परसेंट है। इसी प्रकार मारीसस में हिन्दुस्तानियों की तादाद ७५ परसेंट और फ़िजी में भी ७५ परसेंट है। इसी प्रकार ईस्ट अफ्रीका और केनिया में भी हिन्दुस्तानियों की आबादी है। मैं इन स्थानों पर गया हूँ। वहां पर हिन्दुस्तानियों की सब से बड़ी कम्प्लेंट यह है कि वहां पर हिन्दुस्तान की एम्बेसीज व्यापार के सम्बन्ध में उन के साथ कोई

[श्री रघुनाथ सिंह]

सम्पर्क स्थापित नहीं करतीं। अगर सरकार चाहे, तो वह सारे साउथ ईस्ट एशिया में, ईस्ट अफ्रीका में और अफ़ग़ानिस्तान और ईरान में अपने व्यापार को बढ़ा सकती है। इस देश के आदमी हर स्थान पर मौजूद हैं। वे भारतीय वंश के लोग हैं और हमारी सहायता करना चाहते हैं, लेकिन हमारी सरकार ने इस तरफ कोई ठोस कदम नहीं उठाया है। थाईलैंड का जितना कपड़े का व्यापार है, वह प्रायः सभी हिन्दुस्तानियों और चीनियों के हाथ में है। इसी प्रकार से मलाया का सारा व्यापार करीब करीब हिन्दुस्तानियों और चीनियों के हाथ में है। लेकिन हम अपने सामान को बेचने के लिये इनसे किसी प्रकार का सम्पर्क स्थापित करने का प्रयास नहीं करते। इसके लिये मैं आपसे निवेदन करना चाहता हूँ कि आप कोई ठोस कदम उठावें। आप यह भी जानते हैं कि तीन कामन मार्किट्स का सिस्टम इस वक्त है। एक यूरोपियन कामन मार्किट है, एक अफ्रीकन कामन मार्किट है और साउथ ईस्ट एशिया की कामन मार्किट भी तीन देशों की आ गई है। इन तीनों कामन मार्किट्स के पीछे सिद्धान्त क्या है? इसके पीछे केवल आर्थिक सिद्धान्त ही काम नहीं कर रहा है, राजनीतिक सिद्धान्त भी काम कर रहा है और वह राजनीतिक सिद्धान्त यह है कि जिस प्रकार पावर ब्लाक बने हुए हैं उसी तरह में छोटे छोटे आर्थिक पावर ब्लाक बनाया जाय। आर्थिक क्षेत्र के लिये हमें भी कोई ऐसा उपाय करना चाहिये कि हिन्दुस्तान के जो समीपवर्ती देश हैं, जहाँ हिन्दुस्तानियों की आबादी है, उनके साथ सम्पर्क बढ़ा करके हम अपने व्यापार में वृद्धि करें।

Shri V. B. Gandhi (Bombay Central South): Mr. Deputy-Speaker, Sir, there is probably much that is good in this budget and much that deserves praise. However, from among the good things I may just mention two

as an illustration: one, the help that this budget offers to exports, and the other, the emphasis that this budget puts on the role of current consumption in a planned economy.

There is an honest desire, and an actual commitment, in this budget to help exports. A sum of Rs. 1 crore has been set aside for the purpose of promotion and development of exports. Also, there are all these various rebates on tea exports and others.

Coming to the second point, there is this pointed reference to an important aspect of planned economy, planned strategy; and it is that the relationship between current consumption and investment has been very pointedly brought out. I shall read the Finance Minister's words. He says:

"A degree of control over domestic consumption is implicit in our effort to step up investment".

This reminds me of a passage I have read in a recent booklet by Prof. J. K. Galbraith. The title of the booklet is *Economic Development in Perspective*, and I cannot do better than quote a brief passage from it to reinforce what the Finance Minister has put so well himself. This is what Prof. Galbraith says:

"The final requirement of modern development planning is that it has a theory of consumption. . . . A theory of consumption—a view of what the production is ultimately for—has been surprisingly little discussed and has been too little missed. . . . On what grounds should Government decide? How much should be withheld from present consumption to nurture increased future consumption? If today's bread is barely sufficient, can we ask for sacrifices therein so that tomorrow's people will have butter?"

These, Sir, are some of the questions that are seeking an answer, and we have to try to find an answer for them.

I shall, however, not dwell any longer on this.

I would proceed to deal with the point I principally want to make today. The point I want to make is that this country has become somewhat inflation-prone, and we must not do anything, knowingly or unknowingly, which will add to the latent inflationary pressures.

In this connection I would draw your attention to paragraph 15 of the Finance Minister's speech of April 23. In fairness I should read some portions from this paragraph. In paragraph 15 the Finance Minister says:

"We must get an adequate return on the vast amount of capital we are investing in our railways, power plants, irrigation works, fertiliser plants, steel plants and the like."

I am omitting a few sentences. Further on he says:

"This means not only efficient and economical operation of public sector plants, but also a policy of charging a proper fee or price for the services and products supplied by the public sector. Betterment levies, water rates, electricity charges, railway freights and the like cannot be determined on the philosophy of 'no profit and no loss', but on the consideration that all these services and facilities need to be enlarged and their users must pay more for these things today in order that there may be plenty of them tomorrow and the day after. Our price policy must ensure that investment in key and basic industries earns a good enough return to make higher investment possible."

