

11.05 hrs.

## MOTION OF CONFIDENCE IN THE COUNCIL OF MINISTERS

[English]

**THE PRIME MINISTER (SHRI H.D. DEVE GOWDA):**

Sir, I beg to move:

"That this House expresses its confidence in the Council of Ministers".

Sir, with your permission, I would like to move a Confidence Motion for the second time in the last ten months.

On the 12th of June 1996, in this very same House, a Confidence Motion was moved and it was carried by this very same House. Today again, I have come before this House to take a vote of confidence because of certain new developments which took place.

On that day, that is, 12th June, 1996, when the Confidence Motion was carried though, 13 parties including the national and regional parties combined together formed the United Front and, at that time, the United Front had got only about 192 Members. The supporting party, the Congress (I), under the leadership of Shri P.V. Narasimha Rao on the 12th May, 1996, took a unanimous decision—the decision was spontaneously taken by the Congress that: 'If the third Front is prepared to form the Government, we are going to extend the support'. That was on the 12th May, 1996. After that, all the regional and national parties got combined, they elected a leader among themselves—and the new political force, the third force, which we called the United Front was established—and on the 15th May, 1996, I was elected as the Leader of the United Front. Rashtrapatiiji called me after Shri Atal Bihari Vajpayee had tendered his resignation on 28th May, 1996. He called me to form the Government and he gave me a deadline that before 12th June, 1996, I should go before this House and obtain the mandate of the House.

Sir, I do not want to blame anybody or cast aspersions against any individual or any political party. But I would like to just narrate as to what has happened.

On the day when the discussions took place on the Confidence Motion, the then C.P.P. President and the Congress (I) leader, Shri P.V. Narasimha Rao had categorically mentioned the following in his speech.

I would just like to quote from his own speech:

"Anyone, any forces or combination of forces on the basis of secularism, on the basis of accepted principles, we are prepared to cooperate, we are prepared to support from outside."

Now it so happened that after 3-4 days of suspicion, Deve Gowda was chosen and was called by Rashtrapatiiji to form a Government. Then he said:

"My understanding about Shri Deve Gowda is that this party will not allow this Government to fall under any circumstances. History will not say that it was because of the Congress Party that Gowda's Government had fallen."

I am quoting this just to draw the attention of this august House to the stand taken by the then Congress President and the CPP leader on that day and to the assurance given to the nation. I am only trying to refresh the memory of this august House about what had happened on that day. I do not want to narrate what had been said by other friends. Shri A.R. Antulay had said at the very same place that "the question of withdrawing the support from our side is ruled out. We will stand by him, stand by this Government till the end". I think I am correct. What Shri Sharad Pawar, while addressing this House on the Motion of Thanks on Rashtrapatiiji's Address to both the Houses, had said in his speech, I do not want to narrate again. A copy of his speech is with me.

In the last ten months, the Government, with the support of thirteen parties, was asked to run this Government. Subsequently, the National Conference also joined. Mainly two supporting parties from outside, the Congress and the CPI(M), extended their cooperation in the last ten months. Otherwise, whatever achievements we have made in the last ten months, we would not have been able to make. Some of the achievements I am going to spell out, taking advantage of this Confidence Motion. This achievement is not by me, this achievement is not by my colleagues alone, this achievement in particular is because of the cooperation extended by the supporting parties and the parties which are in the Government sharing power, and in general, the House also has extended its full cooperation to achieve some of the objects to which we have committed ourselves in our Common Minimum Programme.

On the day when the supporting parties and the other national and regional parties came together, there was some sort of a natural suspicion in the minds of the people in the country whether the national parties or the regional parties could go together, whether they could discharge the responsibilities, whether the regional parties had got the experience about the national issues or the national outlook, as they had no experience of running a Government at the national level and may try to confine to their own States.

This was the sort of suspicion in the minds of the people of this country and some of the intellectuals also expressed their feelings while we were asked to shoulder the responsibility. I am glad to say that in the last ten

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months all the steps that we have taken have clearly proved that the national parties as well as the regional parties, combined, had run the Government better than the previous regimes. I can say this without doubt. In the last ten months and on the day when I replied to the Confidence Motion—I repeat on the day when I replied to the Confidence Motion—I said:

"How long will I continue in office is not my concern—whether it is for five days or five months or five years. I am not going to worry. But my concern is that as long as I am going to be here, I must work to the best of the ability with my experience to solve the problems of the nation'.

