

**REPORT OF INDIAN PRODUCTIVITY DEL-  
GATION TO JAPAN**

The Minister of Industry (Shri Manabhai Shah): I beg to lay on the Table a copy of the Report of the Indian Productivity Delegation to Japan

[Placed in Library See No S-73/57]

**NOTIFICATION RE AMENDMENTS TO  
CALCUTTA WHEAT (MOVEMENT CON-  
TROL) ORDER**

The Deputy Minister of Food and Agriculture (Shri A. M. Thomas): Sir, with your permission, on behalf of Shri M V Krishnappa, I beg to lay on the Table, under sub-section (6) of section 3 of the Essential Commodities Act, 1955, a copy of the Notification No SRO 1651 dated the 20th May, 1957 making certain amendments to the Calcutta Wheat (Movement Control) Order, 1956

[Placed in Library See No S-74/57]

**NOTIFICATIONS ISSUED UNDER THE SEA  
CUSTOMS ACT**

The Minister of Finance (Shri T. T. Krishnamachari): Sir, I beg to lay on the Table, under sub-section (4) of section 43-B of the Sea Customs Act, 1878 as inserted by the Sea Customs (Amendment) Act, 1953, a copy of each of the following Notifications —

- (1) Notification No SRO 1378 dated the 4th May, 1957
- (2) Notification No SRO 1379 dated the 4th May, 1957, containing the Customs Duties Drawback (Dye Stuffs) Rules, 1957

[Placed in Library See No S-75/57].

**MESSAGE FROM RAJYA SABHA**

Secretary: Sir, I have to report the following message received from the Secretary of Rajya Sabha:—

"In accordance with the provisions of rule 125 of the Rules of

Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on the 29th May, 1957, agreed without any amendment to the Industrial Disputes (Amendment) Bill, 1957, which was passed by the Lok Sabha at its sitting held on the 20th May, 1957"

**RE PARLIAMENTARY CONSUL-  
TATIVE COMMITTEES**

Shrimati Renu Chakravarty (Basirhat) Sir, before we go on to the business of the day, I would like to bring to your notice a letter that has been circulated to us by the hon Minister of Parliamentary Affairs about Parliamentary Consultative Committees I would request you, Sir, to place before this House a report on the work of the Parliamentary Consultative Committees during the last two years—I think they existed only for the last two years—because many committees have not functioned and some of them have functioned only formally In view of the fact that often we have requested that Standing Committees would be much more in keeping with better work, I suggest that we should have an opportunity of knowing the work of the various committees that have functioned during the last two years, before we put in our names for the various committees

Mr. Speaker: I will find out

**GENERAL BUDGET — GENERAL  
DISCUSSION—Contd**

Mr. Speaker: The House will now resume general discussion on the General Budget

Shri Bharucha (East Khandesh): What about "Calling attention" Sir?

Mr. Speaker: That has been withdrawn.

**Shri B. K. Galkwad (Nasik):** Sir, I rise on a point of information. You are aware, Sir, that there is a group of Scheduled Castes Federation consisting of nine Members in this House. Yesterday you were kind enough to declare the name of hon. Member Shri Katti, a Member of my party, in the list of speakers for the day. He waited the whole day here and, unfortunately, in spite of your announcing his name, he was not called.

**Mr. Speaker:** He will be called today.

**Shri B. K. Galkwad:** His name was announced for yesterday.

**Mr. Speaker:** I announced the names so that hon. Members may be ready. I did not say that I will call them in a particular order or that I expected all the names to be called yesterday. It all depends upon the debate.

**Shri B. K. Galkwad:** Other hon. Members who were not announced yesterday were allowed to speak, that is my complaint.

**Mr. Speaker:** That is not a complaint. I have given out names of Member whom I propose to call. They will be called one after the other. Let us proceed with the discussion. The Prime Minister.

The Prime Minister and Minister of External Affairs (**Shri Jawaharlal Nehru**): Mr. Speaker, Sir, I am venturing to intervene in this debate and, perhaps, trespassing to some extent on the domain of my colleague the Finance Minister, partly to make it clear that that is not his private domain, and that the proposals that have been put forward are the proposals, as the House must necessarily know, of the Government, and with the full support of every member of the Government. This is an obvious matter but, nevertheless, I thought it best to state that right at the beginning. We have put them forward not in any, if I may say so, limited sense, but trying to look at the whole situation as it is in perspective and trying to meet this difficult situa-

tion in the best manner possible to our thinking.

I am not going to deal with all these matters, because my colleague will deal with them. I only propose to refer to some particular aspects of this, and to some observations which hon. Members, chiefly of the Opposition or on this side of the House, have made. First of all, the hon. Member **Shri B. C. Ghose** objected or criticised the fact that the report on the working of the First Five Year Plan and the first year of the Second Five Year Plan have not been placed before the House.

**Shri B. C. Ghose (Barrackpore):** Also, last year of the First Five Year Plan

**Shri Jawaharlal Nehru:** I entirely admit that his criticism is justified, because we had given an assurance that we will place those reports during this session. We have worked hard at them. In fact, they are in a sense ready, but not in a proper shape to put down. I could work all night and place some typewritten copies on the Table tomorrow, but I do not think that will be very helpful to hon. Members. So, if the House agrees, it would be better some days later, after some little time, in the course of next month to get printed copies and send them to every Member directly as well as issue them to the Press so that everybody may know. That is what we propose to do. But, if the House is particularly anxious I can have some typed copies placed on the Table of the House by tomorrow afternoon. I do not think that will serve any particular and useful purpose, because I do attach importance to these reports coming before the House, Members looking at them, analysing them and criticising them. This whole question of the Five Year Plan has become basic to most of our activities; it is comprehensive; almost everything comes into its scope, and it is of the highest importance that this House

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should be kept in intimate touch with both our success and lack of success wherever it occurs

The House may know that we appointed an Evaluation Committee in regard to some aspects of it. There is, of course, constantly some evaluation going on in regard to the community development schemes also. There is an Evaluation Committee which brought out an important report which, I think, has drawn attention to certain aspects and will lead perhaps to greater stress being laid on some types of works. The whole conception of this Five Year Plan is something which can only be achieved with not only the full and continuing knowledge of this House but of the country

Unfortunately, in preparing reports, we have to wait for the reports from States. Otherwise, we can produce a report from our central headquarters here fairly rapidly, but we have to wait for reports from the States, and that takes sometime for the States to send them, and questions are asked, and the delay has been due to that.

Now, to other matters I might as well refer right at the beginning. The hon. Member, Shri Dange, said something in connection with defence, about our purchasing expensive equipment and aircraft from the United Kingdom and not getting them from—not accepting, I think, he said, the offer of—the Soviet Union for less expensive aircraft. Acharya Kripalani also referred to the question of defence and said that there was no point in keeping up any large armies or defence apparatus in these days of the atom, nuclear warfare. Well, Acharya Kripalani was undoubtedly partly right, partly I say, because, I do not think that it is quite correct or safe for anyone to say that a nation, today, can rely completely on the absence of defence apparatus. I agree

with him that war today becomes more and more of an anachronism in this nuclear age. But, I do not think there are many Members of this House who probably agree with Acharya Kripalani in saying that we should practically do away with our defence apparatus. As a matter of fact, ever since Independence, many of us connected with Government have constantly kept this in mind—how to reduce expenditure on defence, how to reduce the size of our army. I might tell this House that for several years we did reduce the size of our army gradually and tried our best to reduce expenditure. We did not succeed to any large extent to begin with, because the price of every kind of equipment goes up, because also there was certain capital expenditure and because we do not wish to buy things from abroad or build them up here. But in effect we did reduce the army till we arrived at a stage when our defence chiefs told us and strongly advised us against this continuing process. There was the responsibility and so, we had to accept their advice.

The House knows the reasons for this and why this burden of defence has grown on us, and those reasons continue. It is a fact that there has been a great burden and it is a fact also that we are not going to take any risks about the defence of India, whatever the burden. And so, we have been forced by the circumstances to accept this burden within limits and spend fairly large sums upon it.

Now, as regards what Shri Dange said, let me make it perfectly clear that at no time—and I say so not only because Shri Dange has said it but it appears that a number of newspapers abroad have also referred to this matter a great deal—during the past few years or now has there been any offer from the Soviet Union or any request from us for the purchase of aircraft from the Soviet

Union. What has happened and what normally happens is that our Defence Ministry keeps in touch with developments in various countries, whether it is America, England or Soviet Union or France or any other country. We are supposed to keep in touch and we have kept in touch. We have sometimes enquired too about the type of some weapon or equipment or aircraft that is being produced to see how far it may be suitable for our purposes. That has happened. It is true that quite apart from defence we received some Soviet leaders who came here two or three years ago and they told us, not in connection with defence, but generally speaking, that they would like to co-operate with us and help us wherever they could. That broad assurance they gave, and the House perhaps knows that some months ago or a year back I forget—there was a further promise of credit for our Five Year Plan, etc.,—a credit, I believe, of 500 million roubles, that is about 60 or 70 crores in rupees. But this will take effect about two years from now.

This has been happening. There is nothing, obviously, to prevent us from purchasing Soviet aircraft or any other type of machine from the Soviet Union. The difficulty we often have to face is that it is not easy to change over to a new type. Either one changes the whole basis of certain systems we have built up, whether it is army, navy or air system, or we have different types which produce confusion and which require entirely different servicing stations, different training and so on and so forth. This is the principle difficulty that we have had to face in this matter.

But, as I have said, it is open to us, when considering things in a balance, we feel that it is desirable from the point of view of our defence, taking everything into consideration,

to purchase, we can certainly purchase, Soviet or any other aircraft from any other country. At present there is no such proposal, and all this rather loud shouting in newspapers abroad has no foundation whatever.

I referred to nuclear warfare in connection with Acharya Kripalani's point about defence. May I say something which is perhaps not 100 per cent relevant to this debate but which no doubt interests the Members? There have been these nuclear explosions. Now, scientists discuss them and sometimes differ as to the harm caused by them. We see reports. Some say that you are piling up poison and a time may rapidly come when it will be very bad for the human race. Others say that the danger for us is very, very far.

Now, one aspect of this is important so far as we are concerned. The House knows that the chief danger comes from what is called strontium 90. Strontium 90 is rather like calcium. It comes in, goes inside the bones and produces very harmful results. Now strontium can come in like calcium in the same way and may come in through milk and through other sources. If there is a fall-out, say, in the United States and in most countries of Europe, containing strontium, how does it enter into human food there? In countries where they drink milk a great deal—as they do in Europe and in America—it goes to them through milk, that is to say, it goes through them, not directly, strontium does not go into the milk, strontium goes into the cow when it eats grass or something and then it is converted into milk, so that the human being gets it after various doses of distillation if they get it from milk. In areas where people get it directly from the vegetable they get a full dose of it, whatever the proportion may be—it may well be eight or ten times as much. Now, therefore, the danger of strontium affecting the population is

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much greater in a community which lives chiefly on vegetables and not on milk. Meat, of course, does not come this way or that way. In a milk-consuming place like America, where they take calcium in large quantities through milk, the danger of strontium coming in is not much because it is distilled, you might say. I am giving one reason. There are one or two other reasons why in a country like India, in like countries, not only in India alone, the danger of fall-outs is much greater than it is in Europe or America and the danger point might be reached much earlier than elsewhere.

In his very interesting speech Acharya Kripalani referred to many things, some very much to the point and some, if I may say so with all respect, not much to the point. But one thing that he said surprised me greatly. He referred to our National Laboratories and the scientific work done there with some, well, lack of enthusiasm. If I may put it so, May I suggest to him that one of the things in which we have done remarkably well is the growth of science and the work being done in these National Laboratories? The work done in these National Laboratories, the work in science including all this atomic energy business is something outstanding in the world today, not in India only.

Acharya Kripalani (Sitamarhi): May I say this work should have been done at a cheaper cost? The buildings that are put up are in the style of America and not that of India.

Shri Jawaharlal Nehru: Acharya Kripalani is a professor and I respect his professorial knowledge. But he has had, so far as I know, anything to do with science or scientific laboratories. Therefore, how far he can say as to how much it would cost us and how it could have been cheaper is a thing which I do not know, if he objects to big buildings being put up.

I think his objection is not justified because the work done there is of such high importance, such big equipments, we cannot put them in small places separately. They have to be put in places where air-conditioning is there. Without them all those experiments cannot be done. It will be very difficult. As a matter of fact, even from the point of view of money, the results that we are gradually obtaining and are likely to obtain are going to be profitable, I think, from the scientific and industrial point of view.

Another matter to which I should like to refer at the beginning when we consider these taxation proposals and we criticise them or welcome them is obviously the other aspect of this question, which is equally important and to which many hon. Members have referred, namely, the aspect, the factor of economy, the factor of avoiding waste. Unless that is done, it would be unfair to the people for us not to stop the leakages and, at the same time, increase taxation which necessarily must fall heavily on many people as taxation does. Therefore, it is of the highest importance I agree. The criticism that many hon. Members have made is that we must make every effort to avoid waste in any way and bring about economical working as far as possible. Of course, some such effort has been made in the past and not without success. It has succeeded. But a greater effort should be made and all others should join in that effort. It is not a matter of merely Government trying to do it, but I submit that it is neither a government matter nor a party matter, it is a matter in which all of us are concerned, whatever group or party we might belong to or whatever our functions might be. We should devise means to secure this and we should in this matter, as in others, consult each other and try to find ways and means to do that. It is not a very easy matter. Not only in this country but in all other countries the

same problem comes up; whether the countries are capitalist or communist, the same problem comes up and the only difference is that in some of the communist countries there is no criticism for a time and then suddenly there is a burst of terrific criticism. When the lid is off a terrific criticism comes up and something is no doubt done and then the criticism again dies down while in other countries the criticism is more or less continuous. What I submit is that in these large-scale works that a nation indulges in, in the mansyided activity, there is always this danger. We have to fight it and we have to overcome it. So, whatever I may say, this should be remembered that it is of the highest importance that we should avoid waste and work for economy. The hon. Member, Acharya Kripalani, gave certain interesting and rather amusing examples of what he thought were wastes. Well, I partly agree with him that pomp and circumstance are not necessary for the maintenance of dignity. But I would say that we as a people, normally speaking are not very disciplined people and discipline is necessary in our life as discipline makes for efficiency. A soldier puts on a uniform and he becomes immediately something slightly different from a person lounging in loose pyjamas or dhoti. It is a fact. Therefore discipline is essential. Here in this House you, Sir, maintain discipline. Now it may be said why waste all this time? Why should I go on saying "the hon. Member opposite" or "the hon. Member this" or "the hon. Member that"? It is a sheer waste of time. Why not just shout the Member's name? Well, it would save time, no doubt. But I don't think it would be desirable. There are certain methods of doing work which apparently will take time. But they introduce a certain discipline and a certain dignity and a certain grace in life which are worth having. Unfortunately, life becomes progressively more and more devoid of gracefulness and tenderness and it is well,

therefore, for us, even at some cost, to maintain certain institutions which instil certain discipline. But I entirely agree that this need not be associated with pomp and circumstance. I do not myself see why Acharya Kripalani objects to our President coming in a four-horse or six horse carriage with an umbrella over his head—I am not personally attached to the umbrella—but otherwise I do think his coming in a six horse carriage is something which is good.

**Acharya Kripalani:** It is a thing which reminds us of our slavery a few years back—a foreign carriage and foreign paraphernalia. I myself suggested that he could come in a rath which would at least remind us of Shri Krishna.

**Shri Jawaharlal Nehru:** I really do not know what there is foreign about the carriage in which he comes.

**Acharya Kripalani:** It is a Fifteenth Century carriage.

**Shri Jawaharlal Nehru:** I think these carriages were used here even before the British times.

Another thing I should like to mention is this. Whatever taxes may be imposed, the thing that affects the people more than anything is the manner of collection, perhaps more than the tax itself, that is to say, the possibility of harassment caused in the process of collection. That is an important matter, a very important matter to which I would invite my colleague, the Finance Minister, and others concerned to pay full attention, because if the public are not harassed, and the way is relatively simple, then it think the tax itself becomes much easier.

डा० राम सुभग सिंह (मसराम): मनी ब्रांडर से भेजने का तरीका कर दे तो कुछ दिक्कत नहीं है।

**Shri Jawaharlal Nehru:** Any suggestion may be considered, whether it will help by sending it by money

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order or any other method, I do not know. But I mean to say it is an important thing that we should adopt measures which avoid any harassment. Some harassment, of course, there is. If people evade taxation, well, they cannot be allowed to get away with it. But, broadly speaking, this harassment should be avoided. And this becomes even more important when you broaden the lease of taxation. The more you broaden it, that is more people come in within that sphere, it becomes necessary to make the processes simpler, without harassment, of course always maintaining the right to take any step in case of somebody not behaving. That is a different matter.

Now, I beg the House to keep in mind—which it has, no doubt, to some extent—two major factors. One is the condition of this turbulent world of ours today, because that is a very important factor. We function in this big world, not by ourselves in a limited way. Many people seem to think that "Oh, let us tone down the Five Year Plan, let us spread it out a little more, let us do this or do that" Well, I do not personally think there is much room for toning it down or spreading it out except in regard to minor matters. The Five Year Plan is not sacrosanct; nothing is sacrosanct except the good of the country. But if you examine the Five Year Plan, we are really tied up with major and other undertakings which we cannot just delay. If we delay them, well, we probably do harm to ourselves and we delay the time by which we can profit by those schemes. That would be folly. But this Plan and everything has to be seen in the context of this dangerous and turbulent and heaving world. We have little time to strengthen ourselves economically or otherwise productively, and we dare not waste any.

It has always been a matter of great regret and surprise to me that, having regard to the conditions in this

world that we face today and having regard to the conditions in India that we face, some of our friends, losing sight of all these factors, get so involved in their local troubles that they devote their time and energy to them. Here, not far from Delhi, is an agitation being carried on, of the most extraordinary kind, the Arya Samaj agitation, presumed to be in favour of Hindi, and in fact probably causing more injury to Hindi in India than anything else. I have entirely failed to understand—I hope I am not lacking in intelligence to understand it—I can understand a viewpoint that is opposed to me. But here are intelligent people creating, well, a fair amount of trouble, directing the State's attention, other people's attention, to a matter which, I think, has been settled most satisfactorily—and if there are minor matters to be considered, let them be considered—and making it almost a religious issue. That is what we have to face within India, how we are swerved off from any path, political or economic, in the name of religion, community, caste and communalism. And I hope every Member of this House will appreciate this and try to avoid this kind of activities which, even suppose they have some virtue in them looked at in a limited way, have no virtue at all when you consider them in the larger context of things—all kinds of odd satyagraha. Surely, we are living in a world at a peculiar moment of history, at a great revolutionary moment in history; and, we may go wrong here and there, but let us not lose sight of this and let us not behave in this petty and small-minded and limited way.

Now, it is obvious that the processes of development bring burdens, heavy burdens. You cannot develop otherwise. Whether it is China or India or any other country, the country has to bear this heavy burden. The question is how to distribute

those burdens You cannot do without them If you do without them, you do not progress Therefore, it becomes a question of distributing this burden The hon Member, Shri Dange, asked us what economic theory we pursue Well, if I may say so, not the economic theory which he apparently pursues, and—I will add—which he pursues in error I would further add this — I would not have brought this, but he mentioned it, he mentioned Marx I think he does grave injustice to a great man like Marx by imagining that Marx, if he was alive to day, would go on repeating what he himself had said a hundred years ago He is much too big a man to be small-minded and unaware of changes that are happening in the world So, we have to consider the world as it is to day We have to remember and profit by many things that Marx said, by his analysis of social situations, but we have to examine a situation which has changed enormously since Marx's day It is hundred years Science has changed A hundred and one things have changed Here we are on the eve of—not on the threshold of—an atomic age which affects our thinking and our social organisation And I would beg of you to consider that countries which presumably follow the Marxian theory economic theory, are also facing today almost identical troubles that we are facing

An Hon Member No

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Shri Jawaharlal Nehru financial unbalances, lack of food, great difficulty in regard to food supplies in spite of every effort, agriculture going down, changes being made In fact, many of them have gone back on many steps that they had previously taken In some countries where land had been collectivised, they have gone back on it and gone back to the small farmer, gone back to the peasant proprietor, to other forms of co-operatives, not collectivisation It is not for me to commend or criticise what other countries do I try to learn from them

Every country that wants to go ahead has to take risks It is only the dead that take no risks They are dead and there the matter ends You have to take risks You have to take courage to take risks Therefore, if any other country has followed a policy and varied it later, it is not for me to criticise it They know their job best What I am venturing to point out is whatever economic policy any country has followed, whether it is capitalist or communist or something in between, they have had to vary it from time to time because they were compelled to do so There is no such thing as a rigid theory which remains rigid regardless of changing circumstances

Shri S A Dange (Bombay City Central) If you will permit me, Sir has any country observing Marxism gone back to capitalism to unemployment and other curses of capitalism?

An Hon Member What happened in Hungary?

Shri Jawaharlal Nehru No So far as I know, they have not gone to capitalism Why should they? There is no question of that But, they have gone back to large-scale unemployment I may inform the hon Member They have gone back to extreme financial difficulties unbalances, lack of food All these are grave difficulties Either the planning went wrong or whatever it was I do not know the reasons This has happened It is no fault of theirs Take even the great Soviet Union They have had nearly 40 years since the Revolution They have achieved I admire their achievements They have paid a terrific price Forty years have passed In the course of these forty years, a great many things have happened which few countries would have borne the sufferings they have gone through, the burdens they have carried We talk about burdens here Infinitely greater burdens they have carried They were brave enough to carry them I do not

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criticise. I am only pointing that so much is said of the burdens we are carrying. If it is hinted that under a different economic system, the burden would be less, I think that is not correct. The burden might be even greater apart from another basic factor that is something that we value, that is, individual freedom.

So that, I submit that our attitude today is one of trying to learn from our own experience and the experience of others whatever the experience may be of whatever countries and then trying to enunciate or create our own policy having regard to the circumstances in India, the background—our past thinking and our You cannot isolate this. We are trying to do that. That does not mean that we are going to succeed every time. We will stumble, fall and make mistakes. But, I think that is a safer way of doing things than merely blindly trying to adopt a certain theory regardless of circumstances in India. After all, if you read the Second Five Year Plan report, it does contain some discussion of our theoretical approach, not theory in the sense of dogmatic theory, but our broad approach to these problems which is a developing one. If you read the First Five Year Plan, you will find a certain development, a development which comes from greater experience of other countries, of our country, consultation, thinking, facts, everything. I think that is a sounder foundation than any kind of purely dogmatic and theoretical approach.

We have, therefore, to deal with a situation in India where we have decided to push through this Five Year Plan. Again I repeat, the Five Year Plan is not sacrosanct. Nevertheless, there is a great importance in doing things that we have decided upon. Otherwise, we slip from our moorings from our anchorage if because of some difficulty of the moment, we agree to do something to-day forgetting the results of our doing the day after tomorrow. We have

given enough thought to this Plan. This House has accepted it. The country has, by and large, accepted it. You may cut it down here and there. But, you cannot cut down the steel plants and the big machine plants which are there. They are there not because somebody said that or because of some romantic conception. There is nothing romantic about it. It is a basic fact that if you want to progress, you have to progress by having more steel and by making machines yourself. There is no getting away from that. Unless you think in terms of two or three generations ahead of you quietly functioning and quietly building up this and that, you have to do that.

It is true that if you go in for heavy industry, it tends to create certain unbalances. You have to create balances for that. But, it is absolutely essential for us to go in for that. The big mistake that we made is that we did not partly at least go in for that in the First Five Year Plan. We admit it. We ought to have gone for a steel plant in the First Five Year Plan. It would have been better if we had borne a portion of the burden even then. It would be easier now if we had done it then. For us not to do things in really big way now is a fatal error. People talk about spreading out, spreading something like a swimming pool or something like that. How can you spread something big that you have undertaken, the iron and steel plants? The spreading out process itself becomes terribly costly and wasteful. Wasteful in two ways, originally wasteful and secondly wasteful that you lose production. We are looking ahead with faith to the time when steel flows out of these big plants, wealth comes out of them, for our own construction, for our export and for using it in so many ways. Therefore, the sooner we get it even at a heavy cost, the better it is. Delaying it adds to our burden and makes it a somewhat longer burden. We have to continue that. In other minor

matters,—there are many minor matters—we may postpone, we may delay them as we are doing. But, the basic structure of the Second Five Year Plan has got to go on.

Shri Tayabji said something about community development. He did not think that it had done so well. It is absolutely difficult, to generalise about this because there are about 230,000 villages involved, a terrific number. Some are good, some are bad, some are middling. I think that by and large, this community development scheme is an amazing thing and by and large successful and essentially something which is revolutionising our countryside, the people of the countryside. I do believe that. In the final analysis, if I may say so, although it is difficult to compare these things, I attach more importance to them than to our big plants even. They are building up our peasantry and taking them out of the ruts they have been in, ruts of habits, old methods and all that, just waiting for others to do things. We are putting some faith in them. Some self-reliance in them. Of course, if you go and examine it, you will be enthused and at the same time you will dislike many things that is you want things done quickly and you find they are not making good enough progress. That always happens.

So you cannot really push aside the Second Five Year Plan. You may make minor adjustments. We are constantly making minor adjustments, and in fact, we decided to make it flexible but calling it flexible you cannot have a steel plant being built flexibly you have to build it—otherwise things being flexible. We have taken a five year period. We have divided it into annual plans so as to change. On the other side, we have to look ahead, have a longer perspective over a period of 10, 15 years as to where we are going. Many of the things which we take in hand take much more than five years. If we began them now, they will go on to the next Five Year Plan. If we have to do this, we have got to

find the money for it. One among other of the virtues of the proposals put forward by the Finance Minister is that it indicates to the country and to the world our determination to go ahead, even though we may have to have many burdens to carry, even though it may be hard, we propose to go ahead, we are not going to slacken and just sit down to rest because we feel tired. It is an important thing to make it clear to ourselves and to others that we are determined to go ahead and to fulfil the pledge we took to our people.

The second aspect is that in spite of our arguments, and in spite of these Five Year Plans, most people, perhaps even some in this House, did not quite realise what was going ahead meant, what it meant in the shape of burdens. Perhaps people are beginning to realise that now Reality is coming. It is good that people should realise it, because to be complacent about these matters is to delude oneself.

The third virtue about these proposals is that an attempt is made, in a sense for the first time, to strike out a new line in taxation. I do not say, and I do not think my colleague the Finance Minister says, that this Budget brings about socialism,—that will have no meaning at all—of course not. Budgets are not going to bring about socialism, and not one budget but dozens of budgets, scores of budgets will have to come and many other things will have to be done before socialism comes in. Nobody says that, and nobody can do that. Socialism cannot come in by some sweep of a magic wand. But the point is that this Budget does take you out of the old rut of the old Budgets, and points in a new direction which is a desirable direction. That is the main point. It introduces this conception of the Wealth Tax, of the Expenditure Tax. Some people have criticised it. I think both these conceptions are good. If it is said that the taxes are very good but you have not got the ad-

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ministrative apparatus for it, well, that argument can be raised for almost anything that we do. The whole Five Year Plan depends ultimately not so much on finances, but the human material, the trained manpower. The biggest problem before the Five Year Plan is trained manpower, the hundreds of thousands of engineers that we want, or of teachers for our schools, or of overseers or whatever it may be. And we sit down daily in manpower committees trying to find out how many people we want and how to train them. That applies to this too, of course. We have to advance side by side. We cannot first of all train large numbers of people and say: "Now we have got the men, we will do the job," or, say, lay down the job without the people. We have to start. Sometimes one goes a little ahead of the other, and we try to catch up.

So, I think this Budget points in a good direction and lays down a sounder foundation for future taxation on this basis, and is something which has the element of self-progress in it. As incomes goes up, taxes also go up.

