

[Mr. Speaker]

Now, on the second point whether a decision has been taken by the Government, the hon. member says that the Members from scheduled castes and tribes have been called for a meeting.

Shri S. M. Banerjee: He is not a Government member.

Mr. Speaker: I am not going to allow him.

Shri S. M. Banerjee: I want your ruling on this.

Mr. Speaker: My ruling is that the hon. member should resume his seat.

Shri S. M. Banerjee: Please listen to me, Sir. It is a very serious matter.

Mr. Speaker: He will sit down now.

Shri S. M. Banerjee: Such an important matter....

Mr. Speaker: He is obstructing me now. I am telling him to resume his seat.

Shri S. M. Banerjee: Kindly listen to me, Sir.

Mr. Speaker: He is interrupting the proceedings.

Shri S. M. Banerjee: All the scheduled caste people are agitated over this.

Mr. Speaker: I am not allowing this. Will he sit down or not? **Mr. D. C. Sharma.**

Shri S. M. Banerjee: He is not the Minister.

Mr. Speaker: Now I will ask him to go out. Independently of that, whether he is Minister or not, will he go out? He cannot argue.

Shri S. M. Banerjee: I am going out.

13.19 hrs.

UNION DUTIES OF EXCISE (DISTRIBUTION) AMENDMENT BILL, ADDITIONAL DUTIES OF EXCISE (GOODS OF SPECIAL IMPORTANCE) AMENDMENT BILL AND ESTATE DUTY (DISTRIBUTION) AMENDMENT BILL—contd.

Mr. Speaker: The House will now take up further consideration of the following three motions:

"That the Bill further to amend the Union Duties of Excise (Distribution) Act 1962 be taken into consideration;

That the Bill further to amend the Additional Duties of Excise (Goods of Special Importance) Act 1957 be taken into consideration; and

That the Bill further to amend the Estate Duty (Distribution) Act 1962 be taken into consideration."

Shri D. C. Sharma will continue his speech.

Shri D. C. Sharma: (Gurdaspur): I submitted very respectfully yesterday that the way in which the Commission was appointed by the Government of India, by the various Ministries under the Government of India, was very very arbitrary. Mostly those people are appointed who are out of touch with the sentiments of the people, with the feelings of the people and with the urges of the people. Referring to the Fourth Finance Commission I was saying that the Finance Commission had no knowledge of the stresses and strains under which some of the States in India were working. They have given a formula to decide this thing which is, more or less, rigid and inflexible. If such formulae are to be evolved, we could have done it without incurring the expenditure on this Finance Commission. A computer could have done this. A few Members of Parliament could have done this. This could have been done also by some officers of the Ministry. As I said yesterday, the very

urgent claims of some of the States had been scuttled; and they had not been taken due notice of.

Take, for instance, West Bengal which is a problem-ridden State, a State which is having a constant influx of refugees and which is undergoing all kinds of suffering, physical, mental and emotional. What has the Finance Commission given to them? Has it given any weight to these factors in regard to that State?

Then, take the case of Assam. Assam is a State in which infiltrators go as gaily as some of us go to a fair. We have not been able to stop the infiltration. Moreover, Assam has been subject to the incursions from the Pakistan people, from the Nagas and from the Chinese and from all those subversive elements that we have across the border of our own country. What concession has been given to that State?

Then, there is the State of Kerala. Kerala is a problem-State of India. I think the Finance Commission should have gone out of its way to create more employment opportunities in that State, and that could have been done only if the Finance Commission had given something more to that State, but that has not been done.

The fact of the matter is that the needs of the States have not been taken into account. My hon. friend was talking about the States vis-a-vis education. Now, I would like to speak about the States vis-a-vis the Finance Ministry. I am not talking about the States vis-a-vis the Finance Minister, because he is a very tender-hearted and kind-hearted person. But what is happening is this, that they are reducing the States to dole-earners; all the States of India are now being reduced to the condition of people who go out

Mr. Speaker: The hon. Member should try to conclude now.

Shri D. C. Sharma: Yesterday, there were so many points of order raised in regard to quorum and so, I could not have my say properly.

Mr. Speaker: I am told that the chairman who was presiding was ringing the bell again and again to indicate that the hon. Member should conclude.

Shri D. C. Sharma: No; he asked me to continue my speech today.

Shri K. D. Malaviya (Basti): That was not for Shri D. C. Sharma but for some other Member.

Shri Sonavane (Pondharpur): I had rung the bell thrice to indicate that he should conclude.

Shri D. C. Sharma: He permitted me to continue my speech today.

Government are making so many exceptions in regard to regulatory duties, special excise duties and cesses etc; these will not be distributed. That is regarding one Bill.

Then, I come to the second Bill. According to that, if a State has imposed any tax on the sale or purchase of sugar, tobacco, cotton fabrics, silk fabrics, woollen fabrics, and rayon or artificial silk fabrics by or under any law of that State, then no sums shall be payable to that State under clause (a) or clause (aa), or as the case may be, under clause (b) in respect of that financial year.

So, I would submit that on the one hand, the distribution has not been made equitably, and on the other hand, some of the sums which should have been there partly or wholly have been withheld from them. Therefore, I feel, being a Member of a State and not being connected with any Ministry in any sense of the word, that the States are being reduced to a state of almost beggary.

Then, take the Bill in regard to the estate duty. Of course, the proceeds of estate duty are distributed according to what Government get and the sums are distributed on a proportionate basis. But I would say

[Shri D. C. Sharma]

that this estate duty is the prerogative of the States. Of course, you may say that we have passed a law already and we cannot go beyond that law. But, sometimes, the laws are inequitable, and we do not have any chance to point out the inequity of those laws, and, therefore, I would say that so far as the estate duty is concerned, I feel that there should have been a more generous distribution.

In conclusion, I would request the hon. Finance Minister who is very generous in many ways that he should have a look at this Bill again and deal with the States more generously; some of these States are in a state of penury; some of them are in a state of emergency and some of them are in a state of trouble. Therefore, I would submit that the hon. Finance Minister should try to deal with those States more generously.

श्री युद्धवीर सिंह (महेन्द्रगढ़) : अध्यक्ष महोदय, जो ऐसी वस्तुएं हैं जिन को केन्द्र की तरफ से ड्यूटी लगती है, उस को विभिन्न प्रान्तों के अन्दर कैसे बांटा जाए, उस के बारे में जो चौथे फाइनेन्स कमीशन की रिपोर्ट है उस को कानूनी रूप देने के वास्ते सदन में यह बिल प्रस्तुत किया गया है।

ये जो तीनों बिल इकट्ठे आये हैं इन तीनों के बारे में एक बात और एक खास पहलू की ओर मैं आप का ध्यान आकर्षित करना चाहता हूँ और वित्त मंत्रालय का और केन्द्रीय सरकार का ध्यान भी इस ओर आकर्षित करना चाहता हूँ। इस में कोई शक नहीं कि जब यह चौथा वित्त कमीशन मिला था, जब इस की बैठकें हुई थीं, या जब इस कमीशन ने देश का दौरा किया था यह देखने के वास्ते कि किस प्रान्त को कितना भाग मिलना चाहिए, उस समय सम्भवतः देश की अब जो पाकिस्तान के हमले के बाद स्थिति हो गयी है वह न रही हो। अब पाकिस्तान का हमला होने के बाद, मैं देश के अन्य भागों के बारे में विशेष रूप से नहीं कह सकता,

लेकिन पंजाब जिन विशेष परिस्थितियों में से गुजरा है उस संदर्भ में बात करते हुए मैं केन्द्रीय सरकार तथा वित्त मंत्रालय का ध्यान इस ओर आकर्षित करना चाहता हूँ कि इस मामले में पंजाब के साथ कोई विशेष न्याय नहीं किया गया है। जो कुछ वित्त आयोग की रिपोर्ट के अनुसार पंजाब को दिया गया है उस को देखने के बाद मालूम पड़ता है कि केन्द्रीय सरकार ने पंजाब की तबाही को देखते हुए पंजाब के प्रति अपने उत्तरदायित्व का परिचय नहीं दिया है, वह पंजाब की तरफ से विल्कुल बख़बर है।

13.25 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

उपाध्यक्ष महोदय, मैं आप का ध्यान इस बात की तरफ खींचूँ कि पंजाब के राज्यपाल सरदार उज्जवल सिंह ने जालन्धर में यह स्टेटमेंट दिया है कि और जानी नुकसान के अलावा जो नुकसान पंजाब सरकार ने मोटे तौर पर आंका है, चाहे वह नुकसान खेती बाड़ी का हो या कारखानों का हो—वह बहुत गहराई में नहीं गए हैं—करीब 22 करोड़ रुपए का है। इस में और जो बहुत से नुकसान हुए हैं उन की रकम शामिल नहीं है जैसे जो नुकसान अमृतसर, गुरदासपुर और छरेटा में जो बहुत से कारखाने बन्द हो गए हैं और जिन की वजह से 15-20 हजार मजदूर बेकार हैं। अगर यह हमला न हुआ होता तो कारखानेदार उन कारखानों में और पैसा लगाते और उन में कुछ और काम बढ़ाते, जो कि नहीं बढ़ाया जा सकता। यह नुकसान इस 22 करोड़ में शामिल नहीं है।

वित्त मंत्रालय कह सकता है वह और शकल में पंजाब को मदद कर देंगे। मगर अब जब कि यह बिल इस शकल में लोक सभा में आया है, तो मुझे कोई कारण नहीं दिखलायी देता कि पंजाब पर जो हमला हुआ और उस से जो सारी तबाही हुई है उस को आंकने का काफी मौका, डार्ड महीने का, केन्द्रीय सरकार के पास था, फिर भी इन शिफारिशों

