

[Sh. Chitta Basu]

right, now resting with the Viswa Bharati University by a Trust deed executed by the poet himself. They also submitted relevant papers in justification of their request, including legal opinion obtained from a retired Judge of Calcutta High Court.

Tagore, the Philosopher, Writer, Composer, Educationist and Artist stands on a unique pedestal. It is the responsibility of the Government to protect his true image which may not be possible through likely uncontrolled commercialisation of his works after the copyright period ends on 31st December, 1991.

The Government have let it known that the provisions of the Copyright Act, 1957 were under comprehensive review and the issue of extension of copyright would be duly considered along with the ongoing review.

As the matter is very urgent, it is imperative to delink it with the comprehensive review of the Copyright Act, 1957 and early decision taken on the merit of the issue itself.

(viii) Need to Construct an overbridge at Chalakudy Railway Station

PROF. (SHRIMATI) SAVITHRI LAKSHMANAN (Mukundapuram): Sir, construction of a foot over bridge at Chalakudy in place of the road closed by the Railways at the time of platform extension is essential. An existing road on the southern side of the Railway station crossing the rail track from East to West of Chalakudy Municipal area was closed by the Railway authorities without considering various problems of the commuters. On representation to the Southern Railway authorities, the response from the authorities was not favourable. Moreover, the existing road was closed permanently.

The four divisions of Chalakudy Municipal areas on the western side of the track and the school going small children, immobile patients, pregnant women, office going per-

sonnel are forced to cross the track to reach the eastern side risking their lives to reach their destinations of work.

In view of the above difficulties, I strongly urge upon the Government of India for an early construction of a foot over bridge at Chalakudy railway station connecting western side and eastern side of the railway track.

13.16 hrs.

The Lok Sabha then adjourned for Lunch till Fifteen Minutes past Fourteen of the Clock

The Lok Sabha re-assembled after Lunch at Eighteen Minutes past Fourteen of the Clock

[SHRI P.M. SAYED *in the Chair*]

FINANCE (NO. 2) BILL - 1991 — *Contd.*

[*English*]

MR. CHAIRMAN: The House will now take up further consideration of the Finance (No. 2) Bill. Shri Ram Kapse to continue his speech.

SHRI RAM KAPSE (Thane): Mr. Chairman, Sir, Yesterday when I started my speech, I have reminded the Finance Minister of his post-budget press briefing. The Finance Minister stated the following objectives in presenting the Budget for the year 1991-92: the first was adjustment with a humane-face; the second was, encouragement to economic growth and the third was checking inflation. Now, after nearly two months it is clear that we have galloping inflation and the price rise is nearly 20 per cent even in the period of August-September, the months in which inflation is generally under control. So, you can imagine about the next few months.

Sir, in this connection I would like to say

that the poor, the lower-middle classes and the vulnerable sections of society such as the pensioners, widows are the worst hit. It is the responsibility and duty of the Finance Minister to protect the needy and the suffering sections of the Society—urban as well as rural. He should withdraw all measures which hurt these classes and which go against the existing avenues that look after their interest and which will also generate employment. My amendments are guided by these basic principles and I request the House to support them unanimously.

My first amendment is about the raising of income-tax limit from Rs. 22000 to Rs. 58,000. The Finance Minister stated in his press briefing that the reforms will have a humane face. But what human consideration is kept in mind when, after devaluation and inflation, he refuses to raise the income-tax limit? People below the poverty line are undoubtedly hit the most. But at the same time, all persons with low fixed incomes find it very difficult to make both ends meet—whether in villages or in cities. I request him to be humane and raise the income-tax limit.

The Finance Minister has accepted our amendment to the proposed extension of the expenditure tax on restaurants and we thank him. But I fail to understand the retaining of the air-conditioning criterion. Because of inflation, the restaurants are already under tremendous pressure and the extreme congestion in cities like Bombay means that air-conditioning is no longer a luxury, at least in Bombay.

I also propose an amendment about the tax-deduction at source from interest on bank deposits where it exceeds Rs. 2,500 in a year.

The small depositors are panicky today because for many of them this interest is the only source of income. The pensioners, widows, old people who have deposited their life's earnings with urban banks have already started withdrawing their term deposits from these banks. Actually, Governments earnings from this move will not be

very high. But it is against the interest of the needy and also against the growth of the cooperative movement. It also does not help the saving habit and creates problems both for the banks and for the Income-Tax Department. Under the Income-Tax Act, Section 80L, the income from interest up to Rs. 7000 is exempted. Does not this move run contrary to the income-tax provisions?

