

[श्री यशपाल सिंह]

मैं आपसे साग्रह प्रार्थना करता हूँ कि आप इस पर विचार करें। आज भी महात्मा गांधी के देश में यह दशा है कि भ्रष्टतपन कायम है, इंसान इंसान को अपने से नीचा देखता है। यह मनोवृत्ति बदलनी चाहिये।

श्रीर खेती का मसला अभी हल होगा जब कि शोषित जाति के लोगों को अधिकार दिया जायेगा खेती करने का। आज खेती का मसला क्ती हल नहीं होता? हमारी सरकार की रिपोर्ट है कि हिन्दुस्तान में चालीस हजार ट्रेक्टर हैं और इन में से 22 हजार ट्रेक्टर खराब पड़े हैं। 18 हजार ट्रेक्टरों से 50 करोड़ एकड़ भूमि को कैसे जोता जा सकता? हरगिज नहीं जोता जा सकता। ये 18 हजार ट्रेक्टर तो इतनी भूमि की परि-क्रमा भी नहीं कर सकते। मैं आपस कहना चाहता हूँ कि यदि सुविधायें दें तो कोई बजह नहीं है कि ये लोग जिसको बेकवर्ड कहा जाता है और हरिजन तथा शिड्युल्ड कास्ट कहा जाता है आप के खेती के गेहूँ के मसले को हल न कर सकें। अगर इनको सुविधाएं दी जाएं तो ये खेती के मसले को हल कर सकते हैं।

अमरीका में केवल 22 प्रति शत लोग खेती करते हैं लेकिन ये 22 प्रति शत इतनी पैदावार करते हैं कि बीस-मुल्कों को खिता सकते हैं और हिन्दुस्तान में 88 प्रतिशत लोग खेती करते हैं, और फिर भी हम दाने दाने के लिये मोहताज हैं। इस का यह कारण है कि हमने अधिकार नहीं दिया है शोषित जनता को। मैं आपसे आज यह निवेदन करता हूँ कि या तो आप इन लोगों को अधिकार दीजिये वरना मैं सच कहता हूँ कि इस 28 करोड़ जनता के लिये हम लोग आन्दोलन करेंगे और इनके लिये हम हर मुमकिन कुर्बानी करेंगे और जब तक इन लोगों को

अधिकार नहीं मिलेंगे तब तक हम चैन नहीं लेंगे।

Mr. Deputy-Speaker: The question is:

"That this House takes note of the Report of the Backward Classes Commission (Vols. I—III) together with the memorandum explaining the action taken thereon laid on the Table of the House on the 3rd September, 1956".

The motion was adopted.

17 hrs.

MOTION RE: ANNUAL REPORT OF LIFE INSURANCE CORPORATION OF INDIA—Contd.

The Minister of Planning (Shri B. R. Bhagat): I welcome the motion of the hon. Member taking up the discussion of the Report of the Life Insurance Corporation, and I also welcome the large interest shown by some hon. Members in the working of this Corporation. This augurs well, and this interest of Parliament, the supreme body, is a healthy one.

The hon. Mover made a reference to the recommendations of the Committee on Public Undertakings. Government is very much seized of the recommendations of the Committee on Public Undertakings on LIC, and many of the points that he has referred to about the recommendations are under examination of Government. Government has also sent its comments on the recommendations to the Committee on Public Undertakings, and I am sure the Committee will take into account the views of Government in those matters. Although I will refer to the problems as they have arisen, I shall not in any way refer to the recommendations of the Committee because at this stage, when the Committee on Public Undertakings is seized of the views and comments of the Government, it is not customary and it would not be proper for me to refer to them.

One of the points raised is that the targets fixed by the LIC about its business were not fulfilled; also it was said that they were not framed on any scientific or adequate basis. If the targets have not been realised, it is not due to any fault in the known technique. In these matters, where so many imponderables are involved, the best possible judgment and assessment on the likely rate of increase of business were made, but in retrospect it proved to be not accurate. Particularly in the early years after nationalisation there was a spurt in the business, and on that basis an optimistic assessment of the likely increase in business was made, and that could not be realised. But to say that because the targets framed were not fulfilled, it is a vote of no confidence in the LIC is, according to me, a very harsh judgment, because the position today is that even the plateau of business that has been there for the last few years round about Rs. 700 crores is 3-1/2 times the annual business written prior to nationalisation, and LIC is making great attempts....

Shri Shinkre (Marmagao): What is the difference in the rupee value then and now?