का इस सदन में पेश करने से पहले पंजाब के मामले में विशेष सहायता देने के लिए क्यों प्रयास नहीं किया गया, जिस से पता चलता कि केन्द्र भी सारे मामले में सजग है। देशवासियों के दिमाग में यह बात है कि पंजाब तो सारी चीजों में सब से धागे है, भ्रष्ट में भी सरप्लस है और कारखानों के उत्पादन में भी काफी धागे है, इसलिए केन्द्रीय सरकार को उस के प्रति कोई जिम्मेदारी नहीं है। यह बात पहले तो समझी जा सकती थी लेकिन अब जब कि 22 करोड़ का नुकसान पंजाब का हो चुका है, जैसा कि राज्यपाल द्वारा बताया गया है, और केन्द्रीय सरकार से कोई चीज छिनी हुई नहीं है, कि किस प्रकार खेती बाड़ी से ले कर कारखानों तक को इस हमले से पंजाब में नुकसान हुआ है, इस सब के बावजूद मैं नहीं समझ पाता कि इन सिफारिशों का क्या इन में मंजूर किया बगैर पेश किया जा रहा है जिस में पता चले कि पंजाब के मामले में केन्द्रीय सरकार पुरे तौर से सजग है।

पंजाब के मामले में मेरी और लोक तथा राज्य सभा के अन्य केन्द्रों की पंजाब के कुछ सीनियर मंत्रियों से बातचीत हुई थी। उस में उन्होंने पार्टी के डिस्पलिन के कारण साफ तौर पर तंग नहीं कहा, लेकिन परोक्ष रूप में उन्होंने कहा कि पंजाब में खेतीबारी तथा कारखानों को इस हमले से नुकसान हुआ उस को देखते हुए इस मामले में केन्द्रीय सरकार जो सहायता देने के लिए बचनबद्ध थी, वह उस ने नहीं दी।

एक बात मैं यहां साफ कर देना चाहता हूं। जैसा कि मैंने ऊपर बतलाया, पंजाब को इस हमले से 22 करोड़ का नुकसान खेतीबारी तथा कारखानों में हुआ है, इस के अलावा गुरदासपुर, भ्रमृतसर, फीरोजपुर और उन से लगे एनाकों को काफी तबाही का सामना करना पड़ा है। केन्द्रीय सरकार के दिमाग में यह बात साफ हो जानी चाहिए कि जैसी उस की देखी हरकत पंजाब की और पिछले डार्ड तीन

महीनों में रही है, अगर धागे भी यही रही और उस ने जो लड़ाई के कारण पंजाब में नुकसान हुआ है उस की क्षतिपूर्ति नहीं की तो यह निश्चय है कि एक या डेढ़ साल में पंजाब देश की पिछड़ी से पिछड़ी स्टेट के मुकाबले की स्टेट हो जाएगी। वह जो घास-गस के जिले हैं जो दस, पन्द्रह या बीस मील का इलाका है जहां कि दुनिया भर की फसल पैदा होती थी, दो महीने पहले तोंपों की मार जब आई थी तो वहां से लोग हट कर पिछली तरफ चले गये, गोला बारूद की मार से।

वह तबाही हो गया। यह सारी खेती की तबाही की हालत वहां पर मौजूद है। बटला, गुरदासपुर का इलाका जो 20-25 मील के अन्दर पड़ता है, दूसरा छराटा भ्रमृतसर का इलाका यह तमाम इलाका बिलकुल बमों की मार के अन्दर था और साखिरी बम छराटा पर गिरा है। उसी प्रकार भ्रमृतसर का और यह सारे का सारा लुधियाना का जो 10-15 या 20 मील का इलाका है वहां पर चल रहे उद्योगों की हालत बड़ी खस्ता है और नाबत यहां तक पहुंच गयी है कि उन पर कोई भरोसा और विश्वास न होने के कारण बैंकों ने एडवांस देना बन्द कर दिया है। सरकार की तरफ से उन्हें कच्चा माष, कांयला, बिजली या और अन्य सामान मिलना चाहिए कारखानों को चलाने के वास्ते मगर कोई गारन्टी देने को तैयार नहीं है। उस इलाके के लोगों का जो कि उद्योग चलाते हैं कहना है कि हमें केन्द्र की तरफ से सहायता नहीं मिली है। केन्द्रीय सरकार का इस सारे के सारे मामले के अन्दर क्या रख है। यह जो हमारे मामले बिल पेश है उस से साबित हो जाता है। इन दो, डार्ड महीनों में पंजाब में जितना नुकसान हुआ है उस की पूर्ति के लिए केन्द्रीय सरकार ने कोई खास ग्रांट पंजाब को नहीं दी है। पंजाब में हाल की लड़ाई से जो नुकसान हुआ है उस की क्षतिपूर्ति के वास्ते कोई विशेष रकम की सहायता केन्द्रीय सरकार ने पंजाब को नहीं दी है। मैं सरकार को चेतावनी देना चाहता हूं

[श्री युद्धवीर सिंह]

कि अगर ऐसे ही स्थिति का बनाया रक्खा तो पंजाब की साल, डेढ़ साल के बाद बहुत ही गिरी हुई हालत हो जायेगी। आज पंजाब की हालत यह है कि वहां पर नहरों के अन्दर पानी की कमी है, बारिश हुई नहीं है, और अगर केन्द्रीय सरकार ने तुरन्त पंजाब को विशेष रकम सहायतायें मंजूर नहीं की तो पंजाब भी अन्य प्रान्तों की तरह अनाज के मामले में डेफिसिट एरिया हो जायेगा और उसे भी अपने प्रान्त की जनता का पेट भरने के लिए भारत सरकार से अनाज के लिए प्रार्थना करनी पड़ेगी। केवल जय किसान और जय जवान के नारे लगा देने से काम नहीं बनने वाला है और देश में खाद्यान्न का उत्पादन अधिक नहीं होने वाला है। अगर केन्द्रीय सरकार ने तुरन्त इस ओर ध्यान दे कर सक्रिय कदम नहीं उठाया तो एक दो साल के बाद पंजाब इतनी गिरी हुई हालत को प्राप्त हो जायेगा कि वह भी अनाज के मामले में डेफिसिट प्रान्तों की तरह अन्य इलाकों से अनाज मंगवा कर उसे अपने प्रान्त की जनता का पेट भरना पड़ेगा। इसलिए मेरी प्रार्थना है कि केन्द्रीय सरकार समय रहते चेते। मैं सरकार को साफ तौर पर चेतावनी देना चाहता हूं कि अगर केन्द्रीय सरकार ने उधर ध्यान नहीं दिया और अपना दायित्व पूरा नहीं किया तो पंजाब आज जिस शक में दिखाई देता है वैसा दिखाई नहीं पड़ने वाला नहीं है। लुधियाना जो कि छोटा जापान कहलाता है और यह सारा इलाका जो कि मैनबस्टर कहलाता है और जिस के लिए कहा जाता है कि यह तो यूरोप का एक टुकड़ा है वह वैसा बने रहने वाला नहीं है। यह बात बिल्कुल साफ है कि केन्द्रीय सरकार के अच्छे तरीके से प्रांट दिये बगैर वह इलाका उभर नहीं सकता है।

पंजाब को मदद देने के बजाय हुआ यह कि भारत और पाकिस्तान की फौजों के बीच साढ़े तीन बजे सीज फायर होता है और उस के 4, 5 घंटे बाद ही यह पंजाब

मूबे के डिवीजन का बखड़ा खड़ा कर दिया। अब आप स्वयं समझ सकते हैं कि इस चीज का असर क्या पड़ेगा? उधर पहले ही पंजाब की हालत खस्ता हो चुकी है। तांपों की मार से और बमों के गिरने से फसलें चांपट हो चुकी हैं। करीब 22 या 25 कोड़ रुपये का नुकसान हुआ है और उस से तो अभी वह उभर नहीं पाया है उल्टे यह पंजाबी मूबे का मसला फिर से ला कर बीच में खड़ा कर दिया गया। एक ओर तो श्री राम किशन यह कह रहे थे कि परमात्म के वास्ते कुछ समय के लिए अभी जब कि देश के मामले खतरा मौजूद है तब तक कम से कम इस सवाल को सामने मत लाओ और पंजाब को पिछली मारों से सम्हलने का मौका दिया जाय, लेकिन दूसरी तरफ हमारे नन्दा जी ने इस पंजाबी मूबे के दबे-दबाये प्रश्न को फिर से जनता के सामने लाकर खड़ा कर दिया। पंजाब के लोगों का ध्यान फिर से इस बखड़े की तरफ लग गया है। दरअसल जब कि देश में पूरी शान्ति व एकता ही जरूरत है ऐसे समय इस तरह के विवादग्रस्त सवाल को खड़ा करना उपयुक्त नहीं था। केन्द्रीय सरकार अगर इस मामले को फिर से सामने रख कर समझती है कि वह अपनी जिम्मेदारी से मुक्त हो गई है तो वह गलती पर है। यह खाली अकेले कोई प्रान्तवाद का प्रश्न नहीं है। अगर आप चाहें हैं कि पंजाब जिस तरीके से दो महीने पहले था या जिस तरीके से पंजाब खेती की पैदावार में सब से आगे था और अन्य प्रांतों को खाद्यान्न सप्लाई करता था उस की वह अनाज में सरगलस वाली जेजेशन बनी रहे तो इस तरह की सरकार को हीन बलि को त्यागना होगा। जरूरत इस बात की है कि पंजाब में मिनाई की जहां भी कमी है जरूरत है, उसे ट्यूबवैलों से पूरा करें, नहरों में अतिरिक्त पानी दे कर और चाहे बिजली दे कर उस कमी को पूरा करें।