Now, Sir, we find two things in this paragraph. One is the price philosophy which the Finance Minister would like to make applicable to public undertakings in this country. And the other is that among the industries that he mentions, he makes no distinction

between industries that somehow have a greater inflation-potential than other industries. What this price philosophy of the Finance Minister will lead to, I shall try to explain by taking, as an illustration, the recent Railway Budget.

15 hrs.

The central object of the recent Railway Budget was to secure an additional revenue of some Rs. 21.26 crores, and for that purpose the proposal was to enhance the railway freight rates and passenger fares. My submission is that this kind of proposal is not as unobjectionable as it looks. For there is a difference in some industries, from the point of view of their inflationary potential, from some other industries. For instance, Railway is one such industry that has a greater inflationary potential. For, the railway or railway service is something which constitutes an element in the cost of production of a whole range of services and products. Railway service constitutes an element in the cost of production that straddles the entire spectrum of our economy. Why does it do that? Because, railway service is an element in the cost of production of so many other products. Let us take an instance. If you raise the railway freight by say 5 per cent, then, the cost of coal which the Railways carry has to be increased not by 5 per cent, but perhaps a little more, proportionately a little more than 5 per cent. Then, this coal is largely used by the steel plants. The steel makers have to put up their price of steel more than proportionately. The steel makers pass it on to those who use their steel, say, the tool makers. The tool maker, in his turn, has to put up the price more than proportionately. These tools are, perhaps, finally used by the textile mills. Then, the price of cloth has to be put up more than proportionately. Thus, a kind of pyramiding of costs takes place, especially when any tax or any levy is imposed on a service like the railway service or on a raw material like

[Shri V. B. Gandhi]

coal or steel or fuel or cement. This is a situation in which the consumers of these products—the consumers of coal, steel or tools—have no choice. There is hardly any choice left to them. They cannot say that they will not use the railway service. They must use the railway service. They have no other choice. In other cases, there is usually a choice. There is no elasticity of demand. The incidence of this additional taxation cannot be shifted as it can be shifted in other cases. Take for instance, a tax on cloth, on biscuits, on cinema tickets. If you tax some kinds of cloth, the consumer has the choice not to buy that cloth. He can buy some other cloth; he can buy less of that cloth. The same thing about biscuits, cinema tickets, all along. This is one reason why I should think that this increase in railway fares and freights is objectionable.

What is true of railways is also true of power plants, or irrigation works and such other services, which enter into the cost of production of other services and other products. That is one thing. In this para 15, there is no distinction made between these kinds of industries that have, for these reasons, a greater inflationary potential than others.

There are other industries mentioned in this para such as fertiliser plants, steel plants and others. As for fertiliser plants and steel plants, I can understand that there is some competition possible. There is some kind of a private sector in the case of these two and there is competition. That will help keep the costs of these plants down within reasonable limits.

The principal point I have been trying to make is that we have to be very careful in what we do in our taxation policies. We must not touch some industries while we may touch other industries if we want to have additional revenues. I do not want to create an atmosphere of alarm, because, I know, that recent-

ly, our price level has been comparatively stable. In fact, I would say that, looking at the narrow range within which our price level has been fluctuating recently, we can say that there is a certain amount of internal strength in the stability of the price level. Besides, after all, it is not a goal to be aimed at that there should be absolute stability. Absolute stability is not our goal. It cannot be our goal. Yet, I shall also say that we must watch. There is that secular trend which is moving upward during the last several years, at least 10 or 12 years and that trend has to be watched. Therefore, knowingly or unknowingly we must not do things which will result in any increase in the inflationary pressures in the country.

May I have one more word. Sir? When the Railway Budget was before this House, I was wondering whether any thought had been given to this aspect of this question. I am still wondering whether there is any central thinking done by independent men, independent economists in our Government. I mean, whether, for instance, this proposal to enhance the railway freights and rates was a proposal or a decision taken by the Railway Ministry only or it was done in consultation with and with the consent of other Ministries, particularly the Finance Ministry.

Shri Morarji Desai: May I tell the hon. Member that the Railway Budget is always framed with the Finance Minister's agreement? There is no question of no co-ordination.

Shri V. B. Gandhi: I am glad to be corrected. It looks as if these decisions are taken from the point of view of the need of individual Ministries. What is probably desirable is that we, in this country, should have some kind of a body of men, particularly of economists, who would be independent both of the Finance Mi-

nistry as well as of the Railway Ministry or any other Ministry and who would function in a kind of a role in which the American President's Economic Advisers Council functions. Such a Council, let us say, Economic Advisers' Council, may be attached to the Prime Minister and it should function independently.