The same arguments apply to deduction of income-tax at the rate of 20 per cent on withdrawals from the National Savings Scheme and the three per cent tax on profits earned by banks. I propose an amendment to withdraw these measures.

The cooperative banks are democratic institutions which have got rid of extortionist money-lenders. They cater to the credit needs of the lower strata of society by mobilising deposits from the same class of society. They have brought in large amounts of money, nearly Rs. 8,559 crores of deposits mostly through small savings. They have helped the regulatory authority to achieve the desired effect in price mechanisms and helped the saving habit. They have played a pivotal role in the social and economic upliftment of lower and lower middle classes and weaker sections of the society. They have immensely contributed to self-employment and employment generation through financing small scale industries. If they are forced to increase the lending interest rate, these clients too will be badly hit, and the small scale industries are already placed in a very bad condition today.

In fact, the Finance Minister can help a small scale industry namely the Paint manufacturers by restoring exemption in excise duty. There are nearly 2000 small units which manufacture paint and which also have to compete with powerful large scale units. With the introduction of 22 per cent excise duty, they will not be able to compete successfully with the large scale industries.

I urge the Finance Minister to favour the small-scale industries and to ensure that they will flourish and not extinguish.

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In conclusion, I would like to request the Finance Minister to do some serious soul-searching and consider where we are going. No one disputes the pressing need for reforms but the cure should not be worse than the malady. After his measures about fertilizer subsidy and cooperative banks, the only measure of equality regarding both the urban and the rural population seems to be an insensitive attack on the most vulnerable sections of both areas.

We should always keep in mind the developing nature of our country and its glaring inequalities. The need today is to protect the poor, and to remember Shumacher's words that "small is beautiful".

SHRI CHINNASAMY SRINIVASAN (Dindigul): Mr. Chairman, Sir I wish to say a few words on the Finance Bill. The country is in a deep crisis and we have to take very hard measures. New taxes have been proposed to net Rs. 2,500 crores. While essential commodities have been exempted, has consumption items are going to cost more. There is generally a fear among the public that prices will rise very steeply. The prices have indeed risen very steeply affecting the common man. Unless the Prime Minister takes drastic steps to contain black money and hoarding, the price will counting to shoot up..

The increase in fertilizer price will be passed on by the big farmers on to those poor farmers and thereby affecting their wages. Therefore, the fertilizer price increase in respect of all farmers should be dropped.

The LPG is a common consumption item, used by all. The increase would discourage the use of LPG and many in the villages would take to the traditional way of using wood as fuel thus leading to felling of tree. To avoid their implications, the Finance Minister must restore the prices of LPG cylinders.

A democratic country must have a free press. The newspapers promote to literacy, educate the masses and enlighten them. The steep hike in newsprint would increase the price of newspapers. This would give you a setback to information being spread in the villages. Therefore, this sector should be left untouched.

One the whole, I welcome the concession given to big and small scale industries. Licences in respect of many of the industries have been abolished. This would really halt the generation of black money.

As the Government is keen in increasing industrial production, the Government must also be keen in seeing that all Government sponsored schemes are cleared without any delay.

The Tamilnadu Government has requested for an aromatic plant in Madras. That should be cleared immediately. The Southern gas pipeline project is also pending for a long time. The project is feasible and would help Tamilnadu to tide over the power crisis. I urge upon the Government to accord high priority for clearing the project.

There was a proposal to set up a cine colour film unit in Ooty. The letter of intent are already issued. The Government, must set up this colour film unit in Ooty so as to help the backward industry in Tamilnadu. I request the Government to direct the concerned department to take immediate steps regarding setting up of this Ooty colour film unit.

Coal to Tamilnadu Electricity Board as to come from Paradeep Port. It involves a long rail and road transportation. If the coal handling operation at Paradeep Port mechanised, then coal will, at lesser cost, reach the TNEB for power production.

A free port can be established in Tuticorin or Kanyakumari. It is still pending the Consideration of the Central Government. It should also be cleared immediately.

