

LOK SABHA

Friday, March 28, 1980/Chaitra 8,
1902 (Saka)

The Lok Saha met at Eleven of
the Clock, [Mr. Speaker in the Chair.]

ORAL ANSWERS TO QUESTIONS

बजट में पारित कुल परिव्यय में सरकारी
प्रशासन पर हुए खर्च की प्रतिशतता

* 243. श्री मूलचन्द डागा :
क्या वित्त मंत्री निम्नलिखित जानकारी
दर्शाने वाला एक विवरण सभा पटल पर
रखने की कृपा करेंगे कि :

(क) वर्ष 1975 से आज तक प्रति वर्ष
बजट में पारित कुल परिव्यय का कितना
प्रतिशत धन सरकारी प्रशासन पर खर्च किया
जा रहा है और कितना प्रतिशत विकास कार्यों
पर खर्च किया जा रहा है ;

(ख) इस अवधि के दौरान राष्ट्रीय
आय में कितनी वृद्धि हुई ;

(ग) क्या सरकार ने यह पता लगाने
के लिए कोई मूल्यांकन किया है कि क्या
जनशक्ति का उपयोग प्रशासन पर किए गए
व्यय के अनुकूल रहा है ;

(घ) यदि हां, तो कब ; और

(ङ) इसके क्या परिणाम निकले ?

THE MINISTER OF FINANCE
(SHRI R. VENKATARAMAN): (a)
to (e) A statement is laid on the
Table of the House.

STATEMENT

The percentage distribution of Cen-
tral Government expenditure on Gov-
ernment Administration and on deve-
lopmental works from 1975-76 to
1979-80 (B.E.) is as follows:—

Percentage of Total Expenditure of the Central
Government

Years	Develop- mental expendi- ture	Expendi- ture on Government Admini- stration
1975-76	53.8	5.8
1976-77	54.6	5.5
1977-78	56.2	4.7
1978-79	56.3	4.7
1978-79 (R. E)	58.9	3.9
1979-80 (B.E)	58.8	4.3

2. The increase in national income
between 1975-76 and 1978-79, the
latest year for which data are avail-
able, was 29.9 per cent at current
prices and 14.1 per cent at 1970-71
prices.

3. A substantial proportion of ex-
penditure on administration consists
of purchase of commodities and ser-
vices by various government agen-
cies. With regard to the expenditure
on wages and salaries, a review of
staffing in the Central Government
offices with a view to ensuring their
optimum utilisation commensurate
with work-load and consistent with
administrative efficiency is being con-
tinually undertaken. The Staff In-
spection Unit in the Ministry of Fin-
ance, Administrative Reforms Wing
in the Department of Personnel, and
the Internal Work Study Unit, are
engaged in this task and their reviews
have proved fruitful.

श्री मूलचंद डागा : अध्यक्ष महोदय, मैं जानना चाहता हूँ कि आपने आखिरी इवैल्यूएशन कब करवाया है ? जितनी मैन-पावर आपके पास है, उसका ठीक तरह से युटिलाइजेशन हो रहा है या नहीं हो रहा है ? यदि हो रहा है, तो उसके क्या परिणाम निकले हैं और किस मशीनरी के द्वारा आपने करवाया है ? मैं देख रहा हूँ कि आफिस में तो बाबू या बड़े आदमी भी छ : घण्टे में से सिर्फ डेढ़ घण्टे काम करते हैं, यह आपका क्या उत्तर है। मैंने जो आपसे प्रश्न पूछा है, उसमें सी, डी और ई के संबंध में कोई उत्तर नहीं है।

SHRI R. VENKATARAMAN: I will give all the answers.

SHRI MOOL CHAND DAGA: What is that answer? I want the answers for the last date of evaluation, the year in which the evaluation was done, through which machinery it was done, and what is the result of it.

SHRI R. VENKATARAMAN: I am going to give all the information.

Sir, there are three institutions which evaluate the efficiency of the staff, the number of persons required in each Department etc., They are the Staff Inspection Unit which is directly under the Ministry of Finance, the Administrative Reforms Wing under the Department of Personnel, and the third one is the Internal Work Study Unit which is engaged in the same problem within each Ministry.

So far as the Staff Inspection Unit is concerned, it had carried out an elaborate review between the years April, 1964 and March, 1979. Actually, I can give the figures for some of the Ministries in which this evaluation has been done. I will take the Ministry of Finance first so that we can know how the very Ministry which is in charge of that Department has used it.

Ministry of Finance:

The number of posts which are studied were 30,565. The number of posts which are found surplus was 5,011 and a saving of Rs 343.57 lakhs has been effected.

Ministry of Agriculture:

The number of posts studied was 21,183. The number of posts found surplus was 3,313, and a saving of a sum of Rs. 210.99 lakhs has been effected.

श्री मूलचंद डागा : यह जो परिणाम निकल रहे हैं, यह को से इन का इवैल्यूएशन है और आखिरी बार आपन कब करवाया है ?

SHRI R. VENKATARAMAN: Sir, this is a continuous evaluation. It is not an evaluation done at any particular time. It was done year to year.

MR. SPEAKER: Up to what year?

SHRI R. VENKATARAMAN: It is up to 1978.

श्री मूलचंद डागा : आप नान-प्लान एक्सपेंडीचर कम करने के बारे में क्या उपाय कर रहे हैं ?

SHRI R. VENKATARAMAN: Sir, there is a misapprehension with regard to the general classification known as non-plan expenditure. The non-plan expenditure includes defence expenditure, i.e., expenditure on Defence personnel, payment of interest on public debt, then payments to the various States in accordance with the recommendations of the Finance Commission. Therefore, non-plan expenditure is not necessarily wasteful expenditure.