Shri B. R. Bhagat: The value has no reference in this context. If you take even the number of policies, it is more than a crore, and the number will be more or less the same, if not better.

The point is that after a large increase in business, it was the process of consolidation, where the quality of business was more important, and with the attempt that is being made, even today the trend is on the plus side.

Another complaint was that the lapse ratio was high. It is true that the lapse ratio had gone up to 8.2 per cent, it has since come down to 7.5 per cent, and the Corporation is taking various steps to reduce this further, but it is to be noted that with its extension to categories of people

who were not previously insured both in the urban and rural sectors, who are not fully conversant with the values of life insurance, the lapse ratio is bound to be high. Particularly, I would like to emphasise that at present 30 per cent of the policies are in the rural areas. 70 per cent of the policies are first policies that is first insurance. Therefore, both in area and as to the people, it is a new experience and we have to carry the education of life insurance further so that we make an impact on the ratio of lapses. The LIC is making vigorous attempts to keep down that ratio.

The hon. Member who moved the motion and some other hon. Member referred to the premium rates. In the last few years the premium rates were revised twice. First immediately before nationalisation, in 1954, the rates were lowered by the private insurance companies and then immediately after nationalisation in 1956 when the rates were lowered by one rupee.

Shri Seshiyar (Perambalur): There is no scientific revision; it was reduced by one rupee.

Shri B. R. Bhagat: The point made is that because of the improvement in mortality experience and the expectation of life going up, there is a case for revision of premium rates. Insurance policies are given on a selective basis, after careful medical examination. Although the general mortality experience may improve, it may not have the same impact on these people because already insurance policy is given on a very highly selective basis, the same impact may not be there. On the other hand, seventy per cent of the policies are with profit, endowment policies and if the premium is reduced, a large percentage of the profit, endowment, their bonus expectation will go down. The LIC have said that this whole question will be examined only after the detailed survey of mortality experience for the years 1961-64 is completed. It is an actuarial calculation and it takes a lot of time. It is expected

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that sometime next year, 1966, this report will be available and at that time this question will be examined.

Another important point was about the organisation or the structure of the Corporation; hon. Members said that it was a big monolithic corporation and as a result of that, it is not able to function efficiently and therefore it should be split up into five or six independent zonal corporations and consequential reorganisations or abolition of the divisions should take place. Only this morning we had a question on this very matter and as I said, then it is being examined; it is a very far-reaching consequence. It has to be looked into from all points of view. Government is looking into it and will certainly take a decision after going into all aspects of the matter.

Shri Seehyan: Next year you will be able to reach a decision.

Shri B. R. Bhagat: Next year is only a month and a half away. We are not trying to procrastinate in this matter.

Shri Seehyan: Consideration may take a long time.

Shri B. R. Bhagat: As soon as we are in a position to take all the materials into consideration, we will do that. It is being examined and that particular officer is looking into this question and we will take a decision when his advice is available.

A point was made about the salary savings scheme. This is at present in force in a large number of public and private sector undertakings, and in four States this extension to the Central and other State Governments has not been possible because of accounting difficulties on the part of the Central and State Government authorities. The Life Insurance Corporation is anxious

to extend these privileges to those categories of officers. It is, however, not possible to provide more incentives under this scheme which are quite liberal.

Then, another important point that was raised was about the expense ratio. There are no two opinions about this: that the expense ratio should be reduced, but certain factors which make for the comparatively higher expense in the case of the Life Insurance Corporation have to be noted. These are: as part of their programme to extend insurance to rural areas, their number of offices have grown from 249 in 1956 to 750 today. The cost of selling life insurance in the rural areas is much higher. This fact has to be noted: the policy has to be sold. In certain other countries, advanced countries, with which comparison is tried to be made, they go and buy the policy. There is a difference in this respect. Also, out of a total of 1.1 crore policies, nearly 82 per cent are policies of less than Rs. 5,000. This means sale to middle and lower income group levels. Administrative expenses have to be connected with each policy. A small-value policy would mean comparatively larger expenses of administration if they are calculated according to the policy in force. In western countries, costs are lower because the value of each policy is high. The premiums paid are accordingly much higher.

श्री न० प्र० डाक्टर (सितामढ़ी) :
उपाध्यक्ष महोदय, हाउस न कोरम नहीं है।

Mr. Deputy-Speaker: The bell is being rung.—There is no quorum. The House is adjourned.

17-15 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Friday, November 26, 1965 (Agrahayana 5, 1887 (Saka).