During the oil crisis due to Gulf war, the Central Government imposed a cut of 10 per cent in diesel on Tamil Nadu State Transport Corporation buses. Now the situation has relaxed. The cut should be removed. Nearly 70 per cent of bus passengers use State transport buses. This should, therefore, be done immediately.

Shri Rajiv Gandhi had a technological mission for providing drinking water to rural areas. For this year, the State Government is willing to provide Rs. 40 crores for rural drinking water programme. I request the Central Government to provide matching grant for implementing the scheme.

For improving the police in Tamil Nadu, Rs. 20 crores were asked for during 1991-92. The Central Government perhaps is willing to provide nearly Rs. 10 crores. This matter involves public safety and the demand in full must be met.

Under the dynamic leadership of Puraichi Thalaivi Jayalalitha, Tamil Nadu Chief Minister, the State Government as strictly imposed prohibition in the State and the cheap liquor project has been abolished. This has resulted in Rs. 320 crore revenue loss during the current year. The Central Government provide special grant to compensate this revenue loss.

I welcome the Finance Bill. Finally, I request the Government to increase the income-tax limit to Rs. 48,000 in respect of salaried class.

I hope the hon. Minister would consider all the suggestions I have made and favourably respond at the time of his reply. With these words, I conclude. Thank you.'

SHRI SANDIPAN BHAGWAN THORAT (Pandharpur): Mr. Chairman, Sir, I rise to support the Finance Bill with some suggestions. The Finance Bill, moved by the hon. Finance Minister, is very useful for the country in the present days.

The Planning Commission is the main

body which comes to play the financial role of the country. As Member of the scheduled caste community, I feel that there is no Member in the Planning Commission who represents the interests of the scheduled castes and scheduled tribes. Because you also belong to scheduled tribe, I suggest through you that at least one Member should be there in the Planning Commission so that our interests are safeguarded.

There are some provisions in the Plan itself. The Plan process is a very important process in the country. While preparing the Plan, if sufficient amounts not provided for the welfare of the scheduled caste and scheduled tribes, then, what is the need of here moving the Bill. So, I would suggest that at least one eminent Member should be from scheduled castes or scheduled tribes. Who will look after the interest of the scheduled Castes and Scheduled Tribes.

When you look to the Annual Report of the Planning Commission, you will find that only five lines are mentioned in the whole report. Only there is one Backward Classes Division in the Planning Commission.

Only five lines are mentioned about the Backward Classes Division in this Report. With your permission, I would like to read those five lines, I quote:

"Backward Classes Division: Detailed discussions were held with States and Union Territories to finalise the special component plan for Scheduled Castes (SC/ST) and Tribal Sub-Plan (TSP) for the Eighth Five year Plan and the Annual Plan, 1991-92 after reviewing the programmes for enabling suitable adjustment in policies and programmes implemented for the development of Scheduled Castes and Scheduled Tribes."

Unquote

This is the only mention in the Report about the backward classes. They have consulted with the states and the Union Territories. So,

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I suggest that there should be a representation in the Planning Commission. The schemes which had been formulated during the pre-Independence period are followed now. So, I would suggest that the schemes which are beneficial to the Scheduled Castes and Tribes should be formulated anew and a new perspective plan for the Scheduled Castes and Tribes, which may be for ten or twenty years, should be prepared for their welfare.

Another point which I would like to suggest is that a separate Planning committee should be appointed at the State level. Unless there is a separate body at the state level, the grievances of the Scheduled Castes and Tribes could not come to the States' notice. The State planning committee should be adequately represented. I suggest that there should be a separate body or a planning committee for each and every State and UT. At this juncture, I would suggest that the overall economic development of the Scheduled Castes and Tribes in the country is essential. This portion constitutes 1/5th of the total population of India. Unless proper attention and monetary benefits are given to this Community, there will not be a peaceful India. These people are agitating for over 40 years after Independence but still no proper and adequate amenities are provided for them. Unless there is proper planning for these people, their economic grievances would not be solved. For this purpose, I would suggest that State planning committee, which would be constituted should be go to the district level and at the district level also there should be a District Development Council for the welfare of Scheduled Castes and less Tribes. Though there are tribal sub-plane, so far as Scheduled Castes are concerned, special component plans which are being implemented through the States give rise to a very wonderful situation. I would like to quote one example, that is, the IRDP scheme. Though it is implemented through the special component plan, what actually happens at the district and taluka levels is not very satisfactory. The beneficiaries are

given loans through banks as per the plan. But the first and foremost grievances of the Scheduled Castes is that banks are not coming forward to finance them.