श्री बागड़ी (हिमाचल) : डिप्टी स्पीकर साहब भारत की जनता आज इस मुश्किल एंवान की तरफ निगाह लगाये बैठी है कि कैसा बजट यह सदन उनके लिए पाम करना है। नए चुनावों के बाद आज जब कि भारत के करोड़ों इन्सानों ने अपना विश्वास देकर इस सदन के मुश्किल मेम्बरान को यहां भेजा है, तो वे देखना चाहते हैं कि ये मेम्बर इस देश को क्या नई देन देने हैं। लेकिन जब यह नई देन जनता के सामने जाएगी और जनता इस नई देन को देखेगी और परखेगी और जब जनता इसको इस्तेमाल करेगी तो जनता यह महसूस करेगी कि जनता के साथ घोर विश्वासघात किया गया है। करोड़ों इन्सानों के मुंह में मे चाहे वह चाय का दाना हो या तम्बाकू का टुकड़ा हो या दियामलाई की माचिस की सीक हो, उमको किस बेदरती के साथ गरीब कमरों में टैम्सों द्वारा छीना गया है, और उसका उपयोग क्या किया जाना है? उमके द्वारा खर्चा बढ़ाया जाता है। टैक्स इमी नाते बढ़े हैं कि मिनिस्ट्रियां बढ़ गयी हैं। एक जनसंघी सज्जन ने तो यहां तक कहा कि वायदे निभाओ। कीन से वायदे निभाने के लिये कहा है। राजे महाराजाओं के साथ जो वायदे किये हैं उनको निभाने की बात कही जाती है। मैं अर्ज करूंगा कि उस वायदे को निभाने की जरूरत है जो कि इस देश के करोड़ों लोगों के सामने किया गया है और जिम वायदे को इस देश के त्यागी पुरुषों ने किया, जिसको बादशाह जफर ने और आखिरी शहीद गांधी ने किया। वह वायदा यह था कि इस देश के बेकस इन्सानों की कमाई जिसको लूटने का एकमात्र साधन अंग्रेज था उसके जाने के बाद

उम कमाई को नहीं लूटा जाएगा।

मैं अदब के साथ अर्ज करूंगा कि एक तरफ तो इस देश का साहुकार इस देश की जनता को लूटता है और दूसरी तरफ इस सरकार का नेहरू सेठ लूटता है। पेनिसिलिन का टीका, जो तपेदिक का टीका है और जिमकी लागत तीन आने होती है उसका १२ आने इस देश की गरीब बीमार जनता के फेफड़े में किम बेदरती के साथ लिया जाता है और उसका रस और खून चूस चूस कर ऐयासी के साधन किए जाते हैं। तो किस तरीके में इस देश के गरीब लोगों की आशा और विश्वास बंधेगा।

गांधी जी ने अपनी एक गुजराती पुस्तक में लिखा है कि कहीं वह भविष्य सच न हो जाए। उन्होंने उस पुस्तक में जिस का नाम—बिहार में कौमी आग—है पृष्ठ ३६० पर लिखा है :

“स्वतंत्रता जैसा अमूल्य रत्न हमारे हाथों में आ रहा है और हम उसे खो रहे हैं। स्वराज्य का यत्न करने के लिए हमें फिर एक एक को मरना पड़ेगा। स्वराज्य लेने का पाठ तो लिया पर संभालने का पाठ नहीं सीखा। हमारी राज सत्ता ब्रिटिश की तरह बन्दूक के जोर में नहीं चिक सकेगी। अनेक त्याग और तपों के बाद कांग्रेस ने प्रजा का विश्वास प्राप्त किया है। परन्तु यदि आज कांग्रेस वाले प्रजा की सेवा करने के बदले मालिक बन जायेंगे तथा स्वामित्व दिखायेंगे तो मैं कदाचित जीवित रहूँ या नहीं पर इतने वर्षों के अनुभव के आधार पर यह आगाह करने की हिम्मत करता हूँ कि देश में बगावत होगी और सफेद टोपी वालों को जनता चुन चुन कर मारेगी।”

मैं मानता हूँ कि प्लान के लिए रुपये की जरूरत है। लेकिन आज करोड़ों रुपये इनकम टैक्स का बड़े बड़े साहुकारों की

[श्री बागड़ी]

तरफ बकाया पड़ा है और सरकारी मशीनरी उस को वसूल नहीं कर पा रही है। अगर किसान की तरफ दो रुपया भी कर और लगान का हो तो उस को जेल में डाल दिया जाता है लेकिन मिल मालिकों और बड़े बड़े सेठ साहूकारों से, जिन का रुपया कांग्रेसी सज्जनों के चुनावों में चँकों द्वारा जाता है, टैक्स का बकाया वसूल नहीं किया जाता। करोड़ों रुपया पेंडिंग में पड़ा है।

श्री भागवत झा आजाद (भागलपुर) : आप ने चुनाव में खर्च नहीं किया।

श्री बागड़ी : मैं ने जनता का पैसा खर्च किया लेकिन राजा महाराजाओं का नहीं किया।

मैं अर्ज करना चाहता हूँ कि आज अगर इस बजट में कोई टैक्स घटाया गया है तो वह कारपोरेशन टैक्स घटाया गया है, जिन विदेशी कम्पनियों पर टैक्स बढ़ाना चाहिये था उस को कहीं कहीं घटाया गया है। जो खर्चा टैक्स बड़े लोगों पर लगता था उस को घटा दिया गया है। लेकिन माचिस, तम्बाकू और चाय पर बढ़ा दिया गया है जिस की हिन्दुस्तान का हर गरीब और खानाबदोश तक इस्तेमाल करता है।