Secondly, on the whole it is a balanced Budget. The Wealth Tax and the inheritance tax and something that has been done about the income-tax, personally I think, is all in the right direction. When you come to the—I shall refer to income-tax presently—various excise duties, there is no great principle involved in them. It is purely a question of raising money, or may be having something to export. Let us take sugar. We propose to export a good deal of sugar to get foreign exchange. As a matter of fact, we have increased our sugar production by exactly hundred per cent in the last four or five years I think, from about 10 lakh to about 20 lakh tons, which is pretty good. Consumption has gone up too, very considerably. So that, so

far as the excise duties are concerned, there is no heavy principle involved, except of course that, first of all, we have to get money. If we have plenty of money, then we function somewhat differently. We have not got it, but we certainly have to see that the burden on the common man does not become too great. I am afraid there is no way of avoiding the burden on the common man. In a country like India, that is in a poor country like India, if you wiped off the few rich people altogether and got everything they had, even then you would not have enough, you will have to go back to the common man for some support. There is no way out, but to do that, but also in doing that we should avoid doing too much of it because we do not want to put too much burden. It cannot be helped, some measure of burden, however thin it may be, has to go. So that it becomes a question of considering carefully how not to put the burden on the common man which is too great. We should reduce it, but some of it has to be there. What is the right way of doing it can be carefully considered.

One matter which has been criticised here has been the lowering of the exemption limit in income-tax. If I may say so with all respect, not today but for years past I have felt that that was an essential thing, an important thing, an obvious thing, and the basis of a true system of income-tax. It does not matter what the rate is, that is a different matter, but no limit income-tax payment to relatively high circles is all wrong, from any point of view, theoretical or practical. I do not want to put burdens on those classes, burdens there are many, but remember always that the average income of India is, I believe, I am not sure, about Rs 300 per annum. That is the average income of India. And even on those people some burden comes in the way of indirect taxation, and unless you have a much wider basis for taxation—not to the average man,

the poor man, he cannot bear it, but for others a little higher up—you cannot progress in this way. Also, it is very curious and in fact, worthy for you to consider that the income-tax exemption limit in rich countries is much lower than in India. Now, one would have thought that in a country like the United States or England or like so many other countries, they can afford to exempt people of low incomes. Of course, they have got plenty of money, and plenty of rich people. As a matter of fact, the English income-tax exemption limit is much below ours, even in that rich country, in America, it is below ours.

**Shrimati Renu Chakravartty (Bashirhat)** But their social services are much more

**Shri Hem Barua (Gauhati)** But there is unemployment insurance, health insurance and so on

**Shri Jawaharlal Nehru:** That is a perfectly valid remark to make. There is health insurance. There are other public benefits. Yes, I accept that they have public benefits. That is the way the State should function. That is the way that the State should give public amenities to the people, such as free education, free health, free this and free that and so on. That is the way. I admit it.

But from the taxation point of view, I say it is essential to tax them. In fact, I say it goes to the point of absurdity not to tax them. I put it strongly. The tax may be small, that does not matter. But it is quite wrong from any principle, theory or practice of taxation to say that the limit should be what it was, namely Rs 4, 200, when in other countries—I have got a piece of paper with me here about other countries, I do not know where it has gone, but that is immaterial, the point is this—it is about Rs 2000, that is, in those rich countries.

In England, I believe

**The Minister of Finance (Shri T. T. Krishnamachari):** It is £140

**Shri Jawaharlal Nehru.** It is £140, for a single person. For the moment, it strikes one "Why tax these low income groups?" That is a legitimate reaction. But from any question of taxation or any point of view of taxation, I think, it is not only right but absolutely essential to tax them. We may give them something else in some other way, if you like. But it is a bad system of taxation not to tax them.

**An Hon. Member:** It is one way traffic.

**Shri Jawaharlal Nehru:** I have got the figures before me here with regard to UK, USA, Japan, Sweden. All the figures are far lower, the exemption limit is far lower than that of ours.

**Shri Tyagi (Dehra Dun)** It goes well with these amenities.

**Shri Jawaharlal Nehru:** The poor people, the vast majority of our population, get precious few amenities; they cannot, I am sorry, immediately, when one has to spread out to them everything, whether it is education or anything else.

There is this argument, which has some force in it, of our development programmes affecting some areas or some groups more than others. It is true. Although we want those areas to grow, and ultimately to cover the whole of India, yet I put it to you to consider this argument. Suppose somebody said that "What right have you to give secondary education till you have given primary education to everyone?" (*Cheers*) I do not know exactly what the cheers meant, whether it was this way or that way. However, I think it is safer to cheer or otherwise, when you have heard the full statement. Otherwise, you might be in the wrong. Suppose somebody said, "Till you have completed primary education for every person in India what business have you to spend money on secondary education, and more so, what business have you to spend money on

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University education, when even primary education is not complete?. Therefore, from that argument, it may be said, put an end to university education and secondary education and first concentrate on primary education, and having finished that, take up secondary education, and concentrate on that, and then finally take up university education. You see the absurdity of that because there will be no primary education unless you have secondary education, unless you have teachers and all that coming after university education.

Shri Tyagi: May I request the Chair to kindly extend the time of voting to the committees which is going on upstairs, because that is to be over by 1.30 P.M. but the House cannot go? You may please extend the time, before it is 1.30 P.M.

Mr. Speaker: The Prime Minister is interrupted. But it does not matter. The closing time for elections is 1.30 P.M. I shall extend it to 4.30 P.M.

Shri Jawaharlal Nehru: I do not wish to take up too much of the time of the House, there are just one or two other matters.

The essence of our economic situation is the food situation, about which this House has said much, and because of that, the House will remember that out of this fresh money that is expected to come from taxation, a considerable sum, namely Rs 25 crores, is meant to be set aside, and to subsidise food wherever necessary. That is of great importance. If food is tackled, and if we can control the foreign exchange situation, then other matters gradually fit in. The foreign exchange situation can ultimately only be controlled by our manufacturing things ourselves. That is the importance of our heavy industry programme. If we leave that out, we are always dependent on other countries for foreign exchange. I do not propose to deal with the various items and

others, which my colleagues will deal with. No doubt, everything that has been said in this House has to be considered carefully and fully.

But I would like finally to say to the hon. Member, Shri S. A. Dange,—with all respect, I may tell him—to examine his own theoretical outlook and find out if he is not somewhat out of date, if he is not somewhat lagging behind the Communist Parties in other countries, because they are much more wide awake, because they have to deal with live situations.

Shri C. D. Pande (Naini Tal): He is a Stalinist.

Shri Jawaharlal Nehru: In fact, they have begun to say that there are many paths to socialism, not merely Shri S. A. Dange's path.

Shri Gorary (Poona): Let hundred flowers bloom. That is the latest slogan.

Shri Jawaharlal Nehru: That is what Chairman Mao has said in China, namely 'Let hundred flowers bloom', meaning let hundred thoughts or theories be discussed.

Shri Tyagi: There are three hundred millions in India.

Shri Jawaharlal Nehru: There are many ways, no doubt, and we are struggling to find our own way, at a time when we are facing, when the world is facing, the most amazing development. I refer to these nuclear bombs etc. merely as a symbol of these changes and developments. We just cannot remain static, static in our economy, static in mind, thinking only in terms of some theories which may have been good enough in the past, but which do not and may not fit in either with the present or with our country as it is today. We must remember that if we have to make good, we have to find our own

path, and we have to carry these burdens. You may shift the burdens here and there; you may lessen the burden. That is a different matter. But it has to be spread out; it has to be balanced, and we have to produce this money from our country, because while we are prepared for the help of other countries, we are not prepared to be dependent on other countries. We want to indicate to the rest of the world that we are prepared to swallow many bitter pills to retain our independence and to maintain our progress. Thank you

श्री बाबूदेवी (बलरामपुर) अध्यक्ष महोदय, इस में पूर्व कि मैं बजट प्रस्तावों के सम्बन्ध में अपने विचार प्रकट करूँ मैं इस बात का खेद है कि आदरणीय प्रधान मंत्री ने अपने भाषण में पंजाब के हिन्दी आन्दोलन का उल्लेख किया है। मैं समझता हूँ कि मदन के सामने जो बजट के प्रस्ताव उपस्थित हैं उन में पंजाब के हिन्दी आन्दोलन का कोई सम्बन्ध नहीं है। हिन्दी आन्दोलन का सम्बन्ध मदन में मतभेद हो सकता है, किन्तु इस मदन में आदरणीय प्रधान मंत्री द्वारा इस प्रश्न का उठाया जाना नितान्त अप्रासंगिक है। आर्य समाज के नेता प्रधान मंत्री के पास समझौते के लिये आये थे, किन्तु प्रधान मंत्री की समझौते का कोई रास्ता नहीं निकाल सके, और गायद अब उन के सामने इस के सिवा कोई चारा नहीं रहा है कि वह अपनी मद्भावना यात्रा के द्वारा अपनी मांगे पंजाब सरकार के सम्मुख रखें। मैं अभी इस सम्बन्ध में कुछ नहीं कहूँगा। आदरणीय प्रधान मंत्री से मेरा एक ही निवेदन है कि यदि वे हस्तक्षेप करे तो अभी भी परिस्थिति को सुधारा जा सकता है। देश में कोई ऐसा व्यक्ति नहीं है जो भारत की सभी भाषाओं का विकास नहीं चाहता। पंजाबी भी हमारी भाषा है, भारत की राष्ट्रीय भाषाओं में से एक है,

किन्तु मतभेद उस समय खड़ा होता है जब हिन्दी और पंजाबी के साथ भेदभाव किया जाता यह भेद भाव भ्रगर दूर कर दिया जाये और सभी को दोनों भाषाओं के अध्ययन की छूट दी जाये तो मैं समझता हूँ कि पंजाब में जो परिस्थिति पैदा हो गई है उस का निराकरण किया जा सकता है। किन्तु जो भी परिस्थिति पैदा हुई है उस के लिये केन्द्रीय सरकार उत्तरदायी है और इस उत्तरदायित्व में हमारे प्रधान मंत्री भी अपने को मुक्त नहीं कर सकते।

जो बजट प्रस्ताव हमारे सामने उपस्थित हैं, उन के सम्बन्ध में कुछ दिनों में विवाद चल रहा है, और मुझे आशा थी कि प्रधान मंत्री अपने भाषण में ऐसी बातें कहेंगे जिन में बजट प्रस्तावों में आम जनता पर जो कर लगाये गये हैं उन का कोई समर्थन किया जा सके। किन्तु उन का भाषण सुनने के बाद

**Mr. Speaker:** Order, order I would advise hon Members not to come to me hereafter It is very embarrassing to me I have asked the Whips and Leaders of Groups to pass on chits to me indicating whom they have called upon to prepare so that I could call upon them to speak This is the procedure except in the case of Unattached Members or Independents I have been receiving these chits and I am looking into them They may also submit names of some more Members from their Groups so that I may be left with some choice But now again and again hon Members come to me and ask me to tell them whether their own Whips have asked me to call upon them to speak For this, they must go to their own Whips

It is not a little embarrassing to me if all of them come and surround me here, I am not able to know what is going on Therefore, I request hon Members not to come to the Chair Let them send chits or rise in their seats

**Shri Sinhasan Singh (Gorakhpur)**  
May I suggest a change in the system that is being followed in taking slips of names from the Whips? It means that one is not catching your eye. He has got to have the favour of the Whip and get his name there. Under the present system, except those names are there, nobody can expect that he will ever have a chance to catch your eye, even though he may come prepared to speak. If Members come prepared and catch your eye, they should be called upon to speak. This system should be followed. Otherwise, what will happen is that only some Members will get a chance to speak and the others, thinking that they will not get a chance, will leave the House, making the House thinner and thinner.

**Mr Speaker** I am afraid the hon Member does not understand the implications of what I said. It is open to every Group to ask a number of its Members to prepare on particular subjects. Then the Whip or the Secretary or the Leader of the Group should pass it on to me. Am I to call anybody at random, whenever stands up here? The hon Member does not want to abide by the decision of his own Whip and wants to throw all those 500 Members on me to decide whom I should call upon to speak. I have also to regulate the debate. As a matter of fact, I was really panting to find out when Shri S A Dange spoke, as to who I should call upon, who is well versed and is able to answer him, so far as the other side was concerned. I am interested in seeing that the level of the debate here rises. We are all being watched by the 360 million people of India and also by people outside. Shall I call upon any backbencher to answer Shri S A Dange? It is wrong to expect me to do it. I should know who in a particular group is prepared to speak on a particular subject. It would be introducing chaos in this House if hon Members do not want to abide by the de-

isions of their own Groups. Let them resign from their Groups, go to the Unattached Section, and let the matter be decided by me. I will do so.

Therefore, organised Groups have to come through their Whips. If their names do not appear in the list supplied by the Whips, it will be very difficult for them to catch my eye, except in exceptional cases with respect to very senior Members, whom I find it difficult not to give a chance. Hon Members will see that this procedure will work very harmoniously.

**बाजरेयो** क्या मैं आशा करूँ कि यह समय मेरे समय में नहीं जोड़ा जायेगा ?

**अध्यक्ष महोदय** कोई परवाह नहीं।

**श्री बाजरेयो** मैं निवेदन कर रहा हूँ कि बजट प्रस्ताव में साधारण जनता के ऊपर जो भार डाला गया है उस का प्रायः सभी पक्षों के सदस्यों ने विरोध किया है, और इस बात से इनकार नहीं किया जा सकता कि जिस आम आदमी ने त्याग और बलिदान की अपीलें की जा रही हैं उस में अधिक त्याग करने की क्षमता नहीं है। मुझे सन्तोष है कि प्रधान मंत्री ने अपने भाषण में इस बात को स्वीकार किया है कि पंच वर्षीय आयोजन कोई पावन पूजा की वस्तु नहीं है और उस में परिवर्तन हो सकते हैं। सभी स्वीकार करेंगे कि योजना हमारा साध्य नहीं है, साधन है। हमारा उद्देश्य जन जीवन को सुखी बनाना है किन्तु नये बजट प्रस्तावों के द्वारा जन जीवन पर इतना भार डाला जा रहा है कि वह उसे सहन नहीं कर सकता। आयोजन की सफलता के लिये आय को जनता में उत्साह चाहिये आज जनता में निराशा फैली हुई है। एक

अमन्तोष व्याप्त है। क्या बिना जनता में उत्साह पैदा किये आयोजन सफल हो सकता है, और क्या यह कर प्रस्ताव जनता में उत्साह पैदा करने में समर्थन हो सकते हैं, इस का विचार किया जाना चाहिये। मुझे खेद है कि प्रधान मंत्री ने जो कुछ कहा था यदि वित्त मंत्री उसे स्वीकार नहीं करते। यदि योजना पावन पूजा की वस्तु नहीं है तो देश के साधन श्रोतों और जनता की सहन शक्ति को देख कर उस में हेर फेर क्यों नहीं किया जाता। कांग्रेस ने जो चुनाव घोषणापत्र प्रकाशित किया था उस में इस बात को माना था कि योजना में समय भय पर हेरफेर सम्भव है। उनके घोषणा पत्र के दसवें पृष्ठ पर कुछ पंक्तियाँ हैं जिन्हें मैं पढ़ रहा हूँ। उन में कहा गया है

"It is a flexible plan and it will have to be adjusted from time to time as circumstances demand and as resources of the country permit"

यह कांग्रेस पार्टी का जनता के सामने आश्वासन है। किन्तु वित्त मंत्री ने राज्य भाषा में जो भाषण दिया उसमें उन्होंने इससे बिल्कुल उलटी बात कही। उन्होंने कहा

"I am afraid the plan is not a piece of India rubber. I mean it is not something which has certain flexibility and I can elongate it"

यदि नहीं भयमना, क्या चुनाव घोषणापत्र चुनाव के लिये बनते हैं और बाद में अलमारियों में उन्हें सजा कर रख दिया जाता है। यदि घोषणापत्र जनता के लिये है तो हमें देश की वर्तमान परिस्थिति, हमारे साधन श्रोत और जनता की सहनशक्ति का विचार करना होगा। और महोदय, मैं बड़े आदर से निवेदन करना चाहता हूँ कि आज आज

जनता इतना भार सहन नहीं कर सकती जितना उसके ऊपर डाला जा रहा है। दोनो दिन जीवन की आवश्यकता की वस्तुओं पर उत्पादन शुल्क बढ़ा दिया गया है, जैसे कि चाय, चीनी, दियासलाई, मन्शकू, बनस्पति तेल, सब महंगे कर दिये गये हैं। चीनी का भाव १३ आने प्रति मेर से बढ़कर एक रुपया प्रति मेर हो गया है। आप कहेंगे, और वित्त मंत्री न कहें भी है, कि हम इन चीजों की खपत को नियंत्रित करना चाहते हैं और उनके निर्यात को प्रोत्साहन देना चाहते हैं। मेरा निवेदन है कि आपके दोनो उद्देश्य पूरे नहीं होंगे। ये वस्तुयें आराम की चीजें नहीं हैं। उनकी मांग इतनी बड़ी नहीं है कि जिसको बहुत कम किया जा सकता है। लोग शक्कर फाकते नहीं हैं। देश में शक्कर-खोरे आदमी अधिक संख्या में नहीं होंगे। एक चम्मच शक्कर में जो काम चलाते हैं वे अपनी खपत में कितनी कमी करेंगे। और चीनी के सम्बन्ध में आप में निवेदन करूँ कि अगर चीनी की मिलों को अपनी खुद की गन्ने की फार्म रखने से रोक दिया जाये तो हमारे देश में अभी इतना गन्ना पैदा होता है कि यदि उसके पैरने की ठीक-ठाक स्थिति की जाये तो देश में खपत के लिये जितनी चीनी आवश्यक है उतनी पैदा करके हम बाहर भेजने के लिये भी चीनी उपलब्ध कर सकते हैं। किन्तु इस सम्बन्ध में मुझे यह शक है, मैं नहीं जानता कहा तक ठीक है, कि हम जिस लागत से चीनी तैयार कर रहे हैं, क्या भारत के बाहर हमें उस के लिये बाजार मिलेगा, इस पर भी विचार होना चाहिये। महोदय, एक अमरीकी विशेषज्ञ आये थे जिन्होंने यह सुझाव दिया कि अगर रेलगाड़ियों में मीड भाड कम करनी है तो रेल का किराया बढ़ा दिया जाये। उस समय उनके सुझाव को अनैतिकतापूर्ण माना गया। किन्तु वित्त मंत्री ने दूसरे रास्ते से रेल के किराये को बढ़ाने का निर्णय कर लिया है और लोगों को अब अधिक किराया देना पड़ेगा। उसके

### [श्री बाजपेयी]

बदले में उन्हें अधिक सुविधायें मिलेंगी यह आश्वासन देने के लिये सरकार तैयार नहीं है। अगर आपको किराया बढ़ाना है तो पहले दर्जे के यात्रियों का किराया बढ़ाइये। अब वह दूसरे दर्जे का किराया देकर पहले के दर्जे की सुविधाओं का उपभोग करते हैं तीसरे दर्जे का यात्री अधिक किराये का भार नहीं सह सकता।

डाक और तार की दरों में भी वृद्धि की जा रही है और उसके लिये एक बड़ा विचित्र तर्क दिया जा रहा है कि सरकार को इन सेवाओं को चलाने में घाटा होता है कि वित्त मंत्री ने सरकार को एक टटपूजिये दुकानदार के स्तर पर रख दिया है। घाटा है इसलिये चन्द सेवाओं को कम कर दिया जाये यह तो एक मंगल राज्य के निर्माण का दावा करने वाली सरकार के लिए असोभनीय है। कुछ ऐसे भी काम हैं जिन्हें हम जनता की सेवा के लिये चलाते हैं जिन्हें पब्लिक यूटिलिटी सरविसेज कहा जाता है। उन्हें घाटा सह कर भी चलाना पड़ता है, और डाक और तार एक इस प्रकार की सेवा है।

पोस्टकार्ड का दाम नये पैसे के कारण आधा पैसा पहले ही बढ़ गया है। अब उसमें और वृद्धि की जा रही है और कुल मिला कर हम देखें तो यह वृद्धि ३३ फीसदी हो जायेगी। इसके लिये कोई औचित्य नहीं है। शायद वित्त मंत्री नहीं चाहते कि लोग चिट्ठी यात्रियों द्वारा अपने दिल का रोना रोये, और आम जनता को इससे भी वंचित रखना चाहते हैं।

प्रायकर की सीमा घटाने के सम्बन्ध में एक ही बात निवेदन करने योग्य है कि क्या सरकार समझती है कि जो व्यक्ति ढाई से रुपया प्रतिमास कमा रहा है उनके

पास इतनी बचत है कि जिसको वह टैक्स के रूप में दे सकें। पंचवर्षीय योजना ने जितनी प्रगति की है इसकी रिपोर्ट तो अभी सदन के सामने नहीं आयी। फिर भी यह माना जा सकता है कि कुछ क्षेत्रों में प्रगति हुई है, जैसे बेकारी बड़ी है, बीजों के मूल्य बढ़े हैं, और आम आम आदमी, मजदूर, किसान और मध्यम वर्ग के व्यक्ति करभार और मुद्रास्फीति में उत्पन्न जो मूल्य वृद्धि है उसके पार्टी में पिस रहे हैं। आप अगर प्रायकर की सीमा को घटाने हैं तो आपको गहृत देने के लिये अन्य उपाय अपनाने पड़ेंगे। अभी वेतन प्रायोग की माग की जा रही है प्रदर्शन हो रहा है। केन्द्रीय कर्मचारी अपने लिये प्रतिरिक्त भत्ते की माग कर रहे हैं। आप वेतन आयोग भी नियुक्त नहीं करना चाहते और उनकी जेबों को ढलकी करना चाहते हैं। ऐसी बातें साथ नहीं चल सकती। वित्त मंत्री ने कहा है कि प्रायकर की सीमा घटा दी गयी तो हम भत्ते की व्यवस्था के लिये करेंगे, जिन के बच्चे अधिक होंगे उन को भत्ता दिया जायेगा। और जब राज्य सभा में कहा गया कि क्या हमने परिवार नियोजन का जो कार्यक्रम है उस पर अमर नहीं पड़ेगा तो वित्त मंत्री ने कहा जब हम बड़ी बातों का विचार कर रहे हैं तो परिवार नियोजन जैसी छोटी बात पर विचार नहीं होना चाहिये। मैं नहीं समझता कभी परिवार नियोजन इतनी बड़ी बात बन जाता है और कभी छोटी बात बन जाता है इस सम्बन्ध में हमारा दृष्टिकोण स्पष्ट होना चाहिये किन्तु मुझे खेद है कि वित्त मंत्री का भाषण परस्पर विरोधी बातों से भरा हुआ है। जब यह कहा जाता है कि पहली योजना के परिणामस्वरूप ही आम जनता के जीवन स्तर में कोई बहुत ऊँची वृद्धि नहीं हुई, तो वित्त मंत्री कहते हैं कि एक योजना से यह काम सम्भव नहीं है। किन्तु जब कहा जाता है कि आप इतना बोझा ढाल रहे हैं

कि जिसको हमारी अर्थ व्यवस्था सहन नहीं कर सकती, तो कह जाता है कि पहले प्राद्वी की हालत देखिये ।

हम भविष्य का विचार करे यह ठीक है, किन्तु उसके लिए वर्तमान को बिल्कुल बलि पर चढ़ा दे यह शायद ठीक नहीं होगा । अगर भविष्य का भवन बनेगा तो वर्तमान आभार पर बनेगा । भविष्य अपनी चिन्ता करेगा, किन्तु आप वर्तमान का विचार करिये, और आज देश की जो हालत है उसको अगर आप ध्यान में रख कर चलेगें तो मैं नहीं समझता कि आम जनता पर जो नये टैक्स लादे जा रहे हैं उनको बनाये रखने की बात गम्भीरता से कही जा सकती है । मगर प्रश्न यह है कि क्या किया जाये । कल मैंने कहा था कि इस सदन ने पञ्चवर्षीय आयोजन को स्वीकार किया है । यह सदन उसको बदल भी सकता है । शायद बदलने की बात भेरे बहुत से मित्रों को पसन्द नहीं आयेंगी । अभी प्रधान मंत्री न कहा कि हम काट छूट नहीं करना चाहते, हम फँलाना भी नहीं चाहते । तीसरा रास्ता क्या है ? वह यह है कि हम जिस रास्ते में चल रहे हैं, उमी पर चलेगें । आप बहुमत में हैं । आप उस रास्ते पर चल सकते हैं । किन्तु जिस जनता को आप साथ लेकर चलना चाहते हैं, उसके गले के भीतर यह बात उतारनी है कि जिस सहयोग और बलिदान की उससे अपेक्षा की जा रही है वह त्याग और बलिदान करने की क्षमता रखती है ।

सदन के अनेक सदस्यों ने इस बात की चर्चा की है कि सरकार अपने खर्चों में कमी करे, मितव्ययिता लाए, साद्वी का आचरण करे और हमारे मंत्री और उच्च अधिकारी अपने आचरण से जनता के सामने आदर्श उपस्थित करे । देश में योजना के पक्ष में जन उत्साह का निर्माण करने के लिए यह नितान्त आवश्यक है । किन्तु इस बात से

सब सहमत होते हुए भी इस दिशा में प्रगति नहीं दिखाई देती है । कल एक आदरणीय सदस्य ने चडीगढ़ का उल्लेख किया था । अब भोपाल में भी, मैंने सुना है, एक नए चडीगढ़ का निर्माण होने जा रहा है । दो तीन करोड़ रुपये की लागत से एक नई राजधानी बनाई जा रही है । राजधानी की ऊंची ऊंची भट्टालिकाये, जिन में स्वतन्त्रता की गंगा भगवान् शंकर की जटाओं की भाँति खोकर रह जाती है, भारत के सात लाख गावों को लाभ नहीं पहुँचा सकती है । ऊंची ऊंची भट्टालिकाये भारत के सात लाख गावों के अन्तःकरण में राष्ट्र निर्माण के लिए त्याग और बलिदान की प्रेरणा पैदा नहीं कर सकती है । चडीगढ़ में एक नया विधान भवन बनाया जा रहा है और उस पर कोई एक करोड़ चालीस लाख की लागत आयेंगी । उसे आप रोक सकते हैं । भोपाल की राजधानी को बनाने की योजना को आप स्थगित कर सकते हैं और किया जाना चाहिए । अगर भोपाल में भवन नहीं है तो आप राजधानी को खालियर में ले जा सकते हैं । सम्पूर्ण दृष्टिकोण को परिवर्तित करने की आवश्यकता है ।

महोदय, योजना के लिए जो जनता में उत्साह नहीं है उसका एक बड़ा कारण यह भी है कि इस योजना को पार्टी के आधार पर चलाया जा रहा है । यह राष्ट्रीय नियोजन नहीं है । इसमें सभी दलों और वर्गों के सहयोग को प्राप्त करने का प्रयत्न नहीं किया गया है । लोक-सभा का सदस्य होने के नाते मैं जिला नियोजन समिति में लिया गया हूँ । मगर उसकी बैठक जो १० मई को होने वाली थी, उस बैठक की खबर मुझे १६ मई को मिली । एक बाढ़ निरोधक समिति भेरे जिने में है । उसकी बैठक २६ तारीख को थी जिस की सूचना मुझे २६ तारीख को मिली है । अब यह डाक और तार विभाग की शकबाहू है या जिला अधिकारियों की, यह मैं नहीं कह सकता किन्तु जब तक प्रत्येक स्तर पर जनता को

## [श्री वाजपेयी]

आयोजन के साथ सहयोग के लिए आमंत्रित नहीं किया जाता और योजना को सच्चे अर्थों में राष्ट्रीय नियोजन के रूप में नहीं चलाया जाता, तब तक योजना की सफलता के लिए जनता में अपेक्षित उत्साह पैदा नहीं किया जा सकता है। नए टैक्सों के कारण यह उत्साह और भी कम हो गया है। इसमें कोई मतभेद की बात नहीं है कि देश का विकास योजनाबद्ध रीति से होना चाहिए। किन्तु इस योजना के निर्माण में और उसको कार्यरूप में परिणत करने में प्रत्येक स्तर पर उमका राष्ट्रीय स्वरूप सुरक्षित रखने की आवश्यकता है। क्या मैं आशा करूँ कि नए बजट प्रस्तावों में जो आम जनता पर बोझ डाला गया है, उसे कम किया जाएगा और इस बात का प्रयत्न किया जाएगा कि हम योजना के क्रम निर्धारण में, जिसे वित्त मंत्री जी ने रिफॉर्मिंग कहा है, अगर उन्हें काट छाट शब्द बुरा लगता है, तो मैं उसका उपयोग नहीं करूँगा, पहली चीज को पहले लेगे और इस तरह से योजना को कार्यान्वित करेंगे जिस से देश के साधन स्रोतों का और जनता की सहन शक्ति का विचार किया जा सके।

योजना के सम्बन्ध में मेरी आधारभूत आपत्ति यह है कि हमारी योजना पूँजी प्रधान है जबकि वह श्रम प्रधान होनी चाहिए। जनबल हमारी सबसे बड़ी पूँजी है। हम सब लोगों को काम दे, अधिक से अधिक जनबल को योजना के निर्माण में लगाये, तो अधिक पूँजी न होते हुए भी हम आर्थिक पुनर्निर्माण की दिशा में अवश्य प्रगति कर सकते हैं। किन्तु खेद का विषय है कि योजना ऐसी बनाई गई है जिसमें जनबल पर कम ध्यान दिया गया और पूँजी पर अधिक जोर दिया गया है। आज विदेशी मुद्रा की समस्या हमारे सामने है, खाद्य स्थिति विकट हो रही है। मैं नहीं मानता कि देश में खाद्यान्न की कमी है, किन्तु वितरण का दोष है। २५ करोड़ का भ्रमण जोष रख कर भी आप उस वितरण के दोष का

निराकरण नहीं कर सकते हैं। मैंने चुनावों के दिनों में देखा है कि देवरिया जिले में एक स्थान पर केवल उन्हीं लोगों को सरकारी गल्ले की दुकानों पर भनाज मिलता था जो कांग्रेस के मंत्री से बैल वाली जोड़ी की पर्ची लेकर जाते थे। दुकानों कहां होनी चाहियें, इसका भी पार्टी की दृष्टि से विचार किया जाता है और वितरण की व्यवस्था ठीक नहीं होती है। आप २५ करोड़ रुपये रख देंगे लेकिन फिर भी आर्थिक संकट का निराकरण नहीं होगा। आपको चाहिये कि आप वितरण की उचित व्यवस्था करें और सबका सहयोग लें। कृषि के प्रति उपेक्षा की नीति बढ़नी गई है, कम धन देकर कृषि उत्पादन में वृद्धि की मांगा की गई है, और उमका दुष्परिणाम हमारे सामने है। कृषि भारत की अर्थ नीति का आधार है, हमारा प्रमुख उद्योग है। हमने कृषि उत्पादन की उपेक्षा की और आज अन्न संकट हमारे सामने खड़ा है और अन्न संकट का हवाला देकर देश की जनता पर ऐसे बोझ लादे जा रहे हैं जिनको वह सहन नहीं कर सकती है। मैं चाहता हूँ कि इस योजना के क्रमनिर्धारण पर फिर से विचार किया जाए और इस योजना के प्रत्येक क्षेत्र में जनता का समर्थन प्राप्त करने का प्रयत्न किया जाए।

मुझे इसमें अधिक कुछ नहीं कहना है, धन्यवाद।

**Sardar Hukam Singh (Bhatinda):**  
Mr Speaker, Sir, before I take up the taxation proposals, I will have to make reference to one thing that has been recently referred to by my hon. friend Shri Vajpayee. Just now he talked about the language agitation, and he was of the opinion that if the Government wanted, it could be amicably settled. Every well-wisher of the country would welcome such a settlement, and I assure him that we would be very glad if he can bring about any settlement at this hour too. We are anxious to have it.