The Banks have their own targets and they say that their target is completed and therefore they will not finance any further. Then there is the second aspect. There is a provision for 50 per cent subsidy and 50 per cent loan. But the Bank officers ask these people to take the 50 per cent subsidy and 50 per cent loan amount is adjusted without its being given to the beneficiaries. These things are happening. The real benefits do not reach the Scheduled Castes and Scheduled Tribes persons in the rural areas. For this purpose, Schedule Castes Development Council on par with the Zilla parishads should be formulated. Here, I may mention the example of Maharashtra. The Zilla Parishads and Panchayat Samithis Act was passed in Maharashtra. Through that Act, rural people are being educated about their political rights. If there is a Scheduled Caste Development Council at the district level, on the lines of Zilla parishads, it will help to create awareness among these people about their rights.

So far as economic benefits are compared, there are States Corporations to help the Scheduled Castes and Scheduled Tribes people. But these corporations are not being funded properly at the State level as well as at the Central level.

Even at the central level, there is the National Scheduled Caste Finance Development Corporation. But the funds provided for these Corporations are very meagre. They do not come forward to finance big projects which can be prepared, formulated and implemented by the Scheduled 'Castes entrepreneurs. So, my suggestion is that the funds provided for these Scheduled Castes and Scheduled Tribe Development Corporations should be increased. Here I would like to pint out that all the State Corporations throughout the country are provided just Rs. 68 crores. The population of SC/ST according to the 1991 census in nearly 17 crores;

and the fund comes to them is Rs. 4/- per capita. Only this much amount is provided for the economic benefit of the Scheduled Castes and Scheduled Tribes. This amount is very meagre and it should be increased. Mr. Finance Minister Sir, this is what is happening in our country. You please see to it that this amount is increased. Sufficient funds should be provided to these corporations.

So far agricultural benefits are concerned, the land of the small farmers belonging to Scheduled Castes and Scheduled Tribes is normally situated out of the purview of surface irrigation. This is because cost of these lands are given to them through the surplus land made available by the land legislation in the States. So naturally their lands are out of the purview of irrigation facilities.

Sir, these people do not get the benefit to surface irrigation, constructed through dams etc. So, my suggestion would be that if they are not able to get the surface irrigation then there should be some provision in the Finance Bill or the Budget to dig wells for them, and it should be done free of cost. They should not be asked to go to banks and seek loans to dig wells. Government should bear all the expenses involved in digging the wells.

Regarding the credit flow to the Scheduled Caste and Scheduled Tribes people in the rural areas, I would like to say that banks are not cooperative to the Scheduled Caste and Scheduled Tribe people. So, my suggestion is that if the Scheduled Caste and Scheduled Tribe people are prepared to come forward to have their own cooperative banks in the districts, they must be given the facility to open their own bank in the cooperative sector. In Maharashtra the Cooperative Sector is much more beneficial to the rural people. So, these people should be given licence and all the hurdles which are put forth by R.B.I. should be done away with.

Though there is free education to everybody in India, the educational facilities are

very poor. What happens is that the Scheduled Caste and Scheduled Tribe people live in rural areas. Almost 84 per cent of the Scheduled Caste and Scheduled Tribe population lives in the rural areas. Suppose the husband and wife both are landless labour, and they go for work on Jawahar Rozgar Yojana, to earn their livelihood they remain out of their home for the whole day. Their child cannot go to the school and if he goes to school, then there will be no one to take care of that child. So, my suggestion is that you should open residential schools in each revenue circle of each Taluka so that the child can get education up to 10th or 12th standard.

The whole House is very much concerned about the atrocities being committed on the Scheduled Castes and Scheduled Tribe people. Every section of the society, you I and even the Prime Minister, is concerned about it, but we are not still able to find its solution.

There is a link between the people who commit atrocities and the big bosses.

So, my suggestion is that there should be a higher officer who can come and help the Scheduled Caste and Scheduled Tribes, who are residing in that particular area where the atrocities are committed. You should create an impression that there are people who take care of their interests. Unless this feeling is created in the minds of the Scheduled Castes and Scheduled Tribes, the atrocities will go on continuing. The Centre should not see that this is a State Subject. I know that the Centre is also very much concerned about the welfare of the Scheduled Castes and Scheduled Tribes.