You can also go through my speech. With this background I started my work with the cooperation of my colleagues.

Sir, I would like to just narrate to this august House all the steps that we have taken in the last ten months because it is very essential to know where I have gone wrong and betrayed the confidence of the people of this country or betrayed the confidence reposed by the supporting parties in this Government. I would like to bring this to the notice of this hon. House.

Sir, the first decision that we took was to revive some of the institutions which were very much essential for cooperation between the States and the Centre while running the administration. A meeting of the Inter-State Council was not held for six years. We tried to revive the Inter-State Council meetings and we had two sittings. In the two sittings the main issue that was discussed was the Sarkaria Commission's report. The recommendation of the Sarkaria Commission was to share not only political power but also economic power. Some of the recommendations of the Sarkaria Commission were accepted in the Inter-State Council meeting and where we were unable to come to a unanimous decision, in the Chief Ministers' Conference we have agreed to constitute a Standing Committee under the chairmanship of the Home Minister.

Why I am mentioning this is we tried to revive some of these bodies which were very essential for a proper understanding between the States and the Centre. With this background the first decision which we had taken was that we want the cooperation of the Chief Ministers of all the States, within the Common Minimum Programme.

There was a peculiar situation after the general elections to the Eleventh Lok Sabha. With the mandate given by the people of this country in this very same House there were about 32 political parties. If you take the smaller parties, regional parties and national parties, all put together, it may be that 32 or 33 political parties are there. With this background, it is rather difficult to face the House and it is not a simple task to run the country also.

When we accepted the challenge for a smooth functioning of the Government, we had adopted the Common Minimum Programme by all the parties including the C.P.i.(M) which is a supporting party and which is not participating in the Government, barring the Congress.

After adopting the Common Minimum Programme, we took a decision that to implement this, the cooperation of all the Chief Ministers was to be solicited. That is why, I called the Chief Ministers' Conference. The Chief Ministers' Conference was held for two days and a decision was taken unanimously about the areas where we could implement this Programme without any difference of opinion. The decision was taken unanimously by identifying about seven priority sectors. I am glad to say that almost all the Chief Ministers agreed for these seven priority areas, to be completed in a time-bound programme by 2000 A.D.

The other issue was that the National Development Council had also not met for several years. We called a meeting of the National Development Council. There also, we took a decision about the Ninth Plan. The Approach Paper for the Ninth Plan was also approved. Of course, it is not brought before this House because of the other formalities to be completed. For the first time, the Approach Paper for the Ninth Five Year Plan was finalised in a short span of four or five months. The document was placed before the Cabinet and the Cabinet had taken a decision about the Approach Paper for the Ninth Plan. The NDC had also met and we adopted the Approach Paper for the Ninth Plan. Of course, this has to be discussed in the very same House to give it a final touch.

We have agreed in the Common Minimum Programme about the Lokpal Bill. The Lokpal Bill was also introduced. It is now before the Standing Committee, if I am correct. We were very much anxious to pass that Bill and I also requested you that this Bill should be passed in this Session, but anyway in the present political situation, it may not be possible for me to get the Bill passed unless the House agrees.

The issue of stability was one of the issues which was in the mind of everybody. In the last ten months, I have never felt that there is any instability in the Government. I must be fair. The Congress Party or the supporting parties have never interfered in our taking any decisions. Almost all the decisions which were taken in the Cabinet in the last ten months were unanimous. There may be some expression of difference of opinion by my colleagues or by the supporting parties. It is quite but natural. The supporting parties must have their own say because with different political ideologies and with different manifestos when they have come together under a special circumstance, they have got their own rights. Their manifestos are different and the ideologies differ from one party to the other.

When we had all come together with a specific purpose to strengthen the secular democracy in this country, then, naturally, we had agreed for a certain minimum programme where there should not be any difference of opinion. So, when we had accepted that Common Minimum Programme with regard to other issues, it is quite but natural for them to express their difference of opinion on a par with their party manifestos or ideologies. I do not find fault with that. I must say that in all the decisions which we had taken in the last ten months, there was no interference. That is why, I was able to achieve something in the last ten months.