SHRI CHINTAMANI PANIGRAHI: The Finance Commission has gone into all these things and said that non-Plan expenditure is far greater than Plan expenditure. Therefore, how is this answer reconciled with their finding?

Secondly, in 1979-80, the development expenditure is 58.8 per cent and the expenditure on administration is 4.3 per cent. On what items is the rest of the money spent?

SHR R. VENKATARAMAN: This is exactly what I explained. Non-Plan expenditure includes expenditure on defence personnel, on payment of interest on the public debt and on the contributions to the States in accordance with the Finance Commission's recommendations. Administrative expenditure is incurred on the departmental staff, stationary for office use etc., and I have given information regarding the rest of the expenditure in the statement. The hon. Member said that the Finance Commission has mentioned that non-Plan expenditure is greater than Plan expenditure. I am not aware of any statement. On the other hand, the fact is that Plan or development expenditure has been increasing from year to year, from 53.8 per cent in 1975-76 to 58.8 per cent in the Budget Estimates for 1979-80.

SHRI JAGANNATH RAO: Are any serious attempts being made by Government to reduce non-development expenditure, and if so, what is the percentage of such reduction to the general administration on administration?

SHRI R. VENKATARAMAN: Efforts are being made to reduce unnecessary expenditure both in development and non-development, and in respect of non-development expenditure, as I said, there are certain areas where we cannot reduce it. The attempt which has been made by the three units which I mentioned is to reduce the expenditure in respect of staff, office stationery etc. That is where economy is being effected.

SHRI TRIDIB CHAUDHURI: The hon. Minister just now said that several thousands were found surplus in two Ministries. The total for all the Ministries is likely to come to 15 or 20 thousand May I know how this

surplus staff is dealt with? Are they retrenched outright or absorbed in other departments?

SHRI R. VENKATARAMAN: Only the posts were reduced, not the persons, so that in future recruitment the number of persons recruited goes down.

SHRI M. RAM GOPAL REDDY: He has given figures for two Ministries by way of illustration. That itself comes to Rs. 5 crores. That can be used for a minor irrigation project. If all the Ministries are taken into consideration, I think there will be a huge amount which will be sufficient for construction of major projects. May I know what steps the Minister is going to take to reduce such expenditure, so that we may have enough funds for constructive purposes.

SHRI R. VENKATARAMAN: I gave only two illustrative departments. If the hon. Member wants, I can give details about all the departments. I have every figure with me. The total amount which has been saved by reason of this exercise is of the order of Rs. 36,98,74,000.

SHRI S. B. CHAVAN: The reply given by the hon. Minister about the Finance Ministry is that there is going to be a saving of Rs. 3 crores and that the Staff Inspection Unit have been able to detect this. May I know from him whether all the proposals which had come to the Finance Ministry were properly scrutinised by them and if so, how is it that the Ministry could not detect what the Staff Inspection Unit could?

A large number of Centrally sponsored schemes have been transferred to the State Governments now. What was contemplated about the reduction of staff and I would also like to know whether that kind of exercise has been done and if so, the result thereof.

SHRI R. VENKATARAMAN: There are two ways in which this is being

done. When the proposals come from the department for a particular pattern of staff, then the Staff Inspection Unit goes into this question and says that such a strength is not required and it cuts it down. Therefore, it is not that after they are appointed, the posts are reduced; even before they are appointed, the Staff Inspection Unit goes into the question whether there is any need for the number of staff members as requested and then it cuts it down. This figure includes all those which have been cut down like this.

About the Centrally sponsored schemes, only last year, they were transferred to the States and a study will reveal the reduction in staff that would occur as a result of the transfer.

Working of Chit Funds and Financial Institutions in Gujarat

*244. SHRI MAGANBHAI BAROT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the working of Chit Funds and such other Financial Institutions have fraudulently deprived thousands of depositors of their life long savings running into crores of rupees in Gujarat;

(b) if so, what action the Government has taken or propose to close such Financial Institutions or to take them over as well as to give refund of money to depositors of their life long savings; and

(c) the action taken or proposed to be taken against the defaulters and such other persons who are engaged in such deals?

THE MINISTER OF FINANCE (SHRI R VENKATARAMAN): (a) to (c) A statement is laid on the Table of the House.

STATEMENT

In respect of companies conducting prize chit business, the Reserve Bank has reported that some complaints

were received by them against such companies operating in Gujarat alleging non-disbursement of prizes and non-payment of subscriptions etc., under the schemes floated by them.

The conduct of prize chit schemes has been banned under the Prize Chits and Money Circulation Schemes (Banning) Act, 1978 with effect from 12th December, 1978. With the commencement of the Act, the power to take action for infringement of its provisions now vests with the State Governments.

So far as regulation of Conventional Chief Funds are concerned, the matter is under consideration of the Central Government.

SHRI MAGANBHAI BAROT: I would like to know whether some of these Chit Fund Companies and particularly one of them viz., Rajnikant Shroff & Company is enlisted in the list of companies which have not paid income-tax in respect of their transactions, and what steps are being taken against this company as well as similar other companies which are taking money from the public in the name of deposits, making use of it in any manner they like, not subjecting themselves to income-tax and thus defrauding the people.

SHRI R VENKATARAMAN: In respect of any single company or a particular company, I would require notice. But in respect of general policy, I can answer the question. If it is a prize chit company, then the Act passed in 1978 banning the prize chits will apply to that and it must be wound up. The Act has come into force from December 1978 and the State Governments have been asked to take actions in pursuance of this Act. Therefore, if it were a conventional chit company, there is no law regulating conventional chit funds, but the Government proposes to bring forward a legislation to control the conventional chits also.

SHRI MAGHANBHAI BAROT: In spite of what the law, according to