पंजाब के एक वरिष्ठ अधिकारी यह कह रहे थे कि पंजाब में सब से अधिक कमी अंग्रेजी

बाद की है जिस को कि तत्काल सरकार को पूरा करना चाहिए। श्री लाल बहादुर शास्त्री ने देशवासियों से अधिक धन उगाने की अपील की है और चप्पे, चप्पे जमीन पर यहां तक सड़कों के किनारे और गमलों तक में खेती करने की अपील की है तो जाहिर है कि पंजाब को इस दिशा में एक बड़ा महत्वपूर्ण रोल अदा करना है। पंजाब इस मामले में बहुत कुछ कर के दिखा सकता है बाकी जरूरत इस बात की है कि केन्द्रीय सरकार उसे स्पेशल ग्रांट दे और वहां की क्षतिपूर्ति करे। पाकिस्तान के अभी हाल की लड़ाई के फलस्वरूप जो औरडस से हमारे भाई रेफ्यूजीज बन कर आये हैं, वहां से उखड़ कर इधर आये हैं और उन के लिए त्यागी जी ने जो कैम्प आदि खोलने और अन्य सहायता प्रदान करने की चर्चा की थी तो बहुत करना था ही क्योंकि उन बेवारां का तो उस में कोई अपराध था ही नहीं। मेरा इन कटु बातों का कहने का तात्पर्य महज यह है कि केन्द्रीय सरकार अब भी बने और आगे आ कर पंजाब को जितनी क्षति हुई है उस की वह स्पेशल ग्रांट दे कर क्षति पूर्ति करे। भारत सरकार को पंजाब के मुकामन की भरपाई करने के लिए एकस्ट्रा ग्रांट स्वीकृत करना चाहिए। यदि केन्द्रीय सरकार इस दिशा में सक्रिय कदम उठाती है तो देश में जो हमारा आज अनाज अधिक पैदा करने का आन्दोलन है वह राकव हो सकेगा और हमारा पंजाब उस में 50 प्रतिशत के अतिरिक्त अपना सहयोग दे सकेगा।

Shri K. D. Malaviya: Mr. Deputy-Speaker, my hon. friend, Shri D. C. Sharma, has raised, in my opinion, some very relevant issues for the consideration of Government. With regard to the appointment of these Finance Commissions periodically and the allocation of resources to various States, I personally feel that some re-thinking is needed as this idea of the appointment of Finance Commissions has been handed down to us from very olden times and it has not been refreshed by the creation of conditions

and circumstances consequent on the change of environment in the post-independence period. The entire question of allocation of resources has now to be given a new orientation from the point of view of the new social objectives before us.

It is not enough perhaps to take into consideration the largeness of a State and the amount of tax collected from that particular State and then try to do justice with regard to distribution of funds from the point of view purely of the quantum of funds and the numbers involved. Then again, what is the objective of spending that money? We have to think about it very seriously. The backwardness of a State is one of the considerations. But more important, in my opinion, is the total integration of the conditions of the country and the social objectives which we have set before ourselves to attain. For instance, we have developed the philosophy of building up and giving a new dimension to public sector activities under our socialist objectives. We daily complain of shortage of resources. I personally feel one of the difficulties that face Government is on account of a certain pattern of distribution which we have taken for granted with regard to the resources that we get from the people. We have got to see that the marriage takes place between the fulfilment of the objectives that we have and the physical resources that we mobilise to invest in those objectives in such a manner as to produce the best results. If we have other considerations before us, those considerations which have been before us for some time, they have got to be changed now. The time has now come to transform our concept with regard to expenditure of money.

Of course, my hon. friend, Shri Yudhvir Singh Chaudhuri, has also raised the question of the economic difficulties the Punjab industries are facing. For such problems obviously Government have got resources and

[Shri K. D. Malaviya] they can meet the, because they are short-term problems which have cropped up due to circumstances which do not happen every day, which have nothing to do with the day-to-day progress of the country and the objectives before us. Government have got means and they can meet such situations. But the development of industries, of the economy of the country and the natural resources is a long term difficulty. These factors are of prime importance with regard to certain import of raw materials. We want to reserve our resources for expenditure on particular objectives. I could just give one illustration: scarcity of sulphur in the country. There is basic scarcity of sulphur in the country and we are not going to solve it by the routine method of importing sulphur and converting it into sulphuric acid and use it for various chemical industries for defence and other economic development purposes. Here is a raw material available to us: iron pyrites. It has got almost unlimited amount of sulphur in it and it has to be exploited. Therefore, the policy of government ought to be to extract sulphur out of our local resources found in Bihar. For that there is no particular attention paid because there are the questions of economical extraction of sulphur and the resistance of the private sector because they know the easiest course is to import sulphur from abroad and then convert it into sulphuric acid in their own installations. Government should allocate specially reserved funds for the availability of sulphur to the nation for various purposes. The distribution of excise duties must play its part. The entire problem of allocation of resources should be looked from this angle; it should be linked with the economic necessities of our social objectives. This is a point which needs consideration by the government. Because of vastly changed circumstances, we have to change our concept of distribution of funds also and we have to cut ourselves away from that old concept of

just merely distributing money because we have got money. This entire concept of national outlook will be enforced more purposefully if we do away with this idea that we have got Rs. 5 and therefore we may give them Rs. 2, because that is their due share. The justice behind the distribution should be not on account of the numbers that inhabit that State or region but because of the necessity of the nation.

Shri Kashi Ram Gupta (Alwar): Mr. Deputy-Speaker, the report of the Finance Commission must have been discussed in the House prior to the bringing in of these bills. That would have been the proper course. Just now Shri Malaviya was referring to a very important question about the policy of reallocation of finances for special purposes. The present method by which these Bills are brought before the House for percentage distribution is the old theory and it requires a very big change. In the report of the finance commission, the Chairman, has put in a note of dissent. This is about the planning commission; he has charged that the planning commission is an unconstitutional body, formed against the Constitution. Government has not been able to say a word about this. He is of the opinion that the planning commission should also be a statutory body, and not a body set up by and for politicians. At present the chairman of the Finance Commission was of the opinion that the commission was competent to deal with all such points as are dealt with by the planning commission. It is only because of certain other ideas of the government that this has come in. The States have got certain inherent rights for taxation. It has come to the notice of the people that sales tax levy in the States leads to corruption; instead the government should levy excise duties. They say that the States are not agreeable to do this. My point is that whether they do so because of the political power that they hold about this or

because of economic factors. So far as economic factors are concerned, I think there can be ways and means to give them some amount of revenue by means of excise duties in place of sales tax. But so far as the question of having a sort of power is concerned, it is quite a different method. If the States insist that sales tax should remain the government of India should also reconsider the question of allocation of funds to them. At present the government only allocates certain funds; it does not wield any power of control over expenditure of these funds and this leads the state governments misusing funds in their own way and even against the directions of the planning commission. The time has come when the whole tax structure of the country should undergo a radical change. A commission should be appointed to see how the allocation of taxes between the States and the Centre should be there and if need be the Constitution may also be changed. Even this finance commission has given the idea about it that a special commission should be appointed to go into the plan expenditure. The question is now a centralised one while there is a slogan for decentralised way of production, decentralised way of shifting small industries to the rural sector. If that is done the whole structure of the taxation shall have to be revised. There is considerable contradiction between the two. Unless the government is very keen about ending it, this anomaly will go on as it is today. At present what the States do is this. They are trying to tax to the highest level and on the other hand there is a gap to be filled in by the central government from taxation according to the finance commission report and also by grants in aid. All these three things are going on; that has led to the whole trouble. Therefore the time has come when we should see that a more simple procedure is there and there may not be so much need of having a finance commission revision every five years which complicates the things all the more. Mr. Yudhvir

Singh has raised a very important point about the present position of the border States. I come from Rajasthan which enjoys the same position. It is a very backward State because of so many reasons; there are the tribal people and the scheduled castes there. The desert is there. The finance commission had not the power to allocate funds in that way and hence the question of grants in aid from the government comes in. It may be argued that it is a temporary phase. If we see the situation of the State, it is not a temporary phase; it is a chronic phase. Therefore, seeing to this chronic phase, the allocation of funds as envisaged in the Bill requires a radical change in percentage and all these things which have not been touched by the Commission as they ought to have done.

At present there are certain subjects which are in the concurrent list, and certain subjects which need to be taken over by the Government of India, for example production of electricity, power and irrigation. Every one now has come to this conclusion that unless and until there is a central authority, for power, nothing can be done substantially. If a central authority is there and an All-India grid system is there, the whole question of giving allocation of funds to the States will have to be changed. Therefore, when we see to these allocations, we should see to these basic problems, whether the States which have got at present incomes from land revenue, forests, excise duties and all these things, will be allowed to have further taxation in other directions, or whether the Centre should take over these things. My opinion is that the Centre should take all such things as electricity, and the reallocation of funds in that direction must be in the light of the steps taken by the Centre. Of course, the States, according to their own resources, must be allowed to have

[Shri Kashi Ram Gupta]

their own industries in the public sector to the maximum possible extent, and also in the private sector, and if public sector industries are given, the allocations will be there according to that position.

Therefore, the present way of allocating funds should undergo a radical change in that respect that if we allocate funds and we also categorise them specially, for special use, then, of course, there must be proper use, proper control of the funds by the Centre over the States. Otherwise, the present position is that every State demands the maximum and spends in its own way, giving poor results, and at the same time taking no responsibility.

For example, about this agricultural production, the real power lies with the States, and the Centre has to co-ordinate this and everything in that respect has to be done according to the Central directives, but the directives are not followed. Therefore, while passing this Bill, which is a temporary phase, I request the Finance Minister to see that the whole taxation structure of the country is put into such a simple form, and the procedure is so simple, that all these central directions and complications are avoided, and all those methods that result in or lead to corruption must be avoided if we are to have a scientific method of taxation and a scientific method of giving a right proportion to the States in a right way.

Mr. Deputy-Speaker: Shri Alvares.

श्री हुकूम अन्व कछुबाय (देवास) :
उपाध्यक्ष महोदय, सदन में गणपूर्ति नहीं है ।

Mr. Deputy-Speaker: The bell is being rung..... Now there is quorum.