I would suggest that a coordination committee should be less appointed, which should be headed by a Scheduled Caste person so that there should not be a quarrel between the Centre and the States.

This is provided in Article 263. There should be some Coordination Committee for monitoring the welfare activities of the Sched-

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uled Castes and Scheduled Tribes. The Centre should not say that the States should look into such matters.

One paper project was proposed to be set up in my constituency at Mimgaon (T) in Madhu Taluk in Distt. Solapur. For which a licence has already been sanctioned. But I am told that according to last Governments policy the public sectors should not be financed and now that project is going to someone else in Private Sector. I would request the hon. Finance Minister, through you, that this project should be taken over by the Rashtriya Chemicals and Fertilizers Ltd.. as the licence is already with the RCF. The proper and adequate provision be made in the Budget.

With these few words, I conclude.

SHRI UDDHAB BARMAN (Barpeta):
Mr. Chairman, Sir, while introducing the Finance Bill, the hon. Finance Minister has given certain concessions on direct and indirect taxes. It is also good that you have withdrawn taxes interest in case of Cooperative Societies acting as lending institutions.

Sir, I would say that these concessions do not change the basic reaction of the Budget, the direction set by the IMF conditionalities. Essentially, the conditionalities of the IMF are cuts in food subsidies and other welfare measures, dismantling of public distribution system, privatisation of public sector, liberalisation of imports etc. This will undermine the self-reliance of our economy. This means further to place the entire burden of the grave crisis on the shoulders of the common people.

The crisis in our economy and consequently the crisis in BOP is not the creation of the common people but the result of the policies pursued by the ruling party since independence.

The policies serve basically the interests of the landlords and monopolists-national and international.

The IMF loan taken in 1981 did not stabilise the BOP, it belies the statement made by the Government. It is better to remember that the path of liberalisation pursued during the period of 1984-89 and not controls and regulations led to be present crisis. The imports feeding the elitists and import intensive production structure, as well as all kinds of non-Government imports were mainly financed by indiscriminate international borrowings which included large short terms loans that accounted for almost 50 per cent of the additional borrowings in 1988-89.

In the midst of this crisis, the Finance Minister has asked the people of our country to safeguard the national interest. In this context, I want to say that we should not equate the national interest with the interest of the monopolists and landlords.

India is now such a country that out of 120 countries in the world, its position is 21st and the income of 2 per cent of families is equal to 98 per cent of the families. Now, how is our national interest is being served in the budget?

Take the question of price hike. Already there is above 15 per cent inflation. The devaluation and the cut in subsidies and price hike in petroleum products and sugar will further increase the prices. The increase in fare and freight charges in Railway Budget will have a cascading effect on price situation. This will erode the real income of the common people.

There are no radical structural changes in the taxes. In the Budget, the indirect tax dominates. There is a claim of increase in direct tax. Ever since 1950-51, we have seen that the amount of excise duty on a number of items has increased and the number of items under the excise duty has also increased. The increase in the corporate tax is minimum.

Even in this Budget also, the income and wealth of the rich-both urban and rural-is hardly touched. Bulk of the extra revenue

is coming from the increase in special excise duty and the hike in prices of the petroleum products.

It can be seen that additional revenue from direct tax almost amounts to Rs. 504 crores. The additional tax effort plus the revenue resulting from price hike in petroleum products almost accounts to Rs. 3,407 crores excluding the Railway Budget. Out of this, only Rs. 504 crores that is one-seventh comes from additional direct tax; and the main path of the Corporation tax also comes from the public sector undertakings.

We have seen that in a country where almost one-third of the population is below poverty line, rich are paying the minimum taxes; that is how they are making sacrifices for the nation.

The new industrial policy will, I think, create a havoc because this is a policy of delicensing, scrapping of MRTP limit, and invasment of private capital in as many as ten areas reserved for the public sector, opening the door wide for multinational etc. Now there is a hue and cry for privatisation of public sector.

15.00 hrs.

Hera is a report by the RBI which says that in the private sector only there are more than 1,20,000 sick units. The causes for the closure or the sickness of the industries are also given in the report.

In this context it is better to remember what the Chairman of BIFR says :

"The unit becomes sick but the persons responsible for making the units sick continue to become more and more affluent."