In his speech he said that Punjabi was also one of the *Rashtrabhashas* and he had respect for that too. If this fact alone were conceded there would be no trouble at all in the Punjab State. The contention of those who are carrying on this agitation is that Punjabi is no language, that they would not read it, and that at least, if it is a language, it is a language of the Sikhs and not of the Hindus. I would like to know whether Shri Vajpayee is also of that opinion.

**Shri Vajpayee:** No it is not a fact.

**Sardar Hukam Singh:** If it is not a fact, then he should try to persuade his comrades to come round to this position. Then there is absolutely no trouble. It is so simple an affair and it can be settled very soon. If they were to concede that Punjabi is a regional language, and it is a language of the Hindus and Sikhs both of whom live in a particular area, then there is no difficulty at all. It can be settled very amicably, very smoothly and in a short time. So, I would not take long and would only advise my friend Shri Vajpayee to make efforts and try if he can bring round his friends to that view.

14 hrs.

Now about the taxation proposals. I realize that the country is passing through a very critical period, I also appreciate that our Prime Minister is in a difficult situation. We want to help him to overcome those difficulties which he is experiencing. We know, that if the Plan succeeds, we march forward, but if it fails, then the country sinks. The Budget, whatever it might be, that is presented during this period can only be judged by the consideration whether it would help in the implementation of the Plan or whether it would retard it. I do not deny that the intention is that our Plan might prosper and with that object in view, all those proposals have been made, but it has

to be seen whether really they would take us to that goal.

The first thing ought to be that the proposals that he has put forward do not raise the cost of living and do not add to the cost of production and these two things are inter-connected. I am afraid, whatever the proposals are, there would be a rise in the cost of living and thus the implementation of our Plan would be retarded. Now taxes have been proposed for tea, matches, sugar and even oil. These are necessities of everyday use and an increase in their cost must necessarily mean a higher cost of living. This demand is inelastic. There cannot be any analogy of these things with cloth, because the housewife cannot restrict her family consumption of these things. Now, when we pursue a policy of prohibition, tea is the only drink that is left to an ordinary man. Are we going to deny him even that luxury? So far as cloth is concerned, even poor men can cut short their necessities and their requirements, but so far as these things are concerned there cannot be any reduction in the demand. The housewife must see that fire is burnt every day, whatever the number of matches that may be required, she cannot cut it short. Similar would be the case with sugar and these edible oils. In the case of cloth, perhaps the middle class men can sustain themselves for a year or two on old stocks, they can draw upon them and in our country, there is not such a necessity of cloth as in cold countries. Therefore, this demand is elastic. To draw the conclusion that when there was an increase in the duty on cloth, there was no rise in prices, would not be safe in this case.

Secondly there should not be any increase in the cost of production, but when the taxation on cement, iron and steel is levied, then certainly there would be an increase in the cost of building materials and the cost would rise to a considerable extent. Then there is an increase of

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tax on petrol and diesel oils; these are necessary for transportation. With this rise, certainly there would be a rise in the cost of transportation and even in the cost of generation of energy. That would mean that the cost of our Plan would go up.

Under these circumstances, we must appreciate that there are elements in these taxation proposals that would contribute to the rising spiral, and we should be on our guard against these things. There is no doubt that tax on wealth and tax on expenditure would fall on the rich. But the other taxes that have been imposed affect the poor and the lower middle classes, and even when the wealth tax and expenditure tax fall on the rich, they get this satisfaction that they get a decrease in their super tax; immediately they get some benefit. But the poor have no such consolation at least for the present. The reduction in super tax would be definite and immediate. They have already begun to take it. I find in my salary bill that there is an increase of Rs. 100 in the way of super tax. This is definite and immediate while the expectation of recovering it by wealth and expenditure taxes is remote and uncertain. When the super tax had been reduced just now, then so much money has been left with those classes who have propensities for spending; they will spend it and then the prices would rise again and this will add to the inflation. This class to whom this benefit is being given is not living in sub-standard conditions, that they require a certain raising up. These proposals have put cash in their hands which they would spend. The Finance Minister might say that he would collect it again in the form of wealth duties or expenditure duties. But these wealth duties would cover only those wealths that would be of the value of more than Rs. 60,000 and then this would begin from 1958. What would happen

during this period? Wealth that is of the value of Rs. 2 lakhs or something like that would be split up. If there is one father and three sons, of course, it would be divided into four parts of Rs. 50,000 each; every one of them would escape and nobody would pay it. The cash is being given just now, but the return that is expected of it after a year or so or after 2 years later, would not come to the Finance Minister and this money shall have been spent in raising the prices and the Finance Minister would find himself too late to reach them.

Then again, as we all know, the evasion of taxes is a human frailty. People would try to evade as much as they can. When they get money in their own hands, then the natural inclination would be—now they know that the wealth tax is coming—they would rather hoard money or would spend it in the purchase of gold. Already, we are seeing that there are pressures on the price of gold; it is already going up. If the people begin to hoard money or invest it in the purchase of gold then our Plan would be doomed. We would fail there, because we want money—what to say of collecting taxes from that wealth or from expenditure tax. This money that is current just now, would go underground and my fear is that we would be faced with further difficulties.

Then the tax on wealth would practically mean tax on landed property—immovable property. That wealth would be difficult to trace; it might go underground. This would be the real wealth that would be apparent, that everybody can reach there. Therefore it would mean that all immovable properties would be taxed. But higher income and bigger properties are not with the same class of persons.

Therefore, even if we chase those persons who have high income and we catch them, we will recover the income tax but not the other one. The wealth would escape from us and it will be hoarded and concealed. I want to draw the attention of the Finance Minister to this aspect.

The Finance Minister has stated that he expects to recover Rs. 15 cro-

res by this tax. I am anxious to know about the details of it. Even when death duties were imposed we were told that it would bring in Rs. 8 crores; but in actual practice it brought only two and a half crores. The basis on which this calculation was arrived at has not been disclosed to us. I would appeal to the Finance Minister to take this House into confidence and let us know the details. I am afraid that this figure will never be reached and I fear even the foundation on which the structure has been built up may fall down.

What would be the effect of the wealth tax? I may otherwise call it 'property tax.' What would be its effect on the local bodies? How would it affect their income? The Municipal committees have been depending upon this property tax. They have no other source and the sources for them are very restricted. The Finance Minister has many fields to explore. But the Municipal Committee depends chiefly upon this property tax. If that field is also taken away, what would happen to those Municipal Committees? Where would they go? Where can they derive their income from? They will not be able to get the money required for them. As we are taxing these properties, their values would not appreciate. Nobody would be prepared to buy properties so willingly. Perhaps they would like to invest their money in some other form. When the value falls, proceeds of taxation will also go low. Our objective would be frustrated and we will not be able to get that amount of money which we expect today.

Another thing I want to mention is this. These taxes are to be recovered from the income of the assessee, which the assessee might possess. So far as income-tax is concerned, even now there are about Rs. 200 crores worth of arrears. This has not been realised. Does the Finance Minister hope that the assessee will sell his property every time that he has to collect the wealth tax? Does he hope that the assessees would pay him from any other source this wealth tax? It would not be possible. Those properties would be available for sale. Everybody would like to rid himself of that burden and they would not be sold so easily because others also would not like to have that burden. Their values would go down and that would adversely affect the income that we expect.

One thing more. Just now our Prime Minister referred to the mode of recovery of the taxes. That is very cumbersome. The level of exemption has been brought down now. The Prime Minister thinks that in other countries it is much lower. But in those countries, the mode of recovery is very simple. The man need not bother himself by going to the income-tax office, waiting there, suffering harassment etc., which is feared even by our Prime Minister. He is asked to pay a particular sum and he sends the sum. Our number of assessees would become much larger. So, we should appreciate the time that would be lost if the present system is continued. How many man-days' work will be lost by this system? A lot of time will be wasted by a large army of men running round these income-tax offices. So, we have to evolve some simpler method of assessment and we should not continue the present onerous and difficult procedure that we have. Unless that is done, this additional taxation would mean high expenditure even to the Treasury as much to the people and this would not bring as much money as we expect.

**Shri D. A. Katti (Chikodi):** Mr. Speaker, Sir, I am thankful for the opportunity that has now been afforded to me to participate in the discussion of the budget. It is my chief concern to see whether the taxation proposals made by the Finance Minister are justified and to see whether the budget proposals offer any hope to the common man. Since the dawn of independence, the people have been entertaining hopes of *Ram Rajya* which was promised to them. The people were asked to make sacrifices for the days of prosperity which were promised to them. Whatever taxes were levied, the people paid them without any grudge. They were asked to have patience and to wait to see better days. Our First Five-year Plan is over. Thought of the Second Five Year Plan has dominated the thinking of all the people now. Likewise, the First Year Plan had also dominated our thinking previously. During all these years, the people co-operated heartily with the Government and they supported the

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programmes. What has happened? They were told constantly by the party in power that the plan had been a success. But, is it true that the plan has been a success? Is it a true statement that the Finance Minister made that it has raised the standard of living? It is surprising to read such a statement. It is false propaganda. A plan must be judged by the results. What is the result? The result is: Corruption and more corruption; unemployment and more unemployment; hunger and more hunger; taxes and more taxes; and exploitation and more exploitation.

Sir, it is not that the standard of living is raised but the cost of living is raised. The standard of luxury of the rich might have been raised. If the Finance Minister has this class in view, then I have nothing to say. But so far as the common man is concerned, his position is dangerous and precarious. He is in a great fix. His standard of living or his living is below the lowest standard. In the midst of these circumstances that are created after the First Five Year Plan, he is forced to ask whether this is the people's government. The great problem before him now is one of his own survival and this is our socialism—the Indian socialism. If this is the concept of our socialism, then, one has no other way but to run away from it, praying his God to save him from such a horrible thing known as socialism.

Whether the Plan has been successful or not, one thing is sure. The benefits of this Plan have not reached the middle and the poorer classes. Everybody is gravely concerned with the result of this Plan—where the money has gone, how and in what way such a large amount has been spent and how the condition of the people, instead of improving, is deteriorating. The people are just in asking this question. But they are unable to get a satisfactory answer. Under these circumstances, the new tax proposals extend to the people only miseries.

Since the tax proposals were made by the Finance Minister, there has been great unrest caused in this country. There is great uproar against these tax proposals. Since the declaration of these proposals, the prices of all commodities have gone too high and the life that was already hard enough is now made quite unbearable. I am not against taxes. I am not against the Plan. The people must pay taxes to raise the revenue and to execute such plans, the plans aiming at community development, at revolutionising the society materially, spiritually, culturally and educationally. But the most important point is that the money thus collected and invested in such plans must fetch some benefit, must add to the wealth of the country, must increase the paying capacity of the people. But, after the completion of the first Five Year Plan, there is the question before us, namely, whether there has been any increase in the paying capacity, whether there is any addition to the wealth of the country. If there has been any increase in the above items, then, why should there be poverty now? Why is there this costly living?

In my opinion, the first Five Year Plan has not given us back as much as we had spent on the Plan. The paying capacity of the people, instead of increasing, has decreased to an extraordinary extent. On the one hand, there is constant increase in the taxes, and on the other hand, there is a constant decrease in the paying capacity of the people. If this continues, a day might come in the near future when the very source will be dried up and our Plan will collapse. Our second Five Year Plan has every such danger in spite of our Finance Minister's firm determination to pass through or carry out the Plan resolutely through thick and thin. Today, the food prices have gone very high and there is fierce unemployment and the cost of living has gone very high. Under these circumstances, to raise taxes on the articles which are

of everyday use and which are decidedly not articles of luxury, is to kill the people; it is nothing but tyranny; it is crushing down the poor man. Asking the common man to sacrifice—of course he has nothing to sacrifice now—in order to achieve greater good in the future is like asking him to die now in order to enjoy Heavenly bliss after death. The present position of the common man demands some relief from burdens and not the tax burden to be imposed. If Government wants some money to proceed with the Plan, some other sources should be found.

Our Finance Minister, while replying to the debate in the Rajya Sabha, said that these articles on which the taxes are to be raised are articles of luxury. How can paper, post-card, tea, coffee, sugar and cement be articles of luxury? If these are articles of luxury, then what are the articles which are not luxury articles? Taking up this interpretation of the Finance Minister, one may go to the extent of saying that coats, pants, dhoties, etc., are all articles of luxury. To say so is a cruel joke. This is not the excuse for raising the tax on these articles. What other taxes are dancing in the bag of the Congress, I do not know. What right have we to condemn Aurangzeb for having levied Jizziya tax on the Hindus? Our Government is more than Aurangzeb, in my opinion.

I plead that there should not be any increase in taxes on paper, tea, coffee, sugar and post-card. Instead of raising the tax on these articles, it is better to lift prohibition. I wholeheartedly support the suggestion made by Rajkumari Amrit Kaur in the Rajya Sabha. In fact, prohibition is not a wise step towards improving the morality of the people and improving the lot of the people. The States in which the dry law is imposed frequently say that prohibition has been successful. Is it a fact? It is not a fact. The fact is that before the introduction of prohibition, only men were drinking liquor. But now, women and children too are drinking

country liquor. Some people are drinking even spirit. Some Member yesterday referred to this, but I could not follow it in full because he was speaking in Hindi. If drinking liquor is a luxury and if our Finance Minister is pleased to tax heavily such articles of luxury, then, that may be done. But taxes on articles of everyday use which I mentioned earlier should not be raised.

I again agree with Rajkumari Amrit Kaur in her suggestion in the other House that salt may be taxed. If salt is taxed, I believe the people will not feel the burden. The tax proposals have been very hotly debated in this House for the last two days, but in spite of all the criticisms, I do not think Government will make any change in the proposals. Our Prime Minister and our Finance Minister have been busy with defending these proposals.

It has been a matter of passion and prestige in this House not to honour the opinion of the Opposition and of the public at large though the opinions and criticisms are very genuine and wholesome. At least the party in power should do one thing. They may go to the voters who have voted them to power and ask them whether they like these proposals. Then, I believe what the public opinion is can be rightly understood. But then, the Government will say that the people cannot understand where their salvation lies. In order to cure the disease, some bitter dose is necessary even against the will of the people. Similarly, in order to have greater good in the future, the Government feel that there should be more and more taxes levied on the people even against their will.

These proposals in my opinion do not constitute any dose of medicine but constitute a dose or poison. They are not meant to cure but to kill the people. The present taxation proposals will hit very badly the middle classes and the poor classes. To the Scheduled Castes and the Scheduled Tribes the new taxation proposals will be a curse. The majority of the

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Scheduled Castes and Scheduled Tribes are landless labourers. For their maintenance they are required to depend fully on the wages earned by toiling for the whole day in the lands of others. There is no other source of income for them. The wages that are paid to them are very low. I believe the daily wage does not exceed Re 1 per day. Even at the time of harvest they are not able to get sufficient food and they starve. When they are in this position, now they are being forced to pay these taxes from whatever little they earn.

So far as the Scheduled Castes and Scheduled Tribes are concerned, I might say that whatever provision is made in the Second Five Year Plan is not sufficient to solve the problem of the Scheduled Castes and Scheduled Tribes. The problem of the Scheduled Castes and Scheduled Tribes is a very big problem. But it is regarded as a minor problem and accordingly provision is made in the Second Five Year Plan. In my opinion there should be a separate Plan to solve this problem this enigmatic problem and to improve the lot of these people.

If the waste lands can be granted to these people two things can be achieved. One is economic upliftment of these people and the other is the increase in the food production. I believe there is about 8 to 9 crores of acres of cultivable waste land in this country. If these lands are given to the members of the Scheduled Castes and Scheduled Tribes for cultivation, I believe within a year or two the question of import of foodgrains will not arise and this baffling food problem will be solved once for all.

In our Second Five Year Plan so far as agriculture is concerned commercial crops are given preference to food crops. So the food problem will remain unsatisfactory for ever. Therefore, to solve this food problem every possible remedy is to be tried. For that purpose one thing can be

done just now and that is the grant of waste lands to these people. In some of the States like Bombay rules have been made for the grant of lands to the members of the Scheduled Castes. But whenever these people apply for the grant of such lands, the applications are rejected by the officers concerned on the ground that the lands are required for grazing purposes. In Bombay State the area fixed for grazing purposes is very strange—50 acres for hundred cattle. One can very well imagine what the position of the members of the Scheduled Castes and Scheduled Tribes will be if this limit—the prohibitive limit—is strictly adhered to. In our State animals are preferred to men. So I humbly submit that the Central Government should take possession of these waste lands and distribute them to the members of the Scheduled Castes and Scheduled Tribes. If that is done it will be of great help to the members of the Scheduled Castes and it will also be in the general interests of the country as the food problem will be solved.

In conclusion I may say that the plan and the methods of financing the Plan lack a human approach towards the solution of a problem involved in it.

Mr. Speaker Mr Thanu Pillai

Shri B. S. Murthy (Kakinada—Reserved Sch Caste): I have been waiting for three long days.

Mr Speaker Can I accommodate all the 500 members?

Shri B. S. Murthy: I did not get a chance so far.

Mr Speaker: What can I do? I can only see to it that not even a single minute of the House is wasted.

Shri S. N. Sinha (Aurangabad) I suggest that the names of the persons whom you are going to call may be announced.

**Mr. Speaker:** I am afraid it will have a very bad effect for the reason that the House is already thin and the hon. Members will go away. Every hon. Member can well be expected to be called. I can say that after Mr. Thanu Pillai I will call Ch. Ranbir Singh

**Some Hon. Members:** What about us?

**Mr. Speaker:** I will call all hon. Members.

**Shri B. S. Murthy:** Some of us have not participated in the debate either on the President's Address or on the Railway Budget. Those who have not talked so far must be given an opportunity

**Mr. Speaker:** I agree. But all that I can say is that it is for the Secretaries and Whips of each party to give the names of such hon. Members as have not taken part either in the one or in the other. Where there is an organised party, I will confine myself and will not go outside that particular list. That much I can assure you. But to whom to call first and whom to call next, that I will decide to balance the debate. Otherwise, they must go and tell their own whips that the names of those who have not participated either in the one or the other should be included in the list. Therefore, if it is distributed wisely, every hon. Member may get a chance—at any rate many of the hon. Members. I cannot go on looking up whether he has spoken on the President's Address or the Railway Budget.

**An. Hon. Member:** Why not we have a time limit for speeches?

**Mr. Speaker:** All right. I will give ten minutes for each member.

**Several Hon. Members:** No, no.

**Mr. Speaker:** So far as Members of the opposition are concerned, I have

tried to call a representative of every group except one. Now some of the groups want two or three Members of their group to participate in the discussion.

**Shri Mohamed Imam (Chutaldrug):** The opposition Members must be given more time. The time now allotted to them is meagre. They must be given more opportunities than the Members of the treasury benches whose business is only to support the Government.

**Mr. Speaker:** But each one of them has to justify his own constituency also.

**Shri Kalika Singh (Azamgarh):** Preference may be given to maiden speech.

**Mr. Speaker:** All are maidens here.

**Shri Thanu Pillai (Thirunelveli):** I congratulate you on your election to this high office.

**Mr. Speaker:** For how long will hon. Members congratulate me?

**Shri Thanu Pillai:** This is the first time I am speaking after your election. I am an old Member. But that is another point.

**Shri T. T. Krishnamachari:** He is not a maiden but a spinster.

**Shri Thanu Pillai:** In this budget we have given to ourselves the task of reconstructing this country and creating a social order where the common man will be given all comforts and facilities, a social order where exploitation will be nil where between the rich and the poor there will not be much difference. This is what we have given as the objective of the Plan and the Plan as the means to the end.

Some hon. Members who spoke just before said that everything has gone wrong, the First Five Year Plan has failed, everywhere there are taxes, and so on. We have just now come to this House after the general election. This is the first session. Some

[Shri Thanu Pillai]

hon Members presume that the First Plan has failed according to their test. To say that that represents the opinion of the public is wrong. We have just finished the elections and come in after the first year of the Second Plan. Not only has the implementation of the First Plan been accepted by the public, but also the Second Plan has been endorsed. When they endorsed it, they know there will be taxes. When the new Finance Minister came, his first ushering in was the tax on cloth. He has a theory which we all suspected. We thought that more excise duty on cloth will increase the prices and the burden will be transferred to the consumer. We have seen that the prices have not gone up to the extent that the cess has been increased. His theory has proved correct. On the basis of past experience we are bold enough to endorse the new proposals which the Finance Minister has placed before the House. It is not without reason, without consideration, that we are endorsing this policy.

Hon Members asked about our theory and approach. I would only say that our theory is not class war and class hatred, our theory is not violence. Our approach is not through death, destruction and devastation and creating a condition where through false propaganda, we can capture power. We have been telling the people all our successes and failures. After placing the facts, we have been accepted and our Plan has been accepted. When we have undertaken a responsibility of reconstructing a new society and that through the Second Five Year Plan with a number of projects which involve not only Rs 4800 crores, but something more, we must be prepared to fulfil that responsibility.

People ask, why this cess, why this indirect taxation, the burden is on the common man. It is a very catchy phrase. I do not want to waste my time by telling a story, but

I am tempted to tell it. The creators came to earth to know what this common man is. They know only the man that they created. In the Assemblies, in Councils, everywhere everybody was talking of the common man. Once an hon gentleman said that the common man is the backbone of India, in this House. One man said, the Prime Minister of India, Shri Jawaharlal Nehru is the backbone of India. So, the Gods found out that the common man is the Prime Minister of India. What is this common man business? They say, why tax these people, tax the rich people. Even if all the rich people are taxed, do they want to create a society where the rich men will continue to be rich and from them alone these hundreds of crores of rupees will be collected—even if it amounts to 15 annas in the rupee?

14.44 hrs.

[MR DEPUTY SPEAKER in the Chair]

Is it that society that they want or do they want to accept a transference of the burden to the people, to a wider sphere, where the income is low. The data of standard of income in our country, which the Finance Minister has been kind enough to give us, reveals a horrible story. It is less than Rs 300, it is 289 or about that. We cannot proceed on the formula in England or Germany or Sweden, the tax must be equal to the minimum average or somewhere about it. What we say is that the tax burden should be shared fairly and squarely between direct and indirect taxation. If you go on increasing the indirect taxes immediately before the development plans are able to place more wealth in the hands of the people at large, it might in a way affect and increase the difficulties of the middle class people whom nobody cares for except in mild talk. Organised labour and the trade union friends are always crying with these catchy phrases. The other sector also talks about welfare and free enterprise. I wonder whether by welfare they mean that the beggar's bowl should

be filled by the rich people and social order is the right to give alms. If that is the type of society which either this side or that desires to create, the future will be very dark for our theory, for our ideology, for our country. If the private sector which is opposed to all these taxation proposals even after so much toning down of the taxation, still non-co-operate and create propaganda that the common man is being pick-pocketed and all that, it is a bad thing.

Shri G. D. Somani said that the Kaldor report has not been accepted in full. Perhaps, he meant that the tax must not be 77 per cent and 84 per cent, but it must come down to 45 per cent as recommended by Kaldor. There is another picture. People say, why tax the poor man whose income is less than Rs 250, why are you giving this rebate. There is a lot of logic about it and psychology about it. At a time when the higher tax rate is lowered and in the name of broad-basing, the exemption limit also is lowered, there is a grievance and it gives room for opposition propaganda that our Government is trying to help the rich people and not the poor people. On the other hand, the lowering of the higher taxation is offset by the wealth tax and expenditure tax. Though we accept this, the reason is not acceptable. It is said that there are a lot of tax evaders and to make them pay the tax and not go on evading it, this concession is given. If the tax evaders cannot be controlled by any other means except by a concession, every other form of crime will demand a premium. This is highly improper. Tax evaders should not only be booked, but dealt with severely. If it is for other reasons, reasons of equity, if it is said that he has also, after all, invested his capital, and there should be some return on capital and incentive, that is something understandable. When we talk of incentive, it is not only incentive for the investor, but also for the worker.