The Cabinet had taken almost all the decisions unanimously which, in my opinion, was a progressive step. I am going to place the steps taken by us and the achievements of this Government in the last 10 months one by one before this House and, through this House, to the nation.

Sir, the 1997-98 Budget was appreciated by almost all the sections of the society. We have not taken care of any particular section only in this Budget. But we have taken sufficient precautions not to neglect the industrial sector, not to neglect the agricultural sector and not to neglect the social welfare sector. At the same time, we also gave sufficient initiatives to give encouragement to the private investments. We have given sufficient scope for that in our Budget. The reason why I am saying this is, we need resources to successfully achieve some of the programmes which we have launched. The resources have to be mobilised by our own internal resource mobilisation programme and in addition to that, the private sector and the global investments should also be attracted on the basis of the new economic philosophy. The new economic philosophy has given a wide scope for attracting private and public investments. With this background, the Budget was presented this time before this House and, through this House, to the whole nation.

Sir, the Budget presented by the Finance Minister of the United Front Government reflects our commitment to the economic reforms, but ensures that the poor and the disadvantaged sections of the society are not by-passed in the process of development. The 1997-98 Budget, in many ways, represents a watershed. With this reference point for the reform process on which India has embarked and has shifted from 1991 to 1997, in a bold move the Budget has significantly reduced the corporate and personal income tax rates. Domestic company tax rates have been lowered from 43 per cent to a fairly competitive 35 per cent. Foreign companies will be taxed at the rate of 48 per cent which is less by five per cent than before. The individual tax payers will now pay 30 per cent tax at the margin which is a hefty reduction of 25 per cent.

Sir, coupled with the rationalisation of the direct tax rates, the Budget has also announced a 20 per cent

reduction in customs duty across the board. The dual philosophy underpins this approach to increasingly allow the tax rates in India to be in line with those prevailing in other Asian countries and a conviction that lower tax rates will encourage increasingly greater level of compliances. The Budget has a number of measures aimed at stimulating the vital infrastructure sectors through a combination of fiscal and policy initiatives. The Government has sought to attract private investments in telecommunication, oil and gas, roads and tourism. These are some of the areas which we have tried to open up for the private sector.

Sir, the import duty on coal has been reduced. Some of the decisions that we have taken in our Budget proposals are from the point of view of growth and I would again highlight them. The telecommunication service providers have been accorded the infrastructure status and granted a complete tax holiday for a period of five years with 30 per cent tax holiday for a further five years' period. The licence fee can now be amortized and licences can be assigned clearing the way for a number of projects to reach financial closure. The oil and gas sector has been subjected to a comprehensive review. An attempt has been made to further revive the capital market. Major amendments in the Companies Act are proposed and the Foreign Exchange Regulation Act, 1973 is to be replaced. There ought to be statutory measures to deal with money laundering.

Similarly, the Budget reflects our concern for the poor and the disadvantaged section. There are enhancements in the provision for the basic minimum services. The outlays for the rural areas, employment and for social services have been made. The provision for the basic minimum service has been increased from Rs. 2,466 crore to Rs. 3,300 crore. This includes Rs. 330 crore for slum clearing. The provision for the accelerated irrigation for which we had provided Rs. 900 crore in the last year's Budget has been increased to Rs. 1,300 crore in 1997-98. Rupees two hundred crore has been provided for small irrigation projects and works like Ganga Kalyan to help the Scheduled Castes, Scheduled Tribes, weaker sections of the society and the small farmers. We have provided Rs. 250 crore for Kasturba Gandhi Shiksha Yojana. We wanted to start 258 residential schools for the girls living in the tribal areas and where the literacy rate is below national average.

