

Effect of Recent Economy Cut on Unemployed Persons

*89. SHRI NARAYAN CHOU-BEY : Will the Minister of FINANCE be pleased to lay a statement showing the actual number of educated, skilled and unskilled unemployed persons likely to be affected during the financial year 1984-85 and thereafter because of the following directions of Government :—

- (i) 5 per cent cut in the Plan outlay for the financial year 1984-85;
- (ii) 3 per cent pruning in the non-Plan expenditure for the financial year 1984-85;
- (iii) Directions to the Union Ministries not to create any new posts or fill existing vacancies for the coming nine months; and
- (iv) Directions to the Banks to apply restrictions on granting loans to the private sector ?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) : A statement is laid on the Table of the House.

Statement

The directions in regard to the cut in the Plan outlay and non-Plan expenditure is for the financial year 1983-84 and not 1984-85. It is difficult to make any assessment with regard to the impact of these cuts etc. on employment. These measures were taken mainly to contain inflation. Inflation, if unchecked, tends to have an adverse effect on savings and capital formation in the economy with its implication for growth of output and employment. Anti-inflationary measures should, therefore, help in maintaining the growth of employment in the long run.

No directions for restricting grant of loans to private sector have been issued to the Banks.

Bottlenecks in Licensing and Administrative Procedures

*90. SHRI K. RAMAMURTHY : Will the Minister of COMMERCE be pleased to state :

(a) whether the French business delegation during its visit to New Delhi has expressed the view that Indian licensing and administrative procedures hindered expansion of bilateral co-operation in trade, joint ventures and investment; and

(b) if so, the steps proposed to be taken to remove these bottlenecks ?

THE MINISTER OF COMMERCE AND OF THE DEPARTMENT OF SUPPLY (SHRI VISHWANATH PRATAP SINGH) : (a) and (b) A French business delegation, during their visit to Inaia in January-February, 1984 expressed a view that there were certain bottlenecks in the licensing and administrative procedures in India which inhibited expansion of industrial collaboration. Wherever necessary, Government has been constantly simplifying procedures and liberalising policies and schemes.

“Unreconciled Entries” in Public Sector Banks

*92. DR. VASANT KUMAR PANDIT : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that between the public sector banks, over the last ten years there are outstanding “unreconciled entries”;

(b) if so, the number of such “unreconciled entries” and the outstanding amount represented by these entries;

(c) whether Government have found out the causes of huge outstanding amounts due to “unreconciled entries” involving businessmen and the bank staff; and

(d) the steps taken to reconcile these items and to prevent future time-