आप देखें कि कितने टैक्स की चोरी होती है। जितनी प्राइवेट लिमिटेड कम्पनियाँ हैं वे तमाम इनकम टैक्स की चोरी करती हैं। उन का तरीका यही है कि खर्चा ज्यादा दिखा देती हैं और इस तरह इनकम टैक्स से बच जाती हैं। मैं मिसाल के तौर पर बताना चाहता हूँ कि भिवानी के अन्दर भिवानी लुहारू ट्रांसपोर्ट कम्पनी लिमिटेड लुहारू है, और दिल्ली में जो कृष्णा बस सर्विस कम्पनी लिमिटेड, दिल्ली व गंजीबाद बस सर्विस हांसी की बसें चलती हैं, अगर इन के हिसाब को देखा जाय तो आप को मालूम होगा कि इन्होंने लाखों रुपये का

खर्चा दिखा रखा है। इन के हिसाब की जांच से सरकार को काफी आमदनी हो सकती है।

हमारे देश में बहुत से लोगो को करोड़ों रुपया इनाम के तौर पर दिया जा रहा है। यह इनाम बहुत से राजा महाराजाओं को मिलता है। यह इन को किस सेवा और खिदमत के सिले में मिलता है। ये राजे महाराजे वे लोग हैं जो कौमी तहरक के जमाने में महात्मा गांधी जैसे इन्सान को कहा करते थे :

या रहेगा किराड़, या रहेगा वराड़

ऐसे लोगों को वायदा निभाने के नाम पर कितनी बेशर्मी के साथ वजीफ़ दिये जाते हैं और कहा जाता है कि उन को पेंशन मिलती है। मैं अर्ज करूँ कि खुदपंडित जवाहर लाल नेहरू ने अपनी आटोबायोग्राफी में लिखा है कि एक दफा उन को पंजाब की एक रियासती जेल में घोड़ों की पेशाब वाली जगह में बन्द कर दिया गया था। उन्होंने लिखा है कि—मैं एक दफा वहां से आ गया तो दोबारा वहां जाने की मेरी हिम्मत नहीं पड़ी लेकिन फर्ज मेरा था उस जेल में जाने का। क्या इन्हीं सेवाओं के बदले में इन लोगों को ये पेंशन दी जा रही है। क्या इस देश के मासूम गरीब लोगों को पीसने वाले और दरिन्देनुमा अंग्रेजों की मदद करने वाले इन्सानों को पेंशन दी जानी चाहिए ? मैं समझता हूँ कि यह पेंशन नहीं है बल्कि हिन्दुस्तान के अग्राम के साथ बेवफाई का पक्का सबूत दिया जा रहा है।

मैं अर्ज करना चाहता हूँ कि आज अगर इसी तरीके से महंगाई बढ़ती रही, और टैक्सों का भार इसी तरह से बढ़ता रहा, और ला एंड आर्डर इसी तरीके से मफलज होता रहा तो वह दिन दूर नहीं—मुझे यह कहते भय लगता है—कि देश

में अनाकी हो जाय और महात्मा गांधी जैसे महान् आदमी की वह बात सच हो जाय कि धोली टोपी वालों को लोग चुन चुन कर मारें। यह देश के लिए अच्छी बात नहीं होगी। यह देश के लिए बुरा होगा और इस को रोकना चाहिये। लेकिन इस को कैसे रोका जा सकता है।

आज इस देश के अन्दर बड़ों को कोई पूछने वाला नहीं है। आप पंजाब की तरफ जाइए। कितने सिनेमा और कोल्ड स्टोरेज हैं जिन में इनकम टैक्स की चोरी होती है। कोई पूछने वाला नहीं है। सैयां भए कोतवाल। पंजाब के मुख्य मंत्री के लड़के उन बातों को करते हैं और उन को कोई पूछने वाला नहीं है तो फिर आम जनता में भ्रष्टाचार चलेगा ही।

दूसरी तरफ आप कहते हैं कि हम सिद्धान्तों पर चलते हैं। आप गरीबों से पैसा लेते हैं और डिफेंस पर यह कर खर्च करते हैं कि हम देश की सीमाओं को कायम रखना चाहते हैं, अपने देश की आजादी को कायम रखना चाहते हैं। मैं आप के मारफत अर्ज करना चाहता हूँ कि अभी दो रोज हुए कि हम ने अखबारों में पढ़ा कि दो सौ नागा होस्टाइल्स हिन्दुस्तान की सरहदों को पार कर के पाकिस्तान में फिजो से मिलने के लिए चले गये और हमारी फौज मुंह ताकती रह गयी। इन अफसरों के लिए और मिनिस्ट्रों के लिए हम अपने देश के गरीब मासूम इन्सानों के मुंह में से एक एक दाना और दूध का एक एक कतरा टैक्सों द्वारा छीनते हैं। इन्हीं अफसरों के सामने से अलानिया तौर पर वे लोग जो हमारे देश के साथ गद्दारी करना चाहते हैं बरमला हमारे देश की स्वतंत्रता को चैलेंज करते हुए पाकिस्तान में फिजो से मिलने और पाकिस्तान से मिल कर और साठ गांठ करके हमारे देश की आजादी को तबाह करने के लिए चले गए और हमारी मैशिनरी उनको नहीं रोक सकी। अगर आप सिद्धान्त की

बात कहते हैं तो इसी सवाल पर डिफेंस मिनिस्टर को इस्तीफा दे देना चाहिए क्योंकि उनकी सेना नाकाम रही और उन आदमियों को रोक नहीं सकी।