That is the condition in our country.

Again, the investment in our public sector is raised only by about ten percent. And as there is devaluation of Money, in real term it will be far less. So, the problem of unemploy-

ment will be further aggravated.

Again this policy of liberalisation of imports is also not correct. It is seen from the experience of the Third World countries, that in spite of the devaluation there is no increase in the exports. It is also seen in the context of the trade policy, that there is less encouragement for the export of manufacture of goods because only traditional goods are export items.

The price of tea in London market-yarn is gratefully decreasing. So, this import policy will not, think, bring in any thing good for the country.

In the field of rural development there is only an increase of about eight per cent compared to the last year's figure. This will only touch the fringes of the problem, as there are 130 million agricultural labourers in our country. The real problem is, to develop the rural areas we have to bring about radical land reforms. This will not only create the basis for eliminating the attacks on the Scheduled Caste, and Scheduled Tribe people and women in our country, but create a basis for a strong homo market.

Some of our friends are mentioning the success stories of South Korea and Taiwan. In those countries industrial development was possible because there were land reforms. So, if we want to build a strong basis and eliminate atrocities on the Scheduled Caste and Scheduled Tribes, and also create a baiss or onditions for eliminating illiteracy, land reforms are essential. They assume lot importance.

In this connection, I would also like to mention that the Centre-State relations should be strengthened and financial autonomy should be given to our States. Because, during the last few years we have seen that as there is centralisation, there is also a tendency for separatist movements to come up.

I now want to mention the Assam problem of backwardness.

SHRI NIRMAL KANTI CHATTERJEE (Dum Dum): In the closed circuit TV the name is being shown wrongly as 'Shri Palas Barman' instead of 'Uddhab Barman'. Will somebody take notice of it ?

MR. CHARIMAN: This has been given by your party. Anyway, we will take note of it.

SHRI UDDHAB BARMAN: Sir, the present Industrial Policy will create problems for the development of the State like Assam. The Public sector is a sort of safeguard for development of a State like Assam. It is seen that the index of per capita income is gradually going down. In 1960-61, the index was 103 and in 1980-81 it was 78.

The indicators of development can be seen here. In the case of per capita income in Assam in 1984-85 was Rs. 1,821 as against the All India figure of 2,855. The net irrigated area as percentage of sown area is 20.2 per cent as against the All India 36.6 per cent. The installed power capacity per 1,000 people is 17.5 KW as against the All India figure of 57.3 KW. The surface road length per lakh population is 41 Km. as against the All India figure of 107 Km. The per capita income generated in manufacturing is 70 as against the All India figure of 140. The fertiliser consumption is 5.4 Kg. as against the All India figure of 45 Kg. The population covered by each primary school is 823 as against the All India figure of 1,405. The number of hospital bed per 10,000 population is six as against the All India figure of 9. The literacy percentage is 35 per cent as against the All India average of 36.2 per cent.

These are some of the indicators about the backwardness of Assam.

The communication system is very bad and there is a longstanding demand for extension of broadgauge up to Dibrugarh and for improving the Lumding-Bodarpur-Silchar line. No step has been taken so far in this regard. The surface roads are in bad shape. Assam, being the gateway to the North Eastern Region, the Central Government should come forward to improve the

road communication system so that the entire region develops. Master Plans have been prepared for Brahmaputra, Barak and their tributaries, but proper execution has not been done so far. The Central Government should have a political will to implement these Master Plans to control the recurring floods and to save the economy and people of NE region.

Many districts in Assam are without industries. The new refinery and gas cracker are yet to be executed. One of the main industries contributing to foreign exchange is Tea Industry. Mainly Assam contributes about 50 per cent of tea but the condition of labourers in the industry is very miserable. The number of regular employees is declining and the daily wage ranges from Rs. 12 to Rs. 15. There is no scope for their education also. And naturally there is simmering discontentment among the garden population. So this Industrial Policy and the Tax Policy will create and aggravate regional imbalances in the area also.

We hope that along with India, Assam development is made possible. To save India, you have to save Assam also.

Thank you.

SHRI CHITTA BASU (Barasat): Sir, we are now at the final step or rather concluding stage of the budget making process of the nation. I deem it my responsibility to warn the Government about the injurious repercussions which are likely to befall the country and the repercussions of the proposals on the living conditions of the broad masses of our people. I deem it my responsibility at this final stage of the budget making process.