Mr. Alvares (Panjim): The Finance Commission in its report has raised some very fundamental issues, and it would have been advisable if

the Government and the Finance Minister had asked the House to consider the recommendations of the report as such. It grows upon one's mind that while there is a large measure of autonomy in the political arrangement, as regards finance, there is more and more centralisation in the hands of Government. One comes across complaints throughout the report, where the representatives of States, who deposed before this Commission, have made out this point.

For instance, they have complained that since the first Finance Commission gave its report, a new and important innovation has been introduced into our economy, and that is developmental planning, and therefore neither the Constitution nor the Finance Commission in the past have taken this new important feature of development expenditure into consideration. They would have liked to do so, but because of the restricted terms of reference given by the President, they were unable to go into this question. They have suggested that even if it is necessary to amend certain articles in the Constitution in order to give relief for the development expenditure in the States, this should be speedily undertaken.

At the moment there are two criteria on which the States have complained, and it is obvious that a large amount of centralisation of revenue is taking place. In the first instance, the States have complained that those taxes which the Government have worked are not sufficiently exploited, and often in this House we have raised the same cry. We have said that where it is possible for Government, not necessarily in these taxes that are shareable or divisible but in other cases, Government is not making sufficient efforts to draw out all that is necessary from possible sources, and in the absence of this full exploitation, the share of the States where these taxes are shareable comes to a lesser extent than is anticipated.

The second point is in regard to certain additional excise duties which are in lieu of sales tax levied by the respective States, for instance on textiles etc. It is a general complaint that the Union Government have the discretion to vary this additional textile duty, and because of the discretion to vary, the rights or shares accruing to the States are variable, and as a consequence of this they are not able to make any plan in advance, not knowing the extent of the shareable income that they are going to receive from the Centre. Many discussions or many formulae have been suggested to determine the share of the States in the divisible pool of taxes.

14 hrs.

Sir, may I suggest that one of the important facts—which is not so much taken into consideration—is that a large number of States are in need of finances for social development purposes. Article 275 of the Constitution itself lays down the responsibility of the Centre to give grants-in-aid to such States as have to undertake developmental work and incur developmental expenditure for the rehabilitation of the Scheduled Castes and Scheduled Tribes. While this is a specific recommendation, there are vast areas for social development quite outside this mandatory rule, and therefore, I think, a point has been made out that as far as the demand of the States for the availability of more divisible funds for developmental expenditure is concerned, this matter should be examined by the Government also.

The third point is, when the Finance Commission first came into existence, there was not so much of plan expenditure, which now overshadows current expenditure. The whole context has changed now and, therefore, the States rightly feel that when they have taken up the responsibility of quite a big degree of planned expenditure, their share from these divisible assets should be larger than it is.

2157 (A) LSD—7.

Having said this, the next point is that there has been a plea made for some form of consultation. It is true that when the President under article 274 of the Constitution makes a recommendation and sets up a Finance Commission, or he gives permission for any Finance Bill to be introduced in the House, he has to take the interests of the States into consideration. While I am sure he does that, nevertheless, there has been a necessity for a more direct consultation between the Centre and the States whenever new taxes are being levied or any relief or variation on the existing incidence takes place. Therefore, may I suggest that in addition to the consultation or examination of the Finance Commission's report, it would be advisable for the Finance Minister to consider a suggestion that there should be a permanent machinery by which such consultation can take place perennially and not necessarily at certain periodical intervals, so that the requirements of the States are kept in constant attention before the Finance Minister and the Union Government?

When we are considering this question as to what should be the share or what proportion of the divisible assets should be made out between the Union Government and the State Governments, one more consideration comes to my mind, and that is the question of making provision for servicing the loans raised by the State Governments for paying interest and amortisation. Today, there is no such provision. We all know the Reserve Bank of India has complained time and again, because of the heavy borrowing of States from time to time, they are helpless and have to refuse the States as much money as they would like to get; the fact that they complain, shows that the States are borrowing beyond their means to pay back. I do suggest that the way the States have been burdened has to be gone into.

[Shri Alvares]

The public debt of the various States has increased phenomenally. I quote some statistics. I will give the figures for the public debts; I do not want to refer to the loans in respect of the States in this context. But I will give the House a few instances to show how public debt has increased from 1952 to 1956. In Andhra it has increased from Rs. 122 crores to Rs. 418 crores; Madhya Pradesh, from Rs. 22 crores to Rs. 247 crores; Bihar, from Rs. 122 crores to Rs. 418 crores; Madras, from Rs. 50 crores to Rs. 403 crores; Maharashtra, from Rs. 55 crores to Rs. 502 crores and in West Bengal, from Rs. 43 crores to Rs. 526 crores. I am only giving a few instances.

Shri Shinkre (Marmagao): How does it compare with Central borrowing?

Shri Alvares: That is independent of this, because the Finance Minister can bring in notes or borrow from the Reserve Bank, but may I say that the States have no means by which they can borrow except from the public and from the Government of India and from the Reserve Bank. Therefore, there is no such provision today. This has been made out by the report, and there appears to be no provision by which the States can pay back; not because there is no procedure for paying but because there is no possibility of the States liquidating the vast public debts that they build up in the course of implementing their own projects and some of the projects of the Central Government.

Now, I was dealing with the question of the States complaining that they are not getting their due share of the divisible pool of the duties. Let us take the total excise levy of the Government of India during this period and let us examine whether the case has been dealt with fairly. Between 1951 and 1966, the Union excise duties rose from Rs. 67 crores to Rs. 819 crores. The sales-tax rose from Rs. 60 crores to Rs. 315 crores.

This proves that while the Centre has the discretion and the authority to a vast spectrum of taxes and has the right also to vary and increase the incidence of taxes on certain items, it is not possible for the States to do so, and therefore, as I said in the beginning, we have come to a situation where, while there is autonomy for the States in the political arrangement in this country, financially, the finances are getting more and more centralised in the hands of the Union Government and the Union Finance Ministry. Therefore, all these points need consideration. A discussion of the basic report of the Finance Commission would have elucidated many points raised therein and cleared many of the fears expressed by the States that they are losing more and more authority and, shall I say, the items for levying taxes because of the need that the Central Government has felt to levy them by itself and give the States a part of those duties.

Therefore, I would suggest that these points that I have made out may be taken into consideration by the Finance Minister and, above all, request that the Finance Minister will set up a department which provides for perennial consultation between the States and the Union Government so that the problem of the States are kept in constant attention by the Finance Minister.

Shri A. N. Vidyalkar (Hoshiarpur): Mr. Deputy-Speaker, Sir, I wish that before we discussed these Bills, the report of the Finance Commission had been discussed in the House alongwith the basis on which they have made their recommendations, so that the House could have an opportunity to express its opinion on them. I feel that the basis on which the Finance Commission makes its proposals required alteration, in view of the new situation that has arisen and the new needs that are being felt by the States as well as

by the Centre. I agree with the suggestions made by some of the Members that the whole structure of taxation requires review, the whole basis requires review, because in the States it is being felt that the States possess very meagre resources. The Centre has better resources. Meanwhile, during so many years since this division was made, the conditions have very much changed from what they were at that time, and the character of the resources has also changed. Therefore, it is very necessary that we should review how these allocations should be made and how these resources also should be allocated. The whole question requires a lot of fresh consideration. I feel that most of the States—especially Punjab from where I come—have not received consideration which was very necessary and which was due. Punjab has not received that much consideration which was due to it in view of the circumstances in which my State is finding itself today. Since Independence, Punjab has been facing and confronting a situation and is expecting always some kind of difficulties at its frontiers and on that account its economic condition also is very much affected. It has to meet certain extra expenditure in various ways, directly as well as indirectly. Often situations are created in which a State has to incur various types of indirect expenditure. All those considerations have to be kept in mind. The allocations made by the Finance Commission do not satisfy the present needs. That is why I said it would have been much better if the Commission's proposals had been discussed earlier and then on that basis these Bills were put before the House. I wish the Finance Minister examined this question and reviewed the whole situation, because if we do not meet the requirements of the situation, various difficulties will arise, resulting in discontent. Although I support these Bills, I hope the Finance Minister will sympathetically consider the needs of those who are placed in difficult conditions as Punjab is. I also plead for other States like Orissa and Bihar

which are not in a much favourable position. Their condition also should be reconsidered.

Our purpose should be that each State should prosper and acquire all the needed resources, so that it is able to make progress. The allocation should be not on the basis of collection made in each State or its population or its resources, because a State which is already rich should not get more and a poorer State should not get less. That is not equitable distribution. I think the basis of distribution should be changed and I hope these matters will receive very sympathetic consideration of the Finance Minister.

Shri Radhola Vyas (Ujjain): Sir, I fully associate myself with the views and feelings expressed by the previous speaker. I feel strongly that the considerations on which allocations are made to different States should be considered in the light of the positions of the different States. The previous speaker referred to his State of Punjab and some other States. May I also invite the attention of the minister to the state of affairs in Madhya Pradesh. It is surplus in food, but unfortunately in irrigation it is the most backward State. Only 6½ per cent of the cultivated land is under irrigation there. We have potentialities for starting more than 300 irrigation projects. If one or two projects are taken up in each plan, I am afraid even in a hundred years all the projects cannot be taken up.

Similarly, in the matter of roads and communications also Madhya Pradesh is lagging behind so many other States. It is a vast area and villages are far away from one another. Large funds are needed to connect the villages with the main roads. This is not within the means of the State. It cannot do it. If things move as they do now, I am afraid Madhya Pradesh would be lagging far behind during the coming years.

[Shri Radhelal Vyas]

Similarly in regard to education also it is lagging behind. You will be surprised to now that this year we could not open even one primary school. As a matter of fact, we had to appoint 30,000 teachers, but out of this we could appoint only 15,000. We had no funds. It may be said that it is the fault of the State. The State has done its best to levy as much tax as it could and no source has been left untaxed. If our position is compared with the position in the neighbouring States, in some matters Madhya Pradesh has reached the saturation point and there is no further scope for taxation. There is vast unemployment and great poverty. Therefore, the consideration which should weigh with the government should be not income or population, but the backwardness of a State. After all this is one country and the whole of it has to progress and no part of it has to be left behind.