When we come to that picture, what do we see in the country today? The gulf is being widened between worker and worker. With all these taxation proposals, with all the money that is collected, what do we find? The workers demand that the prices have gone up and so the wages must go up. The seller says, wages have gone up and so the prices must be put up. This is the producers' cry. If this thing goes on, where do we end? There are government servants who are definitely much better off than the unemployed or under-employed or the artisans of the villages and towns. Amongst government servants, there are Government servants, local board servants and Central Government servants. What do we find in these agitations? The relatively better paid people, in the name of equity, present their charter of demands and from them comes a bang on the Government. They get Rs 5 or 10 as an instalment of compensation or as an instalment of pacification. After every agitation, the Central Government servants, the postal and railway employees and other staff get Rs 5 or 10. The gap between the State Government servants and the Central Government servants is widened. You are not filling up the gap. You are going on widening the gulf. As between government employees and non government employees the gap is there and it is wider. Ultimately, the man who is a small artisan or the small employee of some small shop is left out. Is he not a worker? Is not the agricultural labour a worker? What does he get? Pretty little. The rent alone is more than 50 to 60 per cent in very many States. In our State it has only now come to the sixty forty formula, that is the tiller getting sixty and the land-owner getting forty. But what is his income? What is the yield? If you take all that into consideration, this pacifying policy of the Government means that there is no wage policy, no price policy also. We are going to discuss tomorrow a Bill to amend the Essential Commodities

[Shri Thanu Pillai]

Act What is that? Is it only to control hoarding, but not to control prices? We cannot control the prices. The commodity goes underground and there will be acute shortage as in war time. If we leave them alone, the prices soar high. The hon. Finance Minister has given us an aid to study how much the incidence of taxation will increase the prices. It is all right, he also admits that prices are soaring high in the market. What is the machinery that we have to control the prices? When the prices are going higher than they should because of the taxation proposals, what action does Government propose to take? Are we to be left at the mercy of the traders? And the traders also are not free. They also criticise the Government, that this Government is not doing this and that. Therefore I submit more than the taxation, expenditure is more important from our point of view. We are prepared to tell the people, in spite of opposition, that they must pay this contribution by way of indirect taxation, pay a higher price or reduce their consumption, but how will it be spent?

Look at the Social Welfare Boards and the Community Development Projects. As in the case of the Central Government staff and State Government staff, there is difference between CPWD rates and provincial PWD rates and private sector rates. Why in the name of the community project one should give CPWD rate for a contract and somebody who takes a contract make a lot of money in the name of the Social Welfare Board or the Community Project. People are angry when looking at this picture that the money which they contribute is being swindled by some local man they know. They feel there is a lot of what is called leakage and corruption is not the outcome of Governments. It is the public to go and tempt the officer. It is not the officer who goes and asks for contribution or corrupt money, but the people very often go

and try to corrupt, and then come here and say "Your staff are corrupt." On the other side, they go along with the staff who say, "Our pay is less, therefore increase it", and threaten the Government. So, where do we stand? It is between the devil and the deep sea, between Scylla and Charybdis. And there are people who take benefit out of both sides, agitating on the one side not to give tax, and on the other to ask for more wages. They want to create a certain type of confusion in society, that is a means to an end, to the end of capturing the Government through the means of this sort of confusion to be created. I think the people are intelligent enough to resist that.

Coming to these taxation proposals which are immediate, sugar goes up by five naye paise per lb. We can easily give that, accept that, but the price in the market goes up by three anna per lb. that people cannot accept but nobody, no organisation, not even those who criticise want to organise a resistance against the trader. They only want to criticise and create a sort of bad name for the State.

Shri Goray: If the Consumers organise resistance will the Government protect them?

Shri Thanu Pillai: Of course, not only the Government but all people who want to help the resistance will help, but if in the name of resistance there is going to be loot and arson, that will not be resistance. What is resistance? Refusal to buy at a price more than reasonable. If we do not buy naturally the other trader will come down.

The hon. Member who spoke before me quoted Rajkumari Amrit Kaur on prohibition. She is not a Member of this House, but she seems to have said something in the other House, and the hon. Member quoted that. Whom does prohibition affect? If we

scrap prohibition who are going to pay? It is the people who go to the toddy and arrak taverns, not the rich people, the well-to-do people, but the villager, the much-talked-of common man for whom they are prepared to shed all the tears. They want him to be drunk, his economy to be shattered.

**An. Hon Member** Even now he is drinking.

**Shri Thanu Pillai** Of course, he is drinking, but not all along as before. Among Scheduled Castes particularly scavengers in my town used to be drunk day and night, and nobody could go into their area, but now they are peaceful people and their women are wearing jewels. It is for them I plead, not for the fashionable few who drink for after all prohibition or no prohibition if a man wants to drink he can drink.

This leads us to law and order and the co-operation given by the people who talk about morals. We talk more morals and practise very little of it. That is the order of the day. Every platform talks about it but no platform practises it. That is the difficulty.

**Mr Deputy Speaker** A platform is meant for talking and not for practising.

**Shri Thanu Pillai** I thought it was a means to an end. The means also change.

We want to levy a cess on salt to bring about a betterment of that industry and there is resistance. We is the resisting man? There again the common man comes. People come and join the trade unions and say 'What is this these people are taxing salt?' Everybody now speaks of the common man and they say that in the name of Mahatma Gandhi and in the name of the common man it must go. I beg of them to produce good salt and the best salt in the world in the name of Mahatma Gandhi, and that is the greatest honour and respect we can

pay to him. But then, this opinion from ex-Ministers is born sometimes out of frustration, to which we need not attach much importance.

Regarding the criticism made by Rajaji of the Wealth Tax and the Expenditure Tax, the hon Finance Minister has said he would not say anything about it. That does not give us an answer. That does not let us know how to meet his argument which is spreading throughout the country, that it is wrong and that society is going to be shattered because of the Wealth Tax and expenditure Tax. Rajaji's opinion will have to be counted because it has got effect on the people of that State particularly and also in India generally.

**Shri Narayanankutty Menon** (Mukandpuram) He is also an ex-Minister.

**Mr Deputy Speaker.** Very good, then.

**Shri Thanu Pillai** Therefore, I want an explanation to be given by the hon Finance Minister in reply to that argument. Somebody asked if the Finance Minister will face the elections. He has faced an election very recently. Who are the people who opposed him? Communists, Communalists, and everybody including Capitalists.

**Shri T B Vittal Rao** (Khammam). Communists did not stand there.

**Shri Thanu Pillai** I know they did not stand. No Communist stood against me but they supported the PSP. Here they will quarrel, but there they will join that is a different matter. But the Communists, the Communalists, the Capitalists, all people of his caste and other castes joined together and Rajaji was no exception. It is said Rajaji also went from door to door. When hon Members throw out a challenge I say we have taken the challenge and proved it. Wait for five years, then we shall give the challenge again, and our Finance Minister will again be returned.

15 hrs.

**Ch. Banbir Singh (Rohtak):** I congratulate the Finance Minister on his having brought forward these bold proposals before this House

My hon friend who comes from my district started by saying that these proposals amounted to a war on the poorer sections of the class-ridden society I would like to point out that it is just the reverse Perhaps, he missed a few words in his sentence I would say that these proposals amount to a war against the poverty of the poorer sections of the class-ridden society in this country

I have heard my hon friend outside this House also several times I have great regard for him

**An Hon. Member.** Who is that friend?

**Ch. Banbir Singh:** Ch P S Daulta I have heard him expressing

**Mr. Deputy-Speaker:** Outside reactions need not be dragged into this House

**Ch. Banbir Singh.** I shall try to avoid it as far as possible I have seen him to be so much in sympathy with the rural people, and I have also seen him carrying on propaganda against the urban classes But I was surprised to hear him making this kind of remark I was not so surprised when Shri S A Dange was speaking, because I could understand the psychology behind Shri S A Dange But I was not aware of the psychology and background of my friend Ch P S Daulta

**Shri Ram Krishan (Mahindergarh):** Who comes from your State?

**Ch. Banbir Singh:** Who comes not only from my State, but from my district.

Having said that, I would like to examine the proposals for additional taxation First, there are the import duties. The poorer classes have not

much to do with the imports, especially, in the present circumstances, when many things are not allowed to be imported.

Then, there are the excise duties which are expected to fetch about Rs 60 80 crores, as, for instance, the excise duties on motor-spirit, diesel oil not otherwise specified, and so on. I can understand the position in regard to kerosene, but not so about motor-spirits, diesel oil, cement, steel ingots, sugar, and unmanufactured tobacco It has been stated in this booklet that these proposals for additional taxation have been made especially in the case of tobacco etc, because they are being consumed by the richer classes I am not very much against it But so far as the poorer classes are concerned, such additional taxes should not have been brought forward

Anyway, the total sum by way of excise duties on the other items comes to about Rs 7 45 crores If we add to this the amount which is expected by way of tax on passenger fares in the railways, namely Rs 14 crores, which cannot be entirely transferred to the poorer sections, we shall find that actually it will not be more than Rs 15 crores which will be passed on to the poorer classes, to the common man

The hon Member who spoke earlier tried to describe a common man The common man is being talked of in this House very often But who is the common man in this country? It is he who gets an annual income of Rs 252 or so, which is the per capita income in India When proposals are brought forward for taxing incomes of the order of Rs 3,000, people start crying that the common man has been affected My hon friend P S Daulta failed to refer to this aspect of the matter I had great expectations that when he made his maiden speech here, probably he would refer to it

In this country, there is discrimination in the taxation policy both of the Central Government and of the State Governments. On the one hand, agricultural income is taxed to the pie; and there is no exemption limit. Furthermore, even if an agriculturist does not get a single pie, still he has to pay the land revenue, while a common man Shri S A Dange and others are being exempted up to Rs 3,600.

So far as the middle classes are concerned, I have to submit that, of course, I do have great regard for them, because many of them fought for the independence of this country. But I am not prepared to accept that the middle classes are the backbone of this country. I am of the view that it is the agriculturists who are the backbone of this country.

**Pandit D. N. Tiwary (Kesaria)**  
Who are the agriculturists? Do they also not belong to the middle classes?

**Ch. Ranbir Singh:** My hon friend has probably forgotten that the agriculturists cannot be included among the middle classes. If I am asked to define middle classes, I shall say that a middle class family is one where only one person earns, while the rest of the members of that family depend on that man. But in the case of the agriculturist and the agricultural labourer, not only he, but his wife, his daughter, and even his old father has to earn, every member of the family has to work, whereas in a middle class family, it is enough if one person earns. I presume this is one of the evils of the British regime.

During the pre-British regime in this country, middle classes were non-existent. The British regime created these middle classes in our society. Although I have much sympathy with them, and although many hon Members in this House may have sympathy with them, sooner or later, in this planned socialist society of

ours, that class will have to go. Just as the family members of the other classes have to work, likewise, the members of the middle class families also will have to work.

I would like to quote a few figures in this connection.

**Mr. Deputy-Speaker:** I find that many Members are coming to the Chair. The hon Speaker has requested all Members that none of them should come to the Chair. I repeat that request, and I hope that hon. Members will honour it.

**Ch. Ranbir Singh:** During the period from 1948-49 to 1955-56, the total income of the agricultural classes decreased from Rs 4,250 crores in the year 1948-49 to Rs 4,220 crores in the year 1955-56 while the land revenue increased from Rs 42 crores to Rs 70 crores during the same period in the respective years.

During the First Five Year Plan, a sum of about Rs 2,400 crores has been spent out of which about Rs 1,600 to Rs 1,700 crores have been in the form of investments, while the rest of the amount has gone into the pockets of the middle classes, the so-called middle classes of this country, in the shape of pay etc. So is the case with the Second Five Year Plan. On the one hand, the income of the middle classes is increasing day by day, while on the other, taxation, leaving aside corporation tax, it has been decreasing. Income-tax realised in the year 1948-49 was Rs 295 crores, I am sorry, it was Rs 133 crores, while in the year 1954-55 it decreased to Rs 130 crores. So the income of the middle classes is increasing on the one hand, while on the other, taxation is being decreased.

**Shri Narayanankutty Menon:** May I know where the hon Member gets these figures from?

**Mr. Deputy-Speaker:** The hon Member wants to know the source of these figures.

**Ch. Ranbir Singh:** It is from a government publication—*Estimates of National Income*—which has been supplied today. It gives the figures from 1948-49 to 1955-56. It was published in April 1957.

**Mr. Deputy-Speaker:** Perhaps the hon. Member himself created a doubt when he said that he was sorry.

**Ch. Ranbir Singh:** I misquoted the amount.

Many friends on the other side have tried to impress that nationalisation is the panacea for all ills. I will be the last person to oppose nationalisation of industry. I stand for nationalisation of every industry in this country. But I must submit that it is wrong to assume that nationalisation alone will find sufficient money for our Second Plan.

I want to quote a few figures. Capital expenditure increased from Rs. 110 crores to Rs. 270 crores in the year 1948-49 to 1954-55. But the return has increased from Rs. 25 crores to Rs. 27 crores only. If we total the surpluses which have been accounted for in the Budget, the total income from property has increased from Rs. 23 crores to Rs. 36 crores and gross capital formation on government account increased from Rs. 210 crores to Rs. 430 crores. If surpluses and income from property are taken together, they have increased only from Rs. 48 crores to Rs. 63 crores. In the year 1948-49 to the year 1954-55, the increase is not very much. There may be 101 reasons for it. I do not meant to explain why the increase has not been much.

But I have a new theory to propound. I think we are not going on the capitalist way; we are also not being guided by the Communist theory. I feel we shall have to find another theory. My submission is Sir, during mercantile economy days, Government used to print notes only against gold. I submit we shall have to change the policy. We should print notes against all the develop-

mental activities—against roads, buildings, industrial concerns etc., which we are establishing.

In this connection, I would like to refer to a few figures also (*interruptions*).

**Mr. Deputy-Speaker:** When the hon. Member is propounding a new theory, I think hon. Members will have to listen to him.

**Ch. Ranbir Singh:** I am obliged to you, Sir.

The total currency under circulation in March 1948 was to the tune of Rs. 1,409 crores, while that in circulation in November 1956 was Rs. 1,395 crores, which is almost the same. While we have invested something like Rs. 1,600 crores to Rs. 1,700 crores under the First Five Year Plan and we have already invested in the Second Five Year Plan, another sum of about Rs. 1,600 crores, our currency remains almost the same as it was in 1948-49. My submission is that the development of this country should not be held up because we do not print notes. Notes do not signify anything. Currency notes should be printed. I can understand the limitations of printing notes with the supply of materials... (*Laughter*).

**Mr. Deputy Speaker:** I may be helpless if there is laughter on both sides.

**Ch. Ranbir Singh:** I do not mind it, Sir. I am propounding my new theory. Of course, it takes time to understand a new theory.

**Dr. Ram Subhag Singh:** It is difficult to understand it.

**Ch. Ranbir Singh:** I agree with Dr. Ram Subhag Singh that it is very difficult to understand a new theory. Even today many people do not agree with the Marxist theory, and many others do not agree with the Capitalist theory. I am a poor agriculturist and so it is not very easy for me to carry my own friends on this side or on that side with me. But I am convinced that we cannot go safely

either by the Marxist theory or the Capitalist theory of currency.

As regards agricultural production, an hon. friend has tried to prove that agricultural production is going down, while we have invested more than Rs. 300 crores on it. I think he quoted some figures I do not know from where he quoted

**Ch. P. S. Daulta (Jhajjar)** I referred only to tobacco cultivation in the Punjab

**Mr. Deputy-Speaker:** Why should the hon. Member take it that he is being referred to? There is no indication given of that?

**Ch. Ranbir Singh:** In 1946, the total production of cereals and gram was 45,736,000 tons while in 1956, after ten years, it was 58,104,000 tons

As regards agricultural production, even in a totalitarian country where people are forced to work, they have not been able to increase their production unless they offered incentives to the agriculturists

**An. Hon. Member.** What are you quoting from?

**Ch. Ranbir Singh:** It is a note from a friend who has gone to China. I do not want to name the person (*Interruptions.*)

**An. Hon. Member.** Has he returned?

**Ch. Ranbir Singh:** I do not know whether you have returned or not. Even in that country, unless the price was guaranteed, agricultural production could not be increased. They have given two or three incentives. They provided cheap credit and have guaranteed the price of the produce. Unless these two things are made available in this country, it will not be easy to increase our production. We may provide Rs. 25 crores or Rs. 100 crores for subsidy. For the last ten years, we have spent about Rs. 200 crores in bringing down the price of foodgrains as subsidy.

**Mr. Deputy-Speaker:** Now, he should try to conclude.

**Ch. Ranbir Singh:** My submission is that unless we give some incentive to the agriculturist, it will not be possible for us to go sufficiently ahead with agricultural production, which is absolutely necessary for the success of the Second Plan

**Shri Kumaran (Chirayinkil):** Mr. Deputy-Speaker, I thank you for giving me this opportunity to speak. For the past two days and also for a few minutes today, we were listening to certain very interesting speeches in which some Congress Members congratulated our Finance Minister for his cleverness in giving us a very nice Budget. The enthusiasm in the Congress benches spread like the influenza epidemic and I am afraid that I also got an infection.

I also want to congratulate the Finance Minister, but for a different reason. Our Prime Minister was going about the country for the past so many years calling upon the people to become plan-conscious and plan-minded. He is very much respected and loved, yet he was not listened to. Our people did not become plan-conscious. Even in our State, Kerala, our Prime Minister is loved and respected though the people do not vote for his party. Our Finance Minister succeeded where our Prime Minister failed. He presented his Budget on 15th May, 1957 and overnight the poor people became plan-conscious. The poor man when he drinks his black coffee without sugar becomes plan-conscious, if he adds a little sugar, he becomes more so. After I came here, I saw some educated young men from our State working here in hotels and restaurants as cleaners, bearers etc. Now, if they want to go home to see their parents and if they go to the railway station and purchase a third class ticket, they also become plan-conscious all of a sudden. That is how our Finance Minister succeeded where our Prime Minister failed.

[Shri Kumaran]

The argument the Finance Minister advances is that he introduced these taxation proposals because he wanted to see the Plan pushed through. But, how is it possible without the willing co-operation of the people? The imposition of additional taxes on the necessities of life and a surcharge on the railway fares which are already too high and also the increase in telegraph and postal rates and the lowering of the taxation limit—all these will not certainly make people enthusiastic about the Plan.

This morning, the Prime Minister was referring to the human material. It is very important in working out the Plan. Last year, when I was at Bhakra-Nangal, I was glad to see villagers working there. They were doing wonderful work. In fact a Superintending Engineer told me that some American engineers and experts were wonder-struck at their work. From 400 and 500 feet high structures they were pouring concrete into the bottom of the construction site. These people are from the remote parts of Punjab. It is people like them who must make the Plan a success and who must carry the burden of the Plan. How is it possible for these people to co-operate with the Government when additional burdens are imposed on them? I humbly appeal to the Prime Minister and the Finance Minister to go to Bhakra-Nangal Project and other places where our construction works are going on and ascertain what the attitude of the workers is towards these proposals. If our Prime Minister who gives so much importance to human material were to ask the public about their attitude towards these taxation proposals, they will say that they are not for this because they mean additional burden. You put it on those people whose back is almost broken. These additional burdens will certainly crush them to death. That is why our leader, Comrade Dange, has said that these taxation proposals will bleed the common

man to death. I do not want to dilate upon the national issues arising out of the crisis which our country now faces because of this Budget. Our leader, Comrade Dange, had dealt with these issues very ably. The criticism that is levelled against him and his speech from the Congress benches shows that he has touched a very sore point. Some of the critics of Shri Dange do not stop attacking the Communist Party or Communist Group here or its leader Shri Dange.

Mr. Deputy-Speaker: The issue here is not the speech of Shri Dange.

Shri Kumaran. They went abroad and they crossed swords with all the windmills in Russia and China and East European countries. That shows that some people have become very much sensitive with your permission. I am again referring to Shri Dange—to what he said here.

I do not want to say anything more about it. I now want to refer to some of the problems relating to our State. Yesterday my friend Shri P. S. Daulta was referring to what Shri T. T. Krishnamachari stated in the other House. Our Finance Minister was replying to the debate in the Rajya Sabha and he is reported to have said that they will not allow Bengal to become another Kerala. The meaning of his statement is very clear. It implies that something has happened in Kerala which is not to his liking. I do not want to say what it is, it is very clear, it is because we have a Communist ministry there. I can understand Shri T. T. Krishnamachari's disappointment over the defeat of the Congress Party in the elections in Kerala. But, is it a crime that the people voted a party other than the Congress into power? Nowadays we are hearing so much talk about democracy, democratic freedom and other things. As far as I understand, democratic freedom means not only

tax evasion but also the right of the people to choose their own Government. The people of Kerala have chosen their own Government and there is nothing to be unhappy or uneasy over that.

**Mr. Deputy-Speaker:** If the hon Member deals with such matters, he will have very little time left to deal with the tax proposals.

**Shri B. S. Murthy:** The figure of the Finance Minister is looming large before him.

**Shri Kumaran:** Certainly, he is big enough.

Now, coming to the specific problems of Kerala, I would like to draw the attention of the Government to the very serious food situation there. Our Chief Minister and Food Minister were recently here, and I hope that they were able to impress upon the Central Ministry the very serious food situation obtaining in our State. I may add, that, if substantial and immediate help is not extended to the State of Kerala, very serious famine conditions will develop there, because these are lean months there, the monsoon has started and the people there are suffering from starvation due to shortage of rice supply. Therefore, I appeal to the Government to be good enough to rush immediate help to the State of Kerala.

Another point I want to make is about increased financial allocation in the Plan for Kerala. In the Governor's Address to the Kerala Assembly there was a pointed reference to this issue. After dealing with the problems of unemployment, overpopulation and industrial backwardness, he said

"These and other problems connected with the economic development of the State raise the question of the provisions, so far made in the Second Five Year Plan for this State. These are,

in the opinion of the Government, inadequate.

It is considered that, even on the basis of the proportion of our population to the total population of the country, Kerala is entitled to get almost double the allocation at present made to it. Actually, however, the problem is far more serious. For, the needs of the development in a State depend partly on the density of population in that State, the larger the number of people per square mile, the greater the need for the industrialisation and such measures of intensive cultivation as can be introduced only through a high development of industries, electricity and irrigation. From this point of view, the Government feels that our State is entitled to more than the proportion of its population to the total population of the country, while we have actually got even less than what is proportionate to the population.

The Centre is getting a good deal of income from the State by way of income-tax and customs on the cash crops produced in this State. While a part of such incomes collected by the Centre from such a major cash crop of the country as jute is distributed among the jute-producing States, no such practice obtains with regard to the cash crops produced in this State."

**Mr Deputy-Speaker.** I was afraid, the hon Member was going to read the whole of it.

**Shri Kumaran.** Sir, the density of population in our State is the highest in India. The people mainly depend upon agricultural production, but agricultural production is below subsistence level. The land available for cultivation is also very scarce. Over 77 per cent of the holdings are below three acres, and the bulk of them are even below one acre. The fragmentation of land is standing in

[Shri Kumaran]

the way of efficient and modern methods of cultivation. The holdings are mostly uneconomic and production is below subsistence level, the *per capita* holding being 33 per cent that is, nearly one-third of an acre.

Now, coming to the question of unemployment, up-to-date data regarding unemployment position in Kerala is not available with me, but in this House and also in the other House this problem has been discussed very frequently. The Government is, therefore, well aware of the unemployment problem in the Kerala State.

Our two major industries,—coir and cashew—are now facing a major crisis. There is terrible unemployment among the workers employed in coir industry. The coir industry has fallen into bad days because of marketing difficulties. Some of the North European countries which were importing coir mats and matings from India have very nearly ceased to be our markets, because they have started industries of their own. They are importing coir yarn from our State and that also at a nominal duty if not duty free. Such a thing should be put an end to and the Government of India must take a very strong line when negotiating trade agreements with North European countries, to get the high tariffs reduced.

Similarly is the case with cashew industry. That industry is suffering because it is seasonal, and because of shortage of raw nuts. A major portion of raw nuts is imported from East Africa. But this import and distribution of raw nuts are controlled by certain leading firms operating in Bombay. They have a monopoly in the import trade, and all processing factories have to obtain their requirements from these Bombay firms. That also stands in the way of running cashew factories for the whole year. My humble submission is, that the Government must make the State

Trading Corporation take over the cashew imports.

In the pepper trade also, actually the producers are exploited by village merchants, commission agents and shippers. That trade also must be taken over by the State Trading Corporation.

There are many other things that I would like to bring to the notice of the Government, but I have not been given the time to finish all my points. Perhaps, the Finance Minister knows the people of Kerala and their problems better than myself, and I appeal to the Finance Minister to extend his hand of help to the people of Kerala. This morning our Prime Minister was quoting Chairman Mao. Let me also quote Chairman Mao, with a little modification, and that is "Let a hundred flowers bloom together, including the flower of Kerala."

**Shri S. N. Sinha:** The Finance Minister has introduced a Budget which has created a stir in the country both on account of the sweep and the magnitude of the tax proposals that it contains. He expects to collect about Rs. 93 crores in one budget year. The justification that he advances is that the Plan has to be fulfilled and for that resources have to be found. Throughout his Budget speech, this has been the dominant theme and his determination to find resources for the fulfilment of the Plan.

Unfortunately, some of the assumptions on which the Plan had been drawn up have not been realized. For instance, there has been a short fall in the public saving of the order of Rs. 23 crores. Even in regard to private savings the expectations could not be fulfilled. Collections from small savings which were steadily increasing from Rs. 39 crores to Rs. 68 crores fell to Rs. 48 crores in 1956-57 as against Rs. 53 crores for the corresponding period of 1955-56. The net

public borrowing also did not reach the average of Rs. 140 crores a year. Prices also have been showing an upward trend and registered an increase of 13 per cent over the general level of wholesale prices obtaining in 1955

Then again, there has been an increase in the volume of public expenditure by about Rs 500 crores on account of perhaps Suez crisis and general rise of prices in the world market

There has also been an increase in expenditure over Defence by Rs 50 crores. Besides, there is food scarcity in the country necessitating large imports of foodgrains. This is the economic condition, this is the background against which the Finance Minister had to frame his Budget and bring forward his proposals. In commencing on the tax proposal, we have to keep in mind this

It has been urged here that the Plan is not sacrosanct. The Plan is not the people of the country. The Plan is for the people, not the people for the Plan. True, nobody says that the people are for the Plan, but we have got to see one thing. Before the Parliament was dissolved—I mean the last one—the Plan was placed before the House and it was approved by it. Then we went to the polls and the Plan was placed before the electorate. Certain expectations were raised in the minds of the people. The Finance Minister has rightly observed “that the millions in India have woken up to new desires and new wants for the first time in many generations. With knowledge, that a better future for all is possible has come the aspiration that the desired improvements should take place without further delay.” Hence the fulfilment of the Plan has assumed a peremptory importance. We have to look at the whole Budget from this point of view.

Many people say and it has been urged here also that by bringing the

lower tax limit from Rs. 4,200 to Rs 3,000, we are hitting the lower middle classes and by increasing the excess duties on many articles of consumption, it would be hitting the common man and this will create resentment in the minds of the people and disgust towards the Plan. But my own experience is that if the benefits which are likely to accrue to the people are explained to them, people would readily accept whatever sacrifices they have got to make. So in order to secure that, Government have got to take measures to see that these proposals are explained and it is also incumbent on every Member of this House to go to the constituencies and explain the implications of the Budget proposals. It is also for the Government to see that increases in the cost of living are checked and increases of prices are sufficiently advertised, and if possible, profiteers should be warned against charging more.

The Finance Minister has rightly placed reliance upon the willingness of the people that if they were explained as to what benefits are likely to come to them, they will willingly and cheerfully make the necessary sacrifices. It is necessary also as is clear from his own words: “The process of development in a country where most incomes are low cannot be financed without calling for sacrifices from all sections of the community.”