The measures taken by the Government in the matter of devaluation of the rupee, in the matter of transfer of gold, in the matter of formulation of the budget policies, in the matter of shaping the Industrial Policy of our country and other host of economic policies and measures and fiscal policies taken by the Government would have serious repercussions on the country as a whole

and also the masses of our country.

I have not got much time to discuss and I refrain myself of doing that. I would only draw the attention of this House and the nation that the budget and other proposals already have imposed intolerable burden on the common people. They have led to the steep rise in the prices of all essential commodities. They will lead to large-scale closures, retrenchments and loss of jobs for workers and employees and the unemployment will be further increased.

These policies will also fleece the great masses of the peasantry of our country particularly the agricultural workers and rural artisans less of our country. These provisions will erode the public sector and throw the doors wide open to monopolists and multinationals, plunge the country into a debt trap and compromises our economic independence leading ultimately to the compromise of political independence of our country. At this last stage of budget making, I again warn the Government about the consequences that are likely to follow.

Two days back, the hon. Finance Minister was very much pleased to announce more concessions in order to boost up the exports of our country. That is naturally expected because that follows the thrust of the Government's economy and fiscal policies. Even after these hosts of concessions being given, I think the prospect is not going to improve. It is not my view, it is the opinion given by the latest Report of the Reserve Bank of India. I simply draw the attention of the Finance Minister to three specific aspects of the Report. One aspect of the Report says that,

"There shall be a slow down in the overall growth of the economy for the year 1991-92".

Another aspect it brings to the fore is that;

"It expects the GPD to grow at around

three per cent during the year, down 5 per cent in 1990-91".

"The performance of export sector was not satisfactory' in 1990-91".

The Report also says that,

Even after these hosts of concessions being given, these are the warnings of the Reserve Bank of India.

I am sorry, I am constrained to say that the policies announced by the Government will transform this great country of ours into a happy haunting ground for Multinational Corporations of the world.

Sir, I have got not much time to explain. In an unusual haste I would say to be more soft in my expression—the Government has cleared the entrance of several multinational companies, particularly, belonging to the United States of America, within a few weeks. I mention some of them. The computer giant IBM has been given clearance to enter into the Indian market. It is to be known by the country that several years ago their entrance was refused by the Government of India. They are now being invited to produce computers in order to computerise the offices, leading to large-scale unemployment, leading to loss of jobs in various segments of our country. Then Sir plastics and chemical manufacturers, Du. Pout are being invited and they have been cleared. Similarly, motor cycle makers BMW of Germany have been cleared. British Gas have also been cleared. Even in the matter of manufacturing food articles, Kello Foods are being invited. General Electrics and so many others are being invited. I have got very big list with me. What does it mean? It means to allow the foreign multinational to flood our country and perpetuate the loot and plunder. Are we here to allow this Government to continue this kind of loot and plunder? IBM has already entered into a collaboration project with Tatas for a Rs. 100 crores project to make computers which will go in for massive computerisation, leading to large-scale unemployment.

[Sh. Chita Basu]

Most amazing and surprising to me is that the Government is in an unusai haste and have broken all the records in order to accommodate the foreign multinational companies. A four member Foreign Investment Promotion Board, headed by the Principal Secretary to the Prime Minister, has been set up to clear foreign investment proposals which do not fall within the parameters of even the changed policies. The Government has charged the policy to invite multinationals. Even if some multinationals do not fall within the parameters of the changed policy, as I have mentioned, a four-member committee has been given the authority to clear any project offered by them of their choice.

Sir, you have rung twice. So, it will not be proper for me to continue and disobey. Lastly I would any that it appears from the entire speech and from all the announcement made subsequently by the Government that to resorts are there for the country. One is to invite foreign investment and the other to go on for IMF loan. Even today I have seen that the IMF has agreed to give us the third instalment of the loan. We are going in even for further loan under more harsh conditions. They say that all these reforms or all these economic policies have been framed under the instructions of the World Bank and the IMF. This is proved by a statement made yesterday at paris. What does the Consortium at paris say? It says: "The reforms process now underway in India is both impressive and necessary." The Budget has not been framed by the Ministers or by the Council of Ministers, the Budget, it appears, has been framed by those who met yesterday in Paris and who say today that the reforms process now underway in India in impressive and necessary..