इसके बाद एक बात में और अर्ज करूंगा। सब से ज्यादा खतरा इस वक्त फिरका परस्ती का है। सब से ज्यादा इस देश की कौमियत के टूटने का है। आज देश के अन्दर हिन्दू, मुसलमान, सिख और ईसाई का सवाल नहीं है। आज देश की एकता का सवाल है। यह एकता कैसे कायम हो सकती है। एकता तब कायम हो सकती है जब इस देश के लिए जीवन बलिदान देने वाले महान पुरुषों की जिन्दगी का उल्लेख इस देश के अन्दर फैलेगा। इस देश के अन्दर आज उन महापुरुषों को भुलाया जा रहा है। बहादुर-शाह जफर जैसे कौम परस्त का जो हिन्दुस्तान की जंग आजादी के लिए लड़े और जिनके चार शाहजादों को बलिदान किया गया, आज उनका कोई नामों निशान नहीं है। क्या चांदनी चौक में उनका बुत नहीं बनाया जा सकता था। क्या नवाब साहब झज्जर का बुत नहीं लगाया जा सकता था, या राजा नाहर सिंह, बल्लभगढ़ का बुत नहीं लगाया जा सकता था। क्या बिड़ला भवन को जहाँ महात्मा गांधी शहीद हुए आज कौमी मिलिक्यत करार नहीं दिया जा सकता। जब तक कौम के तरीके से नहीं सोचा जाता तब तक कौमियत नहीं आ सकती।

मैं आप लोगों की मारफत अर्ज करूंगा कि अगर इस देश को बचाना है तो यह गरीब लोगों पर जो टैक्स लगाये गये हैं उन टैक्सों को हटाया जाय, भ्रष्टाचार रोका जाय और चीजों के भावों को बढ़ने से रोका जाय। यह टैक्सज बड़े लोगों पर लगाया जाय। ऐक्सेंडीचर टैक्स बड़े और धनी लोगों पर लगाया जाय। इसके अलावा राजा, महाराजाओं का जो पेंशन या प्रिवी पर्स बगैरह मिलती है उसको बंद किया

[श्री बागड़ी]

किया जाय और वह जब्त कर ली जाय । जितना भी पैसा इनकमटैक्स का बकाया रहता है वह सारा का सारा वसूल कर लिया जाय । प्राइवैट लिमिटेड कम्पनीज की जांच पड़ताल के लिए एक कमेटी बनाई जाय । उससे आपको यह मालूम होगा की कितना इस देश का पैसा, कौमी खजाने का पैसा लूट लूट कर खा गये हैं लेकिन बात कौमियत की करते हैं ।

इस देश के जिम्मेदार लोग कहते हैं कि प्लानिंग को आगे ले जावो । उपाध्यक्ष महोदय, मैं आपको बतलाना चाहता हूँ कि इस देश के जिम्मेदार लोग अपना सरमाया विदेशों के बैंकों के खजाने में जमा करते हैं और बात कौमियत की करते हैं । * * * अगर उनमें देशभक्ति का जज्बा है तो यह उसे यहाँ पर क्यों न लाये । डिप्टी स्पीकर साहब मैं आपकी खिदमत में अर्ज करूँगा कि अगर ऐसी बात है तो उस की पड़ताल की जानी चाहिए । * * * अगर इस तरह से सारे लोगों का हिसाब किताब देखा जाय और बहुत पड़ताल की जाय तो हमें विदेशों से सरमाया मिलेगा ।

The Deputy Minister in the Ministry of Finance (Shri B. R. Bhagat): May I point out that this insinuation that he is making that*** is highly objectionable?

Shri K. C. Sharma (Sardhana): On a point of order. This allegation is not permissible.

Mr. Deputy-Speaker: He should not make such allegations. These allegations will be expunged. Do not make any personal allegations.

श्री बागड़ी : उस सरमाये को अपने कब्जे में लेकर कौमी प्लान कामयाब किया जा सकता है । अगर उनमें कौमियत का जज्बा है तो बाहर के मुल्कों में जो पैसा है

उसको इस प्लानिंग में क्यों न दिया जाय । दूसरो से तो एक एक पैसा टैक्सों द्वारा छीनने की कोशिश की जाती है और इस तरीके से पैसा इकट्ठा किया जाता है लेकिन इन धनी लोगों का विदेशी सरमाया पड़ताल करके जब्त नहीं किया जाता ।

Mr. Deputy-Speaker: Order, order.

श्री बागड़ी : चलिए मैं वह नहीं कहता । उन का हिसाब मत लो क्योंकि वह मिनिस्टर हैं ।

मैं अर्ज करना चाहता हूँ कि इस प्लानिंग के नाम पर किस तरीके से भ्रष्टाचार चलता है । गरीब लोग जब सरकारी कर्मचारियों के पास रजिस्टरी करवाने या छोटी मोटी अदालतों में किसी काम के लिए जाते हैं तो उन से यह कह कर चंदा लिया जाता है कि प्लान को पूरा करना है । उन से ज़ब्री तौर पर पैसा लिया जाता है और कहते हैं कि यह प्लानिंग के वास्ते चंदा है और पैसा मिल जाने पर ही कहीं जा कर उन का काम किया जाता है । अब यह भ्रष्टाचार नहीं है तो और क्या है