One important point about this problem State of Madhya Pradesh is that 34 per cent of its population consists of scheduled castes and tribes who are very backward. Besides, in the Chambal ravines every day we hear of so many dacoities, murders, loot, etc. It is a daily phenomenon. The State Government has to spend a lot of money to maintain law and order and still it has not been able to cope up with it fully. A large amount of its income is being spent on this. There are other points also, like drinking water. If a government cannot provide even drinking water to its people it cannot be called a Welfare State.

Shri Yashpal Singh: Even to MPs.

Shri Radhelal Vyas: There are 4000 to 5000 villages in my State which have got no drinking water facilities. Crores of rupees are needed to provide social amenities, communications, education, medical relief, law and order, roads and irrigation. Irrigation is necessary not only in the interests of MP but of the whole country. I submit that these factors should be

taken into consideration while making allocations to different States.

For example, the income-tax collected in a State is taken into consideration. In my State, we have got factories belonging to Birlas and other industrialists in Indore and Ujjain also, with their head offices located at Bombay and Calcutta. The income-tax derived from them is credited to the account of those States and not of Madhya Pradesh. Of course, it goes to the Centre, but the Centre distributes it on the basis of collection in each State. That is why Maharashtra and West Bengal get larger sums, because the income-tax derived from these factories is shown as being collected in those States. This fact also should be taken into consideration.

With these remarks, I would appeal to the minister that at a later stage, he might kindly reconsider this and see that no State lags far behind other States.

Dr. M. S. Aney (Nagpur): Sir, I also associate myself with the observations made by some of my predecessors regarding the desirability of the Finance Commission's report being placed before this House and discussed, before these Bills are placed here. The main difficulty which exists now is that on account of the development programmes which we are planning, the liabilities of the local governments are increasing. Commensurate with the liabilities, their sources of income are not increasing. Therefore, the States, naturally, look up to the Centre for more and more help. This year they have found out that the three Bills are coming in simply to augment the share which is to be given to the States by the Centre. These Bills are only for that purpose. There is also the Railway Convention Resolution which is going to come up. That is also for the same purpose. So we find that the question of the sources of income of the States is a matter for very serious consideration. At the same time, the liabilities are also of the States and the Centre, increasing

६

in view of our programmes of progress and development along with the additional liabilities put upon them by unforeseen circumstances like war and other things. So when demands are made in the name of the States, I would ask the States also to see—they have also this duty—that the Central Government is in a position to feed themselves as well as give a proper share to the States also. That can be done only if we give them what help they require for the sake of augmenting the income of the Central Government so that there is sufficient fund left with them for allocation to the States also. Therefore, this is not the time for us to urge upon a re-thinking of the formula in favour of the States. This is a question which cannot be deferred indefinitely for the future.

I, therefore, think that the proposals as they are today have to be passed. There is nothing wrong with these proposals. But my suggestion is this that very soon the Finance Minister should take into consideration the question of appointing a Commission that shall go into the whole question of the liabilities and the proportion of shares which have to be given to the States out of the Central Government's income. That question should be examined more comprehensively and exhaustively.

With these remarks, Sir, I think the suggestions made by the Finance Commission and the recommendations made by them which are incorporated in these Bills are such as should commend to the approval of the House. I lend my wholehearted support to these Bills.

श्री मधु लिमये (मुंजर) : उपाध्य, महोदय, यह जो विधेयक हमारे सामने है, केन्द्र सरकार जो ग्रामदानी राज्यों के बीच में बांटती है, उसके सम्बन्ध में है। इसके बारे में सबसे पहले मैं यह धार्ज करना चाहता हूँ कि जब से योजना प्रायोग कायम हुआ, योजना प्रायोग ने एक अत्यन्त

महत्वपूर्ण प्रश्न की धोर बिल्कुल ध्यान नहीं दिया है। किसी भी योजना का, जिसका प्राधार सामाजिक न्याय और समाजवाद है, उसका उद्देश्य होना चाहिए कि हिन्दुस्तान के विभिन्न इलाकों में जो विकास को लेकर गैर-बराबरी है उसको मिटाना, और हिन्दुस्तान के सभी इलाकों का विकास करना। यह एक बहुत बड़ा उद्देश्य किसी भी योजना का होना चाहिए। लेकिन मुझे खेद है कि योजना प्रायोग ने इस महत्वपूर्ण प्रश्न की धोर बिल्कुल ध्यान नहीं दिया। उपाध्य महोदय, यहाँ तक मामला है कि पिछले बजट सत्र में मैं ने एक सवाल पूछा था कि विभिन्न राज्यों की धोर विभिन्न राज्यों के धन्दर जो जिले हैं, उनकी फी ग्रामदानी ग्रामदानी क्या है, जवाब प्राया कि ग्रामी तक सरकार के पास धांकड़े उपलब्ध नहीं है। जब ये बुनियादी धांकड़े सरकार के पास नहीं हैं तो मेरी समझ में नहीं आता कि ये लोग योजना कैसे बनाने वाले हैं। कल के लिए मैं ने एक धोर प्रश्न दिया है धोर उसमें इसी बात को दुहराया है कि क्या पिछले सात धाठ महीनों में सरकार ने इसके सम्बन्ध में धांकड़े इकट्ठा किये हैं। मुझे पता नहीं कल मुझ को क्या वित्त मंत्रालय से जवाब मिलने वाला है।

लेकिन मैं ध्राप का ध्यान जो लोक-नाथन् साहब की एक संस्था है उसके द्वारा जो जांच की गयी थी उसके निष्कर्षों की धोर लीखना चाहता हूँ। धोर उसमें बताया गया है कि पहले दिल्ली में प्रति ग्रामदानी ग्रामदानी 871 रुपया थी 1960-61 में।

एक माननीय सदस्य : किताब का नाम बताइए।

श्री मधु लिमये : "ब्रिटिशियुशन ध्राफ. नेशनल इनकम बाई स्टेट्स 1960-61।

[श्री मधु लिमये]

इसमें दिया गया है कि दिल्ली की ग्रामदनी की धादमी 871 रुपया, महाराष्ट्र की 468, बंगाल की 464, पंजाब की 451 थी और दूसरे जिनकी सब से कम थी उनमें एक नम्बर है बिहार का जिसमें की धादमी ग्रामदनी केवल 220 रुपए थी, राजस्थान में 267 थी और उड़ीसा में 276 । (व्यवधान)

एक माननीय सदस्य : उत्तर प्रदेश ?

श्री मधु लिमये : जो बताया है वह ठीक है । मेरे पास ज्यादा समय नहीं है । मैं राष्ट्रीय दृष्टिकोण से बात कर रहा हूँ ।

पीटर फ्रलवारिस ने कहा कि मैं मेरे क्षेत्र की बात कह रहा हूँ । बिल्कुल नहीं । इस वक्त मैं केवल राष्ट्रीय दृष्टिकोण से बोल रहा हूँ और मुझे बड़ा खेद है कि जब मंत्री लोग यहां बात करते हैं तो राष्ट्रीय दृष्टिकोण को नहीं धरनाते । मैंने राजस्थान और उड़ीसा का भी जिक्र किया जो मेरे क्षेत्र नहीं हैं । तो उपाध्यक्ष महोदय, एक कसौटी की धादमी ग्रामदनी की हो गयी ।

दूसरी ओर एक बुनियादी चीज है साक्षरता वाली । उसका उल्लेख मैं इसलिए करता हूँ कि हमारे संविधान में कहा गया है कि सभी लोगों को मुफ्त शिक्षा देनी चाहिए और उसको अनिवार्य बनाना चाहिए । तो उसके आंकड़े क्या हैं ? उसमें भी, उपाध्यक्ष महोदय, आप देख लीजिए कि जहां तक साक्षरता का सवाल है :

जम्मू काश्मीर में केवल 11 प्रतिशत लोग साक्षर हैं,

मध्य प्रदेश में 17 प्रति शत,

नागा प्रदेश में 17 प्रति शत,

राजस्थान में 15 प्रति शत,

उत्तर प्रदेश में 17 प्रति शत और

बिहार में 18 प्रति शत लोग साक्षर हैं ।

तो साक्षरता की भी आप कसौटी लगाइए, कुछ क्षेत्र हमारे देश में बिल्कुल पिछड़े हुए, भविष्यसित हैं, और कुछ क्षेत्रों ने प्रगति की है । उसके कई कारण हैं ।

उसी तरह यहाँ पर बहस चली खाद्य की और उसके बारे में बार बार खाद्य मंत्री ने उर्वरकों की चर्चा की । प्रथम रासायनिक खाद्य का महत्त्व मैं कम नहीं समझता हूँ । लेकिन चूँकि वह एक ऐसे इलाके से आते हैं जहाँ काफी पानी का, सिंचाई का इंतजाम किया गया है, इसलिए उनके सामने सबसे महत्वपूर्ण समस्या है उर्वरकों की । लेकिन कुछ ऐसे भी क्षेत्र हमारे देश में हैं जहाँ पानी का ही इंतजाम नहीं है । तो ऐसे क्षेत्रों को केवल आप फरटीलाइजर (उर्वरक) दे देंगे तो उससे खेती की पैदावार बढ़ेगी नहीं, बल्कि फसल मरेगी और उपजाऊ जमीन खरम हो जाएगी ।

अब उसके भी आंकड़े ले लीजिए आप । उसके बारे में इन आंकड़ों को आप ध्यान में नहीं रखते हैं योजना बनाते समय, इसलिए अज्ञेय करना पड़ता है । मैं कोई, प्रान्तीयता की बात नहीं करता । जम्मू काश्मीर, आन्ध्रप्रदेश, मद्रास और पंजाब इनमें सबसे ज्यादा सिंचाई का इन्तिजाम है । महाराष्ट्र, गुजरात तथा मैसूर में पांच, छः या सात, प्रतिशत जमीन पानी से, सिंचाई से, भीगती है ।