In this view of the matter, I support the tax proposals in so far as it goes to include the middle class group with an income of Rs 3,000. My hon friend, Shri Morarka the other day said that an increase in the cost of living would be of the order of Rs 3 at least for a person who gets Rs 250 per month. He further said that it might not matter to those who are having large amounts of income. But it would mean a lot to those who have got meagre incomes. Looking at it superficially one is inclined to agree to what he says, but if you find out the expenses that we are going to incur

[Shri S N Sinha ]

over the social services, you will find that the actual income of the people would practically increase on this basis. The Finance Minister has made a provision of Rs 5 crores for grants to the States to help them raise the emoluments of their low paid employees, he has increased the provision for education by about Rs 7 crores, on medical and public health by Rs 2½ crores, on the welfare of Scheduled Tribes and Scheduled Castes and Backward Classes by Rs 2 crores. All these schemes are intended to give immediate benefits to those who are likely to be hit by these tax proposals. Now it is for us to create the psychological climate for sacrifice and austerity by the people. It is also for us now to create in them a sense of confidence and trust in the measures of Government, and this can be done by adopting measures of austerity and simple living. I will quote here what our Congress President has said 'Along with this call for sacrifice and savings from the nation, there will be an equal effort in the direction of economy in State expenditure'. We are asking the nation to make sacrifices for the fulfilment of the Plan. Since we are asking them to undergo hardships, it is equally incumbent on the part of Government to be vigilant in seeing that non-developmental expenditure is placed at the lowest item in the priority list. I understand that a building at a cost of Rs 5 crores has been planned for the Defence Ministry and that tenders have to be called for

An Hon. Member: The cost is Rs 55 crores

Mr. Deputy-Speaker: The hon. Member should not mind interruptions not reaching his ears

Shri S. N. Sinha: There is a proposal to construct a building for the Railways at Rs 3 crores. I would request the Finance Minister to look into all these things and to see that such of the expenditures as are non-developmental are placed at the low-

est rung in the priority list. Such expenditure should not at all be incurred. Every available pie that we can save now should be utilised in the fulfilment of the Plan.

I would like here to voice the general impression in the minds of the people that whatever is obtained by the Government is not being spent in a proper manner. Even in respect of the Community Projects, the Estimates Committee has observed that the expenditure on office establishment was increasing, and that the expenditure on "Allowances and Honoraria" is on the high side. The Committee further observed that whereas the increase in expenditure on our staff and office equipment of the C.P.A. has been quick, the same tendency is not discernible in other items of expenditure."

I would appeal to the Finance Minister that he should see that there is proper co-ordination and rationalisation in all directions.

When I visited certain Community Project centres in the States I met a District Magistrate and I was told there was a duplication of social organisation there, one appointed by the Social Welfare Board and the other by the Community Project Administration. The District Magistrate has nothing to do with the same. He said that every order with respect to those persons appointed by the Social Welfare Board had to come from the Centre. The District Magistrate is the pivot in respect of the developmental activities. It passes my comprehension why he should not be entrusted with the activities carried on by the Social Welfare Board.

Secondly, we are appointing duplicate staff for the same kind of work which are being carried on by the Community Project Administration. I would like to appeal to the Finance Minister that Government should give the best attention to see that every possible effort is taken in the

direction of economising public expenditure.

Efforts should be taken to explain to the people as to what are the benefits that will accrue to them as per the Plan. We are told that there has been an increase of 18 per cent in national income. It is pertinent to ask how far of it has been reflected in the income of the ordinary common man. We talk of per capita income but this will not lead us anywhere. I would like to tell the Finance Minister that some sort of an organisation should be set up to find out what actual increase has occurred in the income of the ordinary individual and also to assess the benefits accruing to the common man. The willingness and cheerful co-operation of the people necessary for the success of the plan, would be forthcoming if they are convinced of these benefits.

I would like to ask the Finance Minister whether he feels that all possible economy has been effected in public expenditure. We find from the audit report that every year some funds are surrendered. I don't know whether the Finance Minister has taken this aspect into consideration while framing the budget proposals to cover a deficit of Rs 365 crores, which have been brought before the House. He should appoint a Committee to see that whatever funds are allotted are properly utilised and within proper time. We have been laying great emphasis on the amount to be spent within the time. We judge the achievement by the yardstick of money spent; we do not bother to know what has been the physical achievement.

Just as the Programme Evaluation Organisation assesses the achievements of the community projects administration, some such organisation is necessary for the purpose of assessing the achievements in other fields, particularly in respect of commercial enterprises in terms of actual achievements.

Now, I would like to refer to the wealth tax and the Expenditure tax. These taxes have created a stir and this is supposed to be an innovation. It is quite logical that if we are to impose a burden on the masses of the population we should have an efficient system of progressive taxation. Otherwise that burden would be resented and a situation would develop which would become socially intolerable. Therefore, we have got to introduce such taxes which would create an impression in the minds of the people that the rich are being taxed. Wealth tax and Expenditure tax are taxes recommended by Prof. Kaldor. They are among the taxes of that self-checking cycle which Prof. Kaldor suggested. According to him, if personal income-tax, capital gains tax, wealth tax, expenditure tax and gift tax are introduced, this will introduce a self-checking system and avoid evasion altogether. An objection has been raised against the Wealth tax on the ground that the secrecy of the private family will be violated and that levy of such taxes on the companies will come within the mischief of double taxation. Moreover, there is fear of oppression and hardship by Income Tax officers. We have to rely only on the assurance of the Finance Minister that no oppression takes place in respect of administration of these taxation measures. Secondly, some improvement can be made to avoid double taxation if such of the assets of the individual which are taxed in respect of the company's assets, are excluded from the wealth or property of the individual when his assets are taxed under the Wealth Tax.

16 hrs.

There is one more point which was referred by you Sir. We are going to tax the properties in the municipalities. What is left to the municipalities then? What are the sources of the income of municipalities? I wanted to ask this question while you were speaking with respect to income-tax, the Centre is collecting it and the States are entitled to a

[Shri S. N. Sinha].

certain share. Likewise, if the State is going to collect tax on properties situated in municipalities, the municipalities would be entitled to a certain percentage of the total collections. Perhaps that would be answer to your objection.

Now, I come to the expenditure tax.

**Mr. Deputy-Speaker:** The hon. Member should close now.

**Shri S. N. Sinha:** I shall finish now. With respect to expenditure tax, I submit that I have not been able to understand why this expenditure tax has been linked up with the income of a person. The Finance Minister proposes that anybody having an income of Rs 60,000 and above alone will be taxed and would be assessable to expenditure tax, and not otherwise. But, according to Prof Kaldor, the expenditure tax is intended to curb expenditure and ostentatious living. This kind of tax should be assessed on those who spend even from their capital assets, their hoarded wealth or who lead an ostentatious life. Therefore, according to Prof Kaldor himself, who is the sole author of this expenditure tax, this is an innovation and the suggestion made by the Finance Minister does not appear to be correct from his point of view as well. If our chief objective is to curb spending and encourage people to save, it is for the Finance Minister to link it up with expenditure irrespective of income. He can give a rebate or allow certain deductions as proposed even now, and thereafter, whatever expenditure is incurred, irrespective of the income of the person, should be assessed to tax.

**Mr. Deputy-Speaker:** I would request the hon. Members to pay heed to the rings that are given. In the first one or two days, I had to make the Members conclude their speeches, in one or two cases, because they did not listen to my request. Then, I abstained because I felt that it was perhaps an impertinence on my part and was a disrespect to the hon. Members. But, the hon. Members

do not listen to the rings, what remedy is left to me? I would again request the hon. Members to pay greater heed when a ring is given. Shri Jhunjhunwala.

**Shri Mulchand Dube (Farukhabad):** May I know whether those who spoke earlier in the debates in this House will be called?

**Mr. Deputy-Speaker:** That was answered by the Speaker. Perhaps the hon. Member was not here then.

**Shri Mulchand Dube:** Today?

**Mr. Deputy-Speaker:** Yes.

**Shri Jhunjhunwala (Bhagalpur):** Mr Deputy-Speaker, Sir, there is poverty in our country. Everyone says that we should get rid of this poverty. Then, what is the remedy? Our Finance Minister and our Planning Commission have given us a Plan according to which we have to develop our country. Our Finance Minister has given certain proposals whereby he wants to implement the Plan. His firm determination to implement the Plan, whatever the difficulties there might be in the way, and his resoluteness to overcome the difficulties, are commendable.

During the last few days, I have been hearing speeches criticising one tax or the other, and there is come sort of fear complex in the minds of those who speak in the name of the common man. They say that it will have a very bad reaction on the common man and they also said that if we go to the common man with these tax proposals, he would throw stones at us. This is what they say. But if they keep their mind open, if they do not instigate the common man to throw stones, and, on the other hand, if they try to make the common man understand as to why this much money is required and what for this money is required, and try to explain to him the proposals and the way of implementation of the Plan and what good result will come out of the Plan, the common man will

patiently hear and readily respond to our call. These things have to be properly explained to him. If you go with a biased mind, with the idea that all these things are bad, in that case, you cannot get the co-operation of the common man.

**Shri C. D. Pande:** Bias or pious?

**Shri Jhunjhunwala:** Bias. This is my experience. When there was the Estate Duty, of course it appeared revolting to some and to me also in the beginning. But when I went into the spirit of it and when I realised that we have accepted the socialist pattern of society, I found that it was most reasonable and I was successful in explaining to the people who were against it and in converting them to my side.

Similar is the case here. I do not want to dilaet on this. If we have a fear complex on this point and think that the people will not respond to it, it is no good. But then, certain things have to be done also from the side of the Government.

In order to implement the Plan, the first thing is, we have to find out the finances. Our Finance Minister has proposed several taxes. I do not want to go into the theoretical discussion of those taxes, much less on the niceties of those theories. I just accept them and I am for all the taxes he has proposed save and except a few which I shall name later. So far as the wealth and expenditure tax are concerned, the Finance Minister has said that these two Bills will be sent to the Select Committee and the points as to how those taxes will be implemented, what are the defects in these measures, etc., would better be discussed in the Select Committee meetings. As I have said, I do not want to go into the theories and niceties of those taxes. Many things can be said both against and for them. I simply say that we will have to accept all these tax proposals if we want to implement the Plan.

So far as the lowering of the tax level is concerned I am not for it. I do not want to take the time of the House by giving arguments against it. Much has been said. My friend Shri Pande has explained thoroughly and I agree with very word of what he said. I would request the Finance Minister that apart from the very low amount which, he says, one will have to pay—Rs. 8 or Rs. 10 per annum—it will have a very bad psychological effect on the middle class people. I would request him to reconsider this proposal.

Then there is this wealth tax. First of all there is this wealth tax on companies. There might be duplication of this wealth tax—first in the hands of the company and then in the hands of the shareholders and so on. That has to be taken into consideration. I need not discuss it here. Then there is a tax on post-cards. This should not be there. I do not want to give reasons as I do not want to take much time of the House. There are some articles on which taxes are being levied from time to time. One of the articles is the mustard oil. It is an edible oil taken by very poor people on our side in Bengal and Bihar and whatever tax is levied on that will hit the poor people as they consume it daily. So taxes on edible oils should be reduced, if not totally removed.

Then I come to the next point as to what we have to do on behalf of the Government so that we can have the co-operation of the people. Every one says, and the Finance Minister has admitted, that there is wastage in our expenditure both in our national projects and also in our civil expenditure. I would suggest that some of the civil expenditure may be reduced. But I do not want to go into the details of it. When I say there is wastage I do not want to cast any reflection on the hard-working services, who are doing very good work honestly in order to implement what the Government wants. But the difficulty with them is that they have

[Shri Jhunjhunwala]

got a particular kind of background with which they work which necessarily results in red-tapism and delay which in its turn leads to corruption and unnecessary wastage. Those things, if the Government can take note of and try to reduce, I think much better results can be shown.

Regarding wastage we find from the reports of the Estimates Committee and the Public Accounts Committee and other reports that there is great wastage. There can be great savings if proper attention is paid to these matters. The reports of the Estimates Committee and the Public Accounts Committee are more or less post mortem examination. I have no concrete suggestion as to what form that kind of supervision should take but I was thinking in the lines just as we have the post-mortem examination in the Estimate Committee and the Public Accounts Committee, we should have some sort of supervision so that we can have monthly progress report and balance sheets of all the projects we are running. Those balance sheets should be examined by some Members of Parliament and some committees might be appointed by the Finance Minister. This should be examined not with a biased mind to find fault here or there but with a constructive mind that if there is any wastage anywhere or likely to be wastage in future on account of any scheme which has been undertaken, that should be pointed out then and there. In that case there is a likelihood of much wastage being saved.

I do not want to go into many other matters in detail. Regarding supervision I have just given my suggestion. Then there is the great task of austerity. Suggestions are to reduce the income of our ministers and officers and so on. This will help us no doubt but what is required is that we should think of the common man and who should think as to how they are leading their lives. In that context we should have some psychological austerity in our mind and we should try to lead a simple life. That

will give a good example to the people that we are also trying to do something for our country by saving some of the expenses for the development of our country. But the other day Acharya Kripalani was saying about pomp, this and that. In some places this is necessary. I am against it but not so much. But then one thing I want to point out. This thing has gone down to an ordinary village inspector. When I had been to my constituency I pointed out to the highest district authority that these are the things which are happening, your inspector, your magistrates and other people, when they go there, why can't they point out all these ordinary things which, when we go, we have to point out. He said that it is perfectly all right. When they go, they don't do anything. I know it. They imitate the habit of our Ministers. I do not know about the Union Ministers. I am talking about the State Ministers. When they go to the district towns or the villages they do very important things. They do opening ceremony. They will have garlands. All the big officers, the Commissioner, the magistrate, the Superintendent of Police, all of them go there. They create a sort of show. When somebody goes there, the whole of their time is wasted.

Shri S. N. Sinha: And a truckload of policemen.

Shri Jhunjhunwala: Yes a truckload of policemen. He is the son of a Finance Minister and he would be seeing it every day. They have parties in the evening. So I tell the Finance Minister that when he gives grants to the State Governments he should see how that money is spent. This is a thing which should not be taken lightly—this pomp and show. Those officers were saying that these things instead of helping them in any way in their administrative waste their time. They demoralise the public and the services. Even an ordinary educational officer, when he goes to a school, he wants to have

some kind of a function in order to make a name. These are the things that are happening in our villages. I would like to know from the Finance Minister what steps he would take to get the co-operation of the common man. They say, "you come to us and say that these taxation proposals are good, so much good work is being done, that is alright." But they say "you may know that, we have not seen it." They point out the pomp and show" and say "this is what your Government is doing, this is what we see." We have to keep quite. If we have to create a psychological effect on the minds of these people, if we have to get co-operation from them, we should do away with such kind of pomp and show, if not what Acharya Kripalani had said.

I shall conclude and say that austerity and other things should be more psychological rather than going in for so much per month, here and there. This is very necessary. If you want to have the co-operation of the common man, you have to set an example before him. This must come from above. We go and tell them that all these charities are being done. They say, all this is coming from our charity, you people are coming here and creating all these things and corruption. They give examples. It is asked, will be able to prove them. They say if a murder is not proved, how is it possible to prove all these things with high officers and other things, you come here and you can see it, every day.

**Shri S. N. Dwivedy (Kendrapara)**  
The Prime Minister told us this morning that this Budget would not give you socialism and we need many more such budgets if we want socialism in this country. I agree. Nobody expected that this budget would give us socialism. But, I was expecting that this budget will at least indicate the trends as to where we are going. We cannot discuss the Budget separately as we are in the midst of the Second Five Year Plan. The Budget is a concrete thing, a manifestation of the Plan which is before the

people and the people will judge the Plan, which is still a distant dream before them, by the budget that you place before them. Therefore, it becomes important from all points of view, and we will know where we are going.

If we take this budget you will find that there has been no change in the policies pursued by the Congress Party of the ruling party since it accepted office. The First Five Year Plan is over. Still, the same capitalistic policy is being pursued. Taking these taxation measures into account, I do not think that it is a great departure from the previous policies. I agree that some new taxation measures, some direct taxes such as the wealth and expenditure taxes have been introduced. This is a new thing, no doubt. But, it is not a step towards the liquidation of capitalism. It is only may I say, one step towards the liquidation of richness. For half a dozen years you have been granting concessions after concessions to the capitalists. As a result of that, the proportion of direct taxes to the total taxes declined from 40 percent in 1944-45 to 34 percent in 1953-54. Now you are expecting about Rs 7½ crores from the rich people which is just the amount which you have given to them as a new concession by exempting them from super-tax and other things. I do not think you have evolved any policy in taxation, which will promote reduction in inequalities of income and wealth, which is one of the principal objectives of the Second Plan, for which all people in this country or parties like ours are going to support this Plan. There cannot be any blind support for this Plan. Repeatedly we have been told that in the elections we have got the verdict of the electorate in favour of the Plan, and so the Plan must go through. I submit that there can be no blind support to this Plan. In the way the Government is proceeding, I am afraid, there would be blind opposition all over.

[Shri S N Dwivedy]

If you take into account these taxation measures, these new excise duties, —I am not going into the details— many hon Members have pointed out how it is imposition which the common man cannot bear. May I ask the Finance Minister to enlighten us whether the new taxes and the additional money that the Finance Minister is going to get will help us or give more money to finance the Second Plan. I find the gap in the Second Plan is increasing. The capital outlay has been increased to the tune of Rs 600 crores. There is already a gap on account of deficit financing, Rs 400 crores. It was contemplated that from the current revenue, we will get Rs 350 crores in the course of five years, that is Rs 70 crores each year. Then, we had also expected—this is the Plan—that we will get Rs 450 crores from additional taxation. But, in this budget, what do we find? In the current revenue, there is a deficit of Rs 33 crores. The additional revenue that you get from the new taxation is only Rs 70 crores. So, it will be found that we have only Rs 44 crores as surplus whereas it is expected that we will be able to get about Rs 160 crores out of current revenue and out of additional taxation. But I do not know how this expectation is going to be fulfilled and how the Finance Minister is going to get this money to fulfil the target. Does he expect that the State Government would be able to have new taxation to the tune of Rs 50 crores? We have had before us the budget of Rajasthan and Punjab, which are deficit. Most of the State budgets will be deficit, there is no doubt about that. Therefore, my feeling is that the new taxation measures or sacrifices that they are calling for from the people are not meant for assisting the Plan or going ahead with the Plan. These are meant for the normal expenditure of the administration. Because, even out of this money, you are providing Rs. 50 crores for defence. Whatever you get

from additional taxation is going to be eaten away by the normal administrative machinery. Therefore, the Plan remains where it is and the gap will be wider. What I mean to say is, really, it is not the size of the Plan that matters. It is not the question whether we have a bold plan or a modest plan. The question is, what is structure that we are going to build. That is the main question before us. From that point of view, we have to consider the entire position. If we see the structure before us, if we take into account the present situation in the country, the rich have definitely become richer. This taxation is going to hit the middle class, the lower middle class and the poor man. We are going to have heavy industrialisation. The fears expressed that the Plan will hit the agricultural class have been proved. With the execution of the Second Plan, the rural community will become subservient to the industrial sector, hewers of wood and drawers of water. Today we have food scarcity. Sometimes you say "Yes", and sometimes "No".

Mr Deputy-Speaker: Have I ever said so?

Shri S. N Dwivedy: I mean the Government.

Mr Deputy-Speaker: The hon Member must address the Chair.

Shri S. N. Dwivedy: Spokesmen of the Government give us different version about the food scarcity, but it is a fact that agricultural production has not come to our expectations. In the First Plan it was thought that we would be able to give irrigation facilities to 8.5 million acres of land through minor and major irrigation schemes, but after the completion of the Plan we find we have been able to give irrigation facilities to only 6.3 million acres, and out of that only 4 million acres have been able to avail of this facilities, that is, the machinery in the States has not been

able to utilise to the full extent the irrigation facilities that were afforded in the First Plan. Along with this, you do not give the agriculturist any stable price. The prices are rising. There is no radical land reform. Lands are not being distributed. We say we want a ceiling, but the ceiling is never fixed anywhere. While replying to the debate on the President's Address, the Prime Minister admitted that land reforms had not been attended to as the Planning Commission wanted, that it has not been done to our expectations by the States. But what steps are you going to take to see that land reforms are taken up immediately? That is the crying need. Unless the agriculturist in this country feels that this Plan is going to benefit him, is going to give him more money, to give him security, I do not think the Plan is going to succeed. You cannot build up a Plan by killing the middle classes, the poor man and by sacrificing the agriculturist. Therefore, I say this Plan is not likely to fulfil the expectations which we have before us. I therefore feel that this Budget has nothing more to give us.

In this connection, I would point out one thing. There has been talk of taxation, and we have been told that the Taxation Enquiry Commission's Report is there on the basis of which these things are being done. I want to point out that the Commission also suggested that there should be some high-powered body to effect economy in the administration. They were so much disturbed at the non-developmental expenditure incurred by the Central and State Governments. What have we done so far in that regard? Has the Government of India or the Finance Minister taken any step to show us that really they are serious in effecting economy in the administrative sphere? Nothing has been done so far. If we take a little trouble in regard to this, the difficulties which we are going to add to the common man will not be necessary.

We are taxing the common man for tobacco to the extent of Rs. 6 crores.

I would suggest that if we had the determination, we could have straightway suggested an amendment of the Constitution to do away with the privy purses of the Princes. I am sure that if there is no whip from the Congress Party, there will be an overwhelming majority in this House in favour of the abolition of the privy purses. If we do not want privileged classes, if we want a classless society, it is but proper that we take some such step which will enthuse the people so that they will feel that something concrete is going to be done. If only we consider we will find that there are several sources which we can tap without taxing the people.

In conclusion I will quote what the Finance Minister has said in an article. He has said:

"In a democratic country the requisite authority is either lacking or cannot be used. The only substitute to authority is to carry conviction to the minds of the people that a Plan is needed for their well-being and the well-being of the State and the nation."

I feel that is the main problem before us. Is this Plan or the Budget meant for the well-being of the people, of the nation and the State? I say "No". Therefore, people have a right to resist the taxation measures. The Plan should be modified or reshaped in such a way that the common man will feel enthusiastic over it. It is not a question of sacrifice. People in our country have sacrificed. There was our great leader Mahatma Gandhi. When the conditions were miserable, our people have come forward to sacrifice. They will certainly come forward before the country today if they feel, if they have the conviction and faith that something really good is going to come to them.

Shri Rameshwar Rao (Mahbubnagar): The hon. Finance Minister deserves to be congratulated on his Budget proposals. The tax structure in India needed basic alterations, and the present proposals incorporate these necessary changes. And surely

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the Budget and proposals for taxation are but instruments for the fulfilment of the national Plan, and unless we take a look at the Second Plan and analyse it in the proper perspective, it is possible that our assessment of the taxation proposals may not be quite correct and we may not be able to assess their effect on the economy of the country. While I agree that the investment proposed in the Second Plan is necessary if the country is to leap forward into an era of progressive agricultural and industrial expansion, I am not quite sure that the emphasis placed upon urban and rural development is properly conceived. There is a basic difference in the progressive expansion of industry, of urban development and agriculture and rural development.

It is my view that this basic difference in progress and expansion creates in time a certain imbalance in the economy, unless we plan consciously to avoid this imbalance. It creates economic forces which compel and necessitate an ever-expanding rural base. What I mean is that urban production and rural production, industrial production and agricultural production, capital goods production and consumer goods production, should be mutually complementary, and it should be possible for them to absorb each other.

A historical analysis of the industrialisation of other countries will indicate this imbalance. Capitalist countries, so-called, of Europe, temporarily solved this problem of imbalance by colonial expansion. America apparently solved this imbalance through a process of capturing world markets. My view is that Soviet Russia has been able to postpone facing up to this problem of imbalance by an accidental expansion of its rural base by the addition of Eastern Europe and China to the Soviet Economic block.

This imbalance makes itself more evident in a period of rapid industrialisation. I wonder whether it is

not possible for us to avoid this imbalance by learning from the experience of other countries and planning wisely.

This brings me to my second point, namely that of our vast hydro-electric projects. These vast hydro-electric-cum-irrigation projects are absolutely necessary, and they have been given the pride of place in our First Five Year Plan, and rightly so. But then these vast projects take a long time to yield. While we continue to inject crores of rupees into the economy of the country, they do not immediately result in production. A project like the Bhakra-Nangal or the Domsidar or the Hirakud or the Nagarjuna-sagar is necessary, but while in the course of the five or ten years of its construction, we inject may be about Rs 200 crores or so into the country's economy, there is no immediate resultant production. Naturally, this surplus money leads to a rise in prices. Even when development does start, it necessitates a further dose of money injection into the economy by way of assistance to agriculturists for cattle, for implements, for housing etc.

Well, I do not mean that we should not have these huge hydro-electric-cum-irrigation projects, because they are necessary, but I feel it would have been wisdom for the Planning Commission to have considered whether simultaneous with these hydro-electric and irrigation projects, an equal amount of money could not have been invested in small irrigation works. By small irrigation works, I do not mean the medium irrigation works, but I mean the really small ones—the small tanks.

Hon. Members of this House, while travelling in the country, especially south of the Vindhyas, would have seen the countryside dotted with tanks. These are the small irrigation tanks which can easily be more than double. The advantage of these small irrigation tanks is that they need no cement, they need no steel,

and they need no high technical skill. Even labour problems do not arise, because there is no question of trans-shipment of labour, local labour is sufficient. And each of these tanks need not cost us more than a lakh of rupees or two. If we had thought of these small irrigation projects, we could have planned and built one such tank for every hundred villages in this country, and we would have built 5,000 tanks a year at a cost not exceeding 100 crores, and at the end of the year, they start production, because it does not take more than a year to build these tanks, and production is immediate. The money that is injected into the economy is absorbed by this increased production.

The area that each tank can irrigate is about a hundred to three hundred acres of double crop land. Thus, a million acres can be brought under the plough every year. As I said, the advantage lies in the fact that they do not need high technical skill. They are just earthen bunds probably with a little stone rivetment, and a little masonry for slices and where natural by washes are not available, for the Viers.

This brings me to the third point I wish to make that of infusing enough enthusiasm in the country for our National Plan. You would agree that enthusiasm and sacrifice cannot be legislated. They have to be evoked, and the peasant in India, the villager in India does not travel and see. No amount of our talk of the First Five Year Plan will enthrall him. I have just been talking about small irrigation tanks. If they are taken up, the villagers will see, will participate in their construction, and will immediately reap the benefit, and thus be enthused by the plan, become participants of the plan and be moved to greater sacrifices. If we are going to ask the people to tighten their belts, we must give them visible signs of progress, we must make them feel that progress is being achieved and developments are taking place.

Very early, we shall have occasion to discuss in detail the new taxation proposals, especially the tax on wealth, and the tax on expenditure, that the Finance Minister has proposed.

But I would urge the Finance Minister to seek ways and means of improving tax collection. It is generally accepted that crores of rupees are evaded, and income-tax is not collected in full. By improvement of tax collection, surely, I do not mean harassment of individual assesses which has become quite a common feature of tax collection work. But what I mean is rightly bringing into the net hundreds of persons who today evade taxes. This can be done, I feel, if every person in this country who is carrying on a trade or a business is asked to have a licence for carrying on that trade or business, and it is made obligatory on him to have a bank account and that all payments that he makes and all moneys that he receives is done through cheques. I appreciate that small amounts of the order of Rs 5 or 10 or 15 cannot and need not be paid or received by cheques. But, surely, amounts of over a couple of hundreds of rupees can be paid and received through cheques. Since the State Bank of India has a wide programme of opening branches throughout the country, this insistence should not be very difficult.