उपाध्यक्ष महोदय : माननीय सदस्य का समय समाप्त हो रहा है ।

श्री बागड़ी : बस मैं एक मिनट में खत्म किये देता हूँ ।

इस तरीके से गरीब लोगों से ज़ब्री पैसा वसूल करके भ्रष्टाचार किया जा रहा है और मैं साफ तौर पर कह देना चाहता हूँ कि सारे देश की सरकारी मशीनरी मफलूज हो रही है । एक तरफ तो यह हालत है और दूसरी तरफ बाहर के सेठों द्वारा देश को लूटा जा रहा है । यह लूट केवल बाहर के सेठों द्वारा न होकर इस देश के सेठों द्वारा भी की जा रही है । फर्क बाहर के सेठों और नेहरू सेठ

**Expunged as ordered by the Chair.

के बखल इतना है कि लूटते तो दोनों हैं पर बाहर के सेठ जनता को लूटते तो हैं लेकिन लूट कर जमा भी करते हैं परन्तु यह हमारा नेहरू सेठ जनता को लूट कर खर्च करता है, जमा नहीं करता है और सरकार के अन्दर बैलेंस निल का निल दिखाते हैं। मैं इन चन्द शब्दों के साथ आप की मार्फत सबन्ध से चाहूंगा कि ट्रेजरी बैचेज पर बैठे हुए मेरे दोस्त वह दिन याद करें जबकि वह झोंपड़ियों में जा जाकर गरीब लोगों से वोटों की भीख मांगते फिरते थे। मैं अपने कांग्रेसी सज्जनों से खास तौर पर कहूंगा कि इस बजट पर अपने विचार प्रकट करते समय वह अपनी छाती पर हाथ रख कर और गांधी जी को याद करके, अपने विचार प्रकट करें। उनको यह याद रखना है कि करोड़ों गरीब लोगों और खानाबदोश लोगों ने अपना वोट देकर उनको जिताया है। उन लाखों और करोड़ों गरीब इंसानों का दिल में ध्यान रखते हुए इस बजट में गरीब लोगों पर जो टैक्स लगाया गया है उसे खारिज करें और ऐसा करें कि राजा, महाराजाओं की पेंशन, वजीफे आदि को खत्म कर दें। साथ ही यदि आप मिनिसट्रों की पलटन को भी हटा दें या काफी कम कर दें तो भी फायदा होगा।

Shri Himatsingka (Godda): Mr. Deputy-Speaker, the budget proposals of the hon. Finance Minister have to be examined in the background of his speeches of the 23rd April and the 14th April and the *Economic Survey* of 1961-62. It has been admitted in the *Economic Survey* that there is an imbalance in certain important sectors of our economy like transport, coal, power and certain varieties of steel. I feel that immediate action should be taken to remove this imbalance which is affecting our production in all respects. One is affecting the other and there is almost a vicious circle affecting our economy in various ways.

Because of shortage of transport, coal cannot be carried to places where it is needed. That affects production

in factories, workshops and elsewhere. Similarly, for want of power that is needed, you cannot set up new industries and new workshops. In this way, one is affecting the other and, therefore, in spite of the fact that our economy is stable—I feel that there is not much to be afraid of—these imbalances are affecting our economy very much and immediate action should be taken to see that they are set right.

A number of taxes have been introduced by the hon. Finance Minister. He has tried to raise as much money as could be raised by throwing the burden on as large a section of the population as possible. Both direct and indirect taxes have been proposed. The Communist Members have alleged or rather suggested that this is a capitalist budget and the poor people—the common people—will be very much affected. As has been very rightly pointed out by Shri Morarka, only very few of the articles subjected to indirect taxation will come within the use of the common man in the villages. Most of the articles included for indirect taxation are used by the urban population. If you examine the figures, you will find that the tax on the urban population is very much higher than what is paid by people in the villages. The middle class, the upper-middle class and the middle class are the persons who have been very much more affected.

The hon. Finance Minister has raised the tax on corporations from 45 per cent to 50 per cent. Personal taxes have been raised, capital gains, both short term and long term, are being taxed and still it is being suggested that this is a capitalist budget. Almost all the persons who can be called capitalists or rich are affected by these taxes. So I feel there is no justification to make any such insinuation or suggestion about the Budget.

The Finance Minister suggested that new floatations should look more

[Shri Himatsingka]

for equity capital rather than loans from banks or other financial institutions. This is a very nice sentiment and a desirable thing. But in this connection, I suggest that the deletion of sub-clause 20 of one of the sections—I believe section 5 of the Wealth Tax Act—taking away the exemption that is enjoyed by shareholders in respect of new equity shares for five years should not be proceeded with. The removal will not bring much money, but there is the question of sentiment. All the flotations that came about during the last three years after this clause was there, were based more or less on a sort of assurance from the company management that those shares would not be included for purposes of Wealth Tax. I think the hon. Finance Minister should examine this question. So far as these shares are concerned, they should continue to enjoy the exemption from Wealth Tax for at least those companies which have already come into existence and whose shares were sold in the market and taken up by the shareholders on the basis of that assurance. If he cannot see his way to continue this exemption in future, at least the persons who purchased the shares on that assurance should not be affected. They may be allowed to enjoy this exemption for the number of years they were entitled to. In some cases it may be a year, in other cases it may be for two, three or four years perhaps. That will not affect the income very much because the shares are very much spread over a large number of persons; maybe some of them are not Wealth Tax payers, but a large number of them are Wealth Tax payers, and perhaps the tax from them will be very insignificant. But, as I said, it is a question of sentiment, and therefore they should be allowed to have that benefit for the period they expected.