तो वे जो सारी विषमताएँ हैं, गैर बराबरियाँ हैं, उनको खत्म करना सबसे बड़ा कर्तव्य योजना आयोग का हो जाता है । इस लिए मैं चाहूँगा कि ग्रामदनी के बारे में और राज्यों में यह जो आयकर तथा यह चुंगी आदि का जो बटवारा होता है उन को लेकर एक बुनियादी मिश्रणत मैं रखना चाहता हूँ । आधिकार जिनकी ग्रामदनी ज्यादा है ऐसे व्यक्तियों के ऊपर हम तरह तरह के टैक्स कर लगा रहे हैं । ग्रामदनी कर, इम्पेट टैक्स

है। इसी प्रकार खर्चों के ऊपर कर है। जो इनाम वगैरह दिया जाता है उस के ऊपर भी कर है। उसका मकसद एक मात्र यह है कि कुदरत का जो कानून है उस के अनुसार यानी अगर ऐडम रिमय को माना जाय तो कुछ लोगों के हाथ में सम्पत्ति और धामदनी तो बहुत ज्यादा प्रायेण और कुछ लोग हमेशा के लिए गरीब रहेंगे। इसलिए इन करों के द्वारा धामदनी का समान बंटवारा करने का प्रयास होता है क्योंकि सरकार के हाथ यह सारी धामदनी जब धाती है तो शिक्षा के ऊपर, स्वास्थ्य के ऊपर या दूसरी चीजों के ऊपर राज्य खर्च करता है और सम्पत्ति का एक तरीके से बंटवारा होता है तो जिस तरह व्यक्ति व्यक्ति के बीच में और विभिन्न वर्गों के बीच में धामदनी का बंटवारा करने का प्रयास कर योजना की माफत किया जाता है उसी प्रकार मैं यह धर्म करना चाहता हूँ कि हमारा सारी जितनी व्यवस्थाएँ हैं, हम अनुदान देते हैं राज्यों को या प्रायकर का बंटवारा करते हैं, चुंगी का एक्साइज का बंटवारा करते हैं उनके बारे में बुनियादी तौर पर सोचना चाहिए और निरक्षरता को खत्म करने के लिए, अविकसित इलाकों को आगे बढ़ाने के लिए सिवार्ड का इंतजाम करने के लिए इनका इस्तेमाल करना चाहिए। एक सब से बड़ी बात फ्री धार्मः जो धामदनी है, आज शहरी इलाकों में बहुत ज्यादा, और बंगाल और महाराष्ट्र का इसलिए जिसका जिक्र करना पड़ा क्योंकि बम्बई और कलकत्ता इन प्रान्तों में है, इसलिए जो धामदनी धामदनी का ज्यादा हो जाती है। इसका मतलब यह नहीं है कि जो धामीय इलाके चाहे बंगाल के हों या महाराष्ट्र के वे उधो तरीके से धर्मर हैं। तो योजना धायोग और वित्त मंत्रालय में मैं वह कहूँगा कि अगर उसके लिए संविधान में कोई तरकीब करने की आवश्यकता पड़ जाती है तो वित्त मंत्रालय ऐसी तरकीब से धाये और यह साध कर देना चाहिए कि

धायन्दा मैं यह जो धामदनी का बंटवारा किया जायेगा, अनुदान बगैरह दिया जायेगा चुंगी कर का बंटवारा किया जायेगा, प्रायकर का बंटवारा किया जायेगा महज इस बात को लेकर किया जायेगा कि जो अविकसित, पिछड़े हुए और गरीब इलाके हैं उनको धाये बढ़ायें।

एक बात मैं और धर्म करना चाहता हूँ। जैसे सिवार्ड है, निरक्षरता है, तो कुछ और विशिष्ट चीजों को लेकर हम अनुदान दे दें, यानी निरक्षरता को खत्म करने के लिये राज्यों को मदद दी जाय, उसी तरीके से सिवार्ड के लिए मदद दी जाये। विशिष्ट उद्देश्यों के लिए हम मदद देंगे तो मेरा ख्याल है कि उसके बारे में हम लोग अच्छी तरहकी कर पायेंगे।

एक धाखिरी बात मैं और निवेदन करना चाहता हूँ। यह जो फाइनेंस कमिशन की रपट है उसमें कुछ लोगों ने कहा है कि इस कमिशन के अधिकार और योजना धायोग के अधिकार, दोनों में टकराव है। एक तो संविधान के अन्दर कानूनी रूप में बना है और दूसरे के लिए कोई संवैधानिक, यानी धार्डन का कानून का अधिकार नहीं है तो यह टकराव तो हो जाता है। भव या तो इन दोनों को मिला दिया जाये और उसके कानूनी अध्यात् संवैधानिक मान्यता दी जाये या फिर उसकी दो कमेटियाँ रहें। एक जो योजना का ध्यापक काम है वह करे और दूसरा यह जो बंटवारे का काम है उस काम को करे लेकिन इनके बारे में कानूनी और संवैधानिक सफाई जरूर होनी चाहिए और हमारे देश में जो विषमतायें हैं गैर बराबरी है शहरी और धामीय लोगों के बीच, तरकीबों किए हुए इलाके और पिछड़े इलाके के बीच, इन सब में समानता लाने के लिये इन अधिकारों का और हथियारों का इस्तेमाल किया जावे। बस इतना ही मुझे इस अवसर पर धर्म करना बा।

Mr. Deputy-Speaker: Shri D. N. Tiwary.

How much time would the hon. Minister require?

The Minister of Finance (Shri T. T. Krishnamachari): How much have I got, Sir?

Mr. Deputy-Speaker: We can go up to 3-13 P.M.

Shri T. T. Krishnamachari: I would require twenty-five to thirty minutes.

Mr. Deputy-Speaker: Very well, After one more speaker I will call the Finance Minister.

Shri D. N. Tiwary (Gopalganj): Mr. Deputy-Speaker, Sir, the development of a country is just like the development of the body. If any limb of the body is weak while the other limbs have developed strongly, the body will still remain weak. Similarly, if certain parts of the country are backward and are weak economically the whole country will be weak, because that weak part will drag the whole country with it and it will be dead-weight on the whole country. I am not ashamed of talking about my constituency or my State in this regard, because those States which are very backward should be given preference. When my friend Shri Madhu Limaye was speaking and somebody said "you are talking about your constituency", he protested. I am not ashamed...

श्री मधु लिमये : इस में गर्म की बात नहीं है

Shri D. N. Tiwary: From the statistics that have been given by my friend Shri Madhu Limaye about the per capita income of the States, you will find that for Bihar it is less than Rs. 220; and even in that, there is a big chunk in the State where it is less than Rs. 100 per year, and that is the chunk of North Bihar

where the population is about 2 crores, nearly one-twentieth part of the whole country. And especially in the portion Darbhanga and Saran the income is just Rs. 72 per capita per year. There was a question here, sometime when Pandit Jawaharlal Nehru was the Prime Minister, by Dr. Ram Manohar Lohia, and great controversy arose. He had said that in certain parts of the country, among certain category of populations in the country, the income is three to four annas per day, then a great controversy arose, and it was refuted. But these statistics prove that what he said was right. How can a man live on three annas per day? Land in North Bihar is very fertile, it is one of the best in the whole country. But due to the negligence of the State or the Central Government—I do not want to apportion blame—that part of Bihar has remained very backward. The people are not dull, they are intelligent. It has produced people like Dr. Rajendra Prasad, Maulana Mazrui Huq and others. But due to man-made arrangements... (An. Hon. Member: God-made.) I cannot say God-made, because God has given the best land there, but we still remain backward; not one family or two, but the whole of North Bihar. There is no industry there except the sugar industry. A large number of people are unemployed. I would draw the attention of the hon. the Finance Minister—I have faith in his ability, integrity and impartiality—and I would request him to make out certain proposals, for that part of the country, so that it may come, if not on par, but near par with the other parts of the country. I would suggest that many industries can be located there. A jute industry can be there, in Motihari; bagasse industry can be there for making paper etc. in Saran. If the hon. the Finance Minister, who is a very able man, appoints a committee to go into the details about the backwardness of North Bihar, I think the people of North Bihar will remain very grateful to him and he will be improving the lot of the people there.

So far as other matters are concerned, education and other things, there too education in North Bihar is not on par with the education in South Bihar. If the percentage of literacy in South Bihar is 20, in North Bihar it is 13 or 14. So in every sphere, whether economically, educationally or otherwise, North Bihar is very backward. And it is also backward in the distribution of income, so far as Estate-duty, excise duty, etc. are concerned. I have seen the chart of distribution and here I find that Bihar is given only 10 per cent. This, I think, is according to the population. What steps have been taken to give more money to Bihar with the explicit direction to use that money for the improvement of backward areas? There is no provision for that in this Bill. If it is not possible to allocate it here then additional funds should be allotted in some other way so that that part of the country may be brought on par with other areas. A few years back a Member from Uttar Pradesh raised the question of Eastern UP. He tried to show how Eastern UP is very backward. When Pandit Jawaharlal Nehru heard that speech he appointed a committee to go into the matter and suggest ways and means to improve the position of that region. I do not know what happened to that committee, whether any report has been submitted by that committee, whether the Government has considered that report and implemented it. In any case, I would request the Finance Minister to appoint such a Committee for North Bihar so that he may know how to improve the lot of the people there and what to do there.

I do not want to take any more time of the House. I would again appeal to the Finance Minister to look into the matter. I have brought this matter to the notice of the Finance Minister in the budget session. Bihar is not deficit in natural resources. In fact, it has rich natural resources in abundance. Yet, I do not know why it has

become the poorest State in the whole of India. Even to exploit the natural resources it is necessary to have funds. So, I would request him to find ways and means to help this State in order to bring it on par with other States.