Further, I would urge the Finance Minister to see that the relations between the tax collectors or the assessors and the assesses becomes healthy. By healthy, I mean that the relations should be more cordial, because in various parts of the country, the tax collecting officers insist on the collection of taxes, irrespective of the hardship they may be causing to the assesses very often through over-assessments.

I believe that there are instructions from the Ministry of Finance that the tax collecting officers should collect a

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certain minimum amount of tax within their area I feel this "farming" of tax collection is very unhealthy. Probably, the Finance Minister may like to look into this

There is also a great deal of over-assessment that takes place, and this, I believe, is used very often as a threat to extract extra-legal gains by the tax collecting officers. I would very much like the Finance Minister to look into this and see if over-assessment cannot be controlled, and made an administratively punishable offence because over-assessment is one of the things that leads to tax-evasion often, because people are afraid that their money will be locked up, that they will suffer and lose, and that appeals are expensive and will take long years for conclusion and under threat of over-assessment they offer bribes

Although no exception can be taken to the introduction of the newer forms of direct taxation contemplated, I feel that the excise duties levied on a large number of necessities like tea, coffee, sugar, matches etc should be reconsidered. These will fall most heavily on the poorer sections of the population, especially, on the very poor and the lower middle classes who can ill afford any greater burdens than those they are already bearing. The Finance Minister may like to consider the lightening of these burdens. Another reason which should make the Finance Minister consider the lightening of these burdens is that if necessities are taxed, it results in a rise in prices. The Finance Minister has given us certain figures of what should be the price rise. But surely going into the market will indicate to us that prices have risen very much more, and if prices rise, I am afraid it would set in motion a wage-price spiral and our Second Five Year Plan may not reach its completion in its present form. This country at this stage cannot afford a wage-price spiral.

The increase in food prices has been alarming. When the Minister of Food and Agriculture says that there has been an increase in food production, I am not in disagreement with him, but food production has certainly not increased as much as the figures seem to indicate. During the war when we had a system of control and of levy and quota deliveries, agriculturists usually depressed their production figures. When after the war we removed controls and there was no need for levy quota deliveries normal production figures were given. This normalisation of depressed production figures given the impression, I believe, to the Food Minister that there has been an increase in food production. Of course, there has been a certain amount of increase in food production, but certainly not as much as the figures indicate. It is mainly the difference between the depressed figures and the normal figures that has misled us into thinking there has been a sizable increase in food production. This error should be rectified.

Another reason for increase in food prices is that scheduled banks in India have advanced nearly Rs 200 crores against foodgrains. This has naturally increased holding capacity and has led to hoarding. Surely the Reserve Bank can call back these advances and this will compel hoarders to sell their foodstocks.

Further, I would like to urge for the special consideration of the Finance Minister that he to consider if there is no way of exempting agricultural needs of iron and diesel oil from the levy of his crave imposts, because we have to keep down food prices if our Plan is to succeed. This may be achieved there—quota permits to agriculturists, quota permits for iron and diesel oil.

While decreasing excise duties may lead to a loss of revenue, would the Finance Minister consider alternatively an impost on cinema tickets in this country to make up the deficit

resulting from such decrease of excise<sup>m</sup> duties on essentials? There is no Central tax on cinema tickets. An anna on the lower-priced tickets and two annas on the higher-priced tickets should, I am sure, give a large return to the Central exchequer. The States do have a tax on cinemas but the Constitution does not prohibit the Central Government from levying an impost on cinema tickets. I am singling out cinema tickets to the exclusion of the theatre, music, dance, drama and sports. Tax on Cinema tickets being a tax on luxury will not affect the price structure.

In conclusion, I would like to congratulate the Finance Minister on his very bold approach and I do hope he will look into the various points that have been raised by various Members in the House and give real and substantial relief to those sections of the population which need them very badly.

**Pandit K. C. Sharma (Hapur)**  
While speaking on the Budget, one of the points I want to stress is about wastage. I respectfully submit that the very idea and birth of a budget is an anti-thesis to the possibility of wastage in government expenditure, because when Younger Pitt in 1773 for the first time brought in a system of budgeting, the idea was guidance and control of expenses with regard to the Napoleonic wars. It was a measure devised against wastage of public finances.

Therefore, I beg to submit that while it is good to appraise the programme of the Government, it is necessary to make financial arrangement and also to lay down the fiscal policy as the essential features of a modern budget, it is all the more necessary to stress the point that wastage, unwanted expenditure, over-looking economy in public expenditure and also disregard for the utility side of expenditure incurred by the Government is almost a crime in the modern public financial system.

16 56 hrs.

[**PANDIT THAKUR DAS BHARGAVA is the Chair.**]

I have no quarrel with the Finance Minister on the taxation proposals. I do not fight him on the point of the excise duties. We know that once we have given our consent and accepted the Second Five Year Plan, we have to find the wherewithal to carry out the programme, though I do agree that there is neither magic about five years nor any miracle in the Plan. We may extend it, we may scrap it or we may alter the programme. We are a sovereign body and it is up to us to make the progress as we like. But having agreed to a certain programme, having considered it day after day, having gone to the people and taken their vote, making them understand what the proposals are and what they are required to do, I think the average intelligence should accept the fact that we are going in for a programme and we have to pay for it.

**Shri Goray:** Next time, we shall be very careful.

**Pandit K. C. Sharma:** Yes. That is the beneficial effect of reducing the limit of exemption from Rs 4200 to Rs 3000, because more people would be sensitive to the taxation proposals. The best Government, the best democracy, is not able to provide a state of affairs where the average man is not made to pay for the benefits derived from the Government. That is unfortunately not possible, though that would have been the ideal system. The man who does not pay is not sensitive to what the rulers do. If the average voter is not sensitive to what the rulers do, the rulers go demoralised. The electorate watches the activities and doings of the rulers. The man who is sitting on behalf of the electorate here keeps a watch and tries to control Government's activities. Therefore, the greater the taxes, the greater the number of people who pay taxes, the more sensitive they would be and more criticism there would be—and more watchfulness.

[Pandit K. C. Sharma]

there would be—with regard to the Government's activities. It is not the representative here alone who is watchful. It would be the people, the taxpayer who would also be watchful. Then why should he fight shy of taxes, if there is a greater number of people who are sensitive to the activities of the Government, who watch what the Government do, who criticise the Government and say that Government are doing wrong? It is a simple question of rationality. You cannot have the benefit of government without paying for it.

Does not a man who gets Rs 3,000 in this country certainly derive benefit from the Government's activities? Does he not send his children to school?

**Shri Goray:** And pay the fees.

**Pandit K. C. Sharma:** Does he not get treatment for the sick? He gets much more than what an ordinary citizen gets in this country. Every educated man, wherever he is, certainly getting benefits from the Government, and the present Government is certainly a good Government. It might not be so good as my hon. friend wants, but it cannot be otherwise than a good Government. So he has to pay. There is no escaping from it. When he pays it, he will naturally be sensitive, he will naturally be watchful. Also my hon. friend's point is gained. There will be more critics of the Government than there at present.

Ours is a programme of development. But economic development always proceeds along a broad front. It starts from relatively simple matters like public health and literacy and proceeds to commercial and industrial enterprises, commercial moralities, other development programmes, innovations and technical progress, but all the wealth of the technical knowledge and all the innovations would not achieve the objective if a sound and good administration is lacking.

17 hrs

You may have all the capital available in the world at your disposal, you may have all the technical knowledge and engineering skill at your disposal, you may have very good commercial and industrial entrepreneurs, but if a sound administration is lacking the objective would not be achieved. Therefore, I beg to submit that it is no excuse to say that the officials in our administration come from the people and they are from amongst us. Is not a dacoit from amongst us? Is not a murderer from amongst us? Is not a pickpocket from amongst us? Is it any justification for anybody to say, what can I do with a dacoit who is my neighbour, or who was my servant two years back? Is it any justification for anybody to say, what can I do with a pickpocket who is my servant's son? This is no logic. No modern Finance Minister can stand up and say that. No tax-payer would accept this argument.

Therefore, the first thing that you should do is to overhaul your Union Public Service Commission. What sort of people have you put in there? They have put in the services bookworms from universities, men having no experience of the world. This is the crux of your problem. Your recruitment is defective. You take people simply on academic qualifications, while in a developing economy, in a building programme, where a new State is being built up, you require men who can do things. What have you done in the Constitution? You have scrapped the old India and built a new India. Therefore, you want brave men, men of character, men who have got the capacity to work, men who have got dash and courage, and not men who buried themselves in books to write in an examination whatever they could swallow in thirty days before. Our Union Public Service Commission is not a Commission which can do any good so far as recruitment to services is concerned.

Secondly, there is the question of training. Train your people. Human character is flexible. You can change a man. Modern psychologists say that in seven years a man changes himself entirely. Can't you change your people by giving them three years' training to be honest, hard working, responsible and to be responsive to the people's needs and the country's good. Where is the man who has built a nation, who has built his country and not felt proud in the glory of his land? Why put a man who is taking a woman in Connaught Circus spending public money and taking bribes? You have got all sorts of men in the services. It is simply a demoralising spectacle. To justify it on any ground is simply not only bad logic but, to say frankly, it is almost immoral (*Interruption*).

The third thing that I want to point out is that we should have enough of watchfulness by organisational set-ups. When advances are made it is not only necessary to see that the calculations are correct, but it is also necessary to see that the money is spent on the job. The working should be closely watched to see how much has been spent and whether we are getting enough for the money spent. A necessary organisational set-up should be there to look at every stage of big projects, to do the calculation work, to see the performance and then watch for the result.

The Finance Minister has set up some organisations. There are Financial Advisors. But the result has been, not that economy has been effected or we have got better results, but complaints have come that the finances were not available when they were needed. The fact remains that their watch was not successful, money was not saved, no economy was effected and, on the other hand, there was delay in the completion of works. This is the report that we have got. The measures we took for saving money did not result in any saving, and it resulted in delaying completion of works.

**Mr. Chairman:** The hon. Member has already taken 15 minutes. Even though there was a talk or giving only ten minutes, 15 minutes is the time fixed for each Member. I would, therefore, request the hon. Member to conclude his speech.

**Pandit K. C. Sharma:** There is no artisan worth the name who cannot sharpen his tool. I, therefore, simply beg to submit that we can sharpen our tools, mend them and make them adjust to the task before us.

Coming to taxation proposals, I would simply say.....

**Mr. Chairman:** Order, order. The Deputy-Speaker, when he was in the Chair, asked Members to kindly heed the bell. I have rung the bell twice. The hon. Member is now proceeding to another point, which means that he will take another five minutes. I cannot allow so much time.

**Pandit K. C. Sharma:** I will conclude in two minutes.

**Mr. Chairman:** That also would be an unconscionable amount of time, so far as the present position is concerned.

The hon. Member has already taken 17 minutes.

**Pandit K. C. Sharma:** I will take only one more minute. With regard to taxation, the criteria for tax are: rationality, effect on inequalities, economic effects and practical aspect. Judging the tax proposals on these, I do not find much fault with the Finance Minister's proposals except this, that I doubt very much whether the administration as it is, which he calls as from amongst us, would be able to realise what is expected from the proposals. Taking it for granted that they are not equal to the job, that the Finance Minister has bad tools in his hand, I doubt whether he would be able to bring in the necessary administrative efficiency so that they may find out ways and means to see that the taxes are readily paid.

**Shri Ryanlewta (Autonomous districts—Reserved—Sch. Tribes):** Mr. Chairman, Sir, it is a matter of great surprise to me that the Finance Minister made a vague reference to certain disturbed areas in the border, when he was asking this House to give its consent to a grant of Rs. 155 lakhs to the State Government of Assam, as a contribution towards the maintenance of law and order in certain un-named border areas. Is it because the Minister does not know the names of those areas? We also do not get any light from the publication issued by the Government, namely, "The activities of the Defence Ministry." The President's Address was simply silent on the Naga question. It was only when a question was put to him on the 27th May that the Prime Minister had to make a reference to the Naga problem. The Prime Minister by his reply was giving this House an impression that things were returning to normalcy in the Naga areas, while the Finance Minister described the expenditure in those areas as "abnormal". The words that the Finance Minister used were these:

"The State Government of Assam had to incur large expenditure on providing relief to the affected people, borrowing police forces from other States and constructing roads and bridges to facilitate communications."

This abnormal expenditure has caused a great strain on the State's resources and the Government of India have agreed to meet 50 per cent. of the cost of relief measures and of roads and bridges and the entire expenditure on the police borrowed from other states.

As against this, the Prime Minister claimed that his Government's policy has yielded "a measure of success and the incidence of hostile activities has decreased." I find it difficult, Sir, to reconcile these conflicting statements. The expenditure should not continue to be abnormal, if the purpose for

which it is intended has yielded 'a measure of success.' I do not know what the Prime Minister means by 'a measure of success'. Wherever we turn in the Naga Hills, we see that things are to a greater, if not the fullest, extent the same as they were 2½ years ago, when 'the shooting war' in the Naga Hills started. The abnormal expenditure incurred by the Union and State Governments is still continuing; the vast military concentration under the command of a Major General is continuing; the police forces are still being borrowed from other States; and the elections in spite of the unnatural, if not manipulated, returns of three Nagas to the State Legislative Assembly, have been a failure.

If I am not mistaken, Sir, the Prime Minister at one time estimated the strength of the Naga hostiles at between 1,000 and 2,000, all of whom were equipped with outmoded weapons left over by the British and Americans in the last war. Yet when 450 of them were killed and 352 captured and 234 had surrendered, according to the figures supplied by the Prime Minister after 2½ years of expensive military operations there, the Naga problem was still as it was before, and the solution is as remote as ever. The reason is that the people are still solidly behind the rebel leaders. We must admit this fact if we are to find a peaceful solution to the Naga problem. It is difficult for me within the short time allotted to me to suggest ways and means which may lead to the solution of the problem or by which the Nagas may be persuaded to give up their independence demand in exchange for real autonomy within the Indian Union together with the other Hill brethren.....

**Shri Dasappa (Bangalore):** May I raise a point of order? I think the speech would be very appropriate when the Demand on Home Affairs or Defence or of the External Affairs Ministry are taken up, but in the present discussion on the Budget, I am afraid, it may be a little inappropriate.

Mr. Chairman: So far as the present discussion is concerned whatever the hon. Member has said is relevant can very well be integrated into the Budget. He can just say that all these expenditures in the Budget could have been avoided if a certain policy was taken up or even now, if a certain policy was taken up, the demand in the Budget can be affected and can be made more limited, though at the same time, it is quite clear that the hon. Member has just touched the point which may not be replied by the hon. Finance Minister. It would be wiser to just emphasize the point he is making at the proper time. This is not the proper time to discuss about the Nagas, and the broad policy in respect of them. There is no point of order, but at the same time, the suggestion made by the objecting hon. Member is one which, if the hon. Member speaking wants may be accepted by him, it would be of benefit to the cause which he has advocating. That is all that I can say.

Shri Hynnlewa: It has been mentioned, Sir, in the speech of the Finance Minister that 1 crore and 55 lakhs will be sanctioned to the Assam Government for the maintenance of law and order there. I would like to bring this fact to the attention of the House so that in future no more unnecessary expenditure should be incurred in order to kill our fellow Indians because, I believe, everyone in this House will feel that the Nagas and fellow Indians. We have not made provision in the Budget to kill one another? This is against the policy which we preach to the world, the policy of peaceful co-existence, the policy of peaceful settlement of international disputes. Are we peacefully co-existing within the confines of our own country? That is the question I am asking. We are suggesting measures for the solution of international disputes, but we cannot settle the dispute within the confines of our own country. That is the reason why I mention this question. I have many things to say about this Budget, but I have excluded them because I feel this is most important, because I am the

only member who represents the tribal people living in the eastern frontier of India—the frontier which is so vital to the defence and security of India. We are raising the Defence expenditure from Rs 203 to 252 crores. Are we going to increase the Defence expenditure in order to kill one another? That is the reason why I am bringing this point to the attention of the House, to the attention of the Finance Minister, to the attention of the Government, and to the attention of the country as a whole.

Sir, I also wish to bring another point which is related to this and that is the fast deteriorating situation in the other frontier hills of Assam, which if not checked in time by methods of persuasion and suitable constitutional changes may assume dangerous proportions, the consequences of which will have far-reaching repercussions on the entire economy of the country as a whole. The other tribal people in the border areas, the Khasis, Garos, Lushais and others are being subjected to the same humiliating treatment at the hands of the present Assamese ruling class which seeks to promote its selfish interests by exploiting the tribal people and by depriving them of their rights and lands.

Therefore, Sir, I want to emphasize the fact before this House that should such an explosive situation in the Naga and other hills be allowed to continue, the Finance Minister will, in course of time, have to come forward with heavier taxes, with more oppressive taxes, to meet the rising defence expenditure necessary for the military operations there, and a series of five year plans will have to be framed in order to annihilate the people in those areas for as the Nagas have shown, they will never submit to insults, exploitation and ultimate economic enslavement. When we are demanding a State of our own, we are branded as anti-national and separatist elements. When we rise to fight for our rights and interests our movements are ascribed to missionaries influence. How long are we to tolerate such an out-

[Shri Hynniewta]

rageous insult and falsehood? I do not believe in violence, because violence can only destroy; it cannot build anything good. I am proud that the Khâsis who have borne the brunt of these insults and exploitation, so far, in spite of grave provocations, have never indulged in any act of violence. But I am beginning to hear today our young men talk of violence, trying to justify it by quoting that famous patriotic saying: "Is life so dear and peace so sweet as to be purchased at the cost of slavery and chains? God forbid it, I do not know what course others will take but as for me give me liberty or give me death." Therefore, I appeal to this highest tribunal of the country to help us fight violence in all its forms instead of drawing us into it, and to turn the martial spirit of the tribal people into healthy channels for the defence and the security of India. The British did it during the last war and reaped a rich harvest. Sir, we the tribals are deeply wounded in our hearts when hundreds if not thousands of our Naga brethren are being killed in the military operations there because we feel that the Nagas are the flesh of our flesh and the blood of our blood. Does the rest of the country, may I ask, Sir, feel that the Nagas and other hill tribes are Indians or do they call them Indians only to have an excuse to exploit them, to rule over them and to annihilate them? I appeal to this House to treat the tribals and the Nagas as Indians, who deserve our love, our sympathy, our service and our protection. Let us afford them real opportunities to grow and develop, in the words of our Prime Minister, "according to their wishes, genius and traditions." That is the path that the Father of the Nation would like us to tread. That is the way whereby we can dispense with the abnormal expenditure in the disturbed areas and use it for development works. With these words, Sir, I resume my seat.

श्री अजय दर्शन (गढ़वाल) : माननीय सभापति महोदय, मैं वित्त मंत्री महोदय को

दो दृष्टियों से घन्यवाद देना चाहता हूँ। पहले तो इसलिए कि जैसे कि उनके पूर्ववर्ती वित्त मंत्री महोदय श्री देशमुख साहब ने हिन्दी में भी बजट-साहित्य देने की प्रथा प्रारम्भ की थी उस को हमारे वर्तमान वित्त मंत्री ने भी जारी रखा है। लेकिन मुझे यह कहने के लिये क्षमा किया जाये, और मैं इन सन्तों को कहते हुए अपने वर्तमान वित्त मंत्री महोदय के प्रति कोई अशिष्टता प्रकट नहीं करता कि मैंने इस बात का अनुभव किया है कि इस सदन में हिन्दी के भाषणों और हिन्दी के प्रश्नों के प्रति उन्होंने उपेक्षा का भाव बनाया रखा है। मैं यह आशा करता हूँ कि हमारे मन्त्रिालय के बनने के साथ बरम बीत जाने के बाद हमारे केन्द्रीय मन्त्रिमंडल में एक भी सदस्य ऐसा नहीं होना चाहिए जो कम से कम हिन्दी को अच्छी तरह समझ न सके। यह कोई बहुत गोभा की बात नहीं है। मैं बहुत विनम्रता के साथ निवेदन करूँगा कि हिन्दी के भाषणों के प्रति उपेक्षा न बरनी जाये और अगली बार जब वह बजट पेश करे तो मैं यह आशा करता हूँ कि हिन्दी के माध्यम द्वारा दिए गये भाषणों के प्रति वे पूरे आदर और विचार करेंगे।

दूसरी चीज जिसके लिये मैं उनको बधाई देना चाहता हूँ वह वित्त मंत्री महोदय का दुःसाहस है। यहाँ पर परगों में जो बहस चल रही है उसमें ऐसा प्रतीत होता है कि सभी दलों के सदस्य इस बात में सहमत हैं कि जो कठ-प्रस्ताव हम मदन के सामने या देश के सामने प्रस्तुत किये गये हैं, जनता में उनके कारण अमंतीप की लहर मी पैदा हो गयी है। लेकिन हमारे वित्त मंत्री हिन्द महासागर के बीच एक कठोर कंट्रान की भाँति अपने प्रस्तावों पर डटे रहना चाहते हैं। आज हमारे माननीय प्रधान मंत्री जी ने जो भाषण दिया उसमें उन्होंने भी सिद्धान्त रूप में इन करों का समर्थन किया है। मैं समझता हूँ कि इस सदन में कोई भी ऐसा सदस्य नहीं है या इस सदन के बाहर भी कोई

ऐसा समझदार नागरिक नहीं होगा जो इस बात को स्वीकार न करता हो कि देश के विकास के लिए, और खास कर हमारी इस पंचवर्षीय योजना के लिए, जिसको हमने कई परिश्रम और सोच विचार के बाद स्वीकार किया है, रुपये की आवश्यकता बड़ी है और यह नहीं हो सकता कि जनता इस योजना को सफल बनाने के लिए करो के भार को स्वीकार न करे। लेकिन जब हम इन प्रस्तावों पर इस सदन में विचार करते हैं तो हमको इस बात का ध्यान रखना चाहिए कि हमारे देश की जनता पर कितने करो का भार चला आ रहा है। हमारे उत्तर प्रदेश में पचायत सफलतापूर्वक काम कर रही है, लेकिन इस कर-प्रणाली के कारण उनकी सफलता में भी रोड़ा अटकता जा रहा है।

एक ओर हम जनता से अपील करते हैं कि वे अपने स्वैच्छापूर्वक किये गये श्रमदान के द्वारा इस योजना को सफल बनाएं और दूसरी ओर हम उनके ऊपर करो का भार इस तरह से लादना चाहते हैं कि शांद् कालान्तर में उनकी कमर ही टूट जाय। ग्राम जनता के ऊपर पचायतों का कर जिला बोर्ड का कर, नगरपालिका का कर आदि अनेक प्रकार के कर लदे हुए हैं। अभी भरे निर्वाचन क्षेत्र में कीर्ति नगर में अन्नकान्दा नदी पर केन्द्रीय सरकार की सहायता से एक बड़ा मोटर-पुल बनाया गया है, लेकिन उस पर से आने-जाने का टैक्स लगता है इसलिये मोटरों उस पर से नहीं जाती, यहा तक कि पैदल यात्रियों में भी कर लिया जा रहा है, और इस कारण जनता में असन्तोष फैल रहा है। तथ्य यह है कि हम अपनी पंचवर्षीय योजना के प्रति जनता में उत्साह पैदा करना चाहते हैं, परन्तु इन करो के कारण हम उस उत्साह को समाप्त करते जा रहे हैं। इसलिए मैं अपने वित्त मंत्री महोदय से निवेदन करना चाहूंगा कि वे इस पर फिर से विचार करें।

समापति महोदय, मैं बहुत विस्तार के साथ इस समस्या में न जाकर केवल दो-तीन

बातों की ओर वित्त मंत्री महोदय का ध्यान आकर्षित करना चाहता हूँ। पोस्ट कार्ड का मूल्य न बढ़ाने के बारे में यहा पर मुझ से पहले कई मित्रों ने अपने विचार प्रकट किये हैं। जो तीन पैसे का पोस्टकार्ड था, उसका मूल्य नया पैंसा जारी होने के बाद आधा पैंसा बढ़ गया। अब उसके मूल्य को छैं नया पैंसा करने का प्रस्ताव रखा गया। यह पोस्टकार्ड ऐसी चीज है जो कि ग्राम जनता की प्रतिदिन की आवश्यकता के लिए अनिवार्य है, और मैं समझता हूँ कि यदि इसको इस वृद्धि से वचित रखा जाय तो बहुत अशुद्धा हो। और इसमें आमदनी भी केवल २५ लाख रुपये की ही हो रही है। जब हम करीब एक अरब के अतिरिक्त कर लगाने जा रहे हैं तो एक ऐसी मद को जिससे एक करोड़ की भी आमदनी न हो, पर जिसके कारण जनता में बहुत असन्तोष फैलता हो, सरकार को छोड़ देना चाहिए।

रेलगाड़ के सम्बन्ध में मुझे कुछ ज्यादा नहीं कहना है। कई वक्ताओं ने इस पर रोशनी डाली है और जो कठिनाइयां होगी उनको बताया है। मैं आप लोगों दिल्ली की ही मिसाल देना चाहता हूँ। यहा पर मकानों की बहुत ज्यादा कमी है और बड़ी कठिनाई से मकान मिलत है। हमारे सरकारी विभागों के कर्मचारी प्रतिदिन गाज़ियाबाद से यहा आते हैं, यहा तक कि मेट्रो से यहा लोग आते हैं, जो कि करीब ४५ मील की दूरी पर है। साथ ही गुडगाव से ब रोहतक से भी यहा लोग आते हैं और यहा आकर कार्य करते हैं। उनको बड़ी कठिनाई का सामना करना पड़ेगा, अगर आपने किराया बढ़ाया। तो मैं यह कहना चाहता हूँ कि ५० मील से कम पर तो किराये में किसी प्रकार भी वृद्धि न की जाए।

आदरणीय त्यागी जी ने जब रेलवे बजट पर बहस हो रही थी तब एक बड़ा ही अच्छा सुझाव दिया था। उन्होंने कहा था कि पर्वतीय क्षेत्रों के लिए जहा पर पहले ही से इयोडा बुगुना या तिगुना किराया है, रेल का किराया नहीं

### [श्री भक्त वरदान]

बढ़ाया जाना चाहिए। अगर आपने इन किरायों में और बढ़ोतरी की तो इससे बहुत ज्यादा कठिनाई पैदा होगी। किराये का उन पर पहले ही बहुत ज्यादा बोझ है। अतः मैं सुझाव देना चाहता हूँ कि कम से कम उन इलाकों के लिये किसी भी हालत में किराया न बढ़ाया जाये। उन इलाकों में शिमला, देहरादून, कोटद्वार वगैरह कई इलाकें आ जाते हैं।

तीसरी बात मैं आयकर के सम्बन्ध में कहना चाहता हूँ। इस बारे में अधिक न कह करके मैं एक ही निवेदन करना चाहता हूँ और वह यह है कि व्यक्तिगत उल्लेख न करत हुए भी अपने आदरणीय मित्र त्यागी जी के बारे में मुझे उल्लेख करना ही पड़ेगा। वे जब वित्त मन्त्रालय में राज्य-मंत्री थे तो करोड़ों रुपये की आमदनी का उन्होंने पता लगाया था। यह वह रुपया था जिसको कि लोग छिपाये बैठे थे। यह हमारे देश के लिए एक ऐतिहासिक वस्तु थी। तो मैं यह सुझाव देना चाहूँगा कि उन्हें अथवा उन्हीं की तरह के प्रतिभा वाले किसी अन्य व्यक्ति को आयकर विभाग में रख लिया जाये तो करोड़ों रुपये की आमदनी ही सकती है और करोड़ों रुपया जो छिपा पड़ा है, बाहर आ सकता है। इस प्रकार आयकर की सीमा को और घटाने के बजाय, लोगों पर और अधिक भार डालने के बजाय करोड़ों रुपये की जो सम्पत्ति छिपी पड़ी है, उसकी ओर अगर हम अपना ध्यान केन्द्रित करें तो मैं विश्वासपूर्वक कह सकता हूँ कि हम काफी आमदनी हो सकती हैं। टैक्सेशन इन-क्वायरी कमीशन न तथा विदेशों से जो विशेषज्ञ यहाँ आयें हैं उन्होंने भी इस बात का उल्लेख किया है कि हम अभी तक पूरी तरह कर-वसूली नहीं कर पा रहे हैं। हम सब यह जानते हैं कि अनेक व्यापारी दो-दो तीन-तीन प्रकार की बहिया रखते हैं और टैक्सों से बचने की कोशिश करते हैं। अतः गरीबों और मध्यम वर्गों के ऊपर कर-भार डालने की बजाय बढ़ी-

