

# LOK SABHA DEBATES

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## LOK SABHA

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Friday, August 28, 1981/Bhadra 6.  
1903 (Saka)  
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The Lok Sabha met at Eleven of the  
Clock

[MR. SPEAKER in the Chair]

### ORAL ANSWERS TO QUESTIONS

#### Economic in Expenditure

\*182. SHRI R. P. GAEKWAD: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that new directives have been issued to all Ministries and Departments to economise expenditure;

(b) if so, the extent of expenditure cut down as a consequence of these measures; and

(c) the details thereof?

THE MINISTER OF STATE IN THE  
MINISTRY OF FINANCE (SHRI  
SAWAI SINGH SISODIA): (a) to (c).  
A statement is laid on the Table of  
the House.

#### Statement

(a) The need for austerity and effecting economy in non-developmental expenditure has been constantly engaging the attention of the Government. A statement indicating the recent instructions in this regard is annexed.

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(b) and (c) Savings arising as a result of economy measures are not reflected in any primary unit of appropriation or any separate sub-head and as such the system of accounts does not lend itself to quantification of the economy in administrative expenditure of Government.

#### ANNEXURE

1. In August, 1980 in the light of directive given by Prime Minister, Financial Advisers were requested to scrutinise proposals for foreign deputation applying stricter standards.

2. In July, 1981, further instructions have been issued to restrict expenditure on foreign travel. These include:

(a) all proposals for delegation and deputations abroad to be scrutinised vigorously and pruned to the minimum.

(b) Only Secretaries to Government of India and officers of equivalent rank and Schedule 'A' Heads of Public Sector Undertakings (including banks, insurance companies and financial institutions) would be entitled to air travel by 1st Class in respect of foreign travels.

(c) Officers of the rank of Secretaries to Government were previously entitled to a suite in a hotel when they travelled abroad. As a measure of economy, it has been decided that all officers including Secretaries to Government and Heads of other offices of Public Sector Undertakings (including Banks, Insurance Companies and Financial Institutions) will be entitled to stay

only in a single room when they are abroad.

- (d) Only the Cabinet Ministers and Ministers of State will be entitled to take with them one Special Assistant when they travel abroad provided that the S. A. is connected with the business abroad. Private Secretaries and other personal staff will not be entitled to accompany the Minister on such visits.

3. Earlier instructions which Government are enforcing include:—

- (i) *Telephone*: S.T.D. facility has been restricted to officers of the rank of Joint Secretary and above and at residences of officers of the rank of Deputy Secretary and above and for others in specific cases on functional basis.
- (ii) *Economy in the use of paper*: Maximum economy in the use of paper.
- (iii) *Creation of new posts*: Complete ban on creation of additional posts on non-Plan side except in the case of new organisations. Such proposals accompanied by equivalent matching savings are to be referred to the Cabinet for approval.
- (iv) *Transfer of Government Servants*: Ban on rotational transfers for a period of one year. This has since been extended until further orders except in regard to specified categories of posts.
- (v) *Restrictions on Air Travel*: Complete ban on travel by non-entitled categories, except with specific permission.
- (vi) The number of free calls allowed in respect of residential telephones has been reduced from 1500 to 1000 calls per quarter.

SHRI R. P. GAEKWAD: I would like to know from the hon. Minister whether Government has decided on a fixed ratio between non-productive and productive expenditures, and whether the State Governments are also following the same pattern. If not, what are the Central Government's intentions to make them follow suit?

SHRI SAWAI SINGH SISODIA : Government attaches great importance to the task of bringing down the non-developmental expenditure and for enforcing strict economy in its expenditure. With this end in view, Government issued economy instructions in August, 1974, and in recent times also, and full information has been laid on the Table of the House.

As far as the ratio is concerned, it will be observed from the information that we have, that the ratio of developmental expenditure to Government's total expenditure has increased from 53.8 per cent in 1975-76 to 58.1 per cent in 1980-81. Thus, there has been a corresponding reduction in the proportion of Government's non-developmental expenditure over the past six years. In relation to national income also, the same position emerges, viz. the growth in national income is faster than the growth in non-developmental expenditure of the Government.

As far as the State Governments are concerned the economy measures adopted by Central Government have been communicated to the State Governments for adoption of similar economy measures. The States have also been requested to cooperate in restricting unnecessary expenditure, so that scarce financial resources are deployed judiciously, with a view to yielding maximum benefits. The States have, in general, agreed to cooperate in this regard.

श्री शिव कुमार सिंह ठाकुर : अध्यक्ष महोदय, मैं माननीय मंत्री जी से जानना चाहता हूँ कि शासन द्वारा पैट्रोल और डीजल

की प्रभावशालिता के लिए क्या निर्देश दिए गए हैं ?

**श्री सवाई सिंह सिसोदिया :** पेट्रोल और डीजल के उपयोग के बारे में स्टेट गवर्नमेन्ट ने अपने संबंधित विभागों को समय-समय पर निर्देश दिए हैं और उसके मुताबिक उन पर अमल हो रहा है।

**SHRI SATYASADHAN CHAKRABORTY:** Mr. Speaker, Sir, it is evident from the statement of the Minister that they are trying to economise expenditure. But it has been laid down in the statement that the Government is putting a ban on recruiting persons in different departments. Why? There can be no two opinions regarding this economy in expenditure. But this ban on recruitment relates to the problem of unemployment. Will the hon. Minister kindly explain how the Central Government can impose such a ban?

**SHRI SAWAI SINGH SISODIA:** The information which has been laid on the Table of the House means that there is a complete ban on creation of additional posts on non-plan side except in the case of new organisations. If new organisations are being set up, the posts are being created and are being filled up. Such proposals accompanied by equivalent matching savings are referred to the Cabinet for approval. The Government is quite aware of this position that it must, as far as possible, try to cut down expenditure.

**SHRI SATYASADHAN CHAKRABORTY:** Even the persons who are retired, their posts are not also filled up by new recruits. I can specifically mention some departments where the posts are lying vacant

**PROF. MADHU DANDAVATE:** When we retire from the House the vacancies will always be filled up.

**श्री आर. पी. यादव :** मैं मंत्री महोदय से जानना चाहता हूँ कि क्या सरकार को

इस बात की जानकारी है कि विभिन्न विभाग उद्घाटन के नाम पर लाखों करोड़ों रुपया खर्च करने हैं। क्या सरकार इस फिजूलखर्ची को रोकने का इरादा रखती है।

**श्री सवाई सिंह सिसोदिया :** इसको रोकने का सबसे सरल उपाय यह है कि उद्घाटन करने वाले इसमें टिलचस्पी न लें। सभी राजनीतिक दलों के लोग इसमें शामिल हैं। शासन ने इसके लिए कोई विशेष एक्स-पेंडीचर सुरक्षित नहीं रखा है।

#### Steps to improve performance of public sector undertakings

\*183. **SHRI E. BALANANDAN:** Will the Minister of FINANCE be pleased to lay a statement showing:

(a) what steps Government propose to take for the improvement of the performance of public sector undertakings;

(b) the number of posts of top management cadres that are still lying vacant in the public sector undertakings; and

(c) the number of top management cadres which have top ex-military men in the public sector

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA) (a) to (c) A statement is laid on the Table of the House.

#### Statement

(a) Government constantly reviews the working of public enterprises and has taken the following major steps to improve the performance:

(i) Government at the highest level monitors the performance of enterprises providing infrastructural facilities like transportation, power, basic raw materials etc., with a view to improving their output.