Shri T. T. Krishnamachari: Mr. Deputy-Speaker, Sir, it is somewhat difficult for me to answer the various points raised by several hon. Members in the course of the discussion on these Bills, for the reason they covered a very wide ground. I would at once concede that points made by hon. Members are quite valid in themselves because they are matters pertaining to particular States and the levels of prosperity in those States which, as I said before, are valid and have to be looked into.

But the basic point that has to be understood is this, the difference between a statutory obligation to devolve certain revenues on the State and also a devolution which is made on a discretionary basis taking into account the need for development all over India which is done on the recommendations of the Planning Commission. I certainly do not claim any merit or any reputation for being infallible but, as I understand it, the arrangement that we have in the Government of India today is as nearly perfect as it could be in the administration of a country which has a federal constitution. The States are very largely autonomous in their own sphere and for the preservation of that autonomy the element of discretion is taken away from the Central Government in regard to devolution of finances which are needed for the purpose of administration of States following certain criteria. Then comes the other question of a uniform development, economic development, of India and the need of the whole country showing a certain amount of growth. That cannot be done on a statutory basis; nor can it be done for five years. That is where we have a permanent advisory body called the

[Shri T. T. Krishnamachari]

Planning Commission which not only frames the Five Year Plan, it also frames the annual Plan and it also looks into the implementation of the Plan all the time and it advises the Government

Shri Kashi Ram Gupta: But the Finance Commission has questioned the very constitution of the Planning Commission.

Shri T. T. Krishnamachari: I may be permitted to have my say. The hon. Member had his. What I say may not be palatable to the hon. Member, but it cannot be helped. I think the hon. Member has said many things which may not be to the liking of many Members. In fact, what one hon. Member has to say about one State may not be palatable to a Member from another State because each hon. Member is pleading for his State.

Now I come to the dichotomy that exists between the work of the Finance Commission and the work of the Planning Commission. Of course, it is not for the first time that the members of the Finance Commission have raised this point whether their work is necessary or whether the Planning Commission should take over their work and become a statutory body. In fact, the Planning Commission cannot become a statutory body because the ultimate right of what should be done and what should not be done should vest in this House and that cannot be taken away, except in so far as the States are concerned. There I think this House cannot do anything except giving an advice and that devolution is made on the basis of a Commission appointed under the Constitution. Well, that area is taken away from any question of discretion. If the Planning Commission recommends and we make an allocation to the various States, it is subject to this House accepting it. The House has to accept it, without which the Government can do nothing about it. It may be that, as the hon. Member, Shri

Limaye, put it, in the process of functioning, we may be functioning wrongly; it is possible. There may be room for improvement. In fact, I concede that there is considerable room for improvement. But all this improvement is contingent on the resources being available. Of course, if the fault is laid on the door of the Central or State Governments that they do not spend the money allotted to them effectively and efficiently, well, it is a different matter. But in the question of apportionment of resources the main factor that is needed is the question of resources being available. That is neither here nor there.

I will come to the question of Finance Commission. The Finance Commission takes note of some of the necessities for the functioning of Government and suggests certain basis for appropriation of revenues and also transfers a little more funds from the Centre to the States. They have transferred only Rs. 140 crores per year from the Centre to the States as grants-in-aid. Well, I cannot complain because the transfer of money to the States is made on the basis of an obligation which is a statutory obligation. All that I can say is, if I do not have enough resources for the Plan I have to cut down the allotment for various projects or cut down some projects altogether.

The basis of allotment of money to the States has been questioned. That is the very reason why we appoint a Finance Commission. Is it possible for us, representing as we do several States, all sitting here—assuming for a moment that I became *functus officio*, I am not a Minister but I am sitting here as an ordinary Member—supposing we are told that this is the amount of money available, can we sit down, 500 and odd of us here, and allocate money to the different States? Will we be in a position to take into account every particular need—and

the needs are there and they are real—in the various States? Is it possible for us to make a suggestion for devolution? No, it is not possible. That is why we appointed an expert body. May be their judgment, from our own individual standpoint of view, is wrong but, by and large, I must say that the States have approved of the recommendations of the Finance Commission.

Well, you may say that the criterion on which these recommendations have been made is not fair. Some hon. Member mentioned that the devolution should not be 80 per cent on the basis of population and 20 per cent on the basis of collection but it should be entirely on the basis of population. Maybe, it is right; I do not say, it is wrong. It is a question which has to be decided and it has got to be decided by somebody other than a group of people who, in the case of Uttar Pradesh Members, might say, "Let it be on the basis of population", and in the case of Maharashtra and Bengal Members, might say, "No, no; we will do it on the basis of collection". It may conceivably be that the next Finance Commission might say, let it be 90 per cent on the basis of population and 10 per cent on the basis of collection; or, they might even say, do not take it on the basis of collection but take it on the basis of population. But it is also necessary that we must give some incentive to the States where we are making the collection. I have got certain difficulties in the matter of collection because I have got to go and get the restraint order from the States and the States will have to collect it when I am not able to collect it as arrears of land revenue. Their collectors have to be put in motion. So, some kind of a vested interest in collecting has to be left to the States. If you take it away altogether, the States—Bombay and Bengal—may not co-operate. I think, these are the factors that guided the Finance Commission to make these recommendations.

Another hon. Member, a very respected Member for whom I have got very great respect and even affection, questioned about the merits of the Finance Commission members. May I say in all humility, with great respect to my hon. friend, Shri Sharma, that I do not often claim for things for which I am not entitled, but I do say this that if any outside body evaluates the selection of members of the Commission this time, it would say that this is about the best selection which could possibly have been made.

The Chairman of the Commission, who very kindly agreed to take over this somewhat onerous responsibility, is not only an eminent jurist but is a person with a great deal of worldly knowledge and equipment. In fact, I was most happy when he agreed to serve on this Commission. I can also say that I did not make the selection myself. We decided that in view of the past experience the Chairman should be a person with a judicial background and I had requested the Chief Justice to suggest a name. He suggested the name and I accepted it; I did not want to make the suggestion myself except to tell him that I would like to have a person with a judicial background but also a man of worldly knowledge. I was very happy that Shri Rajamannar agreed to do this work in spite of great inconvenience to himself and I am most thankful to him for having done that.

The other members were a former colleague of our in this House, Shri Mohan Lal Gautam, who certainly brings in the political aspects of this kind of work that is necessary on the Commission; Professor Karve who has not only unlimited experience of general finance but also of various details of human living being a very seasoned co-operator and a man with a completely objective frame of mind; Professor Babatosh Datta who is an economist of a great deal of reputation; and an officer from the Finance Ministry who I thought was eminently fitted

[Shri T. T. Krishnamachari]

for this kind of thing because of both his statistical and general knowledge. I do not agree with my hon. friend, Shri D. C. Sharma, that the qualifications of the members of the Commission is something which is lacking; they had qualifications which are the best that we could possibly get and assemble in a commission of this nature.

The second thing is about the various things that they did. After all, to a very large extent, they had got to be guided by the evidence and material prepared by each State. If a State has defaulted that is a different thing; but each State has its own development problem, loan problem, need for the sinking fund and various other difficulties that they had felt. All these things were put before them. It may be that everything that is put before them could not be accommodated; it is not that they were not aware of it. It is one thing to be aware of a particular thing, but another thing to accommodate it.

In fact, I happen to know that even in Delhi where, as some hon. friend opposite put it, the per capita income is very high compared to the rest of India, there are pockets of acute misery and suffering. All that we have to do is to go to the slums to find these people. New slums are coming up. We are aware of it; but then what can we do about it? It can only be done on a planned basis and in a general sort of way. An isolated problem can be dealt with if we deal with it administratively for the time being; if we built a few more houses for these people that might solve it, but then fresh people are also coming all the time.

Take the question of water supply to certain areas in Delhi. We know it is defective, but until we get the major water supply problem conquered, we cannot do this kind of thing. More realisation of a problem does not mean that we have a solution for this because the solution is governed by various other factors.

So, I do not think that it is correct to say that the Finance Commission have not taken into account all the factors of standards of living, difficulties of the people, want of water supply and things of that sort. My hon. friend, Shri Malaviya, said that the Finance Commission must also be aware of the need for sulphur in this country, of the existence of pyrites in Amjore and of the development of it so that we can stop imports. It is something for which you must have a commission, virtually a Planning Commission, which has to look into the various things. That is the duty of the Planning Commission. My hon. friend, Shri Malaviya, said about certain very relevant factors with regard to sulphur; but that is a matter which the Planning Commission is looking into. Whether the Amjore Pyrite Company, which is a public sector company, is doing it properly or not; whether we should have more organisations or whether we should give it to the private sector are matters for the Planning Commission and not the Finance Commission to recommend.

Therefore, much of the criticism that has been levelled against the Finance Commission, I am afraid, is due to our own desire for development of our State and India and, at the same time, asking this body to do something for which they were neither equipped nor were they intended to do. Here it is a question of statutory devolution of Central finances to the States on certain criteria placed before them. As I said, it is quite possible that what they did was right or wrong. For instance, Professor Sharma, mentioned whether they had taken into account the deficit of the States. In page 59, paragraph 133, they have taken the deficit by multiplying it five times. In fact, they say that the deficit in Kerala for five years would be Rs. 104 crores and for Orissa Rs. 145 crores. I do not know whether the mere fact that the deficit is there, the deficit is right, whether the deficit could not be

avoided. You may go into that question. I think, they have taken that into account when they suggested a certain devolution in page 75—Grant-in-Aid of Rs. 121.89 crores; but that was not all. They also mentioned that they were not able to take into account certain additional liabilities incurred by Uttar Pradesh, Mysore and Andhra in regard to dearness allowance because the information asked was not forthcoming in time. They suggested that Government might take this matter into account when finalising the proposal. I felt that the Government should not be asked to do his work. So, I requested Professor Karve, who was a member of this Commission to go into this again. He took a period of four days to go into it and make certain recommendations. I did not want to exercise the discretion—my discretion or that of the Government of India—in this matter. I thought, since the facts were mentioned by the Commission, it is better to ask a member of the Commission to do this work and he very kindly did it, so much so that there is an additional devolution made on the basis of the deficits which they acknowledged would be right and deserving.