बड़ी आमदनी वालों की ओर अगर हम ज्यादा ध्यान केन्द्रित करें तो उत्तम होगा।

अभी तक बहुत सी आभोद-अभोद तथा विलासिता की वस्तुएँ हैं जिन पर टैक्स नहीं लगाया जा रहा है। मेरी समझ में नहीं आता है कि गरीबों की रोटी के ऊपर, चीनी के ऊपर टैक्स न लगा करके विलासिता की वस्तुओं पर क्यों और ज्यादा टैक्स न लगाये जायें? सिनेमा का रोग हमारे देश में बढ़ता जा रहा है। अभी आंध्र के एक मन्बर ने, श्री-उत्कल-मन्त्र-सचिव श्री-रमण है, एक सुझाव दिया है और मैं समझता हूँ कि यह सुझाव मैंने उन्हीं के मुँह से पहले पहल सुना है और वह सुझाव यह है कि सिनेमा के ऊपर एट्रेंटनमेंट टैक्स जो लगता है उसको एक सेंट्रल सबजेक्ट बना दिया जाये और उसकी मात्रा को बढ़ा दिया जाये। हमारे देश में आज सिनेमा का बहुत फैशन हो गया है। अनेक विद्यार्थी स्कूलों तथा कालेजों में न जा कर और स्कूलों तथा कालेजों में जाने का अपने माता पिता के आगे बहाना करके अक्सर सिनेमा में दिन का घों देवनें पहुँच जाते हैं। यह मर्ज आज बढ़ रहा है और इसने हमारे अन्दर एक पागलपन पैदा कर दिया है। अगर इस पर टैक्स की मात्रा बढ़ा दी जाय तो इससे उन लोगों के सिनेमा जाने पर एक तो रुकावट लग जायेगी और दूसरे सरकार की आमदनी बढ़ जायेगी।

इसी तरह से दिल्ली में मैंने देखा है कि प्रसाधन-सामग्री तथा विलासिता की वस्तुओं का प्रयोग बढ़ता ही चला जा रहा है। दिल्ली को हमने बाकी देश के लिए एक नमूना बनाना है। लेकिन दिल्ली आज न्यूयार्क और पेरिस की तरह से विलासितापूर्ण बनती जा रही है। दिल्ली को देख कर तो ऐसा मालूम पड़ता है कि हमारे देश में गरीबी है ही नहीं। मुझे ऐसा भी मालूम पड़ता है कि हमने प्रसाधन सामग्री और विलासिता की सामग्री पर कर न लगाने का निश्चय कर रखा है। यहाँ पर कई आदरणीय

मालाये व कहिं बैठी हुई हैं; मैं उनसे क्षमा चाहता हूँ उस बात के लिए जो मैं कहने या रहा हूँ उसका उल्लेख मैं करना तो नहीं चाहता था, लेकिन किये बयार नहीं रह सकता हूँ। यहाँ दिल्ली में अनेक धीरतों को देख करके हमें पुराने जमाने की रम्भा, उर्बशी तथा मेमका की याद आती है, जो हमें अपने मार्ग से विचलित करने के लिए, त्याग और तपस्या के मार्ग से विचलित करने के लिए प्रेरित करती हैं। आज भी इस तरह से लुभाने के लिये और पथ-भ्रष्ट करने के लिये यह बीमारी चारों ओर फैल रही है। मैं उन महिलाओं की ओर आदर भाव प्रदर्शित करते हुये भी वित्त मंत्री महोदय से अनुरोध करूंगा कि वह कौन्सेटिक्स पर, प्रसाधन की सामग्री पर प्रीहिबिटिव कर लगाये, उससे काफी आमदनी उनको हाँ सकती है, इसके साथ-साथ हमारे देश का तथा समाज का चरित्र भी ऊँचा उठ सकता है।

दो एक शब्द अब मैं फ्रिजूलखर्ची के सम्बन्ध में कहना चाहता हूँ। सभापति महोदय, आपने अपने भाषण में विस्तारपूर्वक इसकी ओर सरकार का ध्यान आकर्षित किया है। मैं केवल एक ही बात आपके सामने रखना चाहता हूँ। इस गमद-भवन में कुछ ही गज के फामले पर 'पी' ज्लाक है। वहाँ पर जो इमारत है उसको गिराया जा रहा है और नई इमारत उसके स्थान पर बनने जा रही है। यह बात मेरी ममक्ष में नहीं आती है। जिस इमारत से पिछले १५ या २० वर्षों से काम लिया जा रहा है उसमें पाच-दस वर्ष और भी काम लिया जा सकता है। नई इमारत बनाने के लिये पाच-दस वर्ष तक प्रतीक्षा की जा सकती है। यहाँ दिल्ली में तथा दूसरे बड़े-बड़े नगरों में हम देख रहे हैं कि बड़ी-बड़ी अट्टालिकायें खड़ी की जा रही हैं। इसके विपरीत दूसरी तरफ हम क्या देखते हैं कि राज्य पुनर्गठन आयोग की सिफारिशों की वजह से हमारे देश के कई प्रान्तों की राजधानियाँ सुनसान पड़ी हुई हैं। इनमें नागपुर, भवानीपूर, इौर,

पटियाला आदि का नाम लिया जा सकता है। इसी तरह से बहुत से राजमहल भी खाली पड़े हुये हैं; महाराजा साहेबान की आज प्रीपर्स भी मिलता है, लेकिन वे उन महलों की शायद पुर्साई भी नहीं करा पा रहे हैं, उन की कभी मरम्मत भी नहीं करा पाते हैं और वहाँ पर सियार-देवता निवास करते हैं। इधर हम करोड़ों रुपये नई इमारतों के निर्माण पर खर्च करते जा रहे हैं। क्या यह उचित नहीं होगा कि पाच-दस साल के लिए ही सही, अगर ज्यादा वर्षों के लिए नहीं, इन भवनों के निर्माण को हम बन्द करवा दें? आज अधिकाधिक भवन-निर्माण को जो प्रवृत्ति देखने में आ रही है, क्या यह उचित नहीं है कि उसको रोक़ा जाए? दो-एक दिन की बात है कि एक प्रश्न के उत्तर में यह बताया गया था कि डिफस डेडक्वार्टर्स के लिए साढ़े पाच करोड़ रुपये लागत की एक बिल्डिंग बनाई जाएगी। अब रेलवे बोर्ड क्यों पोछे रहे? उसने भी करोड़ों रुपये की लागत से एक सक्वलर बिल्डिंग बनाने का निणय किया है। यह सब रपया बचाया जा सकता है, और इस का निर्माण-कार्यो पर लगाया जा सकता है।

आज मैंने उड़ीसा के श्री द्विवेदी जी का भाषण सुना। उन्होंने अपने भाषण में कुछ सुझाव दिये हैं। एक सुझाव उन्होंने यह दिया है कि राजाओं और महाराजाओं को जो प्रिवी-परम मिलता है उनको कानून द्वारा बन्द कर दिया जाना चाहिए। इन प्रिवीपरमों को मैं कानून द्वारा बन्द करने के पक्ष में नहीं हूँ, क्यों कि अगर हमने उनको कुछ वचन दिए हैं और सरदार पटेल के वक्त में कुछ जैटलमैस एग्जि-मैटम किये हैं, उनको अगर हम कुछ ही वर्षों में भूल जाते हैं तो इसको मैं नैतिकता नहीं मानता हूँ। लेकिन हम उनसे अपील अवश्य कर सकते हैं। कुछ समय पहिले हमारे प्रधान मंत्री जी ने एक कोई अपील की थी, लेकिन उसका कोई विशेष उत्तर नहीं मिला। यह सौभाग्य की बात है कि कांग्रेस पक्ष में भी और विपक्ष में भी बहुत से राजा लोग निर्वा-

[श्री भक्त दर्शन]

बित्त हो कर आए हैं। वे इस बात का अनुभव करते हैं कि वे जन-समाज के हैं। मैं समझता हूँ कि यह उपयुक्त अवसर है जबकि हमारे प्रधान मंत्री जी को तथा वित्त मंत्री जी को उनमें प्रपील करनी चाहिए कि वे स्वयं स्वेच्छा से यह धन देश के लिए समर्पित कर दें। अगर वे उम धन को सारे देश के लिए समर्पित नहीं कर सकते हैं तो उन्हें उसे अपने अपने इलाकों में विकास के लिये तो समर्पित कर ही देना चाहिए।

अन्त में मैं एक बात और कहना चाहता हूँ। जैसे प्रत्येक मजमाज में उच्च श्रेणी के लोग हैं, मध्यम श्रेणी के लोग हैं, गरीब लोग हैं, उसी तरह से हमारे देश में बहुत से इलाके ऐसे हैं जिनको अछूत कहा जा सकता है, या निम्न श्रेणी में उनकी गणना हो सकती है। अभी कुछ दिन हुए मेरे एक प्रश्न के उत्तर में यह बताया गया था कि उत्तर प्रदेश में, जो श्रेष्ठफल के लिहाज में तथा जनसंख्या के लिहाज से बहुत बड़ा प्रदेश है, उसके लिए सारी उद्योगों की मद में बहुत कम रकम रखी गई है। वहाँ की सरकार ने, वहाँ की विधान सभा ने और विधान परिषद् ने इसके लिए बहुत आन्दोलन किया। इस आन्दोलन के फलस्वरूप अब जाकर के कुछ और रकम उसके लिए रखी जा रही है। अब मैं यह कहना चाहता हूँ कि कहीं ऐसा न हो कि पाँच साल बीत जायें और उसके बाद भी यहाँ कहा जाए कि हमारे देश के अन्दर भी समान रूप में और इलाकों में जितना विकास का काम होना चाहिए, उतना नहीं हो रहा है और उत्तर प्रदेश उसकी एक्ससेप्टान नहीं हो सकता।

मैं आपको एक और उदाहरण देना चाहता हूँ। हिमालय, जो उत्तर दिशा में हमारा प्रहरी है, १५०० मील तक फैला हुआ है। वह काश्मीर से असम तक फैला हुआ है। एक ओर काश्मीर में केन्द्रीय सरकार और विभागों की ओर से करोड़ों रुपया उसके विकास पर खर्च किया जा रहा है। उसका जो

राजनीतिक महत्व है, जो सामरिक महत्व है, उसको मैं समझता हूँ। लेकिन दूसरी ओर गढ़वाल का गरीब जिला भी है। मैं कैबल इशारे के तौर पर कहता हूँ कि वहाँ पिछले दस वर्षों में जब से कि हमें स्वाधीनता मिली है, लगभग दस मील की मोटर की सड़क पूरी तरह पर नहीं बनी है। कैदारनाथ तथा बद्रीनाथ के तीर्थस्थान वहाँ हैं और गंगा तथा यमुना वही में निकलती हैं, यह भारतीय सस्कृति का केन्द्र-स्थल रहा है, उसका महत्व हमारे देश के इतिहास में कुछ कम नहीं है। लेकिन उसकी ओर सरकार का विशेष ध्यान नहीं जा रहा है।

आज हमारा ध्येय यह है कि हम समाज के सब वर्गों के अन्दर पंचवर्षीय योजना के लिये उत्साह पैदा करना चाहते हैं। उन अपनी कर-प्रणाली के द्वारा, अपनी योजना के द्वारा हमारा यह ध्येय होना चाहिए कि देश के सभी इलाकों को भी समान स्तर पर लाने का हम प्रयत्न करें। इसकी ओर राज्य पुनर्गठन आयोग ने भी इशारा किया है और इसका उल्लेख किया है। यदि हम ऐसा करने में सफल हुए तभी जा करक हम योजना को भी सफल कर सकेंगे।

अन्त में मैं एक सुझाव और देना चाहता हूँ। हमारे प्रधान मंत्री, हमारे गृह मंत्री और हमारे वाणिज्य और उद्योग मंत्री, ब्रह्मा, विष्णु और महेश की त्रिमूर्ति के समान हैं। ये हमारे महान नेता हैं। हमें चाहिये कि हम इनको पूरा अधिकार दें कि जिस स्कीम को वे चाहें, चाहे वह किसी भी विभाग की क्यों न हो, जहाँ वे देखें कि रुपये का दुर्हयोग हो रहा है और उसको रोका जा सकता है, वहाँ उस स्कीम को रोक दें। इसको कर ने के लिये चाहे वे कोई कानून बनायें और चाहे विशेष आदेश जारी करें, उनको पूरा अक्ष-त्पार हम दें। उन तीनों पर देश की जनता की विश्वास है। उन्होंने ने देश की स्वतन्त्रता की सफाई में हमारे देश का नेतृत्व किया है।

और अब नये भारत के निर्माण में भी वह देश का नेतृत्व कर रहे हैं। उन पर जनता का अटूट विश्वास है और हमें चाहिये कि इन सीनों को हम सर्वोच्च सत्ता सौंप दें, ताकि जहाँ पर ये चाहें वहाँ की काट छाट कर सकें और रुपया बचा सकें।

इन शब्दों के साथ मैं वित्त मंत्री के कर-प्रस्तावों का सामान्य समर्थन करता हूँ।

**Mr. Chairman:** I find that many members are very anxious to speak of such a large number of Members are to be allowed to speak, I will have to reduce the time allotted. I suggest that ten minutes could be allowed to each Member. The 15-minute period may be reduced to ten minutes each.

Otherwise I will be able to accommodate only five Members though I have got a number of requests. If the time is reduced to ten minutes it is possible that I can accommodate six or even Members.

**An Hon. Member:** In ten minutes we cannot say anything.

**Mr. Chairman:** I am proposing this only because of the very large number of applications that I am receiving. May I take it that the House agrees to reduce the time to ten minutes for every Member?

**Several Hon. Members:** No, no.

**Some other Hon. Members:** Yes, yes.

श्री नवल प्रभाकर (बाह्य दिल्ली—रक्षित—अनुसूचित जातिवा) सभापति महोदय, मैं वित्त मंत्री महोदय को उनके बजट के लिये धन्यवाद देना चाहता हूँ और जो बजट मैं कर प्रस्ताव उन्होंने रखे हैं उनमें मेरी अधिकांश का मैं समर्थन करता हूँ।

अभी मेरे भाई श्री भक्त दर्शन ने सदन के सामने कुछ बातें बताईं। मैं भी जब यह देखता हूँ कि बहुत सारे हमारे कर इस तरह के लगाये गये हैं तो मुझे अपने निर्वाचन क्षेत्र में सुदूर बैठे हुए उस व्यक्ति की याद

आ जाती है जो कि बूढ़ा है, सारे दिन मेहनत से काम करता है और शाम को जब वह अपने घर में वापस आता है और अपनी बूढ़ा के साथ बैठ कर मुस्कराहट के साथ अपना हुकका गुडगुडाता है और मैं सोचता हूँ कि उस हुकके की गुडगुड हट के ऊपर कर लगने वाला है, उनकी जो मुस्कान है प्रणय मुस्कान है उसके ऊपर मैं देखता हूँ कि कर लग रहा है तो मेरा दिल बैठ जाता है क्योंकि वही मुस्कान ही तो उनकी सब कुछ है और हम उस स्वर्गीय मुस्कान को भी उनसे इस कर के द्वारा छीनने जा रहे हैं। इसी प्रकार जब मैं अपने इलाके के उस मजदूर की तरफ देखता हूँ कि जब वह दिन भर का थका मादा घर लौटता है और आ कर एक चाय की प्याली पी कर अपनी थकावट मिटाता है और आज हम उसकी चाय की प्याली पर भी टैक्स लगा रहे हैं तो मेरे दिल को एक धक्का लगता है। इसी तरह हमारे कर का नतीजा यह होने वाला है कि देहातो के अन्दर जो चिमनी टिमटिमाती है उसको किसान को जल्दी बुझा देना पड़ेगा क्योंकि किरोमीन आयल पर भी हमने कर बढ़ा दिया है। सारांश यह है कि इन करों का असर गरीब जनता पर बहुत ज्यादा पड़ रहा है और उनकी परेशानी और दिक्कतों इन करों के फलस्वरूप और बढ़ गयी है।

जनता और देश को त्याग करने के लिये कहा जाता है। जहाँ तक इस देश के लोगों द्वारा त्याग करने का सवाल है तो त्याग का मामला मेरे यहाँ के देशवासी कभी पीछे नहीं रहे और सर्व आगे रहे हैं और हमारे यहाँ हर समय पर त्याग मूर्तियाँ मौजूद रही हैं जिन्होंने कि त्याग का आदर्श लोगों के सामने रखा है। इसलिये आप जितना भी त्याग करने के लिये उनमें कहे बे करने को तैयार हैं। मेरे निर्वाचन क्षेत्र के एक बूढ़े ने मुझे आ कर कहा कि आप हमको त्याग करने को कहते हैं, हम त्याग करने को तैयार हैं और हम देश के हित के वास्ते अपनी की भाँति अपना हाथ नाँस और सर्वस्व भी त्याग देने को तैयार हैं।

[श्री नवल प्रभाकर]

आप हमसे जितना चाहे टैक्स ले लीजिये लेकिन हम से वही टैक्स लिये जाये जिनकी कि रसीदें मिलती हैं। हमें ये टैक्स न देने पड़े जिनकी कि रसीदें नहीं मिलती हैं।

आप उस विस्थापित भाई की मुसीबत और परेशानी का खयाल करिये जो कि गोल्ल न मार्केट में जाता है और सारा दिन बैठा रहता है, सबेरे से शाम तक बैठा रहता है लेकिन उसका काम नहीं किया जाता है और जब वह उसके लिये आग्रह करता है तो उसको कह दिया जाता है कि थोड़ा ठहरो और शाम के बक्त् ५ बजे उसको कह दिया जाता है कि कल आना लेकिन बगैर रसीद क वह अग्रर टैक्स दे देता है तो उसका काम हो जाता है। यह आपके सोचने की बात है। म्युनिसिपल-कमेटी का मामूली टैक्स देने के लिये एक व्यक्ति जाता है उससे टैक्स नहीं लिया जाता, जब तक वह कमेटी वालो को खुश नहीं कर देता तब तक उससे टैक्स नहीं लिया जाता। यह कुछ वास्तविकताये है और नध्य है जिनकी ओर मैं माननीय मंत्री और इस सदन का ध्यान दिलाना चाहता हू। मैं मंत्री महोदय से कहना चाहता हू कि वह जरा अपने अधिकारियो की ओर देखें। अपने इनकमटैक्स प्रापिसस से बातें कर और देखें कि उनके वे कर्मचारी जिनकी कि साधारण पे है जिनका कि वेतन बहुत थोडा है उनका लिबास को देखिये, मूट को देखिये जब बन ठन वर वह शाम को कॅनाट प्लस में जान और जा कर किमी होटल में १०, १५ रुपये का खाना खाने है, उनको आप देखिये और विचार कीजिये कि वह सब पैसा उनका पाम कहा से आता है

Shri Yajnik (Ahmedabad). May I ask whether the members of the Treasury Benches are entitled to talk among themselves with impunity?

Mr. Chairman: Order, order. There is no ban against any person talking here.

Shri Yajnik: Talking among themselves?

Mr. Chairman: There is no such rule that they will not talk to anybody. There is no such thing. The hon. Member must know it. The Chair is unable to enforce any such rule. The only thing is that they should not talk in such a manner that the entire proceedings are disturbed. Merely talking is not banned.

Shri T. T. Krishnamachari: I am very sorry that he is left in such splendid isolation. That is why he is very envious.

श्री नवल प्रभाकर मैं कह रहा था कि उन कर्मचारियों के आचरण को देखा जाये और मस्ती के साथ देखा जाये। साथ ही मैं यह भी निवेदन करूंगा कि उन लोगों की तरफ भी देखा जाये कि जो बड़े सम्मानित अपने आपको मानते हैं लेकिन जो कि वास्तव में टैक्सों के चोर हैं और आज के दिन ऐसे टैक्स के चोरों को समाज में बड़ा मान मिला हुआ है। ऐसे लोग जो टैक्सों की चोरी करते हैं और जिनको कि समाज में बड़ा सम्मान प्राप्त है, उनकी तरफ भी सरकार का देखना चाहिये ताकि यह चोरी बंद हो।

मैं यह मान सकता हू कि अग्रर आज हम जो टैक्स लगा रहे हैं अग्रर हम मस्ती के साथ उनको लगायें और कदम उठाये तो मैं समझता हू कि यह जो ५, ६ करोड़ मामूली टैक्स या १८ करोड़ का जो सारा बनता है उससे कहीं ज्यादा टैक्स हमें वसूल हो सकता है।

त्याग की जो बात हमसे कही जाती है तो उसके बारे में मैं आपको बतलाऊ कि मैं पिछले दिनों चतुर्थ श्रेणी के सरकारी कर्मचारियों के एक जलसे में गया था और वहा उन्होंने यह कहा कि हम त्याग करने के लिये तैयार हैं, हम त्याग करेगे लेकिन हमारे त्याग को हमारे अधिकारी स्वीकार नहीं करते हैं। मैं अपने वित्त मंत्री महोदय से कहूंगा कि उसमें उनको लाभ होने वाला है और उसकी बह-

स्वीकार करें। उन्होंने कहा था कि यह जो उनके सिरों पर ५, ५ और ७, ७ गज की भारी पगडियां रख दी जाती हैं और उन के लम्बे चोगे के ऊपर जो दुरंगी रस्सिया बांध दी जाती हैं, उन पर कितना पैसा खर्च किया जाता है और उनका सुझाव था कि उन्हें उनके स्थान पर एक बुशबर्ट और पायजामा या पैट पहनने को दे दी जाये और उनमें केवल ७ गज या साढ़े ६ गज कपड़ा लगेगा। उन्हें साढ़े ६ गज कपड़े की बरवी बना कर दे दीजिये और वे खुश हो जायेंगे और उन्हें वह लम्बी पगडी नहीं चाहिये। पगडी के स्थान पर उनको टोपी दे दी जाये और इस तरह काफी रुपये की बचत की जा सकती है। लेकिन हमारे अधिकारी-गण तो इस बात में अपनी शान महसूस करते हैं कि उनके पीछे-पीछे जो चपरामी चलता है उसका चोगा काफी लम्बा हो और वे चाहते हैं कि उसका चोगा लम्बा होना चाहिये और चोगे के ऊपर चमकदार पट्टी होनी चाहिये। मैं चाहता हूँ कि बंकार की शान की पर्वान कर के उनको साधारण पोशाक दी जाये। अगर हम बराबरी का दावा करते हैं तो उन्हें अपनी जैसी पोशाक देनी चाहिये। भले ही आप उनके लिये कोई बिल्ला या ब्रैज तजवीज कर दीजिये और उनके कपडों पर नगा दीजिये कि यह चपरामी है, यह दफतरी है और यह चौकीदार है।

हमारे मित्र श्री भक्त दर्शन ने बतलाया कि नई दिल्ली के अन्दर बड़ी बड़ी इमारतें बन रही हैं, पुरानी इमारतों को गिराया जा रहा है, मैं आपको बताना चाहता हूँ कि यह नई दिल्ली जिस जगह पर आबाद है आज भी उस जगह पर काफी लोग ऐसे हैं जो भूख से तड़प रहे हैं। जिन की यह जमीन है, सन् १९१२ में उन से ६ रुपये बीघा के हिसाब से अर्थात् १,००० गज ली गई थी। लेकिन आज उन की जिन्दगी तबाह हो रही है। मुबारकपुर कोटला में चले जाइये, सब लोग सिमट कर बहा इकट्ठा हो गये हैं, आज सरकार उन की तरफ ध्यान नहीं देती है।

अभी दो तीन दिन की बात है, मैं बहा गया, तो उन लोगो ने मुझ से कहा कि दिल्ली प्राय की आबाद है, दिल्ली के बड़े बड़े मोहल्ले आबाद हैं, लेकिन जो नई दिल्ली है, जहा प्राय बैठते हैं और बोलते हैं, उस का विवरण बडी दूर-दूर तक जाना है, भ्रल्लवारी में छपता है, लेकिन आज हमारी हालत को तो देखिये, हमारी तरफ कोई ध्यान नहीं देता, जिन मे यह जमीन एक्वायर की गई है, वह मडी और गन्दी गलियो में रहते हैं, जहा प्रकाश का नाम नहीं है, जहा पर उन्हें पूरा रोजगार नहीं मिलता। प्राय एम्प्लायमेंट एक्मचेंज के दफतर में जा कर देखिये, जहा पर रात के दस बजे लोग जा कर सोते हैं और दूसरे दिन शाम के छ बजे तक नाहन में खड़े रहते हैं, तब मुश्किल से उन को अपना नाम रजिस्टर करान का मौका मिलता है।

सभापति महोदय, मुझे कहने को तो बहुत है, लेकिन चूँकि मेरा समय खत्म हो गया है इसलिए बहुत जल्दी मैं कुछ बातें कह कर समाप्त करना हूँ। दिल्ली में मंडिकल कालेज की भाग बहुत दिनों से रही है। इस के लिये बहुत आग्रह रहा है, लेकिन आज तक उस की कोई मुनवाई नहीं हुई। जब दिल्ली की विधान सभा टूटी तो लोग यह सोचते थे कि गायद अब कारपोरेशन जल्दी आयेंगा, लेकिन उस में देरी हो रही है। इस की तरफ ध्यान देना चाहिये। इस बजट में तो नव कारपोरेशन की कोई गुजाइश मालूम नहीं होती, इस से ऐसा जान पडता है कि वह अगले वर्ष ही आ सकेगा।

मैं विस्थापितों की बस्तियों की तरफ भी ध्यान दिलाना चाहता हूँ जो कि बहुत गन्दी अवस्था में पडी हुई हैं। यमुना के पार गीना कालोनी है, वहा के लोग किस तरह से रह रहे हैं, यह मैं कौन बताऊँ? उसे यमुना के पानी के लेबल से नीचे बसाया गया है, थोडा पानी भी बरस जाता है तो पानी इस बस्ती के ऊपर आ जाता है। वहां की इतनी

[श्री लखन प्रभाकर]

बुरी हालत है कि जिन्दगी डूबर हो रही है। इसी तरह से तेहाड कालोनी है। एक बार तेहाड गाव की एक नया माडल गाव बनाने की बात कही जाती थी। लेकिन सन् १९४७ से अब तक वह माडल गाव नहीं बन सका है।

इतनी बातें कह कर सिर्फ यही कह कर अपना भाषण समाप्त करता हूँ कि

हाय दई कैसी भई, केर बेर को सग,

वे डोलत रस आपने उनके फाटल अग।

**Shri Anthony Pilla** (Madras North) Mr Chairman, first of all, I would like to bring to your notice and to the notice of the House the indiscretions of the Finance Minister. It is the privilege and right of this House to be seized of money Bills and any amendments thereof. But, in spite of this constitutional right, and the long established tradition on this point, the Finance Minister was indiscreet enough to announce at a press conference and also at a party meeting that certain tax modifications were being made. It was only late on the night of the 18th that a press release was issued that the tax on kerosene and the levy on newsprint were being reduced. The proper forum for announcing any changes in the taxes proposed is this House. An act of discourtesy has been done to this House by such an indiscreet announcement earlier. I may also remind you that in the year 1955, when there was the General Budget Discussion, Shri C D Deshmukh, by an accident made an announcement of changes in the taxes proposed, in the Rajya Sabha. At that time, Dr Lanka Sundaram raised a point of order in this House and Shri C D Deshmukh expressed regret that, by an accident, because of the change in the programme of discussions, he was compelled to make an announcement in the Rajya Sabha because instructions had already been issued and he was able to say in the Rajya Sabha

that in ten minutes' time a notification would issue.