A number of Members have spoken about State enterprises and stated that they are not yielding good

results. I feel that most of the State enterprises are such that no private concern could have set them up, and therefore it was absolutely necessary that they should be floated by the State, but I think that some action should be taken to see that their efficiency increases, and that they give a good return, so that the benefit from those enterprises might be available to the State, and thus remove or at any rate minimise the burden on the other people in the country. About Rs. 700 crores have been invested, and if a reasonable return of, say, about four or five per cent be available, that will bring in about Rs. 30 to Rs. 35 crores, and that will remove the gap to a very large extent.

A number of concessions have been given. The hon. Finance Minister wants to encourage exports, and one of the items that has been taken up is the export of tea. In that connection, I feel that the concession that has been granted in the shape of reduction of export duty will be to a very large extent taken away by the increase in the railway freight and the tax that has been proposed on tea chests, plywood and other components which are absolutely necessary in the export of tea, because it is exported in tea chests. The tax that has been proposed will take away a big slice of the concession that has been proposed, and that should also be taken into consideration, because, after all, exports must be encouraged. Unless we can increase our exports to a considerable extent, to an extent which can be appreciable, the imbalance of foreign payments position will not improve.

In regard to excise duty, I want to invite the attention of the hon. Finance Minister to certain anomalies that appear to have crept in. Excise duty has been proposed on mercerised, shrink-proof, organdy-processed and otherwise chemically processed fabrics. Some of these fabrics, grey and bleached fabrics, are used by the

footwear factories. When they purchase this cloth from the mills, whatever excise duty has to be paid is paid by them. They bring it to their own factories, and they have to rubberise the cloth in order to make the footwear, which is manufactured mostly in Bombay, Kanpur and Calcutta. But the excise authorities want the cloth to be taxed in the process of rubberising, and when the cloth is converted into shoe, that again is taxed by an *ad valorem* duty of ten per cent. If the price of the cloth is increased on account of the rubber, the same being rubberised, that goes into the price factor of the footwear. Therefore, I feel there must be some mistake or misunderstanding whereby the excise authorities are asking for the payment of that tax from factories producing footwear, where it is one of the processes in the making of the shoes that rubber has to be put on the cloth. Therefore, that needs examination, and I think some clarification also, so that the factories may not be put to any difficulty.

Shri Raghunath Singh mentioned certain facts and some of the Members objected to his suggestion, but what he was trying to say was that there is a good deal of infiltration of Pakistanis into India, and that needs immediate attention. He was not speaking on the question of Hindus or Mohammadans, but he was saying that illegal immigration was going on not only into Assam but also to a very large extent into West Bengal, and that is really a very serious thing if it is allowed to go on unchecked. This question was brought to the notice of various Home Ministers, and I personally also drew their attention from time to time, but I am afraid not much has been done so far to stop this infiltration. The result is that in at least four of the districts of Assam, the population of Pakistanis has increased so much that there is practically an imbalance, and they are in a majority in six out of seven thanas in two or three of the district which are adjacent to East Pakistan. There-

fore, it is an important question from the point of view of India, and it is not a question of religion or secularism or any such thing. It is a question of foreigners coming into our country and spoiling our economy and also creating all kinds of difficulties and troubles in areas where they are coming. Therefore, it is a matter which needs immediate attention, and I think that something should be done to see that that is stopped.

Another thing that needs is the stoppage of avoidable expenditure wherever possible. We were told by the hon. Finance Minister that no new appointments could be made without the sanction of some of the Ministers, if any post became vacant, that could not be filled up. That is a very good thing, but there are other places where perhaps economy can be exercised. I feel that if some sort of enquiry about the work being done by officers and others is undertaken, that will give a lot of information which will be useful in reducing the expenditure. So, some sort of job analysis may be taken up as was done in 1932 or thereafter in the railways which helped in a lot of economy being effected. If some such analysis is arranged and taken up in the various departments of the Government, I think a lot of saving can be effected, and that will also take off a lot of the burden that is placed on the common man.

Shrimati Akkamma Devi (Nilgiris): Mr. Deputy-Speaker, Sir, I thank you for having given me this opportunity to speak a few words on the Budget proposals submitted by the Finance Minister. As there is a balance struck in the Budget proposals, I do welcome these proposals and I congratulate the Finance Minister for it.

In order to encourage the export of tea, it is proposed to increase the duty on loose tea by 5 nP to 10 nP per kgm and to give a rebate of 15 nP per kgm on its export. The new proposal of an increase of 10 nP on loose tea and

[Shrimati Akkamma Devi]

the reduction of the export duty will no doubt encourage and help the tea growers to earn foreign exchange for the manufacture of tea. But, on the other hand, we have to consider the plight of small growers of tea in Nilgiris owning 1 acre to below 50 acres, who are experiencing great difficulties as the tea industry, as everybody knows, is passing through a crisis for over a year.