I am only mentioning some of these highlights and the achievements of this Government in the last ten months. We have been committed to the assurances that we had given to the nation through our Common Minimum Programme. We tried to take certain steps by making necessary provisions in the Budget for the year 1997-98. We have launched rural housing programme where in about 50,000 houses are to be given in the rural areas



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This scheme has been launched for the first time. Hitherto there was no such scheme for the farmers. Funds will be provided at the rate of Rs. 2 lakh per house. This was one of the new schemes that has been launched for the rural housing programme. The Jawahar Rozgar Yojana and Ambedkar Awas Yojana are meant for the weaker sections or the homeless people or the siteless people. We have launched this scheme for the farming community also.

In addition to this, there are some of the other important issues like PDS and fertilizer subsidy. All these steps which we have taken in the last ten months are only from the point of view of helping the farming community and for helping the weaker sections of the society. In the PDS itself, only two-three States had all along been implementing the scheme of providing subsidised essential food articles. We took a decision that this scheme should be enlarged and the whole nation should be covered. For this scheme under PDS, we have provided about Rs. 7,500 crore. This scheme is going to cover a population of about 32 crore of this country.

The fertilizer subsidy has been increased. We had made an additional allocation of about Rs. 2,500 crore last year for the fertilizers to help the farming community. This year also it has been further increased. Even on the imported fertilizer, we have given a subsidy component of Rs. 1,700 crore.

The total worth of the PDS system and the subsidy on agricultural sector comes to about Rs. 17,500 crore. The very purpose of taking certain steps is to help the agricultural sector and also some of the poorer sections of the society, who are below the poverty line and who have no purchasing capacity. We have taken the decision to launch the new scheme nation-wide.

Sir, there are other issues, and I am going to deal with them after the views from all sides of the House are expressed.

In the end, I am going to cover all other points. Now, I would request the House to deliberate on this Motion, which I have just now moved with your kind permission. I would request the House to ponder over this issue—whether any skirmishes were born by our decisions in the last ten months, where this Government has gone wrong, and how we have betrayed the assurance that has been given to the nation. I would like to request the hon. Members to come out with their views in this august House. If we have done anything wrong, we are prepared to set it right. I would like a free and frank expression, particularly on the omissions and commissions of this Government in the last ten months.

With these words, I request that the hon. Members may kindly express their views on this Motion of Confidence.

MR. SPEAKER: Motion Moved:

"That this House expresses its confidence in the Council of Ministers."

SHRI JASWANT SINGH (Chittorgarh): Mr. Speaker, Sir, at the very outset, I must comment upon the near total air of unreality in which this debate is taking place. Just before the commencement of the debate, the air was suddenly thick with rumours about the resignation of the hon. Prime Minister, about a last minute change, and about the partners in this arrangement having now settled their dispute. I was very relieved when the hon. Prime Minister finally arrived, even though somewhat belatedly, to at least, for the moment, set that rumour to rest.

The hon. Prime Minister rather coyly referred to certain new developments that have taken place, which require this debate to take place. I do wish, Sir, that the hon. Prime Minister, who with admirable restraint and ambiguity called them 'certain new developments', had specified what these new developments were. The debate has not been occasioned because we have moved a Motion of No-Confidence. The hon. Prime Minister has himself sought confidence of the House because, as he explained, there are certain new developments. What are those new developments?

If you recollect, Sir, I had appealed to my friends in the supporting party, the Congress, who, according to the Prime Minister, gave them support so spontaneously, who also said in the House that they would not withdraw their support, and indeed, Sir, who also said that they would stand by them till the end...*(Interruptions)*

SHRI MRUTYUNJAYA NAYAK (Phulbani): Till then, they were standing up for them.

SHRI JASWANT SINGH: I have appealed to them that the debate would be rounded off and that it would be better informed had the Congress explained what these new developments are. Indeed, we would know, the House would know and the country would know and we have a right to know them. But the Congress declined. Why they declined, I am still unable to fathom.

SHRI A.C. JOS (Idukki): You resign and join the Congress!

SHRI JASWANT SINGH : The hon. Prime Minister quite rightly pointed out that when he took over office, there was a lurking suspicion about the effectiveness and the survivability of this Government.

SHRI SOMNATH CHATTERJEE (Bolpur): Survivability?

SHRI JASWANT SINGH: Yes. That is the word the hon. Prime Minister used. He used the word survivability. I am not responsible for the choice of words. I am trying to be analytical.