15 hrs.

Then, the question comes in about the needs of the States. We should also consider one matter when we speak of the States. The primary responsibility for the administration of the States is with the States themselves. There are certain factors where they want outside help. That is where the Planning Commission comes in; but whether they spend more on the Plan or development, or on the social services or on roads or nationalisation of road transport, or on building big offices, is a matter which is entirely within their discretion. Maybe, the Planning Commission might recommend that since the State is expending money on non-essential things, we are not able to

allocate more money for them in the Plan. That is possible; we might draw their attention. But it is a matter over which we have no control. Mr. Kashi Ram Gupta mentioned that we should have control over the States. If we have control over the States, the federation goes. We cannot have control. In fact may I mention that I do not have control over States even to prevent them from taking my money. I do not say it is my money; it is the Centre's money. One Chief Minister objected to my saying my money. I am merely mentioning it because for the time being I am the Finance Minister whoever it may be, X, Y, Z tomorrow, but it is the Central government's money and it is being taken without so much of a 'by your leave' and you have to find money for the purpose of balancing the budget or have deficit financing. I am not in a position, the Centre is not in a position, unless we invoke the provisions of article 360 of the Constitution to declare an emergency for taking over control, to have control. That is a very extreme remedy which we cannot use. So, we have to leave it to the State legislatures to see that the finances are properly managed. I have no control. I can only draw their attention. Somebody said there should be consultation. I think Mr. Alvares said so. There is very close consultation. I can tell you this. All the Chief ministers are friends of mine and whenever they come I meet them and I meet their finance ministers; I meet their finance secretaries; we sometimes go there and meet these people also. There is consultation. One thing I cannot do and that is, I cannot tell the State Chief Ministers of finance ministers what taxation I am going to levy; it is not possible; that is the prerogative of the Finance Minister and his colleagues here which he could not share with the State governments. It is not possible. Even my colleagues sometimes are not told until an hour before the presentation of the Budget. On general policy matters we do have consultation frequent-

[Shri T. T. Krishnamachari]

ly. In fact I have even asked as preliminary consultation with the finance ministers for the finance secretaries to meet here so that we can discuss the problems, administrative problems.

Shri Alvares: What about the complaint of attrition of items taxable by the States and the non-exploitation of items surrendered to the Central Government?

Shri T. T. Krishnamachari: I have got to levy taxes. Should somebody come and tell me: you levy. I am not responsible to them; my responsibility is to the hon. Member. The hon. Member may say: you are not doing this; you should do that. But I cannot be responsible for somebody who does not vote for me, who cannot send me out of office or keep me in office. Hon. Member has to vote for the budget; people in the State do not vote for my budget; they vote for their own budget. We have consultation but there is no question and I cannot share the responsibility which I owe only to this House and to nobody else. This House is my master, you can turn down what I say; you can ask me to do something else; either I do or I go out. I have no responsibility for anybody outside this House, not even the other House . . .

(Interruptions.) In regard to the question of finances, it is only this House which has got responsibility; it can only make recommendations—the other House. You are solely responsible and I do not want the hon. Member even to suggest that he should surrender any of his responsibilities to somebody else. I am completely under the control of this House finally. The other House can make recommendations but it is for this House to approve whatever has to be done in the matter of financing. Since 500 of us cannot sit down and say the percentage should be this, the grants in aid should be this; So we have appointed a Commission which the Constitution makers in their wisdom have provided for in the Constitution. The complaints made so far have to be taken with this difficulty

that we cannot go on altering this. Having entrusted it to them, we can supplement that. Supposing there is deficiency, we can do that. Mr. D. N. Tiwary mentioned about Bihar. I am fully conscious of this problem. May I tell him—of course man makes proposals and they say God sometimes disposes them—but I do hope if God does not dispose of these proposals I feel that in about three or four years, many people might be envious of his part of Bihar because today what has happened is this. Kosi Dam and Kosi canals are coming into fruition; the Gandak dam and the canals are coming up; Buri Gandak projects have all been completed. Of course we have taken probably a lot of more time than we should have. Now, if the problems of waterlogging do not arise, if we can provide them with seed, fertilisers, expert advice in regard to variation of production, I can foresee within a very limited time—I hope I will live for the next three or four years—that this area would perhaps be one of the foremost areas in India in regard to production of food. Again this question was discussed here in this house threadbare during the last three or four days; we take certain areas which yield quick results for the purpose of flogging it, what they call package programmes, select certain districts not because of any partiality—to any particular province but mainly because of the need for obtaining certain results and that is what my colleague here said yesterday, the Minister of Food and Agriculture, that we should flog the areas where irrigation potential is there, where other facilities are there so that we may increase food production. That does not mean that we would neglect areas where there is no irrigation potential; we will have to find water. Somebody said about M.P. In fact God and the States Reorganisation Commission created States which administratively it is very difficult; it has collected certain areas as States where pockets of arid areas are considerable. One colleague of mine mentioned about certain irrigation to be done in certain parts of M.P. I had to tell him; I had

some idea of M.P. when I was in charge of Bhiilai; I used to go out with an old Irishman, an engineer and in that area he used to say: you can go 2000 feet deep but there is no water and the only way in which you can get water is to have it stored; that will go for even three years if need be. That is why in Bhiilai we have reservoirs, not one but three reservoirs to supplement them even if there is failure of rains for three years so that that does not make the steel plants to become idle. I agree that it is a very unfortunate position and administration has to be careful. The same thing was said about Rajasthan. Rajasthan is a desert. But it is quite possible in the course of the next few years, Rajasthan canal may change some parts of it; I am not at fault about it; I wanted Rajasthan canal to be started, that organisation, as quickly as possible but various legislative and other bottlenecks are there. When Rajasthan canal takes shape, when Ghaggar water comes to certain parts of Rajasthan, when Chambal project is completed and if it is possible and if we can bring Narmada water to the fringes of Rajasthan, we may have a circle of green belt round the desert. In between that desert cannot be changed; the green belt might come. These are the things which could be done.

Sir, the problems in a country like this are so big and you cannot ask this poor finance commission to take up the work of the administration of the States, to take up the work of the Central Government, the work of the Planning Commission and make recommendations that will fill every lacuna that we see staring in our eyes. Whatever remarks the hon. Members have made, which are possible of being implemented to some extent, I think we will make a note of them and put before the Planning Commission. Of course it is not necessary but we have a saying in Tamil: it is only the child that cries gets the milk. I have no doubt that all these children round about in the States

have got loud voices; they cry all the time. My only trouble is there is not enough milk to go round.

I am grateful for the various suggestions that have been made; they have been made in all good intentions to show the defects of our administration of our planning and the lacuna that has got to be filled. I realise the enormity of the task but nevertheless my gratitude is none the less.

Shri Kashi Ram Gupta: The question is, an eminent person, the Chairman of the finance commission in his note of minute of dissent, has raised two very important points. One is that the planning commission is not constituted according to the Constitution. The other is about the sales tax of the States. He has pointed out that it must be merged into excise duty. I may point out that in Rajasthan postal stamps are asked to be charged by the sales tax department for tax. That needs clarification.

Shri T. T. Krishnamachari: This is what the hon. member has said. An arbiter has the value of an arbiter and nothing more.

Mr. Deputy-Speaker: The question is:

Shri J. P. Jyotishi (Sagar): I have a small point to raise.

Mr. Deputy-Speaker: The question is:

"That the Bill further to amend the Union Duties of Excise (Distribution) Act, 1962, be taken into consideration."

The motion was adopted.

Mr. Deputy-Speaker: We shall now take the Bill clause by clause. The question is:

"That Clauses 1 to 5, the Enacting Formula and the Title stand part of the Bill."

The motion was adopted.

Clauses 1 to 5, the Enacting Formula and the Title were added to the Bill.

Act, 1962, be taken into consideration."

Shri T. T. Krishnamachari: I move:

"That the Bill be passed."

Mr. Deputy-Speaker: The question is:

"That the Bill be passed."

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That the Bill further to amend the Additional Duties of Excise (Goods of Special Importance) Act, 1957, be taken into consideration."

The motion was adopted.

Mr. Deputy-Speaker: We shall now take the Bill clause by clause. The question is:

"That Clauses 1 to 3, the Enacting Formula and the Title stand part of the Bill."

The motion was adopted.

Clauses 1 to 3, the Enacting Formula and the Title were added to the Bill

Shri T. T. Krishnamachari: I move:

"That the Bill be passed."

Mr. Deputy-Speaker: The question is:

"That the Bill be passed."

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That the Bill further to amend the Estate Duty (Distribution)

The motion was adopted.

Mr. Deputy-Speaker: We shall now take the Bill clause-by-clause. The question is:

"That Clauses 1 to 3, the Enacting Formula and the Title stand part of the Bill."

The motion was adopted.

Clauses 1 to 3, the Enacting Formula and the Title were added to the Bill.

Shri T. T. Krishnamachari: I move:

"That the Bill be passed."

Mr. Deputy-Speaker: The question is:

"That the Bill be passed."

The motion was adopted.

15.12 hrs.

GOA, DAMAN AND DIU (ABSORB-
ED EMPLOYEES) BILL

The Minister of State in the Ministry of Home Affairs and Minister of Defence Supplies in the Ministry of Defence) (Shri Hathi): I beg to move:

"That the Bill to provide for the regulation of the conditions of service of persons absorbed for service in connection with the administration of the Union territory of Goa, Daman and Diu and for matters connected therewith, be taken into consideration."

This is a small Bill with five Clauses, but it is an important Bill—important from the point of view of integrating the services of persons who were, and are even now, serving in connection with the administration of Goa, Daman