My further charge is that such an indiscretion is the equivalent of a budget leakage because, between the time when the first announcement was made in the press conference and the time that the press release was issued, there was time enough for any speculators to sell out and make money in a democratic country like England, Mr Hugh Dalton, the Chancellor of the Exchequer at that time, was compelled to resign merely because he answered, yes, to a journalist just as he was entering the House of Commons. For that indiscretion, he was compelled to resign. Here, perhaps, in this country, democratic skins are not so sensitive. I do believe that the Finance Minister owes at least an apology to this House for the indiscretion committed by him, and perhaps an assurance from the Treasury Benches that no future Finance Minister will ever commit such an indiscretion, again.

Coming to the budget proper, summing his speech in the Rajya Sabha, defending the budget proposals, the Finance Minister said very rhetorically in a preoration that his heart bleeds for the common man, that his heart pulsates for the common man. However metaphorically his heart may bleed or pulsate, the reality is that the common man is being bled white as a result of the taxation measures now proposed by him. It is amusing also to find some of the calculations that have been made by the Finance Minister in defending his budget proposals. He states that the net effect of his taxation proposals would be an increase in the cost of living for the common man by about three-quarter per cent in the rural areas and about 1½ per cent in the urban areas. When I read this particular statement of his, I was reminded of a remark of Mr Seeborn Rowntree, which I believe is peculiarly applicable in the present context to the Finance Minister. He said, statistics are to him what a lamp

post is to a drunken man, an instrument more for support than for illumination. To drive my point home, let us see the meticulous exercise in arithmetic that he indulged in when seeking to justify the taxation on kerosene. He said that as a result of the rounding off of the tax, there would be only an increase in the cost of a bottle of kerosene by 1-5th of a naya paisa. Overnight, this exercise in mathematics was disproved and it was found that a bottle of kerosene would be costing, half an anna more. He was compelled to beat a hasty, though undignified retreat.

In the dim distant past, according to his own statement, the Finance Minister was a salesman of a British firm. That is his own admission. Though this may have happened in the past, I believe that he has not forgotten the arts and artifices of a salesman. He has circulated to us a very neatly got up folder with regard to the effect on the cost of living, of his taxation proposals. He would have us believe that as a result of the increase in the levy on coffee or tea or sugar, the increase in the cost of a cup of coffee or tea would perhaps be half a naya paisa or perhaps 1/3rd of a naya paisa. On the morrow of his taxation proposals, the proprietors of all the cafes and restaurants in Madras increased the price of a cup of coffee from two annas to two and a half annas. Perhaps this calculation of his is in line with the general calculation that he has made with regard to every one of his taxation proposals. With regard to newsprint, it was admitted by him that it was imposed in a state of absence of mind; but in fact the absence of mind involved an increase in the levy on newsprint by about Rs. 100 per ton.

18 hrs.

If the cost of living is going to increase only 1½ or 2 per cent., perhaps the levies may be justified, but the principal question is: at what stage does this come, and what are the likely consequences of such increased burden on the common man. He very conveniently forgets the chain reac-

tion of his proposals. Let us take, for instance, his levy on petrol and petroleum products. The increased tax on an imperial gallon of petrol is four annas. Before long the road transport services are bound to increase their fares in sympathy with the increase in railway fares and freights, and even he I am sure will admit that the cost of not only what he called the near-necessities of life, but even the bare necessities of life will be increased when freight charges are increased. Over and above this, he should also take into consideration the fact that there is a likelihood of a further dose of deficit financing to the tune of over Rs. 200 and odd crores.

The tenor of his argument in the Rajya Sabha was as follows in reply to Opposition criticism: why are you bothered about this 1½ per cent. increase in the cost of living. Within the last one week foodgrain prices have gone up by 18 per cent. which involves an increase in the cost of living of five per cent. and therefore, this increase in taxes is a very trivial and light burden. During the last one year, the cost of living has been rising very rapidly. The index of foodgrain prices during the last year rose by 15 per cent. Let us take a State like Madras. It is certainly not a deficit area. During the last six years production of foodgrains has increased by 40 per cent. In spite of the fact that there are about 2,000 fair price shops in Madras State selling through those shops about 3,000 tons of foodgrains per month and selling rice at about Re. 0-11-0 per Madras measure, the market price of rice today in Madras is Re. 1-5-0. When there is such strong tendency for prices to rise, if you are going to have deficit financing and on top of it also excise duties which are going to increase the cost of living, it is idle to suggest that the cost of living is going to be increased by ½ or 1½ per cent.

Again, we must also note that in spite of all his brave words, there is a tendency on his part to depart from the Plan. Originally it was defence of the Plan, then it was defence of the

[Shri Anthony Pillai]

core of the Plan, and now it is defence of the hard core of the Plan. Instead of saying that they are going to execute the Five Year Plan in six years, this is another way of putting it. It, therefore, necessarily involves a relatively greater expenditure on projects which are not likely to yield immediate results. In other words, the amount of extra consumer goods likely to be produced immediately is going to be less, and therefore the net effect of his proposals will be an increase in the inflationary pressures on the economy. The main aim of his budget proposals is stated to be to hold inflationary pressures in check, but ultimately he is bound to face the spiral of rising prices which will be uncontrollable. Far from being the saviour of the Plan, he is likely to be the grave-digger of the Plan. No doubt, desperate measures are being tried, but very often desperate measures rebound back on the proposer himself, and therefore the fears expressed by him that he may be a casualty of the Budget may very well prove true.

Mr. Chairman: The hon. Member's time is up.

Shri Anthony Pillai: One last point. We are told that there is the Plan and that the Plan is fixed and unalterable. The question is on this Procrustean bed who is to be stretched? The Finance Minister suggests that the most elastic layer of the population is the common man. Our humble submission is that the rich have developed enough adipose tissues during the last six years for a little surgical operation.

He suggests, and the Prime Minister this morning suggested, that the taxes have been fairly evenly distributed. The total proposed increased taxation from the rich will be only Rs 25 crores, while the rest is going to come from the common man, and already his standard of living during the last 18 months has been depressed

by roughly 20 per cent. Not that he is not already making a sufficient contribution towards the fulfilment of the Plan itself. Under the compulsory Provident Fund scheme an industrial worker is contributing 6½ per cent. of his total earnings. Organised labour is ready to contribute 8 1/3 per cent, provided there is a guaranteed matching grant on the part of the employer. They are not ready to accept that. They want us to contribute to the Plan without any guarantee of return.

Workers were advised during the First Plan to make sacrifices for the Plan and avoid disputes. To that extent there was a reduction in the number of labour disputes, but what has been the net result? The worker's standard of living has gone down by 25 per cent and there is to be a wider spreading out of pauperisation by dragging in the middle classes. What is Rs 250 per mensem? In real wages it means Rs 40 or Rs 45 before the war. Any industrial tribunal will admit it is not a living wage. Therefore, people who do not enjoy a living wage are to be pauperised for purposes of saving the rich.

They talk of incentives for the Plan. The First Plan is supposed to have succeeded, and there has been an increase in the national income by 11 per cent. In the meantime the standard of living of the workers and the peasant, has gone down. To whose benefit has this 11 per cent gone?—to the capitalist class. If there is difficulty today with regard to foreign exchange, why is it? Because you have been allowing the private sector to expand.

Mr. Chairman: The hon. Member should conclude now. Kumari Vedakumar:

Kumari M. Vedakumar (Eluru): "To love and to be wise, to tax and to please are not given to men." Taxes are really the most unpleasant things in this world. It is a pity there

cannot be a Budget without taxes. Here is a Budget which gives us a bellyful of taxes. All sorts of criticisms and compliments are showered on the Finance Minister for this. This Budget tries to find resources for the Plan, at the same time it gives a streamlining to the tax structure so that it may serve as an instrument which helps the attainment of a socialistic society. Whatever the logic that lies behind the Plan, one must accept that, as our standard of living is low and our productive capacity is meagre, this Plan must be implemented. There cannot be a cut in the aims or in its targets.

On the question of raising resources, some have suggested nationalisation, but nationalisation is no panacea to the problem of low production or incentives and the foreign exchange to buy foodstuffs and development materials. We do not believe in the elimination of classes. We believe in co-operation and co-existence of all classes. There is no penumbra of approbation round the concept of nationalisation. It is neither holy nor unholy. We are guided by national expediency and practicability. We look to others' experiences to avoid rocks and not to become slavish imitators. Let fools contest for the form of production. The best one is greatest produce coupled with proper distribution. There is no question of class conflict for us, our aim is all embracing class co-operation. Our aim is a socialistic or egalitarian society achieved through co-operation. Hence we use all methods, taxation, loans, nationalisation, deficit financing etc., to reach our goal. As we want a socialistic pattern of society, the tax structure should be progressive, redistributive and responsive to changes in incomes, while at the same time avoiding inflation and curbing tax evasion. As a first step towards this goal, expenditure tax along with wealth tax have been proposed. It is evident that the Finance Minister has drawn a lot of inspiration from the Taxation Enquiry Commission's Report and Professor Kaldor's suggestions in this regard.

Expenditure tax is a novel idea, good in itself in theory, but there is no precedent in any other country. Pigou has recognised its merits, but he fears that it is so difficult to collect it, and the scope for evasion is great that it cannot be administered efficiently. Professor Kaldor advocates this tax because he feels that 'Expenditure is a better criterion of taxable capacity.'

There is a lot of tax evasion, due to high progressivity, which is affecting the incentive to save also. So, he advocated the reduction of the maximum level to 45 per cent. so that saving might be favoured. And to avoid and curb tax evasion, he advocated expenditure tax. But the Central Board of Revenue think, that the tax-evading income is not more than one-third of what Kaldor has estimated, and they can catch that income if only the hands of the Income-tax Department are strengthened.

If the Minister had recognised the merit of Professor Kaldor's suggestion, he should have reduced the maximum rate to 45 per cent., or else, he should have kept the rate there and not levied this tax. But in keeping the maximum level there, and still imposing this tax, it appears the Minister is paying more attention to Government's views rather than to the interests of the taxpayers.

Another interesting feature of the Budget is the shower of indirect taxation. Direct and indirect taxes are two attractive sisters, as Gladstone puts it. A Finance Minister should court them with equal attention. So, to talk of monogamy here is a sin. Direct taxes, which indicate higher stages of political development check savings, while indirect taxes, naturally regressive, check inflation by curbing consumption and favour exports. If one says that the percentage of indirect taxation in the tax structure, which affect the cost of living is increased, one may not be correct. In fact, both indirect and direct taxes are increased, while their composition in the overall tax structure has remained comparatively stable.

[Kumari M. Veda Kumari]

The excise duties, for instance, affect the cost of living. No one disputes the importance of the fulfilment of the Second Five Year Plan, and the fact that all sections of the nation should bear the burden with a view to executing the Plan. For that purpose, we should ask those sections which bore less burden previously to bear a little bit more of the burden now, in order to make the Plan successful.

It is clear from the First Five Year Plan that the agriculturists, industrial labour and the profit-making classes were benefited a bit more than the others, while the position of the salaried middle classes took a turn for the worse. Even this Budget favours the agriculturists. It is true that the agriculturists pay more for the goods they buy now. But they are amply compensated by the rise in prices of the goods that they produce. Since 1948, the middle classes of our country have shouldered all the burdens of inflation as well as increased taxation. The loss of their real income might also be due to rise in prices, apart from taxation. A further reduction in consumption and income may chill their enthusiasm for the Plan. This class is doubly hit by the rise in excise duties as well as the lowering of the income-tax level. This adverse psychological feeling in a highly sensitive, intelligent and hard-working class is a thing which cannot be overlooked, especially in a democratic set-up like ours.

It is true that we have to invest more to step up the pace of progress. In China, the national income rose by 10 per cent. as compared with 2 per cent. in India, but China reinvested 22 per cent of its national income, while our investment was only about 8 per cent. But in this respect, that country has the undoubted advantage of a totalitarian State. But our path is different.

Now that the Plan must be implemented, the necessary funds must be

raised. It would be easier to raise those funds and implement the Plan, if only the proper (and feasible) atmosphere is created. It compels us to try and eliminate waste which is of quite a big proportion. In the search for funds, some have suggested the scrapping of prohibition, and also the introduction of the salt tax. What is interesting here is that the Minister has said that the suggestions may be wise ones, but he would not be disloyal to the tenets for the time being. Does it mean that his loyalty is only a question of time? I wish his rejection of this proposal is made on a more rational and logical basis rather than on mere sentimental and emotional grounds. When conditions change, and expediency compels us, it would be useful if we adjust ourselves to the new and changing circumstances.

When the Finance Minister is running amuck for indirect taxation, I wonder how he has failed to notice that commodity, whose demand is highly inelastic. Let him levy a tax on lipstick, and at the end of the Second Five Year Plan, we can find less number of painted women.

There is nothing wrong in any of these tax proposals. But what we ask is whether we cannot raise the same funds in a less uncongenial way. Let not the common man think that the heart of the Finance Minister is pulsating and bleeding, because his (heart) blood is already sucked by the Budget.

Criticism of these proposals does not mean that we doubt either the capacity or the ability of the Finance Minister. What we want him to accept, and what we think, is that there is a huge wastage in expenditure and corruption in administration. So, we request him to see that all precautions are taken for the elimination of waste and corruption.

What worries me is whether every pie that is raised is well spent, and every tax that is in the hands of Government is used well.

भी साथ साथ (जानवर-परिक्षण-अनु-सूचित जातियों) : समापति महोदय, हम बजट के अन्दर जो नये टैक्स लगाये गये हैं उनके मुताबिक मैं कुछ अर्थ करना चाहता हूँ। मैं समझता हूँ कि बिना टैक्स लगाये कोई भी मुल्क तरक्की नहीं कर सकता है और हमारा देश कोई एक्सेपशन नहीं है। हमारी जो योजना है वह बगैर टैक्स लगाये पूरी भी नहीं हो सकती है। इसके बगैर हमारे देश में खुशहाली नहीं आ सकती है। लेकिन जिस तरीके से नये टैक्स लगाये गये हैं, उसमें मुझे थोड़ा सा इखतलाफ है। हमारे देश में तीन तरह के लोग हैं। एक तो वे हैं जो बड़े बड़े लैंडलार्ड हैं बड़े बड़े मरमायादार हैं, एक वे हैं जिनको हम दरमानी तबका कहते हैं, जिनको मिडल क्लास के नाम से पुकारते हैं और तीसरे वे हैं जो बहुत गरीब हैं, जिनके पास पैसे नहीं हैं, पैसा नहीं है, रोजगार नहीं है, खाने को अन्न नहीं है, और पहनने को कपड़ा नहीं है। ये वे लोग हैं जो पेट भर खाना भी नहीं खाते हैं। हम देख रहे हैं कि मैं जो टैक्स हूँ वे सब लोगों पर बराबर बराबर लगाये गये हैं। आपने चीनी पर, चाय पर, सिगरेट पर तम्बक पर और कई दूसरी चीजों पर टैक्स लगाये हैं। ये सब चीजें हैं जिनका उपयोग केवल लोग करते हैं जो इस देश में रहते हैं, चाहे वे गरीब हों या अमीर रूस हों या भिखारी। अमीर लोगो पर टैक्स लगाने चाहिये, हमसे भी पूरा इतिफाक करता हूँ। लेकिन मैं समझता हूँ कि हमारे देश में गरीबी में बहुत घर कर रखा है, अभी हमारे देश में बीमारी बहुत ज्यादा है, अभी हमारे देश में निरक्षरता बहुत ज्यादा है, हमारे देश में अभी ऐसे लोग मौजूद हैं जिनके पास रहने के लिये अकान नहीं है। और वे सड़कों पर सो रहे हैं। आज मैंने अपनी आंखों से देखा है कि छोटी छोटी शोपड़ियों में १०, १० और १२, १२ आदिमियों के परिवार अपने दिन काट रहे हैं। आज हमारे देश में शेडयूल्ड कास्ट, शेडयूल्ड ट्राइब्स और एबम किमिनिल ट्राइब्स के गरीब किसान और छोटे छोटे दुकानदार और नीचे तक के भाई जो गांवों में बसते

हैं उनको भरपेट भोजन मुहत्तर नहीं है और वे भूखे नजर आ रहे हैं। हमारी पंचसाला योजना में मुल्क को कुछ फायदा अक्षय हुआ है इसके इंकार नहीं किया जा सकता लेकिन जिस निशाने पर हम मुल्क को पहुंचना है वा पहुंचा है। हमारी गवर्नमेंट इरादा रखती है वह मजिल और वह निशाना अभी बहुत दूर है। मैं यह भी मानता हूँ कि प्लानिंग के वास्ते हमारे मुल्क में रहने वाले को टैक्सों का और अधिक भार उठाना पड़ेगा लेकिन वह टै-म हमें इस तरह में वसूल करने चाहिये ताकि गरीब और मृगीबतजदा हमारे भाई और ज्यादा फायदा पायें। इस देश के गरीब लोग तो पहले ही करो के भार में दबे हुए हैं और इन अतिरिक्त करों लगाने से तो प्रायः उनकी बचत ही तोड़ देंगे। टैक्स लगाते वक़्त हमें यह देखना चाहिये किस दर्जे के आदिमियों के टैक्स का बोझ ज्यादा पड़ता है। इस देश में ८० फीसदी जनता देहाती में बसती है जब कि २० फीसदी लोग शहरों में बसे हुए हैं और शहरों में भी मैंने देखा है कि गरीब वर्ग के लोग रहते हैं। उदाहरण के तौर पर दिल्ली जहां कि बड़ी बड़ी इमारतें, मालीखान महलत और बगले खंडे हैं और तामिर हो रहे हैं, उसी दिल्ली में हजारों की तादाद में लोग ऐसे रहते हैं जिनके कि पास रहने को अकान नहीं है और वे सड़कों, फुटपाथों और मैदानों में रातें गुजार देते हैं। अभी २६ तारीख को जब मैं एक हरिजन बस्ती में गया तो मैंने देखा कि १५० हरिजन परिवार लौधी कालोनी के नजदीक खुले में अपनी छोटी छोटी शोपड़िया बना कर उनमें अपनी जिन्दगी के दिन काट रहे हैं। शोपड़ियां बहुत छोटी हैं और मैं समझता हूँ कि एक सेज भर की जगह उनमें होगी और एक एक शोपड़ी के अन्दर १०, १० और १२, १२ आदिमी रह रहे हैं। मैं पूछना चाहता हूँ कि क्या उन आमागे लोगों के लिये भी इस देश में कोई जगह होगी और क्या उन्हें भी सुल और चैन का सामने का मौका नहीं बनेगा? मैंने इसलिये शुरू में अपने जित

[श्री साधू राम]

मंजी मन्त्रोदय में पार्यना की है कि टैक्स लगाते वक़्त इस बात का ध्यान रखें कि कहीं उन टैक्सों से हम उन गरीब और जमाने में के सताये हुए लोगों पर तो और अधिक भार नहीं डाल रहे हैं।

आज मैं देख रहा हूँ कि हमारे शोडयूल्ड कास्ट भाइयों की हालत बड़ी खराब है। राज्यी में उनकी हालत बड़ी खस्ता है। गवर्नमेंट ने हरिजनो को रिजर्वेशन, स्कालरशिप्स और स्टाइपेंडस प्रावि दे कर उनकी आर्थाई का इंतजाम किया है। इस वक़्त के अन्दर शोडयूल्ड कार्टस, शोडयूल्ड ट्राइब्स और अदर बैकवर्ड क्लामेज के लोगों को स्कालरशिप देने के वास्ते डेढ़ करोड़ रुपया रकमा है। वह तमाम हिन्दुस्तान में मैट्रिक के ऊपर कागिज के गडको को दिया जायेगा। इसी तरह हम देखते हैं कि बैकवर्ड क्लामेज और शोडयूल्ड ट्राइब्स और डेवलपमेंट आफ शोडयूल्ड एरियाज के वास्ते ४ करोड़ ९३ लाख की रकम बजट में रक्की गई है और अग्रर संट्रल गवर्नमेंट और स्टेट गवर्नमेंट्स ने फिफटी फिफटी खर्च करना है तो उसका मतलब यह हो जाता है कि ८ करोड़ के लगभग वह रुपया हो जाता है। ग्रान्ट्स टु दी स्टेट्स फार दी वेलफयर आफ शोडयूल्ड कास्ट्स एंड डेवलपमेंट आफ शोडयूल्ड एरियाज के लिये ६ करोड़ ४४ लाख और ८९ हजार रुपया रक्खा गया है और अग्रर इन रकमों का टोटल कर दिया जाये तो ११ करोड़ के लगभग यह रकम बनती है। इन समय इस देश में शोडयूल्ड कार्ट्स, शोडयूल्ड ट्राइब्स और दूसरे लोग जो अछूत कहलाने हैं या जिनको कि हरिजन का नाम दिया गया है, उनकी तादाद करीब ३ करोड़ के हैं जब कि हमारे देश की कुल जनसंख्या करीब ३६ करोड़ या ३७ करोड़ की है जिस का कि मतलब यह हुआ कि हमारे उन भाइयों की तादाद देश की कुल तादाद का कम से कम पांचवा हिस्सा है। आज हालत यह है कि जस पांचवें हिस्से के लोगों के पास अपनी

जमीनें नहीं हैं, मकानात नहीं हैं, उनके बच्चों के पढ़ने का माफूल इंतजाम नहीं है और दवादाक का उनके लिये कोई समुचित प्रबन्ध नहीं है और उनकी हालत बहुत खराब है। इसके अलावा हमारे गरीब किसान और मिलों में और छोटे छोटे कारखानों में काम करने वाले मजदूर भी इसी श्रेणी में आ जाते हैं क्योंकि वे भी गरीबी का जीवन व्यतीत कर रहे हैं और आपको इस तरह पना चल जायेगा कि हमारे देश की एक बहुत बड़ी जनसंख्या, बड़ा बहुमत गरीबी रूपी चक्की के दो पाटों के बीच में पिस रहा है और यह जो हम उन पर और अधिक टैक्स लगाने चले है तो इस में तो उनकी तकलीफों में और ज्यादा इजाफा होने जा रहा है। मैं मानता हूँ कि हमारी सरकार का पंचवर्षीय योजना को पूरा करने के लिये काफी रुपये की जरूरत है और जाहिर है कि वह रुपया अतिरिक्त टैक्सों के जर्ग्ये से वसूला हो सकता है। आप टैक्स लगाइयें लेकिन टैक्स डनी नमीमिटीज आफ लाइफ पर न लगा कर लवजरीज पर लगाइयें क्योंकि इस तरह गरीबों पर और अधिक भार नहीं आइगा और अमीर लोग लवजरीज वा इस्तेमाल करने के लिय कुछ ज्यादा देना मजूर न लग। टैक्स बड़ बड़ नैचुलाइम्स और पूजागणियों पर लगाने चाहिये न कि उन ८० फीसदी गरीब तबके पर जा कि पहले में ही काफी मुर्मावन और परेशानी में मुब्तिला है।

अग्रर आप इस देश का विकास करना चाहते हैं तो आपको इस देश के गरीब लोगों की हालत को बेहतर बनाने के लिय और अधिक रुपया खर्च करना चाहिये। मुल्क की तरक्की की जो स्कीम है मैं मानता हूँ कि उन पर बहुत रुपया खर्च होता है और खर्च करना भी चाहिये और इस तरह से ही मुल्क तरक्की कर सकेगा लेकिन गरीबों की नब्ज और मुल्क की हालत को देखकर हमें प्रागे बढ़ना चाहिये। आज जब हम दिल्ली में बड़ी बड़ी इमारतों और भालीशान बंगलो को देखते हैं तो थोड़ी देर

के लिये हम यह समझने लग जाते हैं कि हमारा मुल्क गरीब नहीं है लेकिन जब म गांवों में रहने वाले उन हरिजनों की हादसा को देखता हूं कि वह कसे झोपड़ियों में मुफलिसी का जीवन व्यतीत कर रहे हैं तो हमारी आंखें खुल जाती हैं और असलियत बेनकाब हो कर हमारे सामने आ जाती है। आज हमें इस बात का प्रयत्न करना है कि यह जो गरीबी और भुखमरी हमारे देश में फैली हुई है यह जल्द से जल्द दूर हो और यह तब तक संभव नहीं है जब तक कि हम अपने देश में लैंड रिफार्म नहीं करते, मिलों और दूसरी प्राइवेट इंडस्ट्रीज का नेशनलाइजेशन नहीं करते और स्माल स्केल इंडस्ट्रीज और कोटेज इंडस्ट्रीज को समुचित प्रोत्साहन नहीं देते और देश में से निरक्षरता का अभिशाप दूर नहीं करते। इन सब बातों को करने के लिये हमें अपनी गति बढ़ानी होगी। हमें देहातों में बसने वाले उन मुसीबतजदा हरिजन भाइयों के लिये और उनके परिवार वालों के लिये दवादारू का समुचित प्रबन्ध करना होगा, उनके लिये अस्पताल खोलने होंगे।

हमें कोटेज इंडस्ट्रीज को काफी प्रोत्साहन देना होगा क्योंकि इन धंधों में हमारे काफी भाई लगे हुए हैं। आज उनकी बड़ी खराब हालत है। आज गांवों में जो सामान इत्यादि बे बेचारे तैयार करते भी हैं उसकी निकासी का गवर्नमेंट की ओर से कोई माकूल प्रबन्ध नहीं होता है और उनका बनाया हुआ सामान वहीं पड़ा रह जाता है और उसको मार्केट नहीं मिलता है जब कि हम देखते हैं कि बड़े बड़े मिलों और कारखानों का बना हुआ सामान देश में फरोख्त हो जाता है और दूसरे देशों में भी बह जाता है लेकिन उन गरीबों द्वारा बनाये हुए सामान की कोई पूछ नहीं होती और उसकी बिक्री और मार्केट के लिये गवर्नमेंट द्वारा कोई माकूल प्रबन्ध नहीं होता है। जब तक इस ओर सरकार ध्यान नहीं देती और उनके सामान के लिये मार्केट नहीं बनाती तब तक उनकी हालत

बहतर होना मुश्किल है और गरीब जनता को भरपेट रोटी और कपड़ा मिलना दुर्लभ है।

इसके अलावा मेरा एक सुझाव यह भी है कि हर एक आदमी का एक धंधा होना चाहिये। यह न हो कि एक जमींदार जिसके कि पास जमीन है, वह गवर्नमेंट सर्विस भी करे और दुकानदारी भी करे। उसका एक धंधा होना चाहिये। मेरा ख्याल है और मैं सरकार को मशविरा देता हूं कि एक धंधा मुल्क में एक कैटेगरी के वास्ते कायम करना चाहिये। जो सर्विस में हैं उनको जमीन नहीं चाहिये और जो जमीन वाले हैं उनको दूसरा धंधा नौकरी या दुकान वगैरह नहीं चाहिये।

मुल्क में अगर एक धंधा कायम किया जायेगा तो मुल्क खुशहाल हो सकेगा और हमारा देश कामयाबी की मंजिल की ओर कदम बढ़ा सकेगा . . . . .

**Mr. Chairman:** Order, order. The bell has been rung thrice. The hon. Member must pay heed to it. After all, he also agreed that not more than ten minutes should be allowed to every Member. He is a party to that decision and he will have to respect that decision. I now ask him to conclude.

## BUSINESS ADVISORY COMMITTEE

### SECOND REPORT

**Shri. Shree Narayan Das** (Darbhangra): I beg to present the Second Report of the Business Advisory Committee.

### ANNOUNCEMENT RE: ELECTION TO COMMITTEES

**Mr. Chairman:** I have to make an announcement. The time for election