In this general background, the plight of the tea producers, especially in the Nilgiris, the 6,000 and more of the small growers owning less than 50 acres and nearly 100 native factories, is unprecedented in the history of Nilgiris. The price of common tea is going down considerably, which is now below the cost of production. This, in turn, leads to the reduction of the price of green leaf supplied by the small growers to the factories. The rough estimate of the cost of production of one kgm. of tea is as follows:

Four kgms. of green leaves at 50 nP per kilo, is Rs. 2. The manufacturing charges come to about 50 nP. Packing, freight etc. comes to 10 nP; duty and taxes, 40 nP per kilo. Therefore, the cost of production per kilo comes to Rs. 3.

But, at present, the price is only Rs. 2.40 nP; and the loss per kilo comes to 60 nP. Even at this low price, below the level of the cost of production, a major portion of the tea produced by these native factories does not move, resulting in heavy stock. Due to this steep downfall in price, the manufacturing of tea from the green leaves supplied by the small growers is dumped in almost all the factories. As such the small producer finds it difficult to continue production. And, if this position continues for a few more months, I am afraid, most of the factories will go out of production and small growers would give up plucking of leaves altogether. I, therefore, request the Government to take steps to ease the present situ-

ation, failing which thousands of families connected with the tea industry would be badly hit with consequent repercussions on the economy of our nation at large.

Sir, the excise duty is levied on the basis of elevation. It is a wrong notion that all teas produced at high elevations fetch high prices. As a matter of fact, the small growers and factory owners, whose main production is what is known as common tea, do not get a rate anywhere near what is fetched by the high grades of tea produced by the company estates. I am of opinion that a uniform rate of duty on all teas produced in a particular area is hitting the small growers. My opinion is that the duty should be related to the price of teas rather than to their elevation.

15.45 hrs.

[MR. SPEAKER in the Chair]

Please imagine a small grower who sells his tea at Rs. 2.40 nP. per kgm., paying the same duty as the company estates like the Liptons, Brooke Bonds etc. who sell their tea at about Rs. 6 per kilo. I, therefore, request Government to fix the new increase of 10 nP on loose tea not on the weight but on the prices of tea sold—that is on value.

Secondly, the internal export duty should be exempted for those teas which are sold for Rs. 4 and below per kilo; and the duty on teas which are sold for above Rs. 4 should be increased proportionately. This system of internal export duty will not only help the small growers and native factories but there will not also be much loss of revenue to the State. I request Government to help the small growers in another aspect also. Even at this low selling price, as I have mentioned already, the teas do not move, there are a number of producers who cannot maintain heavy stocks and they are thus forced to

sell to the monopolists of the internal market at prices dictated to by them. In order to save the small producers from this critical situation, I request that warehousing facilities should be provided by the Tea Board under the direct control of the State Bank, who could advance a portion of the value of the tea to the producers on the surety of their stocks. I also request the Tea Board should arrange for the export of tea to the Middle East from the warehouses.

With these words, and with my request, I support the proposals of the Finance Minister.

15. 47 hrs.

RE: FAREWELL TO PRESIDENT

Mr. Speaker: Hon. Members must be aware that there is a function at 6 o' clock when an Address is going to be presented to the President on behalf of both Houses of Parliament. I am sure the hon. Members would remain here present so that we might just do our job there in honouring our President who has discharged those duties in such a dignified and distinguished manner. It was published in the Bulletin; but I heard that some hon. Members had complained that they had not known it. Lest the hon. Members might go away, I would further request them that we might continue till 5.30 here so that, straight from here we may go to that function. 15.48 hrs.

GENERAL BUDGET—GENERAL DISCUSSION—contd.

Shri R. G. Dubey (Bijapur North): Mr. Speaker, Sir, in the course of the discussion since yesterday, some important aspects have come up. A remark has been made repeatedly that we have no proper conception of socialism and that the methods and policies we are adopting will not take us in the direction of socialism. I believe that this kind of dogmatic assertion will not make the position very easy. May I point out that in the context of the present socialist movements in the world, there have been so many changes; and any dog-

matic or theoretical approach would not clarify the position.

May I just refer to the well-known controversy that has been going on between Belgrade and Peking regarding the revisionist policies. Though Belgrade is admittedly a communist country and follows communist policies, even then, Peking contests the claims of Belgrade to implement the policies in regard to scientific socialism. Taking into consideration these aspects, we have to evolve our own policy keeping in view the present social conditions in the country.

The other day, there was a remark on the role of the Prime Minister in the context of the construction of the new society. I think the Congress has been following a certain policy in keeping with the traditions of the past. Gandhiji taught us certain methods. Pandit Jawaharlal Nehru, who is the architect of a new society based on a socialistic pattern of society has got to follow his own policy to implement his plan. Naturally, there might be certain shades of opinion.

Mr. Speaker: Order, order. The hon. Member over there is standing with his back to the Chair for so long a time.

Shri R. G. Dubey: In the Congress Party as well as in the country there are certain different shades of opinion regarding policies and methods. As the responsible leader of the nation, he has got to keep a balance. There was a reference—I think it was by Shri Ansar Harvani—that sometimes we are rightists and sometimes leftists and so on. I think that one who delves into the history of the Congress movement will realise that the yardstick generally applied to the other movements and other parties does not generally hold good in respect of the Congress, because the Congress has always moved as one whole. There might be differences, when particular issues are taken up for discussion, but once the Congress or the Congress Government makes its position clear on a particular issue,