I think this will make clear the basic philosophy behind the Budget proposals and the fiscal and economic measures.

With this, I oppose this Bill with all the force at my command.

Thank you.

[*Translation*]

SHRI CHANDULAL CHANDRAKAR (Durg): Mr. Chairman, Sir, I support the Finance Bill. My submission is that the Budget should always be presented in November after the monsoon season. After monsoon season it becomes clear what will be the agricultural out put. For this purpose, a committee was formed under the Chairmanship of late Shri L.K. Jha. Committee recommended that the Budget be presented in November December every year. Budget each year is presented on 28th February as a matter of convention, since the days of British regime. We are following it blindly. After presentation of Budget on 28th February money is allocated for development of village and it reaches the rural areas just by the end of April. After a few days of work, the funds remain unutilized crores of rupees remain unutilised in districts in the country. Every year it is stated that the proposals in the Budget will be rationalised. The Government must think over agricultural production and industrial production. The Budget must be made equally relevant for both industries, traders, as well as farmers. Often it is seen that in the Budget year after year farmers are some what neglected. This year for many reasons such a situation has developed. So such a provision should be made that maximum number of farmers should be benefited by the Budget. Seeds received by the farmers are adulterated to the extend of 50 per cent. Chemical fertilisers contain sand. Insecticides are also spurious. To check contamination in all these three things, I would like to request the hon. Minister of Finance to enact stringent laws, so that contamination and adulteration could be detected. I suggest that to detect contamination in all these three things, testing facilities and equipments may be provided for every 15-20 lakh population. It may also be judged which type of chemical fertilisers should be used. Last month's Reserve Bank of India's

report states that this year for the third or fourth year in succession, agricultural crops will be good and profitable. Budget is presented at such times when full benefits cannot be reaped. For example, land is not being put to proper use in the country. Land is being misused in the country. For irrigation water is an important source. Benefits derived from water are equal to the destruction caused by it. Land management and Water management is so poor, that it is causing more harm to the country than giving any benefits. In our country, 17 crores and 30 lakhs ton. foodgrains are produced by cultivating 14 crore and 30 lakh hectare land, though in China 30 crore ton foodgrains are produced by cultivating 10 crore hectares land. It can be concluded that in China more foodgrains are produced by cultivating less land in comparison to India. The main cause of it is the numerous deficiencies in 'Land management and Water Management.'

Sir, in China per capita availability of land is 0.11 hectare where as in India it is 0.17 hectares. In India population is growing at a fast pace, but in China because of different administrative structure or for any other reasons growth of population has been checked. If the population growth continues then the per person availability of land in 2001 will decline to that of China i.e. 0.11 hectares from 0.17 hectares at present in the country. Per capita foodgrains availability in India is 200 gm. while in China it is 300 gms. If the target to make available 300 gms. foodgrains is fixed instead of 200 gms at present, then the foodgrains production will have to be raised to 25 crores ton per annum. Is our country prepared for such a high target? I think even 10 percent benefits of all the researches going on in our laboratories are not trickling down to farms in the country, which in English is called Lap Land.

Mr. Chairman, Sir, the agriculture report, mentions that there are large number of laboratories in the country which have developed only 9 varieties of rice in the country and that too have not reached farmers. I even say that not a single variety has become

known to farmers. So how can the full benefits be reaped? so long complete arrangements for disseminating information are not made nothing will materialise. The Government has set up agriculture science centres. Out of 468 districts, agricultural science centres are functioning in just 159 districts in the country. And even at these centre conditions are so poor that scientists do not want to work there. Many factors are responsible for this state of affairs. Firstly, low salary and secondly, every scientist wants that less his children should live in a city and get good education. In China as per the wishes of scientists living in villages, the Chinese Government has made special arrangements for the education of children of scientists in cities. I do not want to take much time, but would like to say that

[English]

MR. CHAIRMAN: You can continue your speech after the Private Member's Business is over at 6 o'clock.

15.30 hrs.

BUSINESS ADVISORY COMMITTEE

Sixth Report

[English]

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI RANGARAJAN KUMARAMANGALAM): Sir, I beg to present the Sixth Report of the Business Advisory Committee.

MR. CHAIRMAN: Now, we are taking up the Private Members Business.

SHRI A. CHARLES (Trivandrum): Sir, are we sitting after 6 o'clock?